



# BRIEFING

## Asylum accommodation in the UK

AUTHORS: Nuni Jorgensen  
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This briefing examines the accommodation of asylum seekers in the UK.

### Key Points

While asylum accommodation policy has traditionally aimed to house asylum seekers in long-term private rental accommodation, after 2020 there has been a much larger reliance on hotels, a trend driven by the large backlog of asylum applications, and a shortage of long-term housing options.

While hotel use declined across much of the UK between 2023 and 2024, it continued to rise in London.

From 2018 to 2024, an increasing number of asylum seekers were housed in London, the South East, and the East of England — a shift away from the original dispersal policy.

Regions housing a growing share of asylum seekers are also those with higher reliance on hotel accommodation.

Between 2014 and 2024, asylum seekers have become more evenly distributed across local authorities.

As of March 2025, few asylum seekers were living in large sites, such as former military barracks.

In the financial year 2024-25 hotels cost, on average, six times more than other types of asylum accommodation.

Between April 2024 and March 2025, the Home Office reduced costs in asylum hotels by housing more people per hotel, and cutting the average nightly rate from £162 to £119.

Compared with other European countries, the UK stands out for its heavy reliance on hotels and private providers to accommodate asylum seekers.

### Understanding the policy

#### *History of asylum dispersal*

Until the 1990s, people seeking asylum in the UK were able to choose where to live while awaiting a decision on their claim and tended to gravitate to London and the South East. However, the Immigration and Asylum Act 1999 introduced what became known as “asylum dispersal”, which aimed at more evenly distributing the responsibility of housing asylum seekers across the country. As part of this policy, asylum seekers requiring accommodation support while waiting for the outcomes of their claims, were to be housed across the UK on a non-choice basis. They would stay in initial accommodation — such as hotels and reception centres — for three to four weeks, before being moved to dispersal accommodation (self-contained properties let by private landlords) if their application for support was successful.

The 1999 Act also shifted the responsibility for housing asylum seekers from local authorities to the National Asylum Support Service (NASS), which centralised allocation and worked in collaboration with local authorities, housing associations, and private landlords to manage housing provision. The North West emerged as a key dispersal region due to its more affordable housing compared to other parts of the country. In 2010, the system was further restructured when six regional contractors were appointed to deliver NASS services through a network of subcontractors and private landlords (the COMPASS contracts). Under the COMPASS model, local authorities had to [agree](#) to take asylum seekers, with a limit of no more than one asylum seeker per 200 residents. In 2019, the COMPASS contract was replaced by the Asylum Accommodation and Support Services (AASC) contract, which appointed three contractors responsible for finding private rental accommodation for asylum claimants: Serco, Mears, and Clearsprings Ready Homes. The AASC was also complemented by a national contract for a helpline and support service — AIRE (Advice, Issue Reporting and Eligibility) — which was awarded to Migrant Help.

Proponents of the dispersal policy and the 2010 outsourcing model argue that this approach offers several advantages, including more efficient resource allocation and [cost savings](#). Dispersal is also seen as a strategy to avoid the formation of [ethnic enclaves](#) and encourage integration with local communities. From the point of view of central government, outsourcing has also become a [way](#) to exercise more control over accommodation policy, shifting away from the previous model where local authorities had more discretion in decision-making.

At the same time, [campaign](#) organisations and research [studies](#) have argued that outsourcing asylum accommodation has resulted in a [lack of accountability](#) and considerable variability in service quality depending on the region. There have also been concerns about limited access to social services in some areas, particularly a [lack](#) of English language courses (ESOL). Furthermore, some [researchers](#) argue that dispersal policies can contribute to social isolation by moving asylum seekers away from others from similar backgrounds, making it harder for them to settle and integrate if they are granted asylum. Finally, [studies](#) have shown that housing asylum seekers in economically disadvantaged areas can reduce the availability of rental properties, driving up rents and contributing to social tensions with local communities.

### ***The rise of hotels***

While the dispersal policy traditionally aimed to house asylum seekers in long-term private rental accommodation, since 2020 there has been a growing reliance on hotels, a trend driven by the large backlog of asylum applications, a shortage of long-term housing options, and [rising rental prices](#).

Hotels are classified by the Home Office as “contingency accommodation” — a form of temporary housing used when the government has not been able to source dispersal accommodation for asylum seekers whose requests for support have been approved.

The use of hotels to house asylum seekers has been criticised. [Campaigners](#) have said that hotels often provide inadequate living conditions and a lack of privacy which are detrimental to asylum seekers’ mental health. There are also safeguarding concerns, especially regarding female asylum seekers housed in mixed-sex accommodation, with [reports](#) of sexual abuse and harassment perpetrated by other residents and members of staff. Hotels often provide valued services in local communities, which are no longer provided if they are used for asylum accommodation. They have also become the target of public protests, increasing residents’ sense of insecurity. Additionally, hotels are more [expensive](#) than dispersal accommodation. Finally, there have been claims that the Home Office has [failed](#) to monitor the performance of subcontractors offering accommodation in hotels.

The previous and current governments repeatedly pledged to reduce the number of people in contingency hotel accommodation. [Policies](#) aimed at addressing this issue have included the introduction of a full-dispersal model, from May 2023, which required all local authorities to house asylum seekers in proportion to their population size. Other reforms have focused on deterrence strategies to reduce the number of asylum arrivals and efforts to streamline decision-making processes to reduce the backlog of applications. Lastly, in 2022, the government [announced](#) that it would start using large sites on government owned land and vessels to accommodate asylum seekers. This plan, however, faced resistance with campaign organisations arguing that these places offered inadequate living conditions and a [National Audit Office](#) (NAO) report showing that refurbishing these sites has cost more than using hotels. Currently, there is only one of these large sites in operation – a former military base in Wethersfield, Essex.

