



## Summary: Accommodation for asylum seekers

– the Swedish Migration Agency's arrangement of accommodation for asylum seekers

### Audit background

The number of asylum seekers coming to Sweden has been increasing for many years. In 2015 more than 160 000 people applied for asylum in Sweden, which was the highest number ever.<sup>1</sup> This was double the number of applicants compared with 2014 and three times the number compared with 2013. The Swedish Migration Agency has the primary responsibility for the reception of asylum seekers and must provide accommodation to those who cannot arrange it by themselves.<sup>2</sup> In 2015, two out of three asylum seekers lived in the Swedish Migration Agency's accommodation centres.<sup>3</sup> The Swedish Migration Agency's budget for 2015 amounted to just under SEK 18 billion. The appropriation for accommodation for asylum seekers amounted to nearly SEK 4 billion, which was the third largest appropriation item.<sup>4</sup>

#### Various types of asylum centres

Asylum seekers can choose either to live in their own accommodation (EBO) or live in one of the Swedish Migration Agency's accommodation centres (ABO). There are three forms of accommodation centre:

- ABE – apartments with self-catering facilities, rented by the Swedish Migration Agency from municipalities or private property owners.
- ABK – dormitories usually with self-catering facilities, rented by the Swedish Migration Agency directly from a property owner.
- ABT – temporary accommodation usually with full board, procured by the Swedish Migration Agency.

During the strained refugee situation in the autumn of 2015 many people also had to stay in the municipalities' evacuation accommodation (EVAK), which consisted of different forms of provisional sleeping arrangements in for example sport halls.

<sup>1</sup> Of more than 160 000 asylum seekers, 35 000 were unaccompanied minors (Swedish Migration Agency's annual report for 2015).

<sup>2</sup> See Sections 2 and 3 of the Reception of Asylum Seekers and Others Act (1994:137).

<sup>3</sup> The Swedish Migration Agency's activity and expenditure forecast of February 2016 (4 February 2016), Annex 1 The asylum process.

<sup>4</sup> Appropriation directions for the 2015 budget year concerning the Swedish Migration Agency (22 December 2014), amendment decision (25 June 2015) and amendment decision (11 December 2015).

**Average cost of different types of asylum centres in 2015 (per day and person, including daily allowance)<sup>5</sup>**

- EBO: SEK 53
- ABE: SEK 149
- ABK: SEK 201
- ABT: SEK 348
- EVAK: SEK 696

*Purpose and audit issues*

The purpose of this audit is to investigate how the Swedish Migration Agency has fulfilled its task to arrange accommodation for asylum seekers in 2012–2015, which also includes the strained refugee situation in the autumn of 2015. The Swedish National Audit Office (NAO) based its audit on the following questions:

1. How has the Swedish Migration Agency fulfilled its task to arrange accommodation for asylum seekers?
2. Can the Swedish Migration Agency's work in arranging accommodation be made more effective and the quality of the activities improved by developing the
  - a. acquisition of rented accommodation (ABE and ABK)
  - b. procurement of temporary accommodation (ABT)
  - c. controls of procured accommodation (ABT)
  - d. economic follow-up and control?

This audit only refers to the Swedish Migration Agency's arrangement of accommodation and not the accommodation for unaccompanied minors, which is arranged by the municipalities.

**Audit findings***1. How has the Swedish Migration Agency managed its task to arrange accommodation for asylum seekers?*

The Swedish NAO assessment is that the Swedish Migration Agency fulfilled its task to arrange accommodation for the asylum seekers arriving in Sweden in the period 2012–2015. During the autumn of 2015 when the number of asylum seekers increased

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<sup>5</sup> The daily cost per type of asylum centre is inherently uncertain, since according to the Swedish Migration Agency, there may be some risk that costs sometimes have not been allocated the correct activity code. Nor do the daily costs reflect the entire cost of asylum centres, since there are other costs than board, lodging and daily allowances that are related to the accommodation. For example, the costs are not completely comparable, since personnel costs vary between the forms of accommodation. The daily cost for EBO only refers to daily allowances. As regards EVAK the data on daily costs are highly uncertain.

substantially, the Swedish Migration Agency demonstrated great capacity for action and succeeded almost every day to arrange accommodation for all asylum seekers in need. The Swedish Migration Agency managed the accommodation situation by conducting several procurements of ABT, increasing the numbers of asylum seekers in existing accommodation centres and using new provisional accommodation solutions. During the final quarter of 2015, the agency used about 6 000 municipal evacuation beds per month, including in schools and sports halls. To cope with the strained accommodation situation, the Swedish Migration Agency's personnel had to work very hard and the municipalities and civil society had to take a lot of responsibility. Asylum seekers were also given a poorer reception and accommodation than would normally be the case.

The costs of accommodation centres increased considerably in the period 2012–2015, particularly in the second half of 2015. The increased costs can be largely explained by the greater numbers of asylum seekers and their staying longer at the accommodation centres, since processing times have become longer. An additional explanation for the increased costs is that the number of people in ABT has almost doubled each year since 2012; ABT is a more expensive accommodation form than both ABE and ABK. Moreover, the municipal evacuation beds that the Swedish Migration Agency used in the autumn of 2015 were about twice as expensive as the beds in ABT.

