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Final Report: Costing Work stream – NAO Asylum Study



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Management Summary

The NAO is currently undertaking a value for money study into the management of Asylum claims by the UK Border Agency (the Agency). The Agency launched the New Asylum Model in March 2007 to manage Asylum claims more effectively. The new model was introduced following a review of the Immigration and Nationality Directorate¹ in mid-2006 which recommended several fundamental changes to the handling of asylum applications.

Robust cost information on the New Asylum Model has not been generated in a manner to support the value for money study. Consequently the NAO commissioned Accenture to deliver a costing work stream focused on four key questions:

- What were the total costs associated with the delivery of the New Asylum Model in 2007/08?
- What proportion of costs were incurred at different stages of the process?
- What were the costs associated with the delivery of the New Asylum Model process for different types of applicant profile?
- What were the total costs associated with work on legacy cases in 2007/08 (i.e. applications that were first processed under arrangements preceding the New Asylum Model)?

The New Asylum Model covers all stages of the Asylum process from application through to conclusion: either grant of asylum or refusal and removal of the applicant from the UK. We gathered asylum cost data through central finance teams and visits to regional teams in Wales, the Midlands, London and the Detained Fast Track centre at Harmondsworth. In each region we conducted a number of workshops with front-line staff to support the development of cost estimates. The work stream included all UK Border Agency costs, except corporate overheads. Costs external to the Agency have been excluded, with the exception of those borne by the Asylum and Immigration Tribunal.

The resulting cost estimates have been validated by the Agency.

Total cost of the New Asylum Model

We estimate the overall cost of delivering the New Asylum Model in 2007/08 to be £176m. Our analysis of this data demonstrated that:

- **Support costs represent the largest element** accounting for £80m or 46 per cent of total costs. This includes initial and dispersed accommodation, cash support and support for unaccompanied children. This suggests that spending more on case management to reduce the elapsed times of the process from application to conclusion, and hence support costs, could reduce overall costs.
- **New Asylum Model case management teams** comprise just £20m or 11 per cent of the total cost. This £20m equates to 38 per cent of the total operating pay costs of £53m which includes regional enforcement teams, screening, routing and presenting officer units.

¹ The Immigration and Nationality Directorate was replaced by the Border and Immigration shadow Agency in 2007. In April 2008 the Border and Immigration Agency was combined with UK Visas and element of HM Customs and Revenue to form a shadow agency, the UK Border Agency.

In addition to the £176m the Agency also pays £12m to Local Authorities for the costs of supporting unaccompanied children who have gone through the New Asylum Model process and been given leave to remain until they are 17 ½ years old. While this cost has been excluded from our analysis, as it is not a cost of processing asylum claims, it comprises an additional cost to the Agency.

Cost of the New Asylum Model by stage

In conjunction with the UK Border Agency and NAO we defined four main stages reflecting the key decision points in the New Asylum Model process, and estimated how the total costs were spread across these stages:

- **Stage 1: Screening and Routing** covers the period from initial application through to allocation of a case to a regional case working team, and accounted for £54m or 30 per cent of the total cost.
- **Stage 2: First contact with a New Asylum Model case owner through to serving of decision** (grant or refusal) accounted for £38m or 22 per cent of total cost.
- **Stage 3: Appeals** covers the period from a refusal decision through to the notification of an appeal decision, and accounted for £38m or 22 per cent of total cost.
- **Stage 4: Removals** covers the period from the notification of a rejected appeal decision to the departure from the UK (voluntary or enforced), and accounted for £46m or 26 per cent of total cost.

Cost of the New Asylum Model when fully established

Since 2007/08 was the first full year of operation of the New Asylum Model, it had very few asylum applicants in Stage 3 or Stage 4 of the process in the early months of 2007/08. The figures above therefore do not reflect the costs of the New Asylum Model when fully established.

Consequently we have made an estimate of what the New Asylum Model would have cost in 2007/08 had it been fully operational for the year. This estimate showed that, with a similar volume of asylum applications and processing times, the overall cost of the New Asylum Model for 2007/08 would have been some 20-30 per cent higher at approximately £220m. This is largely due to an increased number of asylum applicants who would have been at the removals part of the process which can include costs of detention, removal escorts and flights. We estimate that full year Stage 4 costs would be approximately 60 per cent higher at £70m which would represent 32 per cent of the total.

Cost of the New Asylum Model by applicant profile

A selection of 12 different applicant profiles were defined covering single adults, families and unaccompanied children, comprising differing processing routes and outcomes. Cost estimates were developed for these applicant profiles for each of our fieldwork regions in order to provide a guide to the variation in costs across the case work teams and possible opportunities to improve value for money. The costs have been presented as ranges from lower to upper estimates. These ranges reflect the different levels of complexity inherent in different applications for asylum. The key findings from this analysis include:

- **Whether an applicant receives support or not creates a large variation in a cost profile** – some applicants do not require any accommodation and subsistence support, while others require support for the duration of their claim. We have therefore shown profile costs separately for those with and without support in section 5.
- **Cases granted asylum have the least expensive profile** – particularly if they do not need support while their claim is considered. These cost profiles range from £600-£1,200 for single adults (or £2,500-£5,000 with support costs included) and £900-£1,700 for families (or £6,200-£12,600 with support costs included). The costs are lower than cases which are refused as applicants are not in the process as long and do not require removal, accommodation or cash support.
- **Family removal cases have the most expensive profiles** – the most expensive profiles are cases involving families that receive support while their claim is considered, are refused asylum and then removed. In addition to the usual processing costs, enforced removal costs can exceed £28,000 and for an Assisted Voluntary Return costs can be in excess of £10,000. Extended periods of accommodation and cash support can take the total cost of this type of application to over £50,000 per family.
- **Costs for Detained Fast Track removals are slightly lower than enforced removals** – lower and upper estimates indicate that a removal case going through the Detained Fast Track route can cost £11,000- £23,000 when compared to £12,000-£25,600 for an enforced removal managed through a regional office. In addition Detained Fast Track significantly reduces elapsed time and mitigates the risk of asylum applicants absconding, particularly at the time when an application or appeal is rejected and enforcement action is planned.

Our conclusion section sets out a number of areas that require further examination to understand the value, cost drivers and options available such as for cases involving Assisted Voluntary Returns and Detained Fast Track.

Total cost of legacy work:

We estimate that the total cost of dealing with legacy asylum cases for 2007/08 to be £597m. The two largest components are:

- **Support Costs** - accounting for £430m or 73 per cent of total legacy costs. This includes dispersed accommodation, cash support and support for unaccompanied children.
- **Operating Costs** - accounting for £126m or 21 per cent of total costs, including £29m or 5 per cent for case management resolution teams for the legacy cases.

The total cost of dealing with legacy cases emphasises the need to ensure that another backlog of asylum claims does not build up using the New Asylum Model.

1 Introduction

This section provides an overview to the NAO study as a whole and the objectives of the costing work stream.

1.1 Overview of the asylum study

The NAO is currently undertaking a value for money study to assess the effectiveness of the delivery of the New Asylum Model. This new model was introduced following a review of the Immigration and Nationality Directorate² in mid-2006 which recommended several fundamental changes to the handling of asylum applications. These improvements, which are collectively referred to as the New Asylum Model or NAM, included a move to a regional structure, improving the speed of decision-making, increasing removal effectiveness, and the introduction of the concept of having one named case owner who is responsible for managing the application from the start to the finish of the process.

All new asylum applications made after March 2007 have been processed through the New Asylum Model. The Agency has been set a target of granting or removing 90 per cent of new asylum claimants within six months by December 2011 with interim targets of 40 per cent by December 2007 (achieved), 60 per cent by December 2008 and 75 per cent by December 2009.

The NAO value for money study has involved several work streams, including:

- A case file review of asylum applications;
- Interviews with UK Border Agency staff and national stakeholders;
- A simulation modelling exercise examining the impact of changes in the volume of applications and resourcing of the New Asylum Model; and
- The identification of indicative cost estimates for the delivery of the New Asylum Model.

Accenture was commissioned by the NAO to deliver the cost estimate work stream.

1.2 Cost work stream objectives

The aim of the costing work stream was to establish indicative cost estimates to help answer the following four key research questions:

- What are the total costs associated with the delivery of the New Asylum Model?
- What proportion of costs are incurred at different stages of the process?
- What are the costs associated with the delivery of the New Asylum Model process for different types of applicant profiles?

² The Immigration and Nationality Directorate was replaced by the Border and Immigration shadow Agency in 2007. In April 2008 the Border and Immigration Agency was combined with UK Visas and element of HM Customs and Revenue to form a shadow agency, the UK Border Agency.

-
- What are the total costs associated with the conclusion of legacy cases (i.e. applications that were first processed under arrangements preceding the New Asylum Model)?

Section 2 of the report presents a summary of the methodology employed in this work stream while sections 3-7 set out the findings and conclusion from this review. Supporting information is outlined within the appendices, including:

- A glossary of the terms used in the report;
- A detailed methodology; and
- Other findings and observations gathered through the fieldwork and analysis.

2 Methodology

This section sets out a summary of the approach adopted for the costing work stream. A full description of the methodology is detailed in appendix 2 and a full list of assumptions and calculations made are in the cost model supporting this document. The methodology was agreed with the UK Border Agency and NAO prior to commencing the work.

2.1 Asylum areas included within the work stream

There are currently six regional asylum offices and three key detention centres used for asylum. The NAO visited three of the regional offices - selected to reflect a variety of characteristics, including performance and caseload. The regions were London and the South East, Wales and the South West, and Midlands and East of England. In addition a further fieldwork visit was made to the Detained Fast Track centre at Harmondsworth.

2.2 Costs included within the work stream

We have drawn cost data from the 2007/08 central finance team supported by other data where required. Costs included within the exercise comprise:

- **UK Border Agency operating costs**, including regional asylum teams, screening and routing teams, presenting officer units, regional enforcement teams, relevant central teams and removal costs such as the Assisted Voluntary Return scheme.
- **UK Border Agency support costs**, including the costs of accommodation, cash support and asylum seeker travel costs when they are dispersed to the regions.
- **UK Border Agency detention and removal escort contractor costs** includes the costs that the UK Border Agency pay to contractors to carry out these services.
- **Asylum and Immigration Tribunal Service**, costs for the appeal process if applicants are refused asylum and launch an appeal.

With the exception of the costs for the Asylum and Immigration Tribunal service the cost model has excluded costs external to the UK Border Agency such as healthcare. The model also excludes UK Border Agency overhead costs such as HR, Finance and premises related costs as these are ongoing running costs that do not directly link to asylum.

2.3 Data collection and cost estimates

We collected data through workshops at the three regional offices, the detention centre at Harmondsworth, and through an extensive series of communications and meetings undertaken with centrally based staff. The process followed for each aspect of our analysis is summarised below:

Total Cost of the New Asylum Model: We requested data held centrally by the Agency for each cost items associated with the delivery of the New Asylum Model. Where costs encompassed other non-asylum activities such as managed migration activities we developed estimates of the New Asylum Model costs based on available data (such as pro-rating costs

according to volumetric data) and by use of professional judgement and validation with relevant UK Border Agency staff.

