



The Bibby Stockholm – at what cost?

What is the barge costing,
and will it help to cut
the number and
cost of hotels?

Briefing | 11 July 2023

One life to live

RECLAIM

THE SEA

The government is intent on using large-scale containment sites to cut the cost of using hotels for asylum-seekers. Here, we explore the plan to use barges: What can the public believe? Will the new sites save money? And will the use of hotels finally come to an end?

Introduction

Following the Home Office's failed attempt to open its first large-scale asylum-seeker containment site at Linton-on-Ouse in the summer of 2022, it has used the spring of 2023 to announce a rapid-fire series of new prospective sites.

These include two ex-RAF stations, an abandoned former prison, a hotel which will have 'stacked containers' in its grounds, and berthed vessels.

The Home Office has already chartered the Bibby Stockholm barge, to be berthed at Portland Port from July 2023. It has also reserved two further vessels, for which it has attempted to find berths: so far, the ports at Birkenhead, London, Teesside and Tyneside have rejected the idea, while Harwich and Felixstowe have yet to comment.

Objections to the barges and other large-scale containment sites have come from communities, local authorities, MPs, mayors, healthcare providers, legal experts, the humanitarian sector and more.

Despite the setbacks and opposition, the Home Office is pressing ahead with its plan to use barges, insisting that they form part of a wider strategy to resolve a 'national emergency' by helping to empty hotels. They have said this will save money, but appear not to have said how much.

In this briefing, we look at whether the Bibby Stockholm will save money on the national hotel bill.

We also ask whether the broader large-scale containment policy for asylum-seekers – designed to empty hotels and regain control of £5.6m per day expenditure on hotels – can actually work.

Summary

- **We find not only that the Bibby Stockholm is extremely unlikely to reduce the cost of hotels, but that it will in fact be an additional cost.**
- We believe there is **no 'national emergency' other than of the Home Office's own making** due to the unprecedented backlog of asylum claims.
- **Just one day's £5.6m hotel bill could pay for about 150 asylum claim decision-makers. So why not?**
- The Home Office is **not only failing to empty hotels but continuing to add new ones.**
- The Home Office **has already scrapped plans to empty hotels** into the ex-RAF sites, and will instead send people there from Manston STHF – and may yet take the same approach with barges.
- Like the land-based sites, since it will hold relatively few people **the Bibby Stockholm can make no meaningful difference to the hotels cost.**
- **Spending on large sites seems out of control** before any of them open. £21.5m is believed to have been wasted at Linton-on-Ouse (which never went ahead) and the Home Office has already been in court over Wethersfield and Scampton.
- **Huge contracts** for managing asylum-seeker accommodation are awarded to firms with a history of making **enormous profits** from Home Office deals. In many cases (one worth £1.6bn), they are awarded **without competitive tender.**
- The government plans to **purchase** the former Northeye Prison site at Bexhill – for how much?

The government created the hotels crisis, which is costing taxpayers a fortune. Before any sites open, large-scale containment plans are in deep trouble. They are inhumane, blisteringly expensive, and won't end the use of hotels.

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We urge you to listen to common sense and change course now, before you create an entirely preventable humanitarian catastrophe.

[A letter sent to the Home Office by 171 organisations](#)

April 2023

For people who have experienced trauma at sea – particularly asylum-seekers – the sea may be a sad, dangerous place. A place of loss. A place of fear.

[Tigs Louis-Puttick](#)

Reclaim the Sea

Barges are a solution... and we will do as many as it takes.

[Rishi Sunak](#)

prime minister

First, the human cost

The financial cost of using vessels to contain asylum-seekers must not be considered without first pointing to the immense yet incalculable human cost.

Quasi-detention

Large-scale containment sites (including disused military bases and prisons) are inhumane for people who have been traumatised by their experiences of war, conflict and persecution. In fact, it amounts to [quasi-detention](#). In October 2022, Dr Sophie Cartwright of the Jesuit Refugee Service [wrote](#) for the University of Oxford Faculty of Law Blogs:

“Quasi-detention looks set to become the new normal for asylum accommodation.”

All asylum-seekers should have the dignity of living in communities instead of being forced to live at large-scale containment sites along the lines of the camps at [Samos](#) in Greece. As home secretary, [Priti Patel visited the camps](#) there in 2021 “to inform the implementation of her own plans to create ‘reception centres’ for asylum seekers in Britain”.

The special considerations of water

People who are contained on vessels face very particular additional risks. In May 2023, One Life to Live released *The Trauma of Water*, a briefing about the likely retraumatisation of asylum-seekers contained at floating sites.

- **Open water can be retraumatising** for people who have experienced dangerous and even deadly crossings such as the Mediterranean and the Channel. In some cases, they will have witnessed others going overboard, drowning, or dying in other ways. For example, in June 2023, [104 traumatised people were rescued](#) from an unnamed fishing boat which sank off Greece. They had travelled with the 78 people whose bodies have been recovered, and the 500 who are still missing at the time of writing.
- Because of their backgrounds, asylum-seekers may never have had sight or experience of open water, and are **unlikely to be able to swim or to be able to save themselves** should they fall, jump or be pushed into the water.

