NAO
National Audit Office

**INFORMATION ASSURANCE
SUMMARY REPORTS**

Home Office

The purpose and scope of this review

1 During the period November 2011 to January 2012, the National Audit Office (NAO) carried out an examination of a sample of the Home Office's indicators and operational data systems as reported in the October 2011 Business Plan Quarterly Data Summary. This involved a detailed review of:

- the match between the indicators the Department publishes, the operational data it uses to run itself and the priorities and key business areas of the Department;

- the process and controls governing the selection, collection, processing and analysis of data; and

- the reporting of results.

2 Our conclusions are summarised as numerical scores. Scores are based on the extent to which departments have put in place and operated internal controls over the data systems which are both effective and proportionate to the risks involved.

3 This report provides an overview of the results of our assessment. It does not provide a conclusion on the accuracy of the out-turn figures included in the Home Office's public performance statements. This is because sound data systems reduce, but do not eliminate, the possibility of error in reported data.

Overview

4 The indicators and operational data systems cover all the significant areas of Home Office frontline activity, and the main directorates and agencies, except for the Office of Security and Counter-terrorism (where national security means information cannot be made publicly available) and the Criminal Records Bureau.

5 We examined nine data systems in our latest review, of which seven supported indicators in the Business Plan Quarterly Data Summary and two supported operational data which is of interest to senior management. They covered the following business areas and agencies:

- Home Office Crime and Policing Group (CPG)

- Identity and Passport Service (IPS)

- UK Border Agency (UKBA)

- Estates

- Finance

- Payroll

- Procurement.

6 We did not identify any significant weaknesses or issues with the wider control environment. The main risk we identified which arises in more than one data system is the issue of data being recorded at multiple locations (for the crime rates and migration applications indicators), and the consequent need to ensure consistency of data entry. We found that the Home Office has controls in place which should help mitigate risks to accuracy.

7 **Figure 1** on page 3 summarises our assessment of the indicator data systems.

8 We found that, for most of the indicators we examined where performance is being reported, the Home Office is making good use of existing management information systems to provide reliable and robust data for the Quarterly Data Summary. In one case, the cost of migration decisions, UK Border Agency is using a costing model developed for the purposes of the indicators, but which can also be used within the business. This is a cost-effective approach. There are appropriate checks and controls in place over the data systems and guidance in place over data requirements. The Home Office collects data from non-departmental public bodies for inclusion in the workforce size indicators, but these data are not subject to the same level of control, and the Home Office is currently working on improving the robustness of the data for future Quarterly Data Summaries.

9 For three of the sub-indicators on Estates, the Home Office is not yet reporting data in the Quarterly Data Summary as it is still developing a system to measure performance on a quarterly basis (although annual figures are available).

10 We have made a number of more detailed recommendations for improvement, which mainly relate to presentational issues with the Quarterly Data Summary and Measurement Annex. In some areas, changes could be made to the wording of indicators to improve clarity and understanding. Further information could also be included in the Measurement Annex to enhance the user's understanding, such as links to published information giving detail on the breakdown of performance of the individual elements where an indicator represents overall performance for an area, information on levels of expected performance, and improved signposting to sources of further information.

Figure 1
A summary of the results of our validation exercise

Score	Meaning	Indicators we reviewed that received this score
4	The data system is fit for purpose and cost-effectively run	**Two Business Plan indicators, one estates indicator and two operational indicators** Cost of producing and issuing a passport. Percentage of passport applications processed within target. Total office estate. Austerity Tracker (operational data set). Use of contractors (operational data set).
3	The data system is adequate but some improvements could be made	**Three Business Plan indicators and two workforce indicators** Cost per decision for all permanent and temporary migration applications. Crime rates (violent and property crime reported to the police). Percentage of migration applications decided within target. Payroll staff. Average staff costs.
2	The data system has some weaknesses which the Department is addressing	**Four estates and workforce indicators** Contingent labour. Total cost of office estate. Cost of office estate per full-time equivalent. Cost of office estate per square metre.
1	The data system has some weaknesses which the Department must address	**No indicators**
0	No system has been established to measure performance against the indicator	**No indicators**

Source: National Audit Office analysis