Stage Costs of the New Asylum Model: Working with the UK Border Agency team and NAO team we divided the process into four stages as outlined in the figure 1 below:

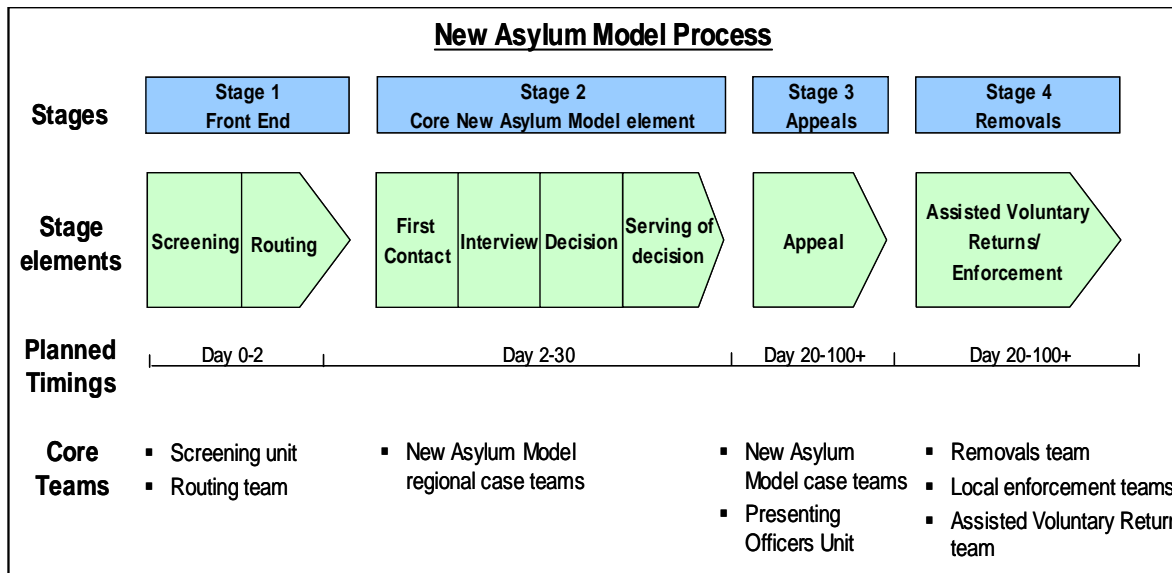


Figure 1 – New Asylum Model Process

For each of the four stages we drew upon available data and insight from the UK Border Agency to split the costs by stage. The four stages above covered:

- **Stage 1: Screening and Routing** covers the period from initial application through to allocation of a case to a regional New Asylum Model team;
- **Stage 2: First contact with the New Asylum Model case owner through to serving of decision** this is the part of the process that involves the main interview and the case owner's decision whether to grant or refuse asylum;
- **Stage 3: Appeals** covers the period from a refusal decision through to the notification of an appeal decision; and
- **Stage 4: Removals** covers the period from the notification of a rejected appeal decision to the departure from the UK.

Costs for asylum applicant profiles: We developed profiles for 12 asylum applicants in collaboration with the UK Border Agency and NAO to illustrate common pathways through the New Asylum Model process. These profiles covered single adults, families and unaccompanied children and examined different final outcomes such as being granted asylum or being forcibly removed. The UK Border Agency confirmed that our 12 profiles covered the majority of cases handled through the New Asylum Model.

To complete this exercise we interviewed frontline staff to identify the tasks, time estimates and staff groups involved in the delivery activities for each profile. We then combined this with information that could only be obtained at a national level such as supporting unaccompanied children and the cost of Assisted Voluntary Returns to create an overall cost estimate range for each of the 12 profiles. The profiles were analysed inclusive and exclusive of accommodation and support costs due to the substantial impact these costs have and because not all applicants incur these costs.

Total cost for Legacy Cases: We requested cost data on the legacy cases, which were estimated to total 400,000-450,000 cases as of June 2006. As with the New Asylum Model total cost exercise, we used data and the professional judgement of UK Border Agency staff and the Accenture team to derive estimates where costs could not otherwise be divided between legacy case costs and costs of the New Asylum Model process or non-asylum related activities such as managed migration.

The resulting information was captured in an Excel based cost model, which contains all the cost information provided in this report as well as details of the assumptions and calculations made. The relevant parts of the model were validated with each of the regional offices visited, central teams and key UK Border Agency staff³. This approach provided the most appropriate balance between robust results and efficient delivery within the twelve week project time frame.

2.4 Appropriate use of findings

The purpose of this costing work is to provide insight into the costs associated with the New Asylum Model. This is a new model of delivery and cost data relating to its delivery has not been previously collated or analysed in this way. The costing work will support the NAO's assessment of the asylum process, by providing cost data on the different stages of and routes through the New Asylum Model process as well as cost data on the legacy cases. The cost information is indicative, and as such it is appropriate to use these findings to understand:

- the broad composition of the cost estimates outlined above;
- the nature of these costs, be they fixed (i.e. will not vary over a 12 month period) or variable (will vary within this period);
- an insight into regional variation in costs; and
- high level differences between different types of profiles through the New Asylum Model and some of the factors that may cause costs to vary.

Although it would be possible to calculate an average cost per case concluded in the year by dividing the total costs for the year by the number of cases concluded, we did not consider that this would be meaningful for 2007/08, for three main reasons:

- The length of time required to conclude an asylum case means that, for any time period, there will be a significant number of cases in progress on which effort and

³ Included, within the Immigration Group, the Director of Finance and Business Strategy, the Head of the Business Strategy Team, the Deputy Director of the Performance Delivery Team and relevant members of their teams

costs have been expended but which have not been concluded by the end of the period.

- For 2007/08 the New Asylum Model had just been introduced and so the case load and concluded cases was building up during the year
- There is a significant variation in the costs to deal with different types of case, so that an overall average cost which does not properly address this variation could be misleading

It is not therefore possible on the basis of the analysis that we have carried out to make like-for-like comparisons of New Asylum Model case costs between regions, or between New Asylum Model case costs and legacy case costs. This exercise has been conducted during the period following the introduction of the New Asylum Model. The estimates will therefore understate the costs that one would expect when the New Asylum Model has achieved a steady state of operation. To address this last point we have illustrated the potential cost impact had the New Asylum Model been operating at steady state throughout 2007/08 in section 4.2.

It should also be noted that the profiles we have included in section 5 are intended to reflect a range of factors that can affect cost, such as complexity of cases and elapsed times. It is therefore not possible to conclude that cases at the higher end of the ranges necessarily represent poor value for money or that all cases should be concluded at the cost equivalent to the lower end estimates.

3 Findings: Total Cost of the New Asylum Model

We estimate the total actual cost of the New Asylum Model in 2007/08 at £176m. This cost estimate is based on cost and volumetric information for 2007/08.

Table 1 below presents a breakdown of the total costs by the key component areas:

Cost area	Description	Estimated total cost for 2007/08	Percentage of total cost
UK Border Agency Operating costs (exc. enforcement)	Comprising staffing costs for the New Asylum Model, screening and routing teams and Presenting Officers Units.	£55.1m	31%
UK Border Agency Support costs	Cost inc. initial and dispersed accommodation, unaccompanied child support and cash support.	£80.3m	46%
UK Border Agency Enforcement costs	Cost inc. regional enforcement staff, the Judicial Review Unit and the cost of Assisted Voluntary Returns	£16.5m	10%
Detention and removal escort contractor costs	Comprising detention centre contractor costs and removal escort contractor costs	£11.3m	6%
Asylum and Immigration Tribunal costs	The estimated cost of the New Asylum Model Asylum and Immigration Tribunals	£12.7m	7%
TOTAL		£175.9m	100%

Table 1 – Total costs of the New Asylum Model 2007/08

It should be noted that a further £12m per annum is paid by the UK Border Agency to Local Authorities to cover the costs of supporting unaccompanied children who have been granted leave to remain in the UK until aged 17 ½ through the New Asylum Model process.

This £12m cost is not a New Asylum Model cost as the cases have been concluded through the New Asylum Model process but they are a cost borne by the UK Border Agency. With more time operating the New Asylum Model, given the significant cost and the fact that these children could live in the UK until they are 17 ½ years old before their case is reviewed the cost of supporting children managed through the New Asylum Model process will increase. This may be offset as cases for children who fall within the legacy programme are concluded, but this will depend on inflow. It is therefore suggested that the UK Border Agency continue to analyse the options available to dis-incentivise false unaccompanied asylum claims.

Figure 2 below presents a breakdown of the total costs of the New Asylum Model by the type of costs:

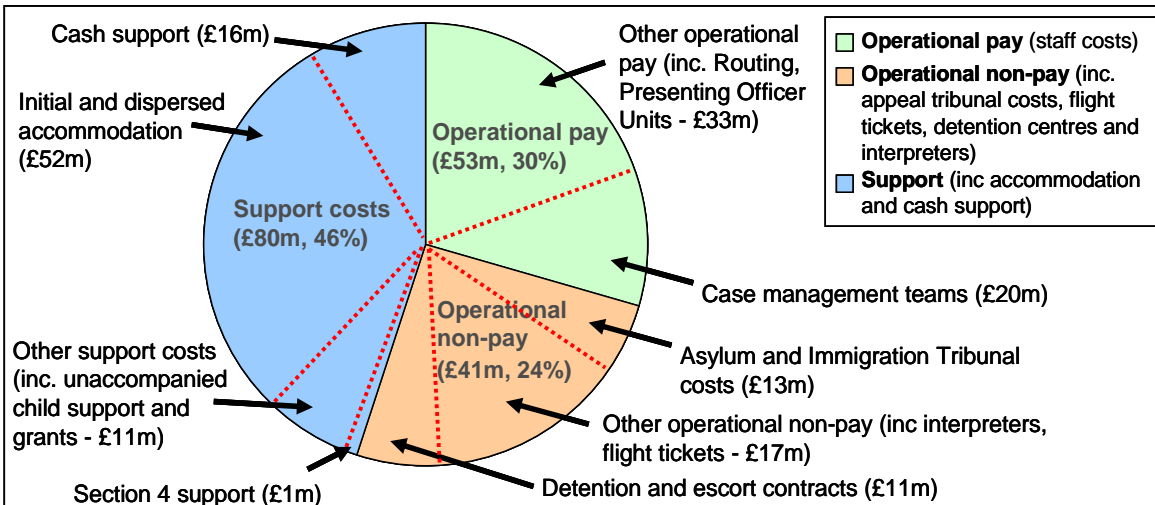


Figure 2 – Total cost of the New Asylum Model by cost type

Table 1 and figure 2 show that:

- **Support costs are largest single cost item.** Support costs associated with applicants processed through the New Asylum Model total over £80m, in comparison operational pay as a whole costs £53m, of which case management teams accounts for only £20m. This suggests that spending more on case management to reduce the elapsed time spent in the asylum process from application to conclusion, and hence support costs, could reduce overall costs.⁴
- **Detention centre and removal escort contractors cost over £11m in total.** As more New Asylum Model cases enter stage 4 (removals) these costs are likely to increase in total in the medium term as the number of legacy cases entering detention is also assumed to rise to 2011. Once legacy cases have been concluded, total costs should reduce. Many escort bookings end up being abandoned due to last minute applications for judicial reviews by the applicant and as such it could be possible to reduce this cost if this issue can be addressed.
- **Other costs largely relate to the cost of appeals** through the Asylum and Immigration Tribunal Service. Although this cost is not borne by UK Border Agency it is a public expenditure that directly relates to the New Asylum Model and is again likely to increase when the process is operating at a steady state as more cases will be going through the appeals stage.
- **Awareness of increasing section 4 support** - section 4 support (support for failed asylum seekers who are waiting to return to their country of origin and have no alternative means of support) cost the UK Border Agency under £1m in total for cases managed through the New Asylum Model cases in 2007//08. This figure is likely to

⁴ The Agency has an objective to reduce operating costs by 5% in real terms over 2008/09 (UK Border Agency Business Plan 2008-2011 <http://www.ukvisas.gov.uk/resources/en/docs/2958881/ukbabusinessplan>). This target potentially conflicts with increasing the number of case owners to reduce support costs.

increase substantially as more cases in this category continue to enter the system but fewer cases leave. This may be offset as the number of cases within the legacy backlog reduces. Section 4 costs within the legacy backlog cost came to over £70m in 2007/08.