Local communities suffer

Local communities are severely affected whenever the Home Office announces one of its large-scale containment plans. Local residents are perturbed, local authorities have to respond at great cost and inconvenience, and the far right arrives. The far right descended on [Linton-on-Ouse](#), [Scampton](#) and on regular weekly marches at Bexhill. At Linton, the presence of the far right unsettled the village and led to irreparable damage in relationships between friends and neighbours.

Some contractors are uncomfortable

Some government contractors have said they are **reticent to be connected with the Bibby Stockholm**. [According to an article in i:](#)

“Firms used by the government are... hesitant to work with the Home Office due to the controversy... One major government outsourcer [said] that taking a contract to run the barges was ‘not worth the reputational risk’ but that they ‘don’t want to put our head above the parapet’.”

[Survivors] are heavily traumatised. Everyone has lost someone.

[Mara Eliana Tunno](#)
MSF psychologist

People seeking asylum need stability, to be able to maintain contact with their loved ones and to feel safe. Docked barges, which are isolated from the wider community, do not offer the supportive environment that people coping with the trauma of having to flee their homes need.

[Christina Marriott](#)
British Red Cross

How did the number of hotels climb so high?

In principle, asylum-seekers are intended to be accommodated in the UK's 7 initial accommodation centres (IACs) for a short period, and then 'dispersed' to accommodation in the community – typically in houses of multiple occupancy (HMOs).

Contingency accommodation

However, during COVID, asylum claim decision-making slowed significantly and people were not leaving supported accommodation as fast as they entered. The resulting claims backlog 'necessitated' the use of contingency accommodation such as hotels and the highly controversial [Penally Training Camp](#) (since closed) and [Napier Barracks](#). Contingency accommodation enables the Home Office to fulfill its statutory obligation to house people who would otherwise be destitute. **It has framed this as a national emergency based on numbers arriving, rather than on the backlog of claims.** It [even used this as the defence](#) when Braintree District Council applied for a High Court injunction against turning RAF Wethersfield into a large-scale containment site in April 2023.

The so-called emergency

During the 2022 campaign against the plans to contain 1,500 asylum-seekers at RAF Linton-on-Ouse, the question of an emergency was scathingly raised by the local Conservative MP, Kevin Hollinrake, during a public meeting in the village hall:

“The Home Office said, ‘We’re doing this under emergency powers’. **And I said, ‘Well, what emergency?’** ...So that’s a load of nonsense, clearly. And the channel crossings are... not a recent phenomenon, that’s been going on for some time. **Are they misusing their powers on the basis of that explanation? I think they are.”**

The government maintains that numbers of asylum claims are unprecedented. But [new claims](#) totalled 74,751 in 2022, *lower* than the 2002 peak of 84,132. **The real reason for the extended use of hotels is that the Home Office has built up an unprecedented backlog of unprocessed asylum cases: a [74% increase](#) in 2022 compared to 2021.** By the end of March 2023, the backlog stood at [173,000](#) cases.



The claims backlog is not clearing

In December 2022, prime minister Rishi Sunak [told Parliament](#) that by the end of 2023, the Home Office would clear the backlog of initial asylum claims.

However, this target seems impossible to meet: according to the [National Audit Office](#), 1,310 asylum decisions were made each week in April 2023. However, 2,200 decisions – almost double that number – would need to be made for the rest of 2023 if the legacy backlog is to clear. The Home Office will only achieve this if enough effective caseworkers can be recruited.

Since the government is required to provide accommodation for people while their asylum claim is considered, it has had to continue using hotels while the backlog has continued to build up.

If I were cynical, I might think that, driven by its ‘hostile environment’ agenda, the Home Office had deliberately allowed the hotels crisis to escalate in order to aggravate the taxpayer, clearing the way to come down hard on asylum-seekers by containing them in increasingly cruel situations.

*Nicola David
One Life to Live*

Dropping numbers of caseworkers

In December 2022, prime minister Rishi Sunak [pledged](#) to double the number of asylum claims caseworkers. However, according to barrister and author Colin Yeo, writing for [Free Movement](#) on 20 June 2023:

“It looks like the recruitment drive for new caseworkers has stalled; **numbers of caseworkers are actually falling again.**

Braverman had already said she planned to have 1,300 caseworkers in place by March 2023, which was more or less managed.

But [Sunak’s pledge] would mean reaching a total of 2,400 caseworkers. The government is **nowhere near managing to recruit that many and they do not seem to be able to hang on to those they have recruited.**”

At the end of March 2023, almost 129,000 (75%) people had waited more than six months for an initial decision, compared with 43% at the end of March 2017.

[National Audit Office](#),
14 June 2023

The effectiveness of the asylum system depends on well-functioning case-working... to support timely and accurate decisions.

[2023 call for evidence](#), *House of Commons Public Accounts Committee*



De-skilling of claims processing

Unfortunately, asylum-claim handling in the UK is not very effective. Between 2004 and 2021, about **three-quarters of refused applicants went to appeal**. Currently, **51% of appellants have those refusals overturned**, and asylum is granted.

We spoke to ‘John’, a former Home Office asylum caseworker. He told us first-hand how the new Conservative/LibDem coalition government in 2010 radically changed the Labour government’s approach to asylum claims, resulting in a severe deterioration in the quality of decision-making:

“The new government decided that they didn’t need degree-level officers to make high-quality decisions after all – so they changed the job to a grade two levels below. No qualifications required. The decisions became low-quality... Not to mention the most important consequence – **the deaths of people who were sent back.** I couldn’t cope with that at all. I was so glad to leave... The atmosphere was utterly horrendous. I still have friends there and they say it’s worse than ever.”

