Home Office

ANNUAL REPORT & ACCOUNTS 2022-2023

HC 1355

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ANNUAL REPORT & ACCOUNTS
2022-2023

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Annual Report presented to the House of Commons by Command of His Majesty

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HOME SECRETARY'S INTRODUCTION

Introduction by the Home Secretary

The Home Office is at the heart of many of the Government's top priorities.

We must stop the boats. Illegal immigration is unfair on taxpayers and would-be immigrants who play by the rules, has an unbearable impact on public services and local communities, enriches the gangs, and is lethally dangerous.

The Illegal Migration Act is a vital step in securing our borders. It places a cap on the number of people seeking protection that the UK will resettle via safe and legal routes, radically narrows the challenges and appeals that can suspend removal and tightens modern slavery laws. We have signed a new and improved deal with France, along with returns agreements with several countries.

The UK-Rwanda Migration and Economic Development Partnership is crucial to these endeavours. The most similar scheme to it internationally is the Operation Sovereign Borders in Australia, which started in late 2013. This entails offshoring asylum claims, including to Nauru, combined with turnarounds at sea. The effect of this programme is reduced Illegal Maritime Arrivals to Australia from approximately 18,000 in 2013, to virtually zero.

Overall crime, excluding fraud and computer crime which has only been counted since 2016, is now down by 54% since 2010, with burglary down 55%, robbery down 77%, violence down 46%, theft down 47%, neighbourhood crime down 51%, and criminal damage down 72%. We are rolling out our ambitious programme, Operation Soteria, to transform rape investigations and prosecutions and have brought in a big package of measures for domestic abuse victims. Our new Fraud Strategy will mean this wicked crime is treated like the epidemic it is.

We received the Third Volume of the Manchester Arena Inquiry report and published the Terrorism (Protection of Premises) draft Bill. This is also known as Martyn's Law. It will place on public places a greater duty to protect their visitors.

Our efforts to drive down crime have been boosted by recruiting 20,951 additional police officers by March 2023, exceeding our manifesto commitment to recruit an additional 20,000 by this date. This brings the total number of police officers in England and Wales to 149,566 in March 2023 – the highest on record against a previous peak of 146,030 in 2010. Now the police need to ensure they focus on getting the basics right: the highest professional standards and a relentless focus on crime, not politically correct distractions. This means continuing to smash county lines gangs, using proven methods like stop and search, and deploying officers to high-crime areas. The Anti-Social Behaviour Action Plan reflects the fact that there is no such thing as petty crime and that it is easy for areas to slip into degeneracy and misery.

The Home Office led the country's support for the courageous people of Ukraine. Working at great speed, it hit Putin's allies with unprecedented financial sanctions and supported refugees with new safe and legal routes.

I have announced a radical overhaul of our approach to preventing terrorism. There needs to be a much better understanding of the ideology that underpins terrorism and extremism, a greater focus on Islamism and antisemitism, and no more eliding of the Extreme Right Wing and the perfectly respectable Right. I increased the Jewish Community Security Grant to £14 million and announced the creation of a new Jewish Community Crime, Policing and Security taskforce.

Progress is being made in improving both asylum applications and visas and passports. The asylum backlog has been reduced by 15 per cent.

This report is a welcome opportunity for me to thank everyone who works for the Home Office and its Arm's Length Bodies. The work you do is often difficult and demanding, and it will not always be directly recognised by the public. Yet it is hugely worthwhile and matters enormously. What you do really counts and I am very grateful.

Rt Hon Suella Braverman KC

PERMANENT SECRETARY'S FOREWORD

Foreword by the Permanent Secretary

I am proud of the hard work and dedication I see daily from colleagues across the Home Office, determined to deliver the public's priorities. In 2022-23, this work took place against a backdrop of significant volatility.

The Home Office response to the Russian invasion of Ukraine was swift and multi-faceted. We prepared world-leading legislation at pace and used it within hours of its coming into force. We worked flat out with other departments to support Ukrainians fleeing the conflict.

As the world emerged from Covid-19, passenger volumes at the UK border rose steeply, along with demand for visas to enter the UK. We also saw record demand for passport applications – with over 8.3 million processed during the year.

Managing the Department's budget meant prioritising the most important work and keeping a keen focus on measures to promote productivity and efficiency. Throughout the year, we maximised value for money and delivered savings. These measures helped absorb significant inflationary and demand-driven pressures and contributed to the Department remaining within budget.

Our top priority is to Stop the Boats. It is integral to our mission of tackling illegal migration. The record levels of small boat arrivals have placed strain on our asylum system. We are determined to use a range of activity – legislative, operational and diplomatic – to disrupt the people smugglers' business model which exploits vulnerable individuals and put lives in danger.

We also enable the legitimate movement of people and goods to support the economy. Our work to transform the migration and borders system by 2025 aims to benefit travellers, the economy and border security. We have made significant progress in digitising the immigration system and increasingly are replacing physical and paper-based products and processes with accessible, easy-to-use digital services.

We are working hard with the police to reduce crime and improve police standards and performance. We have delivered on the Government's manifesto commitment to recruit an additional 20,000 police officers by March 2023.

On homeland security, we continue to drive four cross-government systems to reduce the risks we face from terrorism, state threats, economic crime and cybercrime.

We will build on our commitment to righting the wrongs suffered by members of the Windrush Generation and learn from our mistakes.

Progress is reflected and reinforced by increasing diversity in the Department's workforce. Ethnic minority representation among Senior Civil Servants is up to 9.8%. We have improved the spread of our teams around the country, and have already exceeded our overall 2025 targets to relocate roles outside London.

We also have a responsibility to help mitigate the effects of climate change. In 2022-23, the Home Office invested over £9m in decarbonisation technology and reduced our emissions by 54.4 tonnes of CO_2. Our new, state-of-the-art office in Croydon will enable the closure of five energy-consuming sites.

We have made good progress but still have further to travel if the Department is to become the best it can be. We remain guided by the needs and priorities of the public we are here to serve and our vision to deliver a safe, fair and prosperous United Kingdom.

Sir Matthew Rycroft KCMG CBE
Permanent Secretary

1.
THE PERFORMANCE REPORT

PERFORMANCE OVERVIEW

Performance Overview

This section provides a summary of the purpose, plans and performance of the Home Office. This includes an overview of our organisation, services and structure.

Our Vision

Our vision is for a safe, fair and prosperous UK.

Mission

The Home Office's primary mission is to keep our citizens safe and our borders secure. Our delivery plan reflects the broad and important nature of the work we do. It sets out in detail how we will deliver our priority outcomes, how we will measure our success, and how we will ensure we continuously improve. The priority outcomes are to:

- reduce crime
- reduce the risk from terrorism to the UK and UK interests overseas
- enable the legitimate movement of people and goods to support economic prosperity
- tackle illegal migration, remove those with no right to be here, and protect the vulnerable

Our Structure

Missions

The 'missions' focus on end-to-end services to ensure we deliver on the Government's and Department's priorities:

- Homeland Security Group
- Public Safety Group
- Migration and Borders Group

The Migration and Borders (M&B) Mission has an additional Director General with oversight of Strategic Operations.

Capabilities

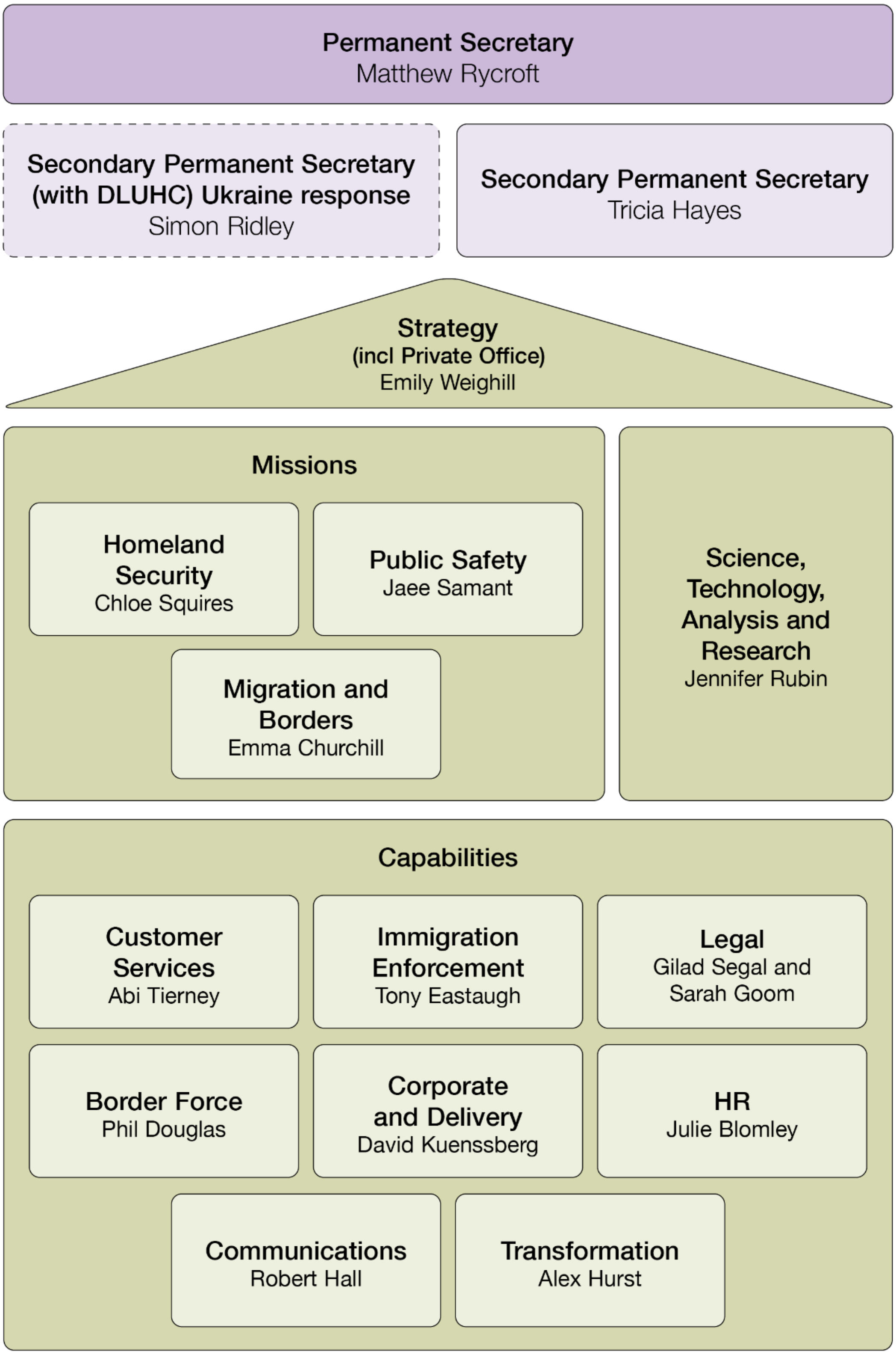
The 'capabilities' are centres of excellence delivering high-quality and efficient services, both to the Department and directly to customers:

- Border Force
- Immigration Enforcement
- Communications
- Corporate and Delivery
- Customer Services
- Transformation
- HR
- Legal

Science, Technology, Analysis and Research (STAR) and Strategy

Outside of the missions and capabilities, Science, Technology, Analysis and Research (STAR) and the Strategy Directorate set and maintain direction for the Home Office and solve complex cross-cutting problems, helping to inform, deliver, and make sense of cross-cutting activity across the Home Office's missions and capabilities.

Home Office structure at end of 2022-23[1]



[1] This structure has changed since the end of the year, as set out in the Governance Statement.

Changes to Governance

At Executive level, David Kuenssberg was appointed as DG for Corporate and Delivery, under a new directorate structure formed following Gus Jaspert's departure as DG for Delivery.

Abi Tierney took responsibility for the Asylum & Protection portfolio within her role as DG for Customer Services following Emma Haddad's departure.

Asylum was supported by Simon Ridley in his capacity as Senior Responsible Owner for Accommodation in 2022.

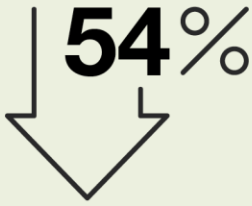
In April 2023, Simon Ridley was appointed as Second Permanent Secretary for the Home Office. Sarah Goom and Gilad Segal took over as Joint Home Office Legal advisers from Jennifer Morrish and Diane Wills.

Gilad Segal left the post at the end of 2022 and was replaced by Nick Fussell.

The Performance and Risk Committee was replaced by the Risk and Delivery Committee. This change was designed to enhance collective decision-making around delivery and risk, and the new committee is attended by directors general and a non-executive board member, to reflect senior accountability for decisions and actions.

Performance at a Glance

We have delivered on the government's manifesto commitment to recruit an **additional 20,000 police officers** by March 2023



Overall crime, excluding fraud and computer crime, is now **down by 54%** since 2010

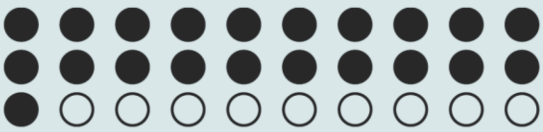
Over the year, **more than 1,000** county lines have been closed

Martyn's law - Government announced proposals to enhance security at publicly accessible locations known as a direct response to the lessons from the Manchester arena attack.

Over **8.3 million** passport applications processed over the year

Ukrainian schemes, issuing **c. 220,000 visas and c. 24,000 extensions** to remain in the UK since March 2022.

Illegal Migration Bill laid in Parliament



Windrush - **21 out of 30** independent review recommendations have been met or partially met

Priority outcomes

This summary provides an 'at-a-glance' overview of how we have worked towards delivering our priority outcomes in 2022-23. This high-level overview is expanded upon in the performance analysis section of this report which includes further details of our activities and further analysis of progress against performance indicators.

Priority Outcome 1 - Reduce crime

In support of this outcome, we have delivered on the government's manifesto commitment to recruit an additional 20,000 police officers by March 2023. In total 20,951 additional officers were recruited through the Police Uplift Programme, bringing the total number of officers in England and Wales to 149,572 - the highest on record.

The government is on track to deliver the Home Secretary's aim to reduce serious violence and neighbourhood crime by 20% by the end of the Parliament. While not on track to deliver the aim to reduce homicide by 20%, homicide is around 9% lower than it was in December 2019 (excluding Devon and Cornwall).

As part of delivering the 10-year drugs strategy, we are making the UK a harder place for organised criminal gangs to supply drugs: more than 1,000 county lines have been closed and there have been over 2,500 organised crime group disruptions in our project ADDER (Addiction, Diversion, Disruption, Enforcement and Recovery) pilots, the government's pathfinder programme combatting drugs misuse. To date, we have implemented 35% of our commitments across the tackling Violence against Women and Girls strategy (2021) and Domestic Abuse Plan (March 2022).

Priority Outcome 2 - Reduce the risk from terrorism to the UK and UK interests overseas

Since 2018 we have developed an effective cross-government performance and risk assessment process for CONTEST (the United Kingdom's strategy for countering terrorism) in order to identify what is working and what needs improvement. In December 2022, the Government announced proposals known as Martyn's Law to enhance security at publicly accessible locations, a direct response to the lessons from the Manchester arena attack.

The UK Threat Level has remained at SUBSTANTIAL since February 2022, whilst Northern Ireland-related terrorism has increased to SEVERE (March 2023) for the first time since July 2019. There were 166 arrests for terrorism-related activity in the year ending 31 December 2022. In the year ending 31 March 2022, there were 6,406 referrals to Prevent, a Home Office programme where the police work with other organisations to protect vulnerable people from being exploited by extremists. This was an increase of 30% compared to the previous year, likely to have been driven by the associated impacts of lifting the public health restrictions that were in place to control the spread of coronavirus (COVID-19).

Priority Outcome 3 - Enable the legitimate movement of people and goods to support economic prosperity

Performance for the year 2022-23 was strong, when we saw high demand return following the COVID-19 pandemic, alongside the need to establish schemes to support Ukrainians impacted by the Russian incursion into Ukraine in February 2022. There was a need to undertake significant recruitment to rebuild capacity following the pandemic. Passenger volumes at the UK border rose nearly 250% from 2021-22. The demand for visas to enter the UK more than doubled. Tax revenue protected through detecting goods at, or before the border, where exercise duty had not been declared exceeded targets. The demand for UK passports was the highest ever in a year, and public service levels were within expected standards from early 2023.

Priority Outcome 4 - Tackle illegal migration, remove those with no right to be here and protect the vulnerable

Performance in 2022-23 saw continuing challenges with the illegal migration system mainly as a result of the increased clandestine arrivals via small boats which were the highest recorded (records began in 2018). Asylum work in progress increased by over 50,000 due to small boat arrivals and in-country claims which resulted in a 26,000 uplift in those receiving asylum support over the year. Asylum appeal rates dropped slightly but there was also a slight uplift in appeals allowed throughout 2022. Returns (voluntary and enforced) for the first three quarters of 2022 were up compared to the same period of 2021. The Nationality and Borders Act received Royal Assent in April 2022.

Future Plans – Outcome Delivery Plan (ODP) Refresh

Since the last time we published our Departmental Outcome Delivery Plan (ODP) in July 2021, we have developed our plan to respond to the government's priorities on anti-social behaviour, fraud, small boats and the asylum backlog. In order to meet these challenges, we have introduced more robust planning processes, improved our cross-government working for joint priorities, and reassessed our priority outcomes, to ensure we deliver for the public.

Our greatest priority as a Department is to stop the boats, and we have consequently ensured Departmental activity is aligned to this priority. The record levels of small boat arrivals have placed strain on our asylum system, and we are determined to continue to disrupt the business model of people smugglers who exploit vulnerable individuals and put lives in danger. We have introduced legislation which will allow those coming to the UK illegally to be processed efficiently and have their claims concluded in another safe country. We also welcome closer collaboration with our French counterparts on the issue of Channel migrants following the signing of the deal to strengthen joint efforts. Fixing our immigration system is a priority for both the Prime Minister and the Home Office in the year ahead.

The Home Office will continue to work closely with the Department for Levelling Up, Housing & Communities to co-ordinate its contributions to the levelling up missions. The Department's work 'to reduce homicide, serious violence and neighbourhood crime, focused on the worst affected areas' is essential in supporting this project. By reducing crime, particularly violent crime, it will attract investment, create employment opportunities, and restore people's pride in the places where they live.

Having successfully met our commitment to recruit 20,000 police officers, we will work with the police forces of England and Wales to retain our police officer numbers, whilst ensuring that the police better represent the public they serve. We are taking action to ensure the police have the resources and tools they need to respond to the evolving profile of crime and deliver against our priorities. High profile cases of criminality and misconduct have had a huge impact on public trust and confidence. In the wake of the appalling crimes committed by serving police officers, and in response to the Casey review, we are working with policing to improve the systems in place to identify and remove officers not fit to serve.

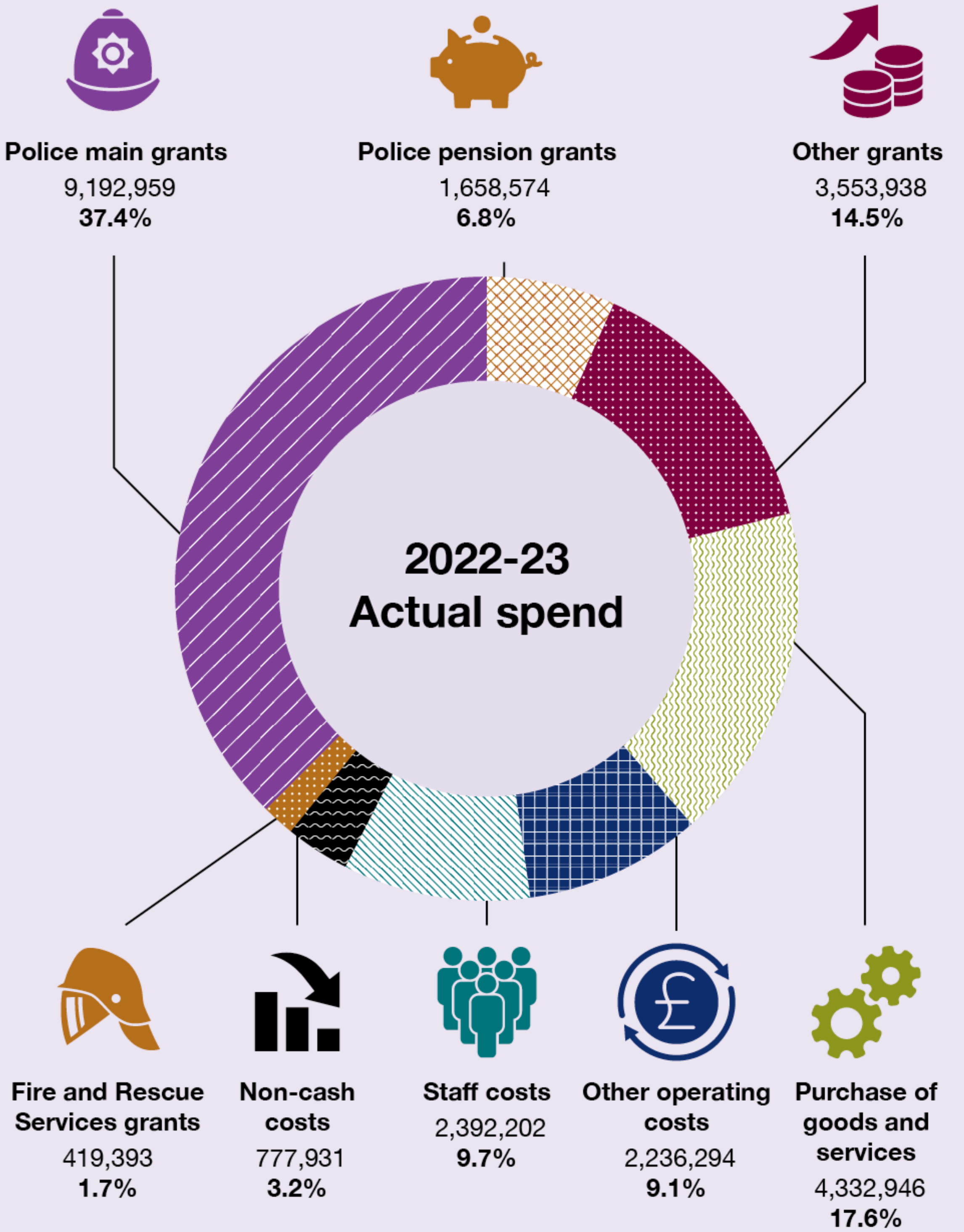
The Department responded quickly to provide sanctuary for Ukrainians fleeing the conflict as part of the wider humanitarian response. Russia's war in Ukraine has long-term strategic implications for European and international security, and requires a robust response to strengthen homeland security, particularly in providing protection at home from state threats posed by Russia and other states.

Principal Risks

The principal risks represent the Department's view of the most material risks likely to impact on our ability to deliver strategic priorities. The Home Office operates within a fast-changing strategic and operating context. Increased volatility has amplified uncertainty in demand for services. As well as responding to the impacts of emerging political instability overseas, the Department has worked hard to mitigate the public sector industrial action impacts on operations, workforce resilience and wellbeing and the wave of seasonal pressures across the migration and borders system and key programmes.

More information on how principal risks are being managed is set out as part of the Performance Analysis section.

In 2022-23, the Department incurred total expenditure of £24.6 billion (see note 3 to the Financial Statements). The chart below provides a breakdown of this cost.



It has been a particularly challenging year to manage the Home Office finances due to the principal risks described above, high levels of inflation and significant financial pressures. But through tight financial management we stayed within the total Home Office net budget of £20.3 billion.

In order to manage the pressures, the Home Office received an increase of over £3 billion at the Supplementary Estimates. The three biggest areas of increased funding are set out below:

- £720 million to implement the measures set out by the former Prime Minister on 14 April 2022 to fix the UK's asylum system.
- £1,615 million of funding provided to alleviate pressures within the asylum system.
- £658 million to support the Afghanistan Resettlement Schemes which were not included in the SR21 Settlement.

PERFORMANCE ANALYSIS


POLICE

This section expands on the Performance Overview section and includes details of our activities and further analysis of progress against performance indicators.

Outcome Delivery Plan 1: Reduce crime

The Home Office's aim, as set out in the Beating Crime Plan, is to cut crime, reduce the number of victims and make our country safe. Our approach focuses on cutting homicide, neighbourhood crime and serious violence; exposing and ending hidden harms such as child sexual abuse and domestic abuse, prosecuting perpetrators; and building capability and capacity to tackle fraud, cybercrime and online crime.

The Department set out to achieve the following through its 2022-23 performance:

- Recruit an additional 20,000 police officers across England and Wales by March 2023.
- Ensure the police have the resources and tools they need to respond to the evolving profile of crime and deliver against our priorities.
- Reduce serious violence, homicide and neighbourhood crime by 20%, from December 2019 levels, by December 2023.
- Reduce drug-related crime over the next 3 years.
- With regard to tackling violence against women and girls (VAWG):
    - Return volumes of rape cases being referred by police, rape cases being charged by Crown Prosecution Service (CPS) and rape cases going to court back to 2016 levels by the end of this Parliament, at least maintaining thereafter;
    - Reduce the prevalence of other sexual offences below March 2020 levels by March 2025;
    - Reduce the prevalence of domestic abuse below March 2020 levels by March 2025;
    - Reduce the prevalence of stalking below March 2020 levels by March 2025.
- Return to December 2018 levels of effective Child Sexual Exploitation and Abuse trials by December 2023.
- Reduce volumes of fraud consistent with success criteria to be set out in our Fraud Strategy to be agreed in Q2 2022-23.

All of these are measured by our public key performance indicators, set out at the Spending Review, and performance against which is discussed in further detail in the sections below.

Police Uplift Programme

- Source: Police officer uplift, England and Wales, quarterly update to 31 March 2023 - GOV.UK (www.gov.uk)
- Release schedule: Quarterly

On 16 December 2021, the government published a total police funding settlement of up to £16.9 billion in 2022-23, an increase of up to £1.1 billion compared to 2021-22. This included funding for national priorities such as tackling serious and organised crime, government grants to Police and Crime Commissioners and importantly, providing the policing funding to deliver the final year of the Police Uplift Programme.

Data published on 26 April 2023 shows that we have delivered on the government's manifesto commitment to recruit 20,000 additional officers across England and Wales. 20,951 additional officers have been recruited through the Police Uplift Programme, and there are now 149,566 officers in England and Wales – the highest on record.

Police powers and tools to tackle crime

The Police, Crime, Sentencing and Courts Act received Royal Assent on 28 April 2022. This act delivered a number of measures to protect the public by supporting the police and helping them tackle crime.

In May 2022, the government introduced the Public Order Bill which introduces new criminal offences targeting those individuals whose protest tactics are aimed at causing serious disruption. The bill also extends police stop and search powers to combat protest-related offences and introduces Serious Disruption Prevention Orders, a new preventative court order targeting protestors who are determined to inflict repeated disruption on the public. The bill received Royal Assent on 2 May 2023.

Overall Crime Excluding Fraud and Computer Crime

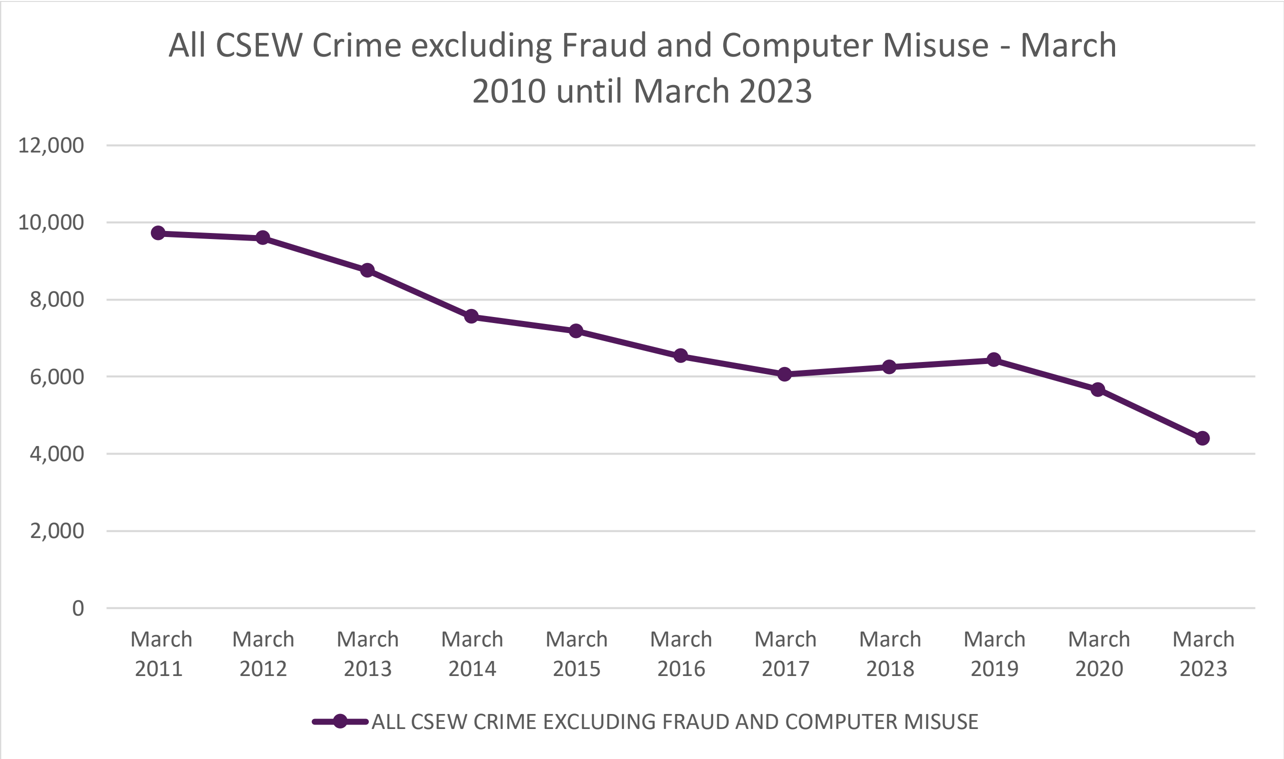
The latest figures from the Crime Survey for England and Wales (CSEW) for those interviewed in the year ending March 2023 showed that, compared with the year ending March 2020 (pre-coronavirus (COVID-19) pandemic), total crime decreased by 15%. Across the same period, estimates for individual crime types showed that:

• overall theft decreased by 20%; the largest reduction was seen in theft from the person (33%), but falls were also seen in "other theft of personal property" (31%), domestic burglary (30%) and vehicle-related theft (18%)

• criminal damage decreased by 33%

• while fraud returned to pre-coronavirus pandemic levels

The CSEW estimated that overall crime excluding fraud and computer crime which has only been counted since 2016, is now down by 54% since 2010, with burglary down 55%, robbery down 77%, violence down 46%, theft down 47%, neighbourhood crime down 51%, and criminal damage down 72%.



Serious Violence

Serious Violence	Number of under-25s hospital admissions for 'sharp object assault' (in England and Wales)
Year to March 2023	1,436
Year to March 2022	1,595
Year to March 2021	1,647
Year to December 2019	1,923

- Source: ONS (Crime in England and Wales statistical bulletin) – information sourced from NHS admissions data collected by NHS England and Digital Health and Care Wales.
- Release schedule: Quarterly

The figures above relate to the government's ambition to tackle and reduce serious violence. This is reflected as a priority outcome within the reducing crime priority of the Department's Outcome Delivery Plan.

In accordance with the latest figures published for March 2023, the Home Office is on track to deliver this priority with under-25s Hospital Admissions for assault with a sharp object being 25% below the December 2019 (pre-pandemic) baseline in the year ending March 2023.

To complement the £130 million provided by the government in the Spending Review (2021) to tackle serious violence and homicide, in April 2022, the government made available an additional £130 million for this financial year (2022-23) to tackle serious violence, including murder and knife crime. This includes £64 million for our network of Violence Reduction Units (VRUs) which builds on the £35.5 million provided for VRUs in the £130 million Spending Review (2021) allocation. The VRUs bring together key local partners to tackle the underlying causes of violence in the 20 areas of the country which account for over 80% of violence. They also deliver a range of interventions to address risk factors such as childhood abuse, school exclusions and poor mental health, protecting young people from being drawn into violence.

To complement VRU activity, since 2019 we have also provided funding for the 'Grip' programme, which involves police forces operating regular, intensive, high-visibility police foot patrols for short periods of time within specific areas where data analysis shows there is a risk of serious violence, with an additional £30 million provided of the £130 million in April 2022. This funding has been used to boost Police Forces' response to violence, through regular, intensive, high visibility patrols for short periods of time, in these same 20 areas.

The most recent evaluation report on VRUs indicates that VRUs, along with the Grip programme, are showing positive results. In their third year of funding alone (2021-22), VRUs have reached over 215,000 vulnerable young people through their range of early intervention and prevention programmes which divert people away from a life of crime.

Moreover, the Serious Violence Duty which commenced on 31 January 2023 places a duty on local agencies to work together to prevent serious violence. The duty forms an integral part of our serious violence strategy and is expected to reduce serious violence across England and Wales.

Homicide

Homicide (excluding Devon and Cornwall)	**Number of homicides**
Year to March 2023	602
Year to March 2022	697
Year to March 2021	574
Year to December 2019	706

- Source: ONS (Crime in England and Wales) – information sourced from police recorded crime data collected by the Home Office.
- Release schedule: Quarterly

As demonstrated by the latest figures for year to March 2023, the Home Office is making steady progress to deliver this priority with levels of homicide being 15% below the December 2019 (pre-pandemic) baseline.

Caution must be applied when assessing progress towards reducing homicide given the total number of crimes covered by this target is small and therefore volatile.

In accordance with the Beating Crime Plan (July 2021) and along with our investment in serious violence and homicide, we are driving forward work to reduce homicide under three strategic pillars: tackling drugs, tackling serious violence by reducing knife crime especially among young people, and working with perpetrators and victims to tackle domestic abuse.

Combatting drugs

Drug-related homicides	Number of drug-related homicides	Proportion of homicides that involved drug users or dealers, or have been related to drugs in any way (%)
Year ending March 2022	360	52%
Year ending March 2021	302	53%
Year ending March 2020	336	50%
Year ending March 2019	315	49%

- Source: [Homicide in England and Wales - Office for National Statistics (ons.gov.uk)]
- Release schedule: Annual

  A homicide is considered drug-related if it meets any of the following criteria: victim or suspect is an illegal drug user; victim or suspect is an illegal drug dealer; victim or suspect has taken a drug at the time of the incident; suspect had motive to obtain drugs; suspect had motive to steal drug proceeds; other drug-related.

Neighbourhood Crime

Neighbourhood Crime	Neighbourhood crime (number of incidents) – inclusive total for robbery, theft from the person, burglary, and vehicle crime (as recorded by the Crime Survey for England and Wales)
Year to March 2023	1,454,000
Year to March 2022 (TCSEW)	1,343,000
Year to March 2021(TCSEW)	1,560,000
Year to December 2019	2,014,000

Data for Year Ending March 2022 and 2021 are from the Telephone Crime Survey for England and Wales (TCSEW- experimental statistics) and are not directly comparable to the CSEW estimates given changes to the survey methodology.

- Source: Crime Survey for England and Wales
- Release schedule: Quarterly

Neighbourhood crime is currently 28% below the December 2019 (pre-pandemic) baseline, with a 33% decrease in domestic burglary (613,000 in 2019 to 409,000 in 2022), a 31% decrease in theft from the person (360,000 in 2019 to 247,000 in 2022), a 18% decrease in vehicle-related theft (889,000 in 2019 to 726,000 in 2022) and a 52% decrease in robbery. These reductions in overall neighbourhood crime and the neighbourhood crime types were all statistically significant. Overall, the figures indicate that the government is on track with its aim to reduce neighbourhood crime.

In July 2022, the government announced that the fourth round of the government's Safer Streets Fund (the SSF) was underway with £50 million of funding being allocated to support 111 projects, thereby continuing to prevent violence against women and girls in public, neighbourhood crime and anti-social behaviour. These projects are rolling out extra CCTV and street lighting in communities and expanding work to change attitudes and behaviours and prevent these crimes from happening in the first place.

Drug misuse[2]	**Prevalence of drug misuse: % of those aged 16-59 who have reported using drugs in the last year and estimated number**	
	Percentage (approx.)	Estimated number
October 2021 to June 2022	9.2%	3,039,000
Year ending March 2020	9.4%	3,100,000
Year ending March 2019	9.4%	3,178,000

- Source: [Drug misuse in England and Wales - Office for National Statistics (ons.gov.uk)]
- Release schedule: Annual.

		Nov 19 – Mar 20[3]	**Apr 20 – Mar 21**	**Apr 21 – Mar 22**	**Apr 22 – Jan 23**
County Line Closures[4]	**Type 1[5]**	139	643	1,056	1,108
	Type 2[6]			600	42

- Source: [County Lines Programme data]
- Release schedule: Quarterly

Summary of the data

In the year ending March 2022, there were 360 homicides that were thought to involve drug users or dealers, or were in some way drug-related, 58 more than the previous year (302). The proportion of homicides that have involved drug users or dealers, or have been related to drugs in any way, has remained stable over the last year (52% of homicides

[2] The latest statistics are based on nine months of data collected between October 2021 and June 2022, rather than the normal 12-month interview period, and on a lower response rate, which may affect the quality of the estimates. While this is the first comparable survey data with pre-coronavirus (COVID-19) pandemic data, they are not National Statistics and caution must be taken when using these data.

[3] County Lines Programme began in quarter 3 of financial year 2019/2020

[4] Line closure figures prior to April 2022 are based on the activity from three County Lines Programme funded exporter forces (Metropolitan Police Service, Merseyside Police, and West Midlands Police). From April 2022, figures reported also include activity from Greater Manchester Police, who were added to the programme as an additional Programme funded exporter force. These are the areas responsible for exporting the majority of County Lines throughout England and Wales.

[5] Type 1 line closures: The closure of a county line through the arrest and charge of a line holder. (The National County Lines Co-ordination Centre determines a type 1 line to be closed where there is evidence that the controlling gang is no longer capable of distributing drugs using that telephone number, with check backs to ensure the telephone number remains out of use.)

[6] Type 2 line closures: The closure of a County Line through the deactivation of a phone line/number/SIM associated with the line.

were drug-related in year ending March 2022 compared with 53% in year ending March 2021).

Based on published figures from the Crime Survey in England and Wales, the percentage and number of adults aged 16 to 59 who reported drug use has remained stable from the nine months to June 2022 compared with the year ending March 2020, the pre-COVID-19 period.

Furthermore, since the County Lines Programme was launched in 2019, police activity has resulted in over 3,500 lines closed, 10,000 arrests, and 5,700 safeguarding referrals. This includes over 1,000 line closures since April 2022 against the Drugs Strategy commitment of over 2,000 by April 2025.

Government investment on combatting drugs

Tackling drug supply

The government is investing £900 million over three years (2021-2024) as part of its 10-year Drug Strategy ‘From Harm to Hope’, taking the total investment on combating drugs over this period to £3 billion. The Home Office is responsible for spending £300 million over this 3-year period to reduce drug supply in our communities, and target each part of the supply chain.

Project ADDER, a programme designed to reduce drug-related deaths, drug use and drug related offending, received almost £26 million from the Shared Outcomes Fund in 2022-23. Almost £8 million went to police forces covering the 15 local authority areas included in ADDER, and £15.5 million to local authority treatment partners.

“County Lines” is the most violent, exploitative and effective method of illegal drug distribution ever seen in this country. We are helping law enforcement tackle this threat through a dedicated County Lines Programme, which will receive up to £145 million in investment between 2022 and 2025 of the £300 million. We are also investing to take action overseas, at the border and domestically to break the supply chain which brings illicit drugs to our streets. Our investments are helping the National Crime Agency (NCA) and Home Office to grow our networks of international officers, improving collaboration between Border Force and the NCA at the UK border. Enforcement resourcing is being delivered in phases, with an uplift delivered in 2022-23 and a further uplift in 2023-24.

Reducing demand for drugs

In the 2021 Spending Review, the Government provided £25 million of the £300 million to support Home Office-led programmes aimed at reducing demand for drugs. The budget was allocated across three projects: drug testing on arrest (DToA) expansion (£15 million), out of court disposal pilots for drug offences (£9 million), and messaging to university students (£1 million in 2022-23). A further £5 million was dedicated to the development of a Joint Innovation fund, which focusses on testing new ways to reduce so-called ‘recreational’ drug use.

Currently, the funding identified above has been used to expand the police's capacity to conduct DToA of suspected offenders, with all 43 Police Forces in England and Wales offered funding (£2.58 million in total) and further funding offered to 10 innovation Forces (£1.4 million in total) in 2022-23. The remaining budget was identified as supporting evaluation, technology and IT development. As a result, the number of Forces with agreements in place for DToA has increased: in 2022-23, 36 Police Forces accepted the Home Office funding, up from 30 the year before. Some forces chose not to accept funding and we will work with those forces and the National Police Chiefs' Council (NPCC) to understand how we can support them over the next two years. The data collected from this project will help to improve understanding of the role of drug misuse in certain crime types.

Serious and Organised Crime

Tackling serious and organised crime is a cross-government effort that integrates local, regional, national and international response. The Home Office has worked with law enforcement to strengthen our response to Serious and Organised Crime (SOC) in line with the priorities set out in the 2018 strategy and, more recently, the Beating Crime Plan and Integrated Review. This includes continuing to invest in a range of law enforcement capabilities to ensure that they have the capacity to deal with the increasing volume and sophistication of the SOC threat.

In 2022-23, the Home Office took forward an ambitious programme of work to improve the wider SOC law enforcement system. We have made significant progress in delivering the commitment to strengthen the NCA so that it can tackle the highest threats from SOC effectively and efficiently. This includes increasing funding to the NCA by over £140 million (18%) in the first two years of the Spending Review period.

We have also strengthened the policing response to SOC including by introducing a dedicated NPCC lead for SOC; a more robust His Majesty's Inspectorate of Constabulary and Fire and Rescue Services inspection regime; and by enhancing the Strategic Policing Requirement. We worked with NPCC to increase significantly the number of officers in the Regional Organised Crime Units (ROCU) network and similar capability in the Metropolitan Police Service through the Police Uplift Programme. As of December 2022, there were an extra 478 officers in post tackling SOC.

Tackling Violence Against Women and Girls (VAWG)

Prevalence of domestic abuse	Prevalence of domestic abuse: number and % of those aged 16-59 who experienced domestic abuse in the previous year	
	Percentage	Number
Year to March 2023	5.1%	N/A
Year to March 2022	5.7%	1,902,000
Year to March 2021[7]	N/A	N/A
Year to March 2020	6.1%	2,013,000
Year to March 2019	6.3%	2,096,000

- Source: Crime Survey for England and Wales
- Release schedule: Annual

Prevalence of stalking	Prevalence of stalking: number and % of those aged 16-59 who experienced stalking in the previous year	
	Percentage	Number
Year to March 2023	4.3%	N/A
Year to March 2022	4.7%	1,567,000
Year to March 2021[7]	N/A	N/A
Year to March 2020	4.0%	1,337,000
Year to March 2019	4.0%	1,325,000

- Source: Crime Survey for England and Wales
- Release schedule: Annual

Prevalence of sexual assault	Prevalence of sexual assault: number and % of those aged 16-59 who experienced sexual assault in the previous year	
	Percentage	Number
Year to March 2023	2.7%	N/A
Year to March 2022	2.7%	880,000
Year to March 2021[7]	N/A	N/A
Year to March 2020	2.2%	729,000
Year to March 2019	2.9%	950,000

- Source: Crime Survey for England and Wales
- Release schedule: Annual

[7] The face-to-face Crime Survey for England and Wales (CSEW) was suspended on 17 March 2020 because of the coronavirus (COVID-19) pandemic. It was replaced with the Telephone-operated Crime Survey for England and Wales (TCSEW). The TCSEW was specifically designed to continue measuring crime during this period. Concerns around confidentiality and respondent safeguarding led to domestic abuse, stalking and sexual offence questions being excluded from the survey until 4 October 2021 when face-to-face interviewing resumed.

The government's long-term ambition is to reduce the prevalence of violence against women and girls. Prevalence stalking and sexual assault, as measured via the Crime Survey for England and Wales, has remained stable in recent years with no statistically significant changes. Whereas there has been a statistically significant reduction in the prevalence of domestic abuse when comparing the year ending March 2023 to the year ending March 2020.

Strategies

The delivery of this priority is underpinned by the Violence Against Women and Girls Strategy (VAWG) (2021) and End-to-End Rape Review and Action Plan (2021) as well as the Domestic Abuse Plan (March 2022).

There are 127 commitments across the tackling VAWG strategy and Domestic Abuse Plan. The Domestic Abuse Plan committed around £230 million of funding, including over £140 million to support victims. These plans and strategies aim to transform the whole of society's response to these crimes.

In 2022-23, the Home Office, alongside other government departments, has implemented 35% of the commitments in both documents. This activity includes:

- Delivering two phases of the long-term national behaviour change campaign 'Enough', which has reached millions across England and Wales
- Increasing the size of the Children Affected by Domestic Abuse Fund for specialist support services for children, from £3.2 million per annum to £4.1 million
- Doubling funding for survivors of sexual violence and for the National Domestic Abuse Helpline, and increased funding for all the national helplines
- Adding VAWG to the Strategic Policing Requirement which categorises it as a national threat and sets clear expectations about how it should be tackled by police forces.

Domestic Abuse Act (2021)

Almost all the provisions in the Domestic Abuse Act (2021) have been commenced. The statutory guidance accompanying the Act was published in July 2022 to support organisations to identify and respond to domestic abuse and promote best practice. In April 2023, we are commencing the provisions around extending the offence of controlling or coercive behaviour in an intimate or family relationship to remove the co-habitation requirement (section 68) and commencing section 77 of the Act which places the police guidance that underpins Domestic Violence Disclosure Scheme (DVDS) into statute. Ahead of commencing section 77, the updated DVDS guidance was published in February 2023.

Improving outcomes for adult rape cases

Adult Rape	Number of suspects referred by the police to the Crown Prosecution Service (CPS) for either early advice or for a charging decision
Jan to Mar 2023	1,341
Oct to Dec 2022	1,079
Jul to Sep 2022	999
Apr to June 2022	901
Jan to Mar 2022	873
Oct to Dec 2021	813
Jul to Sept 2021	662
Apr to Jun 2021	622
Jan to Mar 2021	639

- Source: Criminal Justice System Delivery Data Dashboard
- Release schedule: Quarterly

As outlined in the Rape Review Action Plan (2021), the Home Office is committed to improving victim experience and doubling the number of adult rape cases reaching court by the end of this Parliament. The latest data show that have met our ambitions to increase the number of referrals, charges, and receipts of adult rape cases.

The latest Action Plan progress report of 15 December 2022 highlights that the government has completed many of the actions in the Rape Review Action Plan and is on track to implement the remaining actions.

Key areas of progress include:

- the launch of the 24/7 Rape and Sexual Abuse Support Line in December 2022
- expansion of Operation Soteria to 14 further police forces and three new CPS Areas
- bringing new powers into force through the Police, Crime, Sentencing and Courts Act (PCSC) to stop unnecessary and intrusive requests for victims' phones
- the rollout of pre-recorded cross-examination (Section 28) for victims of sexual violence and modern slavery offences to all Crown Courts in England and Wales.

Tackling Child Sexual Exploitation and Abuse (CSEA) strategy

Year to date	Contact CSA offences (excluding IIOC)	Number charged or summonsed for contact CSA offences	Obscene publications offences (a proxy for Indecent and Prohibited Images of Children (IIOC) offences	Number charged or summonsed for IIOC offences
March 2023	64,994	6,997	40,548	4,434
March 2022	67,656	6,096	35,363	4,136
March 2021	57,528	6,506	31,895	3,998
March 2020	61,475	5,246	26,968	3,155

- Source: Police recorded crime and outcomes open data tables - GOV.UK
- Release schedule: Quarterly

The Government continues to drive forward a whole-of-system response to tackling child sexual abuse (CSA), underpinned by the Tackling Child Sexual Abuse Strategy (2021) and working to keep children safe online and in communities across the country and around the world. Close monitoring of quarterly crime data shows positive indications on outcomes and reporting of CSA over time.

We have delivered continued funding of the independent Centre of Expertise on Child Sexual Abuse, which works to build the confidence and capabilities of front-line professionals to respond to concerns and cases of CSA.

In 2022-23, the government invested £8 million as part of the five-year Child Abuse Image Database (CAID) Transformation programme. CAID increases the efficiency of online child sexual abuse investigations and helps UK police forces and the NCA to identify victims and offenders, as well as improving police welfare.

Internationally, we continue to lead delivery, with G7 partners, of the action plan to combat Child Sexual Exploitation and Abuse, as well as key global standards and initiatives such as the Voluntary Principles to Counter Online Child Sexual Exploitation and Abuse with Five Country partners, building international capacity to combat this crime, with a particular focus on industry engagement and on global standards on tackling online harm.

The UK Government also continues to be the largest donor to the Global Partnership and Fund to End Violence Against Children (EVAC) – recently committing £16.5 million of funding over the next three years. Home Office funding is earmarked specifically for EVAC's Safe Online work, which seeks to ensure that all children around the world can use and enjoy the benefits of the internet free from the threat of sexual exploitation and abuse.

Modern Slavery

Modern Slavery prosecutions	Number of Modern Slavery Convictions	Number of Modern Slavery Non-Convictions	Total
2022	282	123	405
2021	332	134	466
2020	197	70	267
2019	251	98	349

- Source: The CPS Case Management Information System (2022/23, 2021/22 and 2020/21 datasets) https://www.cps.gov.uk/publication/cps-data-summary-quarter-1-2021-2022
- Release schedule: Quarterly basis by financial year

The Government continues to make significant progress in tackling modern slavery, support victims and bringing perpetrators to justice.

This includes continued investment in the police to strengthen the criminal justice system response and continuing to work to test and evaluate models of support for victims engaging in the criminal justice system. Through the modern slavery and organised crime unit, we have provided funding of £1.4 million in 2022-23 with an additional £1.3 million to be allocated in 2023-24. This, alongside increased police support, has led to an increase in modern slavery investigations from 188 in December 2016 to 3,394 in September 2022.

We have launched the Modern Slavery Prevention Fund and the Modern Slavery Statement Registry, which now covers over 22,450 organisations and UK Government Departments, publishing statements setting out how they are tackling modern slavery in supply chains for the first time. In addition, the Modern Slavery Fund review was published in May 2022, summarising trends and recommendations identified as part of a fund-wide review of the Modern Slavery Fund. Additionally, the Joint Action Plan on social media is already delivering enhanced removal of illegal online content.

We have also introduced a new victim financial support policy which ensures more needs-based financial support for victims, whilst saving the Department about £3.5 million by 2024-25.

Fraud Reform

Fraud	Number of incidents of fraud
April 2022 to March 2023	3,500,000
April 2019 to March 2020	3,700,000
April 2018 to March 2019	3,800,000
April 2017 to March 2018	3,300,000

- Source: [Crime in England and Wales: Appendix tables - Office for National Statistics (ons.gov.uk)]
- Release schedule: Quarterly

The Fraud Strategy was published on 3 May 2023. It reflects a whole-system, joint approach across government, industry and law enforcement and will cut fraud levels by a further 10% of 2019 levels down to 3.33 million.

The government is making progress in tackling and preventing more frauds against individuals and businesses.

Recruitment of 400 specialists for fraud across City of London Police, Regional Organised Crime Units, the National Crime Agency and wider intelligence community is underway and will be completed by 2025. These officers will investigate and disrupt more fraudsters through strategic coordination at local, regional and national level. The first tranche of this recruitment was completed in Q4 2022-23. Meanwhile, greater prominence has been given to fraud in the Strategic Policing Requirement to focus police efforts and maximise the output of existing and new resourcing (Q3 2022-23, complete).

This year, the introduction of SMS (text messaging) filtering solutions has prevented many fraudulent texts from reaching the public. This was agreed through the Telecommunications Fraud Sector Charter, a voluntary agreement signed by the sector with government.

Grenfell Tower, Fire Safety and Fire Service Reform

The Home Office continues to deliver major reform in fire in order to help keep our communities safe.

We commenced the Fire Safety Act 2021, which clarifies that 'Responsible Persons' under the Fire Safety Order must include consideration of the external walls and flat entrance doors in their fire risk assessments. At the same time we launched an online tool to help responsible persons prioritise the updating of their fire risk assessments. This was done together with the laying of the Fire Safety (England) Regulations 2022. These will improve fire safety for residents and support fire and rescue services by ensuring they have the information they need to support their operational response.

We also published the Fire Reform White Paper and consultation (May 2022), which seeks to introduce system-wide reform to strengthen fire and rescue services across England.

This plan for reform builds on findings from independent inspection and reflects the lessons from the Grenfell Inquiry.

Outcome Delivery Plan 2: Reduce the risk from terrorism to the UK and UK interests overseas

The Home Office is the lead government department responsible for protecting the nation from the greatest threats we face to our homeland security, through the Cross-Government Counter Terrorism Strategy, CONTEST, which seeks to reduce the risk to the UK and its citizens and interests overseas from terrorism, so that our people can go about their lives freely and with confidence. The strategy comprises Prevent, Pursue, Protect and Prepare pillars.

The Department set out to achieve the following through its 2022-23 performance:

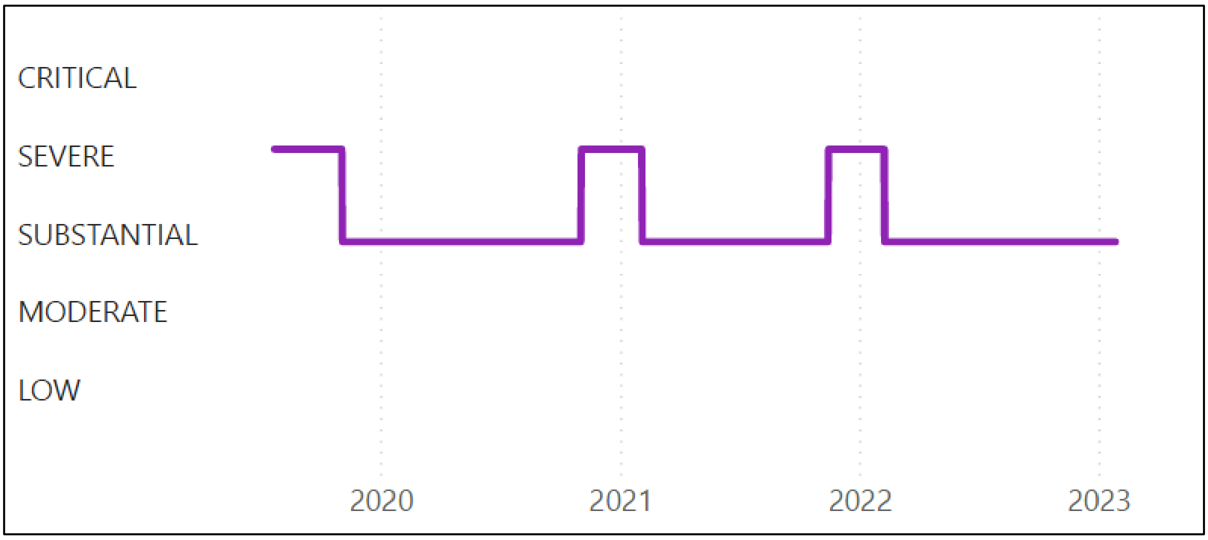
- Establish the CT Operations Centre (CTOC)
- Deliver the PROTECT Duty
- Respond to the Independent Review of PREVENT
- Respond to the recommendations from the Manchester Arena Inquiry, ensuring an interoperable, assured PREPARE system, which is adaptable to future threat
- Strengthen the ability of the CT system to work with key social policy departments
- Improve our prioritisation of CT work overseas
- Strengthen the agility of our response and ability to focus on new threats
- Reinforce our key strategic CT relationships with key overseas partners

All these are measured by our public key performance indicators, set out at the Spending Review, and performance against which is discussed in further detail in the sections below.

The UK Threat Level has not changed for over a year, with the level remaining at SUBSTANTIAL since February 2022, having previously been reduced from SEVERE. The Northern Ireland Threat Level was set to SEVERE (March 2023) for the first time since July 2019.