We recommend that the NAO develop the simulation modelling work stream to conduct some detailed cost-benefit analysis of the impact of larger case management teams to the overall UK Border Agency costs.

Figure 3 below shows the total cost broken down into variable and fixed costs.

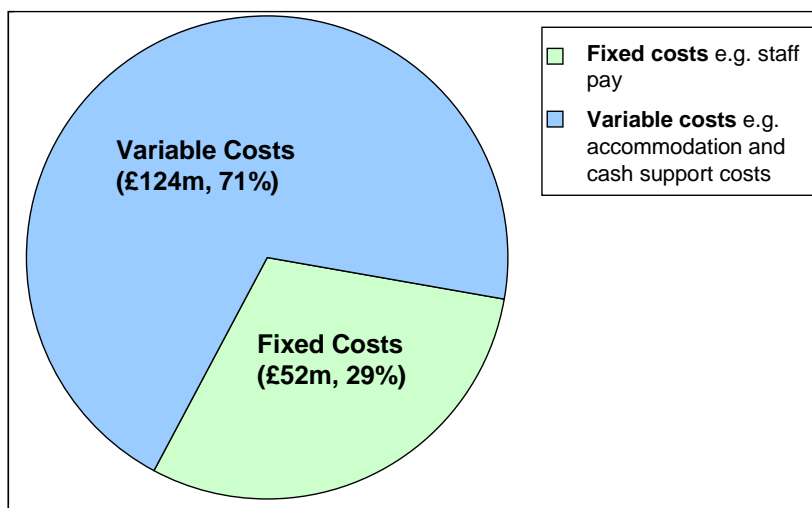


Figure 3 – Total cost of the New Asylum Model by cost type

This breakdown of costs highlights that:

- **Variable costs account for over 70 per cent of total costs** for the New Asylum Model. As stated previously changes to the ability of the New Asylum Model to process increased volumes at each stage from application to conclusion could reduce variable costs, such as accommodation and cash support, and have an immediate impact. This would mean fixed costs and staff headcount would increase but it is likely to be cost beneficial overall.
- **Fixed costs largely relate to staff costs.** Though these cannot be changed in the short term it is worth noting that New Asylum Model case owners are generally recruited as Higher Executive Officers, with an average cost of over £34,500⁵. However, because few case owners now conduct appeals in tribunals their mix of work is now very similar to what used to be done by Executive Officer case workers, who have an average cost of only £27,500. Each New Asylum Model team has about 12 case owners and each region has between 2-8 teams, therefore we estimate the additional staff cost will amount to over £2m. However, it is not clear whether this has had an impact on the cost of processing each case since the introduction of the New Asylum Model.

⁵ Based on the UK Border Agency national staff level capitation rates for 2007/08 – includes salary, pension payments and National Insurance contributions

We recommend that the UK Border Agency conduct some cost/ benefit analysis on the value of having Higher Executive Officer case workers compared to Executive Officer case workers. This would examine costs, the quality of decisions and the time to process cases and would enable the UK Border Agency to build a business case for having the most appropriate resource mix within their teams.

4 Findings: Cost of the New Asylum Model by Stage 2007/08

4.1 Estimated actual stage costs of the New Asylum Model for 2007/08

This section breaks down the 2007/08 New Asylum Model total costs by the four stages which represent the main components of the process and explains the estimated full cost of the New Asylum Model had it been operating at a steady state throughout 2007/08

The table below sets out the estimated actual cost and full cost of the New Asylum Model by stage for 2007/08:

Stage/ Description	Actual cost 2007/08		Est. full cost 2007/08	
	£	%	£	%
Stage 1, Screening/ routing - covers the period from initial application through to allocation of a case to a regional New Asylum Model team	£53.9m	30%	£55.4m	25%
Stage 2, First contact – serving the decision – point from first contact with the New Asylum Model case officer through to serving of decision	£38.1m	22%	£43.8m	20%
Stage 3, Appeals - covers the period from a refusal decision through to the notification of an appeal decision	£38.0m	22%	£51.3m	23%
Stage 4, Removals - covers the period from the notification of a rejected appeal decision to the departure from the UK	£45.9m	26%	£72.3m	32%
Total	£175.9m	100%	£222.8m	100%

Table 2 – Estimated actual and full cost of the New Asylum Model by stage 2007/08⁶

The following observations can be made from the cost estimates in table 2:

- **Case management teams comprise a relatively small proportion of costs** - although most of the time and effort of regional New Asylum Model teams goes into stage 2 of the process, this stage represents the second lowest cost of the four stages. The most expensive parts for 2007/08 were the screening/ routing stage largely driven by initial accommodation costs and the removals stage largely driven by detention and enforced removal costs.
- **Stage 1 had the largest actual costs in 2007/08 at over £53m** – these costs are largely made up by the cost of initial accommodation (£26m) and screening and

⁶ The steady state figures are not projections of what future costs will actually be, but are intended to illustrate the full cost of the New Asylum Model over the course of 2007/08.

routing (£14m). Cases are spending longer than they should be in initial accommodation at around 20 days at an average cost of £58 a night.⁷

- **Stage 4 had the second largest actual costs in 2007/08 at over £45m but had the biggest estimated full cost at £72m** - stage 4 is likely to become the stage with the largest total cost, largely driven by the cost of detention, removal and section 4 cases. A focus on expediting removals will therefore be crucial to reduce the overall costs of the New Asylum Model.

Figure 4 below highlights the analysis when the different stages are compared:

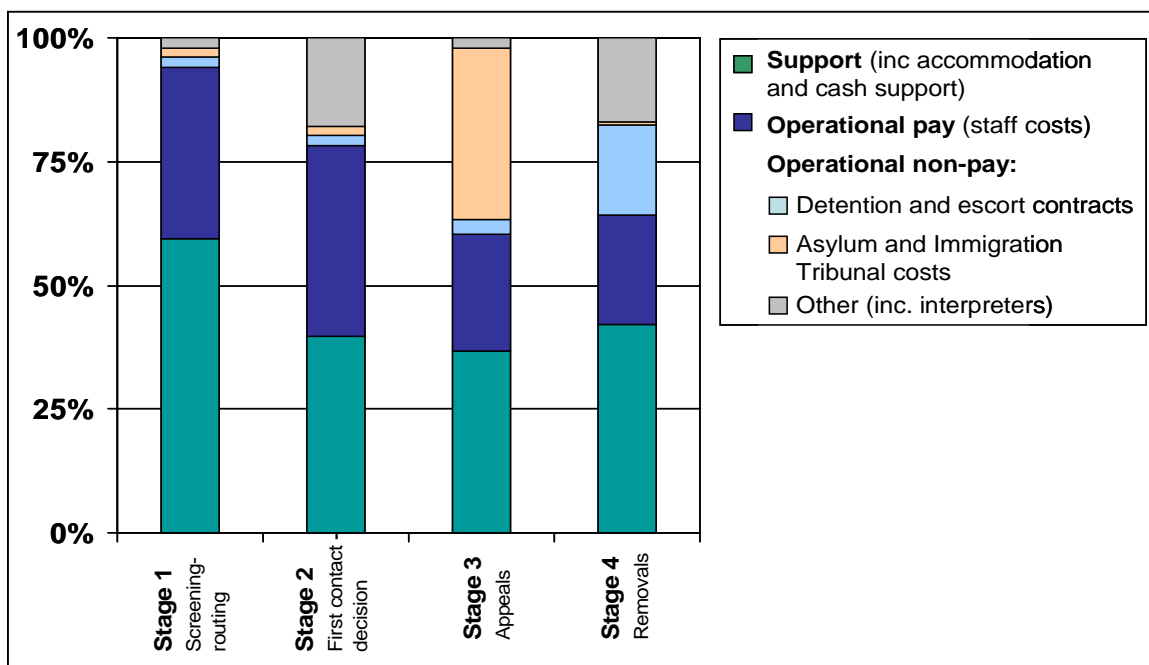


Figure 4 – Stage costs by type of cost

Further to the points made above figure 4 shows that:

- **Asylum and Immigration Tribunal costs account for 30 per cent (£12m) of the cost in the appeal stage.** The largest costs are accommodation and support services. Over 70 per cent of rejected asylum applicants appeal their decisions, for which the costs are paid by the UK Border Agency.
- **Interpreter costs within stage 2 account for the majority of the operational non-pay other costs (just under £6m).** The centralised booking service is said to have improved efficiency, however, it is evident from case owner feedback that there is still significant cost waste. There were still many examples given during fieldwork workshops of interpreters turning up who speak the wrong language or dialect and also interpreters who fail to turn up at all, leading to cancelled interviews. It was also suggested by UK Border Agency staff that more could be made of teleconference technology to cut interpreter costs.

