National Audit Office

**Report**
by the Comptroller
and Auditor General

**Home Office**

# The Border Force: securing the border

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Home Office

# The Border Force: securing the border

Report by the Comptroller and Auditor General

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This study examines how well the Border Force has established itself as an operational command within the Home Office and how it has performed during its first year.

# Contents

# Key facts

| 138 | 7,600 | £604m |
|---|---|---|
| ports in the UK, France and Belgium staffed by the Border Force | the Border Force's full-time equivalent staff at 31 March 2013 | the Border Force's 2013-14 budget |

**10 per cent**  projected growth in the annual number of passengers arriving in the UK on flights between 2011 and 2017, from 106 million to 117 million

**28 per cent**  projected growth in air freight between 2010 and 2015, from 2.4 million tonnes to 3 million tonnes

**6 per cent**  reduction in full-time equivalent staff between April 2010 and March 2012, from 8,023 to 7,527

**12 per cent**  maximum budgeted increase in full-time equivalent staff from March 2013 to April 2014, to a ceiling of 8,477

**81 per cent**  of non-European passengers cleared within 45 minutes at Heathrow in April 2012

**99.9 per cent**  of non-European passengers cleared within 45 minutes at Heathrow in March 2013

# Summary

## The Border Force

**1**     The Border Force is responsible for immigration and customs controls at 138 air, sea and rail ports across the United Kingdom, France, and Belgium. It also operates customs controls at international parcel hubs in the UK. The Border Force is a directorate within the Home Office (the Department) and has a budget for 2013-14 of £604 million, around 60 per cent of which is for staff costs. Most of its remaining spending will be on overheads, such as property and IT, and border technology such as automatic passenger gates.

**2**     The Border Force's main objectives include preventing harmful individuals and goods entering the UK and facilitating the legitimate movement of individuals and trade. In addition, it seeks to protect and collect customs revenues and to provide excellent customer service. Border Force officers perform a range of duties, including checking the passports and visas of passengers entering the country and searching freight and baggage arriving to ensure that it does not contain illicit goods. More than 106 million air passengers currently arrive in the UK each year.

### Creating and transferring the Border Force

**3**     The Border Force was established in April 2008 as part of the UK Border Agency, which was created by the merger of the Border and Immigration Agency with those parts of HM Revenue & Customs responsible for border security. On 1 March 2012, the Home Secretary removed the Border Force from the UK Border Agency and transferred it to the Department.

**4**     This transfer was designed to strengthen the Department's oversight of border security operations at a time when it had lost confidence in the UK Border Agency's management oversight of the Border Force and the information it was providing to ministers. This followed a report by the Independent Chief Inspector in 2012, who found that border controls at Heathrow and other ports had been relaxed without the necessary ministerial consent. Within weeks of being brought into the Department, the Border Force faced further criticism for the amount of time passengers had to wait to have their passports checked at key UK ports. This was a particular concern given the forthcoming challenge of managing an influx of passengers for the London Olympics and Paralympics during summer 2012.

## Key findings

### Addressing operational performance issues

5 **The Department has increased its oversight of frontline border security operations.** The Border Force was separated from the UK Border Agency because the Department was not confident that it had a management culture capable of responding to instructions. To address this, the Department developed an operating mandate setting out standardised working practices for Border Force officers, focusing on the mandatory passenger checks that they must complete. This helped institute a culture of compliance in the organisation, and almost 100 per cent of passengers now have full passport checks at the border (paragraphs 2.8 to 2.10).

6 **Through prioritising and deploying additional resources, the Border Force improved queuing times during 2012-13.** By April 2012, it became clear that the Border Force was struggling to manage queuing times at ports such as Heathrow. The Department responded by putting in place a new reporting mechanism on queuing times; for example, daily reports on breaches in queuing time targets were provided directly to the Home Secretary until January 2013, when they were reported weekly. The Border Force also brought forward the recruitment of more than 70 officers at Heathrow alone and has relied heavily on temporary staff, continuing to use these in ports such as Calais. The Border Force has also developed some longer-term solutions, including a real-time staff deployment model at Heathrow. Consequently, during and after the Olympics and Paralympics, the Border Force has exceeded its targets for passenger queuing times. During 2012-13, more than 99 per cent of sampled passengers from the European Economic Area (EEA) cleared controls within the target of 25 minutes, and more than 99 per cent of sampled passengers from outside the EEA cleared passenger controls within a 45-minute target. This contrasts with April 2012, when only 81 per cent of non-EEA passengers at Heathrow were cleared within 45 minutes according to Border Force data (paragraphs 2.2 to 2.7).