In July 2019 changes were made to the terrorism threat level system, to reflect the threat posed by all forms of terrorism, irrespective of ideology. The Joint Terrorism Analysis Centre (JTAC) analyses and assesses all information relating to international terrorism at home and overseas. It is responsible for setting the threat level for the UK (including Islamist terrorism, Extreme Right Wing terrorism, Left and Single Issue terrorism, and Northern Ireland Related Terrorism in Great Britain). MI5 set the threat level for Northern Ireland Related Terrorism in Northern Ireland.

UK Threat Level



Type	Date	Threat level
Northern Ireland related terrorism in Northern Ireland	28 March 2023	SEVERE
	22 March 2022	SUBSTANTIAL
	23 July 2019	SEVERE

- Source: UK threat level, set by Joint Terrorism Analysis Centre, from MI5 website.
- Release schedule: Threat levels do not have any set expiry date but are regularly subject to review.

Percentage of terrorism related arrests resulting in a charge (Great Britain)

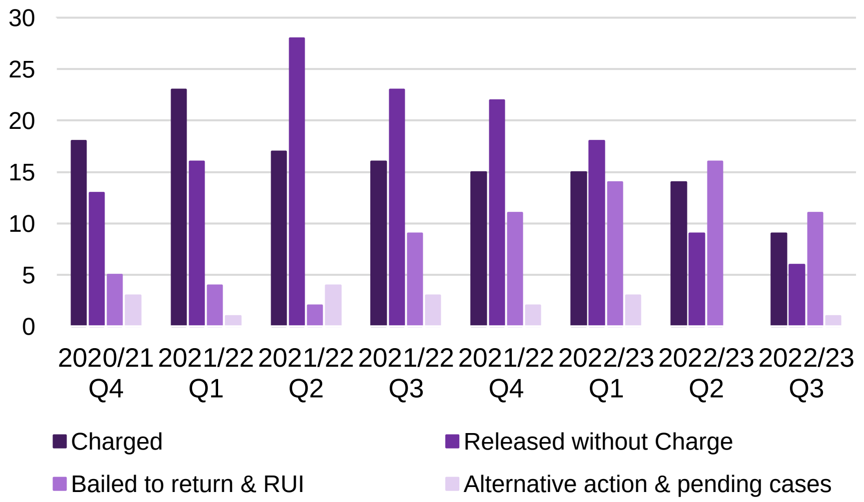
From the following table , there were fewer terrorism related arrests in Q3 2022-23 (October-December 2022) compared to the previous quarter, falling from 39 to 27 arrests. Year-on-year, there was a 10% decrease in terrorism related arrests in the year ending December 2022 compared to the year ending December 2021 (166 arrests compared to 185).

For all charges following a terrorism related arrest (both those under terrorism legislation and those under non-terrorism legislation), the arrest-to-charge rate decreased from 36% in Q2 2022-23 to 33% in Q3 2022-23, whilst the arrest-to-charge rate compared to the previous year (year ending December 2021) decreased from 40% to 32%.

For charges only under terrorism legislation, relative to the previous quarter, the arrest-to-charge rate decreased from 28% to 22%, whilst the arrest-to-charge rate compared to the previous year (year ending December 2021) decreased from 32% to 27%.

Percentage of terrorism related arrests resulting in a charge (GB)	Arrests	Charged		Released without Charge		Bailed to Return and RUI		Alternative action and pending cases	
-	**No.**	**No.**	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**
2022/23 Q3	27	9	33%	6	22%	11	41%	1	4%
2022/23 Q2	39	14	36%	9	23%	16	41%	0	0%
2022/23 Q1	50	15	30%	18	36%	14	28%	3	6%
2021/22 Q4	50	15	30%	22	44%	11	22%	2	4%
2021/22 Q3	51	16	31%	23	45%	9	18%	3	6%
2021/22 Q2	51	17	33%	28	55%	2	4%	4	8%
2021/22 Q1	44	23	52%	16	36%	4	9%	1	2%
2020/21 Q4	39	18	46%	13	33%	5	13%	3	8%

- Source: Operation of police powers under the Terrorism Act 2000 statistics
- Release schedule: Quarterly



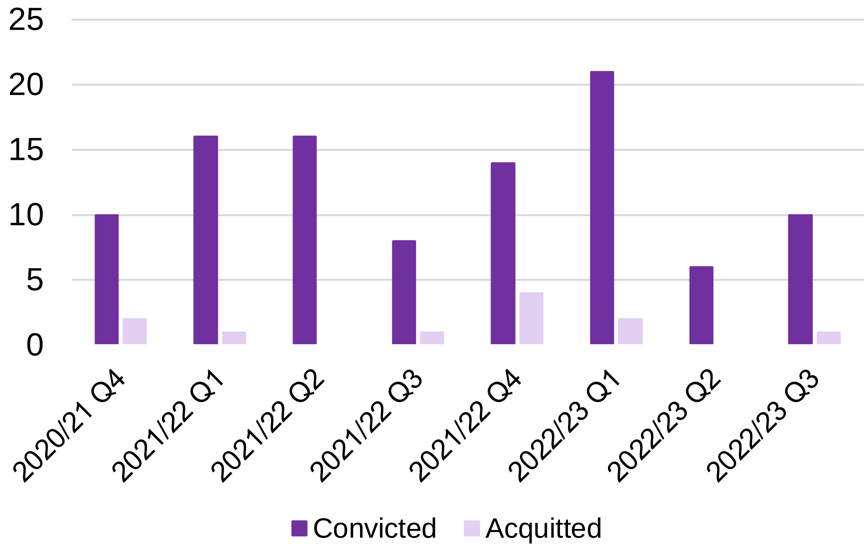
Percentage of those prosecuted for terrorism related offences that were convicted (England and Wales)

10 individuals were convicted of terrorism-related offences in England and Wales during the latest reported quarter (Q3 2022-23) compared to 6 in the previous quarter. Year-on-year, there was a slight increase, increasing from 50 in the year ending December 2021 to 51 in the year ending December 2022.

Relative to the previous quarter, the conviction ratio of persons prosecuted for terrorism-related offences decreased by 9 percentage points from 100% in Q2 2022/23 to 91% in Q3 2022-23. When comparing the year ending 31 December 2022 and year ending 31 December 2021 there was a 5 percentage point decline, from 93% to 88%.

Percentage of those prosecuted for terrorism related offences that were convicted (England and Wales)	Total Trials	Convicted		Acquitted	
	No.	**No.**	**%**	**No.**	**%**
2022/23 Q3	11	10	91%	1	9%
2022/23 Q2	6	6	100%	0	0%
2022/23 Q1	23	21	91%	2	9%
2021/22 Q4	18	14	78%	4	22%
2021/22 Q3	9	8	89%	1	11%
2021/22 Q2	16	16	100%	0	0%
2021/22 Q1	17	16	94%	1	6%
2020/21 Q4	12	10	83%	2	17%

- Source: Crown Prosecution Service Counter Terrorism Division
- Release schedule: Quarterly

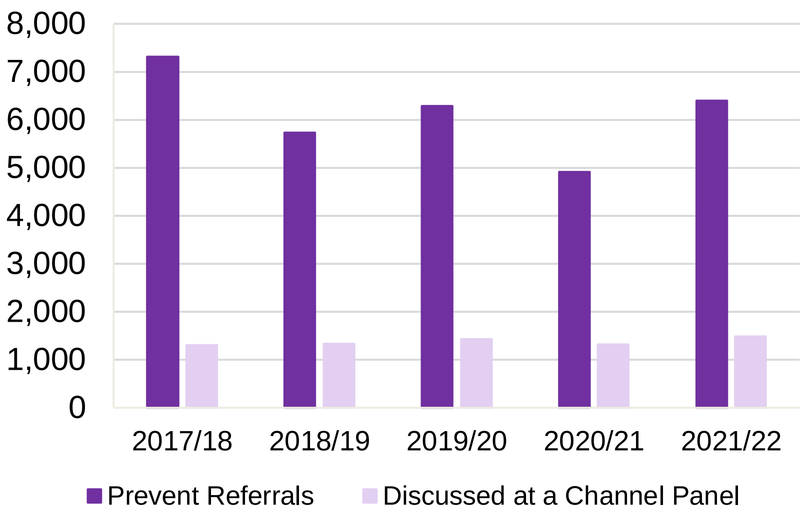


Percentage of Prevent (anti-radicalisation) referrals discussed at a Channel panel

In the year ending 31 March 2022, there were 6,406 referrals to Prevent. 23% of referrals to Prevent were discussed at a Channel Panel (1,486 of 6,406) and 13% of referrals to Prevent were adopted as a Channel case (804 of 6,406). Of the Channel cases that were closed in the year ending March 2022, 89% of individuals exited with no further radicalisation concerns. Our publication of annual Channel statistics will continue, and we will examine further means of ensuring maximum transparency in our published data.

% of Prevent (anti-radicalisation) referrals discussed at a Channel panel	Prevent Referrals	Discussed at a Channel Panel	
	No.	No.	% of Prevent Referrals
2021/22	6,406	1,486	23%
2020/21	4,915	1,325	27%
2019/20	6,287	1,432	23%
2018/19	5,737	1,330	23%
2017/18	7,318	1,310	18%

- Source: Individuals referred to and supported through the Prevent Programme
- Release schedule: Annual



Individual CONTEST Strands and the Overall Counter-Terrorism System

The UK Counter-Terrorism system has matured since the first CONTEST strategy was published in 2003 and now brings together over 20 Government Departments and agencies, as well as the three Devolved Administrations. Our goal to reduce the risk from terrorism is delivered through the four P Strands of the CONTEST Strategy (Prevent, Pursue, Protect, Prepare), which contribute to achieving one overall aim – reducing the risk of terrorism to the UK mainland and UK interests overseas.

Whole system

We have strengthened our ability to work across Departmental boundaries through introducing a number of multi-agency initiatives, including the new Counter Terrorism Operations Centre unveiled in 2022 (due to complete in 2024-25), bringing together partners from counter-terrorism Policing, the Intelligence Agencies, and the Criminal

Justice System, as well as other government agencies focused on tackling the threat from terrorism. The Government will also carry out a wholesale refresh of the UK's Counter Terrorism Strategy (2023), to protect its citizens from new, emerging and persistent threats.

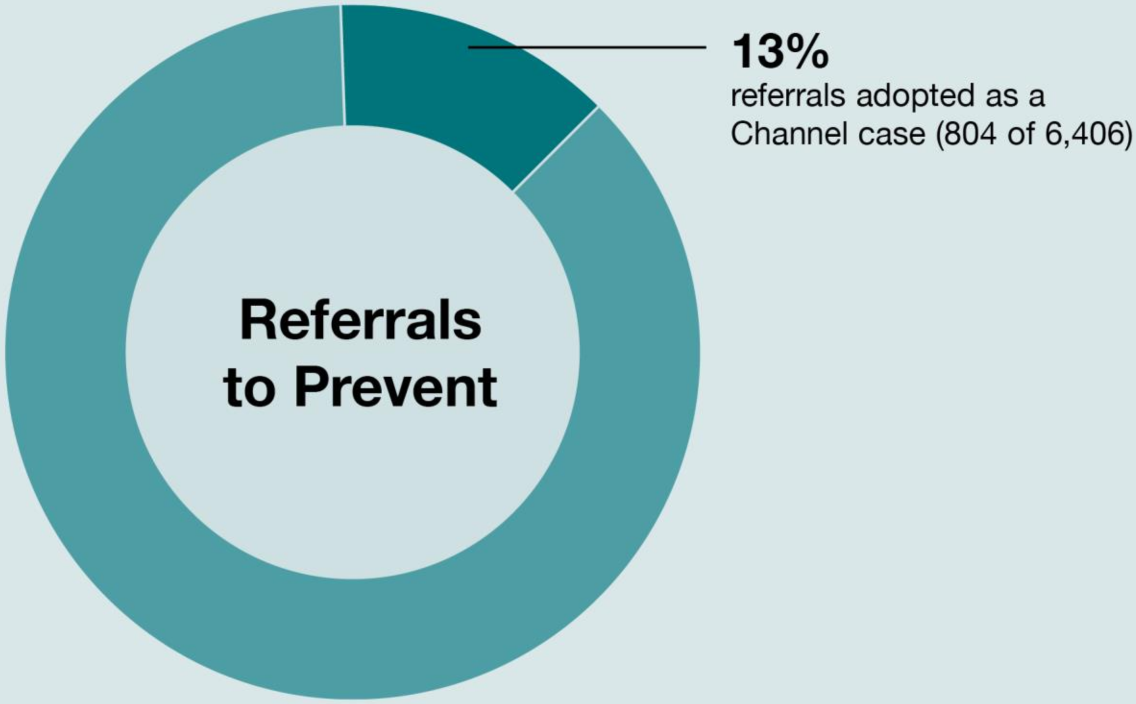
Prevent

We have toughened the PREVENT pillar of CONTEST:

In February 2023, the government published the Independent Review of Prevent and work is underway to fully implement all of the review's recommendations, including refocusing on Prevent's core objective to tackle the ideological causes of terrorism and further improve the transparency of Prevent.

We have transformed our approach to tackling terrorism in prisons and probation by strengthening the law and investing in our capabilities. This includes a more robust approach to separating the most influential radicalisers from the wider prison population, and enhanced monitoring and management for terrorist offenders released on licence through our new National Security Division.

In the year ending 31 March 2022, there were 6,406 referrals to Prevent. 13% of referrals to Prevent were adopted as a Channel case (804 of 6,406). Of the Channel cases that were closed in the year ending March 2022, 89% of individuals exited with no further radicalisation concerns. Our publication of annual Channel statistics will continue, and we will examine further means of ensuring maximum transparency in our published data.



Pursue

We have strengthened the Pursue pillar of CONTEST through the following milestones:

We introduced the Police, Crime, Sentencing and Courts Act 2022 which contains provisions to strengthen the management of terrorist and terrorist risk offenders on licence.

The government has extended the scope of Schedule 7 through the Nationality and Borders Act 2022 and revised Code of Practice to allow Counter-Terrorism Officers to examine illegal entrants to the UK away from their point of arrival, where their immigration claims are processed. This adds another precautionary layer to the process for dealing with illegal entry into the UK and ensures that such migrants are subject to the same powers as those who arrive conventionally into the UK.

First introduced in March 2022, The Online Safety Bill will require tech companies to be accountable to an independent regulator to keep their users safe. The regulator will also be given an express power in legislation to require a company to use technology to identify and remove illegal terrorist content from their public channels.

We have also acted to ensure that law enforcement has prompt and efficient access to the data it needs to disrupt terrorist activity, entering the UK-US Data Access agreement in October 2022. The agreement allows UK law enforcement agencies to directly request data from US telecommunications providers to prevent, detect, investigate and prosecute serious crime, including terrorism.

Protect and Prepare

We have improved our protection of communities and victims of terrorism:

In December 2022, the government announced proposals to enhance security at publicly accessible locations: A direct response to the lessons from the Manchester Arena attack. Martyn's Law will keep people safe by introducing proportionate new security requirements for certain public venues to ensure preparedness for, and protection from, terrorist attacks. Martyn's Law will clarify who is responsible for security activity at locations in scope, increasing accountability.

In April 2022, the Home Secretary announced the continuation of the Jewish Community Protective Security Grant for 2022-23. This £14 million grant provides protective security measures at Jewish schools, colleges, nurseries, and some other Jewish community sites, as well as a number of synagogues.

In May 2022, new funding of up to £24.5 million was allocated to provide protective security at mosques and Muslim faith schools.

The government announced further funding to four organisations in 2022 that provide practical and emotional support to those affected by terror attacks.

The government has commenced an internal review of the support available to victims of terrorism, including families and loved ones.

DLUHC provided a £22 million 3-year funding settlement for Local Resilience Forums in England starting in the 2022/23 financial year. This funding complements the contributions of partners and enables Local Resilience Forums to build new capacity and capability.

Outcome Delivery Plan 3. Enable the legitimate movement of people and goods to support economic prosperity

A fundamental role of the Migration and Borders System is to enable increasing volumes of travellers to secure permission to travel to the UK, cross the border and stay for the period they are entitled to, while maintaining the UK's national security. The border delivers services on behalf of the public and across government in five key areas: immigration and safeguarding; customs; security; health and environment; and prosperity.

The Department set out to achieve the following through its 2022-23 performance:

- Facilitate routes for non-British nationals to live, work and study in the UK by processing visa applications within Service Standards, maintaining UK Visas and Immigration (UKVI) applicant satisfaction and facilitating sponsorship applications and license applications.

- Facilitate routes for non-British nationals to visit the UK by processing visa applications within Service Standards and number of entry clearance visas granted / refused / lapsed / withdrawn, by visa type.

- Facilitate legitimate movement of people across a secure border, and secure the border from threats and illegitimate movement whilst facilitating the legitimate movement of goods. The Department aims to achieve this by facilitating passengers crossing the border within service standards and by protecting tax revenue through detecting goods where excise duty has not been declared.

All of these are measured by our public key performance indicators, set out at the Spending Review, and performance against which is discussed in further detail, in the analysis sections below.

Overall, performance against Outcome Delivery Plan 3 remains positive. The Future Borders Immigration System (FBIS) programme has built up the expertise and capability to reduce significantly the time taken to launch a brand new visa route or to amend criteria for existing visa applications. A fully digital application process has been delivered for the BN(O) route and some points-based system routes and now for Ukraine schemes. We will manage applications and casework to a conclusion and invest further in Customer Services to deliver better results for the system, future-proof our capabilities and improve our efficiency and effectiveness.

Border Force saw passenger numbers increase to near pre-pandemic levels by the end of summer and also managed the introduction of post EU exit goods checks and the first full year of EU citizens requiring passports and additional checks. Following a summer that saw record demand and the introduction of supportive contingency measures, we will continue to deliver effective and efficient digital services to our customers and a world class passport and registration operation, delivering the right balance between public protection and customer service excellence.

Average time taken to process UK passport applications/renewals

Passport demand was the highest ever in a year at over 8.3 million with 95.4% of applicants getting their passport within 10 weeks.

Staffing numbers increased by over 1,200 between April 2021 and the summer of 2022 which enabled the Home Office to rebuild capacity and introduce process improvements. The latest figures show a greatly improved performance, with just over 99% of standard applications being processed within ten weeks.

In 2022, His Majesty's Passport Office printed over 8.3 million passports up from 5 million in 2021.

For standard UK and International applications, the median turnaround time for passport applications to be processed for each year in 2021 and 2022 is shown in the table below:

Year	Average Processing Time
2022	16 days
2021	6 days

- Source: Written questions and answers - Written questions, answers and statements - UK Parliament

In December 2022 the National Audit Office published a report of its investigation into HM Passport Office titled "Investigation into the performance of HM Passport Office" - www.nao.org.uk/reports/investigation-into-the-performance-of-hm-passport-office. The investigation was prepared in response to public and parliamentary concerns over HM Passport Office's management of the surge in demand for passports in 2022. HM Passport Office has taken steps to ensure sufficient resources and improved public messaging are available for 2023 to better manage customer expectations and meet passport demand.

Percentage of visa applications, for each Route, processed within Service Standards (UKVI)

In 2022, the Home Office saw demand recover significantly following the pandemic, and despite the Russian incursion into Ukraine, we saw a strong performance. Work, marriage, family and visits visas were above forecast demand. In addition, over 250,000 Ukrainian visas were granted over the course of 2022. At the end of March 2023 the Home Office were processing entry clearance applications from overseas on average within the global customer service standards.

Visa application outcomes by type - Number of entry clearance visas granted / refused / lapsed / withdrawn, by visa type

Over 2.8 million visas were granted in 2022, 11% fewer (-335,239) than 2019, primarily due to 1 million fewer grants of visitor visas, although the total number of grants continues to increase in the aftermath of the global pandemic. Of the visas granted in the latest 12 months, 49% were to visit, 22% were under the study routes, 15% were under the work routes, 3% were for family reasons, and 11% for other reasons (including grants of leave on the Ukraine schemes and British National (overseas) (BN(O) route).

Visa application outcomes by type - Number of entry clearance visas granted / refused / lapsed / withdrawn, by visa type

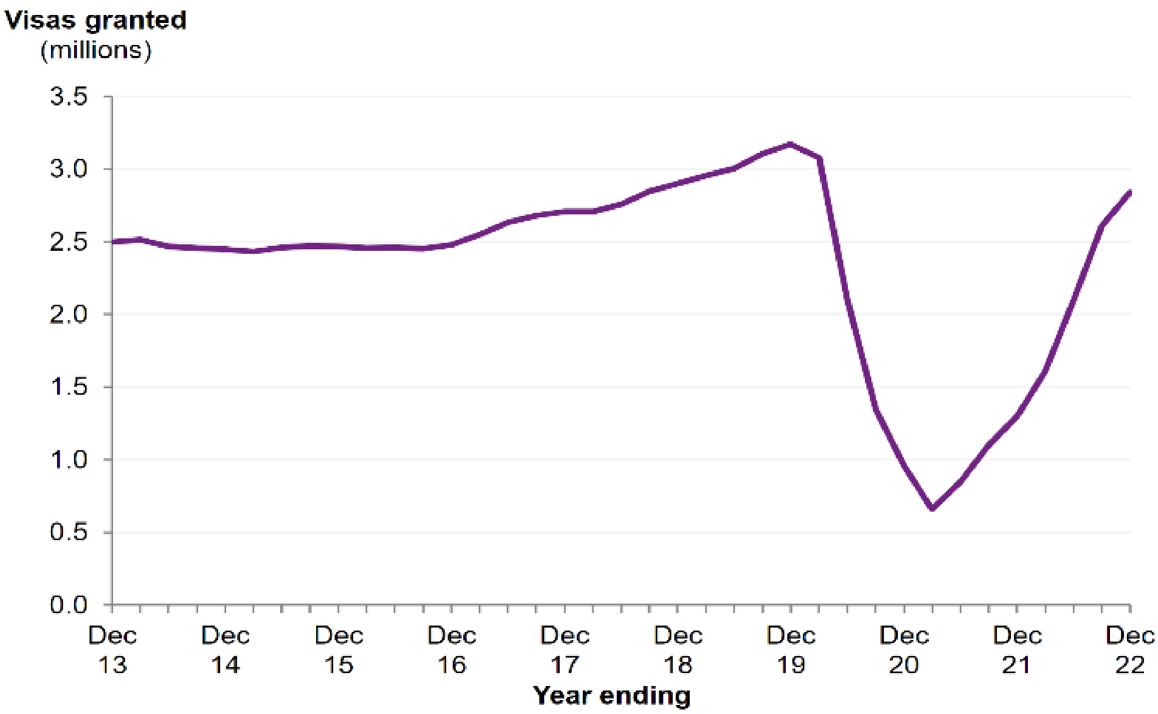
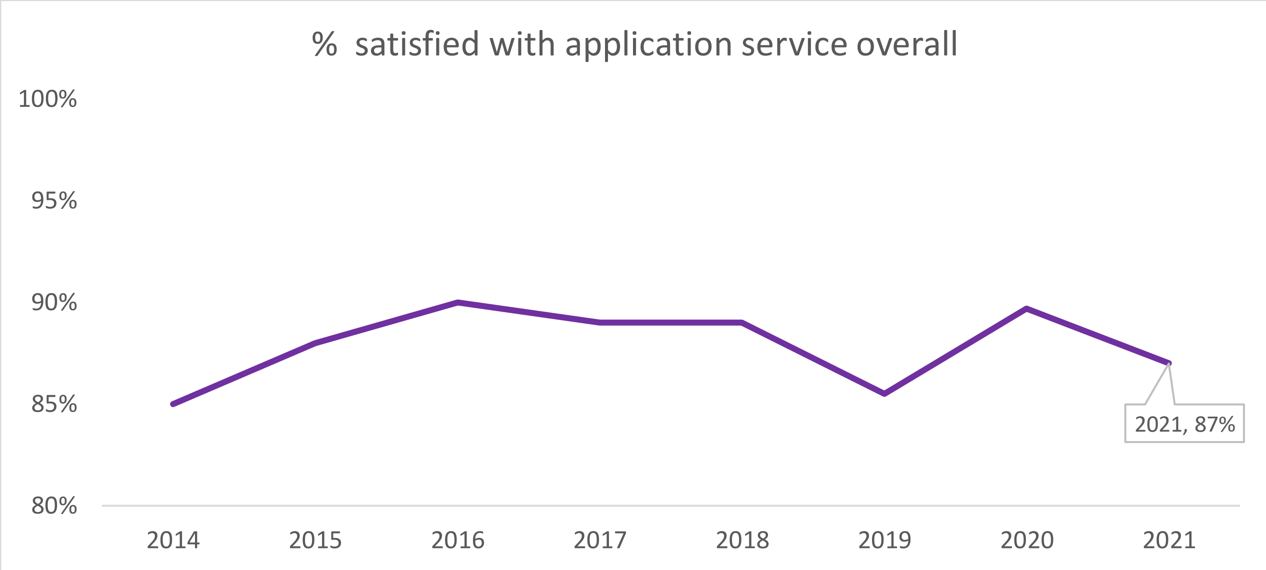


Figure 1: Total entry clearance visas granted, year ending December 2013 to year ending December 2022

- Source: Gov.uk - Entry clearance visa outcomes datasets December 2022
- Release schedule: Quarterly

The total number of visas granted rose to a high of 3.2 million in 2019. The number then fell significantly due the COVID-19 pandemic, to below one million, but has increased in the last year and a half as international travel has recovered.



Overall customer satisfaction increased by 1 percentage point compared to 2021. For the majority of 2022 the business was significantly impacted by the Ukraine crisis and the subsequent backlogs that were generated as resource was redeployed to support the new Ukraine Humanitarian and Family Scheme routes. By the final quarter of 2022, substantial increases in satisfaction were observed as backlogs caused by the Ukraine crisis were reduced and resource was restored to UKVI's casework routes. Service standards reflect the Home Office's commitment to the timelines on the issuing of visas.

- Source: Customer service operations data: Q4 2022 - GOV.UK
- Release schedule: Annually

Average time taken to process sponsorship applications

Quarter	Average time taken to process sponsorship applications
Q4 2022	51.19 days
Q3 2022	53.08 days
Q2 2022	56.65 days
Q1 2022	57.55 days

- Source: Sponsorship transparency data: Q4 2022 - GOV.UK
- Release schedule: Quarterly

In 2022, the Home Office saw a large increase in sponsorship applications where the number of Licensed and Fully Active Tier 2 sponsors more than doubled in the calendar year, rising from c.39,000 at the end of December 2021 to c.55,000 at the end of December 2022 which materially impacted processing times.

There was a 17,000 increase in the total number of sponsors registered on Points Based System Route across Tier 2, 4 and 5 in 2022 (c.60,000) compared to the same in 2021(c.43,000).

Number of Sponsors registered on Points Based System (PBS)			
Quarter	**Tier 2**	**Tier 4**	**Tier 5**
2022 Q4	54,918	1,076	3,856
2022 Q3	49,916	1,077	3,780
2022 Q2	45,348	1,089	3,191
2022 Q1	41,621	1,093	3,150
2021 Q4	38,812	1,108	3,134
2021 Q3	35,807	1,097	4,019
2021 Q2	33,811	1,110	3,977
2021 Q1	32,019	1,120	3,956

The total number suspension/revocation/intention to revoke action taken against sponsor increased significantly in 2022 (796 instances) than in 2021 (124 cases).

Action taken against Sponsor							
Quarter	**Tier 2 Suspended**	**Tier 2 Revoked**	**Tier 4 Intention to Revoke**	**Tier 4 Revoked**	**Tier 5 Suspended**	**Tier 5 Revoked**	**Combined Totals**
2022 Q4	95	63	0	0	3	2	
2022 Q3	50	38	0	2	0	3	
2022 Q2	159	137	4	2	15	12	
2022 Q1	112	77	2	0	10	10	
Total	**416**	**315**	**6**	**4**	**28**	**27**	**796**

Action taken against Sponsor							
Quarter	**Tier 2 Suspended**	**Tier 2 Revoked**	**Tier 4 Intention to Revoke**	**Tier 4 Revoked**	**Tier 5 Suspended**	**Tier 5 Revoked**	**Combined Totals**
2021 Q4	46	34	1	0	5	3	
2021 Q3	2	2	1	2	1	0	
2021 Q2	4	2	2	1	1	0	
2021 Q1	6	2	7	0	2	0	
Total	**58**	**40**	**11**	**3**	**9**	**3**	**124**

- **Source:** Sponsorship transparency data: Q4 2022 - GOV.UK, **released quarterly**

Number of sponsor licence applications (i) granted or (ii) not granted[8]

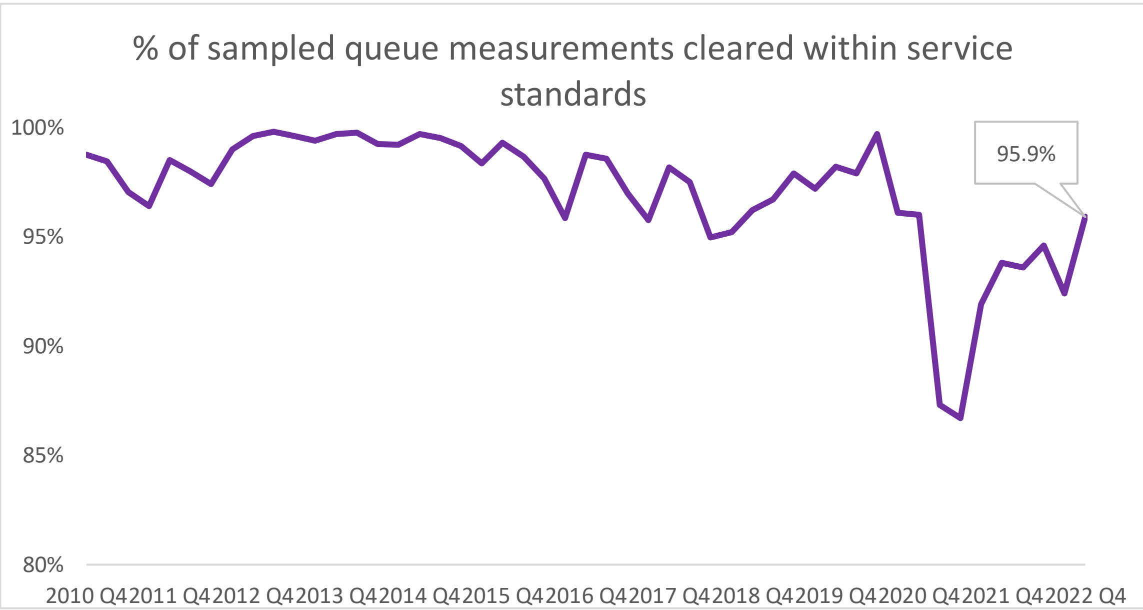
At the end of 2022, there were over 57,000 organisations and institutions registered as licensed sponsors for work and study.

Home Office management information indicates that there were 7,537 decisions on applications for sponsor licences between September to December 2022, 63% more than in September to December 2021 (4,611). Of these, 5,882 licenses were granted, and 1,655 applications were not granted (including both applications withdrawn and those rejected).

This data also shows that there were 26,604 decisions made in 2022, compared to 15,882 in 2021. Of the 26,604 decisions, 19,944 licences were granted (72% higher than the year before) and 6,660 were not granted (including both applications withdrawn and those rejected).

Percentage of passengers crossing the border within service standards[9]

Quarter	Percentage of passengers crossing the border within service standards (BF)
Q4 2022	95.9%
Q3 2022	92.4%
Q2 2022	94.6%
Q1 2022	93.6%



[8] • Source: Visas and citizenship data: Summary of latest statistics- GOV.UK (www.gov.uk)
• Release schedule: Quarterly

[9] • Source: Border Force transparency data: Q4 2022 - GOV.UK
• Release schedule: Quarterly

Border Force performance on passenger wait times improved, with an increase in 2022 (94.1%) in comparison to 2021 (89.9%) for percentage of passenger wait times cleared within service standards.

During 2022, passenger numbers crossing the borders have seen a significant increase in comparison to 2021 mainly as a result of the removal of COVID-19 restrictions.

Passenger numbers in 2022 saw 104.9 million arrivals from outside the Common Travel Area (CTA). This represents 72% of the passenger numbers who travelled in 2019 (the last pre-pandemic year) and was an increase of 248% in passenger numbers compared to 2021.

Border Force revenue protected (tax revenue that is protected through detecting goods where excise duty has not been declared)

Border Force revenue protected (tax revenue that is protected through detecting goods where excise duty has not been declared) (BF)			
Q4 2022	£90,456,814	Q4 2021	£131,203.77
Q3 2022	£81,315,316	Q3 2021	£141,994,256
Q2 2022	£152,214,177	Q2 2021	£204,947,463
Q1 2022	£100,341,072	Q1 2021	£49,950,174

2022 figures decreased by 19.65% in comparison to 2021 revenue protected figures but remains strong in comparison to the pre-pandemic year (2019), at £424 million. 2021 had been a record-breaking year for revenue protected during which some organised crime routes were permanently closed.

In 2022, Border Force seized 266 lethal firearms (283 seized in 2021), 1,105 non-lethal firearms (1,147 seized in 2021), and 4,880 knives (4,633 seized in 2021).

Firearms lethal and non-lethal in 2022 total seized have decreased significantly in comparison to 2019. Knives seized have remained consistent from 2019 figures.

- Source: Border Force transparency data: Q4 2022 - GOV.UK
- Release schedule: Quarterly

Visas:

EU Settlement Scheme

Since 30 March 2019, EU, EEA, and Swiss citizens resident in the UK by the end of the transition period at 11pm on 31 December 2020, and their family members, have been able to apply to the EU Settlement Scheme to continue living in the UK.

The latest quarterly statistics show that 7 million applications to the EU Settlement Scheme had been received up to 31 December 2022, of which 6.9 million had been concluded.

- Source: EU Settlement Scheme quarterly statistics, December 2022 - GOV.UK

Ukraine Family Scheme and Homes for Ukraine Scheme

In 2022, as a result of the Russian incursion into Ukraine, two schemes were introduced to allow Ukrainian nationals to come to the UK under a visa scheme. As a result of the war, we prioritised the Ukrainian schemes, issuing c. 220,000 visas and c. 24,000 extensions to remain in the UK since March 2022.

- Source: Ukraine Family Scheme, Ukraine Sponsorship Scheme (Homes for Ukraine) and Ukraine Extension Scheme visa data - GOV.UK

Border 2025 Strategy

The Home Office is tasked to secure the UK Border as set out in the Border 2025 strategy which was published on 17 December 2020. This strategy sets out the vision for the UK border to be the most effective in the world. A border which embraces innovation, simplifies processes for traders and travellers, and improves the security and biosecurity of the UK. The purpose of the strategy is to define:

- The approach to working in partnership with the border industry and users of the border to design, deliver and innovate around the border
- The future long-term Target Operating Model for the border
- Major transformations required by government and industry to deliver the strategy by 2025 and implement the Target Operating Model

Work has also now commenced for beyond the 2025 strategy under the Border 2030 strategy.

Key milestones: Activities, projects and programmes

Future Border and Immigration System (FBIS)

Outputs: New and simplified immigration routes. A streamlined and fast sponsorship system.

Key milestones: Delivering eVisas, providing customers digital evidence of immigration status, discontinuing the issuing of physical documents by (Biometric Residents Permits/vignettes) end 2024. Rules for Electronic Travel Authorisation (ETA) laid before Parliament in March 2023, explaining how the scheme will operate roll-out dates for Gulf states from late October 2023 to early February 2024. Sponsorship Transformation to commence Private Beta in Autumn 2023.

Other comments: The Portfolio will be re-prioritised to assess the impact of scope changes to the programme due to new Ministerial priorities, world events (for example, Ukraine), and legal challenges (for example, EUSS judicial review).

Border Force and Data Analytics Transformation

Outputs: Analytics to risk assess the movement of illicit goods.

Key milestones: Improved data-led targeting of illicit commodities and Border Force Review to be complete in 2024-25. Improved data-led targeting for Air Freight and Roll-on Roll-off (RoRo) service was successfully delivered in 2022-23. Completion of General Aviation and Air Freight, incorporation of Rest of World Safety and Security data, network analysis and Phase 1 Containers delivered in 2023-24. Completion of Containers and targeting for general maritime, commercial maritime and Eurotunnel and connectivity to Single Trade Window for EU Safety and Security declarations complete in 2024-25.

HMPO Transformation

Outputs: Digital online application channels and transformed operating model.

Key milestones: The rollout of digital application processing (DAP) will continue in 2023-24, enabling casework operations to process applications fully digitally.

Delivery deadline: this rollout is expected to complete in mid-2025, by which time the legacy passport application systems will have been decommissioned.

General Registry Office (GRO) Transformation

GRO Transformation is distinct from the HMPO transformation programme and comprises two programmes: Scanning and transcription (digitisation) of GRO records; and Replacement/Transformation of core Civil Registration Systems. These programmes are critical both to GRO service delivery, replacing end of life storage media, systems and infrastructure; and support wider cross Government legislative change, as well as being integral to digital identity initiatives (such as HO One Login).

Civil Registration Service Transformation (CReST) Programme: the Digital Death Registration Service private beta went live successfully in May 2023. The service has been well received, and we have worked to make changes based on user feedback. Out of two identified we have actioned one and the second is scheduled for release in July. Going forward this financial year we have a roadmap to;

- increase the types of deaths that can be registered
- adapt death registration to accept new Medical Certificate of Cause of Death (MCCD), this is a DHSC initiated legislative change

Other comments: The Portfolio will be re-prioritised to assess the impact of any new demands, such as the creation of new humanitarian routes.

Outcome Delivery Plan 4. Tackle illegal migration, remove those with no right to be here, and protect the vulnerable

The Home Office aims to reduce the level and impact of illegal migration and is supported by delivery plans setting out priority activities and milestones for the next two years.

Targeted activity across 2022-23 involved a whole of government response to illegal migration. The Department set out to achieve the following through its 2022-23 performance. All of these are measured by our public key performance indicators, set out at the Spending Review, and performance against which is discussed in further detail in the sections below:

- Offer protection to those in need through safe and legal routes, with urgent routes for those fleeing conflict, including Afghanistan and Ukraine
- Work with partners across government and internationally to minimise the number of illegal entrants to the UK and tackle the drivers of illegal migration, and the organised criminal gangs who seek to exploit it
- Work with partners in the EU, including France, in joint action to stop small boat crossings and strengthen activity in Channel against small boats movement
- Identify those in the UK illegally and establish their status
- Make accurate decisions on migrants' cases and conclude them quickly, by increasing and improving casework capacity
- Maximise the number of removals of individuals with no right to be in the UK, supporting voluntary return where possible, enforcing return where appropriate
- Deport Foreign National Offenders, including through the expansion of early release scheme where appropriate.

The Home Office has delivered the Nationality and Borders Act 2022 and introduced the Illegal Migration Act in March 2023. In March 2023, we agreed with French partners to increase activity against small boats on the French side of the channel.

The high number of Albanians arriving by small boat, plus the number of National Referral Mechanism (NRM) referrals and legal challenges, have made it take longer to process cases which has meant hotel accommodation and the overall asylum Work in Progress (WIP) have grown (though within this the legacy asylum WIP continues to decrease). We are working to clear the legacy WIP by the end of 2023. Additionally, in April 2023 we announced that over 1,000 Albanian nationals had been returned since the UK-Albania joint communiqué was signed on 13 December 2023.

Immigration enforcement action for illegal working since mid-December has included 362 arrests. In this timeframe, 92 illegal working civil penalties were also issued with a value of

£1.5 million and in 2022 there were 3,860 enforced returns, 39% more than in 2021 (2,780). This work is central to the government's commitment to remove those with no right to be in the UK.

Volume of irregular migration (small boats, in-country and border detections, and non-declared air arrivals) and numbers prevented[10]

Recorded attempts to enter the UK irregularly, by selected methods of entry[11] - the data does not include those prevented from reaching the UK border	Year: 2022	Year: 2021
Small boat arrivals	45,755	28,526
Inadequately documented air arrival	4,569	2,561
Recorded detections in the UK	3,456	5,061
Recorded detections at UK ports	310	665

- Source: Irregular migration detailed dataset and summary tables - GOV.UK
- Release schedule: Quarterly

In 2022, the number of inadequately documented air arrivals increased 78% compared to 2021. Whilst there were an increased number of immigration enforcement visits and requests for support from the police in 2022, there has been a 32% decrease of recorded detections in the UK figures in comparison to 2021. These figures are a measure of the varying factors regarding illegal migration and may represent a change in route by those seeking to evade controls and those Organised Crime Groups (OCGs) who organise crossings, further evidenced by the 100% increase in small boats arrivals and the increase in overall numbers of irregular migrants compared to 2021.

Number of people within asylum intake, asylum work in progress and on asylum support

Number of asylum claims lodged either in country or at port.			
Q4 2022	22,226	Q4 2021	19,502
Q3 2022	24,511	Q3 2021	15,573
Q2 2022	15,506	Q2 2021	8,977
Q1 2022	12,508	Q1 2021	5,990

- Source: Asylum and resettlement datasets - GOV.UK asylum application dataset dec-2022 (Asy D01)
- Release schedule: Quarterly

10 Data on numbers of irregular migration attempts prevented is collected by the French authorities. HO will continue to work with our French counterparts to discuss how we might make this information more widely available

11 See data source for notes and caveats on the data.

The number of asylum claims lodged either in country or at port during 2022 increased to approximately 74,000 in total. This was a 49% increase when compared to the number of asylum claims lodged the prior year, in 2021.

Number of people resettled			
Q4 2022	1,024	Q4 2021	1,784
Q3 2022	1,834	Q3 2021	15,773
Q2 2022	1,215	Q2 2021	443
Q1 2022	1,719	Q1 2021	345

- Source: Asylum and resettlement datasets - GOV.UK Asylum application dataset dec-2022 (Asy D02)
- Release schedule: Quarterly

There were 5,792 people resettled in 2022. This is 68% lower than in 2021 when 18,345 people were resettled, many following evacuations from Afghanistan after the fall of Kabul (Operation Pitting) in August 2021. Through Op Pitting we undertook the largest and fastest emergency evacuation in recent history to help approximately 15,000 people to safety. There were also circa 2,000 arrivals from April 2021 to July 2021 (pre-Op Pitting arrivals). Whilst the success of the operation exceeded our expectations, we continue to assist those in need and our priority remains to work with allies and partners in the region ensuring safe passage for those seeking to leave Afghanistan

Asylum Seekers in receipt of support:

As at	**Asylum seekers in receipt of support**
31 December 2022	110,171
30 September 2022	100,547
30 June 2022	93,080
31 March 2022	85,007

- Source Asylum and resettlement datasets - GOV.UK (Asy D09)
- Release schedule: Quarterly

At the end of December 2022, there were 110,171 individuals in receipt of support, 30% higher than at the same time in 2021. This continues the trend of increasing numbers in receipt of support since the start of the COVID-19 pandemic. This increase is related to the large increase in asylum applications, which has been driven by approximately 46,000 small boat arrivals during 2022 alone. Of the 110,171 individuals in receipt of support, 96% were in receipt of support in the form of accommodation and subsistence and 4% were in receipt of subsistence only.

Total number of people resettled under the UK Resettlement Scheme

Total number of people resettled under the UK Resettlement Scheme			
Q4 2022	141	Q4 2021	355
Q3 2022	197	Q3 2021	471
Q2 2022	204	Q2 2021	285
Q1 2022	345	Q1 2021	25

- Source: Asylum and resettlement datasets - GOV.UK dec-2022 (Asy D02)
- Release schedule: Quarterly

The number of people resettled under the UK Resettlement Scheme decreased by 22% in 2022, from 1,136 in 2021 to 887 in 2022. This was due to the evacuation from Kabul and the launch of the Afghan Citizens Resettlement Scheme (ACRS) and the Afghan Relocation and Assistance Policy (ARAP) in 2021, meaning that in 2022 the inflow was balanced against other schemes.

Number of asylum appeals lodged			
Q4 2022	1,136	Q4 2021	864
Q3 2022	1,040	Q3 2021	902
Q2 2022	837	Q2 2021	1,181
Q1 2022	802	Q1 2021	1,134

- Source: Asylum appeals lodged datasets dec 2022 (asy D06) - GOV.UK
- Release schedule: Quarterly

There were 3,815 appeals lodged on initial decisions in 2022. This is 7% fewer than the previous year and continuing a downward trend for numbers of appeals lodged since 2015 (when there were 14,242 appeals lodged). The reason for the decrease is harder to attribute than in previous years, as the number of refused decisions increased in 2022 when compared to 2021. 67% of refused decisions were appealed in 2022 in comparison to 79% in 2021. New operating models to differentiate between legacy and flow workstreams and the shifting of resources to focus on particular cohorts such as high grant rate nationalities may account for the decrease.

Percentage of total asylum appeals where asylum appeal is allowed (excluding withdrawn appeals)[1]

[1] Note that the figures presented below measure appeals 'allowed' (where it is judged the decision should be reconsidered) but may not reflect the final decision

Quarter	Percentage of total asylum appeals where asylum appeal is allowed (excluding withdrawn appeals)
Q4 2022	50%
Q3 2022	52%
Q2 2022	53%
Q1 2022	51%

- Source: Asylum appeals lodged dataset Dec-2022 (Asy D07) - GOV.UK
- Release schedule: Quarterly

Of the appeals resolved in 2022, more than half (51%) were allowed, rising from 29% in 2010, when the time series began. The reason for allowed appeals in the majority of cases includes submission of further evidence which were not available at the time of the original decision or changes in circumstances which substantially impacted the initial decision. There were fluctuating representation rates at court due to: (i) fluctuating court patterns, (ii) churn of presenting officers, (iii) associated delays in backfilling and (iv) the need to use experienced staff to develop the capability of newer presenting officers.

Number of individuals leaving detention who are (i) returned or (ii) released[1]

Quarter	Number of individuals leaving detention who are returned	Number of individuals leaving detention who are released
Q4 2022	876	3,287
Q3 2022	1,240	6,588
Q2 2022	966	2,958
Q1 2022	1,006	2,526

- Source: Detention datasets - GOV.UK (Det_D03)
- Release schedule: Quarterly

20,446 people entered immigration detention in 2022 compared to 24,638 in 2021.

The profile of detainees and their reasons for entering and leaving detention has changed. In 2021 and 2022, a high proportion of those entering detention were small boat arrivals who have been detained in order to confirm their identity and register their asylum claim. Where an asylum claim can be considered (and rejected) in a reasonable

[1] Immigration detention statistics include all individuals detained, not exclusively those the Home Office is seeking to return

timeframe, detention is maintained for return. Where it cannot, the individual is released while their claim is considered. Prior to the pandemic, in contrast to the current situation, the predominant use of detention was preparation for a return.

However, not all small boat arrivals enter the detention estate, with some held in other accommodation for short periods of time to manage their health and safety, and confirming their identity, before being dispersed to other appropriate accommodation. These short-term holding places are not counted in this dataset.

At the end of December 2022, there were 1,159 people held in immigration detention (including those detained under immigration powers in prison).

19,447 people left detention in 2022 of whom 48% had been detained for 7 days or less. 78% of those leaving detention in 2022 were bailed. Bail was mostly granted due to an asylum (or other) application being raised.

As the circumstances of an individual's case change, including those resulting from flight restrictions, the suitability of detention is reviewed and release on immigration bail may become the most appropriate option.

Number of enforced and voluntary returns

Quarter	Number of enforced returns	Number of voluntary returns
Q3 2022	1,030	2,364
Q2 2022	873	2,082
Q1 2022	902	2,241
Q4 2021	726	2,207

- Source: Returns datasets - GOV.UK (RET_D01)
- Release schedule: Quarterly

In the year ending September 2022, there were 3,531 enforced returns, 51% fewer than pre-pandemic in 2019 (7,198). Enforced returns have been declining since their peak in 2012, with the most recent decrease related to the impact of the COVID-19 pandemic, limited flight availability and reduced space in the detention estate due to social distancing. It also reflects increasing late legal challenges, particularly related to asylum and modern slavery claims. Enforced returns rose to over 1,000 during July to September 2022 but remained below pre-pandemic levels.

In the year ending September 2022, there were 8,894 voluntary returns. Voluntary returns continued to show signs of returning to pre-pandemic levels following the lifting of COVID-19 travel restrictions, increasing by 48% compared with the previous year.

The longer-term fall in enforced and voluntary returns are a result of tighter screening of passengers prior to travel and changes in visa processes and regimes.

Number of Foreign National Offender (FNO) returns			
Q3 2022	797	Q3 2021	726
Q2 2022	687	Q2 2021	840
Q1 2022	794	Q1 2021	439
Q4 2021	680	Q4 2020	764

- Source: Returns datasets - GOV.UK (Ret_D03)
- Release schedule: Quarterly

In the year ending September 2022, there were 2,958 FNOs returned from the UK, of which 58% were EU nationals (1,706). FNO returns are a subset of total returns figures and in the year ending September 2022, were a large proportion of enforced returns and 24% of enforced and voluntary returns combined.

FNO returns increased slightly following the pandemic, driven by returns of non-EU nationals (mainly Albanians). However, FNO returns for the year ending September 2022 were 42% lower than in 2019 (2,958, down from 5,128). This significant decrease is largely attributed to the pandemic. Initially, it was in relation to the availability of staff and ability to detain and remove FNOs. More recently, it was caused by the knock-on impact of a growing caseload and delays in co-dependent processes such as the criminal and immigration courts. FNO returns decreased between 2016 and 2020, which reflects the increasing legal challenges faced by the Home Office, particularly in relation to asylum and modern slavery claims. During this time, returns of EU nationals were almost double returns of non-EU nationals, but this gap closed considerably in 2021.

Migrant Crossings

There has been a significant increase in small boat arrivals in the last 4 years with 45,755 people detected by our teams in 2022, 60% higher than in 2021. August 2022 saw the highest number of small boat arrivals (8,631) in a month since the small boats data recording began in 2018. December 2022 saw the tragic death of four people in the Channel and continued to remind us of the perils of this route. A greater mix of nationalities have been detected making the crossings since 2020. In 2021 over half of arrivals were Iranian or Iraqi nationals, but in 2022 the highest volume of arrivals were

Albanian and Afghan nationals, with c.12,300 Albanian nationals and c.8,600 Afghan nationals arriving on small boats.

Criminal and Financial Investigations (CFI) / Organised Immigration Crime

Since the introduction of the Nationality and Borders Act in June 2022, CFI have reviewed every small boat arrival, to identify if there might be sufficient evidence to pursue a successful investigation and prosecution.

Referrals of migrants who are detected in Heavy Goods Vehicle (HGV) Cabs remain constant at the juxtaposed and Dover controls. The Common Travel Area continues to generate referrals and work as the direct route from mainland Europe to Ireland becomes more viable.

Enforcement[2]

Enforced returns have been declining since their peak in 2012, with the most recent decrease related to the impact of the COVID-19 pandemic and the associated lack of flights and reduced space in the detention estate due to social distancing. It also reflects increasing late legal challenges, particularly in relation to asylum and modern slavery claims. The number of enforced returns were very low during quarters that coincided with 'lockdowns' starting in late March 2020 and early January 2021 (363 and 430). Numbers have increased to over 1,000 during July to September 2022; however, this is still below the pre-pandemic levels in 2019 (which saw around 1,800 returns per quarter).

Asylum

In accordance with the Prime Minister's statement on illegal migration on 13 December 2022, the Home Office is committed to clearing the asylum initial decision backlog by the end of 2023. We are on track to clear the historic asylum backlog by the end of 2023; as of the end of May 2023 (based on provisional data*), the legacy backlog has reduced to 74,410 cases relating to claims made before 28 June 2022.

We continue to make progress and the latest Home Office statistics show asylum decisions are up, with a 35% increase in asylum decisions from last year. We have reduced the initial decision legacy asylum backlog by 17,000 cases in the last 6 months. On 13 December 2022, the Prime Minister committed to doubling the number of asylum decision makers. This will take the headcount of our expected number of decision makers to 2,500 by September 2023. Provisional data[3] indicates, as of 1 May 2023, there are 1,280 full time equivalent (FTE) Asylum Decision Makers.

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[2] Source: Returns and detention datasets - GOV.UK

[3] Please note, data for May 2023 is provisional and has not been cleansed to remove duplicates

We are tackling the asylum initial decision Work in Progress cohort (WIP) in a balanced way, prioritising decision making in accordance with the commitment the Prime Minister made in his statement on illegal migration on 13 December by:

- prioritising older cases in cohorts with an aim to eliminating the backlog of legacy initial asylum decisions by the end of 2023
- simultaneously, prioritising removeable cases, through a dedicated unit expediting cases staffed by 100 dedicated decision makers considering claims from Albanian illegal migrants

Prioritisation guidance is currently being developed and will be published in due course – this will include an explanation of the circumstances in which an individual case may be expedited.

Asylum

Home Office have continued to develop existing and new technology in order to streamline process and provide efficient services. This has included:

- digital interviewing
- streamlining and digitisation of case working to improve workflow
- introduced specialist decision making units to improve case ownership and management

At the end of December 2022, there were 110,171 individuals receiving support, 30% higher than the previous year. This trend has in part been due to the pandemic when the Home Office temporarily ceased ending asylum support for those whose claims have been either granted or refused, to minimise homelessness during lockdown. 96% were in receipt of support in the form of accommodation and subsistence (including 49,493 in receipt of temporary support under Section 98 of the Immigration and Asylum Act (1999)), 4% were in receipt of subsistence only.

At the end of 2022, there were 132,182 cases awaiting an initial decision, 61% higher than the previous year. The Home Office prioritises cases with high harm, acute vulnerability, and those in receipt of the greatest level of support, including Unaccompanied Asylum-Seeking Children. In accordance with the Prime Minister's statement on illegal migration on 13th December, the Home Office is committed to clearing the asylum initial decision backlog by the end of 2023.

There were 3,815 appeals lodged on initial decisions in 2022. This is 7% fewer than the previous year and continues a downward trend for appeals lodged since 2015 (when there were 14,242).

- Source: Asylum and resettlement datasets - GOV.UK

People granted protection and other leave through asylum and resettlement routes

The UK offered protection, through asylum, humanitarian protection, alternative forms of leave and resettlement, to 19,212 people (including dependants) in 2022. 87% were granted refugee status or temporary refugee status following an asylum application, 7% were granted humanitarian protection, or alternative forms of leave including discretionary leave and Unaccompanied Asylum-Seeking Children leave and 6% were granted refugee status through resettlement schemes.

There were 1,163 people granted protection through resettlement schemes in 2022 (predominantly through the UK Resettlement Scheme). The number of people resettled was 27% lower than in the previous year.

The resettlement figures above do not include those relocated via the Afghan Relocations and Assistance Policy (ARAP) or the Afghan Citizens Resettlement Scheme (ACRS). More than 21,000 people have been resettled or relocated under the schemes from 1 April 2021 until 31 December 2022. The ACRS opened in January 2022 and prioritises those people who have assisted the UK efforts in Afghanistan who face a particular risk from the Taliban, and the Government has committed to welcoming up to 20,000 people over the coming years. In 2022, 468 people arrived through Pathway 1, and 22 people through Pathway 2. There was an overall commitment to resettle 20,000 people under ACRS in the coming years to which these figures are contributing.

4,473 partners and children of refugees living in the UK were granted entry to the UK through family reunion visas, 27% less than the previous year.

- Source: How many people do we grant protection to? - GOV.UK

British Nationals Overseas (BN(O))

On 31 January 2021, the UK Government introduced a new immigration route for British National (Overseas) (BN(O)) status holders from Hong Kong, providing the opportunity for them and their family members to live, work and study in the UK.

Up to December 2022, there have been a total of 160,700 applications for the BN(O) route. 129,415 of these applications were granted visas out of country, with 105,200 people having arrived in the UK. 24,293 grants have also been made for in country BN(O) visas.

- Source: Visas and citizenship data: Q4 2022 - GOV.UK
- How many people come to the UK each year (including visitors)? - GOV.UK

Key milestones: Activities, projects and programmes

Safe and Legal Routes to Resettlement

Outputs: Number of people resettled under the UK Resettlement Scheme.

Key milestones: Afghan Citizen Resettlement Scheme (ACRS), Ukraine Family Scheme and Homes for Ukraine scheme were operationalised, becoming part of Visas, Status and Information business as usual. Intake to these schemes can be volatile and dependent upon policy initiatives (such as Scottish super-sponsor scheme) as well as activities on the ground in Ukraine.