⁷ Based on UK Border Agency elapsed time data and accommodation rates

Figure 5 below highlights the difference between fixed and variable costs in the 4 stages:

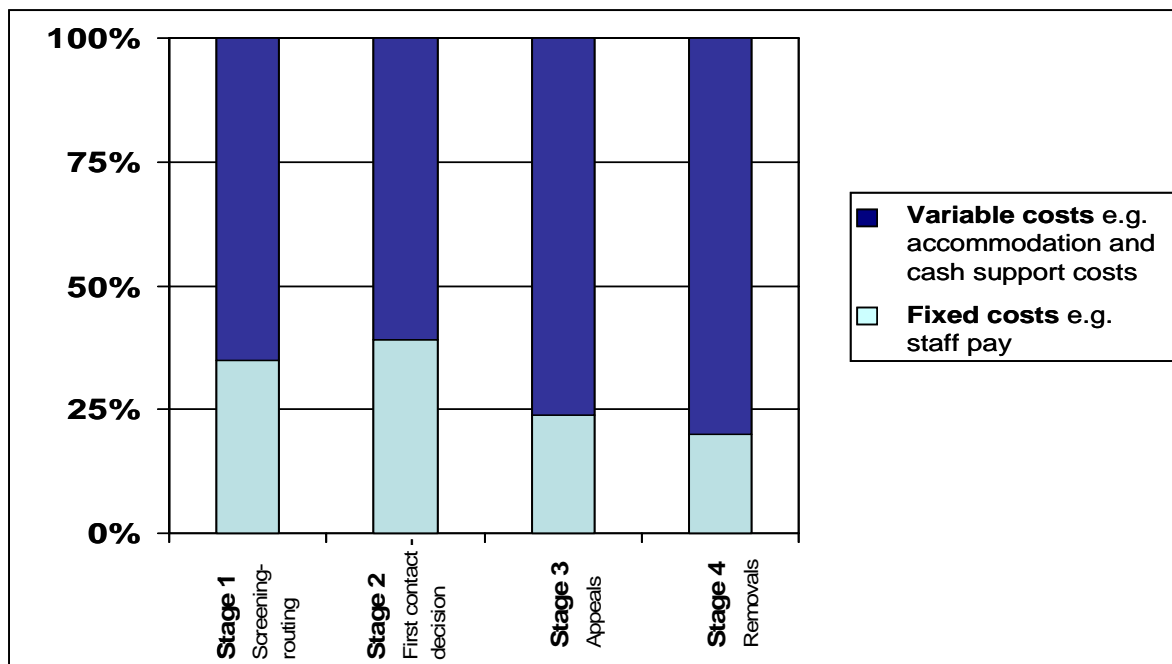


Figure 5 – Stage costs by type of cost

This breakdown of costs demonstrates that:

- **Variable costs account for between 60 per cent and 80 per cent of costs for each stage.** As previously identified these costs are largely driven by accommodation and cash support costs. Staff pay (treated as a fixed cost) is more significant in stage 2 where regional teams conduct most of their work but throughout the process variable costs stay consistently high as a proportion of overall costs. Variable costs also increase in stage 3 and 4 due to the number of cases going through appeals and removal procedures which involves cost areas such as detention centres, the Assisted Voluntary Returns team and enforced return procedures.

4.2 Estimated total cost of the New Asylum Model for 2007/08

As previously stated this was the first year of operation for the New Asylum Model and these estimates are therefore lower than one would expect when the process is fully in operation. In the first half of the year there were relatively few applications that had gone to appeal or were awaiting removal (i.e. Stage 3 or Stage 4) compared with the second half of the year.

We have therefore estimated what the total costs of the New Asylum Model would have been had it been operating at a steady state throughout 2007/08. These estimates were made using the assumption that application volumes and elapsed processing times by stage remained the same as the last six months of 2007/08 across the whole year. This shows that annual costs would have been £220m, a change of over 20 per cent.⁸

⁸ These figures are not projections of what future costs will actually be, but are intended to illustrate a full year cost of the New Asylum Model.

5 Findings: Cost of the New Asylum Model by applicant profile 2007/08

There are a large variety of processing routes an asylum application can take based on whether asylum is granted or if not how the applicant is dealt with. An average cost for dealing with an asylum application obtained by dividing the total cost of the New Asylum Model by the number of applicants would therefore be misleading. To examine costs of applications this section therefore presents cost estimates for 12 illustrative profiles of asylum applicants. These profiles were developed in conjunction with the UK Border Agency and the NAO and represent the majority of cases that go through the New Asylum Model process.

The profiles cover single adults, families and unaccompanied children. They do not represent an exhaustive list of routes through the New Asylum Process but highlight common paths taken such as being granted asylum at the initial decision or going to appeal if refused. Estimates suggest that the profiles used represent over 80 per cent of cases.

The profile, volumetric and cost information was obtained through:

- **Regional fieldwork workshops.** These examined the operational tasks undertaken and times involved for different activities
- **Central UK Border Agency teams** including finance teams and performance management teams. Information from these teams included cost information for the different parts of the process and overall processing times.

5.1 Illustrative applicant profiles

The 12 profiles examined were:

- Profile 1 – Single adult, undetained – Grant at initial decision
- Profile 2 – Single adult, undetained – Grant after appeal
- Profile 3 – Single adult, undetained – Assisted Voluntary Return after 2nd appeal
- Profile 4 – Single adult, undetained – Enforced removal after appeal rights exhausted
- Profile 5 – Family, undetained – Grant at initial decision
- Profile 6 – Family, undetained – Grant after appeal
- Profile 7 – Family, undetained – Assisted Voluntary Return after 2nd appeal
- Profile 8 – Family, undetained – Enforced removal after appeal rights exhausted
- Profile 9 – Unaccompanied minor – Grant at initial decision
- Profile 10 – Unaccompanied minor – Initial refusal followed by an appeal and leave to remain
- Profile 11 – Single adult, Detained Fast Track – Grant at initial decision
- Profile 12 – Single adult, Detained Fast Track – Removal after appeal

These profiles are intended to reflect a range of factors that can affect cost, such as complexity of cases and elapsed times. It is not possible to conclude that cases at the higher end of the ranges necessarily represent poor value for money or that all cases should be concluded at the cost equivalent to the lower end estimates.

5.2 Applicant profile costs

Table 3 below presents the cost ranges for each profile including and excluding accommodation and support costs:

Profile costs for New Asylum Model cases 2007/08	Lower end estimate	Upper end estimate	Lower end estimate	Upper end estimate
	Excluding accommodation and support costs		Including accommodation and support costs	
Profile 1 – Single adult, undetained – Grant at initial decision	£600	£1,200	£2,500	£5,000
Profile 2 – Single adult, undetained – Grant after appeal	£1,900	£3,500	£4,800	£9,500
Profile 3 – Single adult, undetained – Assisted Voluntary Return exit after second appeal	£7,100	£13,600	£11,900	£23,700
Profile 4 – Single adult, undetained – Enforced removal after appeal rights exhausted	£7,900	£17,000	£12,000	£25,600
Profile 5 – Family, undetained – Grant at initial decision	£900	£1,700	£6,200	£12,600
Profile 6 – Family, undetained – Grant after appeal	£2,100	£3,900	£10,800	£22,400
Profile 7 – Family, undetained – Assisted Voluntary Return exit after second appeal	£9,400	£19,900	£24,400	£52,600
Profile 8 – Family, undetained – Enforced removal after appeal rights exhausted	£14,000	£34,500	£25,800	£60,100
Profile 9 – Unaccompanied child – Grant at initial decision	£400	£900	£5,100	£18,700
Profile 10 – Unaccompanied child – Initial refusal followed by an appeal and leave to remain in the UK	£1,600	£3,100	£13,000	£28,600
Profile 11 – Single adult, Detained Fast Track – Grant at initial decision	NA	NA	£2,100	£4,100
Profile 12 – Single adult, Detained Fast Track – Removal after appeal	NA	NA	£11,400	£23,200

Table 3 – Profile cost estimates for different applicants⁹

Table 4 shows what proportion of applicants take up support:

Type of applicant	Type of Support		
	No support	Cash support only	Cash support and accommodation
Single Adults (85% of intake)	54%	8%	38%
Families (15% of intake)	20%	15%	65%

Table 4 - No. receiving types of support¹⁰

⁹ Applicants who go through the Detained Fast track process (i.e. profiles 11 and 12) do not require dispersed accommodation or cash support so these options were not-applicable.

This analysis demonstrated:

- **Cases granted asylum have the least expensive profile** – particularly if they do not need support services. These cost profiles range from £600-£1,200 for single adults, profile 1 (or £2,500-£5,000 with accommodation and support services included) and £900-£1,700 for families, profile 5 (or £6,200-£12,600 with accommodation and support services included). The costs are lower as applicants tend to not be in the process as long and do not require removal, accommodation or cash support.
- **Family removal cases have the most expensive profiles** – the most expensive profiles are cases involving families that are receiving support and are refused asylum and removed, primarily because the family includes dependents as well as the asylum applicant¹¹. In addition to the usual processing costs enforced removal costs can exceed £28,000 and for an Assisted Voluntary return costs can be in excess of £10,000. Extended periods of accommodation and cash support can take the total cost of these profiles to over £50,000 per family (see profiles 7 and 8).
- **Assisted Voluntary Returns cost less than enforced removals**. Our upper and lower end estimates indicated that Assisted Voluntary Returns were less expensive by £100-£3,400. This is despite the Assisted Voluntary Return process having a longer elapsed process time (averaging 300 days compared to 250 days for enforced removals¹²). The additional cost in the upper estimate of the enforced removal profile can be explained by detention costs. Case Owners commented that they had dealt with cases that were going through the Assisted Voluntary Return route which had been close to completion and which could have been returned through an enforced route relatively easily and at a lower cost.
- **Costs for Detained Fast Track removals are slightly lower than enforced removals** - the lower and upper estimates indicate that a removal case going through the Detained Fast Track route can cost £11,000- £23,000 when compared to £12,000-£25,600 for an enforced removal managed through a regional office (comparing profiles 4 and 12¹³). Although the Detained Fast Track route is comparatively more costly per night than an enforced removal case¹⁴ the process is much quicker taking an average of 79 days compared to 250 days for enforced removals. In addition the Detained Fast Track route significantly reduces the risk of failed asylum applicants absconding (overall absconding rates are estimated to be around 10%).

It is important to reiterate that these costings are estimates. We therefore recommend that the UK Border Agency undertake further analysis of the costs and benefits associated with cases involving Assisted Voluntary Returns and Detained Fast Track.

¹⁰ This data was provided by the UK Border Agency. NB. Unaccompanied children have not been included in this table as their costs are paid for by local authorities who then get reimbursed by the UK Border Agency.

¹¹ For the purposes of the costing work a family was assumed to be one adult and two dependent children.

¹² Based on UK Border Agency elapsed times for the March and April 07 cohorts.

¹³ The estimate for profile 4 is based on the average elapsed time in initial and dispersed accommodation. The estimate for profile 12 is based on the average nights in detention. Both averages are based on data supplied and validated with the UK Border Agency.

¹⁴ The average cost per night for Harmondsworth is around £100. This compares to cost of around £20-£40 for nightly accommodation and support costs for those who are supported in regional offices. This estimate is based on UK Border Agency figures excluding building depreciation costs.

5.3 Regional Comparison

Ten applicant profiles were analysed in the three fieldwork regions (the two Detained Fast Track profiles were analysed at Harmondsworth).

For each profile regional data was collected on the costs of staff time, initial and dispersed accommodation, cash support and detention centre contractor costs. The cost of other components such as appeal costs, Assisted Voluntary Return costs, unaccompanied child support costs, removal escort contractor costs and initial travel costs were obtained from central data and were applied equally to all regions.