We are very concerned that thousands of people continue to be placed in hotels rather than more appropriate accommodation.

[House of Commons Public Accounts Committee](#)

What do hotels cost the taxpayer?

In [March 2023](#), the Home Office told the Independent Commission for Aid Impact (ICAI) that it was spending **£120 per person per night in hotels, including catering and other services, compared to £18 per person per night for longer-term accommodation in houses and flats.**

The Home Office's published figures for the cost of using hotels have varied significantly – even within days, when the following mistake was made:

- 2 February 2022 [£1.2m/day](#)
- 3 February 2022 [£4.7m/day](#)

Bad 'facts' in some media

- In February 2023, the [Daily Express](#) reported that the cost was £6.8 million per day to put up “35,000 people awaiting deportation.” The financial cost quoted by the Home Office was incorrect (See Full Facts, opposite) but also the number of people was incorrect, and they were not awaiting deportation – they were awaiting a decision on their asylum claim.
- On the same day, the [Daily Mail](#) reported that hotels were costing £7m per day for people who “crossed the channel illegally”. Again, besides the cost being incorrect, those people did not cross the Channel illegally - they were exercising their rights under [two international human rights treaties](#) to which the UK is a signatory (the UN's 1951 Refugee Convention and the European Convention on Human Rights).

The Full Fact challenge

In February 2023, [Full Fact challenged the £7m figure](#) quoted by the media (which rounds up the [£6.8m quoted by the Home Office](#)). They found that the figure is significantly overstated because it **includes the cost of bridging accommodation for Afghans** – most of whom came on the Kabul airlifts, and are evacuees rather than asylum-seekers.

Full Fact says the daily hotel bill for Afghan evacuees is £1.2m per day. Subtracting that sum from the £6.8m means that it actually costs around **£5.6m per day** to accommodate asylum-seekers in hotels.



At a time when the government is undergoing an internal crisis, it's clear they are looking for a way to shift the weight of the UK's problems onto a vulnerable group of people seeking safety.

Tigs Louis-Puttick, Reclaim The Sea

Can the number of hotels be reduced?

The Home Office is failing to secure enough accommodation to end the use of hotels for people seeking asylum.

[The National Audit Office](#)
14 June 2023

[The Guardian reported](#) in February 2023 that **the use of hotels had risen tenfold** since March 2020, despite Home Office pledges.

On 4 June 2023, [the BBC revealed](#) that annual spending on asylum accommodation, detention facilities, and removal (deportation) plans, as outlined in the Illegal Migration Bill, could cost **£3bn - £6bn**. It is not known whether this includes the £1.6bn [CTM contract](#) for managing the barges and additional hotels; the cost of expanding the immigration detention estate; the cost of the other large-scale containment sites; the purchase of the former Northeye Prison at Bexhill; and the cost of at least two further barges.

- In March 2023, *The Telegraph* reported that [395 hotels were still in use](#), accommodating [51,000 people](#) at a cost of £109.80 per person per day. On 17 April, it reported that **the Home Office is negotiating “longer-term” deals with hotel owners, even to reopen disused hotels.**
- New hotels are continually being added: on 14 June, home secretary [Suella Braverman admitted](#) that campaign opposition to alternatives meant officials were drawing up plans to book more hotels as asylum-seekers continued to arrive, and **90 hotels will be needed to replace refused barges**. On 17 June 2023, for example, the Best Western St Pierre Hotel, near Wakefield, was [cleared](#) to take asylum-seekers – as always, despite local opposition.
- June 2023 plans to force [asylum-seekers to share](#) hotel rooms with up to three strangers may not reduce costs, and in some places the Home Office has already [backed down](#).
- The government’s stated intention to move people out of hotels and into ex-RAF bases has also changed course. In March and April 2023 respectively, the government announced that it

would contain a total of 3,700 asylum-seekers at new sites at the former RAF Wethersfield and RAF Scampton stations. Initially, local people were told that **the sites would be used to empty hotels, but this has since been retracted**. On 13 June, Dan Gascoyne, chief executive of Braintree District Council (re Wethersfield), [said](#):

“Originally [we were told] it would be all about helping people to come out of hotels and reducing the bill for the government. Now they are talking about asylum seekers coming directly from Manston.”

Therefore, **the cost of operating the sites at Wethersfield and Scampton will not offset the cost of hotels**. Plus, the value of the management contracts at these bases is unknown, but could be compared with the [£32.8m cost, over 2 years, of the Serco contract for RAF Linton-on-Ouse](#)

- The Illegal Migration Act, if/when it passes into law, will prevent anyone who arrives by boat from making an asylum claim. **People whose status can never be regularised will need to be accommodated somewhere**, and there is provision for this to include the [immigration detention estate](#) – which, besides being needlessly draconian, is nowhere near large enough. The combined maximum capacity of both the immigration removal centres and short-term holding facilities is around [2,802 people](#) (yet [45,755](#) people arrived by boat in 2022). Immigration detention centres are spilling over into already overcrowded prisons. The [immigration detention estate](#) currently costs the UK government around **£94m** per year. However, with the planned re-opening of previously closed sites at Haslar and Campsfield House, **this sum will rise**.