### Understanding the Evidence

This briefing focuses on asylum seekers receiving support from the government. There are three types of support available.

Section 98 support is a form of temporary assistance for people who have applied for and are awaiting a decision on whether they will receive Section 95 support, which is the support provided while people are awaiting a decision on their asylum application. Section 95 support is available to those with an asylum claim or appeal outstanding, as well as to refused asylum seekers who had children in their household when their appeal rights were exhausted. Section 4 support is provided to people whose asylum claims have been finally refused but who are destitute and unable to leave the UK.

People receiving Section 95 support can also receive subsistence support without accommodation. In such cases, they are responsible for finding their own housing and may choose where to live.

Local authority and regional data on asylum accommodation is only available from December 2022 onwards. Information on the type of contingency accommodation used — such as hotels or other facilities — is also only available from this date.

The number of people living in contingency accommodation between March 2020 and March 2023 may be underestimated. This is because all Section 4 recipients during this period are recorded in the data as being in 'Dispersal accommodation', in line with Section 4 regulations. However, due to shortages in dispersal housing, some were in fact placed in contingency hotels from March 2020 onwards.

While the Home Office publishes figures on the total costs of operating the asylum system, it does not routinely publish data on the costs of asylum accommodation disaggregated by type of accommodation (e.g. hotels versus dispersal housing). As a result, our cost estimates are based on figures reported by the National Audit Office (NAO), supplemented by information from the Home Office Annual Report and Accounts. These sources use different methods and definitions, and the figures may not be directly comparable.

## Nearly two-thirds of the recent increase in people receiving asylum accommodation was made up of people moving into hotels

The use of contingency accommodation to house asylum seekers has increased significantly since the pandemic. At the end of Q1 2020, only 5% of asylum seekers were housed in contingency accommodation, but by 31 March 2025 almost a third were staying in such facilities, mostly hotels (Figure 1).

This rise closely followed the overall increase in asylum seeker numbers. Between Q1 2014 and Q3 2023, the number of asylum seekers receiving accommodation support grew from 28,300 to 119,000 people (an increase of 320%), while the use of dispersal housing increased by only 113% (from 27,300 to 58,400) (Figure 1). This suggests that nearly two-thirds of the recent increase in people receiving asylum accommodation was made up of people moving into contingency accommodation, primarily hotels.

**Figure 1**

### Number of asylum seekers in receipt of government support, by type of accommodation, Q1 2014 to Q1 2025

The dates refer to the last day of each quarter



Migration Observatory analysis of Home Office Immigration Statistics, Asylum seekers in receipt of support by Local Authority (Table Asy\_D11), Year ending March 2025. The data refer to asylum seekers' initial place of residence, from which they may have since left. Includes main applicants and dependants, but does not include unaccompanied asylum seeking children in receipt of support. Last day in each quarter=31 March, 30 June, 30 September, 31 December



## While hotel use declined between 2023 and 2024 across most of the UK, London remained an exception

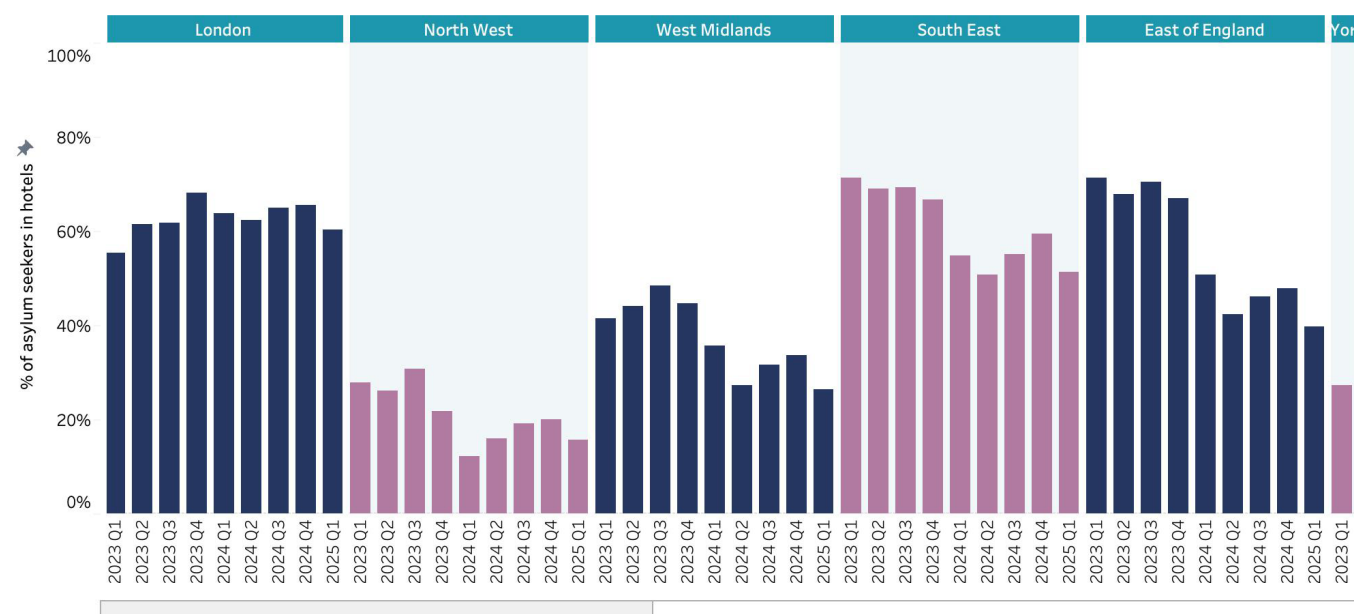
Some regions of the UK have become more reliant on hotels to house asylum seekers than others. In London, nearly half of asylum seekers were accommodated in hotels as of 31 March 2023, when numbers peaked. A similar trend was seen in the South East and East of England, where almost two-thirds were being housed in hotels at the end of Q1 2023 (Figure 2).