Asylum Backlog Reduction

Outputs: Reduce the number of people within asylum with a pending initial decision.

Key milestone: To provide an initial asylum decision to all those who were awaiting a decision when the Nationality and Borders Act was introduced in June 2022 by the end of 2023.

Delivery Deadline: 31st December 2023

Other comments: The Prime Minister pledged to clear the backlog of the 92,601 initial asylum decisions relating to claims made before 28 June 2022 ("legacy claims") by the end of 2023. One way in which we will achieve that is via the Streamlined Asylum Process which is centred around accelerating the processing of manifestly well-founded asylum claims.

We are on track to clear the historic asylum backlog by the end of 2023; as of the end of May 2023 (**based on provisional data***), the legacy backlog has reduced to 74,410 cases relating to claims made before 28 June 2022.

From 23 February 2023, legacy claims from nationals of Afghanistan, Eritrea, Libya, Syria and Yemen will normally be considered through the Streamlined Asylum Process.

In addition to the Streamlined Asylum Process, the remaining legacy backlog has been grouped into 'cohorts' based on volume of claims, grant rate, compliance rate and support rate. Iran and Iraq are the two highest volumes cohorts within the legacy backlog. From 19 May 2023 onwards, legacy claimants from nationals of Iran and Iraq will be requested to complete a questionnaire to provide information ahead of an asylum interview. This will help to decide their asylum claims more efficiently.

We are taking immediate action to speed up asylum processing so that people do not wait months or years in the backlog, at vast expense to the taxpayer, and to remove everyone who doesn't have a legitimate reason to be here.

To accelerate decision making, we are driving productivity improvements by simplifying and modernising our system. This includes: shorter, more focussed interviews; removing unnecessary interviews; making guidance simpler and more accessible; dealing with cases more swiftly where they can be certified as manifestly unfounded;

and recruiting extra decision makers. This will take our expected number of decision makers to 2,500 by September 2023.

Detention and Asylum Accommodation Programme

Outputs: We need to stop the boats to relieve the unsustainable pressure on our asylum system and accommodation services, which is costing over £3 billion a year. The Illegal Migration Act will ensure anyone arriving illegally can be detained and swiftly removed, so that people know they cannot skip the queue by coming here illegally. This goes further than ever before to do what is necessary to fix the issue, but legislative changes take time and there is no single silver bullet. In the meantime, we must take action to address the unacceptable costs of housing migrants in hotels which is costing the taxpayer around £8 million a day. The Minister for Immigration has set out the measures we are taking to correct the injustice of the current situation. We have announced the first tranche of sites which we will set up to provide basic accommodation at scale. The Government will use military sites being disposed of in Essex and Lincolnshire. These will be scaled up over the coming months and will collectively provide accommodation to several thousand asylum seekers. We have also agreed on the use of a barge to accommodate migrants at Portland Port – similar projects have been successful in Scotland and the Netherlands.

Key milestones: Development of scoped out sites throughout 2023.

Other comments: The Asylum and Detained Accommodation Programme is being established to: (i) deliver new sites and create new capacity for the non-detained estate, (ii) co-ordinate and oversee effective and timely delivery of these new sites, (iii) maximise opportunities to gain cost savings and operational efficiencies by working closely with related change initiatives.

UK-Rwanda Migration and Economic Development Partnership

The Migration and Economic Development Partnership with Rwanda was announced on 14 April 2022.

Outputs: Relocate people who enter the UK via illegal, dangerous and unnecessary methods having passed through a safe country.

Key milestones: Operationalisation of MEDP policy through implementation of regular charter flights to Rwanda.

Other comments: Due to ongoing litigation the Government has been unable to effect relocations. The Home Secretary has been granted permission to appeal the recent decision by the Court of Appeal. We are committed to making this Partnership work.

MEDP Payments

The Home Office has paid a total of £140million to the Government of Rwanda as part of the Migration and Economic Development Partnership (MEDP) in the financial year 2022/23. This breaks down as follows:

- An initial investment of £120 million as part of a new Economic Transformation and Integration Fund which was created as part of the MEDP.
- A separate advance payment of £20 million to the Government of Rwanda to support initial set up costs of the asylum processing arrangements under the MEDP. This amount is a credit to pay for the anticipated future asylum and operational costs.

Windrush

We are making sustained progress delivering on the recommendations and the commitments made in our Comprehensive Improvement Plan in response to the Windrush Lessons Learned Review. In her report last year, Wendy Williams concluded that 21 out of 30 of her recommendations have been met or partially met. She acknowledged that the scale of the challenge she set the Department was significant and that change on this scale takes time.

Since then, the Home Office has made further progress in delivering the Review's recommendations, such as establishing the Office for the Independent Examiner of Complaints and launching the 'Serving Diverse Communities – Acting on Our Values' learning package.

In January 2023, the Home Secretary decided not to proceed with Recommendations 3 (Run Reconciliation Events), 9 (Introduce Migrants' Commissioner) and 10 (Review the remit and role of the Independent Chief Inspector of Borders and Immigration (ICIBI)) in their original format, having carefully considered how to deliver these recommendations in appropriate and meaningful ways.

Since the injustices of Windrush came to light, there has been a concerted effort across the Government to right the wrongs suffered by those affected. As of the end of March 2023, the total amount paid or offered to claimants through the Windrush Compensation Scheme was over £70.67 million.

We aim to "integrate the consideration of ethics into every stage of our work" (OHO Objective 17) so that the Department better identifies the potential harmful or unintended consequences of its decisions, whether in the development of policy or the implementation of operations, because colleagues are aware of and use ethical frameworks and feel safe to challenge. We have been working to achieve this aim through providing, to staff:

- The Tools: e.g., continuing to promote the ethical decision-making model (published in November 2021) and prompting ethical consideration through policy profession good practice toolkits (the Policy Tests) as useful tools for considering difficult issues in policy and operations.

- The Routes: e.g., escalation of ethical concerns through Chief Caseworker Unit (Customer Services), Safety Valve Mechanism (Immigration Enforcement) or REAct (Route to Early Action).

- The Roles: e.g., the appointment of Abi Tierney as HO Ethics Adviser to Champion, Advise and Challenge on ethical behaviour, systems and considerations within the office and the creation of a network of ethics champions within Immigration Enforcement.

As well as being practical steps in creating an ethics framework, these provide a clear signal to staff that ethics is important to the Department and that they are encouraged to raise their concerns and that they will be listened to and responded to through a “safe to challenge” culture.

Due to the significant progress we have made, our Windrush response and Department’s transformation programme will now be embedded into the fabric of our everyday operations and activities, instead of being managed through a dedicated team.

We will measure our effectiveness in creating a “safe to challenge” culture through the annual People Survey and through collecting data on concerns raised through staff reporting routes.

PRINCIPAL RISKS


DOVER
DOVER
DOVER

Principal Risks[4]

Risk assessment (as at 31 March 2023)	Critical		High		Medium		Low	
Trajectory[5] at year-end (from date identified)		Risk Increase		Risk Decrease		No movement		At target score

Objective	Principal Risk	Key Mitigating Activities during 2022-23
ODP2	There is a risk of **loss of public confidence in the Counter Terrorism system** as it fails to appropriately manage the risk from terrorism.	• Published the Independent review of Prevent, begun implementing recommendations and transformed our approach to tackling terrorism in prisons and probation. • New UK-US Data Access agreement to ensure law enforcement access to data to disrupt terrorist activity. • Announced proposals to enhance security at publicly accessible locations known as Martyn's Law, a direct response to the lessons from the Manchester arena attack. • Unveiled new CT Operations Centre (due to complete in 2024-25), bringing together partners from Counter Terrorism Policing, the Intelligence Agencies, and the Criminal Justice System, as well as other Government Agencies focused on tackling the threat from terrorism.

[4] The department's principal risks are subject to an annual risk identification refresh with Executive Committee (ExCo) members and new emerging risks are escalated and monitored throughout the year to keep abreast of changes in the departmental risk profile. We have dated recent inclusions from the last risk refresh in November 2022

[5] The trajectory of the risk indicates whether generally the trend in likelihood and impact of the risk materialising increased, decreased, or remained the same over the period of this report. The colour code used indicates the severity of risk which increases using a five-point scale from green, amber, red and purple

ODP1	There is a risk that increased cost of living and prevailing economic situation impose **surge across several crime types and/or other public safety risks** (e.g. fires) and burdens on people. (November 2022)	• A £300k flexible fund to Women's Aid as part of the Tackling Domestic Abuse Plan. • The Fire Safety Unit have supported the NFCC to develop a bespoke campaign – *Cost of Living: Steps to stay fire safe* – to promote relevant messages through fire and rescue services and with national and local media to advise and keep people informed of safe behaviours. • Home Office analysts have identified risks associated with higher levels of inflation and increasing cost of living, which may place upwards crime over the next twelve months, particularly neighbourhood crime and domestic abuse.
ODP4	There is a risk that the Department **fails to prevent the loss of lives in the immigration system**[6], where individuals subject to immigration controls and/or in our care are subject to/cause harm to themselves and/or others.	• Introduced a new format to Assessment Care in Detention Teamwork process for identifying, assessing, and caring for those who are at risk of self-harm and suicide within the Immigration Removals Centres. • Reviewed and published guidance on Death in Custody. • Increased French presence, Royal National Lifeboat Institute and French vessels. • Increasing Geographic Supply by widening and incentivising participation in asylum dispersal and increasing supply by closer performance management of providers. • Reducing demand for accommodation by increasing asylum decisions, by supporting cessations, changing casework and accommodation service delivery model through Accommodation Centres. Increasing accommodation by 200 sites to meet projected demand. **Note:** Safeguarding concerns significantly rose during the year due to the volume of asylum seekers intake, increased usage of contingency accommodation and night by night hotel bookings which exacerbated the risk of not having in place appropriate support measures. A full crisis response stood up at Manston in the autumn. A lessons learned review in 2023 led to a number of recommendations to strengthen departmental processes.

[6] It covers the risk of failure to meet duty of care to look after some of the most vulnerable people in the asylum system ultimately causing death, serious injury or abuse to applicants or others.

Cross-cutting	There is a risk that the Department, or individual business area, **fails to respond to crisis in a planned, structured and focused way; and that precise circumstances are not predicted for these events**, creating resourcing pressures.	• Launched the Central Crisis Command (3C) to co-ordinate crisis response and improve crisis capability across the department. • Provided effective support on a number of crises, including Manston / Small Boats, Operation LONDON BRIDGE, Civil Service Industrial Action, and delivered the response to the Ministerial level cross Government Project YARROW exercise. • Delivered pilot Gold (Strategic) training to 45 senior leaders to improve resilience in the event of crisis, alongside a training refresh of the Departmental Operations Centre volunteer cadre, ensuring volunteers are up to date in the training for their role.
Cross-cutting	There is a risk that business-critical services are unavailable due to **failing IT systems and inadequate business continuity and recovery**.	• Use of risk wheels has driven action to reduce risk on individual services and the number of red-rated wheels has reduced by ~25% in the last 18 months. • Mitigations are costed, in line with best practice risk management. • We continue to reduce the number of red risks through delivering major change programmes which will replace high risk legacy systems. • Technical Debt workstream is in a good position at year end, with an estimated write-down of £187 million forecast for 2022-23 against the original £1 billion of Technical Debt IT estate. • Piloting a parent/child risk process that uses the e-Gates outage in June 23 as a test bed to help flag early red flags on event-specific risks for rapid escalation.
Cross-cutting	There is a risk that the Department fails to respond to **cyber threats** leading to a breach of confidentiality, integrity or availability of information, systems and environments.	• Cyber Security Improvement Programme in delivery to reduce cyber security risks and improve cyber security controls.
Cross-cutting	There is a risk that the Department **fails to comply with Public Sector Equality Duty (PSED)** that causes major harm or discriminates against members/sections of the public.	• Coordinated improvements to PSED compliance and helped the Department understand requirements. • Assured policies and decisions consider any potential equalities impacts. • Centrally provided feedback/support with Equality Impact Assessments and PSED Snapshot tool. • Rolled out PSED training across business areas.

Cross-cutting	There is a risk of **major operational or insight failure due to data quality / data availability challenges**, leading to policies and systems having to be stopped and/or redesigned; and incorrect decisions that put lives at risk.	• Completed the majority of the Information Commissioner Office's recommendations following the 2021-22 audit of the Department's data protection compliance. • In addition to major technology enabled change programmes, continued to invest in developing the Department's strategic data and information capabilities via the One Home Office Data and Information Initiative.
Cross-cutting	There is a risk of **disconnect between demand and capacity/capability** needed to deliver priorities and respond to planned/unplanned events now and in the future.	• Organisation Design Service Delivery Projects in delivery in multiple business areas, enabling structured, more efficient organisation which can effectively plan workforce needs. • Changes to online tools has enabled swifter and more streamlined resourcing as administrative parts of recruitment journey are increasingly automated and less prone to error enhancing new hire experience.
ODP0	There is a risk that **slower than expected Home Office Transformation** could negatively impact the Department's performance. (January 2022)	• Prioritised the transformation portfolio, focusing on objectives that will have the highest impact and make the greatest contribution to efficiency, service delivery and colleagues' experience of working for the Department. • Integrated work on efficiency proposals into the ODP0 (Transformation strategy) framework, allowing for greater oversight of activities to deliver priority outcomes.
Cross-cutting	There is a risk that **delays in portfolio delivery will increase overall costs and delay realisation of benefits** which will strain further Departmental finances.	• Developed and progressed portfolio prioritisation to hone, pause, prevent new, or stop, programmes. • Authority to Proceed criteria to control in-flow and ensure new programmes are set up for success from the onset. Developed a Director General monthly dashboard to highlight portfolio and programme challenges and tied investment approvals to programmes' compliance with best practice. • Project Delivery skills development by rolling out the Infrastructure and Projects Authority's (IPA) Project Delivery Accreditation Scheme, increasing Government Online Skills Tool (GOST) usage, and refining the Home Office Project Delivery Framework and Learning and Development catalogue.

Cross-cutting	There is a risk that the Department fails to respond to **in-year financial pressures and/or access to sufficient funding**, impacting our equities and delivering of priorities. (August 2022)	• Finance and Investment Committee managed financial pressures throughout the year, agreeing collaborative solutions to best manage budgets and minimise call on reserves. Close working and engagement with HM Treasury to agree Reserve claims which HM Treasury have confidence and comply with need for forecasts to be taut and realistic. • The access to the Reserve risk closed in February 2023 following completion of the Supplementary Estimates and Reserve claims agreed. The new risk has a wider scope that covers the continuing uncertainty of breaching our budget for the whole Spending Review period up to 2024-25.
ODP4	There is a risk that Department's **partnership working with the French does not meet the stated ambition** of drastically reducing the number of small boat crossings. (March 2023)	• Implementation of the illegal migration agreement struck with France in November 2022, including the deployment, for the first time, of reciprocal teams of embedded officers to increase joint understanding. • The UK-France Summit has reset the Franco-British relationship which allowed to strike new multi-year arrangements with France, providing certainty over three years on ongoing operational cooperation with France. The deal doubles French reservists dedicated to tackling small boats, formalises intelligence cooperation, and greatly increases infrastructure and equipment. • Work with European partners to re-establish the Calais Group to coordinate action to tackle illegal migration.
ODP3-4	There is a risk of **increasing cumulative legal challenges against the Department** which leads to significant increased workloads and legal costs, reputational damage, and potential requirement for new policies. (November 2022)	• Preparing and publishing robust equality impact assessments. • Obtaining counsel advice as policy is being developed to ensure potential litigation risks are identified and minimised. • Using policy tools such as policy impact assessments. • Policy leads working across teams in relevant areas. • Ensuring consistency of government responses.

ODP4	There is a risk that the Department **fails to manage irregular migration (Small Boats) within acceptable operational limits**. (November 2022)	• Created and integration of the Small Boats Operational Command into Border Force. • Initiated operation VETERRA and pilot for Albanian removals to disincentivise crossing. • Improved Intelligence through greater partnering with UK and EU intelligence agencies.
Cross-cutting	There is a risk of **unsustainable levels of staff abstraction and absence** due to multiple concurrent factors which impacts on people's wellbeing at work. (November 2022)	• The Department mental health and Musculoskeletal Disorder MSD absence risk trajectory is broadly 'stable' – it reflects the modest recovery to pre-pandemic levels in the context of remaining hot-spots. • Embedded Organisational Stress Risk Assessments (OSRA): In 2021, People Committee endorsed the implementation of high-level OSRA action plans by Missions and Capabilities. Government Internal Audit Agency (GIAA) audit recommendations to the governance of OSRA actioned. In addition, a wellbeing internal audit programme (October 2022) to drive implementation of OSRA. • Attendance management policy review: an integrated review is underway to encourage an empowered and sensitive approach to absence management by line managers. • Mental health absence reduction interventions: having reached its highest level in June 2022, focus on resolving long-term absences in business areas. In addition, four mental ill-health absence working groups commissioned to surface any additional business insight and establish actions.

ODP4	There is a risk that **the asylum support and dispersal system fails** leading to extreme strain on tripartite relationships (HO, Providers, Local Authorities (LAs), financial consequences and severe reputational damage.	• Full dispersal announced in April 2022 to maximise available accommodation and reduce reliance on hotels. All regional/ national plans agreed and communicated to LAs, Accommodation Providers, Strategic Migration Partnership. • Increasing accommodation by 200 sites to meet projected demand. Work to prepare for high intake areas. • Reducing demand by increasing asylum decisions and supporting cessations. On 13 December 2022, the Prime Minister pledged to clear the backlog of the 92,601 initial asylum 'legacy' claims. To support with clearing the backlog, the Prime Minister committed to doubling asylum decision-makers and recruitment is underway. • Widening LA dispersal. Engagement with LAs currently underway on full dispersal.
ODP4	There is a risk the Department is **not able to increase returns** due to insufficient detention capacity, charter flights and staff. (March 2022)	• Extended capacity with an agreement with Liverpool Airport to carry out one flight per month. • Data matching to identify those eligible for return. • Work continues to increase flows of removable cases and manage them more efficiently. Numbers being returned are increasing each month.
ODP4	There is a risk that that the Department **fails to implement a robust process to manage Unaccompanied Asylum-Seeking Children (UASCs)** entering the system and ensure their safety. (May 2022)	• Increased hotel provision to sufficiently provide for arriving UASCs not directly accommodated in LAs. • Incentivised funding offers to increase flow of transfers through to National Transfer Scheme (NTS) placements. • Direct senior engagement with LAs to escalate transfer delays. • Cross-government/local government UASC taskforce. • Increased age assessment robustness with age assessment pilot team, training for LAs, and capacity building for launch of the National Age Assessment Board. • Successfully defended Medway litigation challenge decision to direct their participation in the mandated NTS.

FINANCIAL REVIEW

Budgeting System

As with other ministerial government departments, operations are almost entirely funded by an Exchequer grant, voted by Parliament by means of the Departmental Group's submission of expenditure 'Estimates' which have been agreed by HM Treasury.

The Departmental Group's budget is separated into:

- Resource Departmental Expenditure Limit (Resource DEL) for current expenditure such as staff pay, purchases of goods and services and depreciation. This budget is split between the programme budget which captures expenditure on front line services and the administration budget to cover all other expenditure.

- Capital Departmental Expenditure Limit (Capital DEL) for new investment in assets including digital assets.

- Resource Annually Managed Expenditure (Resource AME) for costs that may be unpredictable such as provisions.

- Capital Annually Managed Expenditure (Capital AME) for unpredictable costs which also give rise to an asset in the Departmental Group's financial statements.

Estimates

The Home Office has a total DEL budget of £20.3 billion (including non-cash depreciation). £17.1 billion for RDEL (an increase of £2.6 billion since the 2022-23 Main Estimates), £1.1 billion for CDEL (a decrease of £10.5 million since the 2022-23 Main Estimates) and £2.1 billion for AME (a decrease of £406.4 million since the 2022-23 Main Estimates).

Resource DEL

Increases are due to the following:

- £719.8 million to implement the measures set out by the former Prime Minister on 14 April 2022 to fix the UK's asylum system.

- £1,614.9 million of funding provided to alleviate pressures within the asylum system.

- £658.1 million to support the Afghanistan Resettlement Schemes which was not included in the SR21 Settlement.

- £106.3 million funding provided to the police and fire response in relation to Operation London Bridge, Her Majesty Queen Elizabeth's funeral.

- £32.0 million provided by HM Treasury for the ongoing claims linked to McCloud/Sargeant litigation claims (where changes introduced by the 2015 public service pension reforms were deemed discriminatory on the grounds of age) are to be settled relating to Fire and Rescue Services (cohort 3, which is part of the wider police officer and firefighters Injury to Feelings (ITF) claims). This is supported by HM Treasury with £32 million estimated compensation payment currently expected.

- £250 million of non-cash ringfence budget for depreciation was also provided.

In addition, the following significant transfers to and from the Home Office were made with other government departments:

- £748.4 million for Immigration Health Surcharge to the Department of Health and Social Care (DHSC) and the Devolved Administrations.
- £16.0 million was transferred to Department of Health and Social Care (DHSC) to reduce drug-related offences and deaths as well as prevalence of drug use.
- £13.7 million for the New Plan for Immigration was provided to Ministry of Justice (MoJ).
- £11.0 million of funding was transferred to HM Revenue & Customs (HMRC) and Department for Work & Pensions (DWP) for resource provided to support the Ukraine caseworking team.
- £11.1 million was provided to the Home Office from Department of Health and Social Care (DHSC) in relation to Disclosure and Barring Service checks.
- £10.2 million of additional funding was provided from the Conflict Stability and Security Fund by Foreign Commonwealth and Development Office (FCDO).

Capital DEL

Reductions are mainly driven by:

- Additional Reserve funding provided by HM Treasury of £198 million to implement the measures set out by the former Prime Minister on 14 April 2022 to fix the UK's asylum system.
- Surrenders totalling £217.9 million mainly driven by delays in project delivery, shortages in global supply for parts and a number of smaller value transfers were also made between the Home Office and Other Government Departments.

Resource AME

The reduction is mainly due to pension changes where the expected number of retirements and Immediate Detriment (ID) cases linked to McCloud/Sargeant litigations are lower than planned. The schemes forecasted a higher number of retirements that did not materialise in 2021-22, this trend has continued into this financial year.

AME non-cash provision created for the McCloud/Sargeant Litigation has been reduced to account for the compensation payment made.

Budget and Outturn

Outturn has been successfully managed within the key budget headings RDEL, CDEL and AME as well as all other control totals e.g. Admin.

Budget	**Budget**	**Outturn**	**Variance**
	£billion	**£billion**	**£billion**
Administration	0.4	0.4	0.0
Programme	16.7	16.6	0.1
Total Resource DEL	**17.1**	**17.0**	**0.1**
Total Capital DEL	**1.1**	**0.9**	**0.2**
Total DEL (voted)	**18.2**	**18.0**	**0.2**
Resource AME	2.1	2.1	0.0
Capital AME	-	-	-
Total AME	**2.1**	**2.0**	**0.1**
TOTAL MANAGED BUDGET	**20.3**	**20.0**	**0.3**

Resource DEL Expenditure

The small underspend is primarily due to the following:

- Earned income in excess of that forecast at the Supplementary Estimates
- A reduction in value from the London Bridges reserve claim received at the Supplementary Estimates
- A reduction in the Afghanistan reserve claim received at the Supplementary Estimates
- Small underspends in other areas in Quarter 4
- These offset the increases in asylum costs following the estimates assumed at the Supplementary Estimates.

Capital DEL Expenditure

The underspend is primarily due to three factors:

- Works which had been projected in order to deliver an expansion in accommodation programmes have not progressed at the rate expected in 2022-23.
- Leases held by the Department came under the umbrella of the IFRS 16 accounting standard for the first time. This complicated standard was made more difficult to correctly assess due to the multiplicity of external stakeholders which all played a role in determining the forecasts.

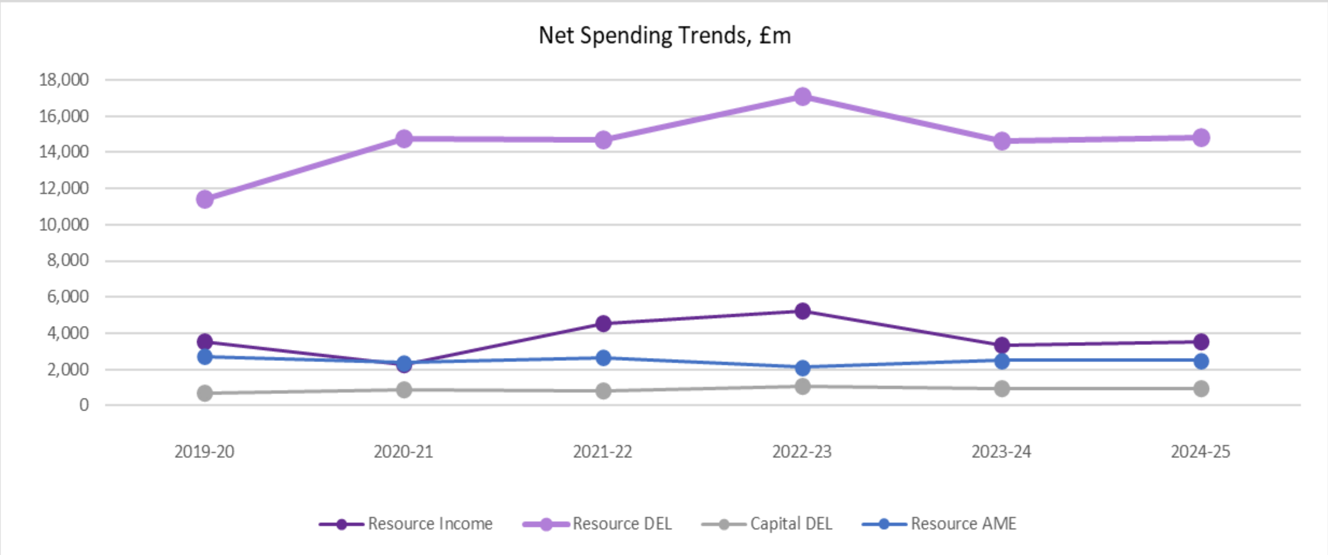
- Movements within the Department's asset register did not occur at the rate expected and due to this the level of Capital expenditure which was forecast in this area did not materialise.

Resource AME Expenditure

The Department's Resource AME expenditure was £2,071 million against a budget of £2,128 million. This underspend has occurred because the number of expected retirements and cases linked to a pension scheme change have been lower than forecast. This is similar to 2021-22 which also saw a lower number of retirements in relation to this pension scheme. There was no Capital AME provided to the Department.

Spending trends

The chart below shows overall net spending trends over a period of six financial years, up to the end of the SR21 Settlement period and including the 2022-23 Main Estimates. The figures in 2023-24 and 2024-25 refer to the Department's SR21 settlement and do not reflect expenditure not covered in SR21.



Note 1 – All resource figures include depreciation.
Note 2 – 2019-20, 2020-21 and 20221-22 are actual outturns as per the Annual Accounts, 2022-23 is the latest budget per the Supplementary Estimates and future years are based on SR21 Settlement. Income budget for the remainder for the SR years will be confirmed in the Main Estimates for 2023-24.

The increase in Resource DEL from the 2022-23 Main Estimates primarily relates to:

- Implementing the measures set out by the former Prime Minister on 14 April 2022 to fix the UK's asylum system.

- Funding received to alleviate pressures within the Asylum System, Afghanistan Resettlement, Operation London Bridge, Her Majesty Queen Elizabeth's funeral and compensation payment linked to the McCloud/Sargeant Litigation.

- The above is partially offset with new and additional funding received and explained above.

Other increases in Resource DEL since 2019-20 relate to:

- Funding provided to offset a fall in income due to the COVID-19 pandemic.

- Preparations for exiting the EU and investing in border or law enforcement systems post-transition period.

- Asylum costs have increased significantly due to unprecedented levels of arrivals, primarily through small boats. Of the asylum seekers arriving, more are seeking Government support. We have also seen market accommodation costs increase. Additional support including Official Development Assistance (ODA) funding to help mitigate pressures arising from these activities.

- Over the last 3 financial years there have been budget increases to fund the recruitment of 20,000 police officers.

- Investment in Counter Terrorism.

Capital DEL has steadily increased since 2019-20, this relates to:

- Investment in the Home Office's systems and infrastructure to meet the requirements of new border controls and funding for the Future Border Immigration Services (FBIS) programme.

- Funding was received to accommodate changes in the accounting treatment of leases under International Financial Reporting Standards (IFRS) 16.

- Implementing the measures set out by the Prime Minister on 14 April 2022 to fix the UK's asylum system.

- Funding for EU Transition preparations until 2020-21.

Resource AME charges are primarily for the Police and Fire Pensions and the creation of or increases to provisions for future liabilities. As liabilities fall, they are scored as DEL. Typically, provisions are reviewed and adjusted as part of the Supplementary Estimates process.

- A change in accounting treatment in 2019-20 resulted in a decrease in the Resource AME annual Pensions top-up. This indicates a downward trend in Police and Fire Pensions, as can be seen in 2020-21.

- 2019-20 does not reflect this downward trend due to the initial recognition of the £250 million Windrush provision.

2022-23 Supplementary Estimates included a reduction in pension costs and, also reduction provisions linked to the McCloud/Sargeant Litigations.

Statement of financial position

The Home Office Departmental Group had a net liability position of £0.9 billion at 31 March 2023 (31 March 2022: £1.1 billion).

The main changes in the Department's statement of financial position were:

- £0.5 billion increase in total assets, primarily due to the adoption of the new accounting standard IFRS 16 Leases which has led to a £0.6 billion increase in right-of-use assets.

- £0.3 billion decrease in trade and other payables, the most significant of which is a decrease of £0.2 billion in amount due to be paid to the Consolidated Fund due to more prompt payment of these balances.

- £0.5 billion increase in non-current liabilities driven by the introduction of IFRS 16 resulting in an increase of £0.5 billion in lease liabilities.

SUSTAINABILITY REPORTING

Environmental sustainability

The Home Office subscribes to the Greening Government Commitments (GGC) for reducing carbon, water, and paper use, reducing travel, managing waste, sustainable procurement, developing and delivering Nature Recovery Plans, adapting to climate change, and reducing the impact of information and communications technology.

Scope and data

This report has been prepared in accordance with guidelines laid down by HM Treasury in 'Sustainability Reporting Guidance' published at: 2022-23 Sustainability Reporting Guidance - draft.docx (publishing.service.gov.uk). The departmental data below summarises our position for the financial year 2022-23 against a 2017-18 baseline, unless otherwise stated.

The Ministry of Justice (MoJ) Property Directorate provides shared estates services to the Home Office. The MoJ's sustainability Team is responsible for reporting and managing environmental sustainability across the Home Office estate. The data is gathered and verified by an external organisation and quality assured by Det Norske Veritas on behalf of the Department for Environment, Food and Rural Affairs. This year, the data has been cleansed to improve the accuracy of data for the baseline year (2017-18) and 2021-22. There are still gaps in the data compared to the Sustainability Reporting Guidance. We are continuously working to improve our data coverage, including as set out below.

Overall Greening Government Commitments (GGC) performance

Requirement by March 2025 (against 2017-18 baseline)	2022-23 performance
Reduce greenhouse gas (GHG) emissions by 44 %	-47%
Reduce direct greenhouse gas emissions by 25%	-61%
Meet Government Fleet commitment for 25% of car fleet to be ultra-low emission vehicles (ULEV) by 31 December 2022, and for 100% of the government car and van fleet to be fully zero emissions at the tailpipe by 31 December 2027	Plug-in hybrid (ULEV:) 36% Full electric: 3% (Full fleet, not just cars)
Reduce the emissions from domestic business flights by at least 30% (report distance travelled; km)	-11%
Reduce overall waste by 15%	-47%
Reduce paper use by 50%	-68%
Recycle more than 70% of waste	62%
Send less than 5% of waste to landfill	8%
Reduce water consumption by at least 8%	-31%

Overview

As part of the One Home Office transformation programme, the Department had an objective in 2022-23 to give sustainability higher priority. As such:

- We appointed our first sustainability champion and non-executive director to champion sustainability in the Department.
- We ran a sustainability awareness week for colleagues across the Home Office to learn about Greening Government Commitments, the climate agenda and what it means for each of us.
- We created and shared with staff our first ever ‘green strategy’, providing a framework for monitoring and managing sustainability activity. This was built on a new estates strategy, a new Social Value Plan for sustainable procurement, and a new Digital, Data and Technology (DDaT) Sustainability Strategy being developed by the DDaT Green Champion Working Group and SRO to speed up reduction in environmental impacts from Information Communication Technology (ICT) (the last is still in development but due to be completed in 2023-24).
- We started work to embed environmental principles in decision making.

Mitigating climate change: working towards Net Zero

Greenhouse Gas Emissions (GHG)		2017-18	2020-21	2021-22	2022-23
Non-Financial Indicators (tonnes CO_2e)	Scope 1 (Direct) GHG emissions[7]	20,726	11,025	7,494	8,173
	Scope 2 (Energy indirect) GHG emissions	26,101	13,644	12,893	9,671
	Scope 3 (Electricity transportation and distribution and transport) GHG emissions	7,851	3,578	764	10,992
	Total GHG Emissions - Scope 1, 2 & 3	**54,678**	**28,247**	**21,151**	**28,837**
Related Energy Consumption (MWh)	Electricity: Non-Renewable	24,223	19,030	60,723	50,833
	Electricity: Renewable	50,028 (a)	39,498	57(b)	55 (b)
	Gas	58,276	44,642	38,839	32,932
	Gas Oil	1,069	986	607	351
	LPG	3,573	285	743	790
	Burning oil	4,833	2,512	645	3,401
	Total Energy Consumption	**142,002**	**106,953**	**101,614**	**89,564**
Financial Indicators (£'000)	Total expenditure on energy	10,170	9,588	9,747	13,171
	Total expenditure on official business travel	22,901	8,445	16,651	35,735

(a) This is a green tariff; no self-generated electricity recorded
(b) This is self-generated

The Home Office reduced carbon emissions from buildings and business-related travel by 53% compared to the 2017-18 baseline, already meeting the 2025 target. We achieved this through a programme of works to improve energy performance.

We took measures to make our operational fleet more environmentally friendly with the purchase of electric or ultra-low emissions vehicles (ULEVs), exceeding the 2022 target to convert at least 25% of our fleet. A multi-year programme to install electric vehicle charging points to support the fleet’s transition is underway.

GHG emissions - Scope 3 (Official business travel)

Domestic Flights

Domestic Flights	2017-18	2020-21	2021-22	2022-23
Number of flights	13,474	1,303	3,089	4,623
Distance (km)	5,372,077	696,683	2,020,283	3,367,424
Non-Financial Indicators (tonnes CO_2e)	639	N/A	263	568

Following a sharp reduction in business and operational flights in 2020-21, in part because of the pandemic, the number of flights increased this year. The number of flights and average distance per flight have, however, decreased compared to the baseline.

International Business Travel

International Business Travel	2017-18	2020-21		2021-22	2022-23
Distance (km)	Flights	34,373,849	4,087,750	11,082,617	14,646,851
	Rail	847,062	11,649	103,593	329,342
Non-Financial Indicators (tonnes CO_2e)	Flights	4,177	424	1,054	1,657
	Rail	10	0.1	0.4	1.5
	Total	**4,187**	**424**	**1,054**	**1,659**

There is no target associated with international travel. A breakdown by category and class of travel was not available this year.

Waste minimisation and management

Waste			2017-18	2020-21	2021-22	2022-23
Non-Financial Indicators (tonnes)	**Total waste**		**6,141**	**2,713**	**3,563**	**3,245**
	Non-hazardous waste	Landfill	79	62	36	251
		Reused/ Recycled	5,393	2,330	2,300	2,009
		Composted/ anaerobic digestion	148	85	156	82
	Incinerated with energy from waste		521	235	1,071	901
	Incinerated without energy recovery		0	1	0	2
Financial Indicator (£'000)	Total expenditure on waste disposal		198	519	640	2,968

We have achieved an overall waste reduction of 47% compared to the 2017-18 baseline, just short of the 2025 target. Recycling was at 61%, and 8% of our waste was sent to landfill, meaning that work is still required to meet these 2025 targets. This was in part due to unprecedented waste generation as a result of small boats in the Channel.

Data for ICT waste and financial data for waste disposal is not available yet due to the costs being combined within service charges for many buildings. We are working closely with our facilities management suppliers to improve the accuracy of our waste data through waste audits and other means.

We have started to widen the scope of what we reuse, repurpose and recycle. Current pilot projects range from sustainable furniture and coffee grounds to life jackets and dinghies. We also made progress on our commitment to remove consumer single-use plastics (CSUP) from our estate. We believe we have removed almost all CSUP from our core facilities management and catering but do not yet have sufficient data to report on this.

Paper Use

Paper Purchased	**2017-18**	**2020-21**	**2021-22**	**2022-23**
Paper Reams Procured (A4 equivalents)	251,632	53,876	79,577	79,750

We have reduced paper consumption by 68% compared to the 2017-18 baseline, already meeting the 2025 target. This has been achieved through a continuing programme of IT improvements and digitalisation in addition to hybrid working.

Water Consumption

			2017-18	**2020-21**	**2021-22**	**2022-23**
Non-Financial Indicators (m^3)	Water consumption	Office estate	171,347	128,745	153,779	149,567
		Whole estate	399,144	145,801	245,713	274,844
Financial Indicators (£’000)			1,088	642	417	141

Our water policy is to install water efficient systems and to encourage people to use water efficiently. We have reduced water consumption by 31% compared to the 2017-18 baseline, already meeting the 2025 target.

Sustainable Procurement

We have embedded sustainability into our procurement practices. We created our new Social Value Plan in 2022 and have already implemented measures in it, including embedding relevant practices and standards in our Commercial Assurance Board process and trialling new green products with the aim of achieving the best long-term, overall value for money.

Nature Recovery and Biodiversity action planning

To date, we have not developed nature recovery or biodiversity action plans as we do not hold significant natural capital or landholdings.

Climate Change Adaptation

We have started to step up efforts on climate change adaptation ahead of developing a full adaptation strategy. Our Audit, Risk and Assurance Committee considered adaptation risks for the first time, with a view to embedding them within overall governance, decision-making and assurance processes. This is in addition to the Home Office working with FCDO and others to address risks set out in the National Adaptation Programme.

We will continue to embed environmental principles in decision making and related processes. We will be rolling out tools and guidance for policy makers and other relevant professions and continuing to provide training in 2023-24 to build on work started this year. We will also be running another sustainability awareness week for colleagues as part of a wider awareness campaign.

Reducing environmental impacts from ICT and Digital

In addition to development of a new Digital, Data and Technology (DDaT) Sustainability Strategy, DDaT started work to reduce the Home Office's 'digital heap', the build-up of redundant data and information that can have a significant carbon impact.

Sustainable Construction

Sustainability was fully embedded in our 'new build' projects in Stoke, Peterborough and Croydon through adherence to the relevant standard (BREEAM). We are working to embed it into smaller remaining projects this year.

Sustainable Development Goals

The Sustainable Development Goals (SDGs) are part of the 2030 Agenda, a package of goals aimed at securing an end to poverty and promoting peace and prosperity globally. The UK Government is delivering the SDGs via HMG's existing planning and performance frameworks. Departments are responsible for delivering the SDGs as relevant to the policy areas for which they are accountable.

This summary identifies where the department's performance contributes towards delivery of relevant SDGs.

Goal	Target
5) Achieve gender equality and empower all women and girls. (Target 5.2 and 5.3)	The 'Domestic Abuse Act', 'Tackling Violence Against Women and Girls strategy', 'Rape Review Action Plan' and 'Tackling Domestic Abuse Plan' will improve how violence against women and girls is handled by the police and CPS. The Rape Review actions, supported by the programmes such as Operation Soteria, the police uplift and scorecard, will help to reduce violence against women and girls and improve gender equality. The Tackling Violence Against Women and Girls strategy includes plans for tackling FGM (e.g. awareness campaigns and further research funded through the 'Building Back Better Fund') and countering exploitation (e.g. delivering the Global Partnership to End Violence Against Children to help improve child protection in key at-risk countries).
8) Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. (Target 8.6, 8.7 and 8.8)	The 'Creating Opportunities Forum Programme' aims to provide meaningful employment-related opportunities and raise the aspirations of over 1500 young people (16-25yrs) at risk of serious violence. Work continues to tackle modern slavery through the Modern Slavery Victim Care Contract, transformation of the National Referral Mechanism (NRM), launch of a mental health fund, launch of the Modern Slavery Prevention Fund; evaluation of support for victims engaging in the CJS and the government modern slavery statements' registry. The Countering Exploitation and Abuse programme contributes to long-term international objectives and commitments, including UNGA pledges on the

	'Principles to Combat Human Trafficking in Supply Chains'. The Migration Advisory Committee noted in their annual report (December 2021) that the new skilled worker route was launched smoothly in December 2020 and that the streamlining and digitisation is working well. Numbers of applications through the skilled worker route have now recovered to above the levels seen pre-pandemic, with the health sector remaining a key user of the route. In ONS statistics (published May 2022) there were 301,447 work visa applications in the 12 months to September 2021 (up 53% compared to pre-pandemic levels). Study and Family visas have shown a very strong recovery during 2021 and are all now higher than pre-pandemic levels (in YE Sept 2019). The contribution of people who have entered the UK through the points-based system are demonstrated in everyday life and across all industries. The UK is welcoming top scientists and academics as well as those with the skills our economy needs and supporting the health sector. Foreign entrepreneurs who set up innovative businesses in the UK are contributing to our economy, supporting British jobs, and improving the UK's standing on the world stage. Importantly, the expectation is businesses focus on investment in better opportunities for the domestic workforce including improving pay, conditions, skills and training opportunities. We are committed to ensuring asylum claims are considered without unnecessary delay where possible, so that individuals who need protection are granted asylum as soon as possible and can start to integrate and rebuild their lives, including those granted at appeal. We are investing in a programme of transformation and business improvement initiatives that will speed up decision making, reduce the time people spend in the asylum system and decrease the

	number of people who are awaiting an interview or decision. We have extensive recruitment and training plans in place, including career progression options that will aid the retention of staff. We are prioritising cases with high harm, acute vulnerability, and those in receipt of the greatest level of support, including Unaccompanied Asylum-Seeking Children (UASC). Additionally, we are prioritising older cases and cases where an individual has already received a decision, but a reconsideration is required. Employment: Asylum seekers are allowed to work in the UK if their claim has been outstanding for 12 months or more, through no fault of their own. Those permitted to work are restricted to jobs on the Shortage Occupation List, which is based on expert advice from the independent Migration Advisory Committee. It is important we distinguish between those who need protection and those seeking to work here, who can apply for a work visa under the Immigration Rules. Refugees, and those granted humanitarian protection, have immediate and unrestricted access to the labour market and benefits. We recognise the difficulties faced by refugees in trying to access the job market following a grant of protection in the UK, however we work closely with colleagues in the Department for Work and Pensions (DWP) to ensure that all those whom we resettle, or whose refugee status is recognised, are aware of and receive, the support they are entitled to.
10) Reduce inequality within and among countries. (Target 10.2)	A pilot frontline leadership development programme with Police Now will improve the development and diversity of leadership in Policing as well as recruitment and retention.

16) Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels. (Target 16.1, 16.2 and 16.3)	Work to reduce violence will continue through delivering the Beating Crime Plan, Homicide Action Plan and actions agreed by the Crime and Justice Taskforce. Our serious and organised crime, counter terrorism and state threats activity includes tackling people trafficking, child abuse, supporting victims to seek justice while disrupting those that would seek to undermine the institutions that provide justice for all. The Tackling Child Sexual Abuse strategy will tackle this crime. G7 partners agreed to a 'Tackling CSEA Action Plan' to increase international efforts. The Home Office continues to support and fund the Global Partnership to End Violence Against Children (EVAC) which runs programmes to keep children safe online in 70 countries. To promote the rule of law, the Home Office has passed the Police, Crime, Sentencing and Courts Act, the Department is developing the Crime and Justice Scorecards, recruiting additional police officers and strengthening the National Crime Agency. Anti-corruption commitments made through UK's G7 Interior track provide a platform for strengthening international standards around corruption and related international illicit finance. The UK will leverage this through the US Summit for Democracy Year of Action in 2022 and through ongoing engagement at the G20 and the OECD Anti-Bribery Convention. Our overall strategy is set out publicly in the cross-government counter-terrorism strategy, CONTEST, which comprises the work strands of Prevent, Pursue, Protect and Prepare. The work strands each reduce an element of the risk from terrorism and collectively provide a balanced and comprehensive response. The Prevent pillar uses a variety of levers to stop individuals from becoming terrorists or supporting terrorism, for example support through Channel. The Pursue pillar aims to stop terrorist attacks happening in this country, or against UK interests

	overseas, using the capabilities at our disposal across all partners. The Protect pillar reduces vulnerability to a terrorist attack in the UK, or against UK interests overseas. Finally, the Prepare pillar aims to save lives, reduce harm, and aid recovery quickly in the event of a terrorist attack.

Sir Matthew Rycroft KCMG CBE
Accounting Officer
18 September 2023

2.
THE ACCOUNTABILITY REPORT

Corporate Governance Report

Lead Non-Executive Board Member's Report

During 2022-23, the Department worked hard in its mission to build a safe, fair, and prosperous UK, while continuing to respond to the crises in Ukraine and Afghanistan, and under the pressures of changes in Government, industrial action, small boat Channel crossings and the associated asylum processing caseload.

I was promoted to Lead Non-Executive Board Member in February 2023, after Sue Langley departed in the autumn of 2022. Non-Executive Board Members advise on performance (supporting and challenging the Executive Team) and operational issues including operational and delivery implications of policy proposals. Through the newly established Executive Talent Board, they also appraise and ensure appropriate succession planning of senior executives is in place. The Audit and Risk Assurance Committee plays a pivotal role in challenging the Department's management of risk, controls, and governance. Non-Executive Board Members also sit on other relevant ExCo sub-committees and this year we have supported Ministers and officials on a wide range of activities. Priority programmes with which we have engaged with this year include Asylum Productivity Transformation; Asylum Accommodation and Support Transformation; the Manston Recovery Project; the New Plan for Immigration; Emergency Services Mobile Communications Programme and the Police Uplift Programme.

The Board met three times in 2022-23 as it transitioned to a new Home Secretary. It focussed on responses to the crises in Ukraine and Afghanistan and pressures on the asylum system, including management of the Manston processing centre, arrivals in small boats and the backlog of asylum cases to be processed. The Board also agreed that, following success in the approach to processing passports and visas, critical interventions in areas of delivery challenge should be addressed through a trio partnership of the relevant Minister, Non-Executive Board Member and Senior Responsible Officer or Director General (DG). The Board is comprised of Home Office Ministers and Non-Executive Board Members, the Permanent Secretaries, the DG for Corporate and Delivery and the DG for Science, Technology, Analysis and Research (STAR).

At Executive level, David Kuenssberg was appointed as DG for Corporate and Delivery, under a new directorate structure formed following Gus Jaspert's departure as DG for Delivery. Abi Tierney took responsibility for the Asylum & Protection portfolio within her role as DG for Customer Services following Emma Haddad's departure. Asylum was supported by Simon Ridley in his capacity as Senior Responsible Owner for Accommodation in 2022. In April 2023, Simon Ridley was appointed as Second Permanent Secretary for the Home Office. Sarah Goom and Gilad Segal took over as Joint Home Office Legal advisers from Jennifer Morrish and Diane Wills. Gilad Segal left the post at the end of 2022 and was replaced by Nick Fussell. The Performance and Risk Committee was replaced by the Risk and Delivery Committee. This change was designed to enhance collective decision-making around delivery and risk and the new Committee is attended by Directors General and a Non-Executive Board Member, to reflect senior accountability for decisions and actions.

The Home Office conducted an Independent Departmental Board Effectiveness Review in 2022, facilitated by Nick Markham (then Lead Non-Executive Board Member at the Department for Work and Pensions). The Review found that the Board is most valuable when we as Non-Executive Board Members can use our external expertise to assure and challenge progress against Outcome Delivery Plans. However, it recognised that the Board should better maximise its collective leadership by ensuring members prioritise their attendance, to demonstrate the Board's important function in the Department's governance. It was recommended that the Board have a review of Arm's Length Bodies with relevant CEOs to hold them to account. In terms of meeting structure, a combination of a 'state of the nation' item and a deep dive into a key area was found to have facilitated the most effective discussions, by focusing on scrutiny of the Department's delivery against its priorities. Away days that considered the Department's strategic direction were found to have been particularly helpful horizon-scanning exercises. It was felt that the Board should hold more of these sessions in the future and explore using external speakers to stimulate discussion.

Tim Robinson CBE
Home Office Lead Non-Executive Director

Statement of Accounting Officer's Responsibilities

Under the Government Resources and Accounts Act 2000 (the GRAA), HM Treasury has directed the Home Office to prepare, for each financial year, consolidated resource accounts detailing the resources acquired, held or disposed of, and the use of resources, during the year by the Department and its sponsored non-departmental public bodies designated by order made under the GRAA by Statutory Instrument 2022 No.1319. These bodies together are known as the 'departmental group' consisting of the Department and sponsored bodies listed at note 19 to the accounts. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Department and the departmental group and of the net resource outturn, resources applied to objectives, recognised gains and losses and cash flows of the departmental group for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual (FReM) and to:

- Observe the Accounts Direction issued by HM Treasury, including relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Ensure that the Department has in place appropriate and reliable systems and procedures to carry out the consolidation process;
- Make judgements and estimates on a reasonable basis, including those judgements involved in consolidating the accounting information provided by non-departmental public bodies;
- Confirm that the annual report and accounts is fair, balanced and understandable and that he or she takes personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable;
- State whether applicable accounting standards, as set out in the FReM have been followed, and disclose and explain any material departures in the accounts; and
- prepare the accounts on a going concern basis.

HM Treasury has appointed the Permanent Secretary of the Department as Accounting Officer of the Home Office.

The Accounting Officer of the Department has also appointed the Chief Executives of its sponsored non-departmental public bodies as Accounting Officers of those bodies. The Accounting Officer of the Department is responsible for ensuring that appropriate systems and controls are in place to ensure that any grants that the Department makes to its sponsored bodies are applied for the purposes intended and that such expenditure and the other income and expenditure of the sponsored bodies are properly accounted for, for the purposes of consolidation within the resource accounts. Under their terms of appointment, the Accounting Officers of the sponsored bodies are accountable for the use, including the regularity and propriety, of the grants received and the other income and expenditure of the sponsored bodies.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the assets of the Department or non-departmental public body for which the Accounting Officer is responsible, are set out in Managing Public Money published by HM Treasury.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

Sir Matthew Rycroft KCMG CBE
Accounting Officer

Directors' Report

Our Ministers at 31st March 2023

The Rt Hon Suella Braverman KC MP
Secretary of State for the Home Department

The Rt Hon Tom Tugendhat MBE VR MP
Minister of State (Minister for Security)

The Rt Hon Robert Jenrick MP
Minister of State (Minister for Immigration)

The Rt Hon Chris Philp MP
Minister of State (Minister for Crime, Policing and Fire)

Sarah Dines MP
Parliamentary Under Secretary of State (Minister for Safeguarding)

Lord Murray of Blidworth
Parliamentary Under Secretary of State (Lords Minister)

Lord Sharpe of Epsom OBE
Parliamentary Under Secretary of State

Our Executives at 31st March 2023

Sir Matthew Rycroft KCMG CBE
Permanent Secretary

Tricia Hayes CB
Second Permanent Secretary

Simon Ridley
Second Permanent Secretary, jointly with the Department for Levelling Up, Housing and Communities

Emma Churchill
Director General, Migration & Borders

Phil Douglas
Interim Director General,

Border Force

Tony Eastaugh CBE
Interim Director General,

Immigration Enforcement

David Kuenssberg
Director General, Corporate and Delivery

Professor Jennifer Rubin
Director General, Science, Technology, Analysis and Research (STAR) and Chief Scientific Advisor

Jaee Samant
Director General,

Public Safety

Chloe Squires
Director General, Homeland Security

Abi Tierney
Director General, Customer Services

Julie Blomley
Chief People Officer

Nick Fussell
Home Office Legal Adviser

Sarah Goom
Home Office Legal Adviser

Rob Hall
Director of Communications

Our Non-Executives at 31st March 2023

Tim Robinson CBE
Lead Non-Executive Board Member

James Cooper
Non-Executive Board Member

Michael Fuller QPM
Non-Executive Board Member

Jan Gower
Non-Executive Board Member

John Paton
Non-Executive Board Member

Phil Swallow
Non-Executive Board Member

Other Non-Executives at 31st March 2023

John Aston	Independent member Audit and Risk Assurance Committee
Richard Clarke	Independent member Audit and Risk Assurance Committee
Alan Hammill	Independent member Audit and Risk Assurance Committee
Ruth Murray-Webster	Independent member Audit and Risk Assurance Committee

Changes to our senior decision-making forums in 2022-23

The following changes took place between 1 April 2022 and 31 March 2023:

Role	Name	Change
Ministerial changes		
Secretary of State for the Home Department	**The Rt Hon Priti Patel MP**	Departed on 6 September 2022
	The Rt Hon Suella Braverman KC MP	Appointed on 6 September 2022 Departed on 19 October 2022
	The Rt Hon Grant Shapps MP	Appointed on 19 October 2022 Departed on 25 October 2022
	The Rt Hon Suella Braverman KC MP	Appointed on 26 October 2022
Minister of State (Minister for Security)	**The Rt Hon Damian Hinds MP**	Departed on 7 July 2022
	Stephen McPartland MP	Appointed on 7 July 2022 Departed on 6 September 2022
	The Rt Hon Tom Tugendhat MBE VR MP	Appointed on 6 September 2022
Minister of State (Minister for Immigration)	**Kevin Foster MP**[1]	Departed on 7 September 2022
	Tom Pursglove MP[2]	Appointed on 7 September 2022 Departed on 25 October 2022
	The Rt Hon Robert Jenrick MP	Appointed on 26 October 2022
Minister of State (Minister for Crime, Policing and Fire)	**The Rt Hon Kit Malthouse MP**[3]	Departed on 7 July 2022
	The Rt Hon Jeremy Quin MP	Appointed on 7 September 2022 Departed on 25 October 2022
	The Rt Hon Chris Philp MP	Appointed on 26 October 2022
Parliamentary Under Secretary of State (Minister for Safeguarding)	**Rachel Maclean MP**	Departed on 6 July 2022
	Amanda Solloway MP	Appointed on 8 July 2022 Departed on 20 September 2022
	Mims Davies MP	Appointed 20 September 2022 Departed on 27 October 2022
	Sarah Dines MP	Appointed on 27 October 2022
Minister of State (Lords Minister)	**The Rt Hon Baroness Williams of Trafford**	Departed on 7 September 2022
Parliamentary Under Secretary of State (Lords Minister)	**Lord Murray of Blidworth**[4]	Appointed on 30 October 2022
Minister of State (Minister for Building Safety and Fire)	**Lord Stephen Greenhalgh**[5]	Departed on 8 July 2022
Minister of State (Minister for Refugees)	**Lord Harrington**[6]	Departed on 6 September 2022
Parliamentary Under Secretary of State	**Lord Sharpe of Epsom OBE**	Appointed on 25 September 2022

[1] Kevin Foster held this position as Parliamentary Under Secretary of State (Minister for Future Borders and Immigration).

[2] Tom Pursglove MP held the positions of Parliamentary Under Secretary of State (Minister for Justice and Tackling Illegal Migration) until 7 July 2022; Minister of State (Minister for Crime, Policing and Fire) jointly at the Home Office and the Ministry of Justice from 7 July 2022 to 7 September 2022 and Minister of State (Minister for Immigration) from 7 September 2022 to 25 October 2022.

[3] The Rt Hon Kit Malthouse MP held this position jointly with the Ministry of Justice.

[4] Lord Murray of Blidworth became Parliamentary Under Secretary of State on 30 October 2022, having held the role of Minister of State between 7 October 2022 and 30 October 2022

[5] Lord Stephen Greenhalgh held this position jointly with the Department for Levelling Up, Housing and Communities.

[6] Lord Harrington held this position jointly with the Department for Levelling Up, Housing and Communities.