Even though there have been periods when the number of people seeking asylum in Sweden has increased significantly in a short period of time, it was difficult for the Swedish Migration Agency to anticipate that the numbers of asylum seekers would increase so significantly in the autumn of 2015. The number of asylum seekers peaked at 10 500 in one week in the autumn of 2015, which was about double the number of people coming in one week before. However, if the Swedish Migration Agency had been better prepared before the autumn of 2015 through a more systematic acquisition of accommodation, the agency's work could have been facilitated and the costs kept down. With more beds in ABE and ABK and a larger supply of ABT, the provisional forms of accommodation used in the autumn of 2015 could have been avoided to a greater extent. The Swedish NAO's calculations, based on data from the Swedish Migration Agency on costs per day, show that each municipal evacuation bed cost just over SEK 10 000 more per month than a bed in ABT.

Already during the period 2012–2014, the Swedish Migration Agency had some difficulties in finding accommodation for asylum seekers. However, it was not until the strained refugee situation in the autumn of 2015 that the Government took measures to facilitate the Swedish Migration Agency's work in arranging accommodation. For example, the Government decided to amend the Planning and Building Ordinance (2011:338) to facilitate the establishment of temporary asylum centres. Proposed

amendments to the rules for placement in municipalities for people who have been granted a residence permit in Sweden and the cessation of the right to ABO after refusal of entry or expulsion decisions were also initiated in the autumn of 2015. Since it takes time for these measures to have an effect, they did not contribute to solving the accommodation situation in the autumn of 2015.

It is important that the Swedish Migration Agency and the Government learn from the events and that central government in general has effective emergency preparedness. The refugee situation in the autumn of 2015 is a reminder that extraordinary situations can arise.

**The Swedish NAO recommends that the Swedish Migration Agency:**

- analyses the management of and preparedness for the refugee situation in the autumn of 2015 and improves preparedness for providing accommodation centres in the event of future extraordinary situations.

*2. Can the work of arranging accommodation centres be made more effective and the quality of the activities improve?*

The Swedish NAO's assessment is that in the period 2012–2015, the Swedish Migration Agency could have fulfilled its task more effectively. It would have been possible to arrange accommodation centres at a lower cost while ensuring that the accommodation meets the agency's requirements. The analysis is mainly based on the circumstances before the strained refugee situation in the autumn of 2015.

*a) The work to increase the number of places in highest priority accommodation*

The Swedish Migration Agency as well as the Riksdag have assessed that living in apartments and self-catering is the best form of accommodation for asylum seekers and the most economically advantageous for the Swedish Migration Agency. If the Swedish Migration Agency had succeeded in replacing 100 of its beds in ABT with beds in ABE or ABK in 2015, the costs for accommodation would have been respectively about SEK seven and SEK five million lower.

The Swedish NAO assessment is, that in 2012-2015, the Swedish Migration Agency could have improved its handling of ABE tips as well as the support to the reception units to find new ABE and to assess what an appropriate ABE is. As regards ABK, the Swedish NAO considers that the Swedish Migration Agency has not created sufficient incentives for property owners to choose ABK instead of ABT. There are also insufficiencies in the handling of tips and lack of clarity in the responsibility in searching for new ABK.

Therefore, there is a risk that an unnecessarily high number of properties are discounted in the internal process. Moreover, the Swedish NAO assesses that the Swedish Migration Agency has not created sufficient conditions for ABT with self-catering. The pricing of board and lodging that Swedish Migration Agency has chosen creates greater incentives for suppliers to offer ABT with full board compared with self-catering.

**The Swedish NAO recommends that the Swedish Migration Agency:**

- improves the handling of tips received about apartments and the support to the reception units in searching for and assessing appropriate apartments
- clarifies the division of responsibility and handling of tips concerning dormitories and review the rent setting
- reviews the distribution between the ceiling price for board and lodging in procurements with a view to more clearly giving precedence to self-catering accommodation.

*b) Procurement of temporary accommodation*

The Swedish Migration Agency began procuring ABT at the end of 2011 and has since then developed its procurement activities. However, according to the Swedish NAO, further improvement is needed. During the period that the Swedish Migration Agency has been procuring ABT, the agency has not made any market analysis before the procurement rounds to investigate the range of suppliers existing on the market and the requirements that are reasonable to impose on suppliers and the accommodation. The Swedish Migration Agency has not either subsequently evaluated the requirements sufficiently. This entails a risk that the procurement requirements have been so high that the number of suppliers that are able to supply the service is too low in relation to the needs of the Swedish Migration Agency.

In most procurements the Swedish Migration Agency has awarded short-term contracts. On average, the contracts have been for three to four months, although contracts of less than one month have been relatively common. The short-term contracts may contribute to increased uncertainty and increased costs, both for suppliers and the Swedish Migration Agency. Short-term contracts may also influence the willingness of suppliers to participate in procurements. In the autumn of 2015 the Swedish Migration Agency awarded somewhat longer contracts.