Figure 6 below shows the range of costs for single adults for each regional area visited:

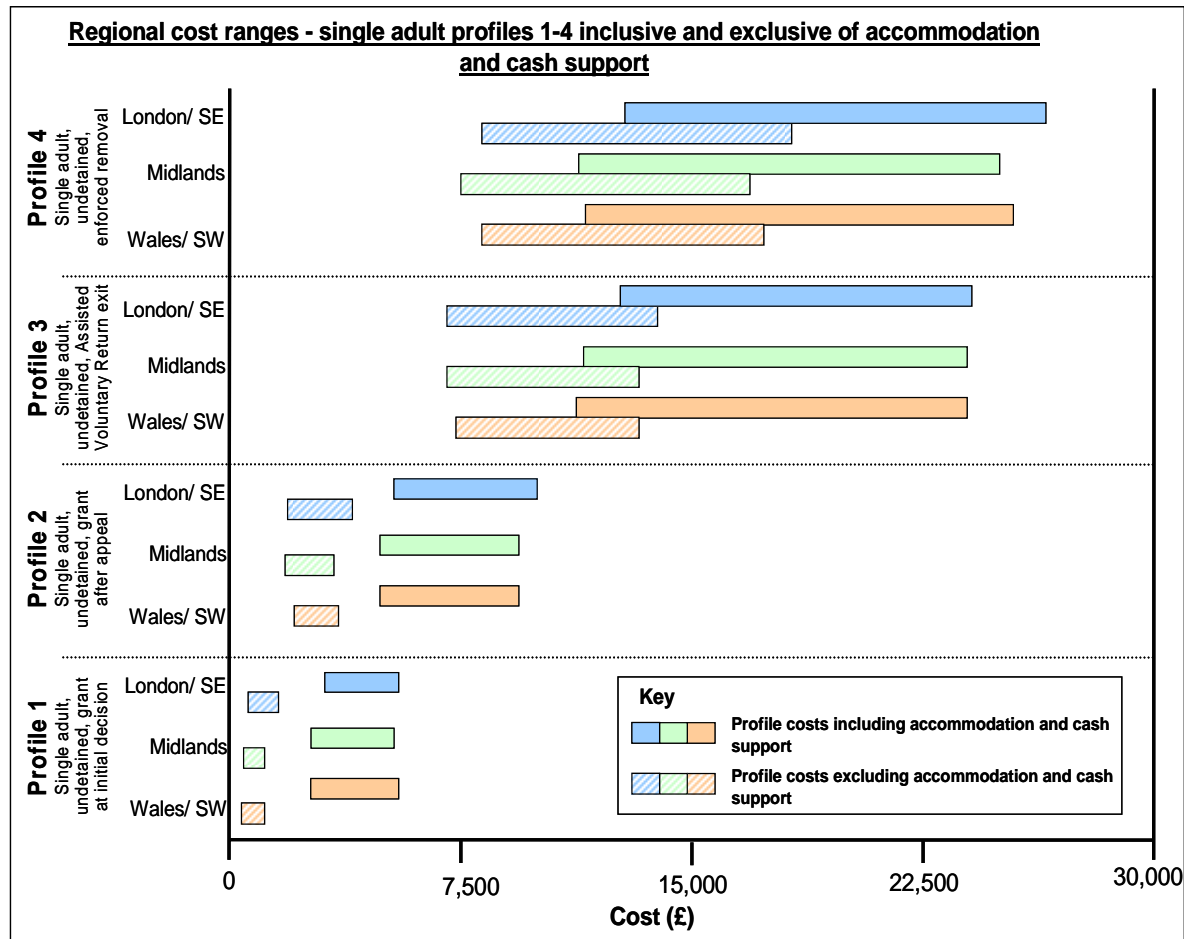


Figure 6 – Regional cost ranges for single adult profiles

This analysis demonstrates that:

- **There is no significant regional variation in cost** for profiles 1-4, reasons for this include:

- Processes and structures in the regions are largely the same. Although regional areas can have slightly different structures and some still had case owners conducting appeals while others relied entirely on the Presenting Officers Unit, these regional variations did not significantly alter estimated costs.
- Although London and the South East have higher nightly accommodation rates these are offset by having a faster processing time.

Figure 7 below shows the range of costs for families for each regional area visited:

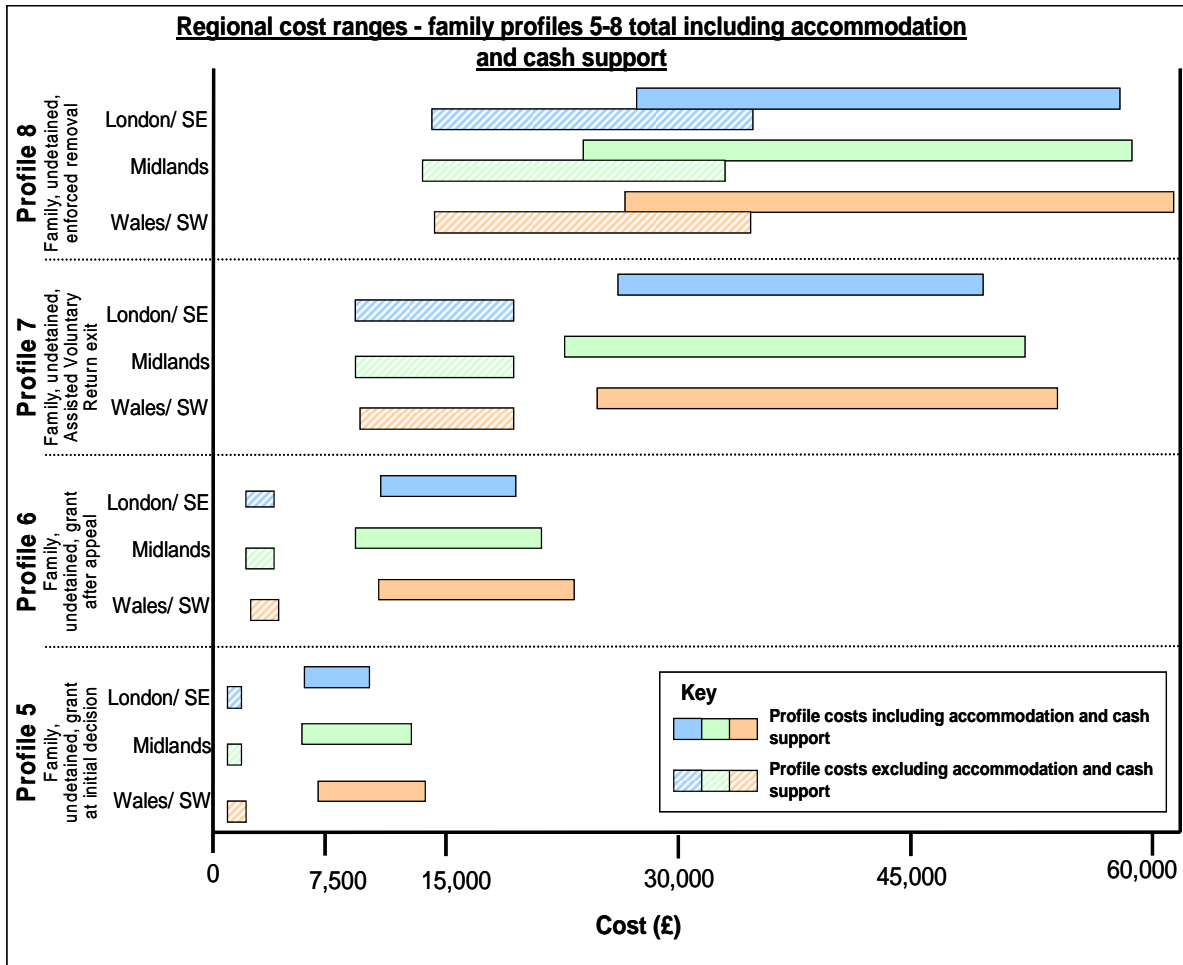


Figure 7 – Regional cost ranges for family profiles

Figure 7 demonstrates that as with single adults there is no significant regional variation in cost for profiles 5-8, as the processes and structures are not significantly different. However there are minor variations noted:

- **London and the South East has the smallest cost range** – this is primarily because the region has the fastest processing times. While the costs of accommodation per

night are higher than in other regions applicants are spending fewer nights in accommodation.

- **Wales and the South West has the highest upper end cost range for each type of family profile** – this is primarily driven by the fact that this region had the longest estimated processing time so those receiving accommodation and cash support cost more than in other areas.

Given the substantial extra cost of processing claims which are receiving accommodation and/ or cash support we recommend that the UK Border Agency examine the value for money case of prioritising asylum claims that are receiving these services.

Figure 8 below shows the range of costs for unaccompanied children excluding support costs for each regional area visited:

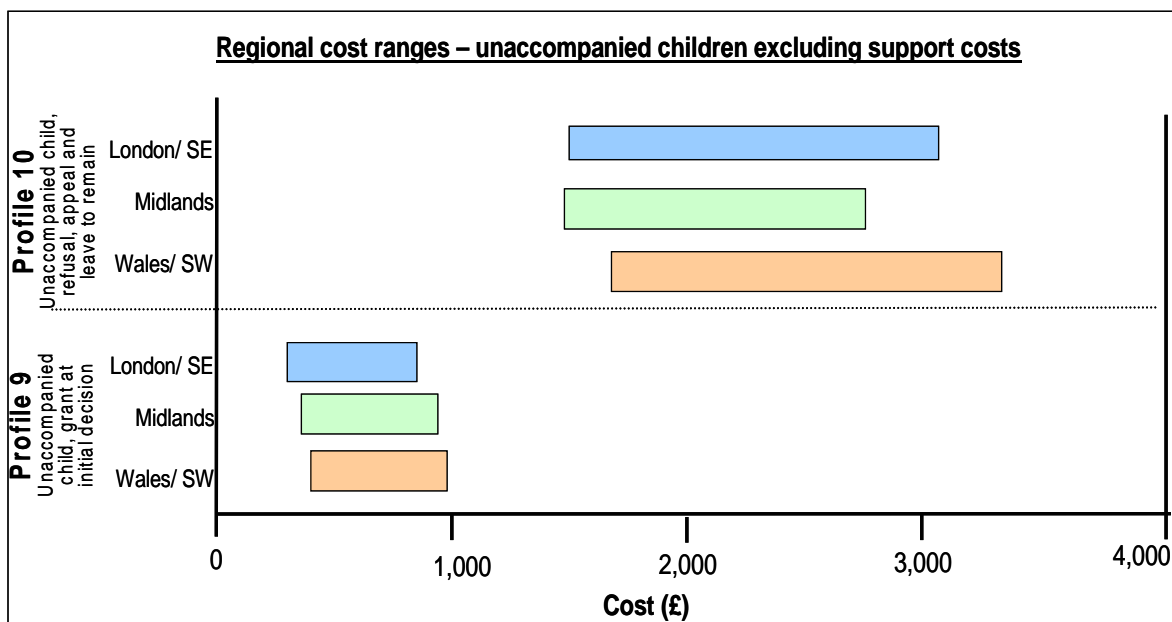


Figure 8 – Unaccompanied children excluding support costs which we calculated on a central not regional basis

The largest driver of the unaccompanied child costs are the support costs. These costs have been calculated using a national average, which range from £5,000-£25,000. Figure 8 shows that regional costs ranges for unaccompanied children excluding support costs are fairly similar (there was only around £500 difference in the staff costs for processing these cases). As the support costs were only identified at a national level the ranges for unaccompanied children illustrated in figure 8 may be more diverse than suggested.