Executive level changes		
Second Permanent Secretary	**Simon Ridley**[1]	Appointed to the Executive Team on 28 March 2022
Director General, Asylum and Protection	**Emma Haddad**[2]	Departed on 14 October 2022
Director General, Delivery	**Gus Jaspert**[3]	Departed on 22 July 2022
Home Office Legal Advisers	**Jennifer Morrish and Diane Wills** **Gilad Segal** **Sarah Goom** **Nick Fussell**[4]	Departed on 15 April 2022 Appointed on 19 April 2022 Departed on 31 December 2022 Appointed on 9 May 2022 Appointed on 3 January 2023
Non-Executive level changes		
Lead Non-Executive Director	**Sue Langley OBE**	Contract expired on 1 December 2022
Independent Member, Audit and Risk Assurance Committee	**Terry Price**[5]	Contract expired on 31 July 2022

[1] Simon Ridley was appointed as Second Permanent Secretary jointly with the Department for Levelling Up, Housing and Communities on 21 March 2022 and formally joined the Executive Team on 28 March 2023. Simon Ridley was appointed as Second Permanent Secretary solely for the Home Office in April 2023.

[2] Emma Haddad left the department on 14 October 2022. Asylum & Protection moved into DG Customer Services.

[3] Gus Jaspert left the department on 22 July 2022. Delivery moved into DG Corporate & Delivery.

[4] Gilad Segal and Sarah Goom were appointed as Home Office Legal Advisers on 19 April and 9 May 2022 respectively. Following Gilad Segal's departure, Nick Fussell was appointed on 3 January 2023.

[5] Terry Price left the department on 31 July 2022. His contract was extended from 1 February 2022 due to his role in providing assurance for the Home Office Annual Report and Accounts 2021-22.

The Home Office Governance Structure

Our organisational structure is designed to enable us, as One Home Office, to deliver better outcomes for the public. Our three mutually supporting Missions lead the end-to-end delivery of our core outcomes, working in conjunction with our eight Capabilities to provide best in class services. The Missions and Capabilities are coordinated and supported by a strong corporate centre which sets the strategic direction for the Department underpinned by evidence and provides the enabling functions to deliver our objectives.

- Public Safety Mission: principally reduces crime
- Homeland Security Mission: reduces the risk to the UK from terrorism, state threats and economic crime and cybercrime
- Migration and Borders Mission: principally enables the legitimate movement of people and goods, tackles illegal migration, and protects the vulnerable
- Eight cross-cutting capabilities are integral to delivering these outcomes: Border Force; Immigration Enforcement; Communications; Corporate and Delivery; Customer Services (including Asylum & Protection); HR; Transformation and Legal
- Science, Technology, Analysis and Research (STAR) and the Strategy Directorate form our strategic centre that informs, sets direction, and coordinates cross-cutting priorities, including international and data capabilities
- We work with over 30 agencies and public bodies to deliver this work

Appointment of Senior Officials

The Permanent Head of the Department was appointed by the Prime Minister on the recommendation of the Head of the Home Civil Service and with the agreement of the Ministerial Head of the Department. All Executive Committee appointments are made on Civil Service terms which are set out in the standard Senior Civil Service contract. Executive Committee appointments are for an indefinite term under the terms of the Senior Civil Service contract. The rules for termination are set out in Chapter 11 of the Civil Service Management Code.

Public Appointments

All appointments to Home Office sponsored public bodies are made in accordance with the principles of merit, openness, and fairness, as set out in the Commissioner for Public Appointments (OCPA) Code of Practice.

Business Appointment Rules

In compliance with Business Appointment rules, the Department is transparent in the advice given to individual applications for senior staff, including special advisers. Advice regarding specific business appointments has been published on the Home Office website.

Non-Executive Board Members – Appointment and Terms

Independent Non-Executive Board Members are appointed through fair and open competition by the Home Secretary. Non-Executive Board Members are appointed for an initial period of three years with an option to extend for a further three years. These appointments can be terminated with one month's notice period.

Declaration of Conflicts of interest

It is Home Office policy, which aligns with the Civil Service Code, that all staff must ensure there is no conflict of interest, or apparent conflict of interest, between their official positions and any financial or non-financial interests which they or those close to them may have. The policy provides guidance on matters that could be construed a conflict of interest.

Register of interests

All SCS grades and Non-Executive Board Members are required each year to consider the guidance and make a declaration on whether any such conflict may exist. These details are maintained in a register of interest to ensure that any perceived or real conflicts of interest can be identified. Relevant information is held by the Department in a central register alongside mitigation measures taken.

There were no conflicts of interest to report for SCS grades.

The register of Ministers' financial interests is held by Parliament and other relevant interests are held by the Cabinet Office.

Non-Executive Board Members' interests

Name of Company or Organisation	Position Held	Type of Interest	Other Information
Tim Robinson			
LGC	Director	Pay & shareholding	Ended February 2023
OpenGI	Non-Executive Chairman	Pay & shareholding	
Place2Be	Trustee	Unpaid	Started October 2022
James Cooper			
GB Railfreight Limited	Chairman	Pay	
Forth Ports Limited	Non-Executive Director	Pay	Started September 2022. Border Force is a tenant.
Solent Stevedores Limited	Consultant	Fees	SSL does not contract with the Home Office but there is a very small risk that Border Force could be interested in its activities.
Michael Fuller			
Michael Fuller Consultancy Ltd	Director	Paid Advisor	Sheku Bayou Inquiry, paid for by the Scottish Government
Jan Gower			
Medway Consulting	Partner	Profit share	
University of Loughborough	Member of the Strategic Advisory Board and School of Business and Economics	Unpaid	
HM Courts & Tribunals Service	Independent Advisor	Fees	
Student Loans Company	Independent Advisor	Fees	
Intellectual Property Office	Independent Advisor	Fees	
Department for Levelling Up, Housing and Communities	Independent Advisor	Fees	
Cabinet Office Infrastructure and Projects Authority	Independent Advisor	Fees	
Management Consultant Industry Awards	Judge	Unpaid	
John Paton			
IVA Ventures LLC	Chair	Dividend	
Independent Digital News Media Ltd	Chair	Pay	
Evening Standard Ltd	Interim Chair and Director	Pay	Ended March 2022
Boat International Media Ltd	Executive Chair	Pay	
Pembroke VCT PLC	Member Investment Committee	Fee	
Fine & Rare Wines Ltd	Director	Fee	
WorldPR	Advisor	Pay	

NUBA Expediciones SL	Chairman	Paid advisor	Started June 2022

Phil Swallow			
Crossrail	Special Advisor	Paid Advisor	Ended May 2022
NALA Ventures & Investments LLP	Partner	Partner Drawings	Partnership closed
Accenture	Senior Advisor	Paid Advisor	
Cabinet Office	Advisor	Unpaid	Ended July 2022
Richmond Park Charitable Trust	Trustee	Unpaid	Charity closed in April 2022
London Transport Museum	Member of Enterprise Board	Unpaid	
Taw Valley Ltd	Director	Unpaid	
Severn Valley Railway	Director	Unpaid	Resigned December 2022
Locomotive Services (TOC) Limited	Non-Executive Director	Salaried	
Department of Health and Social Care	Advisor to Secretary of State	Unpaid	Started July 2022

Sue Langley (former Lead NED)			
Arthur J Gallagher Holdings	Non-Executive Chair	Pay	
UK Asset Resolution (UKAR) Ltd	Director	Pay	
City of London	Alderwoman	Unpaid	

Mitigations have been put in place in relation to potential perceived conflicts of interest for the Department's Non-Executive Board Members. The Home Office Non-Executive Board Members are required to report any conflict of interests that arise and recuse themselves from any discussions which may give rise to an actual or perceived conflict of interest. There was no requirement to enact this mitigation in 2022-23.

No executive members of the Board reported any significant company directorships or other interests that may conflict with their management responsibilities.

Dr Jennifer Rubin, who is a member of the Executive Committee, registered a potential conflict of interest arising from the employment of her husband with the Behavioural Insights Team. She will not be involved in any commercial relationships involving the Behavioural Insights Team and recuse herself as necessary from related discussions.

In line with the current Declaration of Interests policy for special advisers, all special advisers have declared any relevant interests or confirmed they do not consider they have any relevant interests. The Accounting Officer has considered these returns and there are no relevant interests to be published.

Personal data

Personal Data Related Incidents

Table 1: SUMMARY OF OTHER PERSONAL DATA INCIDENTS FORMALLY REPORTED TO THE INFORMATION COMMISSIONER'S OFFICE IN 2022-23			
The department notified the Information Commissioner's Office of 8 incidents during the 2022-23 reporting period.			
Category	**Nature of Incident**	**2022-23 Total**	**2021-22 Total**
I	Loss of inadequately protected electronic equipment, devices or paper documents from secured government premises	0	0
II	Loss of inadequately protected electronic equipment, devices or paper documents from outside secured government premises	1	1
III	Insecure disposal of inadequately protected electronic equipment, devices or paper documents	0	0
IV	Unauthorised disclosure	5	7
V	Other	2	5

Processes and procedures used to identify, manage and resolve personal data breaches align with the General Data Protection Regulations (GDPR). These processes and procedures ensure that the definition of a personal data breach used by the Department is aligned with regulatory guidance and that a robust and consistent approach to the centralised reporting of such breaches is adopted; and consequently, that the Department's approach is compliant with the legislation.

Table 2: SUMMARY OF OTHER PERSONAL DATA INCIDENTS RECORDED IN 2022-23			
The 12,270 incidents reported to the Office of the DPO and deemed by the data controller to be personal data breaches which did not fall within the criteria for reporting to the Information Commissioner's Office but recorded centrally within the Department are set out in the table below.			
Category	**Nature of Incident**	**2022-23 Total**	**2021-22 Total**
I	Loss of inadequately protected electronic equipment, devices or paper documents from secured government premises	426	348
II	Loss of inadequately protected electronic equipment, devices or paper documents from outside secured government premises	3991	5,959
III	Insecure disposal of inadequately protected electronic equipment, devices or paper documents	28	0
IV	Unauthorised disclosure	5069	1,826
V	Other	2756	1,059

In line with our expectations, the number of personal data incident reports continued to increase last year alongside rising levels of data protection maturity across the Department. The increased volume of reports is an excellent indicator of how the Department is improving its ability to recognise and manage effectively these predominantly low-risk incidents. The increase is a result of a continuing drive to educate staff on their data protection responsibilities as individuals and as part of the organisation, alongside development of a no-blame culture which promotes reporting as a means to improve.

Despite the increase in overall reporting, the number of ICO referrals in 2022-23 reduced to eight, a significant reduction on previous years: 32 in 2018-19; 25 in 2019-20; 12 in 2020-21; 13 in 2021-22. This demonstrates that the number of high-risk incidents is on a downward trend, indicating an improvement in the Department's controls, limiting risks and the impact when such events do occur. The Office of the Data Protection Officer (ODPO) continues to foster a culture of cooperation and engagement with the ICO and the organisation to support transparency and further reduce the risk of non-compliance.

The vast majority of reported incidents remain, as expected, in those parts of the organisation which process the greatest volumes of personal data. Improved awareness is also resulting in a shift in the types of incidents which are recognised as we continue to raise awareness that incidents are not solely about loss or disclosure and build understanding of the entire Information Security (Confidentiality, Integrity & Availability) Triad. The increase is not solely in the number of reports but also in the amount of engagement by the business in seeking advice on responding to incidents, mitigating risks, communicating with Data Subjects and preventing recurrence, all positive behaviours. As the Department continues to improve, we expect the increase in incident reporting numbers to continue into 2023-24.

At this stage of the Department's journey the Home Office's ODPO believes that supporting the organisation to continue identifying different incident types and areas of under-reporting is the most effective path to increasing levels of compliance and assurance.

The Home Office continues to build on the governance, information assurance and risk management structures which have continued to develop following the roll-out of UK GDPR. The drive for increased incident reporting provides a valuable source for risk analysis to conduct targeted assurance reviews and otherwise support improvements in the organisation.

In response to the need to support a robust reporting culture, a new data and security incident reporting tool has been developed for the Department and rolled out across the Home Office during 2022. This has had a positive effect on reporting and management of issues and is an indicator of the Department's continued commitment to driving high standards across the organisation.

As well as providing a more user-friendly experience for reporters, the new tool enables the ODPO and Home Office Security to focus more effectively on the analysis of each incident, with increased collaboration and information sharing between the two teams resulting in a more integrated approach to incident management. The improved MI which the tool can produce supports improved analysis of trends and risks which are used to support improved assurance activity throughout the Department.

The Home Office continues to process a significant volume of personal data which saw some increase during the reporting year, due to work such as Homes for Ukraine or application spikes within HM Passport Office as international travel increased post-Covid. Incident numbers should not be viewed in isolation but considered against the vast amount of data handling undertaken throughout the organisation on a daily basis. A significant proportion of recorded incidents involve physical documents being lost in transit to customers and, while there is no room for complacency as we still work to reduce these events, it is important to note that these form a small percentage of the applications being managed by Customer Services which undertakes a large proportion of the Department's processing.

It should be noted that the public profile of a number of incidents resulted in referral to the ICO rather than the risk factors involved. This was deemed the appropriate course of action as the Department and its representatives should be held accountable. Applying the rules of the data protection legislation in an even-handed manner across the whole Department is, from an organisational perspective, another positive indicator of improving accountability and transparency.

Complaints to the Parliamentary Ombudsman

The Parliamentary and Health Service Ombudsman (PHSO) received a total of 821 complaints against the Home Office during 2021-22, an increase of 271 (40%) compared to the 550 complaints in 2020-21. This report was published in September 2022 and is the period for which the most recently published is available Complaints to the PHSO in 2021-22:

Organisation	Complaints received	Complaints resolved by mediation	Decided following primary investigation	Resolved with agreement of the complainant at initial checks or primary investigation	Complaints accepted for detailed investigation	Detailed investigations fully upheld	Detailed investigations partly upheld	Detailed investigations not upheld	Detailed investigations resolved with the complainant	Detailed investigations discontinued	Uphold rate (only upholds)	Uphold rate (upheld or partly upheld)
Home Office Total	821	-	145	10	10	6	11	4	-	2	27%	77%
Border Force	56	-	14	-	-	-	-	1	-	-	-	-
Cheshire Police Constabulary	2	-	-	-	-	-	-	-	-	-	-	-
General Register Office	2	-	2	-	-	-	-	-	-	-	-	-
Hampshire Constabulary	1	-	-	-	-	-	-	-	-	-	-	-
HM Passport Office	130	-	14	-	2	-	-	1	-	-	-	-
Home Office	256	-	23	2	1	1	2	-	-	-	33%	100%
Lincolnshire Police	4	-	1	-	-	-	-	-	-	-	-	-
Lincolnshire Police and Crime Commissioner	2	-	-	-	-	-	-	-	-	-	-	-
Metropolitan Police Service	3	-	-	-	-	-	-	-	-	-	-	-
Office of the Immigration Services Commissioner	2	-	1	-	-	-	-	-	-	-	-	-
Police	40	-	1	-	-	-	-	-	-	-	-	-
Security Industry Authority	13	-	4	-	-	-	-	-	-	-	-	-
The Disclosure and Barring Service	24	-	5	-	-	-	-	-	-	-	-	-
UK Immigration Enforcement	-	-	-	-	-	1	-	-	-	-	100 %	100%
UK Visas and Immigration	286	-	80	8	6	4	9	2	-	1	25%	81%

Note that the number of decisions made in a financial year may be different from the number of complaints received in that same year. This is because some complaints will be received in one year and a decision may be made in a following year.

The Home Office is committed to providing a high-quality service to both internal and external customers. The Home Office is committed to take any complaints made seriously. Every complaint is investigated thoroughly by a specially trained officer at the appropriate level of authority.

The Home Office deals with two types of complaints, formal and operational:

- Formal complaints are those made by outside organisations about the behaviour of members of staff; and
- Operational complaints refer to the way in which a person's case is dealt with.

The Department believes that complaints are an opportunity to improve its services and looks upon complaints as opportunities for us to:

- Learn about the quality of the service we give, and at times to improve it;
- Improve our service, rather than just fixing a specific problem for an individual; and
- Take responsibility for complaints on our subject area. We 'own' the complaint on behalf of the organisation; the complainant 'owns' the original issue.

The Home Office has published its complaint handling procedure, so the public can understand the process. Home Office staff are requested to familiarise themselves with it before handling a complaint in the interests of consistency.

For more information on the Ombudsman complaints process, classification of complaints and where to find recent reports and consultations refer to: http://www.ombudsman.org.uk/home

Performance in responding to correspondence from the Public

In 2022-23, Home Office headquarters received 6,309 letters and emails which required an official response. We replied to 85% of this correspondence within 20 working days against a target of 95%.

Compared to 2021-22, this year's performance in responding increased by 8% and the volume received was 11% lower.

Governance statement

How we are governed

The Home Office operates and follows the principles of good governance in accordance with HM Treasury and Cabinet Office guidance. We continue to evaluate our governance and introduce changes to support more effective management of the Department, enhance collective decision making and improve the effectiveness of our systems of internal control, risk management and accountability.

The Home Office vision for corporate governance is to create an efficient and effective decision-making structure that is inclusive, accountable, and transparent. Committees are empowered to take decisions at the lowest appropriate level to enable senior boards to focus time on the issues only they can manage. It enables the Department's senior leadership to:

- Set the strategic direction of the Department and deliver on its vision and mission;
- Manage performance, risk, delivery, and allocation of resources against the Department's key priorities;
- Horizon scan for long-term trends that may influence these priorities, policies and services, and capitalise on emerging opportunities;
- Drive cultural change and uphold the values that will enable the Department to deliver effectively; and
- Have oversight of the work of the Department's arm's length bodies.

Corporate governance, management, and controls

Governance

System of Control

We are governed by:

- The Secretary of State's overall responsibility for governance of the Home Office and its arm's length bodies.
- The Permanent Secretary's responsibility both to the Secretary of State and directly to Parliament as the Principal Accounting Officer both for management and expenditure.
- The Departmental Board's collective responsibility for advice on strategic and operational issues and overseeing the work of the Department. Its sub-committees provide layers of control, scrutiny, and assurance to ensure that the Department has been achieving its aims and objectives.

Home Office Governance Structure as at 31 March 2023

The following table sets out the structure of the top-level committees that operate in the Department and the chair of each committee.

Departmental Board Chair: Home Secretary

Provides the collective strategic and operational leadership of the department and is supported by its committees.

(Quarterly)

Audit & Risk Assurance Committee Chair: James Cooper (NEBM)

The Audit & Risk Assurance Committee is chaired by our Non-Executive Board Member, James Cooper, and supports the Board and Accounting Officer in their responsibilities for issues of risk, control, assurance, and governance. It provides an independent view of the adequacy of the department's risk, control, and governance arrangements. It meets quarterly and holds an additional meeting to review and make a recommendation on the approval of the Home Office annual report and accounts.

(Quarterly)

Home Office Executive Talent Board Chair: Permanent Secretary

The Executive Talent Board is chaired by the Permanent Secretary and provides a forum for strategic discussions on talent, pay and performance of our most senior staff. It is attended by the Second Permanent Secretary, Lead Non-Executive Board Member, and Chief People Officer. It is supported by the Senior Leadership Committee which fulfils the same purpose for SCS PB1 and PB2 roles.

(Quarterly)

- **Senior Leadership Committee**

Executive Committee (ExCo) Chair: Permanent Secretary

ExCo is chaired by the Permanent Secretary and provides direction on the significant strategy decisions and cross-departmental issues to ensure the Department is equipped to deliver its objectives.

(Twice a month)

- **People Committee**
- **Finance and Investment Committee**
- **Risk and Delivery Committee**

Our Boards and Committees

Departmental Board

The Departmental Board (the Board) is chaired by the Home Secretary, and includes Ministers, Non-Executive Board Members, the Permanent Secretaries, DG Corporate & Delivery and DG Science, Technology, Analysis and Research and the Chief Scientific Adviser. It forms the collective strategic leadership of the Home Office with a broad purpose to steer and scrutinise the Department's strategy, performance, and capability. Its remit is wide-ranging with the top-level committees and time-bound boards reporting directly or indirectly to it. It met three times in 2022-23.

Responsibilities

- Provide long-term strategic direction for the Department that supports delivery of the Government's manifesto commitments and Outcome Delivery Plan objectives.
- Scrutinise, advise, and assure the Department's performance against its delivery of strategic objectives, major programmes, and policy initiatives that support achievement of the people's priorities.
- Ensure the design, capability and capacity of the organisation matches current and future commitments and plans.
- Shape, test and assure strategic engagement across government.
- Provide leadership by defining and supporting the Department's purpose, values, and approach to delivery.
- Policy will be decided by ministers alone, with advice from officials. The Board will give advice and support on the operational implications and effectiveness of policy proposals, focusing on getting policy translated into results. The established accountability of Ministers and Accounting Officers to Parliament is unchanged.

Audit and Risk Assurance Committee

The Audit and Risk Assurance Committee (ARAC) is chaired by our Non-Executive Board Member, James Cooper. It provides an independent view of the adequacy of the Department's risk, control, and governance arrangements. It met quarterly and held an additional meeting to review and make a recommendation on the approval of the Home Office Annual Report and Accounts.

Responsibilities

- Review the strategic process for risk, control, and governance.

- Approve the Home Office’s Governance Statement, Annual Report and Accounts, other accounts within the Committee’s scope, and management’s letter of representation to the NAO.
- Review the planned activity and results of both internal and external audit.
- Review the adequacy of management response to issues identified by audit activity, including NAO’s management letter.
- Assure management of risk and corporate governance requirements for the organisation including its major projects.
- Provide assurance on information handling, health and safety, and cyber security arrangements.

Executive Talent Board

The Executive Talent Board is chaired by the Permanent Secretary and provides a forum for strategic discussions on talent, pay and performance of our most senior staff. It is attended by the Second Permanent Secretary, the Lead Non-Executive Board Member, and Chief People Officer. It met twice this year and is supported by the Senior Leadership Committee which fulfils the same purpose for SCS PB1 and PB2 roles.

Responsibilities:

- Oversee and lead on the Department’s processes for developing talent in the Director General (SCS PB3) population.
- Decide reward and incentive strategies for the Director General (SCS PB3) population.
- Oversee succession planning and pipeline into these roles.
- Take overall responsibility for decisions on the implementation of the SCS pay award.

Executive Committee (ExCo)

The Executive Committee is chaired by the Permanent Secretary and provides direction on the significant strategy decisions and cross-departmental issues to ensure the Department is equipped to deliver its objectives. It met 29 times in 2022-23.

Responsibilities:

- Agreement of budget allocations.

- Direction setting and approval of Home Office strategy and policy prioritisation, including aligning Home Office activity with Ministerial priorities.
- Approval of significant process changes across Home Office (e.g. Performance Management System).
- As necessary, approve approach to department-wide stakeholder engagement and negotiations.
- Review overall Home Office delivery performance against departmental objectives and oversight and mitigation of strategic risk.;
- Agree mitigating actions to address issues of significant reputational and strategic importance.
- Approve annual pay award for delegated grades.

ExCo is supported by the following subcommittees:

- The **People Committee** was chaired by the Second Permanent Secretary during 2022-23 and leads on the implementation of cross-departmental people strategies, manages cross-cutting programmes, and oversees performance across people issues. This committee is now chaired by DG Customer Services.
- The **Finance and Investment Committee,** chaired by the Second Permanent Secretary during 2022-23, provides governance, assurance and oversight of the Home Office's financial performance, significant investment decisions, and portfolio delivery. This committee is now chaired by DG Corporate & Delivery.
- The **Risk and Delivery Committee** chaired by DG Corporate & Delivery scrutinises the Department's organisational performance and risk and progress against outcomes (including oversight of the Outcome Delivery Plan) and ensures that the Home Office has in place appropriate, robust procedures and processes to support its overall strategy.

Board and Committee attendance during 2022–23 (up until 31 March 2023)

Name of Board Member	Departmental Board	Audit & Risk Assurance Committee	Executive Talent Board	Executive Committee
Ministers				
The Rt Hon Suella Braverman KC MP	2/3	N/A	N/A	N/A
The Rt Hon Tom Tugendhat MP	0/2	N/A	N/A	N/A
The Rt Hon Chris Philp MP	1/2	N/A	N/A	N/A
The Rt Hon Robert Jenrick MP	1/2	N/A	N/A	N/A

Sarah Dines MP	0/1	N/A	N/A	N/A
Lord Murray of Blidworth	2/2	N/A	N/A	N/A
Lord Sharpe of Epsom OBE	2/2	N/A	N/A	N/A
Former Ministers				
Rachel Maclean MP	N/A	N/A	N/A	N/A
The Rt Hon Damian Hinds MP	N/A	N/A	N/A	N/A
Lord Greenhalgh of Fulham	N/A	N/A	N/A	N/A
The Rt Hon Kit Malthouse MP	N/A	N/A	N/A	N/A
The Rt Hon Priti Patel MP	N/A	N/A	N/A	N/A
Kevin Foster MP	N/A	N/A	N/A	N/A
Stephen McPartland MP	N/A	N/A	N/A	N/A
Lord Harrington of Watford	N/A	N/A	N/A	N/A
The Rt Hon Baroness Williams of Trafford	N/A	N/A	N/A	N/A
Amanda Solloway MP	N/A	N/A	N/A	N/A
Tom Pursglove MP	1/1	N/A	N/A	N/A
The Rt Hon Jeremy Quin MP	1/1	N/A	N/A	N/A
Mims Davies MP	1/1	N/A	N/A	N/A
The Rt Hon Grant Shapps MP	N/A	N/A	N/A	N/A
Executive Directors				
Sir Matthew Rycroft KCMG CBE	3/3	4/5	2/2	28/29
Tricia Hayes CB	1/3	4/5	2/2	26/29
Simon Ridley	N/A	N/A	N/A	1/1
Emma Churchill	N/A	N/A	N/A	21/29
Phil Douglas	N/A	N/A	N/A	27/29
Tony Eastaugh CBE	N/A	1/1	N/A	22/29
David Kuenssberg	2/2	5/5	N/A	26/29
Professor Jennifer Rubin	2/2	2/3	N/A	23/29
Jaee Samant	N/A	N/A	N/A	20/29
Chloe Squires	N/A	1/1	N/A	22/29
Abi Tierney	N/A	1/1	N/A	19/29
Julie Blomley	N/A	1/1	2/2	26/29
Nick Fussell	N/A	N/A	N/A	3/4
Sarah Goom	N/A	N/A	N/A	17/22
Rob Hall	N/A	N/A	N/A	23/29
Former Executive Directors				
Emma Haddad	N/A	N/A	N/A	11/14
Jennifer Morrish	N/A	N/A	N/A	1/1
Diane Wills	N/A	N/A	N/A	N/A
Gus Jaspert	N/A	2/2	N/A	9/9

Gilad Segal	N/A	N/A	N/A	6/9
Non-Executive Board Members				
Tim Robinson CBE	3/3	1/1	1/1	N/A
James Cooper	3/3	5/5	N/A	N/A
Michael Fuller QPM	2/2	1/5	N/A	N/A
Jan Gower	3/3	N/A	N/A	N/A
John Paton	1/2	N/A	N/A	N/A
Phil Swallow	2/3	N/A	N/A	N/A
Former Non-Executive Board Members				
Sue Langley	1/1	N/A	1/1	N/A
Independent Audit and Risk Assurance Committee Members				
John Aston	N/A	5/5	N/A	N/A
Richard Clarke	N/A	4/5	N/A	N/A
Alan Hammill	N/A	5/5	N/A	N/A
Ruth Murray-Webster	N/A	5/5	N/A	N/A
Former Independent Audit and Risk Assurance Committee Members				
Terry Price	N/A	2/2	N/A	N/A

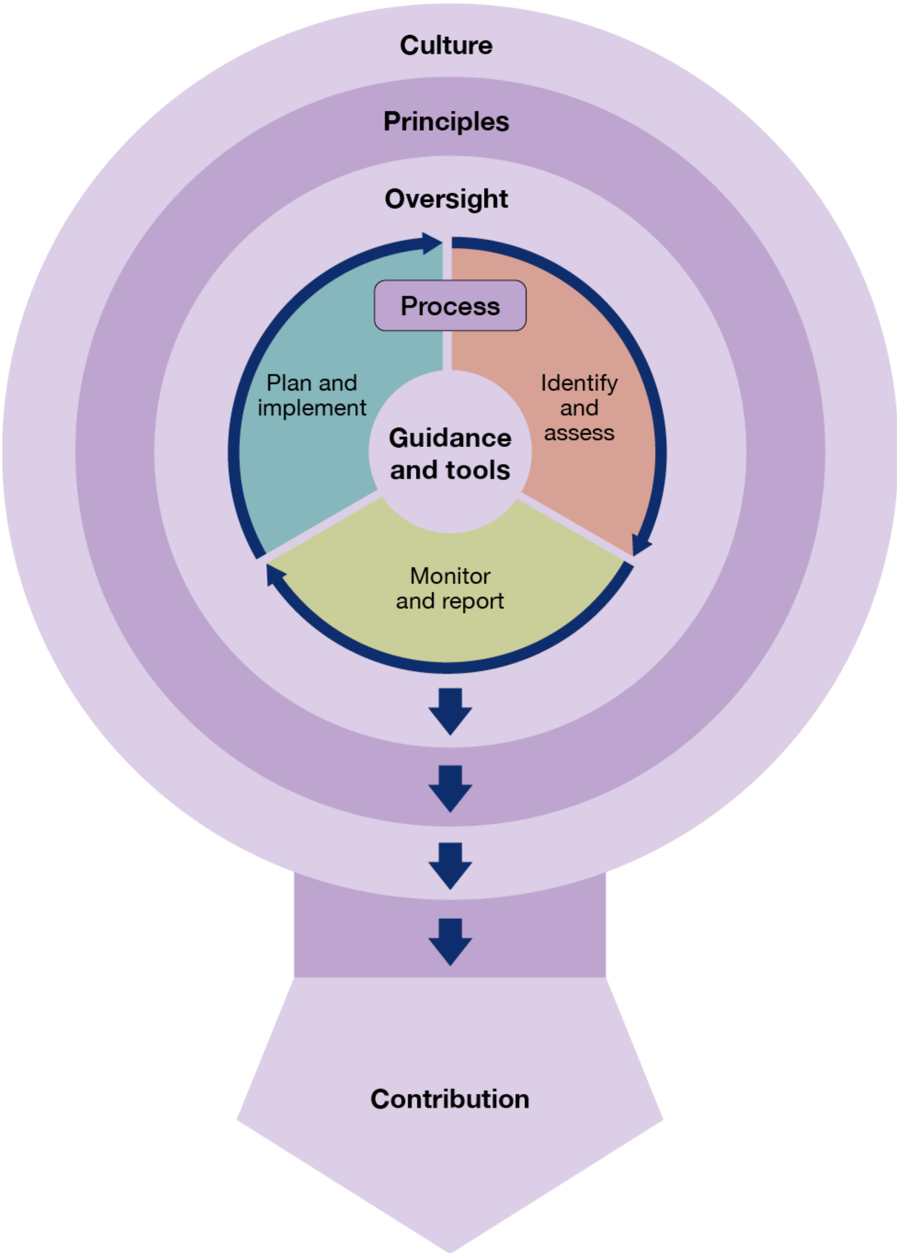
Not all members were invited to every meeting held.

Apologies had been received from all members who were unable to make any of the meetings to which they were invited.

Only Non-Executive Board Members and Independents are members of the Audit & Risk Assurance Committee. Everyone else who attends does so when invited.

Our approach to risk

To ensure a consistent standard of practice across the full range of departmental activity, in 2021 we developed our own bespoke Enterprise Risk Management (ERM) framework in consultation with our people.



The framework hinges on the effective interplay between six key components, across the entire Department and its Arm's Length Bodies.

1. Guidance and tools: giving structure and consistency to the way we assess and manage risk.

2. Process: A single intuitive series of steps for identifying, evaluating and managing risk, followed at all levels.

3. Oversight: The structures, mechanisms and arrangements that surround the process and support it, including clearly defined roles and responsibilities.

4. Principles: Our shared beliefs about what risk management should be, namely: context specific, integrated in all we do, attached to our purpose, defined, visible, clearly owned, role-modelled by leaders, collaborative, relatable and knowledge driven.

5. Culture: The environment in which risk management can flourish.

6. Contribution: The intended outcome of safeguarding and enhancing our contribution to society.

In this, the second year of our journey towards a fully integrated approach, we have made significant headway, fine-tuning our policy, developing a toolkit to support leaders and practitioners and enhancing both the content and availability of our in-house training. We also enhanced how significant risks are escalated to and managed at the Department's primary risk board, the Risk & Delivery Committee (RDC), through improved data, insight and challenge, and increased risk owner accountability.

Our approach to identifying principal and emerging risks combines a "top-down" approach with a "bottom-up" element so that senior-level understanding of risk is continually corroborated, revised and enriched by the knowledge and experience of our people. An annual refresh process aims to capture the latest view of strategic risk from the top whilst Group-level risks, ordinarily managed as part of each individual area's risk action plans, are escalated for management at departmental level where there are cross-cutting implications.

The strategic risk profile that results is owned collectively by the Executive Committee (ExCo), with regular oversight delegated to the RDC. Monthly reporting co-ordinated by the Central Risk Team ensures the Directors General and Directors who comprise the RDC can make strategic decisions in full view of the most up-to-date information, and ensures newly escalated risks receive consideration. Arm's Length Bodies, Arm's Length Entities and statutory and non-statutory inquiries have their own risk governance and reporting arrangements but seek to align with the principles of the ERM framework through close working with the Home Office Sponsorship Unit. Sponsorship risk is periodically reviewed and reported to ExCo and escalated to Ministers where it is deemed to represent a significant threat to departmental objectives.

Assurance that the framework is operating adequately, such that risks to departmental strategic objectives are identified, assessed and managed consistently is provided to the board by the Audit Risk & Assurance Committee (ARAC). A newly drafted ERM framework maturity model forms the basis of both the Central Risk Team's group level second line assurance activity, and guidance it produces to support self-assessment of maturity within Directorates. On an annual basis the community of Home Office risk practitioners are surveyed for their views on the performance of the various elements of the framework which feeds improvement activity for the coming year.

We have also committed to develop further our approach to risk management throughout 2023-24. The priority is to provide the RDC and ExCo with additional risk management information and insight, to enable better decision making around mitigation and resourcing. Other work includes integrating risk and department-level financial planning; implementing those behaviour changes required to embed the latest version of our ERM framework; and a collaboration with the Government Risk Profession on risk culture.

Better Regulation

The Home Office is fully committed to ensuring the proper balance between its responsibility to protect the public and its firm commitment to support the wider government principles of better regulation. It does this through the careful examination of policy initiatives to ensure that regulations on business and civil society are both proportionate and introduced only where there is a clear case for doing so.

The Home Office has continued to promote effective policy making through robust assessment of evidence and proportionate, detailed and thorough impact assessments.

Machinery of Government Changes

There have been no such changes in 2022-23.

Political and Charitable Donations

The Home Office has not made any political or charitable donations during 2022-23.

Financial governance, management, and controls

Financial governance

The Department's business planning process allocates the budget voted by Parliament to all parts of the organisation. The Finance Directorate monitors budget changes to ensure they have been implemented in accordance with decisions made by Ministers and the Board and reviews the actual and forecast outturns each month to check that expenditure is managed in line with approved budgets. This monitoring is designed to ensure that the Department does not breach any of the Parliamentary control totals, whilst also providing advice on options to ensure best use of available resources.

During the past 12 months, the Finance and Investment Committee (FIC) has added renewed focus to financial management by developing a financial management improvement plan, with a focus on the accuracy of financial forecasting. This has included increased scrutiny over the largest budgets, greater challenge on forecasting assumptions and outcomes and increased focus on use of resources.

The Department has worked closely with HM Treasury through a series of ministerial meetings, monthly director meetings and weekly working meetings as well as regular contact working through new and existing policy areas.

Ministerial Direction

A ministerial direction on the grounds of value for money was issued by the Home Secretary in relation to the Migration and Economic Development Partnership on 16 April 2022. This is a new and untested policy, which means there is less evidence to draw on than in other policy areas. Accordingly, the Permanent Secretary noted to the Home Secretary that whilst the policy could have a deterrent effect, there is not sufficient evidence to conclude that it will have a significant enough deterrent effect to make the policy value for money. This was reflected in the exchange of letters between the Permanent Secretary and the Home Secretary, which are published at Migration and economic development partnership: https://www.gov.uk/government/publications/migration-and-economic-development-partnership-ministerial-direction.

Ministers would like to draw attention to the fact that since the implementation of a returns agreement with Albania on 13th December 2022, the number of Albanians crossing the channel by small boat has dropped by 94%, providing further evidence of the deterrent effect provided by arrangements to remove those crossing by small boat.

Financial and corporate planning

This year's Business Planning process confirmed budgets for 2022-23, aimed at aligning both people and financial resources to the Department's objectives and Ministers' priorities. Indicative budgets were also set for 2023-24 and 2024-25. Forecasts were made for each business area to enable prioritisation decisions to be taken against a backdrop of a very challenging fiscal landscape.

The budget allocation for 2022-23 was discussed by the Department's Executive Committee on 6 December 2021, and then recommended for approval by Ministers. Home Secretary approval was received on 1 February 2022.

2022-23 budgets were finalised before the beginning of the financial year to enable financial management by Director General area to commence from the beginning of the financial year.

The faster timescales this year were mainly due to improvements in our internal planning process and driven by the desire to provide the wider department with a clear financial basis on which to plan their work for the next three years.

Business Appointment Rules (BAR)

The HO BAR process covers SCS1, SCS2 and SpAds only. SCS3 were handled directly by ACOBA and have therefore not been included in the figure listed.

Number of exits from the Senior Civil Service (SCS):	26
Number of BARs applications assessed by the Department over the year (by grade):	4 (SCS1 x1 and SpAds x3)
Number of BARs applications where conditions were set (by grade):	4 (SCS1 x1 and SpAds x3)
Number of applications that were found to be unsuitable for the applicant to take up (by grade):	0
Number of breaches of the Rules in the preceding year:	0

Whistleblowing

The Home Office 'Whistleblowing and Raising a Concern' policy aligns with the principles of the model policy recommended by Cabinet Office.

The Home Office policy allows staff to raise legitimate issues of public interest via their manager, a confidential central reporting hotline and email address and through a network of nominated officers embedded within Director General commands. This is complemented by a Board-level Senior Responsible Officer.

The Home Office Professional Standards Unit provides an independent team of investigators, separate from business areas, to investigate thoroughly concerns that are raised. Their role is also to consider and, where deemed necessary, recommend improvements in departmental procedures and new safeguards and monitor that any such agreed improvements are implemented.

Fraud and Error

The Home Office assesses anti-fraud performance against the Cabinet Office Counter-Fraud Functional Standard, measuring performance against the metrics set out in the Standard, monitoring effectiveness through the reporting of Fraud and

Error losses to the Cabinet Office. The Home Office fraud action plan sets out key priorities to support continuous improvements against the standards required.

The Home Office works closely with the Public Sector Fraud Authority to demonstrate an increase in effectiveness through detected, prevented and recovered fraud as well as applying upfront fraud expertise to minimise fraud risk.

The Home Office operates a federated approach to managing Counter Fraud Response, with each Director General held accountable. The Director General for Corporate & Delivery is the Accountable Board member for Counter Fraud, and is responsible for ensuring effective governance and assurance methods are in place.

The Home Office counter fraud strategy, policy and response plan focuses on mitigating against the threat of fraud and linked offences. A new two-year strategy is being developed in countering fraud, reducing risk, and raising awareness, with planned launch in 2023/24.

Fraud risk assessments are pivotal in Fraud Risk Management. The Department is seeking to embed Fraud Risk Management into wider Home Office risk management practices and any new major spend requires of an Initial Fraud Impact assessment.

The Home Office has not been involved in designing and delivering the government's major COVID-19 stimulus measures. It has managed a small number of COVID-specific grants and has offered some modest commercial relief to business-critical supply chains in line with the published Procurement Policy Notes. The Home Office has adhered to its internal Commercial Assurance and Grants Management processes throughout and judges its exposure to fraud risk and financial loss to be low.

There has been no material fraud and error in respect of receipts and payments recorded in the Trust Statement.

Assurance

Operational Assurance

The Permanent Secretary is satisfied that Directors General have effective control over governance, risk, internal control and assurance processes within their areas of operations.

The Department relies on assurance from multiple sources, consistent with good practice. Assurance activity is structured around three lines of defence, ranging from front line operational assurance (first line of defence) to independent assurance such as Internal Audit (third line of defence):

- Front-line and business operational areas: the Department has established assurance arrangements over how well objectives are being met and risks managed. These include monthly management reporting, risk registers, reports on the routine system controls, the director assurance returns and other management information.

- Management oversight and expert review: separate from the work of those responsible for delivery, this includes assurance reviews undertaken by departmental second line assurance functions, investment approval work undertaken by the Department's Finance and Investment Committee and analytical assurance, as well as work undertaken by other enablers functions (e.g. Human Resources) and the departmental security teams.

- Independent and objective assurance: this includes the work of the Government Internal Audit Agency (GIAA), the Independent Chief Inspector of Borders and Immigration, other external auditors and independent specialists.

- External reviews: this covers external and independent assurance commissioned by bodies outside the organisation. These include reviews by the National Audit Office and parliamentary select committees. These reviews are usually conducted after a project or event and are a particularly valuable source of learning for the organisation.

The Finance Directorate oversees assurance and risk across the Department. The Assurance Team continues to embed the simplified management assurance framework, which is carried out annually. The framework clarifies and structures the Department's approach to management assurance. It sets out the common principles and standard assurance activities that the Department expects to be in place, and how these should be assessed and reported. Assurance reporting is completed at Director level with the aim of embedding good assurance practice at all levels of the Department, and to facilitate organisational learning. Subject experts provide enhanced moderation and challenge to Director returns. We continue to work closely with subject experts and GIAA to complete audits of the Director returns.

The Assurance Team has rolled out a programme to build assurance and risk capability across the Department, working with the Chartered Institute of Internal Auditors (CIIA) to build a bespoke accredited assurance course with a focus on the first and second lines of defence.

The Risk Team also seeks to improve risk management by supporting a programme of mapping assurance coverage of the Department's strategic risks. This provides the Finance Directorate with oversight of assurance activities, the management of risks, and the identification of gaps in assurance. Finance Directorate reports regularly to the Audit and Risk Assurance Committee and Risk and Delivery Committee on the results of our mapping exercises.

Functional Standards

The Home Office's corporate functions have adopted the 14 Government Functional Standards across Project Delivery, Human Resources, Property, DDaT, Finance, Security, Commercial, Internal Audit, Analysis, Communication, Counter Fraud, Debt and Grants. These Standards set expectations for the consistent management of central functions across government. From September 2021, the Cabinet Office has required all government departments and their Arm's Length Bodies to implement mandatory elements of each functional standard. During the year, the Department undertook an assessment of compliance with these, which indicated we are making good progress with activity focused upon functional capability, controls and embedding the standards. We have plans in place to continue our progression during the coming year, including increasing the oversight of the incorporation of standards in plans by our Arm's Length Bodies.

Independent Chief Inspector of Borders and Immigration

External scrutiny by the Independent Chief Inspector of Borders and Immigration (ICIBI) plays an important role in holding the Department to account on the efficiency and effectiveness of its immigration, asylum, nationality and customs functions.

The ICIBI issued 15 inspection reports between April 2022 and March 2023 of which 12 have been laid before Parliament. Reports and government responses are published to Gov.UK.

The ICIBI's reports carried 60 recommendations in total, of which the Department accepted 27 (45%) in full, and 16 (27%) partially; one recommendation (1%) was not accepted. Three inspection reports, containing 16 recommendations (27%) remain under consideration and will be published in due course.

Analytical Assurance

The Home Office has a process for ensuring that all business-critical models are subject to proportionate quality assurance, and that risks and limitations are communicated and acknowledged by the users of the modelled outputs.

The department's register of business-critical models is updated annually, including all analytical models where the financial risks are in excess of £25 million, where errors could result in substantial reputational damage, or where the model is a major part of delivering the department's capabilities.

Business-critical models must have a Senior Responsible Owner (SRO) who commissions the model and uses the outputs, a Model Responsible Owner (MRO) in charge of delivering the analysis, and an Analytical Quality Assurance (AQA) Reviewer who gives their opinion on the level of AQA and the robustness of the model during a formal sign off process. The MRO and SRO must then acknowledge that they have understood these risks, limitations, and uncertainties.

The process is overseen by the AQA Model Board, which meets once the model team is ready. These boards are composed of panel of senior staff members, independent from the model's creation, who have an appropriate knowledge of the relevant subject area or surrounding issues. Panellists are drawn from across the Home Office, bringing in expertise from a wide range of areas including, but not limited to, policy, legal, finance, commercial and operations.

A full-time Head of Analytical Quality Assurance supports the Board, as well as running a programme of work to deliver training, guidance, and advice to analysts on quality assurance.

An iterative process is in place to regularly review and update the models classed as business critical. All existing business-critical models have now been reviewed, with new models developed and scheduled for review once complete. We will continue to review the approach to strengthen our management of risks as needed.

Project Assurance

The Portfolio and Project Delivery Directorate (PPD) is responsible for leading, managing and co-ordinating assurance across the Home Office change portfolio with the Infrastructure and Projects Authority (IPA) providing the assurance of those projects which also form part of the Government Major Projects Portfolio (GMPP).

Home Office programmes and projects are delivered in accordance with the Home Office Project Delivery Framework, which is compliant with the Government Functional Standard GovS 002: Project Delivery owned by the IPA. Each project is required to have an integrated assurance and approval plan. These plans help to ensure that individual projects are subject to an appropriate approval and assurance regime and that assurance interventions align with approval points.

Over 2022-23, the IPA and PPD between them carried out 44 assurance reviews on Home Office projects. PPD collates, tracks and analyses the recommendations arising from these interventions to ensure that they are addressed and to help identify recurring topics for both the Project Delivery Community Learning Events that PPD runs and for future Government Internal Audit Agency (GIAA) thematic reviews. PPD also provides advice to projects through its Portfolio Business Partner

Team, including on the action needed to address recommendations arising from assurance and audit reviews.

Projects that are deemed 'Home Office Critical' report monthly to PPD who provide monthly and quarterly reports on portfolio delivery to the Home Office Portfolio Delivery Board. Additionally, a subset of these projects is categorised as either 'A' or 'B' on the GMPP and are reported quarterly to the IPA. The IPA will publish data on these programmes as part of the IPA Annual Report in summer 2023. This publication will be based upon 2022-23 Q4 GMPP project data, including the IPA delivery confidence rating for each.

Independent assurance

The Department is subject to independent oversight in several areas and implements many of the recommendations made. This oversight includes:

- National Audit Office reports (including Value for Money) and the audit report for the Annual Report and Accounts.
- Independent Chief Inspector of Borders and Immigration.
- HM Chief Inspector of Prisons publications and (annual) report.
- Feedback from the Major Projects Review Group.
- Government Internal Audit Agency.

Summary of Government Internal Audit Agency Opinion

As Head of Internal Audit, I am required by the Public Sector Internal Audit Standards to deliver an annual opinion to the Accounting Officer on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. I am providing a Limited opinion on the adequacy of the framework of governance, risk management and control within Home Office for 2022-23. This rating is consistent with the past five years, although, there is now evidence of a clear positive aspiration within the Department to develop a more robust framework. Assurance activity around Digital Data and Technology continues to mature and, whilst improvements are still to made, financial management has improved over the year. The Department has also developed its risk management arrangements. Internal audit activity, however, continues to highlight significant weaknesses in control across the organisation and further work is required to get the basics right, with a consistently robust approach to the development of process and controls and assurance over them. The embedding of risk management at strategic, operational and programme levels, together with the implementation of an assurance framework are central to this.

Liam Orme

Government Internal Audit Agency

Year-end governance assurance process

As the Principal Accounting Officer, I am responsible for ensuring there is an effective process in place for monitoring and reporting governance issues during the year. I am supported by Directors General and Directors who have delegated financial and risk management authority appropriate to their responsibilities.

To prepare the department's Governance Statement I am provided with feedback and assurance from across the department.

This includes:

- Assessment against Functional Standards.
- Completion of the annual Director Simplified Management Assurance Framework to summarise the objectives, controls and risks within each Director's operations and provide an assessment of the level of assurance within business processes.
- Content of agency and Arm's Length Body governance statements to ensure consistency and completeness of this statement.

Conclusion and compliance with Code of Good Practice

Government policy on departmental governance is outlined in Corporate Governance in Central Departments: Code of Good Practice. This Code operates on a 'comply or explain' basis, whereby departments are asked to disclose any element of the Code with which they are not fully compliant, explaining their rationale and any alternative measures which have been put in place to meet the objectives of the Code. The Home Office meets the provisions outlined in the Code through the operation of its Departmental Board and sub-committees.

The Departmental Board has oversight of delivery of the department's priorities. Through its operation, it sets the department's risk appetite and ensures appropriate controls are in place to manage risk; has oversight of the performance of the department's sponsored bodies; reviews financial management; and ensures the department has the capacity to deliver against current and future needs.

Remuneration and Staff Report

Departmental Remuneration Report

Service Contracts

The Constitutional Reform and Governance Act 2010 requires Civil Service appointments to be made on merit on the basis of fair and open competition. The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise.

Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Further information about the work of the Civil Service Commission can be found at www.civilservicecommission.org.uk

Remuneration Policy

The remuneration of senior civil servants is set by the Cabinet Office following independent advice from the Review Body on Senior Salaries.

In reaching its recommendations, the Review Body has regard to the following considerations:

- The need to recruit, retain and motivate, and where relevant, promote suitably able and qualified people to exercise their different responsibilities.
- Regional/local variations in labour markets and their effects on the recruitment, retention and, where relevant, promotion of staff.
- Government policies for improving the public services including the requirement on departments to meet the output targets for the delivery of departmental services.
- The funds available to departments as set out in the Government's Departmental Expenditure Limits.
- The Government's inflation target.

The Review Body will take account of the evidence it receives about wider economic considerations and the affordability of its recommendations.

Further information about the work of the Review Body can be found at GOV.UK.

Remuneration (salary, benefits in kind and pension benefits)

The following sections provide details of the remuneration and pension interests of the Ministers and most senior management (i.e. Board members) of the department.

Single Total Figure of Remuneration

Ministers

Ministers' salaries and pension benefits in 2022-23 and 2021-22 were as follows. These tables have been subject to audit. Figures in brackets represent full year equivalents.

Ministers	Salary (£)[1]		Benefits in kind (to nearest £100)		Pension benefits (to nearest £'000) [2]		Total (to nearest £'000)	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Rt Hon Suella Braverman MP[3]	32,845 (67,505)	-	-	- -	11,000	-	44,000	-
Rt Hon Tom Tugendhat MP	18,040 (31,680)	-	- -	- -	5,000	-	23,000	-
Rt Hon Robert Jenrick MP	13,200 (31,680)	-	- -	- -	3,000	-	16,000	-
Chris Philp MP	13,200 (31,680)	-	- -	- -	3,000	-	16,000	-
Sarah Dines MP	9,323 (22,375)	-	- -	- -	2,000	-	11,000	-
Simon Lord Murray	34,333 (70,969)	-	- -	- -	9,000	-	43,000	-
Andrew Lord Sharpe	35,484 (70,969)	-	-	-	9,000	-	44,000	-

[1] The salary shown for MP Ministers only relates to the difference between their MP's salary and their Minister's salary, as the MP element is paid via the Houses of Parliament and not the Home Office.

[2] The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20 less the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to transfer of pension rights.

[3] Rt Hon Suella Braverman MP received a severance payment of £16,876, which she repaid on her re-appointment as Home Secretary. As the payment was repaid in full it is not included in the salary figure.

Ministers	**Salary (£)**[1]		**Benefits in kind (to nearest £100)**		**Pension benefits (to nearest £'000)** [2]		**Total (to nearest £'000)**	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Former Ministers								
Rt Hon Priti Patel MP[4]	*45,941* *(67,505)*	*67,505* *(67,505)*	-	- -	*7,000*	*17,000* -	*53,000*	*85,000* -
Rt Hon Grant Shapps MP	*2,178* *(67,505)*	- -	- -	- -	-	-	*2,000*	-
Rt Hon Damian Hinds MP[5]	*16,436* *(31,680)*	*20,098* *(31,680)*	- -	- -	*2,000*	*5,000* -	*18,000*	*25,000* -
Kevin Foster MP	*11,187* *(22,375)*	*22,375* *(22,375)*	- -	- -	*2,000*	*6,000* -	*13,000*	*28,000* -
Tom Pursglove MP	*16,004* *(31,680)*	*11,187* *(22,375)*	- -	- -	*4,000*	*3,000* -	*20,000*	*14,000* -
Rt Hon Kit Malthouse MP	*10,560* *(31,680)*	*31,680* *(31,680)*	- -	- -	*2,000*	*8,000* -	*13,000*	*40,000* -
Rt Hon Jeremy Quin MP	*2,640* *(31,680)*	- -	- -	- -	*1,000*	-	*4,000*	-
Rachel Maclean MP[6]	*11,548* *(22,375)*	*11,187* *(22,375)*	- -	- -	*1,000*	*3,000* -	*13,000*	*14,000* -
Amanda Solloway MP	*5,173* *(39,698)*	- -	- -	- -	*2,000*	-	*7,000*	-
Mims Davies MP	*1,865* *(22,375)*	-	-	-	-	-	*2,000*	-
The Rt Hon Baroness Williams of Trafford[7]	*51,068* *(117,850)*	*117,850* *(117,850)*	- -	*4,300* -	*9,000*	*21,000* -	*60,000*	*143,000* -
Simon Baynes MP[8]	*9,336*	-	-	-	*1,000*	-	*10,000*	-

4 Rt Hon Priti Patel MP received a severance payment of £16,876 which is included in the salary figure

5 Rt Hon Damian Hinds MP received a severance payment of £7,920 which is included in the salary figure

6 Rachel Maclean MP received a severance payment of £5,593 which is included in the salary figure

7 Baroness Williams sits in the House of Lords and is not in receipt of an MP's salary, therefore, her full Minister's salary is reported here. The figure includes the Lords Office-holder allowance.

8 Simon Baynes MP received a severance payment of £5,593 which is included in the salary figure

Ministers	Salary (£)[1]		Benefits in kind (to nearest £100)		Pension benefits (to nearest £'000) [2]		Total (to nearest £'000)	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
	(22,375)	-	-					
Lord Stephen Greenhalgh[9]	-	-	-	-	-	-	-	-
Lord Harrington[10]	-	-	-	-	-	-	-	-
Stephen McPartland MP[11]	-	-	-	-	-	-	-	-

[9] Lord Stephen Greenhalgh was an unpaid Minister of State jointly at the Ministry of Housing, Communities and Local Government and the Home Office.

[10] Lord Richard Harrington was an unpaid Minister of State (Minister for Refugees) jointly in the Department for Levelling Up, Housing and Communities and the Home Office.

[11] Stephen McPartland MP was an unpaid Minister of State

Officials

Senior officials are defined as members of the Home Office Departmental Board. Senior officials' salaries and pension benefits in 2022-23 and 2021-22 are set out on the following page. This table has been subject to audit. Figures in brackets represent full year equivalents.

Board members	Salary (£'000)		Bonus payments (£'000)		Benefits in kind (to nearest £100)		Pension benefits (to nearest £'000)[1]		Total (to nearest £'000)	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Matthew Rycroft Permanent Secretary	185-190 (185-190)	185-190 (180-185)	0	15-20 -	0-5	0-5 -	7	75 -	190-195	275-280 -
Tricia Hayes Second Permanent Secretary	150-155 (150-155)	145-150 (150-155)	0	10-15 -	-	- -	3	110 -	155-160	265-270 -
Emma Churchill Director General, Migration & Borders	130-135 (130-135)	20-25 (120-125)	15-20	- -	-	- -	47	14 -	190-195	35-40 -
Phil Douglas Interim Director General, Border Force	110-115 (110-115)	35-40 (100-105)	0-5	- -	-	- -	85	32 -	200-205	65-70 -
Tony Eastaugh[2] Interim Director General, Immigration Enforcement	130-135 (130-135)	80-85 (130-135)	0	- -	-	- -	- -	- -	130-135	80-85 -
David Kuenssberg Director General, Corporate and Delivery	145-150 (145-150)	60-65 (140-145)	10-15	0-5 -	-	- -	56	30 -	215-220	95-100 -

[1] The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20 less the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to transfer of pension rights.