Across the UK, the proportion of asylum seekers housed in contingency accommodation (mostly hotels) rose from 5% at the beginning of 2020 to 47% in the end of Q3 2023. It then fell to 37% in the end of Q4 2024 (Figure 1). This decline was driven by factors such as the implementation of the full dispersal policy and a reduction in the asylum backlog. London was an exception. While 55% of asylum seekers in the capital were in hotels at the start of 2023, this figure rose to 65% by the end of 2024. By Q1 2025, London had the highest proportion of asylum seekers in hotels among all UK regions (Figure 2).

**Figure 2**

### % of asylum seekers housed in hotels, by UK region and date, Q1 2023 to Q1 2025

The dates refer to the last day of each quarter



Migration Observatory analysis of Home Office Immigration Statistics, Asylum seekers in receipt of support by Local Authority (Table Asy\_D11), Year ending March 2025. The data refer to asylum seekers' initial place of residence, from which they may have since left. Includes main applicants and dependants, but does not include unaccompanied asylum seeking children in receipt of support. Last day in each quarter=31 March, 30 June, 30 September, 31 December



## In 2024, London became the second most common UK region of accommodation for asylum seekers, marking a key change in regional patterns

The geographical distribution of asylum accommodation in the UK has shifted in recent years. In the year ending December 2024, 19% of supported asylum seekers in the UK were living in London, up from 10% in 2018. Contrary to the intentions of the original dispersal policies, London, the South East, and the East of England have seen the largest increases in asylum seeker populations between 2018 and 2024 (Figure 3).



Figure 3

**% of the asylum seeker population accommodated in each UK region**Average share across the four quarters for **year ending December 2018** and **year ending December 2024**

Source: Migration Observatory analysis of Home Office Immigration Statistics, Asylum and Resettlement - Asylum seekers in receipt of support by Local Authority (Table Asy\_D11), Year Ending December 2024.

Notes: Asylum seekers refer to main applicants and dependants who receive accommodation support. It excludes people who receive only subsistence support.



## The new geographic distribution of supported asylum seekers across the UK is closely linked to the use of hotels

The data indicate a clear link between the geographical redistribution of asylum seekers and the increasing reliance on hotels for accommodation.

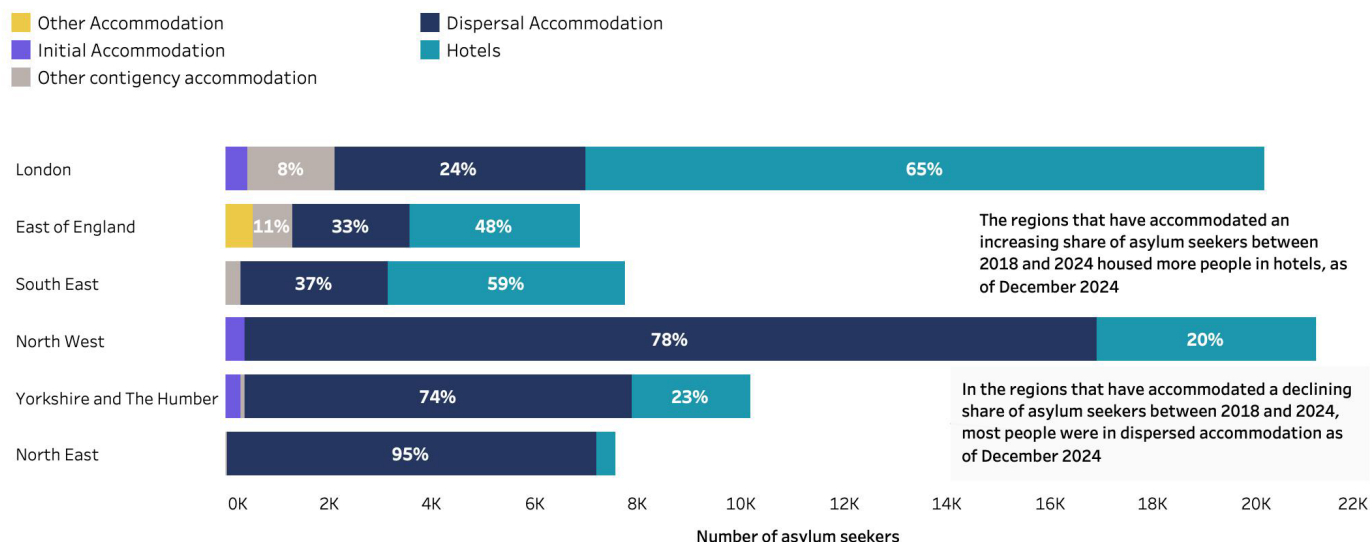
At the end of 2018, only 4% of asylum seekers receiving accommodation were housed in contingency accommodation, including hotels. By 2024, nearly half (47%) were living in hotels.