Given the overall costs to the UK Border Agency associated with supporting unaccompanied children amounts to over £125m (for both legacy cases and New Asylum Model cases), further analysis examining the options available for supporting unaccompanied children would be valuable.

6 Findings: Total cost of legacy cases 2007/08

The total cost of the asylum legacy cases in 2007/08 is estimated at £597m. These cost estimates are based on cost and volumetric information for 2007/08.

Table 5 below presents a breakdown of the total legacy costs by the key areas:

Cost area	Description	Cost for 2007/08	Percentage of total legacy cost
UK Border Agency Operating costs (exc. enforcement)	Largely made up of staffing costs for Case Resolution Directorate teams.	£43.3m	7%
UK Border Agency Support costs	Largely made up from the cost of dispersed accommodation, unaccompanied child support, cash support and section 4 support	£430.1m	72%
UK Border Agency Enforcement costs	Largely made up from the cost of the regional enforcement staff, the Judicial Review Unit and the cost of Assisted Voluntary Returns	£85.9m	14%
Detention and removal escort contractor costs	Comprising detention centre contractor costs and removal escort contractor costs	£34.3m	6%
Asylum and Immigration Tribunal	The estimated cost of the legacy case related Asylum and Immigration Tribunal costs	£3.2m	1%
TOTAL		£596.8m	100%

Table 5 – Total estimated cost of legacy work in 2007/08

It should be noted that the costs of Case Resolution Directorate teams built up over the course of the year as more resources were deployed on this activity. As pay costs are a small proportion of the overall legacy costs this is not likely to have material impact.

Figure 9 below presents the cost information broken down by the type of cost:

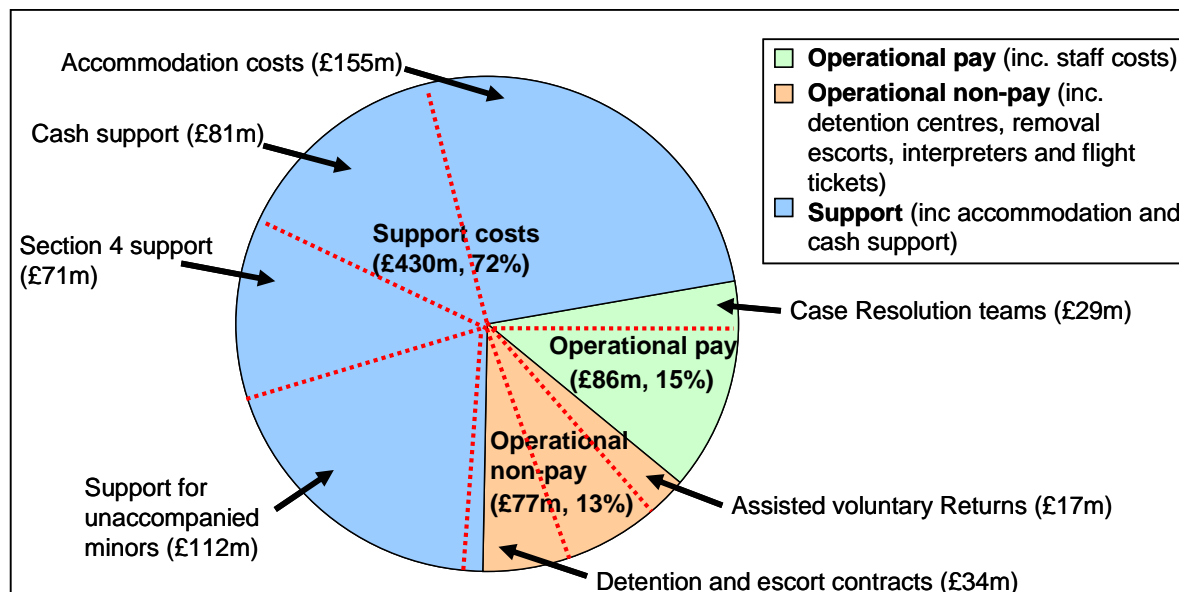


Figure 9 – Total cost of legacy cases 2007/08 by cost type

Figure 9 shows that:

- **Support costs exceed all other costs at £430m.** While operational pay as a whole costs £84m of which case resolution teams accounts for £29m, support costs were over £430m. Many legacy cases will not be granted asylum and yet are costing a large amount as they are receiving support costs until a decision is made. As with New Asylum Model cases this suggests that spending more on case management to reduce elapsed times and hence support costs could reduce overall costs and that it may be beneficial to continue to prioritise cases receiving support.
- **Supporting unaccompanied children cost over £110m** – 19 per cent of legacy costs are spent on reimbursing local authorities for the cost of supporting unaccompanied children. These costs include education, accommodation and other support. Under current legislation these cases need to be supported by UK Border Agency until they turn 17 ½ years old. As such some cases are being supported for over 5 years.
- **Detention centre and removal escort contracts cost over £34m.** During the period January to April 2008, 534 (18 per cent) escort bookings were cancelled or abandoned due to last minute applications for judicial reviews or other legal action launched by the applicant and as such it could be possible to reduce this cost if the rate of vexatious applications could be reduced.

Figure 10 shows the breakdown of legacy costs between fixed and variable costs:

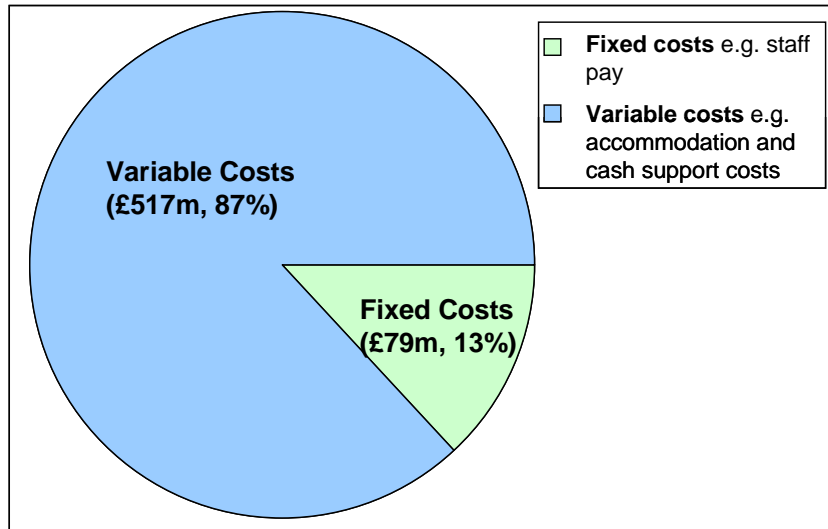


Figure 10 – Total cost of legacy cases 2007/08 by fixed vs. variable costs

Figure 10 shows that:

- **Variable costs account for over 85 per cent of costs for legacy cases.** As with the New Asylum Model changes to capacity to reduce costs could therefore have an immediate and significant impact. This would require that the UK Border Agency be allowed some flexibility to increase the number of case owners at a time when headcount is being reduced across the public sector following the latest comprehensive spending review.
- **Allowing a backlog to build up is costly.** Direct comparisons between legacy cases and New Asylum Model cases are difficult to make. However the legacy costs highlight some of the potential challenges which lie ahead for NAM should a new backlog build up. In particular the higher proportion of variable costs (mostly support costs) which would be incurred.

7 Conclusions and areas for further investigation

The analysis we have undertaken has highlighted a number of key findings and issues that we recommend be investigated further by the UK Border Agency. We have divided these into specific and general recommendations.

7.1 Specific recommendations

Improvement to screening and routing: Our analysis of the New Asylum Model costs by stage showed that the costs of the first stage at 30% of the total were much higher than expected. This appears to be a result of the screening/ routing process taking much longer than targeted with consequent high initial accommodation costs in expensive locations. We recommend that the UK Border Agency investigate the reasons why screening and routing are taking longer than planned, and take steps accordingly.

Investment in case management teams: As highlighted earlier in the report, support costs (for accommodation and subsistence) are by far the largest component of costs both for the New Asylum Model and for legacy cases. In contrast, expenditure on case management teams is relatively low. This suggests that there may be a strong business case to provide substantially more casework staff in order to provide faster decisions, thereby reducing the period of uncertainty for asylum applicants, reducing support costs and ensuring that the reduction of the legacy backlog is not replaced by the creation of a New Asylum Model backlog. In 2008-09 the UK Border Agency has increased the number of case owners per team from 12 to 15 to deal with projected intake. We recommend that the UK Border Agency keeps its investment in teams under review to prevent a new backlog building up and to reduce support costs.

Encouragement of Assisted Voluntary Returns: Our analysis indicates that the Assisted Voluntary Return scheme is cheaper than the enforced removal route, as well as being less traumatic for the applicant. We recommend that the UK Border Agency continue to investigate how Assisted Voluntary Returns can be extended to return failed applicants promptly to their country of origin. This analysis should include investigating the business case of offering a higher incentive package if applicants return without appealing the initial decision, but without attracting additional asylum applicants wishing to take advantage of the assistance available.

Assessment of Detained Fast Track: Our analysis shows that a removal of a failed asylum applicant through the Detained Fast Track approach is slightly cheaper than removal of a failed applicant who has not been detained. In addition detention ensures removal whereas a proportion of other failed asylum applicants abscond when their application and appeal has failed. We recommend that the UK Border Agency investigate whether it will be more cost-effective to either:

- invest in Detained Fast Track capacity in order to expand the number of cases passing through this route; or
- reduce the elapsed time of cases in regional offices and institute measures to increase the certainty of removal.

Alternative options for supporting unaccompanied children: The annual costs of supporting unaccompanied children whose asylum claim has been rejected exceed £125m (both legacy and New Asylum Model cases). The UK Border Agency reimburses local authorities for the cost of supporting unaccompanied children until aged 17^{1/2}. We recommend that the UK Border Agency consider options for reducing this cost, including the possibility of suitable provision in countries of origin or third countries.

7.2 General recommendations

Need for robust performance information: We found difficulty in readily obtaining performance information on some aspects of asylum. In particular, we received conflicting information about the total number of removals in 2007/08 and the number of different types of removals made e.g. enforced, Assisted Voluntary Return and voluntary. There was also conflicting information about the number of asylum appeals made under the New Asylum Model, with different information provided by the Asylum and Immigration Tribunal Service and the UK Border Agency.

This information relates to the later stages of the New Asylum Model process (Stages 3 and 4 in our terminology), and it is important for successful operation that information is accurate and up-to-date. The reorganisation of the UK Border Agency in April 2008 to create an integrated directorate, with one director responsible for all aspects of the start-to-end asylum process, provides an opportunity to ensure that the New Asylum Model process is supported by effective information, with case owners and enforcement staff promptly updating the relevant information systems. We recommend that the UK Border Agency takes steps to ensure that this is done.