[2] Tony Eastaugh chose not to be covered by the Civil Service pension arrangements during the reporting year

Prof. Jennifer Rubin Home Office Chief Scientific Adviser, Director General, STAR (Science, Technology, Analysis, Research)	150-155 (150-155)	145-150 (145-150)	0	- -	-	- -	58	58 -	210-215	205-210 -
Jaee Samant[3] Director General, Public Safety Group	140-145 (135-140)	50-55 (130-135)	0-5	- -	-	- -	-9	10 -	135-140	60-65 -
Chloe Squires Director General, Homeland Security Group	135-140 (135-140)	130-135 (130-135)	15-20	10-15 -	-	- -	25	116 -	175-180	255-260 -
Dr. Abigail Tierney[3] Director General, Customer Services	175-180 (165-170)	165-170 (160-165)	10-15	- -	-	- -	64	61 -	250-255	225-230 -
Rob Hall Interim Director, Communications	90-95 (90-95)	-	5-10	-	-	-	31	-	130-135	-
Julie Blomley Chief People Officer	130-135 (130-135)	-	0-5	-	5-10	-	52	-	185-190	-

[3] Salary includes buy-out of annual leave, which is a non-consolidated payment.

Former Officials										
Emma Haddad Director General for Asylum and Protection (Departed 14 October 2022)	75-80 (135-140)	130-135 (130-135)	0	- -	-	- -	3	35 -	80-85	165-170 -
Gus Jaspert Director General, Delivery Group (Departed 22 July 2022)	50-55 (120-125)	75-80 (120-125)	10-15 -	- -	- -	- -	20 -	32 -	70-75 -	105-110 -

Non-executive directors

The non-executive directors listed below are those who sat on the Home Office Departmental Board and the Executive Committee. Non-executive directors do not receive bonuses. Other non-executive directors are employed by the Home Office's NDPBs and their details can be found in the accounts of those bodies.

This table is subject to audit.

Non Executive Directors	Salary (£'000)		Bonus payments (£'000)		Benefits in kind (to nearest £100)		Pension benefits (to nearest £'000)		Total (to nearest £'000)	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Timothy Robinson	10-15	10-15	-	-	-	-	-	-	10-15	10-15
James Cooper	15-20	10-15	-	-	-	-	-	-	15-20	10-15
Michael Fuller QPM	10-15	10-15	-	-	-	-	-	-	10-15	10-15
John Paton	10-15	10-15	-	-	-	-	-	-	10-15	10-15
Phil Swallow	10-15	10-15	-	-	-	-	-	-	10-15	10-15
Janet Gower	10-15	10-15	-	-	-	-	-	-	10-15	10-15
Sue Langley (Until 1 December 2022)	10-15	20-25	-	-	-	-	-	-	10-15	20-25

Salary

'Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made by the Department and thus recorded in these accounts. In respect of Ministers in the House of Commons, departments bear only the cost of the additional Ministerial remuneration; the salary for their services as an MP £81,932 (from 1 April 2020) and various allowances to which they are entitled are borne centrally. However, the arrangement for ministers in the House of Lords is different in that they do not receive a salary but rather an additional remuneration, which cannot be quantified separately from their ministerial salaries. This total remuneration, as well as the allowances to which they are entitled, is paid by the Department and is therefore shown in full in the figures above.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the Department and treated by HM Revenue and Customs as a taxable emolument.

Bonuses

Bonuses are based on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year in which they become payable to the individual. The bonuses reported in 2022-23 relate to performance in 2022-23 and the comparative bonuses reported for 2021-22 relate to the performance in 2021-22.

Fair Pay Disclosures

Salary and Allowances

The percentage change in respect of the highest paid director's salary and allowances was 0% and was in the band £185-£190k for both 2022-23 and 2021-22.

The average percentage change in respect of all other employees' salary and allowances increased by 1.8% in 2022-23 compared to 2020-21.

Performance pay and bonuses

The highest paid director received no bonus payment in 2022-23, which is a 100% decrease from 2021-22 of £15,000-£20,000. This is also shown in the Single Total Figure of Remuneration within the Remuneration Report.

For other employees, the average performance pay and bonuses increased by 21.6% between 2021-22 (£1,262) and 2022-23 (£1,534).

Pay Multiples

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

Total pay remuneration includes salary, non-consolidated performance related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

Pay remuneration bands ranged from £15,000 – £20,000 to £185,000 – £190,000.

The banded pay remuneration of the highest paid director in the Home Office in the financial year 2022-23 was £185,000 – £190,000 (2021-22, £200,000 – £205,000). This was 5.3 times (2021-22, 5.8 times) the median remuneration of the workforce, which was £35,372 (2021-22, £35,068).

In 2022-23, no employees received pay remuneration more than the highest paid director.

The following table shows the median earnings of the department's workforce and the ratio between this and the earnings of the highest paid director. Matthew Rycroft is the highest paid director for 2022-23 and was also the highest paid director in 2021-22. This table is subject to audit.

	2022-23	**2021-22**
Band of Highest Paid Director's Total Remuneration (£'000)	185-190	200-205
25th Percentile Pay (£)	27,014	27,227
25th Percentile Remuneration Ratio	6.9	7.4
Median Total (£)	**35,372**	**35,068**
Remuneration Ratio	**5.3**	**5.8**
75th Percentile Pay (£)	43,000	42,108
75th Percentile Remuneration Ratio	4.4	4.8

During 2022-23 the highest paid director's pay remuneration band decreased to £185,000 – £190,000. The median total for staff has increased by £304. These differences result in the 0.5 decrease of the Remuneration Ratio.

Salary Component only

	2022-23	2021-22
Band of Highest Paid Director's Total Remuneration (£'000)	185-190	180-185
25th Percentile Pay (£)	25,875	24,893
25th Percentile Remuneration Ratio	7.2	7.4
Median Total (£)	**27,650**	**28,654**
Remuneration Ratio	**6.8**	**6.4**
75th Percentile Pay (£)	36,176	35,196
75th Percentile Remuneration Ratio	5.2	5.2

The Home Office remuneration headcount increased by 18% since 2021-22, of this increase 70% related to grades EO and below which has driven the salary median down by £1,004. This decrease has widened the 'salary only' remuneration ratio by 0.4.

Pension Benefits

Ministerial pensions

This table is subject to audit.

	Accrued pension at age 65 as at 31/3/23	Real increase in pension at age 65	CETV at 31/3/23	CETV at 31/3/22	Real increase in CETV
Ministers	***£'000***	***£'000***	***£'000***	***£'000***	***£'000***
Rt Hon Suella Braverman MP	5-10	0-2.5	52	55	2
Rt Hon Tom Tugendhat MP	0-5	0-2.5	-	4	2
Rt Hon Robert Jenrick MP	0-5	0-2.5	35	40	1
Chris Philp	0-5	0-2.5	16	19	1
Sarah Dines	0-5	0-2.5	2	5	2
Simon Lord Murray	0-5	0-2.5	-	8	4
Andrew Lord Sharpe	0-5	0-2.5	-	11	6
Former Ministers					
Rt Hon Priti Patel MP	5-10	0-2.5	82	92	3
Rt Hon Grant Shapps MP	5-10	0-2.5	105	105	-
Rt Hon Damian Hinds MP	0-5	0-2.5	59	62	1
Kevin Foster MP	0-5	0-2.5	12	15	1
Tom Pursglove MP	0-5	0-2.5	8	11	1
Rt Hon Kit Malthouse MP	0-5	0-2.5	35	37	1
Rt Hon Jeremy Quin MP	0-5	0-2.5	25	28	1
Rachel Maclean MP	0-5	0-2.5	13	15	1
Amanda Solloway MP	0-5	0-2.5	15	17	1
Mims Davies MP	0-5	0-2.5	23	23	0
The Rt Hon Baroness Williams of Trafford	10-15	0-2.5	184	205	5
Simon Baynes	0-5	0-2.5	-	1	1
Lord Stephen Greenhalgh	-	-	-	-	-
Lord Harrington	-	-	-	-	-
Stephen McPartland MP	-	-	-	-	-

Pension benefits for ministers are provided by the Parliamentary Contributory Pension Fund (PCPF). The scheme is made under statute and the rules are set out in the Ministers' - 2015 Pension Scheme, available at http://qna.files.parliament.uk/ws-attachments/170890/original/PCPF%20MINISTERIAL%20SCHEME%20FINAL%20RULES.doc

Those ministers who are Members of Parliament may also accrue an MP's pension under the PCPF (details of which are not included in this report). A new MP's pension scheme was introduced from May 2015, although members who were MPs and aged 55 or older on 1 April 2013 have transitional protection to remain in the previous MP's final salary pension scheme.

Benefits for ministers are payable from State Pension age under the 2015 scheme. Pensions are re-valued annually in line with Pensions Increase legislation both before and after retirement. The contribution rate from May 2015 is 11.1% and the accrual rate is 1.775% of pensionable earnings.

The figure shown for pension value includes the total pension payable to the member under both the pre- and post-2015 Ministerial pension schemes.

The Cash Equivalent Transfer Value (CETV)

This is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme.

A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the pension benefits they have accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total ministerial service, not just their current appointment as a minister. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

CETV figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that was extant at 31 March 2023. HM Treasury published updated guidance on 27 April 2023; this guidance will be used in the calculation of 2023-24 CETV figures.

The real increase in the value of the CETV

This is the element of the increase in accrued pension funded by the Exchequer. It excludes increases due to inflation and contributions paid by the minister. It is worked out using common market valuation factors for the start and end of the period.

Civil Service Pensions

This table is subject to audit.

Pensions	Accrued pension at pension age as at 31 March 2023 and related lump sum	Real increase /(decrease) in pension and related lump sum at pension age	CETV at 31 March 2023	CETV at 31 March 2022	Real increase /(decrease) in CETV
Officials	**£000**	**£000**	**£000**	**£000**	**£000**
Current Officials					
Matthew Rycroft Permanent Secretary	100 - 105	0 - 2.5	1701	1535	(18)
Tricia Hayes Second Permanent Secretary	70 - 75 plus a lump sum of 145 - 150	0-2.5 plus a lump sum of 0	1428	1292	(17)
Emma Churchill Director General, Migration & Borders	40-45 plus a lump sum of 85-90	2.5-5 plus a lump sum of 0	729	632	21
Phil Douglas Interim Director General, Border Force	55-60	2.5-5	1062	887	68
David Kuenssberg Director General, Corporate and Delivery	30-35	2.5-5	465	393	18
Prof. Jennifer Rubin Home Office Chief Scientific Adviser, Director General, STARS (Science, Technology, Analysis, Research)	5-10	2.5-5	100	51	34
Jaee Samant Director General, Public Safety Group	60 - 65 plus a lump sum of 115 - 120	0-2.5 plus a lump sum of 0	1210	1108	(27)
Chloe Squires Director General, Homeland Security Group	40-45 plus a lump sum of 70-75	0-2.5 plus a lump sum of 0	627	558	2
Dr. Abigail Tierney Director General, Customer Services	10-15	2.5-5	138	88	32
Rob Hall Interim Director, Communications	30-35	0-2.5	416	363	13
Julie Blomley Chief People Officer	0-5	2.5-5	49	12	27
Former Officials					
Emma Haddad Director General for Asylum and Protection (Departed 14 October 2022)	40-45	0-2.5	565	543	(7)
Gus Jaspert Director General, Delivery Group (Departed 22 July 2022)	40-45	0-2.5	479	456	8

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined alpha. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: 3 providing benefits on a final salary basis (classic, premium or classic plus) with a normal pension age of 60; and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with pensions increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 will switch into alpha sometime between 1 June 2015 and 1 February 2022. All members who switch to alpha have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha (the pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes). Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of classic, premium, classic plus, nuvos and alpha. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on their pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of providers. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus, 65 for members of nuvos, and the higher of 65 or State Pension Age for members of alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes but note that part of that pension may be payable from different ages).

Further details about the Civil Service pension arrangements can be found at the website www.civilservicepensionscheme.org.uk.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

CETV figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that was extant at 31 March 2023.

HM Treasury published updated guidance on 27 April 2023; this guidance will be used in the calculation of 2023-24 CETV figures.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Compensation for loss of office

Board Members

There were no Board Members departing under voluntary exit or voluntary redundancy terms in the financial year.

Ministers

There were no Ministers departing under voluntary exit or voluntary redundancy terms in the financial year.

Staff Report

Staff Numbers and Costs

Average number of persons employed

The average number of full-time equivalent persons employed during the year was as follows. This table is subject to audit.

Business Segment	Permanently employed staff	Others	Ministers	Special advisers[4]	2022-23 Departmental Group Total	2021-22 Departmental Group Total (Restated)[5]
Delivery Group	712	46	-	-	759	734
Science, Technology, Analysis and Research	4,211	298	-	-	4,509	4,209
Homeland Security Group	1,211	55	-	-	1,266	1,185
Public Safety Group	1,924	228	-	-	2,152	2,050
Migration and Borders Group	872	38	-	-	910	698
Customer Services (UKVI and HMPO)	10,199	3,076	-	-	13,275	9,408
Asylum and Protection Group	4,679	1,615	-	-	6,293	5,626
Borders and Enforcement	14,618	609	-	-	15,227	14,343
Corporate Enablers	1,425	179	7	7	1,618	1,510
Digital, Data and Technology	1,628	345	-	-	1,972	1,806
Communications	129	1	-	-	130	132
Total Staff	41,607	6,489	7	7	48,109	41,700
Of which:						
Core Department	38,285	6,223	7	7	44,522	38,319
Core Department and Agencies	38,285	6,223	7	7	44,522	38,319
Departmental Group	41,607	6,489	7	7	48,109	41,700

[4] Special adviser numbers are taken on a snapshot date of 31 March 2023.

[5] The new Home Office Organisational Structure became effective from 1 April 2022. The 2021-22 comparatives have also been restated for the new structure.

Distribution of Headcount of Senior Civil Service (SCS) salaries (actual) as at end of March 2023

Pay Remuneration Bands	SCS within the range as at end of March 2023	Percentage
£70,000 - £75,000	17	4.93%
£75,000 - £80,000	53	15.36%
£80,000 - £85,000	72	20.87%
£85,000 - £90,000	55	15.94%
£90,000 - £95,000	27	7.83%
£95,000 - £100,000	27	7.83%
£100,000 - £105,000	15	4.35%
£105,000 - £110,000	15	4.35%
£110,000 - £115,000	11	3.19%
£115,000 - £120,000	16	4.64%
£120,000 - £130,000	7	2.03%
£130,000 - £135,000	7	2.03%
£135,000 - £145,000	7	2.03%
£145,000 - £150,000	8	2.32%
£150,000 - £155,000	4	1.16%
£170,000 - £175,000	1	0.29%
£175,000 - £180,000	1	0.29%
£180,000 - £185,000	1	0.29%
£185,000 - £190,000	1	0.29%
Grand Total	**345**	**100.00%**

Distribution of Headcount of Senior Civil Service (SCS) salaries (actual) as at end of March 2022

Pay Remuneration Bands	SCS within the range as at end of March 2022	Percentage
£70,000 - £75,000	21	6.91%
£75,000 - £80,000	58	19.08%
£80,000 - £85,000	52	17.11%
£85,000 - £90,000	30	9.87%
£90,000 - £95,000	30	9.87%
£95,000 - £100,000	27	8.88%
£100,000 - £105,000	22	7.24%
£105,000 - £110,000	12	3.95%
£110,000 - £115,000	12	3.95%
£115,000 - £120,000	7	2.30%
£120,000 - £130,000	9	2.96%
£130,000 - £140,000	9	2.96%
£140,000 - £150,000	9	2.96%
£150,000 - £155,000	2	0.66%
£155,000 - £160,000	1	0.33%
£160,000 - £165,000	1	0.33%
£165,000 - £170,000	1	0.33%
£200,000 or more	1	0.33%
Grand Total	**304**(1)	**100.00%**

(1)There is 1 Incoming Loan excluded from the distribution as their salary is not held on the Home Office Payroll System

Staff Costs

	Permanently employed staff £'000	Others £'000	Ministers £'000	Special advisers[1] £'000	2022-23 Departmental group total £'000	2021-22 Departmental group total £'000 (Restated)[2]
Wages and salaries	1,508,661	315,049	340	-	1,824,050	1,542,595
Social security costs	176,692	-	36	-	176,728	148,068
Other pension costs	392,286	-	-	-	392,286	345,839
	2,077,639	**315,049**	**376**	**-**	**2,393,064**	**2,036,502**
Less recoveries in respect of outward secondments	(862)	-	-	-	(862)	(689)
Total net costs	**2,076,777**	**315,049**	**376**	**-**	**2,392,202**	**2,035,813**
Of which:						
Core department	1,912,539	299,520	376	-	2,212,435	1,869,637
Arm's length bodies	164,238	15,529	-	-	179,767	166,176
Total net costs	**2,076,777**	**315,049**	**376**	**-**	**2,392,202**	**2,035,813**

[1] Special Advisers are temporary civil servants. In order to improve efficiency, the administration of staff costs for all Special Advisers across government is managed by the Cabinet Office, with corresponding budget cover transfers. Therefore all Special Adviser costs are reported in the Cabinet Office Annual Report and Accounts. Special Advisers remain employed by the respective Department of their appointing Minister.

[2] The new Home Office Organisational Structure became effective from 1 April 2022. The 2021-22 comparatives have also been restated for the new structure.

Staff Costs by business segment

Business Segment	Permanently employed staff £'000	Others £'000	Ministers £'000	Special advisers[2] £'000	2022-23 Departmental group total £'000	2021-22 Departmental group total £'000 (Restated)[1]
Delivery Group	210,511	21,401	-	-	231,912	228,032
Science, Technology, Analysis and Research	51,525	2,114	-	-	53,639	47,180
Homeland Security Group	79,729	3,164	-	-	82,893	74,294
Public Safety Group	115,674	20,394	-	-	136,068	120,869
Migration and Borders Group	71,280	6,293	-	-	77,573	196,441
Customer Services (UKVI and HMPO)	403,134	98,712	-	-	501,846	411,373
Asylum and Protection Group	185,588	67,046	-	-	252,634	138,130
Borders and Enforcement	782,644	47,534	-	-	830,178	609,014
Corporate Enablers	86,014	20,847	376	-	107,237	98,799
Digital, Data and Technology	83,008	27,479	-	-	110,487	102,819
Legal Advisors	-	-	-	-	-	-
Communications	7,670	65	-	-	7,735	8,862
Total staff costs	**2,076,777**	**315,049**	**376**	**-**	**2,392,202**	**2,035,813**

Staff Pension

The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) – known as “alpha” – are unfunded multi-employer defined benefit schemes but the Home Office is unable to identify its share of the underlying assets and liabilities.

The Scheme Actuary valued the PCSPS as at 31 March 2016. You can find details in the resource accounts of the Cabinet Office: Civil Superannuation.

For 2022-23, employers’ contributions of £359 million were payable to the PCSPS (2021-22 £315 million) at one of four rates in the range 26.6% to 30.3% of pensionable earnings, based on salary bands.

The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2022-23 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £2.5 million were paid to one or more of the panel of three appointed stakeholder pension providers. Employer contributions are age-related and ranged from 8% to 14.75%.

Employers also match employee contributions up to 3% of pensionable earnings. In addition, employer contributions of £96,700, 0.5% of pensionable pay, were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service or ill health retirement of these employees.

Contributions due to the partnership pension providers as at 31 March 2023 were £2.6 million (£2.6 million in 2021-22). Contributions prepaid at that date were £nil (£nil in 2021-22).

27 individuals retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £182,881.

By Analogy Pension Scheme

The Home Office also operates a 'Broadly by Analogy' (BBA) Pension Scheme. This scheme is analogous with the PCSPS. The BBA pensions are unfunded, with benefits being paid as they fall due. Liabilities for the scheme rest with the Home Office and provision for these liabilities is reflected in the Statement of Financial Position.

The BBA Pension arrangement is operated under broadly the same rules as the PCSPS. Liabilities relating to payments made before normal retirement under the terms of the Civil Service Compensation Scheme are excluded. The pension arrangements are unfunded, with benefits being paid as they fall due and guaranteed by the employer. There is no fund and, therefore, no surplus or deficit.

The size of this scheme is small and there are only a few former members of the Police Complaints Authority within the Home Office who are provided pensions under this arrangement. The exact value of the scheme is therefore not disclosed here.

Staff Sickness

The average working days lost to sick absence for the Home Office as of 31 March 2023 is 7.35 days (8.01 days in 2021-22). This is a decrease of 0.66 days per employee. This figure is per staff year for paid Civil Servants only, which is in line with cross-Government guidelines from Cabinet Office.

Trade Union facility time data

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require certain public sector employers to publish information on facility time used by Trade Union representatives. The information below sets out the relevant Trade Union facility time data for the Home Office.

The tables below sets out the Trade Union facility time data for the Home Office covering the period 1 April 2022 to 31 March 2023.

Number of employees who were Trade Union representatives	Number of employees who were Trade Union representatives expressed as a Full Time Equivalent number
368	350

This table shows, of the employees who were Trade Union representatives employed during the period, the percentage of their working hours spent on facility time.

Percentage of time spent on facility time	Number of employees
0%	80
1-50%	288
51%-99%	0
100%	0

This table shows the percentage of the total pay bill spent on Trade Union facility time during the period.

Total cost of facility time	£1,042,101
Total pay bill	£1,948,051,767
Percentage of the total pay bill spent on facility time	0.05%

This data shows, as a percentage of total paid facility time hours, the number of hours spent by employees who were Trade Union representatives during the period, on paid trade union activities.

Time spent on paid TU activities as a percentage of total paid facility time hours	0

Spend on consultancy services and temporary staff

The Home Office has a robust consultancy and contingent labour expenditure control process, which has been the subject of continuous improvement and review to ensure it is fit for purpose. This process requires requests to appoint or extend existing engagements for temporary labour and external consultancy services to seek approval by the External Resources Governance Board (ERG Board). The ERG Board is made up of relevant Heads of Profession and members of the Tax Centre of Excellence. This control covers the Home Office core and ALBs.

The Consultancy and Contingent Labour approvals process is owned and managed by the Chief Commercial Officer and was established in October 2010. Consultancy requests over £20,000, if approved by the ERG Board, are submitted to the Director General for Corporate and Delivery, who operates under delegation from the Home Secretary for requirements up to the value of £200,000. Requests above this value also go to the Permanent Secretary for approval and then onwards to the Home Secretary and the relevant minister. All Consultancy requests over £10 million in value are also submitted to the Cabinet Office Spending Controls Team for additional scrutiny and approval.

Temporary Labour requirements are subject to review against business resource plans and departmental engagement criteria, based on Cabinet Office, Crown Commercial Service and HMRC guidance and good practice. Additional scrutiny requiring the personal approval of the Director General for Corporate and Delivery, is also required for any engagements for SCS equivalent roles, durations likely to exceed two years and requirements attracting a charge rate of greater than £900 per day.

Full year spend in 2022-23 on Consultancy Services and Contingent Labour by the Home Office, including ALBs, was £375.1 million, an increase of £160.7 million from 2021-22 spend. The spend on consultancy services of £120.9 million, was £51.1 million higher than in 2021-22. The spend on Contingent Labour/Agency costs of £254.2 million, was £109.6 million higher than in 2021-22.

The Home Office monitors Temporary Staff costs to ensure that the continuing expenditure represents the best value for money for the organisation. Agency staff have been retained primarily as a flexible resource to deal with backlogs in migrant casework, passport application/examination, and asylum applications. The increase in spend is predominantly to continue to support two significant segments of the business high on Ministerial agendas:

- The Prime Minister’s Ten Point Plan – driven by the need for external services on strategy and delivery of the ten-point plan, primarily around the policy and detection of small boats.

- Increased demand for contingent labour to cover a vacancy or supplement internal capacity.
- Growing market trends of increased day rates for off-payroll workers.
- Border Force and Immigration - driven by continued high levels of arrivals to the UK of asylum seekers and the need to develop systems to assess, track and process people entering and leaving the UK.

The remainder of the Temporary Labour spend was associated with the engagement of specialist contractors and interim managers, primarily to assist the Home Office with our transformation plans and to deliver our Digital strategy.

Consultancy Services	2022-23 total expenditure (£000)	2021-22 total expenditure (£000)
Home Office Core Department	117,444	67,141
Disclosure and Barring Service	548	460
College of Policing	2,195	1,895
Security Industry Authority	165	167
Gangmasters & Labour Abuse Authority	437	189
Office of the Immigration Services Commissioner	142	-
Total	**120,931**	**69,852**

Contingent Labour/Agency Costs	**2022-23 total expenditure (£000)**	**2021-22 total expenditure (£000)**
Home Office Core Department	244,183	133,669
Disclosure and Barring Service	1,969	3,629
College of Policing	5,881	6,434
Security Industry Authority	1,558	573
Independent Office for Police Conduct	561	349
Office of the Immigration Services Commissioner	79	-
Total	**254,231**	**144,654**

Total Consultancy Services and Contingent Labour/Agency Costs	2022-23 total expenditure (£000)	2021-22 total expenditure (£000)
Home Office Core Department	361,627	200,810
Independent Office for Police Conduct	561	349
College of Policing	8,076	8,329
Disclosure and Barring Service	2,517	4,089
Security Industry Authority	1,723	740
Office of the Immigration Services Commissioner	221	-
Gangmasters & Labour Abuse Authority	437	189
Total	**375,162**	**214,506**

Off-payroll engagements

Following the Review of Tax Arrangements of Public Sector Appointees published by the Chief Secretary to the Treasury on 23 May 2012, departments and their arm's length bodies must publish information on their high paid and/or senior off-payroll engagements.

The tables 1 and 2 below provide the total number of off-payroll engagements, who are earning more than £245 per day plus new engagements during the year, table 3 shows those who were board members or senior officials during the year.

Table 1: This table shows the number of off-payroll engagements as of 31 March 2023, for more than £245 per day and that last for longer than six months	**Main Department**	**ALBs**	**Departmental group**
Number of existing engagements as of 31 March 2023	496	25	521
Of which:			
Number that have existed for less than one year at time of reporting	286	16	302
Number that have existed for between one and two years at time of reporting	164	5	169
Number that have existed for between two and three years at time of reporting	32	3	35
Number that have existed for between three and four years at time of reporting	6	1	7
Number that have existed for four or more years at time of reporting	8	-	8

All existing off-payroll engagements, outlined above, have at some point been subject to a risk-based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where necessary, that assurance has been sought.

Table 2: For all off-payroll appointments engaged at any point during the year ended 31 March 2023, earning at least £245 per day or greater.	**Main Department**	**ALBs**	**Departmental group**
The number of appointments in force during the time period	724	43	767
Of which:			
The number of these appointments to which the off-payroll legislation does not apply	11	3	14
Number of these appointments to which the off-payroll legislation does apply and which were assessed as within scope of IR35;	713	40	753
The number of these appointments to which the off-payroll legislation does apply and which were assessed as not within scope of IR35;	1	0	1
The number of appointments that were reassessed for consistency/assurance purposes during the year; and	407	21	428
The number that saw a change to IR35 status following the assurance review.	1	0	1

Table 3: For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2022 and 31 March 2023	**Main Department**	**ALBs**	**Departmental group**
Number of off-payroll engagements of board members and/or senior officials with significant financial responsibility, during the financial year	-	-	-
Number of individuals that have been deemed ‘board members and/or, senior officials with significant financial responsibility’, during the financial year. This figure should include both off-payroll and on-payroll engagement	N/A	N/A	N/A

Reporting of Civil Service and other compensation schemes – exit packages

This table is subject to audit.

	Core Department & Agencies			Departmental Group		
Exit package cost band	**Number of compulsory redundancies**	**Number of other departures agreed**	**Total number of exit packages by cost band**	**Number of compulsory redundancies**	**Number of other departures agreed**	**Total number of exit packages by cost band**
Less than £10,000	0 (0)	3 (21)	3 (21)	0 (0)	3 (21)	3 (21)
£10,000 - £25,000	0 (0)	9 (3)	9 (3)	0 (0)	10 (3)	10 (3)
£25,000 - £50,000	0 (0)	12 (1)	12 (1)	0 (0)	16 (2)	16 (2)
£50,000 - £100,000	0 (0)	1 (1)	1 (1)	0 (1)	2 (3)	2 (4)
£100,000 - £150,000	0 (0)	0 (0)	0 (0)	0 (3)	1 (1)	1 (4)
Total number of exit packages by type	0 (0)	25 (26)	25 (26)	0 (4)	32 (30)	32 (34)
Total resource cost (£000)	0 (0)	684 (321)	684 (321)	0 (410)	1,074 (634)	1,074 (1,044)

Comparative figures for the prior year are shown in brackets.

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972 and as amended by the Superannuation Act 2010. Exit costs are accounted for in full in the year of departure. Where the department has agreed early exits, the additional costs are met by the department and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

Civil Service People Survey

The annual Civil Service People Survey looks at civil servants' attitudes to and experience of working in government departments. The Home Office uses its annual staff survey results as an indicator of where to focus efforts in its People Plan.

The 2022 People Survey had a 57% response rate, which remained the same as 2021.The departmental results show the staff engagement level measured by the Employee Engagement Index – the key indicator of staff opinion – remained the same as 2021 at 57%.

Full results of the Civil Service People Survey are published on GOV.UK. This includes a technical guide detailing the questionnaire civil servants are asked to complete, the data collection methodology and the framework underpinning the analysis of the results.

Diversity and Inclusion

The Home Office is committed to being a diverse and inclusive employer, representative of the communities we serve. The benefits of having a breadth of experience, knowledge and outlook within our workforce will help us to improve our work and outcomes for citizens. We aim to continue to build an inclusive environment for all our people.

Recruiting, retaining and developing our people is important to our ambition to become representative of the communities we serve. Our continuing focus is to attract, retain and invest in talent, drawing on the talents of the widest possible range of geographical, social and career backgrounds. We continue to focus on addressing under-representation where it occurs within our workforce. There is a clear correlation between diversity and organisational performance with benefits including increased productivity, greater innovation and improved retention rates (McKinsey and Company). We continue to ensure our actions and ambitions align to the Civil Service Diversity and Inclusion strategy and priorities. Matthew Rycroft, the Permanent Secretary, has roles as Civil Service Faith and Belief Champion and Civil Service Race Champion.

Table 1 below sets out representation targets for the department to achieve by 2025. These targets were derived in 2018 by setting them equal to either the UK economically active population or current Home Office representation, whichever was higher at the time.

Table 1: Progress against Home Office workforce diversity targets

Characteristic	Grade	Target	2022	2023
Ethnic Minority	All Staff	24%	24%	24%
	SCS	12%	8%	10%
Disability	All Staff	12%	11%	12%
	SCS	5%	9%	13%
Female	All Staff	52%	52%	52%
	SCS	47%	45%	48%
Lesbian, Gay and Bi*	All Staff	6%	4%	5%
	SCS	6%	5%	6%

* At the time of collecting this data, the Home Office's HR IT system only recorded people as either 'Heterosexual', 'Straight' or 'LGB'. Representation rates are based on those who declare their personal information. Those who prefer not to say or are not surveyed are excluded.

The last twelve months has seen the department reach targets or increase representation for all staff and with our SCS grades. We have made some progress this year in achieving our 2025 targets, increasing our representation from 8% in 2022 to 10% for Ethnic Minority. A key area of activity has been reviewing our approach to our SCS recruitment, and the use of Positive Action interventions such as our internal talent and sponsorship programmes designed to address underrepresentation. We will review our approach to representation targets following the release of new census 21 data for England and Wales.

At SCS level we have seen increases across all four main protected characteristics where we have set targets. We have seen the introduction and trialling of new branding and attraction techniques, a clearer definition and use of Positive Action statements in our recruitment literature to encourage applications from underrepresented communities (as substantiated by our workforce data) and a refreshed focus in ensuring our internal talent schemes are supporting our people achieve their aspirations and potential.

Alongside encouraging our staff to apply for Civil Service talent programmes, the Home Office provides in-house talent programmes. Access (AA-EO) and Advance (HEO-SEO) are open to all staff. We record diversity data to help us monitor talent potential and realisation.

Accelerate is a talent programme open for ethnic minority staff. It is designed to enhance the opportunity to progress talented individuals into SCS grades, helping to achieve our SCS target of 12% ethnic minorities by 2025. This year our programme has focused on developing staff outside London, to support our ambition to be representative of the communities we serve across all our regional locations. Accelerate is one of a number of initiatives the Department has introduced to support our representation ambitions.

Table 2: Access Talent Programme – Diversity Breakdown

Access (AA-EO)	2022	2023
Ethnic Minority	30%	28%
Female	52%	63%
Disability	21%	19%
LGB	11%	9%

Table 2.1: Advance Talent Programme – Diversity Breakdown

Advance (HEO-SEO)	2022
Ethnic Minority	20%

Female	60%
Disability	8%
LGB	11%

Our thematic approach to diversity and inclusion frames our approach to reducing the gender pay gap and the key activities under our wider Gender Equality Action Plan. This work is coordinated and led by our Director General Champion and her board. The board monitors and evaluates the department's progress against the commitment we make to close our gender pay gap and help to ensure that the actions which we take are the right ones. Our approach is evidence led, informed by both the feedback and personal experiences of our people and organisational data collected through our People Survey. These are in addition to insights we draw from our gender pay gap analysis.

In 2023 we have seen a 3% increase in our female representation at SCS, (48% from 45%) over the previous year. Although we have reached our 2025 workforce diversity target for female SCS representation as of March 31 2023, we continue to review our approach to maintain our representation as this can fluctuate year on year. During 2022-23, we have taken a range of targeted actions to address women specific issues e.g. the impacts of menopause. Where we have seen that professions or occupations have fewer women employed, we have continued to focus on activities to broaden and create opportunities. Initiatives have ranged from women into Tech piloting different models of working pattern in front facing roles.

Table 3: Number of male and female employees 31 March 2023[1]

	Female	Male	Total as at 31 March 2023	Female representation by %
Directors[2]	7	5	12	58.3%
Senior Managers[3]	166	179	345	48.1%
Employees[4]	22,225	20,183	42,408	52.4%

Table 4: Number of male and female employees 31 March 2022[1]

	Female	Male	Total as at 31 March 2022	Female representation by %
Directors[2]	8	6	14	57.1%
Senior Managers[3]	137	167	304	45.1%
Employees[4]	18,668	17,113	35,781	52.2%

1. Based on headcount (not full-time equivalent). Includes permanent employees.

2. Members of the Executive Committee.
3. All managers at Senior Civil Service (SCS) level.
4. Employees - all grades (AA to SCS)

The Home Office Gender Pay Gap Report was published in November 2022 and covers the period April 2021 to March 2022. The primary drivers of our gender pay gap relates to our workforce composition. The use of allowances to attract, retain and recompense our people engaged in front line 24/7 operations, compared to the rest of our workforce, has a significant impact. Our report highlighted that progress continued to reduce both our mean and median pay gaps, from the previous year, with bonus pay gaps also reducing significantly compared to 2021. Our full report can be found here.

Table 5: Home Office Gender Pay Gap

Hourly Pay Gap	Mean	Median
Most recent year (2021-22)	6.7%	7.5%
Prior year (2020-21)	7.7%	11.5%

Bonus Pay Gap	Mean	Median
Most recent year (2021-22)	1.5%	-6.7%
Prior year (2020-21)	4.7%	0%

Table 5.1: Percentage of males and females in each pay quartile

Quartile	Male	Female
Upper quartile	55.0%	45.0%
Second quartile	53.7%	46.3%
Third quartile	43.9%	56.1%
Lower quartile	41.2%	58.8%

Table 5.2: Percentage of employees receiving a bonus

Male	Female
79.7%	79.6%

The Home Office is committed to delivering our Places for Growth strategy which contributes to the Government's Levelling up agenda, ensuring that our workforce represents the diverse range of communities we serve. We have relocated 2,229 roles to date (including 32 SCS roles) against a target of 1950 roles (including 80 SCS). We will continue to build on our broad geographic footprint to ensure we provide talent opportunity and career progression pathways wherever our people are based in the UK and overseas.

As we establish a new hub location in Stoke on Trent we have used an extensive outreach programme to reach as diverse a range of new hires as possible, seeking to positively impact social mobility in the area.

The Home Office is proud to be a Disability Confident Leader employer. We continue to increase understanding, remove barriers and ensure that disabled people have the opportunities to fulfil their potential and realise their aspirations.

Our focus remains on ensuring that workplace adjustments are in place and provided where required. An in-house expert consultancy team has provided in excess of 1300 interventions or advice for colleagues and managers this year and we continue to focus on simplifying our processes while raising awareness and understanding. This is done in conjunction with our staff support networks and with senior executive level sponsorship. Disability remains a key area of focus for the department. Our priorities also continue to focus on recruitment and talent programmes to support our ambitions to continue to have a diverse workforce

The British Sign Language Act 2022 helps promote and facilitate the use of British Sign Language (BSL) by providing legal recognition of BSL and recognising BSL as a language of Great Britain in its own right. A key departmental approach has led to the full revision of our commercial arrangements in relation to BSL. We are launching our new contract, with a specialist BSL provider, which went live from May 2023. We are confident that this will ease the process by which staff in the department can access BSL services.

In July 2020, we published an internal Race Action Plan (RAP) and set up a dedicated delivery team in recognition of the focus we place on addressing inequalities for Ethnic Minority staff such as underrepresentation in senior grades, recruitment and progression, disparities in reward and recognition for Ethnic Minority staff and higher incidences of Bullying, Harassment and Discrimination (BHD). This year we have reviewed our progress against the plan and refreshed how we will deliver against our strategic priorities. We have seen progress against our objectives, with internal staff engagement scores for those who identify as being from Black/Black British, 63%, and Asian/Asian British, 67%, being significantly above the Home Office overall engagement score, 57%. We have also seen reductions in people’s perceptions of bullying harassment and discrimination (BHD), as part of a departmental wide focus to reduce instances across the whole organisation.

We continue to focus on ensuring that where disparities exist in outcomes for our people based on ethnicity in areas of recruitment, retention, progression, lived experiences and BHD, these are addressed. Evaluating our approach to our Positive Action initiatives will be a key focus for the coming year, to ensure that they are effective and deliver our outcomes at all levels in our organisation for underrepresented groups, in particular ethnic minorities.

Whilst we remain below the target for Lesbian, Gay and Bisexual (LGB) representation for All Staff, as of March 31 2023 we had reached our 2025 workforce diversity target for LGB SCS representation at 6%. We continue to review our approach to maintain our representation as this can fluctuate year on year. We continue to focus on ensuring that support for LGBT+ colleagues is in place and have appointed a new executive level sponsor who will support our approach to inclusion further in the coming year.

In the last year, the Home Office has continued to drive forward a programme of activity aimed at improving social mobility outcomes for our workforce and the communities which we represent; ensuring opportunity for all.

A number of initiatives have been introduced over the last year. This included a departmental wide mentoring campaign: “each one, reach one” in which 1600 colleagues took part and the promotion of departmental wide mentoring schemes, with a 20% increase in attendees. Promoted in the Catapult Cross Government Mentoring Scheme run by Ministry of Justice, resulting in a circa 20% increase in Home Office colleagues signing up to the scheme as both mentors and mentees compared to last year. The Home Office are now the fourth largest contingent across all government departments.

Outreach to wider communities has also been a key area of focus this year. We have worked with external partners to reach out to schools, encouraging those from lower socio-economic backgrounds to apply for roles within the Home Office with a number successfully obtaining internships on the Fast Stream Early Diversity Internship Programme and other government internship schemes. We continue to promote and use apprenticeships throughout the Department. We are also working closely with local schools in new locations which the Home Office will be based outside of London, to help people see the Home Office as an employer in their area and support our Places for Growth agenda.

The Home Office continues to recognise and support colleagues with different Faiths and Beliefs. Our executive champion sponsor meets with our Faith and Belief networks quarterly to discuss the Faith and Belief priorities for the Department, promoting a culture to ensure those of Faith and Belief and none, are comfortable at work. The board focuses on amplifying the dialogue on Faith and Belief, celebrating shared values and opportunities to work together whilst facilitating difficult conversations where needed. On representation, 1/3 of the workforce declares as having no religion as of December 2022. Christianity remains the largest faith grouping within the workforce by a significant percentage (42.2%). This is generally represented across business areas in terms of Faith and Belief breakdown by workforce.

Parliamentary Accountability and Audit Report

Statement of outturn against Parliamentary supply

In addition to the primary statements prepared under IFRS, the Government Financial Reporting Manual (FReM) requires the Home Office to prepare a Statement of Outturn against Parliamentary Supply (SOPS) and supporting notes.

The SOPS and related notes are subject to audit, as detailed in the Certificate and Report of the Comptroller and Auditor General to the House of Commons.

The SOPS is a key accountability statement that shows, in detail, how an entity has spent against their Supply Estimates. Supply is the monetary provision (for resource and capital purposes) and cash (drawn primarily from the Consolidated fund), that Parliament gives statutory authority for entities to utilise. The Estimate details Supply and is voted on by Parliament at the start of the financial year.

Should an entity exceed the limits set by their Supply Estimates, called control limits, its accounts will receive a qualified opinion.

The format of the SOPS mirrors the Supply Estimates, published on GOV.UK, to enable comparability between what Parliament approves and the final outturn.

The SOPS contains a summary table, detailing performance against the control limits that Parliament has voted on, cash spent (budgets are compiled on an accruals basis and so outturn won’t exactly tie to cash spent) and administration.

The supporting notes detail the following: Outturn by Estimate line, providing a more detailed breakdown (note 1); a reconciliation of outturn to net operating expenditure in the SOCNE, to tie the SOPS to the financial statements (note 2); a reconciliation of outturn to net cash requirement (note 3); and an analysis of income payable to the Consolidated Fund (note 4).

The SOPS and Estimates are compiled against the budgeting framework, which is similar to, but different to, IFRS. An understanding of the budgeting framework and an explanation of key terms is provided in the financial review section of the performance report. Further information on the Public Spending Framework and the reasons why budgeting rules are different to IFRS can also be found in chapter 1 of the Consolidated Budgeting Guidance, available on gov.uk.

The SOPS provides a detailed view of financial performance, in a form that is voted on and recognised by Parliament. The financial review, in the Performance Report, provides a summarised discussion of outturn against estimate and functions as an introduction to the SOPS disclosures.

Summary tables – mirrors part 1 of the Estimates

Summary table, 2022-23, all figures presented in £000s

Type of spend	SoPS note	Outturn			Estimate			Outturn vs Estimate, saving/(excess)		Prior year outturn total, 2021-22
		Voted	Non-Voted	Total	Voted	Non-Voted	Total	Voted	Total	
Departmental Expenditure Limit										
Resource	1.1	17,005,391	-	17,005,391	17,105,529	-	17,105,529	100,138	100,138	14,711,574
Capital	1.2	925,366	-	925,366	1,052,343	-	1,052,343	126,977	126,977	823,381
Total		17,930,757	**-**	17,930,757	18,157,872	-	18,157,872	227,115	227,115	15,534,955
Annually Managed Expenditure										
Resource	1.1	2,070,747	-	2,070,747	2,127,790	-	2,127,790	57,043	57,043	2,647,395
Capital	1.2	-	-	-	-	-	-	-	-	-
Total		2,070,747	**-**	2,070,747	2,127,790	-	2,127,790	57,043	57,043	2,647,395
Total Budget										
Resource	1.1	19,076,138	-	19,076,138	19,233,319	-	19,233,319	157,181	157,231	17,358,969
Capital	1.2	925,366	-	925,366	1,052,343	-	1,052,343	126,977	126,977	823,381
Total Budget Expenditure		**20,001,504**	**-**	**20,001,504**	**20,285,662**	**-**	**20,285,662**	**284,158**	**284,158**	**18,182,350**
Non-Budget Expenditure	1.1	-	-			-	-	-	-	-
Total Budget and Non-Budget		**20,001,504**	**-**	**20,001,504**	**20,285,662**	**-**	**20,285,662**	**284,158**	**284,158**	**18,182,350**

Figures in the areas outlined in thick line cover the control limits voted by Parliament. Refer to the Supply Estimates guidance manual, available on GOV.UK, for detail on the control limits voted by Parliament.

Net cash requirement 2022-23, all figures presented in £000s

Item	SoPS note	Outturn	Estimate	Outturn vs Estimate, saving/(excess)	Prior year outturn total, 2021-22
Net cash requirement	3	19,461,782	19,800,000	**338,218**	**16,972,682**

Administration costs 2022-23, all figures presented in £000s

Type of spend	SoPS note	Outturn	Estimate	Outturn vs Estimate, saving/(excess)	Prior year outturn total, 2021-22
Administration costs	1.1	377,727	396,738	**19,011**	**282,944**

Although not a separate voted limit, any breach of the administration budget will also result in an excess vote.

Notes to the Statement of Parliamentary Supply 2022-23 (£000s)

SoPS 1. Outturn detail, by Estimate line[1]

SoPS 1.1. Analysis of resource outturn by Estimate line

Type of spend (resource)	Resource outturn							Estimate			Outturn vs Estimate, saving/ (excess)	Prior year outturn total, 2021-22, restated
	Administration			Programme			Total	Total	Virements	Total including virements		
	Gross	Income	Net	Gross	Income	Net						
Spending in Departmental Expenditure Limit (DEL)												
Voted expenditure												
A - Delivery Group	20,050	-	20,050	58,787	(999)	57,788	77,838	86,698	574	87,272	9,434	108,405
B - Science, Technology, Analysis and Research	16,075	(1,060)	15,015	39,063	(19,517)	19,546	34,561	39,804	(1,542)	38,262	3,701	31,849
C - Homeland Security Group	53,053	-	53,053	1,309,591	(237,570)	1,072,021	1,125,074	1,164,755	(1,814)	1,162,941	37,867	1,021,788
D - Public Safety Group	52,310	(2,373)	49,937	11,154,427	3	11,154,430	11,204,367	11,487,799	(281,086)	11,206,713	2,346	10,473,220
E - Migration and Borders Group	34,692	(201)	34,491	254,246	(784)	253,462	287,953	494,485	(202,862)	291,623	3,670	252,156
F - Customer Services (UKVI and HMPO)	(22)	-	(22)	1,137,087	(4,303,319)	(3,166,232)	(3,166,254)	(3,126,179)	(40,075)	(3,166,254)	-	(2,180,020)
G - Asylum and Protection Group	-	-	-	4,589,954	(91,131)	4,498,823	4,498,823	3,903,203	597,691	4,500,894	2,071	2,513,402
H - Borders and Enforcement	(270)	-	(270)	1,474,645	(69,567)	1,405,078	1,404,808	1,411,604	(2,527)	1,409,077	4,269	1,022,821
I - Corporate Enablers	203,614	(50,092)	153,522	794,130	(1,991)	792,139	945,661	1,025,034	(70,385)	954,649	8,988	931,558
J - Digital, Data and Technology	33,594	(1,913)	31,681	573,663	(132,331)	441,332	473,013	467,078	6,446	473,524	511	435,679
K - Legal Advisors	11,131	-	11,131	-	-	-	11,131	12,947	(1,816)	11,131	-	10,111
L - Communications	9,139	-	9,139	(583)	-	(583)	8,556	11,743	(2,604)	9,139	583	17,529
M - Arms Length Bodies (Net)	-	-	-	99,860	-	99,860	99,860	126,558	-	126,558	26,698	73,076
Total voted DEL	**433,366**	**(55,639)**	**377,727**	**21,484,870**	**(4,857,206)**	**16,627,664**	**17,005,391**	**17,105,529**	**-**	**17,105,529**	**100,138**	**14,711,574**
Total spending in DEL	**433,366**	**(55,639)**	**377,727**	**21,484,870**	**(4,857,206)**	**16,627,664**	**17,005,391**	**17,105,529**	**-**	**17,105,529**	**100,138**	**14,711,574**

[1] The new Home Office Organisational Structure became effective from 1 April 2022, and the voted expenditure categories in these notes to the statement of parliamentary supply align with the operating segments of the Home Office in the new structure. The 2021-22 comparatives have also been restated for the new vote categories and new structure.

Type of spend (resource)	Resource outturn							Estimate			Outturn vs Estimate, saving/ (excess)	Prior year outturn total, 2021-22, restated
	Administration			Programme			Total	Total	Virements	Total including virements		
	Gross	Income	Net	Gross	Income	Net						
Spending in Annually Managed Expenditure (AME)												
Voted expenditure												
N - AME Charges	-	-	-	(7,220)	-	(7,220)	(7,220)	(24,822)	17,602	(7,220)	-	131,853
O - Police and Fire Superannuation	-	-	-	2,077,967	-	2,077,967	2,077,967	2,152,612	(17,602)	2,135,010	57,043	2,515,542
Total voted AME	-	-	-	2,070,747	-	2,070,747	2,070,747	2,127,790	-	2,127,790	57,043	2,647,395
Total spending in AME	-	-	-	2,070,747	-	2,070,747	2,070,747	2,127,790	-	2,127,790	57,043	2,647,395
Total resource	**433,366**	**(55,639)**	**377,727**	**23,555,617**	**(4,857,206)**	**18,698,411**	**19,076,138**	**19,233,319**	**-**	**19,233,319**	**157,181**	**17,358,969**

SoPS 1.2. Analysis of capital outturn by Estimate line

Type of spend (capital)	Outturn			Estimate			Outturn vs Estimate, saving/(excess)	Prior year outturn total, 2021-22, restated
	Gross	Income	Net	Total	Virements	Total including virements		
Spending in Departmental Expenditure Limit (DEL)								
Voted expenditure								
A - Delivery Group	3,048	-	3,048	2,101	947	3,048	-	2,691
B - Science, Technology, Analysis and Research	43,070	(97)	42,973	36,547	6,426	42,973	-	37,611
C - Homeland Security Group	157,771	-	157,771	167,663	(9,892)	157,771	-	190,326
D - Public Safety Group	225,286	65	225,351	221,489	3,862	225,351	-	181,558
E - Migration and Borders Group	172,088	81	172,169	166,291	5,878	172,169	-	98,714
F - Customer Services (UKVI and HMPO)	92,755	(5,335)	87,420	79,087	8,333	87,420	-	97,628
G - Asylum and Protection Group	6,907	-	6,907	10,290	(3,383)	6,907	-	(379)
H - Borders and Enforcement	140,763	(5,326)	135,437	153,215	(511)	152,704	17,267	144,904
I - Corporate Enablers	39,364	(1,435)	37,929	159,485	(15,229)	144,256	106,327	(5,262)
J - Digital, Data and Technology	39,959	-	39,959	35,260	8,082	43,342	3,383	59,676
K - Legal Advisors	-	-	-	-	-	-	-	-
L - Communications	-	-	-	-	-	-	-	2
M - Arms Length Bodies (Net)	16,402	-	16,402	20,915	(4,513)	16,402	-	15,912
Total voted DEL	**937,413**	**(12,047)**	**925,366**	**1,052,343**	**-**	**1,052,343**	**126,977**	**823,381**
Total spending in DEL	**937,413**	**(12,047)**	**925,366**	**1,052,343**	**-**	**1,052,343**	**126,977**	**823,381**
Spending in Annually Managed Expenditure (AME)								
Voted expenditure								
N - AME Charges	-	-	-	-		-	-	-
O - Police and Fire Superannuation	-	-	-	-		-	-	-
Total voted AME	-	-	-	-	-	-	-	-
Total spending in AME	-	-	-	-	-	-	-	-
Total capital	**937,413**	**(12,047)**	**925,366**	**1,052,343**	**-**	**1,052,343**	**126,977**	**823,381**

The total Estimate columns include virements. Virements are the reallocation of provision in the Estimates that do not require parliamentary authority (because Parliament does not vote to that level of detail and delegates to HM Treasury). Further information on virements is provided in the Supply Estimates Manual, available on gov.uk.

The outturn vs estimate column is based on the total including virements. The estimate total before virements have been made is included so that users can tie the Estimate back to the Estimates laid before Parliament.

SoPS 2. Reconciliation of outturn to net operating expenditure

	Item	Reference	Outturn total	Prior year outturn total, 2021-22
Total resource outturn		**SoPS 1.1**	**19,076,138**	**17,358,969**
Add:	Capital grants		201,674	631,680
	Capital expenditure		82,481	78,122
	Capital disposal adjustments		-	(244,857)
Total			**284,155**	**464,945**
Less:	Income payable to the Consolidated Fund		(207,919)	(304,548)
	Capital grant income		(5,778)	(2,480)
Total			**(213,697)**	**(307,028)**
Net Operating Expenditure in Consolidated Statement of Comprehensive Net Expenditure		**SoCNE**	**19,146,596**	**17,516,886**

As noted in the introduction to the SOPS above, outturn and the Estimates are compiled against the budgeting framework, which is similar to, but different from, IFRS. Therefore, this reconciliation bridges the resource outturn to net operating expenditure, linking the SOPS to the financial statements.

SoPS 3. Reconciliation of net resource outturn to net cash requirement

Item	Reference	Outturn total	Estimate	Outturn vs Estimate, saving/(excess)
Total resource outturn	**SoPS 1.1**	**19,076,138**	**19,233,319**	**157,181**
Total capital outturn	**SoPS 1.2**	**925,366**	**1,052,343**	**126,977**
Adjustments for ALBs:				
Remove voted resource and capital		(116,580)	(147,473)	(30,893)
Add cash grant-in-aid		131,218	131,478	260
Adjustments to remove non-cash items:				
Depreciation and amortisation		(671,259)	(712,201)	(40,942)
New provisions and adjustments to previous provisions		(73,639)	(73,639)	24,822
Departmental unallocated provision		-	-	-
Accrued capital expenditure		(92,814)	-	92,814
Other non-cash items		(122,211)	-	122,211
Adjustments to reflect movements in working balances:				
Increase/(decrease) in inventories		(900)	-	900
Increase/(decrease) in receivables		(95,047)	-	95,047
(Increase)/decrease in payables		177,977	217,712	39,735
(Increase)/decrease in pension liability		22	-	(22)
Use of provisions		80,497	-	(80,497)
Total		**19,218,768**	**19,800,000**	**581,232**
Removal of non-voted budget items:				
Other adjustments		243,014	-	(243,014)
Net cash requirement		**19,461,782**	**19,800,000**	**338,218**

As noted in the introduction to the SOPS above, outturn and the Estimates are compiled against the budgeting framework, not on a cash basis. Therefore, this reconciliation bridges the resource and capital outturn to the net cash requirement.

SoPS 4. Amounts of income to the Consolidated Fund

SoPS 4.1. Analysis of income payable to the Consolidated Fund

In addition to income retained by the Department, the following income is payable to the Consolidated Fund.

	Outturn total		Prior year, 2021-22	
	Accruals	**Cash basis**	**Accruals**	**Cash basis**
Income outside the ambit of the Estimate	227,692	207,919	358,808	304,548
Total amount payable to the Consolidated Fund	**227,692**	**207,919**	**358,808**	**304,548**

SoPS 4.2. Consolidated Fund Income

Consolidated Fund income shown in SOPS note 4.1 above does not include any amounts collected by the department where it was acting as agent for the Consolidated Fund rather than as principal. In accordance with an HM Treasury direction, the non-retainable income generated is not recognised in the Resource Accounts.

Full details of income collected as agent for the Consolidated Fund are included within the Home Office’s Trust Statement, published separately from but alongside these financial statements. This includes income relating to Immigration Skills Charge, Civil Penalties, Immigration Penalties and Consular Fees.

Regularity of expenditure

The following section is subject to audit.

We are custodian of taxpayers' funds and have a duty to Parliament to ensure the regularity and propriety of our activities and expenditure. We manage public funds in line with HM Treasury's Managing Public Money. The disclosures made within the Parliamentary Accountability and Audit Report are indicative of this.

The importance of operating with regularity and the need for efficiency, economy, effectiveness and prudence in the administration of public resources to secure value for public money, is the responsibility of our Accounting Officer whose responsibilities are also set out in Managing Public Money.

The manner in which the Accounting Officer and the wider department discharges its responsibilities in the administration of public resources are detailed within the Statement of Accounting Officer Responsibilities and the Governance Statement.

Parliamentary Accountability Disclosures

The following sections are subject to audit.