The number of people who will not be able to make asylum claims in future, the inadequate capacity of the immigration detention estate, and the inability to deport more than a tiny number of people, mean that the government will have to keep on finding places for people to live. **This will inevitably include hotels.**

What is large-scale containment?

2022: A new strategy to end hotels

Large-scale containment is the Home Office's plan to solve the cost of accommodating asylum-seekers in hotel accommodation.

On 14 April 2022, the government announced its plans for removing asylum-seekers to Rwanda (since [overruled by the Court of Appeal](#) on 29 July 2023). But slipped into the same announcement was the news that a **“new, bespoke, asylum reception centre” would be created at the former RAF station at Linton-on-Ouse, North Yorkshire**. This was to be on a new scale entirely: 1,500 people.

Linton-on-Ouse was to be the first in the then home secretary Priti Patel's planned [string of large-scale containment sites](#), designed to reduce the government's costly reliance on hotels. Unfortunately for the Home Office, campaigners and the local authority were [successful](#) in preventing the site from going ahead.

2023: New sites announced

In January 2023, Rishi Sunak [reiterated to Parliament](#) that it was important to end the **“eye-watering”** cost of hotels for asylum seekers. In March 2023, therefore, immigration minister Robert Jenrick said the government would look to **“end the use of hotels”**, confirming plans to contain asylum-seekers in large-scale asylum containment centres at:

- **RAF Wethersfield** ([1,700 people](#))
- **RAF Scampton** ([2,000 people](#))
- the former **Northeye Prison at Bexhill**, which the Home Office is seeking to acquire ([1,200 people](#))
- **Catterick Garrison** (unknown number of people) (It was our view that this will not go ahead, or at least not as large-scale accommodation for asylum-seekers. We believed that this would instead be a small number of army houses for Afghan evacuees, and indeed some have been provided, and another 10 are about to be provided. There is currently no sign of a large-scale contingency site at Catterick.)

Since then, the government has also announced:

- the **Bibby Stockholm barge** at Portland Port ([506 people](#))
- **Northop Hall Hotel** in Flintshire (400 people, with 150 in the hotel plus 250 in **‘stacked containers’** in the grounds)
- **two barges which have been reserved** by the Home Office for use in locations as yet unknown (with an unknown number of people). Three ports have so far rejected the idea of berthing these barges.

All of these are referred to as ‘large-scale containment sites’ for asylum-seekers.

Lack of experience could be a (costly) problem

It should be noted that the largest number of asylum-seekers ever accommodated (as opposed to detained) by the government has been at Napier Barracks. While numbers have fluctuated at Napier, it averages fewer than 400 people ([308 in April 2022](#)).

The Home Office continues to face a [barrage of criticism over Napier](#), and it is difficult to see how they could make a success of sites containing up to six times as many people.

Additionally, several of the large sites are already in a state of extreme dilapidation (notably [Northeye Prison](#) and blocks at RAF Scampton), or are cramped and potentially retraumatising, such as the Bibby Stockholm barge. It is highly likely that unsuitable facilities, and the abuses of people's rights, will lead to multiple civil cases, as seen at [Napier](#). This is expensive and time-consuming.

Cases such as these, along with applications for injunctions (such as [Napier](#), [Linton-on-Ouse](#), and [RAF Wethersfield](#)) and for [judicial reviews \(RAF Wethersfield and RAF Scampton\)](#) cost a great deal – and an undisclosed amount – for the Home Office to defend. This simply adds to the overall cost of the sites.

How will the Bibby Stockholm be used?

The [current government factsheet](#) about the plans for the Bibby Stockholm says:

“A berthed vessel will, for the first time, accommodate asylum seekers in the UK. It will reduce the reliance on expensive hotels and deliver a more orderly, cost effective and sustainable asylum accommodation system.”

The original government factsheet for the Bibby Stockholm site, **since deleted from .gov.uk** but available at [WayBackMachine](#), stated that the individuals will be likely stay on board for between 3 and 6 months, and that the barge will be in place “for an initial 18 months”.

The key points emerging from this deletion could be:

- The Home Office **no longer appears be suggesting that people would remain on the barge for a relatively short period.**
- The Home Office may attempt to change the strategy for the Bibby Stockholm barge as it did for RAF Wethersfield and RAF Scampton, and **switch from people coming from hotels to people coming from Manston STHF.**
- Although the plan is for individuals to be moved on and replaced by new cohorts, it is possible that, without the opportunity to regularise their status in the UK, **many could remain stuck on the barge** with no ‘revolving door’.
- The Home Office’s regular use of the phrase “initial 18 months”, set against the backdrop of the provisions of the Illegal Migration Bill and the hopelessly inadequate size of the immigration detention estate, leads us to believe that the Home Office will:
 - At best, **seek to extend the chartering contract**, under the existing arrangement, after the initial 18-month period
 - At worst, seek to **convert the Bibby Stockholm to a floating immigration detention centre** at the end of the current arrangement.

Bearing in mind the scale of the problem nationally, I fear [the Bibby Stockholm] could be in place for years to come.