However, this shift has not been uniform across the country. Over the past five years, regions which have accommodated a growing share of the asylum-seeking population — such as London, the South East, and the East of England — have relied primarily on hotels to house them. In contrast, areas where the share of asylum seekers has declined — such as the North West, North East, and Yorkshire and the Humber — housed fewer than one-third of asylum seekers in hotels, with most placed in dispersal accommodation (Figure 4).

The reasons for this trend remain unclear, as the Home Office has not released a list of hotels used for asylum seeker accommodation by local authority.

Figure 4

## Type of accommodation used to house asylum seekers, selected UK regions, as of December 2024



Source: Migration Observatory analysis of Home Office Immigration Statistics, Asylum and Resettlement - Asylum seekers in receipt of support by Local Authority (Table Asy\_D11), Year Ending December 2024.

Notes: Asylum Seekers refers to main applicants and dependants who receive accommodation support. It excludes people who receive only subsistence support.



## Asylum seekers have become more evenly distributed across local authorities in recent years

Another notable shift in the geographical distribution of asylum seekers across the UK is the significant decline in the number of local authorities that do not accommodate any asylum seekers. On 31 March 2014, 75% of local authorities hosted no asylum seekers (285 out of 375 local authorities). However, by the end of March 2025, just 16% of local authorities hosted none (59 out of 361 local authorities).

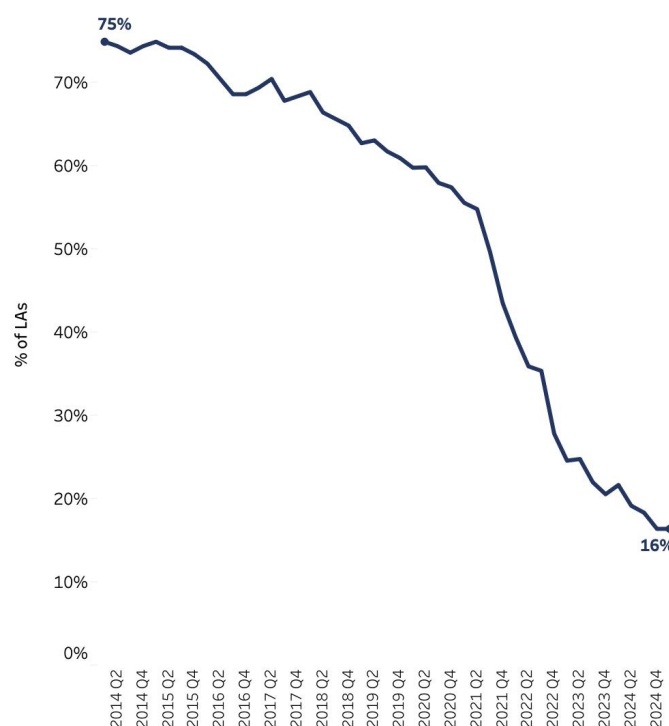
Although this decline has been gradual, it became particularly pronounced at the end of the second quarter of 2022. Importantly, this trend emerged before the introduction of the “full dispersal” policy in May 2023 (see Understanding the Policy).

All UK regions now have a higher proportion of local authorities hosting asylum seekers than in 2014. The North East and the North West have the widest coverage, with all local authorities accommodating asylum seekers, while Scotland has the lowest, with one third of its local authorities still not hosting any (Figure 5).

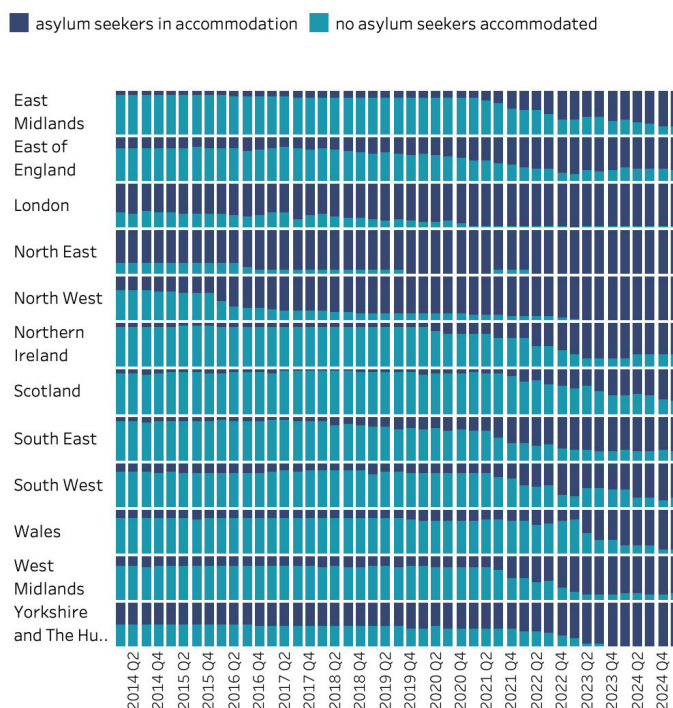


Figure 5

Share of UK local authorities that do not host asylum seekers



Share of local authorities that do not host asylum seekers, by UK region



Source: Migration Observatory analysis of Home Office Immigration Statistics, Asylum and Resettlement - Asylum seekers in receipt of support by Local Authority (Table Asy\_D11), Year Ending March 2025.