The audit also shows that in 2012–2015, the Swedish Migration Agency did not always award ABT contracts in accordance with the ranking determined in connection with the award decision. The reason for this is that the agency has chosen to carry out a large number of inspections after the award decision, where many suppliers have not met the must-requirements. The Swedish Migration Agency has not been clear in its tender

documents and transparently described how the inspections carried out after the award decision may affect the order in which contracts are awarded. In addition, some suppliers have been awarded contracts despite the fact that the Swedish Migration Agency's inspections have shown that not all of the must-requirements have been met, while other suppliers have been excluded for not meeting the same requirements. The Swedish Migration Agency has thus not always treated the suppliers equally. This lack of clarity in how contracts are awarded contributes to suppliers perceiving that the Swedish Migration Agency awards contracts arbitrarily, which may risk affecting suppliers' trust in the Swedish Migration Agency.

**The Swedish NAO recommends that the Swedish Migration Agency:**

- ensures that the requirement level for the procured accommodation is reasonable in relation to the needs of the Swedish Migration Agency's and the supply on the market
- reviews the possibility of awarding longer contracts to suppliers
- clarifies how suppliers will be ranked.

*c) Control system for the procured accommodation*

During the period that has been audited, 2012-2015, as a rule, the Swedish Migration Agency inspected all ABT accommodation before awarding contracts, and in the inspections, it has often emerged that all of the must-requirements have not been met. The audit shows that there are no clear guidelines for how to assess the deficiencies that emerge at inspections. Half of the reception units state that they are in need of augmented skills and more support for inspecting ABT accommodation. Moreover, the Swedish Migration Agency does not have sufficiently clear procedures for following up whether a supplier has dealt with the deficiencies that emerged in the initial inspection. These deficiencies may therefore remain for a long time. Insufficiencies in the Swedish Migration Agency's inspection activities mean that suppliers' incentive to provide good accommodation may decrease. There is also a risk that suppliers that deliberately fail to meet the set requirements may be awarded contracts and be able to continue to provide accommodation despite the fact that deficiencies have been discovered. During the strained refugee situation in the autumn of 2015, the Swedish Migration Agency made fewer inspections of ABT accommodation before awarding contracts than they normally do.

The Swedish NAO is positive towards the Swedish Migration Agency having started in 2014 to make unannounced accommodation reviews of ABT accommodation, often after indications of problems. However, the audit shows that there are no guidelines for how accommodation reviews should be carried out. Documentation and information transfer

to the reception units could also be improved. At these reviews, the Swedish Migration Agency sometimes requires that the suppliers take measures to deal with deficiencies without the existence of the corresponding must-requirement in the tender documents. Thus, changing the conditions for some suppliers during the period of the contract means a lack of predictability and that suppliers are not always treated equally.

**The Swedish NAO recommends that the Swedish Migration Agency:**

- clarifies how the must-requirements are to be assessed at inspections and ensure that suppliers meet the must-requirements
- draws up clear guidelines for accommodation review and improves documentation and information transfer
- at inspections, only requires that suppliers deal with deficiencies based on the procurements' must-requirements.

*d) Financial control*

All responsibility for financial control of ABT lies with the Swedish Migration Agency's reception units. In the period 2012–2015, most of the reception units have in various ways checked that the number of asylum seekers living in ABT tallies with the number that the suppliers have invoiced for. However, there is limited support and guidance for the work of checking invoices. With the present system there is some risk that the Swedish Migration Agency makes incorrect payments and pays for beds that have not been used.

There is a risk that the restoration costs for ABT will be high. When the Swedish Migration Agency discontinues an ABT accommodation facility, the agency must compensate the suppliers for restoration costs in excess of normal wear and tear. The suppliers submit compensation claims to the Swedish Migration Agency to cover these costs. It is not certain whether the protocols used for access inspections are specific enough to enable a correct assessment of compensation claims. The reception units also state that they need more support and skills in assessing compensation claims. Due to the strained situation in the autumn of 2015, the Swedish Migration Agency conducted fewer access inspections than before, which may further complicate the assessment of future compensation claims.

**The Swedish NAO recommends that the Swedish Migration Agency:**

- improves support to the reception units in their work of checking invoices and assessments of compensation claims
- ensures that the technical component of the access inspection is sufficient to assess compensation claims.

Lastly, the Swedish NAO assessment is that the Swedish Migration Agency has accomplished its task of arranging accommodation for asylum seekers who came to

Sweden in 2012–2015, even during the extraordinary refugee situation in the autumn of 2015. However, the Swedish NAO considers that the Swedish Migration Agency, before the autumn of 2015, could have worked more effectively and systematically in the acquisition of accommodation centres. It would have resulted in a better working situation for the Swedish Migration Agency's personnel; better accommodation for the asylum seekers; better conditions for ABT suppliers and more effective use of central government funds. Improving the effectiveness and efficiency in the acquisition of accommodation centres going forward is particularly important as the number of asylum seekers coming to Sweden may continue to be high.