[Richard Drax MP](#)
South Dorset

Even if the [Bibby Stockholm] barge is filled, it will accommodate less than 1% of the approximately 51,000 refugees currently in hotels while their asylum claims are processed.

[The Guardian](#)
April 2023

What will the Bibby Stockholm cost?

Shock at the CTM contract

On 17 June 2023, [the Independent revealed](#) that Australian firm Corporate Travel Management is to be paid “£1,593,535,200 (**£1.6bn**) **over two years**” to manage the mass-containment of asylum-seekers on an unknown number of vessels, including the Bibby Stockholm and an unknown number of hotels. The deal could be extended beyond 2025. Government contracts first [controversially](#) fell into CTM’s lap during COVID.

There is no information as to how this sum is divided between barges and hotels; the Home Office prefers not to reveal ‘commercial interests’. Either way, £800m per year is a staggeringly high sum – **adding 40% to the current cost of hotels**, even before taking into account the cost of the use of ex-RAF sites or former prisons, or the costs associated with securing barges.

However, we do know the following:

- The Bibby Stockholm will contain 506 people at Portland Port, starting mid- to late-July 2023.
- In June 2023, the government [announced](#) it had [reserved two further barges](#) for an undisclosed cost, destined for locations as yet unconfirmed ([FOI request on costs overdue.](#))
- **Four ports have already rejected the idea of berthing one of those barges:** [Royal Docks](#), near London City Airport; [Peel Ports](#) at Birkenhead; [PD Ports](#) on Teesside; and [Port of Tyne](#). The local MP for [Plymouth](#) has also said it is “an entirely unsuitable location.”
- The Home Office is believed to be considering berthing vessels at Harwich and Felixstowe. However, negotiations appear to be at a very early stage or non-existent. Before PD Ports rejected the idea, they said they had [not been contacted](#) about a barge, despite reading about the government’s intentions in the media.

The CTM contract alone adds 40% to the current £2.044bn annual cost of hotels, and almost certainly won’t replace any spend on hotels – since barges can’t replace hotels.

How our costs assessment works

We have gathered together:

- publicly available information about costs
- what we’ve learned from our own enquiries (eg excellent anonymous sources or FOI requests)
- background context (for example, the various funding models used for the provision of healthcare to asylum-seekers)
- information which allows us to make some informed guesstimates.

Of course, the Home Office does not publish all information and often references commercial sensitivities.

Therefore, using the best information available to us at the time of writing, the following pages are our attempt to calculate the cost to the public purse of the use of the Bibby Stockholm by the Home Office.

We do not claim that our conclusions are final and incontrovertible – they are simply our own findings. However, we have not seen the costs brought together, with any analysis, elsewhere in the public domain.

Accompanying spreadsheet

Accompanying this report is a spreadsheet to allow journalists to use the information provided to look at different approaches for unconfirmed costs – for example, using a different model for healthcare funding. This way, you can reach your own conclusions.

Note that the first month of the contract, at least, has already been wasted, valued at over £686,000. Suella Braverman promised the barge would be in Portland by 19 June, but as of 7 July it remains in dry dock. The first asylum-seekers are not now due until 17 July, but we believe there will be further delays: eg, agencies (police, healthcare, local authority) need 3 weeks between any bank receipts and being ready for people to go onto the barge.

Known costs – open-source

Some costs are fixed: they don't depend on the total number of people who may pass through the barge in a year – such as chartering and berthing. However, we have based our assessment on a fixed number of 500 people. Partly this is because we believe that there won't be much of a 'revolving door' on the barge, and partly because there's no way for us to know how many people might otherwise cross the decks of the Bibby Stockholm.

Chartering (fixed cost)

[Chartering the barge](#) from Bibby Marine will cost [£20,000 per day](#), **boosting the company's last-published annual income by 28%**.

£7,300,000 for Year One

Berthing (fixed cost)

Berthing the Bibby Stockholm at Portland Port will cost "[more than £4,500 per day](#)":

£1,642,500+ for Year One

Dispersal support services (variable cost)

The government will pay to Dorset Council the equivalent of the standard dispersal payment for each asylum-seeker. The sum of [£3,500 per individual](#) is for the provision of support services.

£1,771,000 in Year One (variable)

Integration support (fixed cost)

Dorset Council has been awarded [a confirmed sum](#) to provide asylum-seekers with activities, volunteering and ESOL lessons, to be delivered through local voluntary/community organisations.

£377,00 one-off payment

Dorset Police (fixed cost)

Dorset is the [second worst-funded force in the country](#). Immigration minister Robert Jenrick said a "[special grant](#)" would be made for Dorset Police's extra burden, including extra patrols and response to far-right activity (in April, local police warned that barges could turn constituencies into [hotbeds of far-right activism](#)). On 9 May it was reported that [£700,000 was requested](#), but [our FOI reveals just £375,00 was offered](#). On 6 June, Dorset Police was "[still in the dark](#)" about extra funding. They may yet request a higher counter-offer.

£375,000 (possibly subject to increase)

Total known costs for Year One are therefore

£11,465,500

To this we must add a series of other costs...

Guesstimates – Home Office pays

Management contract/s

Asylum containment sites are subcontracted to private firms for services such as furnishing/equipping the site, operating it, staffing, catering, etc. We originally estimated this barge's contract at £5.5m (based on the [£32.8m/2-year deal](#) for RAF Linton-on-Ouse) but revised it upwards when we saw the report of the [£1.6bn CTM contract](#) to manage an unknown number of hotels and vessels (of which just three are confirmed).