7 **The Border Force has successfully responded to the prioritisation of full passenger checks and has reduced queuing times. However, it has not fulfilled all of its responsibilities simultaneously.** Border Force officers reported that staff shortages and the requirement to prioritise full passenger checks while managing queuing times reduced the time they spent undertaking other duties, such as customs controls. During the first months of the 2012-13 financial year, the Border Force's performance was below target in some activities outside processing passengers, such as the number of entry refusals at the border, forgery detections, and seizures of cigarettes and counterfeit goods. The Department's internal auditors confirmed in April 2013 that the 2012 Olympics and Paralympics and wider resourcing issues have had an effect on the Border Force's ability to consistently resource secondary (customs) controls, and this has had an impact on the security of the border (paragraphs 2.10 to 2.13).

8      **To date, the improvements the Border Force has made in secondary controls have not led to sustained performance across a full year.** Performance has now improved in some, but not all, areas, although recent improvements such as in the seizure of counterfeit goods would not have been possible without specific initiatives designed to accelerate progress. There were periods in 2012-13 when the Border Force was performing significantly below its targets in a number of key areas (paragraphs 2.14 and 2.15).

9      **Sustained improvements in the Border Force's performance will depend on strengthening the relationship between management and the workforce, which lacks a sense of organisational identity and is unclear about its purpose.** Even though former customs and immigration organisations united in 2008 when the UK Border Agency was established, longer-serving Border Force officials typically identify themselves as being either 'ex-customs' or 'ex-immigration.' Under the leadership of its new director general, the Border Force is working to improve staff communications and is clarifying the values and behaviours it expects from all staff (paragraphs 2.18 to 2.22).

10     **Automatic processing of passengers has the potential to allow frontline staff to be used more efficiently, but the Border Force is not maximising this opportunity.** The Border Force has a target of processing 50 per cent of eligible passengers through automated gates, but currently only 31 per cent are processed this way. Although the Border Force has been using automatic gates for several years, it is only now planning how to locate these strategically (paragraph 2.23).

11     **There are gaps in the Border Force's information about people and goods entering the country.** Although it conducts checks on all passengers arriving by scheduled services, the Border Force needs to do further work to improve the coverage, quality and timeliness of advance passenger information. The Border Force does not receive advance passenger information about more than a third of passengers arriving in the UK, and what it does receive is largely from airlines arriving from outside the European Union. In addition, the Border Force receives far from comprehensive advance information about passengers arriving at UK ports by private plane, and frontline officers raised concerns that the information they do receive from these passengers could often be inaccurate. Private boats do not share advance information at all. Freight data, such as details of shipping containers arriving in the UK, can also often be of poor quality. The Border Force is taking action to address these gaps, such as by making it easier for private carriers to upload advance passenger information (paragraphs 2.28 to 2.30).

**12    The Border Force is developing a more appropriate system for measuring queues.** We found that queue measurement systems vary between ports and are based on a system designed for airports, which is unsuitable for car ferry ports. A recent internal audit report by the Department has also concluded that some methods of queue monitoring are unfit for purpose. While these inconsistencies may have an impact on the accuracy of queue figures, we do not consider that this fundamentally undermines the improvements reported by the Border Force for 2012-13. This is because the Border Force has introduced specific improvements to its queue measurement at Heathrow, Stansted and Gatwick, airports where measures are taken more frequently and which therefore contribute substantially to trend figures. The Border Force is planning how this approach can be rolled-out to other locations (paragraphs 2.26 and 2.27).

## Managing and overseeing the Border Force

**13    The Border Force was slow to establish itself in its first year.** Delays can partly be attributed to the Border Force's focus on the Olympics and Paralympics during 2012. It has also suffered from changes in leadership, with five different director generals or heads in post over the course of 18 months and a permanent leader appointed only in March 2013, a year after the Border Force was formed. The new director general streamlined the governance structure in May 2013, to reduce the number of boards and improve the clarity about where decisions were taken (paragraphs 3.8 to 3.9).