Losses and Special Payments

Losses statement

Losses are transactions of a type which Parliament could not have foreseen when Supply funding for the department was voted. The term loss includes loss of public monies, stores, stocks, cash and other property entrusted to the Home Office. Examples include: cash losses, bookkeeping losses, exchange rate fluctuations, losses of pay, allowance and superannuation benefits, losses arising from overpayments, losses arising from failure to make adequate charges, and losses arising from accountable stores.

Situations where recurring or individual circumstances result in multiple losses of equivalent nature are grouped together. This group is subsequently counted as one case. This results in greater visibility where circumstances result in significant total values of cases despite individual cases being low value.

	2022-23				2021-22			
	Core Department and Agencies		Departmental Group		Core Department and Agencies		Departmental Group	
	Number of cases	£000	Number of cases	£000	Number of cases	£000	Number of cases	£000
Losses under £300,000	705	132	710	132	268	227	272	233
Cases over £300,000	4	150,129	4	150,129	3	36,647	3	36,647
TOTAL	**709**	**150,261**	**714**	**150,261**	**271**	**36,874**	**275**	**36,880**
Cases over £300,000 comprise:								
Fruitless payments	3	14,129	3	14,129	2	13,227	2	13,227
Cash Loss	-	-	-	-	-	-	-	-
Constructive Loss	1	136,000	1	136,000	-	-	-	-
Store Loss	-	-	-	-	-	-	-	-
Claims waived or abandoned	-	-	-	-	1	23,420	1	23,420
TOTAL		**150,129**		**150,129**	**3**	**36,647**	**3**	**36,647**

Losses over £300,000 comprised:

1. Fruitless payments totalling £1.5 million (2021-22 £1.1 million) were incurred by the Home Office as a result of the cancellation of scheduled flights intended to return those who no longer have the right to remain in the United Kingdom

2. In 2021, the Home Office wrote to the Competition and Markets Authority (CMA) about competition concerns over the supply of emergency radio services in Great Britain,

and Motorola’s dual role as owner of Airwave Solutions and as a supplier to the programme for the new Emergency Services Network (ESN). Following the launch of the CMA investigation, Motorola indicated their intention to leave the ESN programme. The termination resulted in a constructive loss of £135.1m for spend incurred under the contract between 2016 and 2023, where the value received has fallen short of original expectations.

On balance, the early exit and CMA referral resulted in better value for money overall, as it minimised further spend under the contract, and the CMA intervention on Airwave prices is anticipated to save the taxpayer over £1bn.

3. As reported in 2020-21, HMRC launched an enquiry into the Home Office’s compliance with the off payroll working (IR35) rules in relation to contingent labour in 2018. That enquiry concluded that there had been instances where contractors were incorrectly assessed as out of scope. HMRC assessed the tax and national insurance lost between 6 April 2017, when the rules came into force, and 31 March 2021 at £29.5 million, which was reported in 2020-21 as loss. In 2020-21, we reported that HMRC had also imposed a penalty of £4 million, suspended for 3 months subject to certain conditions. Those conditions were met, and the penalty was cancelled.

   The Home Office completed an IR35 review of its Managed Service contracts in August 2022 as part of an over-arching IR35 Compliance Project being rolled out across the department. This review of the Home Office’s Managed Service contracts (of which there are more than 1,000) identified approximately 20 contracts which were assessed as being at risk of generating a tax liability to the Home Office. The Home Office made an accrual of £12.3m in relation to this in 2021-2022, as reported in the 2021-22 accounts, and has made a further accrual of £9.7m in 2022-23 to represent the potential liability relating to these contracts. The Home Office is currently in discussions with HMRC to finalise the assessment of any IR35 non-compliance resulting from these contracts and to agree on the final liability.

4. Included in the fruitless payments total above is £2.9m loss relating to sunk costs for Linton-on-Ouse. The loss relates to costs incurred in physical works and provision of personnel.

Special Payments

Special Payments are transactions that Parliament could not have anticipated when passing legislation or approving Supply Estimates for the department. Examples include: extra contractual payments to contractors, ex-gratia payments to contractors, other ex-gratia payments, compensation payments, and extra statutory and extra regulatory payments.

Situations where recurring or individual circumstances result in multiple special payments of equivalent nature are grouped together and counted as one case.

	2022-23				2021-22			
	Core Department and Agencies		**Departmental Group**		**Core Department and Agencies**		**Departmental Group**	
	Number of cases	**£000**	**Number of cases**	**£000**	**Number of cases**	**£000**	**Number of cases**	**£000**
Special Payments under £300,000	6,963	57,599	7,147	57,754	7,030	70,360	7,080	70,383
Special Payments over £300,000	5	4,391	5	4,391	2	911	2	911
TOTAL	**6,968**	**61,9904**	**7,152**	**62,145**	**7,032**	**71,271**	**7,082**	**71,294**

Special payments under £300,000 for 2022-23 totalled £57.5 million (2021-22: £70.4 million).

These payments were in relation to:

1. Adverse legal costs paid – 2,222 cases paid totalling £19.1 million (2,105 cases totalling £28.4 million in 2021-22)

2. Tribunal award payments – 2,921 cases paid totalling £0.5 million (3,207 cases totalling £0.5 million in 2021-22)

3. Compensation payments for wrongful detention - 736 cases totalling £16.1 million (572 cases totalling £12.7 million in 2021-22)

4. Other compensation payments – 76 cases totalling £1.0 million (156 cases totalling £2.8 million in 2021-22)

5. Ex-gratia payments - 368 payments totalling £0.5 million (272 cases totalling £0.9 million in 2021-22)

6. Windrush compensation scheme – 824 cases totalling £20.5 million (769 cases totalling £25.1 million 2021-22)

Some cases may involve multiple payments which fall under different classes of special payments. These cases have been counted under each class.

Special Payments over £300,000 comprise:

- an adverse legal cost of £1.0 million in connection with three cases brought against the Department (one case and costs of £0.4 million in 2021-22),
- one compensation payment of £0.5 million (one payment of £0.5 million in 2021-22)
- a payment, approved by HM Treasury, contributing to the Grenfell Tower Alternative Dispute Resolution. The total settlement, of which the Home Office contribution was a part, was in total around £150 million. The settlement is in respect of a civil damages claim by survivors of the Grenfell Tower fire and bereaved family members. The contribution made by the Home Office to this total is not disclosed in these accounts for confidentiality reasons, following legal advice.

Fees and Charges

		2022-23					2021-22				
Segment	**Income Stream**	Income **£'000**	Full Cost **£'000**	Surplus/ (deficit) **£'000**	Fee recovery actual **%**	Fee recovery target **%**	Income **£'000**	Full Cost **£'000**	Surplus/ (deficit) **£'000**	Fee recovery actual **%**	Fee recovery target **%**
Science, Technology, Analysis, Research	College of Policing - People Development	36,029	73,829	(37,800)	49%	100%	19,568	69,439	(49,871)	28%	100
Science, Technology, Analysis, Research	SIA - Licensing and ACS Income	30,477	33,396	(2,919)	91%	100%	30,468	27,271	3,197	112%	100
Science, Technology, Analysis, Research	DBS Disclosures and Update Service	217,079	196,858	20,221	110%	100%	219,096	164,408	54,688	133%	100
Customer Service (UKVI)	In-Country and Overseas[1]	2,201,954	1,029,648	1,172,306	214%	202%	1,519,218	919,681	599,537	165%	149
Customer Service (HMPO)	Passports & other associated income	711,900	845,688	(133,788)	84%	100%	470,304	643,447	(173,143)	73%	100
Customer Service (HMPO)	Certificate Services	24,680	68,002	(43,322)	36%	100%	24,692	39,304	(14,612)	63%	100
Digital, Data and Technology	Police ICT	132,248	128,905	3,343	103%	100%	122,798	124,867	(2,069)	98%	100
Total		**3,354,367**	**2,376,325**	**978,043**	**141%**		**2,406,144**	**1,988,417**	**417,727**	**121%**	

[1] The income streams In-Country and Overseas within Customer Service (UKVI) have been combined in 2022-23. The 2021-22 lines have been restated to also combine these income streams.

This analysis of income satisfies the Fees and Charges requirements of HM Treasury rather than IFRS 8 Operating Segments. Categories where both income and costs are below £10 million have been excluded from this analysis.

Notes

1) **College of Policing:** People development includes exams and assessments, learning and development services and leadership development services. HM Treasury approval has been obtained for the subsidy of selected training products for core customers, which are principally UK police forces and public bodies.

2) **Security Industry Authority (SIA)**

   a) Licensing Income is the application fee for an individual SIA Licence. Individuals working in specific sectors of the private security industry are required by law to hold an SIA Licence.

   b) Approved Contractor Scheme (ACS) income is the registration and application fees for companies joining the voluntary scheme for providers of security services. Companies who satisfactorily meet the agreed standards may be registered as approved and advertise themselves as such.

3) **Disclosure and Barring Service (DBS)**

   a) A basic DBS certificate is available for any position or purpose, and will contain details of convictions and conditional cautions.

   b) A Standard DBS Disclosure certificate provides details of all convictions held on the Police National Computer including current and “spent” convictions as well as details of any cautions, reprimands or final warnings on the applicant.

   c) An Enhanced DBS check is available to anyone involved in work with vulnerable groups and other positions involving a high degree of trust; Enhanced certificates contain the same information as the Standard certificate with the addition of relevant local police force information.

   d) An Enhanced with Barred List(s) DBS certificate will contain the same information as the Enhanced DBS check certificate but includes details of whether the individual is included on one or both of the lists of those barred from working with children and vulnerable groups where the role is in regulated activity

   e) The DBS Update Service enables applicants to keep their DBS certificates up to date online and allows employers to check a certificate online.

4) **UKVI Overseas** is responsible for issuing Visas and applications processed overseas and **UKVI In-Country** deals with UK based applications for permanent settlement and Nationality applications and visa applications processed in the UK. The Group's cost

recovery target is 202% with the additional income from fees contributing to the overhead of the Department and the operation of the wider borders system, including the Border Force.

5) **Passport** costs include all activities relating to the issuing of passports and includes downstream costs such as processing UK passport holders at UK borders. The financial objective of this activity is that income should cover the full costs of these services. A fee is charged for all passports except for those issued to war veterans, that is, those born on or before 2 September 1929.

6) **Civil Registration Certificate Services** includes all services relating to the issuing of certificates for birth, death, marriage, and civil partnership. In addition, central HO funding is provided for other key civil registration functions including supporting local registration services. The financial objective is to break even after central HO funding for non-fee bearing activities.

7) **Police ICT income stream** relates to charges for national IT services and systems provided by the Home Office to England and Wales Police forces and all other law enforcement agencies.

Remote contingent liabilities

The department has entered into the following unquantifiable contingent liabilities by offering guarantees, indemnities or by giving letters of comfort. None of these is a contingent liability within the meaning of IAS 37 since the possibility of a transfer of economic benefit in settlement is remote.

Non-statutory Liabilities

Quantifiable contingent liabilities

	1 April 2022	Change in year	Liabilities crystallised in year	Obligation expired in year	31 March 2023
	£000	**£000**	**£000**	**£000**	**£000**
Indemnity provided to BAA in respect of damage or injury caused to third parties from Border Force in their use of vehicles operating airside while transporting immigration officers between airside locations.	52,000	-	-	-	52,000
Indemnity granted in relation to Cyclamen programme up to a maximum €10 million. (Minute dated 17 July 2009)	8,423	378	-	-	8,801
Indemnity arising from Riot Damage Costs. (Minute dated 21 May 2012)	10,000	-	-	-	10,000
	70,423	**378**	**-**	**-**	**70,801**

The €10 million indemnity granted in relation to Cyclamen has been translated using sterling exchange rates as at 31 March 2023 (exchange rate used 1.13).

Reconciliation of contingent liabilities included in the supply estimate to the accounts

Quantifiable contingent liabilities			
Description of contingent liability	**Supply Estimate**	**Amount disclosed in ARA**	**Variance (Estimate – Amount Disclosed in ARA, £000)**
Indemnity provided to BAA in respect of damage or injury caused to third parties from Border Force in their use of vehicles operating airside while transporting immigration officers between airside locations.	52,000	52,000	-
Indemnity granted in relation to Cyclamen programme up to a maximum €10 million. (Minute dated 17 July 2009)	8,801	8,801	-
Indemnity arising from Riot Damage Costs. (Minute dated 21 May 2012)	10,000	10,000	-
Grant agreement with Telecommunications providers	-	-	(N/A no variance – we do have the value which is estimated to be £31.4 million per annum)
Unquantifiable contingent liabilities			
Description of contingent liability	**Included in the Supply Estimate (Yes/No)**	**Disclosed in the ARA (Yes/No)**	**Explanation of difference**
Police – City of London Economic Crime Basic Command Unit (ECBCU) (Minute dated 12 March 2004)	Yes	Yes	-
The Home Office appeal to the Supreme Court in relation to the Gubeladze case (A8 Worker Registration Scheme) has failed. This outcome leaves the Department liable to refund Worker Registration Scheme fees collected over the period 2009 and 2011.	Yes	Yes	-
Border Force New Detection Technology (NDT)	Yes	Yes	-
Credit Industry Fraud Avoidance Service (CiFas) – Fraud Protection Service	Yes	Yes	-
Cyclamen - Indemnities to various port and airport authorities with the maximum exposure limited to £115 million	Yes	Yes	-
Chief Inspector of the Border Force – legal title remains Chief Inspector of UKBA	Yes	Yes	-
Angiolini Inquiry	Yes	Yes	-
Western Jet Indemnity	Yes	Yes	-

Unquantifiable contingent liabilities

The following liabilities are judged to be unquantifiable:

Police – City of London Economic Crime Basic Command Unit (ECBCU) (Minute dated 12 March 2004)

If the Home Office reduces or discontinues its share of the match funding of the expanded ECBCU then it will contribute up to 50% of the resulting costs, for example redundancy payment or property cost.

The Home Office appeal to the Supreme Court in relation to the Gubeladze case (A8 Worker Registration Scheme) has failed. This outcome leaves the Department liable to refund Worker Registration Scheme fees collected over the period 2009 and 2011. The Home Office recognised a provision for this liability in its 2019-20 accounts. There is also an unquantifiable liability for claims for consequential losses.

Indemnities

Border Force New Detection Technology (NDT)

The following minutes have been used to notify Parliament of the contingent liability relating to the Border Force NDT, dated: 10 September 2003, 18 December 2003, 18 March 2004, 2 July 2004 and 30 August 2016.

The minutes above refer to the following locations and NDT equipment which is loaned by the Department to recipients:

Europe (deployment, and/or the demonstration of new Detection technology by the United Kingdom Border Force in Europe).

Equipment is occasionally deployed in support of Frontex operations (usually CO2 probes or Heartbeat detectors).

All ports operate CO2 probes.

<u>Specific European countries</u>

1. Belgium (loan of motion detection equipment and building; and loan of passive millimetre wave imager trucks and reflector and thermal imaging equipment)

2. The Netherlands (loan of motion detection equipment and building/ shelter, CO2 probes and Thermal Imaging equipment)

3. France (loan of motion detection equipment and building/ shelters; CO2 probes; and loan of passive millimetre wave imager reflectors and ISO containers)

   i. **Calais:** Heartbeat equipment and building and Passive Millimetric Wave Imager ISO containers. Heartbeat equipment and two buildings in juxtaposed control zone commenced Spring 2004. 6 motion detectors (3 at DRI, 1 at RORO C7 operated by French stakeholders, 2 at UKBF sheds operated by UKBF staff and French stakeholders) and 7 hangars to operate with another hangar conversion to take place. Calais has 2 Passive Millimetric Wave Imagers operated in parallel.

   ii. **Coquelles:** Heartbeat Detection Unit at the Euro tunnel operated in the juxtaposed control zone by the Home Office. Passive Millimetric Wave Imager ISO containers. Shelter for and Heartbeat detection equipment which is under control of, and operated by Borders and Enforcement in the juxtaposed control zone. One hangar, Clanect Machine operated by French Stakeholders and 2 Passive Millimetric Wave Imagers with reflectors operated in series.

iii. **Dunkerque**: Heartbeat building commenced Summer 2005. Heartbeat equipment and building operated by the Home Office in the juxtaposed control zone and commenced operation in Spring 2004. 5 Hangars (3 at primary including a deep search area, 2 at secondary controls), 4 Clanect Machines operated by French Stakeholders.

iv. **Ostend**: Heartbeat shelters.

v. **St. Malo**: CO_2 probes to be operated by French operators.

vi. **Vlissingen**: Heartbeat equipment and shelters.

4. **Zeebrugge**: Two further Heartbeat buildings and one Passive Millimetric Wave Imager ISO container.

The minutes also refer to the following:

Indemnity in respect of the deployment and/or demonstration of NDT by Borders and Enforcement in Europe. Within the scope of this indemnity “Europe” is defined as the member states of the Organisation for Security and Co-operation in Europe (OSCE); those North African and Middle Eastern countries with which the OSCE has special relationships (Algeria, Israel, Jordan, Morocco and Tunisia); and those countries which participate in Euro-Mediterranean dialogue with the Council of Europe (Libya, Syria, Lebanon and the Palestinian Authority).

Credit Industry Fraud Avoidance Service (CiFas) – Fraud Protection Service (Minutes dated 23 November 2011 and 2 March 2016)

To indemnify bodies against erroneous data entered on the CIFAS database, resulting in claims lodged against those organisations.

Cyclamen (Minute dated 29 May 2009)

Indemnities to various port and airport authorities with the maximum exposure limited to £115 million, and with no individual indemnity being above £10 million.

Chief Inspector of the Border Force – legal title remains Chief Inspector of UKBA

As part of the secondment of the Chief constable of Tayside Police to the position of the independent Chief Inspector of UKBA, a contingent liability associated with pension entitlements falling to the Home Office was created.

Angiolini Inquiry (Minute dated 24 May 2022)

The Angiolini Inquiry was established on 31 January 2022 to review the circumstances of the abduction, rape and murder of Sarah Everard, and the abuse of power by a serving Metropolitan Police officer that risks undermining public confidence in the police.

The Home Office agrees to indemnify Dame Elish Angiolini as Chair of the Inquiry, as well as current and former members of the Inquiry and any individual engaged at any time to aid the Inquiry, against any legal costs, actions or damages arising from the execution of their duties in connection with the Inquiry. The indemnity will also cover any civil liability for any act done or omission made in good faith in the execution of their duties.

This indemnity applies only to acts done or omissions made during the Inquiry's work, from establishment on 31 January 2022 until the final report is published by the Home Secretary.

The indemnity is subject to the proviso that any liability which is to any extent met by insurers on the beneficiary of this indemnity, or for which reimbursement is made to any extent by such insurers, shall in that event and to that extent no longer be the subject of the indemnity and, if previously met or reimbursed by the Government, shall to that extent be refunded by the beneficiary to the Government.

Western Jet Indemnity

The Jetfoil project was tendered through the CCS framework in December 2021 to supply first a temporary and then a permanent pontoon solution for the disembarking of small boat arrivals at Dover Harbour Jetfoil basin. Indemnity was granted to the supplier to protect against damage/loss resulting in pontoon breaking free as a result of extreme weather conditions.

Sir Matthew Rycroft KCMG CBE

Accounting Officer

18 September 2023

The Certificate and Report of the Comptroller and Auditor General to the House of Commons

Opinion on financial statements

I certify that I have audited the financial statements of the Home Office (the Department) and of its Departmental Group for the year ended 31 March 2023 under the Government Resources and Accounts Act 2000. The Departmental Group consists of the Department and the bodies designated for inclusion under the Government Resources and Accounts Act 2000 (Estimates and Accounts) Order 2022. The financial statements comprise: the Department and the Departmental Group's:

- Statement of Financial Position as at 31 March 2023;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted international accounting standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Department and the Departmental Group's affairs as at 31 March 2023 and their net expenditure for the year then ended; and
- have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects:

- the Statement of Outturn against Parliamentary Supply properly presents the outturn against voted Parliamentary control totals for the year ended 31 March 2023 and shows that those totals have not been exceeded; and
- the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Entities in the United Kingdom (2022)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2019*. I am independent of the Department and its Group in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

The framework of authorities described in the table below has been considered in the context of my opinion on regularity.

Framework of authorities	
Authorising legislation	Government Resources and Accounts Act 2000
Parliamentary authorities	Supply and Appropriation Act
HM Treasury and related authorities	Managing Public Money

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Department and its Group's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Department and its Group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Department and its Group is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Overview of my audit approach

Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditor, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of the audit of the financial statements as a whole, and in forming my opinion thereon. I do not provide a separate opinion on these matters.

This is not a complete list of all risks identified through the course of my audit but only those areas that had the greatest effect on my overall audit strategy, allocation of resources and direction of effort. I have not, for example, included information relating to the work I have performed around expenditure including grants, an area where my work has not identified any matters to report.

The key audit matters were discussed with the Audit and Risk Assurance Committee; its report on matters that it considered to be significant to the financial statements is set out on pages 226-272.

Presumed risk of management override of controls	
Description of risk The presumed risk of management override of controls was considered as a significant risk to the audit, particularly in relation to potential bias in management estimates due to the Department's proximity to Parliamentary Supply control totals in relation to Resource Departmental Expenditure Limits (R-DEL).	
How the scope of my audit responded to the risk	My audit procedures included: • Review of controls around the processing of manual journals, estimates and year-end processes • Risk assessment of the journals population and testing of items deemed to present a risk to the audit, with a particular focus on items which would reduce resource expenditure in year. • Detailed testing of asset journals which related to movements between resource and capital expenditure • Review of significant accounting estimates for any indications of management bias including impairment of assets (£4.52m), depreciation charged on assets included in the Asset Clearing Account (£55m), valuation of provisions including legal provisions and Windrush Compensation Scheme (£397m), Police and Fire Pensions accrual (£531m), other accruals (£1,956m) • Review of significant or unusual transactions **Key observations**

When completing my initial substantive testing, I identified several non-material errors which resulted in the understatement of expenditure. Accordingly, I extended my substantive testing to further consider the risk of understatement in net expenditure in the following areas: classification of capital additions to ensure these should not have been expensed, manual accruals, completeness of expenditure and the underlying assumptions to support deferred income. Following this, I was able to conclude that journals, estimates and the completeness of expenditure within the financial statements were materially supported and that management estimates were free from bias.

Implementation of IFRS 16

Description of risk - The Department adopted IFRS 16 on 1 April 2022, resulting in the recognition of right-of-use assets with a value of £656m and lease liabilities of £711m in the financial statements. The impact of implementation was significantly material to the Department, coupled with the completeness risk where assets which meet the IFRS 16 criteria may not have been included in error. IFRS 16 is complex in nature and judgement is required in applying the recognition and measurement criteria. For example, the Department has a number of evergreen and peppercorn leases, where judgement has to be applied as to the lease term and identifying an appropriate valuation.

How the scope of my audit responded to the risk

My audit procedures included:

- Review of controls around the transition process, and identifying and accounting for leases going forward
- Review of the appropriateness of management's judgements and methodology applied in implementing the new standard
- Substantive sample testing of transitioned and new in-year leases to ensure the data included in the IFRS 16 calculations was accurate
- Completeness procedures to ensure the financial statements include all leases to be recognised under IFRS 16

- Review and re-performance of calculations determining the valuation of right-of-use asset, lease liability and finance lease receivables.

Key observations

Testing identified errors in relation to the following:

- Border-force overseas staff accommodation leases – the Department did not account for these leases in line with IFRS 16 resulting in an immaterial unadjusted error.
- Non-property leases – on the basis of these leases being highly immaterial, the Department did not account for these leases in line with IFRS 16, resulting in an immaterial error.
- Car parks, land, tenancy at will and internal repairing leases – the Department initially applied a judgement that all leases of this nature fell outside the scope of IFRS 16, however, following review of lease agreements I determined the IFRS 16 criteria had been met resulting in an immaterial error. *This has been subsequently corrected.*
- Leases missing from transition population – a number of leases were not included within the prior year operating lease listing and were therefore subsequently missed on transition – *these have been corrected.*
- Inappropriate lease term on transition for evergreen leases – leases with an indeterminate lease length were initially included under IFRS 16 with an inappropriate lease term – *following a review of actual lease terms and business plans the assumptions applied have been revised resulting in an immaterial adjustment to the right-of-use asset and lease liability on transition.*
- Un-documented leases not included on transition or included with inappropriate lease term – several leases that were held-over at transition were not included despite negotiations to renew these leases being ongoing, and lease terms applied to other held-over leases were not supported by evidence of business practice – *following a review of the estates strategy and lease terms of similar leases an immaterial adjustment has been made.*
- Identification of peppercorn leases – the Department had identified some peppercorn leases, but a full revaluation

was not undertaken on these assets at transition. Additionally, several leases were determined to be peppercorn in nature and no consideration of a suitable market rate was undertaken. *These leases have now been included within the population and we are content that those not included and any valuation errors within these leases are immaterial.*

- Subleases – the Department did not initially consider leases where it also acted as lessor. *Following a review of all sub-lease arrangements, corrections have been made to recognise 2 sub-leases.*

Following audit adjustments for the issues identified, I am content that IFRS 16 has been appropriately implemented as at 1 April 2022, and related balances are materially correct as at 31 March 2023.

Asset Clearing Account and Impairments

Description of risk – The Department's financial statements disclose a significant payments on account (POA) balance of £151m tangible and £599m intangible at 31 March 2023 (£564m tangible, £260m intangible at 31 March 2022). This consists of genuine assets under construction (AUC) but also assets held and accounted for separately within an asset clearing account, composed of invoiced capital expenditure. At year end, the asset clearing account included a number of assets which needed to be reviewed and transferred to the non-current asset register. This results in risks to classification of assets between the tangible and intangible asset categories as well as a risk to the material completeness of Property, Plant and Equipment (PPE) and intangibles balances, understatement of depreciation due to assets not being reclassified to live assets in a timely manner, and a further risk of completeness of impairments due to assets being held in the asset clearing account over a number of years.

Additionally, the Department has several long-term capital projects, for example the Emergency Services Network programme, where assets are developed over several financial periods, resulting in a significant and material total assets under construction balance relating to these large projects. As a result of this there is an increased risk that the value of these assets within the financial statements is too high, and the assets should be subject to impairment.

How the scope of my audit	My audit procedures included:

responded to the risk	• Review of design and implementation of controls around payments on account and assets under construction, assessing the process the Department operates in identifying AUC and identifying when AUC assets are complete and should be transferred to the fixed asset register. • Testing of the methods applied, data inputs and assumptions used in the calculation of impairments to ensure that these are appropriate • Substantive testing of assets which are classified as AUC/POA to ensure they are recorded in the financial statements appropriately as assets rather than expenditure items • Evaluating the depreciation estimate prepared by the Department in relation to live assets held within the asset clearing account • Evaluating the Department's estimate of impairment to be applied to assets held within the asset clearing account • Consideration of the completeness of impairments proposed by management, taking into account the significant changes to projects in year **Key observations** Testing identified the following errors: • Overstatement of capital expenditure as a result of errors in the application of IAS 16 and IAS 38 as to which costs can be capitalised, or where management was unable to provide sufficient evidence to support its judgements on Resource DEL/Capital DEL apportionment • Classification errors between PPE and intangibles I have been able to conclude, however, that PPE and intangibles notes are materially complete and accurate, including specifically balances within the Payments on Account and Assets under construction category. My testing results in relation to impairments were satisfactory and I was able to conclude that management had applied appropriate impairment to the Department's Property, Plant and Equipment and Intangibles, including those assets accounted for through the asset clearing account.

Financial Commitments

Description of risk – The Department initially recognised a significantly material financial commitments balance at 31 March 2023 (£13,621m). Given the size of the balance in the prior period disclosure (£11,695m), we considered this disclosure to be significant to the financial statements.

How the scope of my audit responded to the risk	My audit procedures included: • Reviewing the controls in place to identify financial commitments, and to determine the value of commitments remaining at year-end. • Testing of contracts classified as cancellable to gain assurance over completeness of the disclosure. • Sample test of financial commitments to gain assurance over the accuracy of amounts disclosed **Key observations** The Financial Reporting Manual (FReM) defines Other Financial Commitments as non-cancellable contracts not already on the balance sheet which are not leases, PFI contracts, or other service concession arrangements. My testing identified that c95% of contracts included in the 2021-22 and 2022-23 financial commitment listings were cancellable. As such I concluded the prior year comparatives required restatement and significant adjustments needed to be posted in the in-year commitments disclosure to ensure this reflected only non-cancellable contracts and factored in actual spend to date in determining the resulting commitment. Once the adjustments were processed, I was able to conclude the other financial commitments note was materially correct.

Application of materiality

Materiality

I applied the concept of materiality in both planning and performing my audit, and in evaluating the effect of misstatements on my audit and on the financial statements. This approach recognises that financial statements are rarely absolutely correct, and that an audit is designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement or irregularity. A matter is material if its omission or misstatement would, in the judgement of the auditor, reasonably influence the decisions of users of the financial statements.

Based on my professional judgement, I determined overall materiality for the Department and its Group's financial statements as a whole as follows:

	Department	Departmental group
Materiality	£242,524,000	£245,561,000
Basis for determining materiality	1% of gross expenditure of £24,252,400,000 (1% of gross expenditure of £21,789,405,000 in 2021/22)	1% of gross expenditure of £24,556,100,000 (1% of gross expenditure of £22,015,699,000 in 2021/22)
Rationale for the benchmark applied	Gross expenditure is the main driver of the accounts. The Statement of Outturn against Parliamentary Supply is the key focus for the user of the accounts, and this is derived from the Statement of Consolidated Net Expenditure and in particular gross expenditure. Furthermore users of the accounts would be interested in specific expenditure streams such as expenditure on policing and asylum costs.	Gross expenditure is the main driver of the accounts. The Statement of Outturn against Parliamentary Supply is the key focus for the user of the accounts, and this is derived from the Statement of Consolidated Net Expenditure and in particular gross expenditure. Furthermore users of the accounts would be interested in specific expenditure streams such as expenditure on policing and asylum costs.

Performance Materiality

I set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality of the financial statements as a whole. Group performance materiality was set at 70% of Group materiality for the 2022-23 audit (2021-22: 69%. In determining performance materiality I have considered the errors identified in relation to the Asset Clearing Account, as well as the uncorrected misstatements identified in the previous period.

Other Materiality Considerations

Apart from matters that are material by value (quantitative materiality), there are certain matters that are material by their very nature and would influence the decisions of users if not corrected. An example is any errors reported in the Related Parties note in the financial statements. Assessment of such matters needs to have regard to the nature of the misstatement and the applicable legal and reporting framework, as well as the size of the misstatement.

I applied the same concept of materiality to my audit of regularity. In planning and performing my audit work to support my opinion on regularity and in evaluating the impact of any irregular transactions, I considered both quantitative and qualitative aspects that would reasonably influence the decisions of users of the financial statements.

Error Reporting Threshold

I agreed with the Audit and Risk Assurance Committee that I would report to it all uncorrected misstatements identified through my audit in excess of £300,000, as well as differences below this threshold that in my view warranted reporting on qualitative grounds. I also report to the Audit and Risk Assurance Committee on disclosure matters that I identified when assessing the overall presentation of the financial statements.

Total unadjusted audit differences reported to the Audit and Risk Assurance Committee would have reduced net expenditure and increased net assets by £6,650k.

Audit scope

The scope of my Group audit was determined by obtaining an understanding of the Department and its Group's environment, including Department/Group-wide controls, and assessing the risks of material misstatement at the Group level.

- I performed full audit procedures over the core Department's assets and liabilities including: substantive test of detail over PPE and Intangibles movements, Asset Clearing Account balances and procedures to determine the appropriateness of PPE revaluations, indexation of assets and impairments of assets; detailed sample testing over receivables, payables and commitments balances; substantive testing of cash balances including testing of reconciling items at 31 March 2023; and sample testing of provisions balances.
- Substantive testing of the Core Department's income and expenditure including detailed sample testing over the Hendon Data Centre, Certificate Services, EU, Asset Recovery, Immigration Health Surcharge and Other Income streams as well as substantive analytical procedures over Passport and Visa and Immigration Income. I performed substantive tests of detail over all expenditure streams including the Police Main Grant and the Police and Fire Pension Grants. I additionally performed substantive analytical procedures over the payroll balances.
- My group procedures were driven by the significance of the Home Office Core Department in comparison to component entities. The Core Department represents 98% of the Group's expenditure and 93% of the Group's assets, and therefore all components were considered non-significant for the purpose of attaining group wide assurance. My procedures consisted of reviewing the controls around the consolidation process; review of the Audit Planning Reports for all component bodies; review of any significant matters raised including instances of fraud or irregularity, instances of management override, new significant risks and emerging findings with a group impact; and review of journals which impact on Group wide control totals.
- Throughout my audit procedures I have considered compliance with the Department and its Group's framework of authorities, including compliance with the Government Resources and Accounts Act 2000, the Supply and Appropriation Act and Managing

Public Money. In particular this has been addressed through my detailed testing over income and expenditure balances to ensure compliance with Managing Public Money, and procedures addressing risks around the Statement of Outturn against Parliamentary Supply detailed below.

- I have performed detailed testing over the Statement of Outturn against Parliamentary Supply, including review of reconciling items as detailed in the key audit matters section. Additionally I ensured that this has been prepared in line with guidance issued and that it reconciles to the financial statements.

This work covered substantially all of the Group's net assets and net expenditure, and together with the procedures performed at group level, gave me the evidence I needed for my opinion on the group financial statements as a whole.

Other Information

The other information comprises information included in the Annual Report, but does not include the financial statements and my auditor's certificate and report thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000;
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Department and its Group and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Reports.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- Adequate accounting records have not been kept by the Department and its Group or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or the parts of the Remuneration and Staff Report to be audited are not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Department and its Group from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- ensuring that the financial statements give a true and fair view and are prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000;
- ensuring that the Annual Report, which includes the Remuneration and Staff Report, is prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000; and

- assessing the Department and its Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Department and its Group will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Department and its Group's accounting policies.
- inquired of management, the Government Internal Audit Agency and those charged with governance, including obtaining and reviewing supporting documentation relating to the Department and its Group's policies and procedures on:
    - identifying, evaluating and complying with laws and regulations;
    - detecting and responding to the risks of fraud; and
    - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Department and its Group's controls relating to the Department's compliance with the Government Resources and Accounts Act 2000, Managing Public Money and the Supply and Appropriation (Main Estimates) Act 2022;

- inquired of management, the Government Internal Audit Agency and those charged with governance whether:
    - they were aware of any instances of non-compliance with laws and regulations;
    - they had knowledge of any actual, suspected, or alleged fraud,
- discussed with the engagement team including component audit teams and the relevant internal specialists for income regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Department and its Group for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, bias in management estimates and timing of income recognition. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Department and Group's framework of authority and other legal and regulatory frameworks in which the Department and its Group operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Department and its Group. The key laws and regulations I considered in this context included the Government Resources and Accounts Act 2000, Managing Public Money, Supply and Appropriation (Main Estimates) Act 2022, employment law, tax legislation and relevant legislation relating to fees charged by the Home Office.

In addition, I considered legal provisions, implementation of IFRS 16, Statement of Outturn Against Parliamentary Supply reconciling items, impairment of assets and the asset clearing account as these have heightened risk of fraud, non-compliance with laws and regulations and regularity.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit and Risk Assurance Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports;
- in addressing the risk of fraud through management override of controls, I tested the appropriateness of journal entries and other adjustments; assessed whether the judgements on estimates are indicative of a potential bias; and evaluated the

business rationale of any significant transactions that are unusual or outside the normal course of business; and

- substantive testing of manual journals including journals with fraud characteristics; reviewing estimates within the account and challenging underlying assumptions and methodologies; challenge of assumptions and judgements in relation to IFRS 16 and substantive testing of right-of-use asset and lease liability balance; and substantive testing of income streams to address risk of fraud in revenue recognition.

I also communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain appropriate evidence sufficient to give reasonable assurance that the Statement of Outturn against Parliamentary Supply properly presents the outturn against voted Parliamentary control totals and that those totals have not been exceeded. The voted Parliamentary control totals are Departmental Expenditure Limits (Resource and Capital), Annually Managed Expenditure (Resource and Capital), Non-Budget (Resource) and Net Cash Requirement.

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies **18 September 2023**
Comptroller and Auditor General
National Audit Office
157-197 Buckingham Palace Road
London
SW1W 9SP

3.
THE FINANCIAL STATEMENTS

Financial Statements

Consolidated Statement of Comprehensive Net Expenditure

For the year ended 31 March 2023

This account summarises the expenditure and income generated and consumed on an accruals basis. It also includes other comprehensive income and expenditure, which include changes to the values of non-current assets and other financial instruments that cannot yet be recognised as income or expenditure.

	Note	Core department & agencies	Departmental group	Core department & agencies	Departmental group
			2022-23		**2021-22**
		£'000	**£'000**	**£'000**	**£'000**
Revenue from contracts with customers	4	(3,375,448)	(3,660,327)	(2,708,742)	(2,979,284)
Other operating income	4	(1,757,363)	(1,757,363)	(1,532,851)	(1,532,851)
Total operating income		**(5,132,811)**	**(5,417,690)**	**(4,241,593)**	**(4,512,135)**
Staff costs	3	2,212,435	2,392,202	1,869,637	2,035,813
Main police grants	3	9,192,959	9,192,959	8,680,697	8,680,697
Police pensions top-up grant	3	1,658,574	1,658,574	1,813,947	1,813,947
Fire pensions top-up grant	3	419,393	419,393	701,595	701,595
Other grants	3	3,551,536	3,553,938	3,235,650	3,237,316
Purchase of goods and services	3	4,276,017	4,332,946	2,446,411	2,494,907
Depreciation and impairment charges	3	677,786	699,359	677,340	692,130
Provision expense	3	73,312	73,564	176,898	176,035
Other operating expenditure	3	2,109,160	2,235,430	2,069,105	2,183,259
Grant in aid to ALBs	3	131,218	-	127,125	-
Total operating expenditure		**24,302,390**	**24,558,365**	**21,798,405**	**22,015,699**
Net operating expenditure		**19,169,579**	**19,140,675**	**17,556,812**	**17,503,564**
Finance expense	3	5,655	5,921	13,322	13,322
Net expenditure for the year		**19,175,234**	**19,146,596**	**17,570,134**	**17,516,886**
Other Comprehensive Net Expenditure Items which will not be reclassified to net operating costs:					
Net (gain)/loss on revaluation of property, plant and equipment		(16,541)	(17,642)	(192,356)	(192,395)
Net (gain)/loss on revaluation of Intangible assets		(3,976)	(4,229)	1,879	1,962
Comprehensive net expenditure for the year		**19,154,717**	**19,124,725**	**17,379,657**	**17,326,453**

Consolidated Statement of Financial Position

As at 31 March 2023

This statement presents the financial position of the Department. It comprises three main components: assets owned or controlled; liabilities owed to other bodies; and equity, the remaining value of the entity.

	Note	Core department & agencies	2022-23 Departmental group	Core department & agencies	2021-22 Departmental group
		£'000	£'000	£'000	£'000
Non-current assets					
Property, plant and equipment	5	944,644	986,185	1,180,193	1,223,231
Right-of-use assets	7	571,652	594,838	-	-
Intangible assets	6	1,018,501	1,045,966	619,331	648,920
Trade receivables and other non-current assets	10	10,033	8,465	6,140	6,140
Total non-current assets		**2,544,830**	**2,635,454**	**1,805,664**	**1,878,291**
Current assets					
Inventories		6,910	6,910	7,810	7,810
Trade and other receivables	10	709,880	719,468	809,147	780,248
Cash and cash equivalents	9	475,750	594,558	678,726	816,189
Total current assets		**1,192,540**	**1,320,936**	**1,495,683**	**1,604,247**
Total assets		**3,737,370**	**3,956,390**	**3,301,347**	**3,482,538**
Current liabilities					
Provisions	12	289,928	290,687	304,885	305,363
Trade and other payables	11	3,625,759	3,699,815	3,978,119	4,047,154
Lease liabilities	15	76,629	78,242	10,617	11,193
Total current liabilities		**3,992,316**	**4,068,744**	**4,293,621**	**4,363,710**
Total assets less current liabilities		**(254,946)**	**(112,354)**	**(992,274)**	**(881,172)**
Non-current liabilities					
Other payables	11	13,955	15,108	14,568	14,704
Lease liabilities	15	514,183	535,661	49,150	50,386
Provisions	12	187,535	192,123	178,733	183,426
Pension liability		215	2,802	237	2,707
Total non-current liabilities		**715,888**	**745,694**	**242,688**	**251,223**
Assets less liabilities		**(970,834)**	**(858,048)**	**(1,234,962)**	**(1,132,395)**
Taxpayers' equity and other reserves					
General fund	SoCTE	(1,137,218)	(1,033,876)	(1,394,119)	(1,299,759)
Revaluation reserve	SoCTE	166,599	178,630	159,394	170,071
Pension reserve	SoCTE	(215)	(2,802)	(237)	(2,707)
Total equity		**(970,834)**	**(858,048)**	**(1,234,962)**	**(1,132,395)**

Sir Matthew Rycroft KCMG CBE

Accounting Officer

18 September 2023

Consolidated Statement of Cash Flows

For the year ended 31 March 2023

The Statement of Cash Flows shows the changes in cash and cash equivalents of the Department during the reporting period. The statement shows how the Department generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of service costs and the extent to which these operations are funded by way of income from the recipients of services provided by the Department. Investing activities represent the extent to which cash inflows and outflows have been made for resources which are intended to contribute to the Department's future public service delivery.

			2022-23		2021-22
	Note	Core department & agencies	Departmental group	Core department & agencies	Departmental group
		£'000	£'000	£'000	£'000
Cash flows from operating activities					
Net expenditure for the year		(19,175,234)	(19,146,596)	(17,570,134)	(17,516,886)
Adjustments for non-cash transactions		757,475	779,644	868,793	882,672
(Increase)/decrease in trade and other receivables	10	95,374	58,455	1,880	23,999
Less movements in receivables relating to items not passing through the Consolidated Statement of Comprehensive Net Expenditure		(327)	(411)	(673)	(673)
(Increase)/decrease in inventories and assets classified as held for sale		900	900	(170)	(170)
Increase/(decrease) in trade payables	11	178,072	205,389	709,185	708,644
Less movements in payables relating to items not passing through the Consolidated Statement of Comprehensive Net Expenditure		(356,049)	(397,387)	(254,341)	(310,408)
Use of provisions	12	(80,497)	(80,573)	(41,342)	(42,149)
Increase/(decrease) in pension liability		(22)	95	(22)	(22)
Net cash outflow from operating activities		**(18,580,308)**	**(18,580,484)**	**(16,286,824)**	**(16,254,993)**
Cash flows from investing activities					
Purchase of property, plant and equipment	5	(289,300)	(294,541)	(196,281)	(201,740)
Less: PPE capital creditors		122,337	122,337	17,390	17,390
Purchase of intangible assets	6	(364,063)	(373,647)	(301,698)	(312,912)
Less: Intangibles capital creditors		(29,523)	(29,523)	(7,670)	(7,670)
Proceeds of disposal		11,569	12,494	396,166	398,641
Net cash outflow from investing activities		**(548,980)**	**(562,880)**	**(92,093)**	**(106,291)**
Cash flows from financing activities					
From the Consolidated Fund (Supply) - current year		19,378,329	19,378,329	17,229,197	17,229,197
Consolidated Fund Extra Receipts paid to Consolidated Fund		(372,442)	(372,442)	(84,137)	(84,137)
Advances from the Contingencies Fund		1,000,000	1,000,000	-	-
Repayments to the Contingencies Fund		(1,000,000)	(1,000,000)	-	-
Repayments of principal on leases		(79,575)	(84,154)	-	-
Movement on PFI and PFI Finance Leases		-	-	(247,198)	(245,386)
Net financing		**18,926,312**	**18,921,733**	**16,897,862**	**16,899,674**
Net increase/(decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund		169,466	150,811	603,082	622,527
Net increase/(decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund		(202,976)	(221,631)	518,945	538,390
Cash and cash equivalents at the beginning of the period		678,726	816,189	159,781	277,799
Cash and cash equivalents at the end of the period		**475,750**	**594,558**	**678,726**	**816,189**

Consolidated Statement of Taxpayers' Equity

This statement shows the movement in the year on the different reserves held by the Home Office analysed into 'general fund reserves' (i.e. those reserves that reflect a contribution from the Consolidated Fund). The Revaluation Reserve reflects the change in asset values that have not been recognised as income or expenditure. The General Fund represents the total assets less liabilities of a department, to the extent that the total is not represented by other reserves and financing items.

Departmental Group
For the year ended 31 March 2023

	Note	General fund £'000	Revaluation reserve £'000	Pension reserve £'000	Total reserves £'000
Balance at 31 March 2021		**(656,283)**	**237,360**	**(2,729)**	**(421,652)**
Net Parliamentary Funding - drawn down		17,229,197	-	-	17,229,197
Net Parliamentary Funding - deemed		93,348	-	-	93,348
Supply (payable)/receivable		(349,863)	-	-	(349,863)
Consolidated Fund Extra Receipts		(358,808)	-	-	(358,808)
Comprehensive Net Expenditure for the year		(17,516,886)	-	-	(17,516,886)
Non-cash adjustments					
Net (gain)/loss on revaluation of property, plant and equipment		-	192,395	-	192,395
Net (gain)/loss on revaluation of Intangible assets		-	(1,962)	-	(1,962)
Movements in reserves					
Non-cash charges - auditor's remuneration	3	560	-	-	560
Other		-	1,276	-	1,276
Transfers between reserves		258,976	(258,998)	22	-
Balance at 31 March 2022		**(1,299,759)**	**170,071**	**(2,707)**	**(1,132,395)**
Opening balance adjustment		162,014	-	-	162,014
First-time adoption of IFRS 16		2,870	-	-	2,870
Balance at 1 April 2022		**(1,134,875)**	**170,071**	**(2,707)**	**(967,511)**
Net Parliamentary Funding - drawn down		19,378,329	-	-	19,378,329
Net Parliamentary Funding - deemed		349,863	-	-	349,863
Supply (payable)/receivable		(266,410)	-	-	(266,410)
Consolidated Fund Extra Receipts		(227,692)	-	-	(227,692)
Comprehensive Net Expenditure for the year		(19,146,596)	-	-	(19,146,596)
Non-cash adjustments					
Net (gain)/loss on revaluation of property, plant and equipment		-	17,642	-	17,642
Net (gain)/loss on revaluation of Intangible assets		-	4,229	-	4,229
Movements in reserves					
Non-cash charges - auditor's remuneration	3	700	-	-	700
Other		-	(602)	-	(602)
Transfers between reserves		12,805	(12,710)	(95)	-
Balance at 31 March 2023		**(1,033,876)**	**178,630**	**(2,802)**	**(858,048)**

Core Department and Agencies

For the year ended 31 March 2023

	Note	General fund £'000	Revaluation reserve £'000	Pension reserve £'000	Total reserves £'000
Balance at 31 March 2021		**(751,655)**	**226,639**	**(259)**	**(525,275)**
Net Parliamentary Funding - drawn down		17,229,197	-	-	17,229,197
Net Parliamentary Funding - deemed		93,348	-	-	93,348
Supply (payable)/receivable		(349,863)	-	-	(349,863)
Consolidated Fund Extra Receipts		(304,548)	-	-	(304,548)
Comprehensive Net Expenditure for the year		(17,570,134)	-	-	(17,570,134)
Non-cash adjustments					
Net (gain)/loss on revaluation of property, plant and equipment		-	192,356	-	192,356
Net (gain)/loss on revaluation of Intangible assets		-	(1,879)	-	(1,879)
Movements in reserves					
Non-cash charges - auditor's remuneration	3	560	-	-	560
Other		-	1,276	-	1,276
Transfers between reserves		258,976	(258,998)	22	-
Balance at 31 March 2022		**(1,394,119)**	**159,394**	**(237)**	**(1,234,962)**
Opening balance adjustment		162,014	-	-	162,014
First-time adoption of IFRS 16		2,870	-	-	2,870
Balance at 1 April 2022		**(1,229,235)**	**159,394**	**(237)**	**(1,070,078)**
Net Parliamentary Funding - drawn down		19,378,329	-	-	19,378,329
Net Parliamentary Funding - deemed		349,863	-	-	349,863
Supply (payable)/receivable		(266,410)	-	-	(266,410)
Consolidated Fund Extra Receipts		(207,919)	-	-	(207,919)
Comprehensive Net Expenditure for the year		(19,175,234)	-	-	(19,175,234)
Non-cash adjustments					
Net (gain)/loss on revaluation of property, plant and equipment		-	16,541	-	16,541
Net (gain)/loss on revaluation of Intangible assets		-	3,976	-	3,976
Movements in reserves					
Non-cash charges - auditor's remuneration	3	700	-	-	700
Other		-	(602)	-	(602)
Transfers between reserves		12,688	(12,710)	22	-
Balance at 31 March 2023		**(1,137,218)**	**166,599**	**(215)**	**(970,834)**

Opening balance adjustment at 1 April 2022 of £162m is in respect of a different valuation methodology used in 2022-23 compared to 2021-22 for leases accounted for as finance leases under IAS 17 in 2021-22. The revised methodology is consistent with the treatment of leases across the Home Office lease portfolio.

Notes to the accounts

1. Accounting Policies

1.1 Basis of preparation

The financial statements have been prepared in accordance with the 2022-23 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Department for the purpose of giving a true and fair view has been selected. The policies adopted by the Department are described below. They have been applied consistently in dealing with items that are considered material to the financial statements.

In addition to the primary statements prepared under IFRS, the FReM also requires the Department to prepare a Statement of Parliamentary Supply and supporting notes to show Outturn against Estimate in terms of the net resource requirement and the net cash requirement.

The accounts have been prepared under the Government Resources and Accounts Act 2000.

1.2 Going Concern

In common with other government departments, the future financing of the Department's liabilities is to be met by future grants of Supply and the application of future income, both to be approved annually by Parliament. It has been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

1.3 Presentation currency and rounding

The financial statements are presented in British pound sterling (£) and all numbers are rounded to the nearest thousand pounds (£000), other than the related party disclosures in Note 18.

1.4 Accounting convention

These accounts have been prepared on an accruals basis under the historical cost convention modified to account for the revaluation of property, plant and equipment and intangible assets.

1.5 Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements and assumptions that affect the amounts reported for assets and liabilities at the year ending 31 March, and for amounts reported for income and expenses during the year. In the process of applying the Department's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

- **Provisions**: judgements and assumptions that affect the value of the major provisions recognised in these accounts are described within the provisions note to these accounts. This narrative notably includes explanation of the judgements and assumptions affecting the provision recognised and movement in 2022-23 in respect of the Windrush Compensation Scheme (refer to Note 13)

- **Police pensions and fire and rescue pension top-up grant accrual** (refer to Note 1.16)

Details of the accounting policies for each of these areas is set out separately below within this note.

1.6 Basis of consolidation

These accounts are the consolidation of the Core department, its five executive non-departmental public bodies (NDPBs) and the College of Policing Limited. The NDPBs consolidated within the departmental boundary are:

- Disclosure and Barring Service
- Gangmasters and Labour Abuse Authority
- Independent Office for Police Conduct
- Office of the Immigration Services Commissioner
- Security Industry Authority

The College of Policing Limited is a company limited by guarantee. It is classified as an arm's length body by the Treasury and is consolidated within the departmental boundary as a NDPB.

The NDPBs and the College of Policing also produce and publish their own annual reports and accounts. Transactions between entities included in the consolidated accounts are eliminated. All consolidated entities have accounting reference dates that align with the Core Department.

1.7 Property, Plant and equipment

Initial recognition and capitalisation threshold

Property, plant and equipment is recognised initially at cost and thereafter carried at fair value less depreciation and impairment charged subsequent to the date of revaluation.

Cost comprises the amount of cash paid to acquire the asset and includes any costs directly attributable to making the asset capable of operating as intended. The capitalisation threshold for expenditure on property, plant and equipment is £5,000.

Subsequent valuation method and fair value hierarchy

Fair value of properties is based on professional valuations. Professional valuations are now conducted on a five-year rolling programme, all properties will be professionally valued during this time period. This is the second year of this valuation programme. Valuations are undertaken in accordance with the Royal Institute of Chartered Surveyors Appraisal and Evaluation Manual.

Where open market value is obtainable, other operational assets are revalued to open market value. Where open market value is not obtainable, other operational assets are valued using depreciated replacement cost. Published indices appropriate to the category of asset are used to estimate value.

The inputs used to value property, plant and equipment are therefore categorised as level 2 inputs in the IFRS 13 fair value hierarchy.

Revaluation

Any revaluation surplus is credited to the revaluation reserve except to the extent that it reverses a decrease in the carrying value of the same asset previously recognised in the Consolidated Statement of Comprehensive Net Expenditure, in which case the increase is recognised in the Consolidated Statement of Comprehensive Net Expenditure.

A revaluation deficit is recognised in the Consolidated Statement of Comprehensive Net Expenditure, except to the extent of any existing surplus in respect of that asset in the revaluation reserve. The revalued properties were revalued as at 31 March 2023.
The valuer was the Valuation Office Agency (VOA).

Depreciation

Depreciation is calculated to write down the costs of the assets to their estimated residual value on a straight-line basis over their expected useful lives as follows:

- Buildings – up to 60 years or life of lease
- Improvements to leasehold buildings – the shorter of the duration of lease or anticipated useful life

- Plant and equipment – 2 to 15 years
- Computers – 2 to 15 years
- Transport equipment – 3 to 20 years
- Furniture and fittings – 3 to 10 years

The carrying values of property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable and are written down immediately to their recoverable amount. Useful lives and residual values are reviewed annually and where adjustments are required these are made prospectively.

Assets under construction

Assets under construction are valued at historical cost within property, plant and equipment and intangible assets, and are not depreciated or amortised until completed and brought into use. On completion, the asset's carrying value is transferred to the respective asset category. Expenditure is capitalised where it is directly attributable to bringing an asset into working condition, such as external consultant costs, relevant employee costs and an appropriate portion of relevant overheads.

1.8 Intangible Assets

Intangible assets are measured on initial recognition at cost. Following initial recognition, where an active market exists, intangible assets are carried at fair value at the period ending 31 March. Where no active market exists, the Department uses published indices to assess the depreciated replacement cost.

The inputs used to value intangible assets are therefore categorised as level 2 inputs in the IFRS 13 fair value hierarchy.

Internally generated intangible assets are not capitalised unless it is a development cost. Expenditure is recognised in the Consolidated Statement of Comprehensive Net Expenditure in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite. All intangible assets are currently assessed to have a finite life and are assessed for impairment. The amortisation period and the amortisation method are reviewed at least at each financial year end.

Amortisation

Amortisation is calculated to write down the costs of the assets to their estimated residual value on a straight-line basis over their expected useful lives as follows:

- Externally acquired computer software licences - amortised over the shorter of the term of the licence and the useful economic life of 3 to 15 years

- Internally developed software. This includes software that arises from internal or third party development for internal or external access. The direct costs associated with the development stage of internally developed software are included in the cost of the asset. These assets are amortised over the useful economic life of 3 to 10 years.

The carrying values of Intangible Assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable and are written down immediately to their recoverable amount. Useful lives and residual values are reviewed annually and where adjustments are required these are made prospectively.

Assets under construction

Assets in the course of construction are not amortised until the point at which they are ready to be brought into use. Expenditure which does not meet the criteria for capitalisation is treated as an operating cost in the year in which it is incurred.

1.9 Leases

A new standard, IFRS 16 Leases, which replaces IAS 17 became effective from 1 April 2022 across central government and has been applied in these financial statements.

Scope

IFRS 16 represents a significant change in lessee accounting by removing the distinction between operating leases and finance leases. IFRS 16 requires recognition of right-of-use assets and lease liabilities for all leases in the Statement of Financial Position (SoFP) unless the lease term is 12 months or less or the underlying asset has a low value.

Whilst IFRS 16 does not provide a numerical threshold as to what constitutes a low value, the Department applies the capitalisation threshold of £5,000 as the threshold for low-value underlying assets.

Following the IAS 1 Presentation of Financial Statements, the Department is not required to apply IFRS 16 to leases which are immaterial in aggregate (regardless of those leases failing to qualify as leases of low-value underlying assets). The vast majority of the Department’s leases are centrally managed by the Estates. The Department has chosen not to apply IFRS 16 to leases not centrally managed by the Estates because the total value of those leases is not material to the accounts.