£6,800,000 (guesstimate)

NHS healthcare

[Dorset NHS has requested funding](#) to support people on the barge. There are several funding models for contingency healthcare (see Appendix 3). However, since we understand that Dorset NHS requested £2m but we've been told they won't get that much, and given the sensitivity of the site and the fact that GP services on Portland are already stretched very thin across c13,500 people, **we're assuming they may get 15% of that £2m.**

£300,000 in Year One (guesstimate)

Guesstimates + putative costs above:

£7,100,000

Additional costs – who pays?

Towing – Genoa to Falmouth

On 19 April 2023, the engine-less 10,659-ton barge Bibby Stockholm left Genoa in Italy and was towed to Falmouth for inspection/refurb by the Italian-flagged tugboat Sea Dream, owned by Oromare SpA. It arrived in Falmouth on 9 May 2023 (see Appendix 1) following 21 days at sea covering a distance of around 2,150 nautical miles.

We asked Oromare how much it would cost to tow a barge of the same length, beam and displacement from Genoa. They told us the cost would be 300,000 Euros (see Appendix 2). It is not publicly known whether the government or Bibby Marine will cover these costs, in full or perhaps shared.

£258,100 in Year One

Inspection, repair & refurbishments

The cost of the barge's inspection, repair and refurbishment in dry dock at Falmouth is not publicly known, nor whether the government or Bibby Marine will cover these costs, or share them.

Cost unknown

Towing – Falmouth to Portland Port

The barge must be towed 140 nautical miles from Falmouth to Portland Port. At around 6.5% of the distance from Genoa to Falmouth, a guesstimate can be made, but we don't know who foots the bill.

£16,000 (guesstimate)

Overstay in dry dock at A&P Falmouth

The barge's departure has been delayed, most recently over funding (police, healthcare, integration). This may incur additional costs.

Cost unknown

Utilities

The cost of berthing the Bibby Stockholm at Portland Port does not include water, sewage or electricity. These additional variable costs may or may not be charged to the Home Office.

Cost unknown

Security

We understand that "[A specialist and experienced security provider will be working on site 24/7](#)". It is understood that this will be subcontracted by CTM, but it is not known whether this would be a separate cost or included within the CTM contract.

Cost unknown

Dilapidations

It is known to us that the Home Office can be responsible for repairs and refurbishment to *hotels* once contracts end. The Home Office may also need to pay for dilapidations for the Bibby Stockholm.

Cost unknown

Additional costs – Home Office pays

Legal costs

The Home Office faces significant legal costs for civil cases brought by asylum-seekers at contingency sites, as at Napier Barracks.

Preparation, time in court, adverse costs and compensation all mount up. **In 2021-22, the Guardian reported that the Home Office paid out £41.1m in compensation – in 2021, it also paid out £28.8m in adverse legal costs for the 2,106 cases it lost.**

At the planned large-scale sites at RAF Linton, Wethersfield and Scampton, claims have been brought, or pre-action correspondence issued, by local authorities – including applications for injunctions and judicial reviews.

Asylum-seekers awaiting a decision on their claim are supposed to be dispersed in a way that doesn't overwhelm communities. The ratio is not supposed to exceed 1 asylum-seeker for every 200 local residents.

While the barge doesn't count as dispersal, try telling that to the people of Linton, Wethersfield, Scampton and Portland.

*Nicola David,
One Life To Live*

Some cost analysis

What we know about hotel costs

Annual cost of all hotels <i>£5.6m/day x 365</i>	£2,044,000,000
Number of people	51,000
Daily cost/head – hotels	£109.80

Our conservative estimate for the Bibby Stockholm costs

This is considered conservative because it does not include unknown costs, or known costs which may or may not be payable by the Home Office. It also does not include future costs such as legal action.

It also assumes only one cohort of 500 across the whole year. If people come and go, variable costs could increase considerably (eg for dispersal costs).

Minimum annual barge cost <i>Known + guesstimated/putative</i> <i>£11,465,500 + £7,100,000</i>	£18,565,500
Number of people	500
Daily cost/head of Bibby Stockholm	£100.52

These people are human beings and deserve to be treated as such, not cast out onto disused vessels. Any company that profiteers from inflicting misery through this dog-whistle policy should take a long, hard look at themselves.

[Steve Rotheram](#), metro mayor of Liverpool, site of Bibby Marine HQ

Cost difference – hotels vs Bibby Stockholm

Rough cost difference per head between hotels and the Bibby Stockholm, **before adjustments**:

$$£109.80 - £101.52 = \mathbf{£9.28}$$

This difference will shrink when the presently unknown costs (pages 12-13) are added.

Opinion

The most generous (to the Home Office) estimate is that the barge will cost £9.28 less per head/per day than hotels.

This gap will definitely shrink, however – it's just that we can't quantify by how much, since we don't know all of the costs or who pays them (such as dry dock delays, dilapidations, higher health/policing awards, more than 500 entering the barge in Year 1, legal costs, etc).

Thus it is highly likely that the barge will offer no saving on the daily £5.6m hotel bill – and in fact it is likely to cost more.