**14    Bringing the Border Force into the Department focused its efforts primarily on border security, but beyond this it is not apparent how the Department will use this model to sustain improved performance.** The Department views incorporating the Border Force as a model for both strengthening its oversight of border operations and improving performance and efficiency in these areas. It intends to replicate this model with the remainder of the now-abolished UK Border Agency, which also came back into the Department in 2013. However, the Department has not produced plans for using this structural change to improve performance and efficiency. Decision-making in key areas such as the number of checks to conduct on passengers remains firmly located with the Department (paragraphs 2.2 to 2.6 and 3.3 to 3.6).

**15    The Border Force does not use its workforce as responsively as it could.** The Border Force needs to deploy staff flexibly to respond to its competing demands, but is prevented from doing this as efficiently as it could by the terms and conditions many of its staff are signed up to. Almost a fifth of the Border Force's workforce is employed under terms and conditions that restrict working hours to fixed periods during the week, rather than allowing more flexible shifts. There are certain ports where the workforce has been more unwilling to sign up to more flexible terms and conditions. For example, at Heathrow in spring 2013, less than half the workforce was contractually obliged to work before 5 am without being paid additional benefits in kind, despite a significant number of long-distance flights arriving at that time. HM Treasury has made funding available to the Border Force to encourage increased take-up of more flexible terms and conditions during 2013-14 (paragraphs 3.12 to 3.14).

**16    The Border Force has not established whether it has the resources needed to meet the demands the Department has placed on it.** The Department has replaced risk-based checks conducted by frontline Border Force officers with full checks on all passengers. This increase in activity requires more resources, and the Border Force is recruiting more staff. Despite this recruitment drive, many ports we visited still had staff shortages. The Border Force is developing a detailed workforce planning model to project what resources it needs to fulfil all of its objectives while dealing with increased volumes of passengers and freight, but this is not yet complete. The Border Force needs to improve efficiency in the areas set out in this report, such as its use of technology and the flexible deployment of the workforce, before the Department can better understand the gap between its funding of the Border Force and the resources it needs to complete full passenger checks, while meeting all of the Border Force's other objectives (paragraphs 3.15 to 3.21).

## Conclusion on value for money

**17**    Since it was separated from the UK Border Agency, the Border Force has met some important objectives: it has successfully implemented full passenger checks and it has reduced queuing times both during and after the 2012 London Olympics and Paralympics. However, these objectives do not cover all of its responsibilities, and the Border Force now needs to show that it can apply the lessons learned to perform effectively on a sustained basis across the full range of its activities in order to provide value for money. The Department needs to fund it to do so.

## Recommendations

a    **Following a planned increase in recruitment, the Border Force should evaluate fully whether it has the right number of staff to cope with its workload.** In particular, the Border Force should assess its priorities and review whether planned additional recruitment will be sufficient to maintain performance across a range of activities, including passenger checks, managing queuing times and customs checks. In doing this, it should take account of the efficiency impacts of its new deployment model at Heathrow and the potential to replicate these at other ports, as well as the increased efficiency that can be achieved by improving its use of technology.

b    **The Department needs to ensure that the Border Force's reporting measures are in line with its objectives.** Breaches in queuing targets are reported to ministers on a weekly basis, whereas other types of digression are reported only to a lower level of the Department. Although not intended, this has sent a strong message to the workforce that queues are more important than other aspects of performance. The Department should review its system of reporting to ensure that this aligns with the Border Force's new performance framework and provides it with a comprehensive and balanced view of results.

c    **The Border Force needs to improve and standardise its queue measurement system.** The Border Force should review queue monitoring methods in different ports and develop an improved approach that is better tailored to the differences between airports and ferry ports, given that the existing layout of ferry ports makes it difficult for officers to identify the end of the queue.

d    **The Border Force must encourage a culture of transparency in its workforce so that it is fully aware of actions taken as a consequence of prioritising one objective over others.** The combination of staff shortages, prioritising full passenger checks and managing queuing times often prevents Border Force officers from undertaking other duties. We observed a culture of fear preventing Border Force officers from reporting honestly about the consequences of this. The Border Force should encourage frontline staff to report, without fear of personal consequences, any instances where a focus on one priority, for example managing queues, has led to them being unable to fulfil other duties.

e    **The Border Force needs to instil a sense of urgency in all aspects of workforce modernisation, and put greater effort into raising the morale of its officers.** The Border Force should complete its workforce planning and act quickly on measures to improve workforce morale and engagement. While in the short term morale may be affected by further changes to terms and conditions, the Border Force needs to prioritise the roll-out of annualised hours working so that it has a more responsive and flexible workforce for the longer term.

f    **The Border Force needs to develop its intelligence on passenger and freight arrivals.** The Border Force should work with industry stakeholders to prioritise obtaining advance passenger information for flights arriving in the UK, and for passengers arriving by private plane or boat. The Border Force also needs to work with carriers to improve the quality of freight information.