Notes: Asylum Seekers refers to main applicants and dependants who receive accommodation support. It excludes people who receive only subsistence support. The number of local authorities in England has changed between 2019 and 2023.

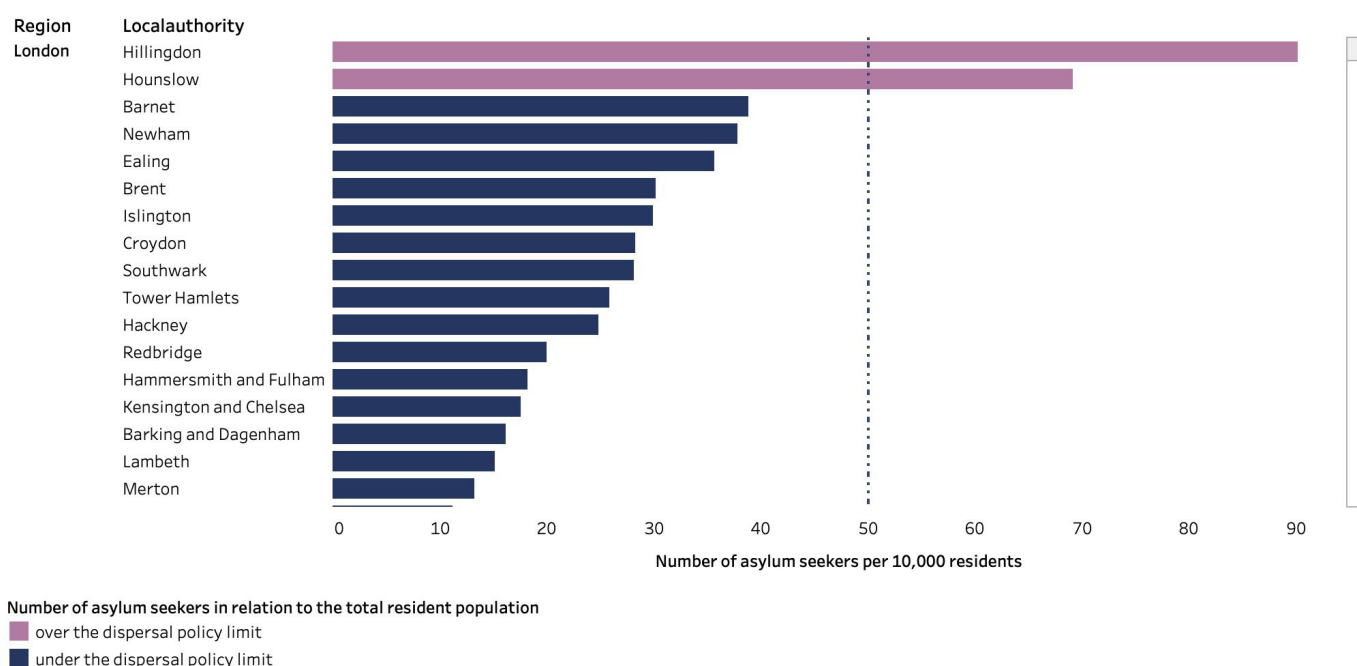


## Six local authorities have more than 1 asylum seeker per 200 local residents, exceeding the limit of the original dispersal policy

The vast majority of UK local authorities host fewer than 1 asylum seeker per 200 local residents (the limit imposed under the COMPASS models). There are, however, six exceptions: Hillingdon (London), Hounslow (London), Halton (North West), Belfast (Northern Ireland); Glasgow (Scotland); and Coventry (West Midlands) (Figure 6).

Figure 6

% of asylum seekers in relation to total resident population, as of March 2025



Source: Migration Observatory analysis of Home Office Immigration Statistics, Asylum and Resettlement - Asylum seekers in receipt of support by Local Authority (Table Asy\_D11), Year Ending March 2025. The number of local residents is the LAs in England and Wales comes from the Office of National Statistics (ONS), Annual mid-year population estimates for England and Wales (YE April 2023). The number of local residents is the LAs in Northern Ireland comes from the Northern Ireland Statistics and Research Agency, Mid-2021 population estimates. The number of local residents in the LAs in Scotland comes from the National Records of Scotland, Mid-Year Population Estimates (YE June 2023).