The maximum number of people on the Bibby Stockholm is fewer than 1% of all asylum-seekers in hotels, ie 500 vs 51,000.

Therefore, even saving a maximum of £9.28 per head, the daily £5.6m hotel bill would only drop by a trivial £4,694 per day, or 0.08%.

This moves that figure from £5,600,000 to £5,595,306.

Plus, given the change in strategy already seen at Wethersfield and Scampton before they even open (page 8), and the escalating pressures at Manston STHF, it is possible that – at some point – people will go to the Bibby Stockholm directly from Manston, not hotels. If so, **the barge will make no contribution towards reducing the national hotel bill – or the number of hotels in use – at all.**

Cost comparisons with other sites

Asylum containment sites are managed under contract by companies such as Serco, Mears, Clearsprings and now Corporate Travel Management (CTM). Example known costs include:

- [BBC News found](#) that the value of Serco's contract to manage the first proposed large-scale containment site, at Linton-On-Ouse (which was stopped from going ahead by campaigners and local authorities) was **£32.8m**. This was to house 1,500 asylum-seekers at a time over two years, or £18.4m per year, which equates to £10,933 per bed per year. We have unconfirmed inside information that the Home Office was obliged to pay **£20m** to buy out of the contract with Serco. [Liberty Investigates](#) also found that the Home Office spent **£1.5m** on the Linton-on-Ouse site before the plans were scrapped.
- In 2021, [the Guardian reported](#) that Clearsprings has a contract worth **£1 billion** over 10 years until 2029 – or £100m per year. That covers hotels across Wales and the South, as well as Napier Barracks. While the number accommodated overall is unknown, that is a significant portfolio. It is not possible to compare it with CTM's new contract, as we don't know how many barges and hotels are covered by CTM.
- In 2022, ministers raised concerns over the '[eye-watering costs](#)' of two cruise ships used to temporarily house Ukrainian refugees in Scotland, managed by CTM. The MS Victoria held [1,170 people](#) and the MS Ambition held [1,750](#), totalling 2,920 people. The MS Ambition was contracted for a [6-month period](#) and ceased accommodating Ukrainians on [31 March 2023](#), and the MS Victoria will cease on [11 July 2023](#) after [11 months](#). The CTM contract for this, which also includes transporting Afghans to the UK and operating refugee hotels, has an estimated value of **£100m**.

Set against these figures, the CTM contract (worth **£1.6bn over two years**) may be a very expensive option. Since there are likely to be relatively few barges, this would suggest that the majority of the cost will relate to hotels – in which case **the deal may be unlikely to reduce the overall spend on hotels**.

Confining hundreds of people in isolation on a barge is just more of the political theatre that the government has created to obscure its gross mismanagement of the asylum system... [it is] ministerial cruelty.

– [Steve Valdez-Symonds](#)
Amnesty International UK

Taxpayer value? Private profit?

Procurement concerns

CTM is a relative newcomer to the world of asylum accommodation. The contracts are generally awarded, according to geographic region, to Serco, Mears, and Clearsprings Ready Homes.

In 2020, the [National Audit Office expressed concern](#) over the way contracts are awarded “**Three regions received just one bid, and all but one of the others only had two bids.**” Also in 2020, the [House of Commons Public Accounts Committee](#) expressed concern over the procurement of asylum-seeker accommodation contracts and value to the taxpayer:

“Despite paying more for the new service... the Department has **not yet demonstrated that it is getting value for money in return...** Only three of the seven geographically based contracts initially attracted more than one bid, and **three contracts were awarded to the sole bidder.** Two of the contracts initially attracted no bids at all... only four companies submitted bids and the department became a customer in a seller’s market... The Department is paying an estimated 28% more to providers, but with more bids it may have been able to secure better prices.”

It seems little has changed. The new £1.6bn CTM contract for operating the barges plus an undisclosed number of hotels was awarded “[without competition](#)” and the Home Office has pushed its existing deal with CTM, originally drawn up for official travel, “[beyond what it was intended to be used for](#)”.

Spiralling private profits – examples

- On 31 October 2022 [Clearsprings reported](#) a leap in annual profit from £4,419,841 to £28,012,487 (to 31 January 2022) – a **534% increase in profit.**
- According to the [BBC](#), “one booking agency used by the Home Office trebled its pre-tax profits from £2.1m to £6.3m in the 12 months up to February 2022” – a **200% increase in profit.**
- The same report said Calder Conferences earned £20.6m in payments in 2021 to book hotels, rising to £97m in 2022 – a **371% increase in profit.**

[The Home Office] cannot know whether it is paying a fair price for the services and therefore it cannot provide evidence to show contractors are not making more profit than is reasonable.

The House of Commons Public Accounts Committee

Comment

The government could have used a tiny proportion of the hotels budget to hire asylum caseworkers.

When an asylum claim is granted, the individual can move out of their accommodation and begin independent life. Given that [76% of claims were granted](#) in the year ending June 2022 (and 51% of appeals are also granted), **this would have had a significant effect on the cost of hotels.** Instead, the government has wrung its hands over the cost, and created ‘solutions’ which are not solutions at all, but which are cruel containment sites on land and water.

In June 2023, [the i newspaper reported](#) that **if asylum-seekers were permitted to work, they could “save the government a total of £6.7bn each year”.** That would offset the cost of hotels, get people out of hotels, and pay for a *lot* of asylum caseworkers.