# Part One

## The Border Force's inheritance

**1.1**   This part of the report sets out the background to the Border Force's separation from the UK Border Agency and the immediate actions it took upon being separated.

### Why the Border Force was established

**1.2**   The separation of the Border Force from the UK Border Agency occurred against a backdrop of a lack of departmental trust that the Border Force would comply consistently with ministerial instructions if it were left outside the Home Office (the Department). In November 2011, the Independent Chief Inspector of UK Borders and Immigration raised concerns about how frequently certain passport checks were being suspended at Heathrow and other ports. As a result, the head of the Border Force was suspended and later resigned. In response, the Home Secretary confirmed that Border Force officers should conduct all checks on all passengers. Previously, Border Force officers had been permitted to use discretion and take a more targeted approach to checking passengers' travel documents.

**1.3**   The Independent Chief Inspector of UK Borders and Immigration's full report in February 2012[1] confirmed that certain passport checks at Heathrow and other ports had frequently been relaxed during busy periods, without ministerial consent and over several years. The report identified "poor communication, poor managerial oversight and a lack of clarity about roles and responsibilities". In addition, it stated that there was "no single framework setting out all potential border security checks, which of these could be suspended, in what circumstances and the level of authority required … to do so". In March 2012, the Home Secretary removed the Border Force from the UK Border Agency and transferred it to the Department. This was designed to strengthen departmental oversight of border security at a time when the Department had lost confidence in management oversight both of and within the Border Force.

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1   Independent Chief Inspector of the UK Border Agency, *An investigation into border security checks,* The Stationery Office, February 2012.

**1.4** The Border Force has service standards to process 95 per cent of sampled European Economic Area (EEA) nationals within 25 minutes of their arrival at the border and 95 per cent of sampled non-EEA nationals within 45 minutes. In April 2012, it became clear that the Border Force was struggling to achieve these standards while conducting full checks on all passengers. The Border Force received sustained criticism for the excessive waiting times that passengers experienced at passport control. This was especially the case at Heathrow, where in April 2012 only 81 per cent of non-European passengers were processed within 45 minutes. This was of particular concern given the high number of overseas visitors expected in the UK for the 2012 Olympics and Paralympics.

## Border Force spending

**1.5** The Border Force's budget for 2013-14 is £604 million (see Part Three), around 5 per cent of the Department's overall spending, and low when compared with other areas of departmental spending. In 2011-12, before the separation of the Border Force, the UK Border Agency's spending was £2.3 billion, while the Department distributed almost £7 billion to police forces in England and Wales.

## Staffing at the time of the separation

**1.6** At the time of its separation from the UK Border Agency, the Border Force was short-staffed. While it was still part of the UK Border Agency, in 2011-12, (and to a lesser extent in 2012-13), the Border Force's budget dropped significantly as part of a cost reduction programme. Between 2010-11 and 2011-12, the budget fell by 10 per cent (£46 million). The only area of the Border Force's spending to increase during this time was on change projects; these were needed in order to perform extra work in advance of the Olympics and Paralympics.

**1.7** Most of the Border Force's spending reduction between 2010 and 2012 came from cutting staff using voluntary exit schemes and freezing recruitment. Staff reductions were made on the basis of plans for improved efficiency, better use of technology, and the introduction of more risk-based passport controls. In our 2012 report on cost reduction within the UK Border Agency and the Border Force, we reported that staffing was being reduced faster than planned and this was beginning to have an impact on operational performance.[2]

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2 Comptroller and Auditor General, *The UK Border Agency and Border Force: Progress in cutting costs and improving performance*, Session 2012-13, HC 467, National Audit Office, July 2012, p. 9.

## The scope of our report

**1.8**  Our report examines whether, following its separation from the UK Border Agency, the Border Force has established itself within the Department as an operational command with the drive, governance, intelligence and resources it needs to improve its performance. We also look at whether the Department has sufficient oversight of border security. Our report identifies where the Border Force should focus its efforts as it seeks to improve further.

