

CATHERINE BLANCHARD, PAULINE CARNET AND JONATHAN ELLIS, The Azure Payment Card: the Humanitarian Cost of a Cashless System

This piece describes research conducted by the British Red Cross into the effectiveness of the Azure payment card in providing support to refused asylum seekers. It includes the viewpoint of organisations working with these clients and the lived experience of refused asylum seekers. The research concludes that the Azure card and support does not allow refused asylum seekers to meet their basic needs and live with dignity. Our recommendations included abolishing the Azure card. The piece ends with a description of the advocacy we engaged in, based on the recommendations of the research.

Introduction

The British Red Cross has a long tradition of providing practical and emotional support to refugees and asylum seekers and refused asylum seekers. In 2015, we supported 14,510 refugees and asylum seekers – 9,147 of whom were destitute at some point in that year.

Section 4(2) of the Immigration and Asylum Act of 1999 (United Kingdom 1999) allows support to be provided to refused asylum seekers who are destitute and have agreed to return to their country of origin, but cannot return immediately due to circumstances beyond their control. Those who have further submissions under consideration can also receive this support. At the end of March 2015, 4,941 refused asylum seekers and dependants were receiving Section 4 support (Home Office 2015a).

Section 4 support is not paid in cash. A payment card (the Azure card) is provided, credited with £35.39 / week per person, to be used in specified retail outlets to buy food, essential toiletries, clothing and credit for mobile phones. Petrol, diesel, gift cards, alcohol and tobacco are not allowed and the card cannot be used for travel.

Azure cards are topped up automatically every week. Single people with no dependants are not allowed to carry over more than £5 at the end of each week. Any amount in excess of £5 expires at midnight on Sundays.

Methodology

This research arose out of our concern for the wellbeing of refused asylum seekers and the negative impacts of Section 4 support we observe. The objectives of the research were to explore the effectiveness of the Azure card in providing support to refused asylum seekers, from the viewpoint of organisations working with these clients; and to understand refused asylum seekers' lived experience of using the card. One-hundred-and-four questionnaires were distributed UK-wide to organisations working with people on Section 4 support (including Red Cross refugee services). Seventy-four questionnaires were returned, yielding a response rate of 70 per cent. We conducted in-depth interviews with 11 Azure card users, who were identified by Red Cross refugee service staff.

Findings

Ninety-three per cent of our survey respondents felt that the Azure card system is failing to support refused asylum seekers, with 49 per cent rating it as 'very ineffective' and 44 per cent as 'ineffective'.

Eighty-five per cent of the organisations in our survey reported their clients are left hungry because Section 4 support is insufficient. The same proportion felt their clients are not able to

buy other essential items such as diapers, toiletries and household cleaning products. This was echoed by the interviewees:

Can you imagine? With £5 a day can you make three meals a day? No. Even to top up my telephone to talk with my children; if I top up for £5 I have to sacrifice one day of eating (Azure card user).

Eighty-one per cent of survey respondents reported that authorised retailers offer poor value for money. Several interviewees told us that £35.39 might be enough to meet their basic needs if they had the option to shop around for the best price, but they are not allowed to. As one interviewee explained:

Fruits and vegetables are really expensive in a supermarket. It's cheaper in the market because they do it in a bowl, which is a pound. And maybe if you go later, when they're towards closing, they reduce it maybe to even 50p (Azure card user).

All but one Azure card user had experienced difficulties when trying to pay with the card. Seventy-two per cent of our survey respondents reported clients having their card refused by authorised retailers in the previous six months, and 70 per cent said their clients had experienced poor treatment from shop staff. There appears to be a lack of clarity and understanding by shop staff around what items are allowed to be purchased, often leading to individual shop staff using their own discretion. Many appear to believe the card is only to be used for food. One Azure card user, an elderly grandmother, explained how she was not allowed to buy a saucepan she needed for cooking for this reason.

Technical difficulties with the card are common. Eighty-five per cent of our survey respondents reported that their clients' Azure cards had not worked at some point during the previous six months. This sometimes happens despite users having a credit balance on the card, and Azure card users can be left without financial support for several days.

Getting to the supermarket and essential appointments is also problematic. Survey respondents indicated that distance (88 per cent) and illness (82 per cent) can make it difficult to get to a shop that accepts the Azure card. They also reported that clients have difficulty travelling to visit legal representatives (94 per cent) and health workers (92 per cent) due to a lack of money. Most of the Azure card users we interviewed did not know they could apply for specific travel support to attend medical appointments, as part of their Section 4 support.

Seventy-nine per cent of survey respondents reported their clients have difficulty understanding how the carry-over limit works. A number of our interviewees reported losing money due to not realising their credit expires. They reported that the carry-over limit makes it impossible to save a little each week so you can buy bigger items like a coat or shoes. Both our survey respondents and interviewees felt the most significant improvement to be made to Section 4 support is to provide the support in cash.

Recommendations

We concluded that the Azure card and Section 4 support does not allow refused asylum seekers to meet their basic needs and live with dignity. It creates unnecessary suffering for people already in desperate situations. Based on the research, we made three key recommendations: abolish the Azure card; create one integrated form of support throughout the asylum seeking process; and provide this support in the form of cash.

We recognise that the recommendations require the withdrawal of Section 4 (11) (b) of the *Immigration and Asylum Act 1999*, which forbids a person on Section 4 support being supplied money. In the interim, we call for practical steps to be taken, including expanding the number of retailers that accept the card, allowing travel tickets to be purchased with the card, and abolishing the carry-over limit.

Based on this research, the Red Cross advocacy strategy was to target one member of the House of Lords, Lord Roberts of Llandudno, rather than a cohort of parliamentarians, as he had already developed a reputation for leading on this issue in the House. Our research report, *The Azure payment card: The humanitarian cost of a cashless system* (Carnet *et al.* 2014), led to a series of parliamentary questions, a parliamentary briefing, and a 90-minute debate in the House of Lords on the Azure card on 20 November 2014, secured by Lord Roberts. Following the debate, the government minister, Baroness Williams of Trafford, pledged to remove the carry-over limit:

We will shortly be bringing in changes to allow card users to carry over extra credit on the card from one week to the next. This suggestion was made by the Red Cross in a recent report and by many noble Lords in the Chamber today (HL Deb 20 November 2015, vol 757, col 563).

The government also committed to explore ways to facilitate access to transport for refused asylum seekers and extend the range of outlets that accept the Azure card. Despite a number of follow-up parliamentary questions, no further progress was made on these issues.

Other activities involved meeting with James Brokenshire, Minister for Immigration at the Home Office, and responding to the Public Consultation on Reforming Support for Failed Asylum Seekers (Home Office 2015b), conducted from 4 August to 9 September 2015.

On 17 September 2015, the Immigration Bill 2015-16 had its first reading in the House of Commons. We submitted a briefing to the House of Lords in December 2015, before the second reading of the Bill.

Part 5 and Schedule 10 of the Bill has now abolished Section 4 of the Immigration Act 1999, and replaced it with a new Section 95A (Immigration Bill 2015-16). Section 95A support is intended for individuals or families with dependent children who are refused asylum seekers and unable to leave the UK due to a genuine obstacle. On 3 February 2016, in the committee stage of the Immigration Bill in the House of Lords, the government confirmed Section 95A support will be provided in cash and at the same level as Section 95 (HL Deb 3 February 2016, vol 768, col 1831). The Red Cross continues to monitor the progress of the Bill through parliament.

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