The House of Commons Public Accounts Committee has been [gathering evidence](#) for its next review of the cost-efficiency of the Asylum Transformation Programme (the deadline for which was 28 June 2023). The findings should reveal:

- whether the Home Office has responded to the 2020 recommendations
- whether the taxpayer is getting value for money.







Crucially, will the committee once again report – as it did in 2020 – that the Home Office has **“failed to ensure the safety and security of some of the vulnerable people who use asylum accommodation and support services”?**

Appendices

Appendix 1

The movement of the Bibby Stockholm from Genoa to Falmouth.

Source: [MyShipTracking](#) of the Sea Dream, which brought the barge to the UK and can clearly be seen in [photos](#).

SEA DREAM			
Last Port Calls			
Port	Arrival	Departure	Time In Port
 ARBATAX	2023-06-10 22:59	2023-06-16 08:41	5 d
 GENOVA	2023-06-05 05:51	2023-06-08 15:37	3 d
 CORUNA	2023-05-19 11:34	2023-05-27 08:27	7 d
 SOUTHAMPTON	2023-05-10 12:10	2023-05-15 19:16	5 d
 FALMOUTH	2023-05-09 06:05	2023-05-09 12:05	5 h
 GENOVA	2023-04-07 14:54	2023-04-19 14:01	11 d

Appendix 2

Email from the managing director of Oromare, the company which towed the Bibby Stockholm from Genoa to Falmouth, with a quote for the same-size vessel from Genoa to Southampton (in order not to appear too obvious about the request!)

4/6/2023 22:11

To: @onelifetolive.org.uk Copy Oromare spa - Palmiero


Reply Reply all Forward Delete

1 attachment View Download

Hi,

Euro 300.000,00 is required to tow a barge m 90x27 from Genoa to Southampton.

Best regards



Appendix 3

How funding for primary healthcare works for people in Home Office accommodation.

Doctors of the World UK (part of the Médecins du Monde network) have kindly explained to us that there are 3 or 4 possible funding mechanisms for the primary care of people in Home Office accommodation:

- 1. Normal model:** By registering a person as a permanent (not temporary) patient, a GP practice is funded to provide primary healthcare services for that person, ie the normal model for funding primary care.
- 2. National contingency fund:** Since 2021/22, NHS England has administered a national contingency fund (from the HO) to support ICBs in managing the additional primary care access needs arising from the Home Office's increasing use of temporary hotels to house asylum-seekers.

It is generally understood that this funding is to cover 'initial health assessments' as, strictly speaking, this is the only 'additional' bit of work GPs are required to do (although GPs would dispute this). This national contingency fund is not linked to the number of hotels, hotel residents or forecast arrival numbers, meaning that as a fixed annual budget, a decision has been required each year to determine how best to distribute these funds in support of ICBs.

In 2022/23, the £5.6m contingency fund supported a payment of £150 per new arrival into temporary hotels. This is being reduced to £57 per person in a July payment, then a separate tranche in September which would appear to be £100 per person.

NHS England will shortly confirm plans for how that £5.6m fund will operate in 2023/24.

In response to the current circumstances and further system feedback relating to the

retrospective claim process, in 2023/24 the contingency fund will be distributed to ICBs on a fair-shares basis using Home Office data on the number of asylum-seekers in temporary hotels in their area relative to other ICB areas.

- 3. Additional pots:** ICBs have additional funds which they can use to address health inequalities. They could use this to fund primary care in Home Office accommodation. However, this funding is to cover all of their under-served populations (and is reducing), so it is unlikely that an ICB could direct all or most of this funding to Home Office accommodation.
- 4. Special funding streams:** It seems that there are also "*additional funding streams that support the provision of NHS services to newly arrived asylum seekers in more permanent or higher risk Home Office accommodation settings ie initial accommodation centres, (new large accommodation sites); and hotels for unaccompanied asylum seeking children.*" But this remains unclear.

Our own notes

- A private healthcare firm was recently awarded a [£1.1m contract](#) to support 1,700 people at the former **RAF Wethersfield site, equating to £647 per head**. These people will have come from Manston STHF and as such will not yet have had any detailed health assessments.
- Integrated care boards (ICBs) replaced clinical commissioning groups (CCGs) in the NHS in England from 1 July 2022.

One life to live



One Life to Live believes that refugees and asylum-seekers deserve better than Britain's hostile environment. We work collaboratively with charities, NGOs and other organisations to challenge public preconceptions of asylum and refugee issues, to campaign against large-scale accommodation containment sites, and to shine the light on different perspectives within these stories.

Founder Nicola David was a member of the Linton-on-Ouse Action Group in 2022.

Nicola David | 07966 444104
nicola@onelifetolive.org.uk

Reclaim The Sea is a non-profit which helps people to reclaim the sea as a safe space. When hostile borders are drawn in the middle of the sea by state authorities, the sea becomes weaponised – a place of trauma, where people are forced to make dangerous journeys to seek safety and refuge.

We work collaboratively with charities, NGOs (including Sea Watch Foundation) and other organisations to campaign against the use of floating vessels to contain asylum-seekers.

Tigs Louis-Puttick |
reclaimthesea.org@gmail.com