**1.9**  We employed a range of methods in this review, including analysis of financial and performance data, interviews with key senior figures within the Border Force, consultation with the Border Force's partners and stakeholders, and visits to nine ports, during which we held interviews and focus groups with frontline managers and staff. Our methodology is detailed in Appendices One and Two.

# Part Two

## The Border Force's operational performance

**2.1** This part of the report examines how the Border Force has performed since its separation from the UK Border Agency in a number of key areas: processing passengers through passport controls; implementing an operating mandate, and other objectives such as cigarette and tobacco seizures. This part of the report also sets out both contributory factors and obstacles to the Border Force's performance in this period, and looks at its use of information and intelligence.

### Performance in processing passengers

Immediate performance fixes

**2.2** To enable it to keep queues short in 2012 while making full passenger checks, the Border Force introduced a number of short-term staffing fixes. At Heathrow, for example, it brought forward the recruitment of around a fifth of the 425 additional staff designated for the airport's terminal 2, plugging some of the shortfall caused by previous voluntary exit schemes and a recruitment freeze in 2010 and 2011.

**2.3** The Border Force also reduced queues by using temporary staff to perform checks at passport control. The temporary staff members included retirees and staff from other agencies, and departmental officials who were trained and redeployed. These measures were designed to be either contingent or temporary: for example, Heathrow terminal 2 will reopen in February 2014, at which point other terminals at the airport will lose access to the staff recruited for it. There are signs, however, that temporary measures have been used for longer than intended; when we visited in April 2013, for example, temporary staff were still occasionally working at ports such as Calais.

Longer-term performance improvement measures

**2.4** The Border Force also reduced queues using measures planned in preparation for the Olympics and Paralympics, or as part of a longer-term plan to improve staff deployment. These measures included introducing a new system of internal reporting on queue breaches, under which individual port breaches of queue service standards were reported directly to the Home Secretary on a daily basis until January 2013, when they were reported weekly. This sent a clear message to staff about the priority accorded to faster processing of passengers. In addition, the Border Force introduced 'mobile brigades' that can be deployed to different ports at short notice to deal with peaks in demand.

**2.5**   The Border Force is also developing tools to deploy its staff more responsively by, for example, more effectively allocating staff to areas that are busy owing to incoming flight arrivals. Since 2010, it has been developing a model at Heathrow to use forecast passenger numbers to inform decisions about rosters and staff deployment. The model allows the Border Force at Heathrow to plan staffing more accurately than it was able to previously, both in the short term and up to two months in advance.

**2.6**   Additionally, the Border Force is developing a part of the model that it can use to better respond in real time to unforeseen changes, such as delayed flight arrivals. This will enable it to coordinate staff more effectively across the different terminals at Heathrow. We reviewed this work and found that the data used to plan staff rosters is of sufficient quality but there are still notable gaps in the passenger data for the real-time part of the model. For example, IT constraints prevent the use of e-Borders[3] data on passenger nationality, which influences how long it takes to process each passenger, and, as a result, the model often has to rely on historical information.

**2.7**   Since May 2012, the Border Force has consistently exceeded its service standards for passenger queuing times across all ports. During 2012-13, 99 per cent of sampled European Economic Area (EEA) and non-EEA passengers were cleared within the relevant service standards. This compares with reported performance of 97 per cent in 2011-12. As **Figure 1** overleaf shows, the Border Force at Heathrow has considerably improved its performance in processing non-EEA passengers. The Border Force exceeded the service standard in every month from July 2012 onwards and successfully dealt with the additional passenger volumes during the 2012 Olympics and Paralympics.

## Introducing the operating mandate

**2.8**   Shortly after the Border Force was established, the Department introduced an operating mandate for all staff. The full version of this was issued in July 2012, in time for the Olympics and Paralympics, replacing an interim mandate which had been in place since November 2011.

**2.9**   The operating mandate formalised the Border Force's operational procedures for the minimum required passport controls, and standardised these across all ports. Its use is reinforced by strong control structures, and only the Border Force's Chief Operating Officer or director general can authorise any departure from it, and then only in limited circumstances. The mandate is designed to assure the Department and senior management within the Border Force that the specified procedures are being carried out consistently in different ports.