The definition of a contract is expanded under the FReM definition to include intra-UK government agreements where non-performance may not be enforceable by law. This includes, for example, the Memorandum of Terms of Occupation (MOTO) agreements.

Transitional arrangements

The Department adopted IFRS 16 on the cumulative catch-up basis as mandated in the FReM without restatement of comparative balances and therefore the cumulative effects of initially applying IFRS 16 recognised at the date of initial application is recognised as an adjustment to the opening balances of taxpayers' equity.

Practical expedients on transition

The Department has applied the following practical expedients:

- Applied a single HM Treasury discount rate to leases for which the rate implicit in the lease cannot be readily determined
- Not reassessed whether contracts are or contain a lease at the date of initial application
- Applied the 'cumulative catch-up' approach for adopting IFRS 16
- Excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight to determine lease terms in contracts which contain options to extend or terminate or are rolling

Leases previously treated as operating leases

On transition, the lease liability is measured at the present value of the remaining lease payments using the HM Treasury discount rate where interest rates implicit in the lease cannot be readily determined.

The right-of-use asset is measured at an amount equal to the lease liability adjusted for any prepayment or accrual balances previously recognised for that lease.

Leases previously treated as finance leases

On transition, for leases that were classified as finance leases applying IAS 17, the carrying amount of the right-of-use asset and the lease liability at the date of initial application is the carrying amount of the lease asset and lease liability immediately before that date applying IAS 17. For those leases, the Department accounts for the right-of-use asset and the lease liability applying IFRS 16 from the date of initial application.

Impact on transition

	£'000
Operating leases disclosed at 31 March 2022	5,290,858
Adjustments to leases, IAS 17 basis	81,989
Re-stated operating lease commitments as at 31 March 2022	**5,372,847**
Adjustments from IAS 17 to IFRS 16:	
Finance lease liabilities as at 31 March 2022	61,579
Adjustment to finance lease liabilities, IFRS 16 basis	34,188
Impact of discounting	(17,231)
Assessments of lease extension periods and break clauses	(4,686,587)
Leases excluded from IFRS 16	(52,726)
Adjustment for irrecoverable VAT reported within IAS17	(1,537)
IFRS 16 opening balance lease liabilities	**710,534**

Initial recognition

At the commencement of a lease, the Department recognises a right-of-use asset and a lease liability.

The lease liability is measured at the present value of the lease payments that are not paid at that date which include fixed payments less any lease incentive receivables; variable lease payments; expected amount payable under the residual value guarantees, exercise price of a purchase option if the Department is reasonably certain to exercise that option; and payments of penalties for terminating the lease if the lease term reflects the Department exercising an option to terminate the lease.

Lease payments are discounted using the HM Treasury discount rates for IFRS 16 Leases which are 0.95% for 2022 and 3.51% for 2023 on a calendar year basis.

The right-of-use asset is measured at the value of the lease liability, adjusted for: any payments made or amounts accrued before the commencement date; lease incentives received; incremental costs of obtaining the lease; and any disposal costs at the end of the lease. However, where the lease requires nominal consideration (a type of arrangement often described as a “peppercorn” lease), the asset is measured at its existing use value.

Subsequent measurement

The lease liability is subsequently measured to reflect the accrual of interest, repayments, reassessments, and modifications.

The right-of-use asset is subsequently measured using the cost model except for peppercorn leases which are valued using market prices or rentals for equivalent assets. Where cost model is used as a valuation method, it’s an appropriate proxy for fair value. The depreciation is charged on a straight-line basis.

A holdover lease is a lease which continues after its contractual term has expired whilst a new lease agreement being negotiated. The Department applies a 10-year lease extension to holdover leases. This approach aligns with the guidance in Standardisation of Lease Terms: Preferred Terms published by Government Property Function.

Home Office as a lessor

The Department has immaterial balances in respect of leases as a lessor therefore no separate disclosure has been made for lessor accounting within the accounts.

1.10 Service Concessions

The Department is party to private finance initiatives (PFIs). The classification of such arrangements as service concession arrangements requires the Department to determine, based on an evaluation of the terms and conditions of the arrangements, whether it controls the infrastructure.

The Department accounts for PFI transactions on a control approach based on the FReM, which uses IFRIC 12 Service Concession Arrangements to inform its treatment. The Department is considered to control the infrastructure in a public-to-private service concession arrangement if:

- the Department controls or regulates the services that the operator must provide using the infrastructure, to whom it must provide them, and at what price; and
- the Department controls any significant residual interest in the property at the end of the concession term through ownership, beneficial entitlement or otherwise.

Where it is determined that such arrangements are not in scope of IFRIC 12, the Department assesses such arrangements under IFRS 16 Leases.

Where it is identified that the arrangement conveys the right to control the use of an identified asset for a period of time in exchange for consideration, the lease element is accounted for in accordance with the lease accounting sets out in the section of this note on leases.

Where it is determined that arrangements are in scope of IFRIC 12, the Department recognises the infrastructure as a non-current asset.

Where the contract is separable between the service element, the interest charge and the infrastructure asset, the asset is measured as under IFRS 16, with the service element and the interest charge recognised as incurred over the term of the concession arrangement. Where there is a unitary payment stream that includes infrastructure and service elements that cannot be separated, the various elements will be separated using estimation techniques.

In determining the interest rate implicit in the contract, the Department applies the risk-free market rate at the time the contract was signed. The rate is not changed unless the infrastructure element or the whole contract is renegotiated. The risk-free rate is determined by reference to the real rate set by HM Treasury.

The nominal rate is then calculated by adjusting this real term rate by the UK inflation rate.

The Department recognises a liability for the capital value of the contract. That liability does not include the interest charge and service elements, which are expensed annually to the Consolidated Statement of Comprehensive Net Expenditure.

On initial recognition of Public-Private partnership arrangements or PFI contracts under IFRS, the Department measures the non-current asset in the same way as other non-current assets of that generic type. A liability is recognised for the capital value of the contract at its fair value at the period end, which will normally be the outstanding liability in respect of the asset (that is, excluding the interest and service elements), discounted by the interest rate implicit in the contract.

Assets are revalued in accordance with the revaluation policy for property, plant and equipment and intangible assets. Liabilities are measured using the appropriate discount rate.

Revenue received under any revenue sharing provision in the service concession arrangement is recognised when all the conditions set by IFRS 15 Revenue from Contracts with Customers have been satisfied.

1.11 Cash and cash equivalents

Cash in the Statement of Financial Position comprises cash at bank and in hand. For the purpose of the cash flow statement, cash and cash equivalents consist of cash, less any outstanding bank overdrafts.

1.12 Provisions

A provision is recognised when the Department has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the effect of discounting is material, provisions are measured at their present value using the current discount rates set by HM Treasury based on the underlying cash flows, which are currently: 3.27%, 3.20%, and 3.51% for short term (0 – 5 years), medium term (6 – 10 years), and long term (greater than 10 years) respectively.

Provisions represent a significant source of estimation uncertainty for the Department.

1.13 Contingent Liabilities

In addition to contingent liabilities disclosed in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets, the Department discloses for parliamentary reporting and accountability purposes certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, but which have been reported to Parliament in accordance with the requirements of Managing Public Money.

Where the time value of money is material, contingent liabilities which are required to be disclosed under IAS 37 are stated at discounted amounts and the amount reported to Parliament separately noted. Contingent liabilities that are not required to be disclosed by IAS 37 are stated at the amounts reported to Parliament.

1.14 Income

Income is recognised in accordance with IFRS 15. Revenue is recognised when a performance obligation included within a contract with a customer is satisfied, at the transaction price allocated to that performance obligation.

Full cost basis

Income principally comprises fees and charges for services provided on a full cost basis to external customers.

Income which relates directly to the operating activities of the Department is stated net of VAT.

Revenue from contracts with customers

IFRS 15, which became effective from 2018-19, provides a comprehensive standard for revenue recognition.

The Home Office recognises revenue primarily from the provision of immigration-related documentation such as passports and visas as well as certificates for the registration of births, deaths and marriages.

Performance obligations

The table below sets out, for each income stream, when performance obligations are typically satisfied, the significant payment terms, and the nature of the goods or services which the Department supplies.

All income streams usually have a contract of a duration of one year or less, and therefore transaction price allocated to remaining performance obligations is not disclosed, applying the practical expedient in IFRS 15.121.

Income stream	Operating Segment	Description of income stream	Performance obligation	Determination of transaction price	Payment terms
Passport fees	Customer Service (HMPO)	Supply of passports and other services by HM Passport Office	On delivery of the passport to the customer	Set out in legislation	Payment on application
Visa and immigration fees	Customer Service (UKVI)	Supply of visas and immigration documents	On delivery of the visa or immigration decision to the customer	Set out in legislation	Payment on application
Asset recovery income	Borders and Enforcement & Homeland Security	Recovery of proceeds of crime	The Department has powers set out in legislation to recover this income	Value of penalty collected	Penalty payment by court order
Certificate services	Customer Service (UKVI)	Supply of copies of birth, marriage and death certificates	Delivery of the certificate to the customer	Set out in legislation	Payment on application
DBS income	Arms Length Body (Disclosure and Barring Service)	Supply of criminal records checks by the Disclosure and Barring Service	Delivery of the information to the customer	Set out in legislation	Payment on application
EU income	Borders and Enforcement, Corporate Enablers & Science, Technology, Analysis and Research	Grants from the Asylum, Migration and Integration Fund (AMIF)	Work done to meet the criteria for grant payment	Set out in grant agreement	Payment in arrears on satisfaction of grant obligations
Hendon Data Centre Income	Digital, Data and Technology and Science, Technology, Analysis and Research	Supply of IT services to police forces	The supply of IT services over time	Set out in agreement between department and police forces	Payment quarterly in accordance with the agreement

Significant judgements in the application of IFRS 15

The total consideration from contracts with customers is included in the transaction price for each of these income streams. None of these income streams contain variable consideration which may be constrained.

Income Recognition

Identifying when the goods or services are supplied is straightforward for income streams corresponding to performance obligations satisfied at a point in time (passport fees, visa and immigration fees, certificate services, and DBS income).

For **asset recovery income**, income is recognised when HM Courts and Tribunals Service has collected receipts against confiscation orders and those receipts become payable to the Department.

For **EU income,** the performance obligations are set out in the Asylum, Migration and Integration Fund (AMIF) UK National Programme, and whether a performance obligation has been delivered is judged against the expectations set out in the National Programme.

For **Hendon Data Centre Income**, the performance obligations and transaction price are set out in an agreement between the Department and police forces, and revenue is recognised against the terms set out in that agreement.

Immigration Health Surcharge

The Immigration Health Surcharge is not recognised under IFRS 15 as the funds are not retained by the Department. The Immigration Health Surcharge, which the UK government introduced in April 2015, is payable as part of the immigration application with some exceptions. This fee is designed to help ensure the National Health Service (NHS) remains sustainable and receives a fair contribution to the cost of healthcare from temporary migrants. The Home Office collects this fee on behalf of the Department of Health and Social Care and it is then transferred via the supply estimate process.

Passport fees

Free passports issued for all British Nationals born on or before 2 September 1929 that was introduced on 18 October 2004 is financed by Parliamentary Supply drawn down by the Home Office.

Passport fees include an element relating to consular protection services provided by the Foreign Commonwealth & Development Office (FCDO) worldwide. These fees are not retained by the Home Office and are remitted to HM Treasury as Consolidated Fund Extra Receipts. These fees are separately reported in the Home Office Trust Statement.

Airwave

Airwave income is not recognised under IFRS 15 as there is no performance obligation corresponding to this income stream. Instead, this is a reduction in the cost of the contract, paid by the supplier.

Contract balances

Most departmental income comes from services for which payment is made in advance, which gives rise to a contract liability. Contract liabilities, reported under IFRS 15, are disclosed separately in the note for trade payables and other current liabilities (Note 11). Contract liabilities are recognised on receipt of cash for services and derecognised at the point of provision of those services.

Contract assets (accrued income) primarily relate to the Department's right to consideration for work completed but not yet billed at the reporting date. Contract liabilities (deferred income) primarily relate to the consideration received from customers in advance of transferring a good or service.

1.15 Pensions

Principal Civil Service Pension Scheme (PCSPS)

The Department recognises the expected costs on a systematic and rational basis over the period during which it benefits from employees' services, by payments to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS.

Civil Servants and Others Pension Scheme (CSOPS)

CSOPS, known as Alpha, is an unfunded, defined benefit scheme which started on 1 April 2015. The Department recognises the expected costs on a systematic and rational basis over the period during which it benefits from employees' services by payments to the CSOPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the CSOPS.

Partnership and Stakeholder Schemes

The employer made a basic contribution of between 3% and 12.5% of pensionable earnings up to 30 September 2015 and between 8% and 14.75% of pensionable earning from 1 October 2015 (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of three providers. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contributed a further 0.8% of pensionable pay up to 30 September 2015 and 0.5% of pensionable pay from 1 October 2015 to cover the cost of centrally-provided risk benefit cover (death in service and ill-health retirement).

Broadly By Analogy (BBA)

The BBA pensions are unfunded, with benefits being paid as they fall due. Liabilities for the scheme rest with the core department and the Independent Office for Police Conduct, its operators, and provision for these liabilities is reflected in the Statement of Financial Position. The annual cost of the associated pension contribution is recognised in the Statement of Comprehensive Net Expenditure, and amounts relating to changes in the actuarial valuation of scheme liabilities are adjusted via the Statement of Changes in Taxpayers' Equity. The scheme liabilities have been calculated by the Government Actuary's department.

1.16 Home Office Grants

Grant in Aid

Grant-in-aid is recognised on a cash basis. Grant-in-aid is a funding mechanism to finance all or part of the costs of relevant entities within the Home Office group.

Other grants

Other grants are recognised on an accruals basis: grant expenditure is recognised at the point at which the relevant work is done by the grant recipient.

For most grants, the Department recognises grant expenditure monthly on the assumption of work done, which is confirmed and adjusted quarterly based on evidence from the grant recipient. Grant payments are made quarterly in arrears once in receipt of this evidence.

Significant grants given by the Department and the recognition treatment adopted are as follows:

Main police grant
Main police grants are based on funding levels set out in the Police Grant Report (England and Wales) 2022-23. This includes, among other grant streams, DCLG formula funding and legacy council tax grants. The majority of this grant expenditure is recognised on a straight-line basis across the year.

Counter-terrorism policing grant
The counter-terrorism policing grant is paid quarterly in arrears based on claims submitted by the National Counter Terrorism Security Office. Grant expenditure is recognised evenly across the year based on assumptions of work done in between payments.

Police pensions and fire and rescue pension top-up grant
Police pensions and fire and rescue pension top-up grants are recognised as the best estimates of the difference between outgoing pension expenditure and incoming pension contributions in a single year.

The top-up grant accrual represents a significant source of estimation uncertainty for the Department.

Each police force and fire and rescue service participate in unfunded defined benefit and defined contribution pension schemes. Each authority recognises the associated long-term pension liability for these schemes in its own financial statements.

Because these schemes are unfunded, the Department is required under legislation to make grants to police forces and fire brigades to match the estimated cash deficit in their pension schemes for the year. The grant is based on estimates provided in-year by the police and fire services and adjusted for actual outturns from prior years.

The Department recognises an accrual at the year-end for the element of the grant that has not been paid by the year-end. There are inherent uncertainties involved with the calculation of the pension grant, for example the number of retirees and amounts taken in lump sums, which means that the accrual is the best estimate of the liability at the year-end.

The top-up grant provides the mechanism by which cash funding is provided to the schemes to allow them to meet their liabilities as they fall due. The Department meets these commitments via the supply estimates process each year. Therefore, the Department does not recognise a provision or contingent liability in respect of future years' pension top up grants.

1.17 Value added Tax (VAT)

Most of the activities of the Department are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable.

Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input tax is recoverable, the amounts are stated net of VAT.

1.18 Operating Segments

IFRS 8 Operating Segments has been applied in full without interpretation or adaption in line with HM Treasury guidance. Segmental information is included in Note 2 to these accounts.

The Department recognises all revenues from external customers as within the United Kingdom. Similarly, the Department recognises all its non-current assets as within the United Kingdom. Non-current assets based in foreign countries are in aggregate of immaterial value to these accounts.

1.19 Financial Instruments

The majority of the Department's financial instruments are trade receivables and payables.

Receivables are shown net of expected credit loss. The Department holds receivables with customers with low credit risk (mainly central government departments and police forces), and other receivables are simple trade receivables held for collecting cash in the normal course of business.

The Home Office does not operate hedge accounting, so the specific requirements of IFRS 9 for hedging instruments do not apply.

1.20 International Financial Reporting Standards (IFRS) that have been issued but are not yet effective

IFRS 17: Insurance Contracts

IFRS 17 is the new accounting standard for Insurance Contracts and aims to make risk transfer contracts more comparable between entities.

The standard sets out the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope and replaces the previous standard IFRS 4 Insurance Contracts.

The new standard is being applied by HM Treasury in the FReM from 1 April 2025 (with limited options for early adoption). No material impact is anticipated from this standard.

2. Statement of Operating costs and Net Assets by Operating Segment

			2022-23			2021-22 Restated
	Gross expenditure	Income	Net	Gross expenditure	Income	Net
	£000	£000	£000	£000	£000	£000
Reportable Segment						
Delivery Group	468,793	(285,878)	182,915	455,970	(271,352)	184,618
Science, Technology, Analysis and Research	95,446	(20,674)	74,772	84,115	(18,184)	65,931
Homeland Security Group	1,510,855	(267,786)	1,243,069	1,457,293	(321,749)	1,135,544
Public Safety Group	13,362,745	(2,305)	13,360,440	13,282,235	(2,569)	13,279,666
Migration and Borders Group	290,659	(904)	289,755	254,683	(1,315)	253,368
Customer Services (UKVI and HMPO)	1,145,979	(4,474,062)	(3,328,083)	876,287	(3,318,872)	(2,442,585)
Asylum and Protection Group	4,590,015	(91,131)	4,498,884	2,581,519	(68,109)	2,513,410
Borders and Enforcement	1,475,171	(86,899)	1,388,272	1,057,676	(41,835)	1,015,841
Corporate Enablers	997,744	(53,807)	943,937	1,388,646	(341,237)	1,047,409
Digital, Data and Technology	607,190	(134,244)	472,946	562,955	(126,913)	436,042
Legal Advisors	11,131	-	11,131	10,111	-	10,111
Communications	8,558	-	8,558	17,531	-	17,531
Net Expenditure	**24,564,286**	**(5,417,690)**	**19,146,596**	**22,029,021**	**(4,512,135)**	**17,516,886**
Reconciliation between operating segments and SoPS note 1						
Add:						
Income payable to the Consolidated Fund	-	207,919	207,919	-	304,548	304,548
Capital grant income	-	5,778	5,778	-	2,480	2,480
NDPB income (reported as net expenditure in SOPS Note 1)	(284,879)	284,879	-	(270,542)	270,542	-
Less:						
Capital grants	(209,061)	7,387	(201,674)	(631,680)	-	(631,680)
Capital expenditure	(81,363)	(1,118)	(82,481)	(71,221)	(6,901)	(78,122)
PFI adjustments	-	-	-	-	-	-
Capital disposal adjustments	-	-	-	-	244,857	244,857
Net resource outturn	**23,988,983**	**(4,912,845)**	**19,076,138**	**21,055,578**	**(3,696,609)**	**17,358,969**

Departmental net assets by operating segment	Total assets	Total liabilities	Net assets	Total assets	Total liabilities	Net assets
	£000	£000	£000	£000	£000	£000
Reportable Segment						
Delivery Group	224,935	(113,134)	111,801	184,718	(92,042)	92,676
Science, Technology, Analysis and Research	14,172	(80,215)	(66,043)	13,677	(32,131)	(18,454)
Homeland Security Group	79,525	(433,244)	(353,719)	109,340	(346,159)	(236,819)
Public Safety Group	517,314	(1,244,265)	(726,951)	556,097	(1,508,286)	(952,189)
Migration and Borders Group	269,945	(14,922)	255,023	270,489	(24,949)	245,540
Customer Services (UKVI and HMPO)	711,211	(620,320)	90,891	602,308	(770,136)	(167,828)
Asylum and Protection Group	115,178	(591,728)	(476,550)	48,636	(409,504)	(360,868)
Borders and Enforcement	464,919	(128,002)	336,917	391,881	(160,310)	231,571
Corporate Enablers	1,374,264	(1,577,930)	(203,666)	1,147,801	(1,235,725)	(87,924)
Digital, Data and Technology	184,850	(10,625)	174,225	157,528	(35,583)	121,945
Legal Advisors	8	-	8	8	-	8
Communications	69	(53)	16	55	(108)	(53)
Total balance	**3,956,390**	**(4,814,438)**	**(858,048)**	**3,482,538**	**(4,614,933)**	**(1,132,395)**

The Operating segments are reported in a manner that is consistent with the organisational structure of the Department and the with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Committee (ExCo)

The Delivery Group, a new group set up in this financial year, makes clear Home Office strategy; and uses its experience and expertise to push for the delivery of Home Office outcomes and other priorities. We work across the department and with ministers to do this. The Delivery Group comprises Private Office Group (POG), Portfolio and Project Delivery (PPD), and Home Office Transformation and Strategy.

Science, Technology, Analysis and Research (STAR) draws together the whole business, to help inform, deliver and make sense of cross-cutting activity, and to ensure we are pulling together in pursuit of shared objectives.

The Missions incorporates:

Homeland Security Group is responsible for the government's strategy, policy and legislation relating to national security threats and crisis response.

Public Safety Group provides leadership to the public safety system, protecting the public from mainstream and domestic harms.

Migration and Borders Group provides strategic leadership of the migration, borders and citizenship system, setting the policy and legislative framework with end-to-end design and functionality.

The work of the Missions will be underpinned by our **Capabilities**, which includes operations and enabling functions:

Customer Services (UKVI and HMPO) incorporates UK Visas and Immigration (UKVI) and HM Passport Office (HMPO). This aims to control migration, to deliver world-class customer service and safeguard the vulnerable and host communities. This delivers accurate and secure records relating to the provision of passport services and civil registration in England and Wales.

Asylum and Protection Group includes Immigration and Protection and Resettlement, Asylum Support and Integration. It is responsible for running the asylum system as well as delivery of refugee resettlement programmes.

Borders and Enforcement is responsible for securing the UK border and for controlling migration at ports and airports across the UK and overseas. It also prevents abuse of, and increasing compliance with, immigration law and pursuing immigration offenders. It works with partners to regulate migration in line with the law and government policy and support economic growth. This includes spending on Border Force and on Immigration Enforcement.

Corporate Enablers supports the business and includes HR, Finance, Commercial, Portfolio, Strategy and Estates.

Digital, Data and Technology (DDaT) is part of Corporate Enablers, provides support to all business areas including the technological support and development for front line operations.

Legal supports the delivery of the Home Office's aims and objectives by the provision of specified legal services to other parts of the Department.

Communications leads on the Department's communication strategy and provides a shared communication service that has been created to maximise resource.

3. Expenditure

	Note	2022-23 Core department & agencies	2022-23 Departmental group	2021-22 Core department & agencies	2021-22 Departmental group
		£'000	£'000	£'000	£'000
Staff costs					
Wages and salaries		1,687,701	1,824,050	1,415,509	1,542,595
Social security costs		163,409	176,728	136,411	148,068
Other pension costs		361,773	392,286	317,969	345,839
Subtotal		**2,212,883**	**2,393,064**	**1,869,889**	**2,036,502**
Less recoveries in respect of outward secondments		(448)	(862)	(252)	(689)
Total net staff costs		**2,212,435**	**2,392,202**	**1,869,637**	**2,035,813**
Grants					
Grants - current					
Main police grants					
Home Office police core settlement (1)		5,315,391	5,315,391	4,991,774	4,991,774
Department for Levelling Up, Housing and Communities formula funding (2)		3,370,179	3,370,179	3,181,534	3,181,534
Legacy council tax grants (3)		507,389	507,389	507,389	507,389
Total main police grants		**9,192,959**	**9,192,959**	**8,680,697**	**8,680,697**
Other current grants (4)		3,344,877	3,344,877	2,605,636	2,605,636
Grants - capital (5)		206,659	209,061	630,014	631,680
Grants - police pensions grants (6)		1,658,574	1,658,574	1,813,947	1,813,947
Grants - fire and rescue services top-up grants (6)		419,393	419,393	701,595	701,595
Non-cash items					
Depreciation (7)	5, 7	376,734	386,751	343,204	350,212
Amortisation (7)	6	294,525	306,081	237,123	244,905
Impairments - non-current assets		6,527	6,527	97,013	97,013
(Profit)/loss on disposal of non-current assets		(305)	(311)	-	(48)
PFI Interest charges		-	-	7,910	7,910
Finance lease interest charge		5,655	5,921	5,412	5,412
External auditors' remuneration		700	700	560	560
Provision movements		73,312	73,564	176,898	176,035
Bad debt movement		327	411	673	673
Impairments - inventories		36	36	94	94
Revaluations		(1,681)	(1,700)	(1,565)	(1,567)
Purchase of goods and services					
Publications, stationery and printing		20,098	20,586	8,408	8,836
Passport printing and stationery		169,053	169,053	104,140	104,140
Facilities management and staff services		266,385	286,535	120,727	140,657
Travel, subsistence and hospitality		82,596	89,901	48,158	53,610
Professional fees		214,883	229,039	211,242	221,881
External auditors' remuneration		-	384	-	325
Media and IT		203,572	218,018	211,079	222,801
Asylum costs		3,046,789	3,046,789	1,506,686	1,506,686
Detention costs		101,246	101,246	93,633	93,633
UK Visas & Immigration commercial partner costs		120,391	120,391	89,814	89,814
FCDO charges		51,004	51,004	52,524	52,524
Other operating expenditure					
Rentals under operating leases		(137)	333	73,007	75,954
Other IT and accommodation related service charges		1,576,496	1,646,460	1,443,041	1,499,334
Asset recovery costs		112,845	112,863	134,087	134,200
Other costs		420,879	476,638	419,208	474,059
Grant in aid to ALBs		131,218	-	127,125	-
Total		**24,308,045**	**24,564,286**	**21,811,727**	**22,029,021**

Grants expenditure

Home Office grants reported above include the following:

Home Office Police Core Settlement (1)

Funding to local policing bodies made under Section 46 of the Police Act 1996

Department for Levelling Up, Housing and Communities (2)

Grant funding previously paid to local policing bodies by the Secretary of State for Communities and Local Government under section 78A of the Local Government Finance Act 1988 through the Local Government Finance Report (England). It is now paid by the Home Secretary under Section 46 of the Police Act 1996. This is as a result of the Government decision that local policing bodies should be funded from outside the business rates retention scheme.

Legacy Council Tax Grants (3)

This funding comprises Council Tax Freeze Grant from the 2011-12, 2013-14 and 2014-15 schemes, payable to local policing bodies in England who chose to freeze or lower precept in those years and the Local Council Tax Support Grant, which was paid to local policing bodies in England from 2013-14 following the localisation of council tax support schemes.

It was previously paid by the Secretary of State for Communities and Local Government under Section 31(4) of the Local Government Act 2003. It is now paid by the Home Secretary under Section 46 of the Police Act 1996. This is a result of the Government's ambition to simplify police funding arrangements.

Other (4)

Various other grants are paid by the Home Office to local policing bodies, charities and local councils. The main examples of other grants include Police Uplift Programme grants and Police Special Grants.

In addition, other types of grant include:

Capital Grants (5)

Financial support paid to third parties for the purchase or improvement of assets (including buildings, equipment and land), which are expected to be used for a period of at least one year. The 2021-22 capital grants include one-off £389m grants associated with 2 Marsham Street.

Police Pensions and Fire and Rescue Services top-up Grants (6)

The Department makes a grant to police forces and to the Fire and Rescue Services to match the estimated deficit in their Police and Fire and Rescue pension schemes for the year. The grant is based on estimates provided in-year by the respective forces and adjusted for actual outturns from prior years.

Depreciation and amortisation (7)

Depreciation includes depreciation charges for both right-of-use assets and PPE.

Following a significant review of historic PPE and Intangible assets, management identified a portion of balances which had not been depreciated or amortised according to the Department’s policy. Total depreciation and amortisation charged in in 2022-23 was £693 million. Of this, £162 million related to periods on or before 1 April 2022.

4. Income

	2022-23		2021-22	
	Core department & agencies	Departmental group	Core department & agencies	Departmental group
	£'000	£'000	£'000	£'000
Revenue from contracts with customers				
Passport fees	573,913	573,913	380,207	380,207
Visa and immigration income	2,184,054	2,184,054	1,525,348	1,525,348
Hendon data centre income	131,659	131,659	124,064	124,064
Certificate services	23,108	23,108	22,882	22,882
DBS income	-	217,077	-	219,052
EU income	66,533	66,533	78,930	78,930
Asset recovery income	219,921	219,921	239,619	239,619
Other revenue from contracts with customers	176,260	244,062	337,692	389,182
Other operating income				
Immigration Health Surcharge	1,540,704	1,540,704	1,188,019	1,188,019
Other income	8,740	8,740	40,284	40,284
Total retained Income	**4,924,892**	**5,209,771**	**3,937,045**	**4,207,587**
Payable to consolidated fund				
Immigration Health Surcharge	165,408	165,408	235,265	235,265
Other income	42,511	42,511	69,283	69,283
Total payable to Consolidated Fund	**207,919**	**207,919**	**304,548**	**304,548**
Total	**5,132,811**	**5,417,690**	**4,241,593**	**4,512,135**

5. Property, Plant and Equipment

2022-23 Departmental Group

	Land	Buildings	Transport equipment	Information technology	Plant & machinery	Furniture & fittings	Payments on account & Assets under construction	Departmental group total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation								
At 1 April 2022	53,351	906,320	78,525	679,466	308,548	101,359	784,598	2,912,167
Additions	78	1,069	9,504	22,840	7,360	9,721	243,969	294,541
Disposals	-	(71,226)	(2,831)	(196,897)	(146,511)	(39,899)	(172)	(457,536)
Impairments	(187)	(2,263)	-	-	-	-	-	(2,450)
Reclassifications	(119)	77,873	25,976	358,715	26,038	50,154	(877,254)	(338,617)
Revaluations	1,690	19,760	2,085	4,817	5,866	1,450	-	35,668
At 31 March 2023	**54,813**	**931,533**	**113,259**	**868,941**	**201,301**	**122,785**	**151,141**	**2,443,773**
Depreciation								
At 1 April 2022	-	(447,354)	(52,253)	(503,644)	(283,186)	(81,773)	(220,230)	(1,588,440)
Charged in year	-	(86,282)	(33,691)	(365,784)	(752)	(41,124)	220,230	(307,403)
Disposals	-	70,439	2,880	196,360	146,405	39,814	-	455,898
Impairments	-	(187)	-	-	-	-	-	(187)
Reclassifications	-	-	-	-	-	-	-	-
Revaluations	-	(9,897)	(1,084)	(3,563)	(2,183)	(729)	-	(17,456)
At 31 March 2023	**-**	**(473,281)**	**(84,148)**	**(676,631)**	**(139,716)**	**(83,812)**	**-**	**(1,457,588)**
Carrying amount at 31 March 2023	**54,813**	**458,252**	**29,111**	**192,310**	**61,585**	**38,973**	**151,141**	**986,185**
Carrying amount at 1 April 2022	**53,351**	**458,966**	**26,272**	**175,822**	**25,362**	**19,586**	**564,368**	**1,323,727**
Asset financing:								
Owned	54,813	458,252	29,111	192,310	61,585	38,973	151,141	986,185
Finance leased	-	-	-	-	-	-	-	-
On balance sheet PFI/other concession arrangements	-	-	-	-	-	-	-	-
Carrying amount at 31 March 2023	**54,813**	**458,252**	**29,111**	**192,310**	**61,585**	**38,973**	**151,141**	**986,185**
Of the total:								
Core department	53,422	433,734	28,257	187,861	60,502	34,694	146,174	944,644
Arm's length bodies	1,391	24,518	854	4,449	1,083	4,279	4,967	41,541
Carrying amount at 31 March 2023	**54,813**	**458,252**	**29,111**	**192,310**	**61,585**	**38,973**	**151,141**	**986,185**

2021-22 Departmental Group

	Land	Buildings	Transport equipment	Information technology	Plant & machinery	Furniture & fittings	Payments on account & Assets under construction	Departmental group total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation								
At 1 April 2021	38,060	1,075,550	67,607	499,998	535,687	118,281	883,912	3,219,095
Additions	16	17,167	11,131	84,620	3,668	7,622	77,516	201,740
Disposals	(211,509)	(372,085)	(5,588)	(2,895)	(243,527)	(27,199)	-	(862,803)
Impairments	-	-	-	-	-	-	(50,398)	(50,398)
Reclassifications	96	3,899	4,460	103,615	10,646	2,085	(126,432)	(1,631)
Revaluations	226,688	31,953	915	(5,872)	2,074	570	-	256,328
At 31 March 2022	**53,351**	**756,484**	**78,525**	**679,466**	**308,548**	**101,359**	**784,598**	**2,762,331**
Depreciation								
At 1 April 2021	-	(516,524)	(51,035)	(423,540)	(510,088)	(93,348)	-	(1,594,535)
Charged in year	-	(23,523)	(6,294)	(87,698)	(373)	(12,094)	(220,230)	(350,212)
Disposals	-	205,263	5,493	2,561	228,718	24,198	-	466,233
Impairments	-	-	-	(92)	-	-	-	(92)
Reclassifications	-	66	38	158	(38)	(66)	-	158
Revaluations	-	(63,296)	(455)	4,967	(1,405)	(463)	-	(60,652)
At 31 March 2022	**-**	**(398,014)**	**(52,253)**	**(503,644)**	**(283,186)**	**(81,773)**	**(220,230)**	**(1,539,100)**
Carrying amount at 31 March 2022	**53,351**	**358,470**	**26,272**	**175,822**	**25,362**	**19,586**	**564,368**	**1,223,231**
Carrying amount at 1 April 2021	**38,060**	**559,026**	**16,572**	**76,458**	**25,599**	**24,933**	**883,912**	**1,624,560**
Asset financing:								
Owned	53,351	338,549	26,272	175,817	24,902	19,452	558,245	1,196,588
Finance leased	-	19,875	-	-	459	133	6,252	26,719
On balance sheet PFI/other concession arrangements	-	46	-	5	1	1	(129)	(76)
Carrying amount at 31 March 2022	**53,351**	**358,470**	**26,272**	**175,822**	**25,362**	**19,586**	**564,368**	**1,223,231**
Of the total:								
Core department	52,059	332,482	25,319	169,972	24,421	15,636	560,304	1,180,193
Arm's length bodies	1,292	25,988	953	5,850	941	3,950	4,064	43,038
Carrying amount at 31 March 2022	**53,351**	**358,470**	**26,272**	**175,822**	**25,362**	**19,586**	**564,368**	**1,223,231**

6. Intangible Assets

2022-23 Departmental Group

	Information technology	Software licences	Websites	Payments on account & Assets under construction	Departmental group total
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 April 2022	1,541,110	65,702	4,235	313,579	1,924,626
Additions	110,394	693	215	262,345	373,647
Disposals	(281,254)	(9,370)	(228)	(9,432)	(300,284)
Impairments	(724)	-	-	(3,768)	(4,492)
Reclassifications	298,629	3,834	276	35,878	338,617
Revaluations	25,666	1,137	12	-	26,815
At 31 March 2023	**1,693,821**	**61,996**	**4,510**	**598,602**	**2,358,929**
Amortisation					
At 1 April 2022	(1,157,674)	(60,282)	(4,152)	(53,598)	(1,275,706)
Charged in year	(351,435)	(8,129)	(115)	53,598	(306,081)
Disposals	280,690	9,362	228	-	290,280
Impairments	-	-	-	-	-
Reclassifications	-	-	-	-	-
Revaluations	(20,358)	(1,088)	(10)	-	(21,456)
At 31 March 2023	**(1,248,777)**	**(60,137)**	**(4,049)**	**-**	**(1,312,963)**
Carrying amount at 31 March 2023	**445,044**	**1,859**	**461**	**598,602**	**1,045,966**
Carrying amount at 1 April 2022	**383,436**	**5,420**	**83**	**259,981**	**648,920**
Asset financing:					
Owned	443,375	357	461	598,602	1,042,795
On balance sheet PFI/other concession arrangements	1,669	1,502	-	-	3,171
Carrying amount at 31 March 2023	**445,044**	**1,859**	**461**	**598,602**	**1,045,966**
Of the total:					
Core department	432,584	945	436	584,536	1,018,501
Arm's length bodies	12,460	914	25	14,066	27,465
Carrying amount at 31 March 2023	**445,044**	**1,859**	**461**	**598,602**	**1,045,966**

2021-22 Departmental Group

	Information technology	Software licences	Websites	Payments on account & Assets under construction	Departmental group total
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 April 2021	1,312,713	67,052	4,308	300,831	1,684,904
Additions	120,872	22	-	192,018	312,912
Disposals	(1,853)	(60)	-	(1,427)	(3,340)
Impairments	(5,752)	-	-	(44,080)	(49,832)
Reclassifications	135,569	(176)	-	(133,763)	1,630
Revaluations	(20,439)	(1,136)	(73)	-	(21,648)
At 31 March 2022	**1,541,110**	**65,702**	**4,235**	**313,579**	**1,924,626**
Amortisation					
At 1 April 2021	(993,001)	(57,360)	(4,156)	-	(1,054,517)
Charged in year	(187,242)	(3,997)	(68)	(53,598)	(244,905)
Disposals	1,076	241	-	-	1,317
Impairments	4,804	(219)	-	-	4,585
Reclassifications	(158)	-	-	-	(158)
Revaluations	16,847	1,053	72	-	17,972
At 31 March 2022	**(1,157,674)**	**(60,282)**	**(4,152)**	**(53,598)**	**(1,275,706)**
Carrying amount at 31 March 2022	**383,436**	**5,420**	**83**	**259,981**	**648,920**
Carrying amount at 1 April 2021	**319,712**	**9,692**	**152**	**300,831**	**630,387**
Asset financing:					
Owned	381,229	3,918	83	259,981	645,211
On balance sheet PFI/other concession arrangements	2,207	1,502	-	-	3,709
Carrying amount at 31 March 2022	**383,436**	**5,420**	**83**	**259,981**	**648,920**
Of the total:					
Core department	370,894	4,547	64	243,826	619,331
Arm's length bodies	12,542	873	19	16,155	29,589
Carrying amount at 31 March 2022	**383,436**	**5,420**	**83**	**259,981**	**648,920**

7. Right-of-use Assets

	Land	Buildings	Information technology	Core department & agencies	Land	Buildings	Information technology	Departmental group
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation								
At 1 April 2022	11,735	633,867	10,624	656,226	11,735	662,481	10,624	684,840
Additions	1,532	172,824	3,284	177,640	1,532	172,918	3,284	177,734
Disposals	-	(187,291)	-	(187,291)	-	(187,291)	-	(187,291)
External transfers	-	-	-	-	-	-	-	-
Impairments	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-	-
At 31 March 2023	**13,267**	**619,400**	**13,908**	**646,575**	**13,267**	**648,108**	**13,908**	**675,283**
Depreciation								
At 1 April 2022	-	-	-	-	-	(1,097)	-	(1,097)
Charged in year	(1,050)	(72,707)	(1,166)	(74,923)	(1,050)	(77,132)	(1,166)	(79,348)
Disposals	-	-	-	-	-	-	-	-
External transfers	-	-	-	-	-	-	-	-
Impairments	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-	-
At 31 March 2023	**(1,050)**	**(72,707)**	**(1,166)**	**(74,923)**	**(1,050)**	**(78,229)**	**(1,166)**	**(80,445)**
Carrying amount at 31 March 2023	**12,217**	**546,693**	**12,742**	**571,652**	**12,217**	**569,879**	**12,742**	**594,838**

8. Financial Instruments

As the cash requirements of the Department are met through the Estimates process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body of a similar size. The Department has very limited powers to borrow, invest surpluses, or purchase foreign currency. Financial assets and liabilities are generated by day-to-day operational activities and are not held to change the risk facing the Department in undertaking its activities.

The majority of financial instruments relate to contracts for goods and services in line with the Department's expected purchase and usage requirements and the Department is, therefore, exposed to little credit, liquidity or market risk.

9. Cash and Cash Equivalents

		2022-23		2021-22
	Core department & agencies	Departmental group	Core department & agencies	Departmental group
	£'000	£'000	£'000	£'000
Balance at 1 April	678,726	816,189	159,781	277,799
Net change in cash and cash equivalent balances	(202,976)	(221,631)	518,945	538,390
Balance at 31 March	**475,750**	**594,558**	**678,726**	**816,189**
The following balances at 31 March were held at:				
Government Banking Service	475,701	470,046	678,677	703,360
Commercial banks and cash in hand	49	124,512	49	112,829
Balance at 31 March	**475,750**	**594,558**	**678,726**	**816,189**

10. Trade receivables, financial and other assets

		2022-23		2021-22
	Core department & agencies	Departmental group	Core department & agencies	Departmental group
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade receivables	131,439	121,953	181,609	148,235
VAT receivables net of payables	34,028	33,794	(390)	(2,326)
Staff receivables	4,931	5,110	1,037	1,130
Receivables - government departments	139,592	139,592	175,582	175,582
Other receivables	1,080	1,235	10,259	10,258
Prepayments and accrued income	398,810	417,784	441,050	447,369
	709,880	**719,468**	**809,147**	**780,248**
Amounts falling due after more than one year:				
Other receivables	5,640	4,072	6,140	6,140
Lease receivables	4,393	4,393	-	-
	10,033	**8,465**	**6,140**	**6,140**

11. Trade payables and other current liabilities

	2022-23		2021-22	
	Core department & agencies	Departmental group	Core department & agencies	Departmental group
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Other taxation and social security	17,800	22,485	15,028	19,314
Trade payables	109,000	111,204	67,511	71,460
Other payables	9,124	9,369	4,631	4,978
Staff payables	61,823	63,579	53,450	54,757
Accruals	1,956,075	2,002,289	1,764,914	1,808,038
Accruals - Police Pensions	393,033	393,033	500,052	500,052
Accruals - Fire Pensions	137,863	137,863	295,143	295,143
Contract liabilities	371,543	390,495	478,804	494,826
Payables - government departments	68,079	68,079	68,769	68,769
Current part of lease liabilities	76,629	78,242	10,617	11,193
Current part of imputed finance lease element of on balance sheet PFI contracts and other service concession arrangements	(1,748)	(1,748)	(1,748)	(1,748)
Amounts issued from the Consolidated Fund for supply but not spent at year end	266,410	266,410	349,863	349,863
Consolidated Fund Extra Receipts due to be paid to the Consolidated Fund (received)	207,919	207,919	327,442	327,442
Consolidated Fund Extra Receipts due to be paid to the Consolidated Fund (receivable)	28,838	28,838	54,260	54,260
	3,702,388	**3,778,057**	**3,988,736**	**4,058,347**
Amounts falling due after more than one year:				
Other payables, accruals and deferred income	11,824	12,977	12,437	12,573
Imputed finance lease element of on-balance sheet PFI contracts and other service concession arrangements	2,131	2,131	2,131	2,131
Lease liabilities	514,183	535,661	49,150	50,386
	528,138	**550,769**	**63,718**	**65,090**

11.1 Contract balances

	Contract liabilities
	£'000
At 1 April 2022	494,826
Decrease due to revenue recognised in the period	(2,223,664)
Increase due to cash received in advance and not recognised as revenue during the year	2,119,334
At 31 March 2023	**390,496**

Presented within:	
Current	390,496
Non-current	-

12. Provisions for liabilities and charges

	2022-23		2021-22	
	Core department & agencies	Departmental group	Core department & agencies	Departmental group
	£'000	£'000	£'000	£'000
Balance at 1 April	**483,618**	**488,789**	**348,062**	**354,903**
Provided in the year	101,790	102,130	294,134	294,437
Provisions not required written back	(27,448)	(27,536)	(117,236)	(118,402)
Provisions utilised in the year	(80,497)	(80,573)	(41,342)	(42,149)
Balance at 31 March	**477,463**	**482,810**	**483,618**	**488,789**
Comprising				
Not later than one year	289,928	290,687	304,885	305,363
Later than one year and not later than five years	104,817	107,675	107,470	109,899
Later than five years	82,718	84,448	71,263	73,527
Balance at 31 March	**477,463**	**482,810**	**483,618**	**488,789**

13. Provisions analysis

	Early departure	Dilapidations	Legal claims	Windrush compensation scheme	Pensions and other	Departmental group total
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2022	**-**	**61,012**	**310,023**	**102,591**	**15,163**	**488,789**
Provided in the year	-	1,249	59,224	33,000	8,657	102,130
Provisions not required written back	-	(88)	(27,448)	-	-	(27,536)
Provisions utilised in the year	-	-	(55,917)	(24,656)	-	(80,573)
Balance at 31 March 2023	**-**	**62,173**	**285,882**	**110,935**	**23,820**	**482,810**
Comprising:						
Not later than one year	-	291	260,175	30,000	221	290,687
Later than one year and not later than five years	-	3,889	22,851	80,935	-	107,675
Later than five years	-	57,993	2,856	-	23,599	84,448
Balance at 31 March 2023	**-**	**62,173**	**285,882**	**110,935**	**23,820**	**482,810**
Of the total:						
Core department	-	57,293	285,635	110,935	23,600	477,463
Arm's length bodies	-	4,880	247	-	220	5,347
Balance at 31 March 2023	**-**	**62,173**	**285,882**	**110,935**	**23,820**	**482,810**

	Early departure	Dilapidations	Legal claims	Windrush compensation scheme	Pensions and other	Departmental group total
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2021	**333**	**62,085**	**65,124**	**160,000**	**67,361**	**354,903**
Provided in the year	79	3,186	291,148	-	24	294,437
Provisions not required written back	(2)	(3,896)	(25,272)	(37,031)	(52,201)	(118,402)
Provisions utilised in the year	(410)	(363)	(20,977)	(20,378)	(21)	(42,149)
Balance at 31 March 2022	**-**	**61,012**	**310,023**	**102,591**	**15,163**	**488,789**
Comprising:						
Not later than one year	-	55	282,144	23,000	164	305,363
Later than one year and not later than five years	-	2,429	27,879	79,591	-	109,899
Later than five years	-	58,528	-	-	14,999	73,527
Balance at 31 March 2022	**-**	**61,012**	**310,023**	**102,591**	**15,163**	**488,789**
Of the total:						
Core department	-	56,263	309,764	102,591	15,000	483,618
Arm's length bodies	-	4,749	259	-	163	5,171
Balance at 31 March 2022	**-**	**61,012**	**310,023**	**102,591**	**15,163**	**488,789**

Early Departure Costs

The Home Office meets the additional costs of benefits beyond the normal Principal Civil Service Pension Scheme (PCSPS) benefits in respect of employees who retire early by paying the required amount to PCSPS to cover the period between early departure and normal retirement date. The Home Office provides for this in full when the early retirement programme becomes binding on the Home Office by establishing a provision or accrual for the estimated payments. Any provision is discounted using the real HM Treasury discount rate outlined in Note 1.12.

Severance costs outstanding at year end under the new Civil Service Compensation Scheme are accrued for rather than provided for in a provision.

Dilapidations

The Home Office makes provisions to cover its obligations for the reinstatement of its leasehold buildings to their original state before its occupation.

Legal Claims

Provision has been made for various legal claims against the Home Office. The provision reflects all known claims where legal advice indicates that it is more than 50% probable that the claim will be successful, and the amount of the claim can be reliably estimated. The amount provided is on a percentage expected probability basis. No reimbursement will be received in respect of any of these claims. Legal claims, which may succeed but are less likely to do so (or cannot be estimated), are disclosed as contingent liabilities in Note 14.

Windrush compensation scheme

On 3 April 2019, the Home Office launched the Windrush Compensation Scheme, which is one of the measures the Government introduced to help right the wrongs experienced by members of the Windrush generation.

The Windrush Compensation Scheme is open to:

- Commonwealth citizens who arrived in the UK before 1 January 1973 and who are lawfully here because they have a right of abode, or settled status, or are now British citizens;
- Commonwealth citizens overseas who settled in the UK before 1 January 1973;
- Any person of any nationality who arrived in the UK before 31 December 1988 and is lawfully here because they have a right of abode, or settled status, or are now a British citizen;
- The children and grandchildren of Commonwealth citizens, in certain circumstances;

- The estates of those who are now deceased but would have otherwise been eligible to claim compensation; and

- Close family members of eligible claimants where there is evidence of certain direct financial losses, or significant impact on their life.

These accounts report a provision of £111 million, being the best estimate of the total value of future compensation scheme payments.

The provision value is based on the likelihood of number of claimants, and the estimated costs for the different areas of loss for which claims may be made. There is a considerable amount of uncertainty in these assumptions, due to incompleteness of data on how many individuals have been impacted, and how they have been impacted. There is no limit to the amount of compensation available should the claims be accepted.

Pensions and other provisions

The department has further provisions which do not fall into the above categories, but which satisfies the criteria for provision creation. The most significant of these are outlined below.

Pension provisions

The department recognises a liability in respect of the pension schemes in which it participates. This includes the unfunded defined benefit schemes Principal Civil Service Pension Scheme (PCSPS) and Civil Servants and Pension Schemes (CSOPS), Partnership and Stakeholder Schemes and Broadly by Analogy (BBA) pensions.

Refer to note 1 (accounting policies) for further detail on these schemes and how the associated liability has been measured for inclusion in the accounts.

Other provisions: Forensic Science Service (FSS)

A provision of £23.6 million relates to the value of the pension liability for FSS (2021-22: £15 million) The FSS was a government owned company in the UK which provided forensic science services to the police forces and government agencies of England and Wales, as well as other countries. Upon its closure in December 2005 the pension obligations of the FSS transferred to the Home Office.

The increase of £8.6 million in the provision during the year was predominantly due to the decline in the pension scheme asset performance.

14. Contingent Liabilities

Contingent liabilities cover all known claims where legal advice indicates that the criteria for recognition of a provision has not been met or where the possibility of economic transfer is remote.

There are a number of legal claims outstanding against the Department including unlawful detention and unlawful dismissal claims that fall under this definition. The nature of these claims is such that it is not possible to predict the outcome with reasonable certainty nor to quantify the financial impact to the Department.

The Home Office has identified an error in the value of the employee and employer pension contributions paid to the Principal Civil Service Pension Scheme (PCSPS) that affects only a very small minority of employees. Necessary adjustments to correct the error are being taken.

15. Lease liabilities

		2022-23
	Core department & agencies	**Departmental group**
	£'000	**£'000**
Amounts falling due:		
Not later than one year	76,629	79,801
Later than one year and not later than five years	255,660	267,405
Later than five years	298,169	307,314
	630,458	**654,520**
Less interest element	(39,646)	(40,617)
Total present value of obligations	**590,812**	**613,903**
Current	76,629	79,801
Non-current	514,183	534,102
	590,812	**613,903**

Liquidity risk is the possibility that the Department may be unable to meet its obligations from lease liabilities to be settled with cash. The Department’s net revenue resource and capital requirements are financed by resources voted annually by Parliament therefore the Department is not exposed to significant liquidity risk.

16. Commitments under PFI and other service concession arrangements

Off balance sheet (SoFP)

The total amount charged in the Statement of Comprehensive Net Expenditure in respect of off-balance sheet (SoFP) PFI or other service concession transactions was £47 million (2021-22: £305 million). Total future minimum payments under off-balance sheet PFI and other service concession arrangements are given in the table below for each of the following periods:

		2022-23		2021-22
	Core department & agencies	Departmental group	Core department & agencies	Departmental group
	£'000	£'000	£'000	£'000
Not later than one year	7,659	7,659	252,609	252,609
Later than one year and not later than five years	103	103	7,761	7,761
Later than five years	-	-	-	-
Total commitment	**7,762**	**7,762**	**260,370**	**260,370**

17. Capital and other commitments

Capital commitments

	2022-23		2021-22	
	Core department & agencies	Departmental group	Core department & agencies	Departmental group
	£000	£000	£000	£000
Property, plant & equipment	46,184	46,184	53,651	53,711
Intangible assets	90,685	90,685	50,435	50,435
Total commitment	**136,869**	**136,869**	**104,086**	**104,146**

These commitments include:

- £72.7 million of capital commitments at year end relate to the mast build of the Extended Area Service, covering major and minor roads that fall outside of those in the primary coverage area, mostly rural areas including many national parks and areas of outstanding natural beauty. The largest supplier is EE ltd, with capital commitments of £54.0 million for an Air to Ground network providing coverage for the three emergency services' airborne assets with transmission links and equipment the Extended Area Service sites cross England, Scotland and Wales. These extensions of coverage are part of the new Emergency Services Network critical communications system. This will replace the current Airwave service used by the emergency services in Great Britain (England, Wales and Scotland) and transform how they operate.

- £31.4 million for tangible and intangible capital commitments for Cyclamen, a nuclear (radiological) detection capability. The commitments relate to physical assets such as the portals for passengers or goods and various components which are due to upgrade. The commitment also relates to software enhancements to improve detection rates (or reduce false positives). Leonardo MW ltd is the largest supplier with a total commitment of £16.1 million to design, build and implement these capabilities.

- £7.8 million for National Communications Data Service support services. These services will deliver efficiencies during the contract life and enables more efficient future transitions. They include application lifecycle management, DevOps support and security gateway management and licences. The largest supplier is NCDS Engineering Support with a commitment of £1.6 million.

Other financial commitments

The department has entered into non-cancellable contracts (which are not leases, PFI contracts or other service concession arrangements), for software licences and a site share agreement as part of the Emergency Services Network. The payments to which the department are committed are as follows:

	2022-23		2021-22 (restated)	
	Core department & agencies	Departmental group	Core department & agencies	Departmental group
	£'000	£'000	£'000	£'000
Not later than one year	277,772	293,915	335,170	351,313
Later than one year and not later than five years	50,569	50,569	76,449	76,449
Later than five years	610	610	1,270	1,270
Total commitment	**328,951**	**345,094**	**412,889**	**429,032**

18. Related party transactions

The Department is the parent of its agencies and other designated bodies, and the sponsor of the Non-Departmental Public Bodies (NDPBs) outlined in Note 19. These bodies are regarded as related parties with which the Department has had material transactions during the year. Details of related party of NPPBs are disclosed in their audited accounts.

In addition, the Department has had transactions with other government departments and other central government bodies. In particular there have been transactions with:

- **The Cabinet Office**: Civil Superannuation relating to the employees' pension scheme. The employer's contribution to this pension scheme can be found in the Staff Report within the accountability section
- The **Foreign, Commonwealth and Development Office** relating to the overseas collection of both Visa income and the Immigration Health Surcharge.
- The **Forensic Archive Ltd** is considered a related party operating under the 'guardianship' of the Home Office with Home Office senior management sitting on the board.

No minister, board member, key manager or other related parties has undertaken any material transactions with the department during the year.

Ministers' interests are declared and maintained through the Register of Members' Interests at the House of Commons and the Register of Lords' Interest at the House of Lords.

Board members and key senior management staff are subject to a standard annual interests review, stating whether they, their spouses or close family members have been in a position of influence or control in organisations with which the Home Office has transactions.

The Remuneration Report provides information on key management compensation. No minister, board member, key manager or other related parties has undertaken any material transactions with the Department during the year.

19. Entities within the departmental boundary

The entities within the boundary during 2022-23 comprise supply financed agencies and those entities listed in the Designation and Amendment Orders presented to Parliament. They are:

Entities consolidated
The Home Office departmental boundary encompassed the central Government Department and five Non-Departmental Public Bodies (NDPBs). The accounts of these entities form part of the Home Office's consolidated financial statements.

Executive NDPBs: typically established in statute and carrying out executive, administrative, regulatory and/or commercial functions.

- Disclosure and Barring Service
- Gangmasters and Labour Abuse Authority
- Immigration Services Commissioner
- Independent Office for Police Conduct
- Security Industry Authority

The accounts of the above NDPBs can be found at http://www.official-documents.gov.uk.

Other Entities
College of Policing Limited

The College of Policing is a company limited by guarantee. It is classified as an Arm's Length Body by HM Treasury, and is consolidated within the departmental boundary as a NDPB.

Entities within the Core Department
Advisory, tribunal and other NDPBs do not publish accounts as they do not have any money delegated to them. Where there are costs, these are met from Home Office budgets.

