

Written evidence from the Scottish Refugee Council (LCC 16)

Public Administration and Constitutional Affairs Committee

Sourcing public services: lessons to be learned from the collapse of Carillion inquiry

1. Scottish refugee council warmly welcomes this Inquiry. There has not been a direct adverse impact upon refugee communities from the liquidation of Carillion. But, there is read-across as accountability and contract management issues stem from over-extensive use of outsourcing of asylum and immigration public services to a de facto oligopoly of large, often multinational firms significantly reliant and modelled on public service contracts. The outsourcing of the complex public service of ‘asylum accommodation’ is a case-in-point.

2. In January 2017, the Home Affairs Committee (the Hac) published its highly critical [asylum accommodation](#) report. This made system-wide recommendations encompassing unacceptable housing standards, insufficient recognition of needs such as mental health, torture and sexual violence and trafficking, as well as serious questions around the rigour, consistency and a seeming lack of public transparency in the Home office’s performance management regime of its three housing contractors.

3. In November 2017, the UK government [responded](#) to the Hac report, which the Chair of HAC, in its [formal response](#) said was ‘really not good enough’ leading her to be ‘far from convinced’ improvements have been made, concluding ‘the Government are not taking this seriously enough’. The UK government’s response to the Hac inquiry was swiftly followed by the release of the [public tender](#) for a £4b, 10-year successor contract to the present outsourced ‘Compass’ approach.

4. A large coalition of the refugee and migrants rights sector remain [concerned](#) the Home Secretary seems, at best, to have accepted only a few of the Hac recommendations. Our [public response](#) to the contract notice reflected a frustration of an apparent unwillingness on the part of the Home secretary to, in respect of this public service, to formally involve, grant oversight powers to, and fairly resource councils and neighbour local public services, often in the country’s poorest wards.

5. Scottish Refugee Council has serious and [long-standing](#) concerns around the ‘Compass’ contracts. We understand the contract awards in 2011-2012 stemmed from a reverse Dutch auction-style bidding process that, in our opinion, embedded needless risks for all parties to the eventual contracts awarded. Our views on the decision to outsource such a complex public service and some of its seeming effects are set out in our [written](#) and [oral](#) evidence to the HAC, These were echoed in much of the wider [written evidence](#) to the inquiry to the final Hac report, which we [welcomed](#).

6. We are concerned that the outsourcing of ‘asylum accommodation’ is part of an [over-extending privatisation programme](#) from administrative functions into the higher stakes of complex public services. Housing to women, men and children seeking refugee protection, as the current providers attest correctly, is complex work reflecting that this is a population with severe experiences of dislocation, loss, separation, human rights abuse, torture, sexual violence, and psychological trauma. We question whether outsourcing to non-public or charitable bodies or the possibility of profit can ever be appropriate in complex services like this.

7. In the past decade, there has been a persistence of alleged or clear abuses of power in outsourced public services to vulnerable groups. This has ranged from young offenders' institutions and prisons as well as in immigration removal centres and 'asylum accommodation' also. A strain throughout is perceptions of inadequate UK government oversight of outsourced provision of complex public services. This raises the question whether there is too much reliance on internal performance management only – a self-policing model - and, insofar as true, then it may be that independent accountability may be a casualty of outsourcing.

8. We think it is democratically outrageous and an inappropriate approach to public policy and central-local-devolved government relationships that the UK government has sanctioned non-public entities to deliver this and other complex public services to often vulnerable populations. That is when these services do not design in a genuinely formal ability of local authorities and related local public services to require oversight and scrutiny of the if, where and how complex public services, such as 'asylum accommodation, are done by non-public entities in their areas. This may create parallel unaccountable public service draining confidence from areas and safeguards from vulnerable populations.

9. In conclusion, we think there are limits to what public services are outsourced. This is especially when it is services for populations with significant vulnerabilities stemming from adverse experiences. Insofar as they are contracted-out to non-public entities, it is imperative to ensure there is standing independent public oversight.

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