3    e-Borders is designed to collect and analyse information on people travelling to and from the UK. This information is
     used to assess the risks these people present and to identify those of interest to the authorities before they arrive or
     leave the country.

## Figure 1

Percentage of non-EEA passengers cleared within 45 minutes at Heathrow,
April 2011 to June 2013

**Data shows that performance in 2012-13 improved substantially compared with 2011-12 and now exceeds the service standard**

Percentage of non-EEA passengers processed within 45 minutes



Month and year
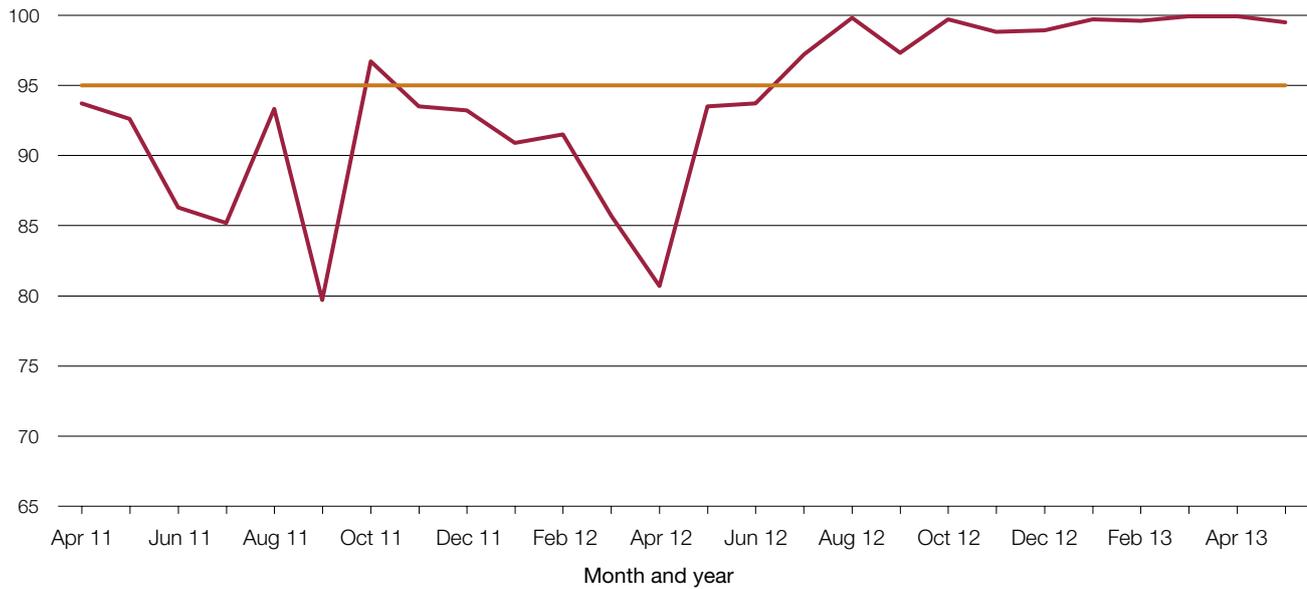
—— Heathrow non-EEA passengers

—— Target

**Note**

1    Queue data for 2011-12 was based on a different measurement system. In April 2012, a comparison of this with data collected more frequently by the airport operator found that the Border Force figures were likely to underestimate queuing times. Since August 2012, the Border Force and the airport operator have used the same data, based on electronic monitoring, with measurements taken every 15 minutes.

Source: National Audit Office analysis of Border Force management information

Complying with compulsory requirements

**2.10** In 2012, the Department's ministers reiterated the need for the Border Force to minimise waiting times at the same time as conducting full passport checks. The Border Force seeks to achieve full compliance with the operating mandate, and in 2012-13 it almost achieved this. As **Figure 2** summarises, Border Force performance was similarly strong in 2012-13 in other key priority activities where the Department requires full compliance.