Advisory non-departmental public bodies: provide independent, expert advice to ministers on a wide range of issues.

- Advisory Council on the Misuse of Drugs
- Animals in Science Committee
- Biometrics and Forensics Ethics Group
- Migration Advisory Committee
- Police Advisory Board for England and Wales
- Police Remuneration Review Body
- Technical Advisory Board

Tribunal non-departmental public bodies: have jurisdiction in a specialised field of law.

- Investigatory Powers Tribunal
- Police Discipline Appeals Tribunal

Other

- Commission for Countering Extremism
- Forensic Archive Ltd
- Her Majesty's Inspectors of Constabulary
- Independent Family Returns Panel
- Investigatory Powers Commissioner's Office
- Office for Communications Data Authorisations
- Office of the Chief Inspector of the UK Border Agency
- The Office of the Commissioner for the Retention and Use of Biometric Material
- Office of the Director of Labour Market Enforcement
- Office of the Domestic Abuse Commissioner
- The Office of the Forensic Science Regulator
- The Office of the Independent Anti-Slavery Commissioner
- The Office of the Independent Monitor for the purposes of Part 5 of the Police Act 1997
- The Office of the Independent Reviewer of Terrorism Legislation
- The Office of the person appointed under sections 47H(4), 127H(4), 195H(4), 290(8) and 303E(9) of the Proceeds of Crime Act 2002
- The Office of the Surveillance Camera Commissioner
- National Crime Agency Remuneration Review Body
- The National Crime Agency is outside the departmental boundary and is not consolidated in this Report, but its operations are mentioned because the Home Office has a policy remit for the Agency.

20. Events after the reporting period date

In accordance with the requirements of IAS 10 Events After the Reporting Period, events are considered up to the date on which the accounts are authorised for issue.

Independent Inquiry into Child Sexual Abuse (IICSA)

On 22 May 2023 the Government issued its response to the Independent Inquiry into Child Sexual Abuse (IICSA).

The response commits to introduce a redress scheme but the detail of that scheme (including eligibility and types of redress available) would be subject to extensive engagement, including with victims and survivors, third sector organisations, local authorities, insurers and lawyers. This approach was explicitly recommended by the Inquiry and will underpin our work to draw appropriately strong boundaries around the eventual scheme, the eventual design of which will of course be subject to full public consultation. It will be for ministers to decide, in close coordination with HMT, eligibility criteria and the extent of any financial component to a redress package proposal, so that any scheme is affordable to the taxpayer, appropriately bound, and not vulnerable to fraud.

As there is still significant uncertainty around the design, scale, timing, and which department will lead the administration of a future scheme, no contingent liability has been created.

Migration and Economic Development Partnership with Rwanda

On 29 June 2023 the Court of Appeal ruled that, in principle, relocating asylum seekers to a safe third country for the processing of their claims is in line with the Refugee Convention. However, by a majority of two to one judges, the Court found that there are deficiencies in the asylum system in Rwanda, which mean there remains a risk that individuals relocated to Rwanda could be returned to their home country despite having a need for protection. This means that we cannot proceed with flights to Rwanda at this stage. The Home Office is seeking permission to appeal this decision at the Supreme Court.

Authorisation to issue the financial statements

The date the Accounts are authorised for issue by Matthew Rycroft (Accounting Officer) is interpreted as the same date the Accounts are certified by the Comptroller and Auditor General.

Annexes – not subject to Audit

A. Financial information by Arm's Length Body

For the year ended 31 March 2023

Arm's length body	Total operating income	Total operating expenditure	Net expenditure for the year (including financing)	Permanently employed staff		Other staff	
				Number of employees	Staff costs	Number of employees	Staff costs
	£'000	£'000	£'000		£'000		£'000
College of Policing Limited	(36,029)	73,829	37,800	632	34,628	98	11,265
Disclosure and Barring Service	(217,077)	196,859	(20,218)	1,218	50,470	151	2,006
Gangmasters and Labour Abuse Authority	(1,232)	7,190	5,958	119	5,607	1	-
Immigration Services Commissioner	-	3,449	3,449	58	3,381	1	79
Independent Office for Police Conduct	(64)	72,740	72,676	994	53,747	7	621
Security Industry Authority	(30,477)	33,392	2,915	301	16,405	8	1,558
	(284,879)	**387,459**	**102,580**	**3,322**	**164,238**	**266**	**15,529**

For the year ended 31 March 2022

Arm's length body	Total operating income	Total operating expenditure	Net expenditure for the year (including financing)	Permanently employed staff		Other staff	
				Number of employees	Staff costs	Number of employees	Staff costs
	£'000	£'000	£'000		£'000		£'000
College of Policing Limited	(19,568)	68,149	48,581	636	32,543	84	11,643
Disclosure and Barring Service	(219,096)	164,411	(54,685)	1,170	43,332	66	3,671
Gangmasters and Labour Abuse Authority	(1,177)	8,744	7,567	11	4,121	5	1,015
Immigration Services Commissioner	-	4,061	4,061	-	3,001	-	-
Independent Office for Police Conduct	(105)	70,379	70,274	959	51,525	7	399
Security Industry Authority	(30,596)	27,385	(3,211)	285	13,865	5	573
	(270,542)	**343,129**	**72,587**	**3,061**	**148,387**	**167**	**17,301**

B. Core tables

The Department had two organisational structural changes in FY 2021-22 and FY 2022-23 respectively. The expenditure categories in core tables below align with the operating segments of the Home Office in the corresponding financial year.

Total departmental spending 2018-19 to 2024-25

	2018-19 OUTTURN £'000	2019-20 OUTTURN £'000	2020-21 OUTTURN £'000	2021-22 OUTTURN £'000	2022-23 OUTTURN £'000	2023-24 PLANS £'000	2024-25 PLANS £'000
Resource DEL							
Delivery	-	-	-		77,838	-	
Strategy					-	69,273	128,516
Science, Technology, Analysis, Research and Strategy	-	-	-	148,986	34,561	31,953	29,286
Crime Policing and Fire Group	8,621,396	8,515,469	9,568,039		-	-	
Office for Security and Counter Terrorism	927,053	1,005,080	1,007,702		-	-	
Serious and Organised Crime	62,319	137,608	271,138		-	-	
Homeland Security				1,021,788	1,125,074	1,125,171	1,138,990
Public Safety				10,473,220	11,204,367	11,203,991	11,394,663
BICS PSG, Europe, International and ICI	49,163	64,547	123,588	-	-	-	
Migration & Borders				86,189	287,953	467,559	353,000
UK Visas & Immigration	-541,574	-683,885	702,069	-			
HM Passport Office	-212,797	-171,322	-12,085	-			
Customer Service				333,376	-3,166,254	-2,520,036	-1,932,600
Asylum & Protection					4,498,823	1,085,970	1,834,600
Immigration Enforcement	383,227	391,961	391,844	-	-	482,486	537,000
Border Force	533,582	616,198	686,815	-	-	721,239	709,000
Borders & Enforcement				1,183,216	1,404,808	-	
Enablers	878,999	1,401,127	862,419	-			
Corporate Enablers				930,201	945,611	-	
Corporate & Delivery					-	986,084	974,520
Digital, Data and Technology	-	-	861,185	435,679	473,013	451,500	459,462
Legal				8,312	11,131	13,072	11,833
Communications				17,529	8,556	12,674	11,363
Arms Length Bodies (Net)	62,389	108,217	100,074	73,076	99,860	122,142	124,837
DUP	-	-	-	-	-	354,895	
Total Resource DEL	**10,763,757**	**11,385,000**	**14,562,788**	**14,711,572**	**17,005,341**	**14,607,973**	**15,774,470**
Of which:							
Staff costs	1,575,852	1,779,988	1,867,098	2,007,041	2,359,736	2,643,928	2,181,530
Purchase of goods and services	2,362,585	2,538,154	2,927,859	3,680,548	3,731,229	6,614,774	2,574,466
Income from sales of goods and services	-1,969,209	-2,097,970	-1,214,940	-1,860,975	-2,640,506	-2,925,653	-2,415,802
Current grants to local government (net)	8,892,945	9,473,876	10,552,489	10,759,739	12,046,520	12,188,745	13,587,937
Current grants to persons and non-profit bodies (net)	195,387	145,008	162,127	119,972	116,452	70,946	
Current grants abroad (net)	-107,393	-39,245	-15,141	-30,929	141,701	44,651	164,600
Subsidies to private sector companies	-	-	-	-	-	-	
Rentals	36,011	49,130	70,366	97,451	472	-	
Depreciation[1]	264,658	303,937	419,127	595,117	692,833	622,007	771,416
Other resource	-487,079	-767,878	-206,197	-656,392	556,904	-4,651,425	-1,089,677
Unallocated funds - resource	-	-	-	-	-		
Resource AME							
AME Charges	-28,386	207,553	-691	132,718	-7,220	-	-
Police and Fire Superannuation	2,698,443	2,371,238	2,304,824	2,515,542	2,077,967	2,717,720	2,717,720
AME Charges Arms Length Bodies (Net)	-797	4,825	2,079	-865	-	-	-
Total Resource AME	**2,669,260**	**2,583,616**	**2,306,212**	**2,647,395**	**2,070,747**	**2,717,720**	**2,717,720**
Of which:							
Current grants to local government (net)	2,698,443	2,371,238	2,304,822	2,515,542	2,077,967	2,714,720	
Take up of provisions	83,749	266,971	150,106	295,975	92,413	3,000	

Release of provision	-112,932	-54,593	-148,716	-164,122	-99,633		
Total Resource Budget	**13,433,017**	**13,968,616**	**16,869,000**	**17,358,967**	**19,076,088**	**17,325,693**	**18,492,190**
Of which:							
Depreciation[1]	264,658	303,937	419,127	595,117	692,833	622,007	771,416
Capital DEL							
Delivery				-	3,048		
Strategy						2,070	4,210
Science, Technology, Analysis, Research and Strategy				41,067	42,973	36,718	36,071
Crime Policing and Fire Group	251,161	111,375	53,845	-	-	-	
Office for Security and Counter Terrorism	112,014	104,930	105,455	-	-	-	
Serious and Organised Crime	8,826	15,172	50,746	-	-	-	
Homeland Security				190,326	157,771	269,773	236,375
Public Safety				181,558	225,351	208,146	60,738
BICS PSG, Europe, International and ICI	1,362	2,889	109,425				
Migration & Borders				88,910	172,169	57,144	94,000
UK Visas & Immigration	65,012	50,000	57,358	-			
HM Passport Office	38,369	40,409	44,792	-			
Customer Service				97,248	87,420	87,066	32,000
Asylum & Protection				-	6,907	26,030	
Immigration Enforcement	13,024	9,218	17,817	-		-5,088	28,000
Border Force	61,480	76,123	112,372	-		123,363	104,000
Borders & Enforcement				153,936	135,437		
Enablers	129,178	289,606	48,137				
Corporate Enablers				-5,254	37,929		
Corporate & Delivery						66,296	274,852
Digital, Data and Technology			231,458	59,676	39,959	39,777	67,088
Communications				2	-	-	
Arms Length Bodies (Net)	11,750	17,630	15,330	15,912	16,402	20,004	14,850
Total Capital DEL	**692,176**	**717,352**	**846,735**	**823,381**	**925,366**	**931,299**	**952,184**
Of which:							
Staff costs	16,382	17,283	19,815	28,738	32,464	24,927	
Purchase of goods and services	23,311	17,479	22,166	27,096	45,171	27,602	
Income from sales of goods and services	-	-	-	-		-	
Current grants to persons and non-profit bodies (net)	-	-	-	-	-	-	
Subsidies to private sector companies	7,176	599	-88	-90	552	-	
Subsidies to public corporations	7,065	10,397	10,204	15,476	3,775	-	
Capital support for local government (net)	148,894	153,483	89,305	120,231	120,357	101,659	236,375
Capital grants to persons & non-profit bodies (net)	13,832	-	2	-	-	-	
Capital grants to private sector companies (net)	14,329	12,508	8,655	7,742	14,407	58,592	
Capital grants abroad (net)	141	189	4,037	2,633	476	-	
Purchase of assets	440,403	449,089	587,411	116,059	644,322	598,382	715,809
Income from sales of assets	-8,039	2,895	-1,064	4,422	-4,660	-70	
Other capital	28,682	53,430	106,292	501,074	68,502	120,207	
Total Capital Budget	**692,176**	**717,352**	**846,735**	**823,381**	**925,366**	**931,299**	**952,184**
Total departmental spending[2]	13,860,535	14,382,031	17,296,608	17,587,231	19,308,621	17,634,985	18,672,958
Of which:							
Total DEL	11,191,275	11,798,415	14,990,396	14,939,836	17,237,874	14,917,265	15,955,238
Total AME	2,669,260	2,583,616	2,306,212	2,647,395	2,070,747	2,717,720	2,717,720

1. Depreciation includes impairments

2. Total departmental spending is the sum of the resource budget and the capital budget less depreciation. Similarly, total DEL is the sum of the resource budget DEL and capital budget DEL less depreciation in DEL, and total AME is the sum of resource budget AME and capital budget AME less depreciation in AME.

Administration budget 2018-19 to 2024-25

	2018-19 OUTTURN £'000	2019-20 OUTTURN £'000	2020-21 OUTTURN £'000	2021-22 OUTTURN £'000	2022-23 OUTTURN £'000	2023-24 PLANS £'000	2024-25 PLANS £'000
Resource DEL							
Delivery	-			-	20,050	-	
Strategy					-	18,745	39,385
Science, Technology, Analysis, Research and Strategy		46,276	15,015	13,988	17,240		
Crime Policing and Fire Group	25,876	27,702	28,529	-			
Office for Security and Counter Terrorism	33,131	35,334	42,713	-			
Serious and Organised Crime	14,788	15,539	20,513	-			
Homeland Security Group				48,467	53,053	52,654	58,200
Public Safety Group				47,437	49,937	51,105	11,844
BICS PSG, Europe, International and ICI	41,579	43,455	36,419	-			
Migration & Borders				24,471	34,491	44,224	
UK Visas & Immigration	10,574	9,127	293	-			
HM Passport Office	2,491	6,684	373	-			
Customer Service				1,139	-22	-	
Immigration Enforcement	6,379	6,567	2,354	-	-	-	
Border Force	3,369	2,403	1,834	-	-	-	
Borders & Enforcement				2,445	-270	-	
Enablers	192,227	175,332	183,561	-	-	-	
Corporate Enablers				70,324	153,472	-	
Corporate & Delivery					-	134,422	157,244
Digital, Data and Technology			3,965	20,827	31,681	42,823	59,491
Legal				8,312	11,131	13,072	11,833
Communications				13,244	9,139	12,674	11,363
Arms Length Bodies (Net)	-	-	-	-	-		
Total administration budget	**330,414**	**322,143**	**320,554**	**282,942**	**377,677**	**383,707**	**366,600**
Of which:							
Staff costs	196,888	224,596	234,053	238,850	245,715	261,018	219,670
Purchase of goods and services	81,868	59,192	89,877	96,942	128,020	127,938	127,072
Income from sales of goods and services	-5,421	-6,538	-7,292	-4,502	-13,140	-5,224	-4,142
Current grants to local government (net)	206	-	-	-	350	-	
Current grants to persons and non-profit bodies (net)	2,810	-	-	23,578	19,155	18,550	
Current grants abroad (net)	-87,942	-46,406	-50,469	-63,179	-42,498	-20,749	
Rentals	21,361	6	-7	-	9	-	
Depreciation	26,215	23,736	3,610	3,258	19,490	19,000	24,000
Other resource	94,429	67,557	50,782	-12,005	20,576	-16,826	

Outturn Year 2022-23

	2022-23		2022-23		2022-23		2022-23	
	Original Plans		**Adjusted Plans**		**Final Plans**		**Outturn**	
	Resource	**Capital**	**Resource**	**Capital**	**Resource**	**Capital**	**Resource**	**Capital**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Spending in Departmental Expenditure Limits (DEL)								
Voted expenditure	**14,525,442**	**1,062,873**	**2,580,087**	**-10,530**	**17,105,529**	**1,052,343**	**17,005,341**	**925,366**
Of which:								
Delivery	116,732	4,230	-30,034	-2,129	86,698	2,101	77,838	3,048
STARS	31,149	37,089	8,655	-542	39,804	36,547	34,561	42,973
Homeland Security Group	1,166,012	213,408	-1,257	-45,745	1,164,755	167,663	1,125,074	157,771
Public Safety Group	11,385,050	202,365	102,749	19,124	11,487,799	221,489	11,204,367	225,351
Migration & Borders	240,828	130,364	253,657	35,927	494,485	166,291	287,953	172,169
Customer Service	-2,301,463	74,234	-824,716	4,853	-3,126,179	79,087	-3,166,254	87,420
Asylum & Protection	1,351,630	-	2,551,573	10,290	3,903,203	10,290	4,498,823	6,907
Borders & Enforcement	1,240,422	139,904	171,182	13,311	1,411,604	153,215	1,404,808	135,437
Corporate Enablers	709,479	192,907	315,555	-33,422	1,025,034	159,485	945,611	37,929
Digital Data & Technology	436,147	49,872	30,931	-14,612	467,078	35,260	473,013	39,959
Legal	11,154	-	1,793	-	12,947	-	11,131	-
Communications	11,743	-	-	-	11,743	-	8,556	-
Arms Length Bodies	126,559	18,500	-1	2,415	126,558	20,915	99,860	16,402
DUP		-	-	-	-	-		-
Total Spending in DEL	**14,525,442**	**1,062,873**	**2,580,087**	**-10,530**	**17,105,529**	**1,052,343**	**17,005,341**	**925,366**
Spending in Annually Managed Expenditure (AME)								
Voted expenditure	2,070,747	-	57,043	-	2,127,790	-	2,070,747	-
Of which:								
AME Charges	-7,220	-	-17,602	-	-24,822	-	2,077,967	-
Police and Fire Superannuation	2,077,967	-	74,645	-	2,152,612	-	-7,220	-
Total Spending in AME	**2,070,747**	**-**	**57,043**	**-**	**2,127,790**	**-**	**2,070,747**	**-**
Total	**16,596,189**	**1,062,873**	**2,637,130**	**-10,530**	**19,233,319**	**1,052,343**	**19,076,088**	**925,366**
Of which:								
Voted expenditure	16,596,189	1,062,873	2,637,130	-10,530	19,233,319	1,052,343	19,076,088	925,366

4.
THE TRUST STATEMENT

Introduction to the Trust Statement

Accounting Officer's Foreword to the Trust Statement

I am pleased to present the Foreword to the Home Office Trust Statement.

This Statement provides an account of revenues collected which by statute or convention are due to the Consolidated Fund[1] where the Home Office undertakes the collection acting as agent rather than principal. The legislative requirement for the Statement is set out in the Exchequer and Audit Departments Act 1921.

We fully acknowledge our responsibility to administer these revenues efficiently and fairly, and to pursue the amounts due so as to minimise the loss of revenue to the Exchequer where debt cannot be collected.

Sir Matthew Rycroft KCMG CBE

Accounting Officer

[1] The Consolidated Fund is the central account administered by HM Treasury, which receives the proceeds of taxation and makes issues to fund Supply Services

Scope of the Trust Statement

An Accounts direction, issued by HM Treasury on 15 December 2022, requires the Home Office to prepare a Trust Statement for the financial year ended 31 March 2023.

The Trust Statement must report the revenue and other income collected by the Department and payable into the Consolidated Fund (other than the Immigration Health Charge as explained below).

For the Home Office, this revenue comprises:

- Immigration Skills Charge
- Consular fees associated with the issuing of passports and visas
- Fines for breaches of immigration law (civil penalties)

Immigration charges

Immigration Skills Charge

The Immigration Skills Charge Regulation 2017 came into force in April 2017 and requires persons licenced by the Secretary of State to assign certificates of sponsorship to skilled workers to pay a charge (the Immigration Skills Charge) to the Secretary of State. The charge was put in place to encourage employers to recruit more talent from the UK labour market rather than relying on workers from abroad.

The amount of the charge depends on the size of the organisation, if the sponsor is a small or charitable organisation, the charge is at a lower rate. The amount of the charge also varies depending on the period of employment, with set rates of charge applying for the period of prospective employment ranging from 12 months or less and up to 60 months. A refund of all or part of the charge may be made where, for example, a worker leaves their job early, is refused a visa, or withdraws their application.

The department, as part of its visa process, collects the Immigration Skills Charge. The charge is payable by people who are sponsoring applications for a visa to work in the UK for 6 months or more under a Tier 2 visa for skilled workers. This can be either as a general visa or as an intra-company transfer visa.

Operational costs incurred by the department in the collection of this charge, as agreed with HM Treasury, are attributed to and reported in the Trust Statement.

Immigration Health Surcharge

The Immigration Health Surcharge was introduced by the government in 2015. It is intended to fund healthcare from the National Health Service that migrants requiring a UK Visa will have access to. HM Treasury has directed that the revenue received for the collection of the Immigration Health Surcharge is reported in the Home Office Resource Accounts, and not in the Trust Statement.

Consular fees

Consular fees are an element of UK passport fees relating to consular protection services provided by the Foreign, Commonwealth & Development Office (FCDO) worldwide. These fees are not retained by the Home Office and are remitted to HM Treasury as Consolidated Fund Extra Receipts.

The part of the UK passport fee for these consular services is £16.32 per adult standard passport, £4.47 per child passport and £24.22 per jumbo passport (for passports issued both in the UK and overseas, from January 2023).

Civil Penalties

There are a range of Civil Penalties levied by the Home Office that when collected are payable into the Consolidated Fund. These are principally:

- Civil and Immigration penalties levied where investigations establish that individuals have been found to be working in breach of employment restrictions.
- Civil penalties levied where investigations establish that landlords have let a property to a person unqualified to rent in breach of the Immigration Act 2014.
- Carriers are liable to charges if they carry a passenger to the UK who is not properly documented, under Section 40 of the Immigration and Asylum Act 1999.

The Trust Statement is prepared in compliance with all relevant accounting and disclosure requirements given in Managing Public Money and other guidance issued by HM Treasury. This includes the Government Financial Reporting Manual and the principles underlying it as well as International Financial Reporting Standards as adapted or interpreted for the public sector.

Sir Matthew Rycroft KCMG CBE

Accounting Officer

Our Performance

This Trust Statement shows that gross revenues for the Consolidated Fund have increased from £436 million in 2021-22 to £726 million in 2022-23. The contributing factors are substantial increases in revenue from products, which are demand-led: the Immigration Skills Charge, and the Passport Consular Fees shown under “Other Income”. In the case of Civil Penalties, there has been an uplift in referrals from enforcement teams and less of an impact by covid compared with prior years.

The expenditure that the Home Office set-off against revenues was £41 million in 2022-23, compared to £16 million in 2021-22. The increase of expenditure, in particular credit losses, costs of collection and retained income, is directly linked to the increase in income.

The department undertook a review of its receivables in 2022-23, as done in prior years, to consider debts that are irrecoverable. Accordingly, there has been a further increase in the expected credit loss provision (see note 3.3 in the Notes to the accounts) of £10 million in 2022-23, compared with £1.3 million in 2021-22. Debts amounting to £11 million were written off during the year (£20 million in 2021-22).

Other expenditure has increased from £15 million in 2021-22 to £31 million in 2022-23, which has been assisted by the increase is revenue across all streams.

The cash position has increased from £146 million to £238 million, reflecting a continuation in the economic recovery from the COVID-19 pandemic, and the corresponding increase in activity therefrom. Since 2020-21 regular monthly remittances are being made to HM Treasury of amounts due to the Consolidated Fund, and the balance at the year-end represents the last two months’ activity (payable early in 2023-24), plus an allowance for unpaid debtors, which are not payable until received in cash.

During 2022-23 there has been a significant increase in demand which has resulted in increases in both Immigration Skills Charges and Consular Protection Fee income. Furthermore, Civil Penalties have been less impacted by Covid and other operational priorities resulting in an increase in penalties issued.

Sir Matthew Rycroft KCMG CBE

Accounting Officer

18 September 2023

Our controls and governance

Statement of Accounting Officer's Responsibilities

Under the Exchequer and Audit Departments Act 1921, HM Treasury has directed the Home Office to prepare, for each financial year, a Trust Statement ("the Statement") in the form and on the basis set out in the Accounts Direction. The Statement is to be prepared on an accruals basis and must give a true and fair view of the state of affairs of the duties, fees and taxes, and of the collection of fines and penalties and of the related expenditure and cash flows for the financial year.

In preparing the Statement, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual (FReM) and in particular to:

- Observe the Accounts Direction issued by Treasury, including relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis.
- Make judgements and estimates on a reasonable basis.
- Have taken all steps that ought to have been taken to make himself aware of any relevant audit information and to establish that the entity's auditors are aware of that information, and that they are not aware of any relevant information of which the entity's auditors are unaware of.
- State whether applicable accounting standards, as set out in the FReM have been followed, and disclose and explain any material departures in the accounts.
- Prepare the Statement on a going concern basis.
- Confirm that the Statement, as a whole, is fair, balanced and understandable and take personal responsibility for the Statement and the judgments required for determining that it is fair, balanced and understandable.

HM Treasury has appointed the Permanent Secretary of the department as Accounting Officer of the Home Office.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the assets of the department are set out in Managing Public Money published by HM Treasury.

Governance Statement

As the Accounting Officer, I am responsible for ensuring there is an effective process in place for monitoring and reporting governance issues during the year. I am supported by Directors General and Directors who have delegated financial and risk management authority appropriate to their responsibilities.

The Home Office operates and follows the principles of good governance in accordance with HM Treasury guidance. The Governance Statement, which covers all aspects of the

Home Office, including those reported here in this Trust Statement, is provided in the Accountability Report section of this report.

Auditors

The Statement is audited by the Comptroller and Auditor General under the Exchequer and Audit Departments Act 1921. The notional fee for this audit service is £100,000 (2021-22: £100,000), which is included in the Home Office Resource accounts. No non-audit work was carried out by the auditors.

So far as I am aware, there is no relevant information of which the auditors are unaware. I have taken all steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the auditors are aware of that information.

Sir Matthew Rycroft KCMG CBE

Accounting Officer

18 September 2023

THE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSE OF COMMONS

Opinion on financial statements

I certify that I have audited the financial statements of the Home Office Trust Statement for the year ended 31 March 2023 under the Exchequer and Audit Departments Act 1921.

The financial statements comprise: the Home Office Trust Statement's

- Statement of Financial Position as at 31 March 2023;
- Statement of Revenue, Statement of Other Income and Expenditure and Statement of Cash Flows for the year then ended; and
- the related notes including the significant accounting policies.
- The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Home Office Trust Statement's affairs as at 31 March 2023 and its net revenue for the year then ended; and
- have been properly prepared in accordance with the Exchequer and Audit Departments Act 1921 and HM Treasury directions issued thereunder.

Opinion on regularity

• In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I am independent of the Home Office in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Home Office's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Home Office's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Home Office is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other information

The other information comprises information included in the Foreword to the Trust Statement, Our Performance and Our Controls and Governance sections but does not include the financial statements and my auditor's certificate and report thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with HM Treasury directions made under the Exchequer and Audit Departments Act 1921.

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Foreword to the Trust Statement, Our Performance and Our Controls and Governance sections for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Home Office and its environment obtained in the course of the audit, I have not identified material misstatements in the Our Performance and Our Controls and Governance sections.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- Adequate accounting records have not been kept by the Home Office or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Our Performance and Our Controls and Governance sections subject to audit are not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Home Office from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- ensuring that the financial statements give a true and fair view and are prepared in accordance with HM Treasury directions made under the Exchequer and Audit Departments Act 1921; and
- assessing the Home Office's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of

accounting unless the Accounting Officer anticipates that the services provided by the Home Office will not continue to be provided in the future

Auditor’s responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Exchequer and Audit Departments Act 1921.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations, including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Home Office’s accounting policies,
- inquired of management, the Home Office’s head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Home Office’s policies and procedures on:
    - identifying, evaluating and complying with laws and regulations;
    - detecting and responding to the risks of fraud; and
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Home Office’s controls relating to the Home Office’s compliance with the Exchequer and Audit Departments Act 1921, Managing Public Money and relevant legislation relating to levies, fines and penalties issued by the Home Office;
- inquired of management, Home Office’s head of internal audit and those charged with governance whether:
    - they were aware of any instances of non-compliance with laws and regulations;

- they had knowledge of any actual, suspected, or alleged fraud,

- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Home Office for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, bias in management estimates and the significant accounting estimate on the impairment of civil and immigration penalty debts. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Home Office's framework of authority and other legal and regulatory frameworks in which the Home Office operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Home Office. The key laws and regulations I considered in this context included the Exchequer and Audit Departments Act 1921, Managing Public Money, and relevant legislation relating to levies, fines and penalties charged by the Home Office .

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;

- I enquired of management, the Audit and Risk Committee and in-house legal counsel concerning actual and potential litigation and claims;

- I reviewed minutes of meetings of those charged with governance and the Board; and internal audit reports;

- in addressing the risk of fraud through management override of controls, I tested the appropriateness of journal entries and other adjustments; assessed whether the judgements on estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business; and

- for revenue recognition, I extended my substantive testing on the Immigration Skills Charge as the income stream most susceptible to fraud;

- for management override of controls, I have undertaken substantive testing of manual journals including journals with fraud characteristics; and

- for the impairment of civil penalty debt, I have substantively tested the key assumptions including completing sensitivity analysis to identify any management bias or indication of fraud.

I also communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies 18 September 2023

Comptroller and Auditor General

National Audit Office

157-197 Buckingham Palace Road

Victoria

London

SW1W 9SP

Our income and expenditure

Statement of Revenue, Other Income and Expenditure

for the year ended 31 March 2023

	Note	2022-23 £'000	2021-22 £'000
Levies and Similar Revenue			
Immigration Skills Charge	2.1	586,029	349,062
Total Levies and Similar Revenue		**586,029**	**349,062**
Fines and Penalties			
Illegal Workers Civil Penalties	2.2	18,573	5,056
Hauliers Civil Penalties	2.2	5,407	7,154
Carriers Civil Penalties	2.2	4,941	1,976
Landlords Civil Penalties	2.2	44	13
Total Fines and Penalties		**28,965**	**14,199**
Other Income			
Duties and Fees	2.3	110,974	72,723
Total Other Income		**110,974**	**72,723**
Total Revenue and Other Income		**725,968**	**435,984**
Expenditure			
Discounts		1,983	460
Credit losses - increase/(decrease) in impairment of receivables	3.2	9,960	1,289
Element retained		16,921	6,587
Costs of collection		12,196	7,657
Administration costs		102	155
Total Expenditure		**41,162**	**16,148**
Net Revenue for the Consolidated Fund	6	**684,806**	**419,836**

There were no recognised gains or losses accounted for outside the above Statement of Revenue, Other Income and Expenditure.

Statement of Financial Position

for the year ended 31 March 2023

	Note	2022-23 £'000	2021-22 £'000
Current assets			
Trade and other receivables	3.1	1,065	7,625
Cash and cash equivalents	4	238,348	146,429
Total current assets		**239,413**	**154,054**
Current liabilities			
Contract Liabilities	5	(49,758)	(50,772)
Trade and other payables	5	(12,056)	(5,532)
Total current liabilities		**(61,814)**	**(56,304)**
Net Assets		**177,599**	**97,750**
Balance on the Consolidated Fund Account	6	**177,599**	**97,750**

Sir Matthew Rycroft KCMG CBE

Accounting Officer

18 September 2023

Statement of Cash Flows

for the year ended 31 March 2023

	Note	2022-23	2021-22
		£'000	**£'000**
Net cash flow from operating activities	A	696,876	449,426
Cash paid to the Consolidated Fund	6	(604,957)	(396,602)
Increase/ (decrease) in cash in this period	B	**91,919**	**52,824**
Notes to the Cash Flow Statement			
A: Reconciliation of net cash flow to movement in net funds			
Net revenue for the Consolidated Fund	6	684,806	419,836
(Increase) / decrease in receivables	3	6,560	1,496
Increase / (decrease) in payables	5	5,510	28,094
Net cash flows from operating activities		**696,876**	**449,426**
B: Analysis of Changes in Net Funds			
Increase/ (decrease) in cash in this period	4	91,919	52,824
Net funds at 1 April (Net cash at bank)	4	146,429	93,605
Net funds at 31 March (Closing Balance)		**238,348**	**146,429**
The following balances as at 31 March were held at:			
Government Banking Services	4	238,348	146,429
Total cash balances		**238,348**	**146,429**

Notes to the Trust Statement

1. Statement of Accounting Policies

1.1 Basis of accounting

The Trust Statement is prepared in accordance with the:

- 2022-23 Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as interpreted for the public sector.

- Accounts Direction issued by HM Treasury on 15 December 2022 under Section 2 of the Exchequer and Audit Departments Act 1921, specifying the three income streams which are in-scope, for this Trust Statement:

Sponsoring Department	Income Stream
Home Office	i) **Immigration Skills Charge** (ISC)
	ii) The consular element of **Passport Fees**
	iii) **Civil Penalties** collected in respect of five “Profile Classes”, namely: Illegal Workers, Hauliers, Carriers, Landlords, and Biometric Residence Permits, net of discounts for prompt payment as appropriate, any allowance for uncollectible amounts measured in accordance with IFRS 9.

The income and associated expenditure contained in these statements are those flows of funds which Home Office handles on behalf of the Consolidated Fund, and where it is acting as agent, rather than as principal.

The financial information contained in the statements and in the notes is rounded to the nearest £’000.

1.2 Changes in accounting policies and disclosures

There has been no change in accounting policy in the reporting period.

The Department adopted IFRS 16 from 1 April 2022. Trust Statement does not have any leases therefore there is no impact as a result of IFRS 16 adoption.

1.3 Accounting convention

The Trust Statement has been prepared under the historical cost convention.

The preparation of the accounts in conformity with IFRS requires the use of certain critical accounting estimates (see note 1.9). It also requires management to exercise its judgement in the process of applying the accounting policies.

The income and associated expenditure recognised in these statements reflects those flows of funds which the Home Office receives and surrenders, in its capacity as agent, on behalf of the Consolidated Fund and other entities. As directed by HM Treasury, the income and associated expenditure relating to the Immigration Health Surcharge continues to be reported in the Home Office Resource Accounts even though these funds are also received by the Home Office and surrendered, in its capacity as agent, on behalf of the Consolidated Fund.

1.4 Revenue recognition

Levies and penalties are measured in accordance with IFRS 15 Revenue from Contracts with Customers. They are measured at the fair value of amounts received or receivable net of repayments. Revenue is recognised when:

- An event to which a levy or similar charge has occurred (i.e. the supply of a visa or passport).
- A penalty is validly imposed and an obligation to pay arises.

The Home Office, in its Trust Statement, recognises revenue from three main forms of income: levies and similar revenue, fines and penalties and duties and fees.

The table below sets out, for each income stream reported within the Trust Statement, when performance obligations are typically satisfied, the significant payment terms, and the nature of the goods or services supplied. All income streams usually have a contract duration of one year or less, and therefore the transaction price allocated to remaining performance obligations is not disclosed, applying the practical expedient in IFRS 15.121.

Income Stream	Description of Income Stream	Performance Obligation	Payment Terms
Immigration Skills Charges	Supply of visa documents	On delivery of the visa of application decision to the customer	Payment in advance
Consular Fees	Fee for the supply of passports and other services by HM Passport Office	On delivery of the passport to the customer	Payment in advance
Civil Penalties	Recovery of civil penalty	The powers of the Home Office to recover this income is set out in legislation. Income is recognised when a penalty is issued.	Penalty payment by legislation

Contract liabilities (deferred revenue) primarily relate to the consideration received from customers in advance of transferring a good or service.

There are no contract assets held within the Trust Statement. Of the three income streams within the Trust Statement, only Immigration Skills Charges have contract liabilities. Civil penalties and consular fees have no contract liabilities.

1.5 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Home Office becomes a party to the contractual provisions of an instrument.

1.6 Financial assets

For the purposes of this Trust Statement, the Home Office holds financial assets (see note 7) in the following categories:

- Receivables held at amortised cost.
- Cash and cash equivalent.

Both receivables and cash and cash equivalents are held at amortised cost following the adoption of IFRS 9 ‘Financial Instruments’. Amortised costs entail valuing Statement of Financial Position items based on expected cash flows, adjusted for impairment in accordance with the requirements of the FReM and IFRS 9. IFRS 9 allows a practical expedient called a provision matrix to be used to measure impairment losses, (see 1.10 below).

Receivables held at amortised cost comprise:

- Illegal workers civil penalties, the amounts due from individuals and companies in breach of employment restrictions for which, at the financial year end, payments had not been received.
- Civil penalties levied against landlords in breach of the Immigration Act 2014, amounts for which payments have not been received at the financial year end.
- Other civil penalties levied against carriers in breach of the Immigration and Asylum Act 1999, amounts for which payments have not been received at the financial year end.

The present value of receivables is determined by making an assessment to reduce the carrying value of receivables to the estimated future flow of repayments, using our judgement on likely debt collection rates, discounted at HM Treasury’s discount rate currently at 1.9% (2021-22: 1.9%). IFRS 9 as applied in the public sector (in accordance with the FReM), requires that the higher of the effective interest rate (0% in this case) and 1.9% be used for 2022-23, for non-indexed linked financial instruments.

HM Treasury have mandated that balances with core central government departments (including their executive agencies) are excluded from recognising stage 1 and 2 impairments, with the liabilities being assessed as having zero ‘own credit risk’ by entities holding these liabilities.

Cash and cash equivalents comprise current balances with banks and other financial institutions, which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value and have an original maturity of three months or less.

1.7 Financial liabilities

For the purposes of this Trust Statement, the Home Office holds financial liabilities (see note 7) in the following categories:

- Payables
- Contract Liabilities (see note 1.4).

Payables comprise:

- Payables in the Statement of Financial Position. Payables are amounts established as due at the reporting date, but where payment is made subsequently. Since these balances are expected to be settled within 12 months of the reporting date there is no material difference between fair value, amortised cost and historical cost.
- Contract liabilities in the Statement of Financial Position. Contract liabilities are amounts relating to Immigration Skills Charges recorded as payments in advance at the reporting date, until such time when either a visa is delivered or an application decision is made to the customer.

1.8 Receivables

Receivables are shown net of impairments in accordance with the requirements of IFRS 9.

Each class of debt has been assessed separately, using performance reports to provide data concerning recoverability, and the time for debt to be repaid.

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted on any market. Receivables are derecognised when the rights to receive cash flows from the assets have expired.

1.9 Critical accounting judgements and estimates

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. When preparing the Trust Statement, the Home Office makes estimates and assumptions concerning the future. The resulting accounting estimates will rarely equal the actual results. The only key estimate in the Trust Statement is the impairment of immigration civil penalty debt addressed in Note 1.10 below.

1.10 Impairment of debt and credit losses

Receivables are shown net of impairments, in accordance with the requirements of the FReM and IFRS 9.

Under IFRS 9, allowances are made for credit losses on an ‘expected loss’ basis. The amortised cost of receivables is determined by making an impairment to reduce the carrying value of receivables to the estimated future flow of repayments.

The amortised cost of receivables is dependent on ongoing collection rates. The current year’s impairment has been calculated based on a provision matrix. This provision matrix uses ‘lifetime expected credit losses’ to measure impairment losses for each class of civil penalty debt.

1.11 Cash

Consular fees income is recorded at the same time as cash is received. Immigration Skills Charges income is recorded when a visa decision is made. For civil penalties, the determination of cash received is calculated by the increase or decrease in the Receivable balance, adjusted by the in-year income. Expenses incurred in the production of the Trust Statement are deemed paid in cash. Surrendering of Consolidated Fund Receipts to HM Treasury are made in cash at regular intervals throughout the year.

1.12 Trust Statement Expenses

Discounts
The amount of a civil penalty imposed can be reduced by 30% where payment is received in full within 21 days. There are also circumstances where the penalty imposed is reduced on appeal. The amount paid into the Consolidated Fund is net of any prompt payment discount and net of any reduction decision made on appeal.

Costs of Collection
Costs of collection relate to the operation and reporting of the Trust Statement. These costs include bank charges relating to the payment handling charges associated with collecting the Immigration Skills Charge and recharge of cost of staff involved directly in producing the Trust Statement and supporting the associated audit.

Payment handling charges associated with the Immigration Skills Charge are estimated based on the proportional split between the visa sponsorship fee and the Immigration Skills Charge. The cost of staff reported as part of Costs of collection and Administration costs relates to those staff involved in administering the Immigration Skills Charge and to those involved in preparing the Trust Statement.

1.13 Retained Income

£17 million has been retained from the total Civil Penalty Income (21-22 £6.6 million), by agreement with HMT (Spending Review 2021). Retained income is calculated as Civil Penalty Income, less discounts, credit losses and administration costs. We estimate the proportion of Civil Penalty Income against which cash has been received in the year and which is still receivable in the resource accounts, using assumptions based on past performance.

1.14 Contract Liabilities

A cash component for the Immigration Skills Charge is received as part of the sponsorship visa application being lodged. The revenue for the Immigration Skills Charge is deferred until a decision is made regarding the outcome of the visa application. At this point, a transfer is made from deferred income to earned income, or alternatively, a refund is given to the applicant removing the amount of the refund from deferred income.

1.15 International Financial Reporting Standards (IFRS) that have been issued but are not yet effective

IFRS 17: Insurance Contracts

IFRS 17 is the new accounting standard for Insurance Contracts and aims to make risk transfer contracts more comparable between entities.

The standard sets out the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope and replaces the previous standard IFRS 4 Insurance Contracts.

The new standard is being applied by HM Treasury in the FReM from 1 April 2025 (with limited options for early adoption). No material impact is anticipated from this standard.

2. Revenue and other income

2.1 Levies and similar revenues

The Immigration Skills Charge was introduced in April 2017 as a result of changes under the Immigration Act, 2016. The Immigration Skills Charge levies employers who employ migrants in skilled areas and is collected as part of the Tier 2 visa applications. This income is not retained by the Home Office and is remitted to HM Treasury as Consolidated Fund Extra Receipts.

	2022-23 £'000	2021-22 £'000
2.1 Levies and Similar Revenue		
Immigration Skills Charge	586,029	349,062
Total levies and similar revenues	**586,029**	**349,062**

The Immigration Skills Charge is levied as part of the process to apply for Tier 2 visas and accounted for as deferred income until the visa application has been properly considered by the Home Office. If that consideration determines that the visa application is declined, the Immigration Skills Charge levy is refunded and removed from deferred income. If the consideration approves the visa application, the income is recognised as earned.

2.2 Fines and penalties

Immigration Civil Penalties are levied on businesses who employ those who do not have the permission to enter or remain in the UK; penalties are also levied on individuals who enter or remain illegally in the UK. In 2022-23, the Department retained £17 million of this income (see also note 1.13).

	£'000	£'000
2.2 Fines and Penalties		
Illegal Workers Civil Penalties	18,573	5,056
Hauliers Civil Penalties	5,407	7,154
Carriers Civil Penalties	4,941	1,976
Landlords Civil Penalties	44	13
Total fines and penalties	**28,965**	**14,199**

2.3 Other Income

Consular fees are an element of Passport fees relating to consular protection services provided by the Foreign, Commonwealth and Development Office (FCDO) worldwide. These fees are not retained by the Home Office and are remitted to HM Treasury as Consolidated Fund Extra Receipts.

	2022-23 £'000	2021-22 £'000
2.3 Other Income		
Passport Consular Fees	110,974	72,723
Total other income	**110,974**	**72,723**

The amount of the consular services element of the Passport fee is set within the Passport (fees) Regulations. The Consular services element is recognised in the same way and as part of the same process as the Passport fee income – recognised when services and goods are issued. The monies collected for Consular Services are paid over periodically to the Consolidated Fund, but not at the time of collecting each fee.

3. Receivables

3.1 Amounts due at 31 March 2023

	2022-23 £'000	2021-22 £'000
3.1 Amounts falling due within one year:		
Receivables before impairment	64,057	71,802
Estimated impairments	(62,992)	(64,177)
Receivables net book value at 31 March	**1,065**	**7,625**

Receivables represent the amount due from individuals and businesses where invoices or other demands for payment have been issued but not paid for as at 31 March 2023, and also the amounts due from those on whom financial penalties have been imposed prior to 31 March 2023, but not paid at that date.

Receivables on the Statement of Financial Position are reported after the deduction of the estimated value of impairments, using an Expected Credit Loss model (see Note 3.3).

3.2 Credit losses

	2022-23 £'000	2021-22 £'000
3.2 Credit Losses		
Debts Written off	-	-
Increase / (decrease) in the value of impairment (see 3.3 below)	9,960	1,289
Total Credit Losses / (Gains)	**9,960**	**1,289**

3.3 Change to impairment of receivables

	2022-23 £'000	2021-22 £'000
3.3 Change to Impairment of Receivables		
Balance at 1 April	64,177	83,284
Debts written-off, offset against Provision	(11,145)	(20,396)
Net remeasurement	9,960	1,289
Balance at 31 March	**62,992**	**64,177**

Debts are only written off when the debtor is dissolved, bankrupt or in liquidation and the debt is deemed irrecoverable through any further means.

The table below sets out the series of actions that the Home Office undertakes as part of its debt management procedures before considering that a debt has become irrecoverable:

Income Stream	Initial Activity	Further Action	Final Action
Illegal Workers Civil Penalties (IWCP) and Landlords	Home Office Shared Services undertake initial debt collection activities with cases then flowing through the Debt Market Integrator (DMI) for recovery action where repayments have not been successful.	Where Shared Services have been unsuccessful in collecting debts, cases are placed with a Debt Recovery Agent (as part of the Home Office DMI contract) for Pre-legal and then Legal debt recovery action. This consists of calls, texts and letters to debtors in attempts to obtain either full repayment or repayment plans. Uncollected debt, once all Pre-legal, Legal and potential Litigation action has been considered, is returned to us to consider further action via our Aged Debt process or Write-Off.	Aged Debt process - we share our rested debt book with our DMI provider who will conduct a cleanse, additional checks and advise on which cases would benefit from further recovery attempts Write Off consideration - A check is performed on the company, to confirm if still trading, and a decision is then reached regarding write-offs.
Hauliers	Debt collection activity is performed by the Clandestine Entrants Civil Penalty Team. As soon as a debt passes the due date, it is placed on the Vehicle Action List (VAL). CECPT run BAU targeting activities 6 days a week, intercepting companies and vehicles on the VAL and holding the vehicles until payment is made. If payment is not made the vehicle will be detained and sold.	Targeted lists of repeat offenders and large unpaid debts are shared with specialist teams and targeted via joint Border Force/Police operations, detaining vehicles, and obtaining payment.	Aged Debt process: once a debt is approaching six years since issue a review is performed, with checks where possible to confirm if the company is still trading/travelling and a decision is then reached regarding write offs.
Carriers Liaison	Home Office Shared Services undertake all debt collection activity, up to the 90-day stage.	If debt collection is unsuccessful the debt is returned to the business area after 90 days, for additional recovery attempts, for which there is an established process. If all stages are exhausted, referral to the Government Legal Department (GLD) is considered.	If referral to GLD is not appropriate, the debt is considered by the business area for write off.

The debt impairment or provision balance has decreased from £64.2 million in 2021-22 to £63 million in 2022-23. The provision model estimates “expected credit losses”, based on the average of individual historical debtor performance over 7 years.

Under IFRS 9, this impairment loss estimation can be measured using a practical expedient called a provision matrix. The provision matrix calculates the expected credit loss for each segment of civil debt using the historical loss experience for each segment. Debt collection data for 7 years, for both Illegal Workers and Hauliers Civil Penalties, prior to the balance sheet date has been used, to estimate the expected future flow of repayments.

The estimated future flow of repayments is discounted at HM Treasury’s discount rate currently at 1.9% (2021-22: 1.9%).

In accordance with IFRS 9, the net receivable at the balance sheet date is further adjusted, by using a macroeconomic overlay calculation, to allow for consideration of future economic conditions, which may affect repayment of Civil Penalty debt.

The Home Office had previously researched data on key macroeconomic determinants notably on inflation, unemployment, GDP and insolvencies, and performed an analysis to assess whether there is a correlation between those macroeconomic factors and the level of payment of penalties. We could not find evidence that a relationship exists between the macroeconomic environment and the payment of fines. The non-payment rate for civil penalties was high, despite a period of relative economic stability, before the recent COVID pandemic, suggesting that non-payment of these debts is driven by willingness to pay rather than the economic environment.

From 2020-21, the Home Office Central Economics Unit investigated macro-economic relationships, and the extent to which the future macro-economic environment may impact the propensity to settle unpaid fines.

The output of this macroeconomic analysis is an estimated additional percentage adjustment, to the impairment calculated by extrapolation of past performance. This may be termed the “Macroeconomic Overlay” and is outlined further below.

Using log-linear regression models, Home Office economists produce a macroeconomic overlay figure, which has been applied to the Home Office accounts receivables, as revised by reference to historical debtor performance. This macroeconomic overlay figure adjusts the ‘revised balance’, according to how changes to the macroeconomy affect variables such as credit card repayments, which are used as proxies to represent Home Office debt repayment.

The regression modelling in this report for 2022-23 found evidence that a 1% change in GDP is correlated with a central estimated change in debt repayments of 0.97%, with high and low estimates of 1.45 % and 0.48% respectively. The Home Office has used figures from the Office of Budget Responsibility (OBR) which reflect the future forecast in the macroeconomy.

Using the central estimated change percentages, these “Macroeconomic Overlay” figures are applied to the Accounts receivables ‘revised balance’ using GDP forecasts from financial years 2023-24 to 2028-29.

The value of the overlay adjustment is a £0.14 million decrease in provision.

The resulting estimated future flow of repayments is then deducted from the debt outstanding at the balance sheet date, to calculate the estimated impairment provision.

Because of the degree of uncertainty in developing these estimates, we have used sensitivity analysis to show a range of potential outcomes. Further detail is included in note 7.2 (a).

4. Cash and cash equivalents

	2022-23 £'000	2021-22 £'000
Balance at 1 April	146,429	93,605
Net change in cash and cash equivalent balances	91,919	52,824
Balance at 31 March	**238,348**	**146,429**
The following balances at 31 March were held at:		
Government Banking Service	238,348	146,429
Total	**238,348**	**146,429**

5. Payables and contract liabilities

	2022-23 £'000	2021-22 £'000
Payables	12,056	5,532
Contract Liabilities	49,758	50,772
Total Payables and Contract Liabilities at 31 March	**61,814**	**56,304**

Payables represent refunds plus any other debts which are due but not yet paid.

Contract liabilities represent revenue for the Immigration Skills Charge as deferred until a decision is made regarding the outcome of the visa application. The following table provides an analysis on significant changes to contract liabilities during the year.

	2022-23 £'000	2021-22 £'000
Contract Liabilities		
Balance at 1 April	(50,772)	(24,671)
Decrease due to revenue recognised in year	586,029	349,062
Increase due to cash received in advance and not recognised as revenue in year	(585,015)	(375,163)
Balance at 31 March	**(49,758)**	**(50,772)**
Presented within:		
Current	(49,758)	(50,772)
Non-current		

6. Balance on the consolidated fund account

	2022-23 £'000	2021-22 £'000
Balance on the Consolidated Fund at 1 April	97,750	74,516
Net Revenue for the Consolidated Fund	684,806	419,836
Amounts Paid to the Consolidated Fund	(604,957)	(396,602)
Balance on the Consolidated Fund at 31 March	**177,599**	**97,750**

7. Financial instruments

7.1 Classification and categorisation of financial instruments

	Note	2022-23 £'000	2021-22 £'000
Financial Assets			
Cash	4	238,348	146,429
Civil penalties receivables	3	1,065	7,625
Total financial assets		**239,413**	**154,054**
Financial Liabilities			
Payables and contract liabilities	5	(61,814)	(56,304)
Total financial liabilities		**(61,814)**	**(56,304)**

On behalf of the Consolidated Fund, the Home Office is party to financial instrument arrangements as part of its normal operations. These financial instruments include bank accounts, receivables and payables.

IFRS 7, 'Financial Instruments: Disclosures', requires disclosure of the role that financial instruments have had during the year in creating or changing risks an entity faces in the course of its operations.

As the Home Office is acting as agent on behalf of the Consolidated Fund in collecting levies, fines and penalties and similar revenues and surrendering these funds when received, it cannot incur losses through the Trust Statement.

Write-offs and impairment charges disclosed in the Income and Expenditure Statement reflect the non-recoverability of gross debt since the Home Office obligation to surrender financial penalties is limited to the amount it is able to collect in revenue.

The Home Office, on behalf of the Consolidated Fund and other parties, has no requirement to borrow or invest surplus funds. As such, the Home Office, in its capacity as agent, is not exposed to the degrees of financial or market risk facing a business entity acting as principal.

7.2 Risk exposure to financial instruments

a) Carrying amount and fair values

The fair value of cash balances approximates their carrying amount, largely owing to the short-term maturity of this financial instrument (less than three months).

The amortised cost of receivables is determined by making an impairment to reduce the carrying value of receivables, to the net present value of the estimated future flow of repayments, discounted at the Treasury rate of 1.9% (2021-22: 1.9%).

The impact of a change in the discount rate is reflected in the table below:

		2022-23	2021-22
		£'000	£'000
Change in Discount Rate			
Projected Cash Collections	+1%	(112)	(182)
Projected Cash Collections	-1%	115	190

The key assumption behind the impairment provision is that the estimated future flow of repayments reflects historical trends.

The table below is a sensitivity analysis showing the impact on trade receivables across alternative assumptions:

Increase / (decrease) in net receivables		2022-23	2021-22
		£'000	£'000
Change in Assumption			
Projected Cash Collections	+40%	3,159	3,048
Projected Cash Collections	+30%	2,370	2,286
Projected Cash Collections	+20%	1,580	1,542
Projected Cash Collections	+10%	790	762
Projected Cash Collections	+5%	395	381
Projected Cash Collections	-5%	(395)	(381)
Projected Cash Collections	-10%	(790)	(762)
Projected Cash Collections	-20%	(1,580)	(1,542)
Projected Cash Collections	-30%	(2,370)	(2,286)
Projected Cash Collections	-40%	(3,159)	(3,048)

b) Liquidity risk

Liquidity risk is the risk that the Home Office, on behalf of the Consolidated Fund and other parties, will encounter difficulty raising liquid funds to meet commitments as they fall due. The Home Office is obliged to surrender only those funds that it has collected and banked and, as such, in its capacity as agent, does not have significant liquidity risk.

c) Credit risk

Credit risk is the risk that a third party will default on its obligation to the Home Office on behalf of the Consolidated Fund and other parties, thereby causing the Consolidated Fund and other parties, for whom the Home Office acts as agent, to incur a loss. Credit risk arises from deposits with banks and receivables. The maximum exposure to credit risk at the balance sheet date is:

	2022-23	2021-22
	£'000	**£'000**
Cash at bank	238,348	146,429
Trade and other receivables	1,065	7,625
Total	**239,413**	**154,054**

Cash at bank comprises liquid bank balances held with commercial banks, which are all administered through the GBS.

The size of the risk inherent within the trade receivables balance (shown net of impairment above) is reflected in the receivables impairment which totals £63 million in 2022-23 (£64.2 million in 2021-22). The Home Office, through the Governance and Risk management structures outlined in the Governance Statement, continues to assess and implement programmes to increase collection of receivables.

d) Currency risk and interest rate risk

There is no exposure to currency risk as all fees, charges and penalties are imposed, collected and payable in sterling. The Home Office Trust Statement has no exposure to interest rate risk.

8. Related party transactions

In relation to this Trust Statement, the Home Office has had transactions with HM Treasury and the Exchequer relating to payments made into the Consolidated Fund.

Ministers' interests are declared and maintained through the Register of Members' Interests at the House of Commons and the Register of Lords' Interest at the House of Lords.

Board members and key senior management staff are subject to a standard annual interests' review, stating whether they, their spouses or close family members have been in a position of influence or control in organisations with which the Home Office has transactions. Further detail is included in the Home Office Resource Accounts.

9. Events after the reporting period

There were no significant events after the reporting period that require disclosure.

In accordance with the requirements of IAS 10 Events After the Reporting Period, events are considered up to the date on which the accounts are authorised for issue.

The date the Accounts are authorised for issue is interpreted as the same date the Accounts are certified by the Comptroller and Auditor General.

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