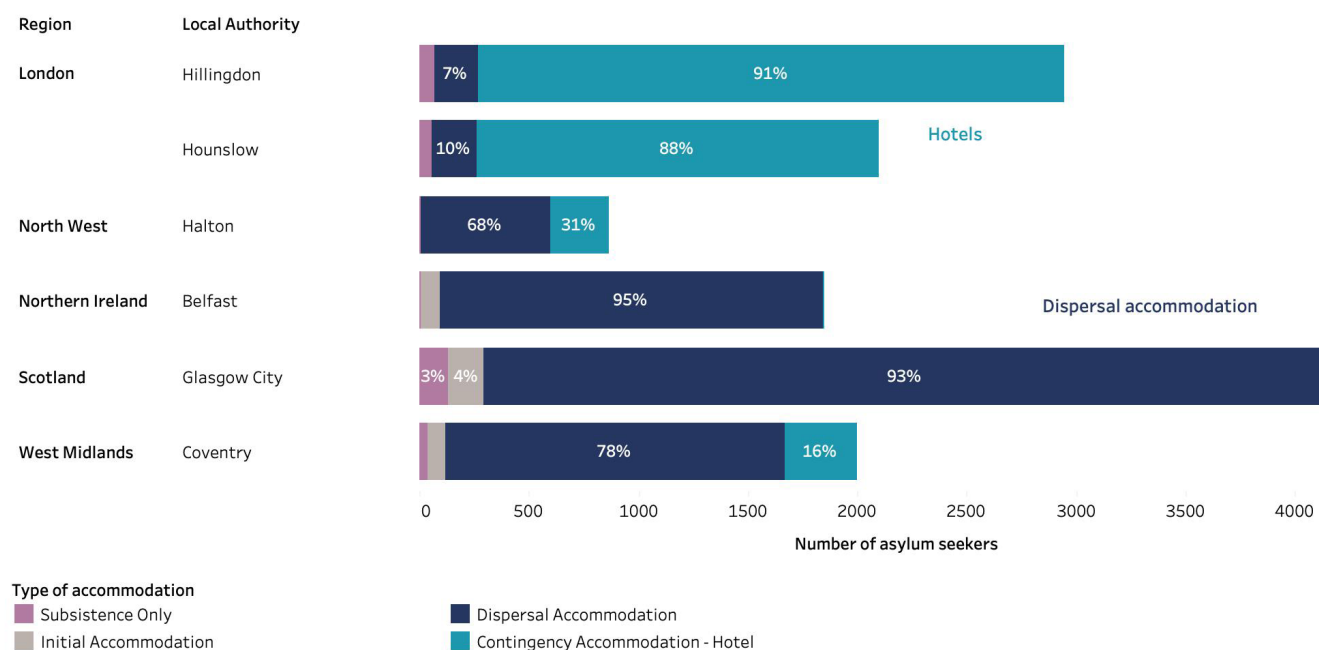
Notes: Asylum Seekers refers to main applicants and dependants who receive accommodation support.



The local authorities with the highest number of asylum seekers per capita have different characteristics in terms of the type of asylum accommodation used. In Halton, Belfast, Glasgow, and Coventry, most asylum seekers are in dispersal accommodation. In contrast, around 90% of those in Hillingdon and Hounslow are accommodated in hotels (Figure 7). This aligns with the overall regional trends (Figure 2).

Figure 7

Type of accommodation used to house asylum seekers in selected local authorities, as of March 2025



Source: Migration Observatory analysis of Home Office Immigration Statistics, Asylum and Resettlement - Asylum seekers in receipt of support by Local Authority (Table Asy\_D11), Year Ending March 2025.



## Few asylum seekers live in large sites

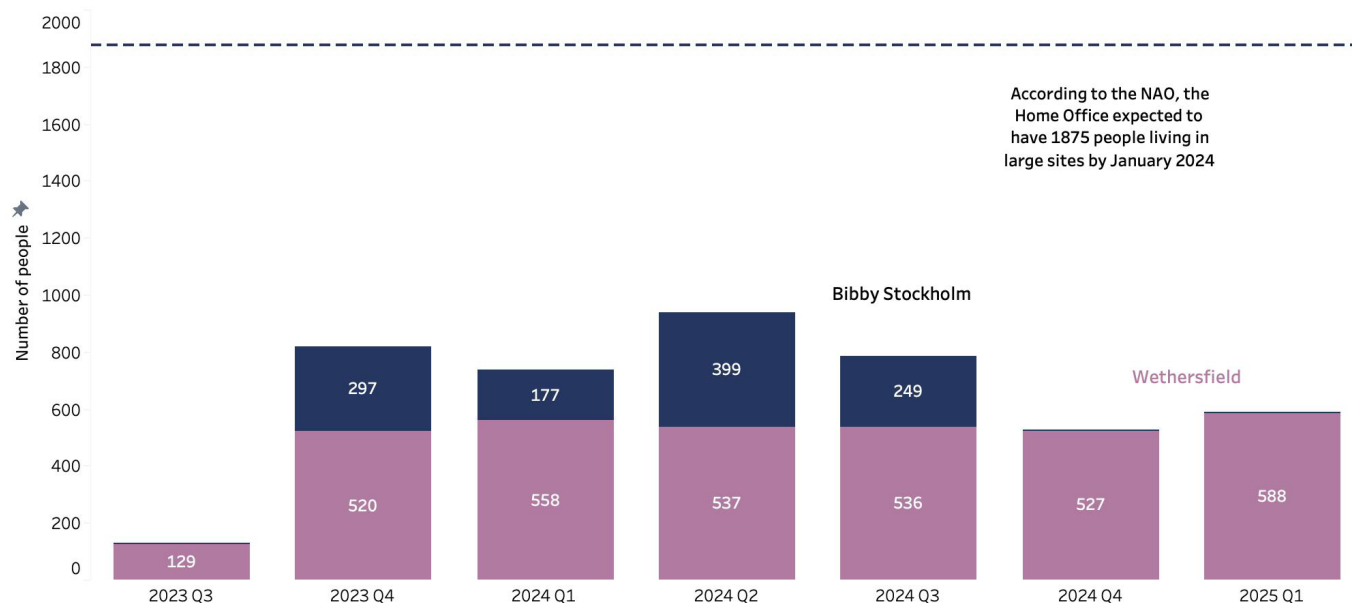
As part of its plan to reduce reliance on hotels for asylum accommodation, the government announced in 2022 its intention to use what it terms “large sites”, such as ex-military facilities, and waterborne vessels such as barges, ferries, and cruise ships. However, data indicate that the use of these alternatives has remained minimal, accounting for less than 1% of asylum seekers receiving accommodation support (Figure 1). The Home Office initially planned to house 1,875 people in these sites by January 2024, but only 900 were accommodated by that date. On 31 December 2024, this number had dropped to 500 following the closure of the Bibby Stockholm barge (Figure 8).