Financial analysis: The UK Border Agency has placed enforcement and asylum processes under one director. This will enable all the costs of the New Asylum Model process to be brought together (rather than provided from the wide range of sources that we had to use). We also recommend that the routine analysis of actual **costs per case** (broken down by the key components of cost) be undertaken. This will build on the indicative costing of 12 applicant profiles set out in Section 5, and will provide the Agency with information to support its planning and decision-making. For example, it could:

- Assist in the planning and allocation of workload, and in prioritising particular types of case to improve efficiency and effectiveness
- Enable like-for-like comparison between regions (and teams within regions), thus helping to identify and promulgate good practice
- Support the comparison of options at particular stages of the asylum process, for example, the use of Assisted Voluntary Returns as compared to enforced removal
- Identify where the costs of one component of the asylum process might be reduced by investing in additional capacity in another part (e.g. reduce support costs by investing in additional case-workers to reduce elapsed times)
- Identify the potential cost savings from investment in new types of capacity (e.g. accommodation overseas) or negotiation of new arrangements with countries of origin

Finally, we have summarised in Appendix 3 a number of operational issues we identified during our fieldwork, along with suggestions for improvement in efficiency and effectiveness.

Appendix 1 – Glossary

The following table provides an explanation of the key terms used within this report:

Term	Definition
Accenture	A global management consultancy firm that carried out the costing work and wrote this report
Appeal	The process of asking a tribunal to reconsider the merits of an applicant's case once the initial decision has rejected the claim
Appeal Rights Exhausted	Point at which an asylum applicant has been through all the appeals they are entitled to
Assisted Voluntary Return	The process by which failed asylum applicants are given a financial assistance if they agree to return to their home country
Asylum and Immigration Tribunal Service	The tribunal that hears appeals against decisions made by the Home Office in asylum, immigration and nationality matters
Asylum Support System (ASYS)	Database containing details about asylum seekers applying for and receiving support from the UK Border Agency
Case Owner	The named individual in regional teams who is responsible for managing the asylum case from beginning to end
Cash support	A living allowance paid by the UK Border Agency to some asylum applicants while their application is in process
Case Information Database (CID)	The Home Office database containing details about asylum cases, including applications, decisions, appeals and removals
Detained Fast Track	The Detained Fast Track processes currently operates at three centres: Harmondsworth, Yarl's Wood and Oakington and involves the applicant having a full interview as conducted by regional teams but applicants are detained throughout the process and removed if their claim and any appeals are rejected.
Emergency Travel Document	Travel documents used to remove failed asylum applicants in situations where the applicant does not have a passport
Enforced removal	Process of forcibly returning a failed asylum applicant to their country
Family	For the purposes of this work a family was considered to be one adult with two children under the age of 17 ½
Granting Asylum	Asylum application cases that are deemed worthy of asylum are granted this status
Harmondsworth	Harmondsworth Immigration Removal Centre (IRC) near Heathrow airport. The centre is one of the three centres that deal with Detained Fast Track cases
Initial Accommodation	Accommodation that some asylum applicants are given before dispersal to regional offices. The accommodation includes meals.
Judicial Review	A review by the judiciary to examine the process of law followed. It has the power to annul the acts of the executive or the legislative where it finds them incompatible with a higher precedent
Leave to remain	Cases can be rejected but granted a fix or open time period where the person considered can remain in the UK based on other grounds

Legacy cases	The backlog of cases that had not been concluded prior to the introduction of the New Asylum Model in March 2007
NAO	The National Audit Office – organisation leading the asylum value for money study
New Asylum Model	Refers to the new process that all asylum claims have gone through since March 2007
Regional Asylum Teams	The UK Border Agency's operations are split into six regions which have between 2-8 asylum teams
Removal	The removing of an asylum applicant from the UK. A removal can be voluntary or non-voluntary
Routing	Process by which asylum cases are allocated to regional offices
Screening	Process that asylum applicants go through at the beginning of their claim and includes finger printing and capturing broad details of the case
Section 4	Refers to support given to failed asylum seekers who are waiting to return to their country of origin and have no alternative means of support
Simulation modelling	Method of using computer modelling to illustrate the impact to the overall process of different scenarios and changes to processing times and inputs
Single adult	An adult who does not have dependents and is claiming asylum
UK Border Agency	The UK Border Agency is responsible for securing the UK borders and controlling migration in the UK. It also manages border control for the, enforcing immigration, customs regulations and consider s applications for permission to enter or stay in the UK, citizenship and asylum.
Unaccompanied children	A person under the age of 17 ½ years who is not accompanied by an adult and claims asylum
Undetained	An asylum applicant who goes through the regional process and not the Detained Fast Track process is considered undetained

Appendix 2 – Detailed Methodology

This appendix sets out the detailed approach taken for the costing work stream. A summary of the methodology is detailed in section 2 and a full list of assumptions and calculations made are in the cost model supporting this document.

Our approach took account of NAO requirements that the methodology is:

- Proven to deliver robust and defensible findings;
- Capable of providing cost outputs within tight timeframes; and
- Driven by UK Border Agency staff thus providing a high degree of ownership.

Approach

Figure 11 overleaf sets out the approach taken for the costing work stream. To enable us to complete the work we had three core phases of work:

- **Start up and design** – at this stage existing information on UK Border Agency asylum processes was gathered and analysed and initial conversations were held with key UK Border Agency staff to confirm the work stream approach
- **Pilot method and data collection** – during this phase fieldwork visits were conducted in Solihull, Cardiff, London and Harmondsworth and data was collected from central UK Border Agency finance teams and other teams
- **Data analysis and reporting** – data was gathered through fieldwork at regional offices and data requests to central UK Border Agency teams. This data was analysed through the development of the cost model, validated with the relevant parts of the UK Border Agency and used to inform this final report.

The rest of this appendix details the activities involved in the three main stages of the work stream.

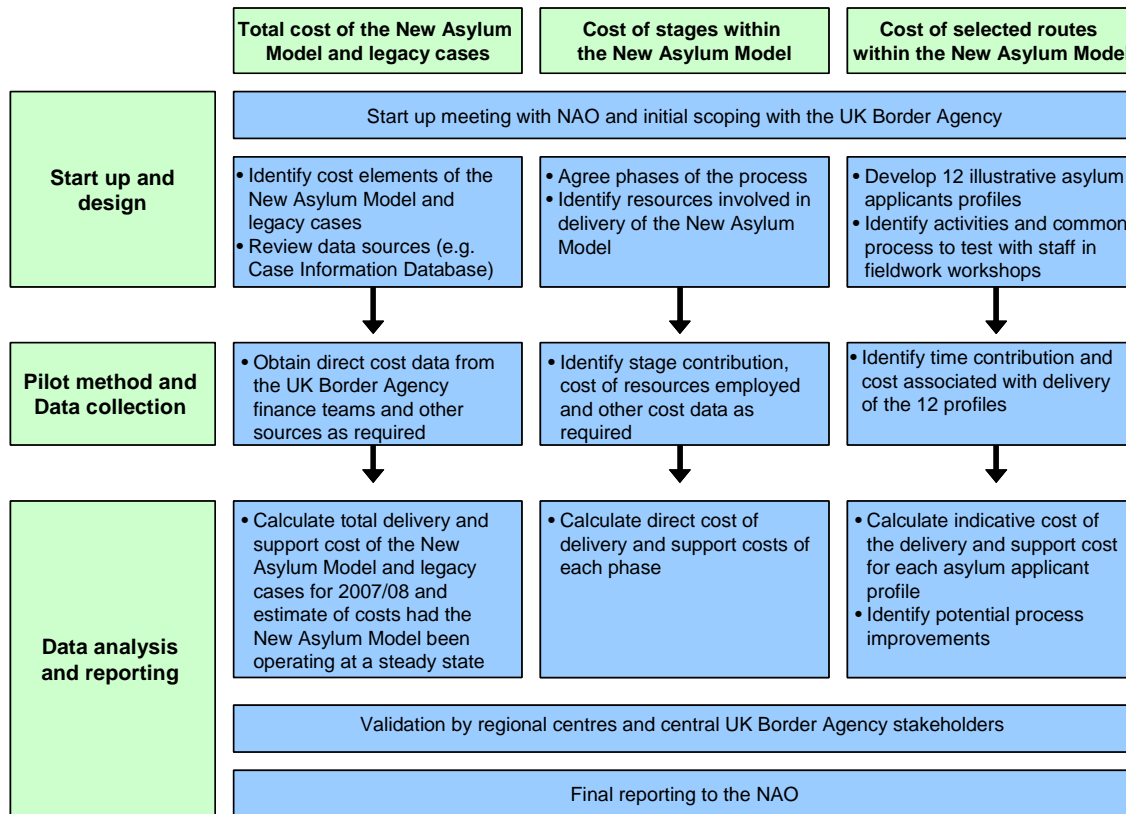


Figure 11 – Costing work stream approach

Start up and design

Start up meetings were held with the UK Border Agency Director of Finance and Business Strategy, our key point of contact for the NAO Asylum Review alongside other key UK Border Agency staff. These meetings enabled the approach of the work stream to be finalised including establishing how the whole asylum process would be broken up into stages and defining the 12 applicant profiles that would be examined.

This stage also involved gaining an understanding of the ways in which the asylum data was collected and held by examining the two key databases; CID and ASYS and having initial conversations with New Asylum Model case owners to gain a deeper understanding of the process and activities involved ahead of the first pilot fieldwork.

The key output from this stage was the confirmation of the approach of the work stream, and a workshop plan for the pilot fieldwork visit.

Pilot Method and Data Collection

The profile, volumetric and cost information was obtained through two key elements:

- **Regional fieldwork workshops.** These were conducted at three regional offices; Solihull, Cardiff and London as well as a visit to the Detained Fast Track detention

centre at Harmondsworth. The workshops examined the operational tasks undertaken and times involved for different activities and different staff levels

- **Central UK Border Agency teams** including finance teams and performance management teams. Information from these teams included cost information for the different parts of the process and overall processing times.

Regional fieldwork

In each of the three regional offices four workshops were held. The first three workshops examined the activities, processes and time taken by different levels of staff for the 10 applicant profiles that were of relevance to the regional offices:

- Profile 1 – Single adult, undetained – Grant at initial decision
- Profile 2 – Single adult, undetained – Grant after appeal
- Profile 3 – Single adult, undetained – Assisted Voluntary Return after 2nd appeal
- Profile 4 – Single adult, undetained – Enforced removal after appeal rights exhausted
- Profile 5 – Family, undetained – Grant at initial decision
- Profile 6 – Family, undetained – Grant after appeal
- Profile 7 – Family, undetained – Assisted Voluntary Return after 2nd appeal
- Profile 8 – Family, undetained – Enforced removal after appeal rights exhausted
- Profile 9 – Unaccompanied minor – Grant at initial decision
- Profile 10 – Unaccompanied minor – Initial refusal followed by an appeal and leave to remain

These workshops were conducted with a range of staff from different parts of the process including initial accommodation, case owners, senior case owners, work flow managers, support staff, removals staff and enforcement officers.

