

# Asylum Support Partnership



Parliamentary Briefing: November 2010

## The Azure Payment Card and the need for cash support for refused asylum seekers

### Introduction

Following the publication of our latest report, *Your inflexible friend: the cost of living without cash*<sup>1</sup>, exposing the serious failings of the Azure card payment system for refused asylum seekers in receipt of Section 4 support, the Refugee Council, Scottish Refugee Council, Welsh Refugee Council and the North of England Refugee Service are calling on the government to provide appropriate support to asylum seekers for the duration of their time in the UK. We are asking the government to:

- **Abolish the Azure payment card and amend legislation to enable the provision of cash support for all refused asylum seekers until they are given status in the UK or return to their country of origin.**
- **Grant temporary status in the UK with permission to work, to refused asylum seekers who do not meet the threshold for refugee status but who are unable to leave the country through no fault of their own.**

### Background

A refused asylum seeker is a person whose application for asylum has been rejected and who has no further right of appeal. The only support available to those whose claims for asylum are refused is known as Section 4 support, as set out in Section 4 of the Immigration and Asylum Act 1999. The provisions of the Act allow for limited financial support to be provided to those who would otherwise be destitute. This support is currently set at £35 per week. In order to receive this support, refused asylum seekers must move into accommodation provided by the UK Border Agency; they have no choice over where they live. Like all other asylum seekers, they are not allowed to work. At the end of June 2010, 6,750 people plus their dependents were in receipt of Section 4 support.<sup>2</sup>

Until 1999, all asylum seekers had access to a reduced rate of social security benefits in the form of cash. Following the passage of the Immigration and Asylum Act 1999, mainstream cash benefits for asylum seekers were replaced by a voucher system. Though the voucher scheme was scrapped in 2002 after the then Home Secretary David Blunkett conceded it was unworkable and unfair, a limited voucher scheme for refused asylum seekers was reintroduced at the end of 2005. The vouchers were accepted in a limited number of stores to pay for particular 'essential' goods (food, toiletries) only, and could not be exchanged for cash. In late 2009, the voucher system was abolished on the grounds that it was

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<sup>1</sup> Available at [www.refugeecouncil.org.uk/azure](http://www.refugeecouncil.org.uk/azure)

<sup>2</sup> Home Office (2010), *Control of Immigration: Quarterly Statistical Summary, United Kingdom*, p. 18  
Other Refugee Council publications are available at [www.refugeecouncil.org.uk](http://www.refugeecouncil.org.uk)

stigmatising, represented poor value for money and was open to abuse and fraud. The vouchers were also often traded for cash at reduced levels.

### **The current position**

In November 2009 the UK Border Agency replaced the voucher system with the Azure payment card. While the card was presented as a solution to the problems with vouchers, it has done very little to resolve these problems, continuing to restrict where and when people are able to shop, what they are able to buy, and often not working at all.

The Azure card is automatically topped up weekly with just £35 for a single person. It can be used in a limited number of supermarkets only. There is only one card provided per family unit and like the vouchers it cannot be used to obtain cash, making it impossible for people to pay for travel and other essentials not available at supermarkets. For single adults with no dependents, only £5 can be carried over to the next week, meaning if an individual is unable to travel to the designated supermarket within the week they will automatically lose £30. Often the card does not work or is not accepted by the supermarket, leaving people unable to buy food for themselves and their children.

Our latest report *Your inflexible friend: the cost of living without cash* shows that the Azure payment card system is inflicting extreme poverty on asylum seekers who may be reliant on Section 4 support for as long as three years, through no fault of their own.

Our report revealed that the Azure payment card has left people unable to:

- **Buy enough or appropriate food to feed themselves and their children**
- **Buy essential non-food items, including non-prescription medicines, household cleaning products and children's clothing**
- **Manage their budget effectively, meaning money is wasted**
- **Travel to access essential services including legal advice and medical care**

Further serious problems include:

- **People are still seeking to obtain cash to meet their basic needs and those of their families, and often turn to dangerous and exploitative ways of doing so including begging, prostitution or selling goods they have bought for less than face value**
- **The administration of the payment card system has left people without the funds they need to buy food**
- **The payment card identifies the user as an asylum seeker and exposes him or her to racist behaviour and stigmatisation**
- **The payment card does not meet the UKBA's stated objectives. There is no evidence that vouchers were successful in increasing the rate of return by refused asylum seekers to their countries of origin, and it is likely that the payment card will prove equally ineffective in this regard.**

The findings of our research demonstrate that refused asylum seekers surviving on Section 4 support continue to experience hardship and deprivation as a result of the 'Azure' payment card. The Section 4 voucher system was abolished on the grounds that it was stigmatising, represented poor value for money, was open to abuse and fraud, and the vouchers were often traded for cash at reduced levels.

We believe that these problems persist under the payment card system, making it an inappropriate and inhumane form of support; we propose that it be abolished immediately.

### **What Parliament can do**

The Home Office is currently carrying out an Asylum Improvement Project, examining ways to make the asylum system more efficient. The government should use this opportunity to end the inhumane system of denying people access to cash support, amending legislation to allow the Azure payment card to be replaced by cash support for all destitute asylum seekers until they return to their country of origin.

We want the government to act now to reverse this unjust policy towards some of the UK's most vulnerable people. It is in nobody's interest that asylum seekers are further marginalised, experience ill health and hunger, and are even forced into criminal activity as a result of extreme poverty while waiting to return to their country of origin.

We need parliamentary support to make the government act:

- Please write to the Minister responsible Damian Green MP, calling for the Azure payment card to be abolished and for legislation to be amended to enable the provision of cash support for all destitute refused asylum seekers until they are given status in the UK or return to their country of origin.
- Please sign the parliamentary declaration (attached) in support of the campaign to give asylum seekers permission to work. Members of parliament can sign up to the declaration by emailing [mike.kaye@amnesty.org.uk](mailto:mike.kaye@amnesty.org.uk)

For more information on the issues in this briefing, please contact [parliamentary@refugeecouncil.org.uk](mailto:parliamentary@refugeecouncil.org.uk)

Please see the relevant website for more information on the work of individual agencies.

- North of England Refugee Service: [www.refugee.org.uk](http://www.refugee.org.uk)
- Refugee Council: [www.refugeecouncil.org.uk](http://www.refugeecouncil.org.uk)
- Scottish Refugee Council: [www.scottishrefugeecouncil.org.uk](http://www.scottishrefugeecouncil.org.uk)
- Welsh Refugee Council: [www.welshrefugeecouncil.org.uk](http://www.welshrefugeecouncil.org.uk)