A [report](#) from the National Audit Office (NAO) in 2024 found that the costs of large sites had exceeded those of hotels and were significantly higher than expected. This was largely due to the Home Office overestimating occupancy rates and underestimating the expenses associated with setup and refurbishment of these sites.

Figure 8

## Number of asylum seekers living in large sites, by date and location

The dates refer to the last day of each quarter



Source: Migration Observatory analysis of Home Office Immigration Statistics, Asylum and Resettlement - Asylum seekers in receipt of support by Local Authority (Table Asy\_D11), Year Ending March 2025.

Notes: Asylum Seekers refers to main applicants and dependants who receive accommodation support. Large sites are classified as "Other Accommodation". The chart refers only to asylum seekers housed in "Other Accommodation" in Braintree and Dorset where Wethersfield and Bibby Stockholm are located, respectively.



In the financial year 2024/25, hotels cost, on average, six times more than other types of asylum accommodation. In 2024/25, the average daily cost of housing an asylum seeker in a hotel can be estimated at the equivalent of £170 per person, compared to £27 for other types of accommodation — over six times more expensive. Even when including cash support, hotel-based accommodation remained significantly more expensive at £171 per person per day, versus £34 for other types. Over the five-year period from 2020/21 to 2024/25, the average daily per-person cost of hotel accommodation more than doubled, from £64 in 2020/21 to £170 in 2022/23, while the daily costs of other accommodation types remained broadly stable. This widening gap underscores the growing financial cost of using hotels to house asylum seekers.

Figure 9

### Average daily per person costs of housing an asylum seeker in the UK, by type of accommodation and financial year

These figures represent our own estimates of total hotel spending per accommodated asylum seeker per night. They do not reflect the actual average amount paid by the Home Office per room or per bed per night

- Per capita cost with cash support
- Per capita cost without cash support



Source: For costs related to hotels and other types of accommodation up to the financial year 2023–24, we used the NAO 2023 report *The Asylum and Protection Transformation Programme*. For hotel costs in the year ending 2024–25, we referred to the *2025 Home Office Annual Report and Accounts*. For other accommodation costs in the same period, we used the NAO 2025 report *The Home Office's Asylum Accommodation Contracts*, which estimates the costs of accommodation in the first seven months of the financial year 2024–25 only. Data on the number of asylum seekers in each type of accommodation for each financial year was taken from the *Home Office Immigration Statistics: Asylum and Resettlement – Asylum Seekers in Receipt of Support by Local Authority* (Table Asy\_D11), year ending March 2025. There are no costs data available for other types of accommodation in the 2023–24 financial year.

Notes: These figures represent our own estimates of total hotel spending per accommodated asylum seeker per night. They do not reflect the actual average amount paid by the Home Office per room or per bed per night. The cost figures from each source may not be directly comparable, as they may include different components. The number of people receiving accommodation support has been estimated using the average of the quarterly snapshots of individuals in accommodation during each financial year. Until the fourth quarter of 2022, the Home Office did not publish disaggregated data on types of contingency accommodation. For the purposes of this chart, we have assumed that 93% of contingency accommodation consisted of hotels and 7% of other types, based on figures from Q4 2022, after which data began to be disaggregated by accommodation type. "Other" accommodation includes dispersal accommodation, initial accommodation, and other categories. For this analysis, we have assumed that individuals in these types of accommodation do not receive meals and therefore receive higher cash support. However, this assumption may not hold for those in initial or other non-hotel accommodation.



In the financial year 2024/25, the cost of housing asylum seekers in hotels decreased slightly, falling from the equivalent of £176 per person per night to £170, when compared against the average number of people in hotels. This reduction is likely due to several factors, including the Home Office [closing some hotels](#), accommodating more people in each remaining hotel and implementing [room sharing policies](#), and possibly choosing hotels with lower nightly rates.

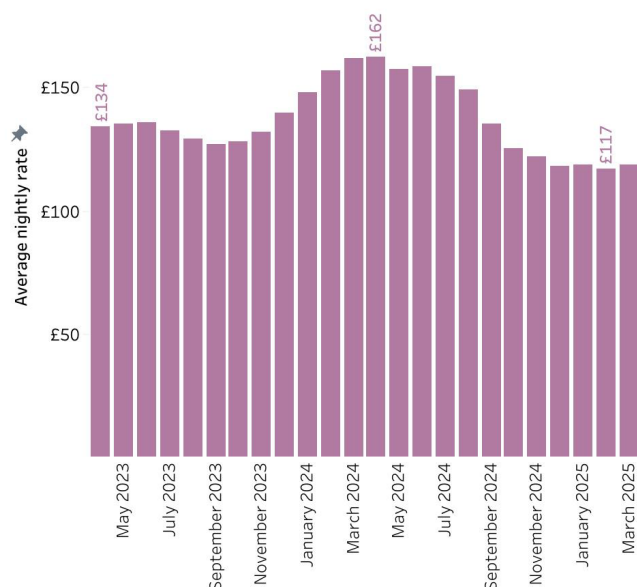
As shown in Figure 10, the three-month average nightly rate in asylum hotels declined from £162 in April 2024 to £119 in March 2025. During the same period, the number of hotels in use dropped from 273 in April (with an average of 126 people per hotel) to 202 in March (with an average of 160 people per hotel). While the Home Office pays contractors per bed used, housing more people per hotel can help reduce the cost per person because many expenses stay the same regardless of how many people are housed. An example of this would be adding additional beds per room.