A further workshop was held with team leaders and managers to establish time estimates for different staff levels between their time working on New Asylum Model cases and legacy cases and estimates of the proportion of time for their New Asylum Model work that is spent at different stages of the process.

A fieldwork visit was also held at Harmondsworth. Two workshops were held, one with Detained Fast Track case working teams to examine the remaining two applicant profiles:

- Profile 11- Single adult, Detained Fast Track – Grant at initial decision
- Profile 12 – Single adult, Detained Fast Track – Removal after appeal

The second workshop was with team leaders and senior case owners to again establish how the different staff levels split their time between New Asylum Model work and legacy work and within the New Asylum Model work how they spend their time at the different stages.

Throughout this process additional work was carried out to capture and examine key issues or problems suggested by UK Border Agency staff and potential solutions to these issues. These have been captured in appendix 3.

Central UK Border Agency teams

Further to the fieldwork visits a number of data requests were made and meetings held with central UK Border Agency staff to obtain centrally held cost and volumetric information. This included information on:

- Volumes of cases at different stages in the process
- Volumes of removals split by the type of removal e.g. voluntary, Assisted Voluntary Return and enforced
- Elapsed times for different stages in the process
- Cost information on accommodation and cash support
- Cost information on detention centre and removal escort costs

Meetings were also held with those parts of the process that operate at a national level such as the screening units, routing teams and assisted voluntary returns team.

The main output from this part of the project were detailed activity sheets indicating the range of staff time spent on different parts of the process.

Data analysis and reporting

The data analysis and reporting phase of the work was broken down into two key parts:

Data analysis

The next part of the process involved building an Excel based cost model to capture all the costing information. Where exact cost information could not be obtained assumptions and estimates were made based on the professional judgment of UK Border Agency staff and the Accenture team.

The cost model is the main supporting document supporting this report and outlines the costing information, the source of information, all costing assumptions made and who the assumptions and calculations were validated with at the UK Border Agency.

The cost data was analysed on the basis of the cost itself as well as the type of cost. The types of costs looked at include:

- **Fixed costs** – costs that cannot be changed within a 12 month period
- **Variable costs** – costs that can be changed within a 12 month period
- **Operational pay costs** – the staff costs associated with running the process
- **Operation non-pay** – non-staff pay costs associated with running the process e.g. interpreters and staff travel
- **Support costs** – e.g. the costs of asylum applicant accommodation, cash support and supporting unaccompanied children
- **Detention and escort contract costs** – costs of the contracted out management of the detention centres and costs of removal escorts
- **Other costs** – includes conferences, office services, mail, consultancy support

Data validation and reporting

While the cost model was being constructed we went through a detailed validation process with the UK Border Agency to ensure that the figures, calculations and assumptions we were making were valid. This culminated in a number of sessions with senior staff within the UK Border Agency to validate the overall model.

Once the costs had been validated with the UK Border Agency the results were written up in the form of this final report which aimed to provide our analysis of the data and answer the original questions:

- What are the total costs associated with the delivery of the New Asylum Model?
- What proportion of costs are incurred at different stages of the process?
- What are the costs associated with the delivery of the New Asylum Model process for different types of applicant profiles?
- What are the total costs associated with the conclusion of legacy cases (i.e. applications that were first processed under arrangements preceding the New Asylum Model)?

Advantages and limitations of the methodology

Overall our methodology has a number of advantages and limitations. The following advantages are associated with the delivery of our methodology:

- **The research design is was effective for the time available:** traditional activity based cost models require extensive resources to interview and survey staff. Given the time constraints of the project a wide ranging survey would have been impractical. Our method provided a means of gather data quickly and efficiently;
- **The staff cost estimates are driven by the judgements of managers who understand the operational environment:** our method incorporates subjective assessments based upon the facts of the operating environment and the experience of senior management; and
- **Our approach has achieved buy-in to the findings:** the process has been driven by the involvement of UK Border Agency. An extensive process of validation has enabled buy-in to the findings which should facilitate clearance of the NAO report.

The limitations of the work include:

- **It is difficult to identify the reliability of estimating staff costs:** the major methodological challenge associated with estimating staff time is reliability (i.e. the extent to which a measure will produce consistent results if repeated numerous times). In the same way that a case owner may fill in two completely different timesheets for the same week of work senior managers may make different estimations of how resources are employed. Each method of estimation is subjective and the limitation of reliability therefore applies equally across all approaches rather than placing our methodology at a disadvantage;
- **The output of our work are summary level costs rather than a cost per case:** this has limited our ability to make substantive points on efficiency and prevented a comparison of both legacy and New Asylum Model cases, and the relative efficiency

of different regional offices. As highlighted in the report we recommend that the UK Border Agency progress a work stream to calculate these costs; and

- **The findings focus on the costs of the New Asylum Model rather than all costs associated with asylum:** the research questions of this project focus upon the New Asylum Model. As highlighted in the document we have excluded wider costs not incurred by the UK Border Agency (such as healthcare, education and policing) which comprise the overall cost to the tax payer of asylum applications.

Appendix 3 – Other findings

This appendix sets out issues relating to the asylum process raised by UK Border Agency staff during the fieldwork and their ideas for solutions. We have grouped these issues and solutions under four headings: People, Policy, Process and Systems.

1). People:

- **Staffing:**
 - Starting to lose experienced case owners. Given that initial training for staff takes nearly two months this is having an impact on capacity. Need to train staff to be able to work in a variety of roles and bring on more staff.
 - Support staff are overstretched which has added to stress and low motivation. In Wales and the South West there is an average of 19 sick days a year for staff. Need to look at ways to improve morale such as encouraging staff through rewards or a competition for innovative ideas.
 - The New Asylum Model system was built on the basis of case owners receiving 1.25 cases per week but in reality many case owners said they were getting 4-5 cases. There is also little flexibility in the system when people leave the team or are sick.
 - Need to review staffing across the agency to ensure that staff placed in priority areas or consider merging or co-locating teams such as Presenting Officer Units to create efficiencies.
- **Contractors:**
 - Accommodation providers not updating new addresses on ASYS therefore support payments not getting through to applicants.
 - Issue with transport contractors both in terms of high cancellation rates by the UK Border Agency and cases of contractors not turning up as they have started to double book cases due to the high cancellation rates. Need to ensure new contracts that are being tendered meet requirements.
- **Interpreters:**
 - No pool of interpreters for the commonly used languages. This can cause difficulty in getting interpreters in some areas. Also issues with interpreters not turning up that means interviews get cancelled and backlogs build up.

2). Policy:

- **Appeals:**
 - Case owners not doing the appeals relating to their cases at tribunals due to timing and capacity issues. Need a decision on balancing efficiency and effectiveness as to whether case owners should be doing these or whether it should be Presenting Officers.
 - Need to engage more with the Ministry of Justice, judiciary and Asylum and Immigration Tribunal Service for a more efficient system.
 - Should examine the option of limiting the number of judicial reviews an applicant can ask for or only allow a set period of days for requesting a judicial review once cases are Appeal Rights Exhausted or looking at the reviews being requested from the applicants country of origin. This would need to be balanced with ensuring that applicants properly understand the procedure.

- **Unaccompanied Children:**
 - Need decision on what happens when unaccompanied children become 17 ½ years old and greater understanding of the cost impact of the options.
 - Number of cases highlighted by case owners felt unaccompanied children could be safely sent home but are still given leave to remain. They felt alternative options should be considered to act as a disincentive to false child claims.
- **Method of serving decision:**
 - Need a decision on how grant and rejection decisions should be done – balancing the fact that it is quicker to do by post but helps to build a relationship with the person if it is done in person.
- **International organisation of Migration**
 - A number of UK Border Agency staff felt that procedures involving the international organisation of migration were not clear especially regarding the processing of claims that have potentially been victims of torture.

3). Process:

- **Travel documents:**
 - Emergency Travel Documentation interview not always done pre decision and harder to get cooperation after decision if decision is a refusal. Need to get the applicant to come in early to do the Emergency Travel Documentation interview.
 - Potential to build stronger relations and link up more with UK embassy's abroad and other country embassies in the UK to ensure there is a parent to meet the minor or passport agency to obtain necessary details earlier in the process and help improve the efficiency of removals.
 - Potential to have a UK Border Agency dedicated to negotiating with foreign governments on documentation and link up more with other relevant government departments such as the Department for International Development and the Foreign and Commonwealth Officer. This team could also try to persuade more countries to accept EU letters for removals
- **Screening:**
 - Instances of asylum applicants turning up to regional offices who haven't been screened which can add an additional 45-60mins to conduct the finger printing and other parts of the process.
- **Exception cases:**
 - Specific cases involving young pregnant girls, self harm etc can take up a lot of time for case workers. It was felt that these additional burdens on staff are not generally recognised when cases are allocated to staff and manageable case load assumptions (i.e. the 1.25 cases per case owner per week) were made.
- **Cancelled interviews:**
 - Regional staff estimated that about a third of applicants don't turn up for interviews and other interviews are cancelled due to a lack of interpreter or having an interpreter who does not speak the right language or dialect. There were also cases of interviews with children having to be cancelled as there was no appropriate adult. All these cancellations added to issues of backlogs and delays.

- **Bed space:**
 - Shortage of detained bed space due to the focus on Foreign National Prisoners and high risk of harm cases. There is no ring fenced asylum bed space which is impacting asylum removal options.
 - It was suggested that options to improve this situation could include rebuild destroyed wing at Harmondsworth or building more detention space in areas that need it such as near Gatwick airport.

4). Systems:

- **Case Information Database (CID):**
 - Many case owners felt that the system was too dated, it was cumbersome to use and information put into one part of the system did not automatically update other parts.
 - Workflow managers and others stated that a number of staff were poor at updating CID regularly which had an impact on the quality of performance management information.
- **Filing system:**
 - The processing system is still heavily reliant on paper based files. There were many stories of these being lost and parts of missing which had an impact on concluding cases to the necessary quality and timescales.
 - The regional offices bar coding system only recognises Home Office codes (not port file reference numbers). Takes 2-3 minutes to generate. The Ports are either holding on to the files or not applying the correct codes. Solution is either to force the ports to get it right first time or to send on files to regional offices to generate codes themselves. The regional offices have their own spreadsheets which can track codes to an individual.
 - There were issues of people not scanning the bar codes when they take files which means that the system does not know where the file is.
 - There were also issues of the appeal determination not turning up or being filed incorrectly which then means further inquiries need to be made and the appeal determinations have to be sent out again.

We asked UK Border Agency regional staff to prioritise the issues identified in this section in order of impact upon the New Asylum Model. The top five issues prioritised by staff in order of importance were:

1. **Staffing issues** – staff stated that they were overstretched and morale was low;
2. **Travel documents** – difficulties of obtaining travel documentation were highlighted;
3. **Detention space** – there is thought to be a lack of detention space available to asylum seekers;
4. **Assisted Voluntary Returns** – this scheme is perceived to be too slow; and
5. **Appeals** – this part of the process is believed to take too long.