While these steps can help reduce the cost of asylum hotels, campaign organisations have raised concerns that measures such as room sharing can [negatively impact](#) the wellbeing of asylum seekers.

Figure 10

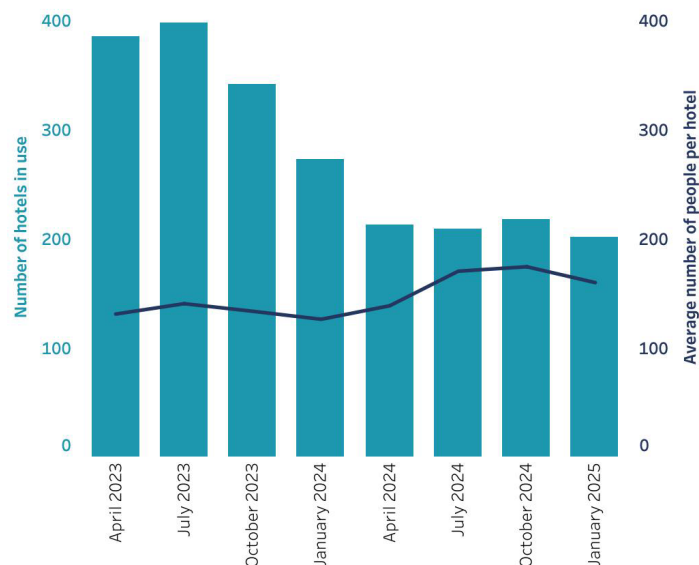
### Three-month average nightly rate of asylum hotels, by month

Dates correspond to the last day in each month



### Number of asylum hotels in use and average number of asylum seekers per hotel, by quarter

Data corresponds to the first day of each quarter



Source: Data on the number asylum hotels and on the three month average nightly rate of asylum hotels comes from Freedom of Information Requests made by the BBC Verify journalist, Rob England. Data on the number of asylum seekers in hotels was taken from the *Home Office Immigration Statistics: Asylum and Resettlement – Asylum Seekers in Receipt of Support by Local Authority* (Table Asy\_D11), year ending March 2025.



## The UK is probably the European country that relies most heavily on hotels to house asylum seekers

Several European countries face challenges in providing adequate accommodation for asylum seekers due to housing shortages and the rise in asylum applications since 2015.

In [Germany](#), many asylum seekers are housed in initial reception centres — large facilities with dormitory-style accommodation where their claim is registered and they receive essential services. People can stay in these centres for up to 18 months or longer before being transferred to collective accommodation centres or decentralised housing. The type of housing varies by region and may include former army barracks, housing containers, or self-contained flats.

In [France](#), reception centres (*Centre d'Accueil pour Demandeurs d'Asile* (CADA)) serve as the main form of accommodation for asylum seekers. These can be either collective or private accommodation within the same building or separate apartments, usually managed by NGOs. Similarly, in [Spain](#), reception centres (*Centro de Acogida a Refugiados* (CAR)) are the primary accommodation facilities. They are managed by NGOs and often resemble hostels. While conditions in reception centres in both countries are generally [thought](#) to be good, the primary issue is the [shortage of accommodation](#), leaving many asylum seekers in informal camps or settlements. In Sweden, asylum seekers are primarily housed in shared flats through a dispersal accommodation system, though municipalities face difficulties in securing suitable housing, much like in the UK.



Although many countries have started to use temporary forms of accommodation since 2015 in order to deal with rising numbers of asylum seekers, such as sports and event halls, former school buildings, boats, and hotels, the UK stands out among European countries for transparently relying heavily on hotels for asylum accommodation. Confirming whether it relies the most heavily on hotels is difficult, however, as many countries do not publish timely and sufficiently detailed data on asylum accommodation that would enable accurate comparisons. The UK is also among the countries most reliant on [private providers](#) to manage asylum accommodation, whereas in Spain and France, for example, accommodation sites are more commonly managed by NGOs.



## The Migration Observatory

Based at the Centre on Migration, Policy and Society (COMPAS) at the University of Oxford, the Migration Observatory provides independent, authoritative, evidence-based analysis of data on migration and migrants in the UK, to inform media, public and policy debates, and to generate high quality research on international migration and public policy issues. The Observatory's analysis involves experts from a wide range of disciplines and departments at the University of Oxford.



## COMPAS

The Migration Observatory is based at the Centre on Migration, Policy and Society (COMPAS) at the University of Oxford. The mission of COMPAS is to conduct high quality research in order to develop theory and knowledge, inform policy-making and public debate, and engage users of research within the field of migration.

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## About the authors

Nuni Jorgensen

Researcher, The Migration Observatory

[nuni.jorgensen@compas.ox.ac.uk](mailto:nuni.jorgensen@compas.ox.ac.uk)

## Press contact

Rob McNeil

Head of Media and Communications

[robert.mcneil@compas.ox.ac.uk](mailto:robert.mcneil@compas.ox.ac.uk)

+ 44 (0)1865 274568

+ 44 (0)7500 970081

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