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## Figure 2
Compliance with the operating mandate and other priority activities, 2012-13

| Measure | Reported performance |
|---|---|
| All available passport security checks should be completed on all passengers. | 99.99 per cent achieved, 1,869 passengers did not receive full checks, equating on average to one in every 54,000 passengers, or five per the average number of daily arrivals to the UK, 270,000. |
| 100 per cent of actionable intelligence relating to human trafficking and strategic exports[1] to be investigated. | Achieved. |
| 100 per cent of traffic at Tier 1[2] locations screened for radioactive material. | Achieved. |
| 100 per cent of Cyclamen (radioactive screening) alarms investigated. | Achieved. |
| 100 per cent deployment to arrivals via General Aviation (private airfields) and General Maritime (private marinas) categorised as 'high risk'. | 99.25 per cent of such arrivals were met. |
| 100 per cent of all Category A and Category B intelligence alerts[3] followed up. Such alerts are based on the firmest levels of intelligence. | 94.9 per cent of such alerts were followed up. Monthly performance improved from 91 per cent in April 2012 to 98 per cent in January 2013. |

Notes
1   Strategic exports are products requiring an export licence. These include items that could be used for military purposes.
2   Tier 1 locations are ports deemed highest risk.
3   The Border Force targeting hubs issue targets for action by customs staff. These are categorised (A, B and C) according to their expected outcomes.

Source: National Audit Office analysis of Border Force management information

## Prioritising passport controls

**2.11** In our site visits, we found that during busy periods Border Force officers and managers had prioritised passport controls over other activities, such as 'secondary' customs checks and examinations of freight for illicit goods. The reasons for this given by staff during our visits included the following:

- The operating mandate specifies full passport checks for all passengers, and the Border Force's assurance regime is built around this. It does not specify the secondary customs checks Border Force officers should conduct.

- From May 2012, any breaches in queue service standards were reported to the Home Secretary on a daily basis. Although such reports were made weekly from January 2013, queue times retain a heightened level of importance and are therefore regarded as more serious than missing other targets, such as a customs intelligence alert.

- Frontline staffing levels remain tight in some ports, and this is exacerbated by staff absences for sick leave and training.

- Ports have given priority to allocating new recruits to staffing passport controls. Training for new recruits involves an initial period of classroom-based learning and on-the-job mentoring in performing basic passport checks before new officers rotate to training in customs duties.

**2.12** We conducted structured visits to nine sites that provided a cross-section of the different types of Border Force operations. At each site we interviewed the assistant director in charge of operations and other frontline managers, including senior officers and chief immigration officers, and team leaders. We also conducted focus groups and interviews with frontline staff at different grades. During these site visits, Border Force staff consistently told us that they had not devoted as much attention to customs activities as they considered appropriate, especially during summer 2012 and at other peak times of the year. For example, officials at two ports told us that when they were under pressure to reduce queues, they sometimes had to compromise on the amount of time they could spend questioning passengers who they suspected were unlikely to comply with their visa conditions. In Calais, we observed officers being taken off controls to detect clandestine illegal entrants to the UK concealed in lorries in order to deal with passenger queues. This occurred three times between 6 and 8 April 2013. In these three days, freight searching by Border Force officers was suspended on a further 19 occasions for reasons due to understaffing, such as allowing frontline officers to take meal breaks. However, freight continued to be checked by the French port authority using a range of technical equipment supplied by the Border Force. It also continued to be searched by the two subcontracting companies employed by the Border Force.

**2.13** The Department is aware that such trade-offs are regularly being made. An internal audit report in April 2013 found that the demands of the Olympics and staffing shortages in the first six months of 2012-13 had resulted in customs examinations being suspended in favour of supporting passport controls and Cyclamen[4] operations.

4    Cyclamen is a border security system used to detect radioactive materials.

## Performance beyond passport control

**2.14** During the first half of 2012-13, the Border Force was consistently below its year-to-date targets for a number of measures including cigarette and tobacco seizures, counterfeit goods detections, detection of forged documents, and the number of passengers refused entry at the border. From September 2012 onwards, the Border Force began to recover its performance in some, but not all, of these areas (**Figure 3**). Although the Border Force has, therefore, demonstrated that it can achieve improvements on a cyclical basis, it has not yet shown that it can sustain strong performance across a full year. Performance against year-to-date targets fell back in these areas during the first quarter of 2013-14.

## Figure 3

Performance on refusals, forgeries detected, and seizures of counterfeit goods and cigarettes

**Performance on these measures was well below target across the first half of 2012-13, but improved by the end of the year. It fell below new year-to-date targets during the first quarter of 2013-14**



Percentage of year-to-date target achieved

Financial year end March 2013[1]

Month and year

- - Target
- Cigarette seizures
- Counterfeit goods seizures
- Forgeries detected at passport control
- Refusals at the border per million passengers
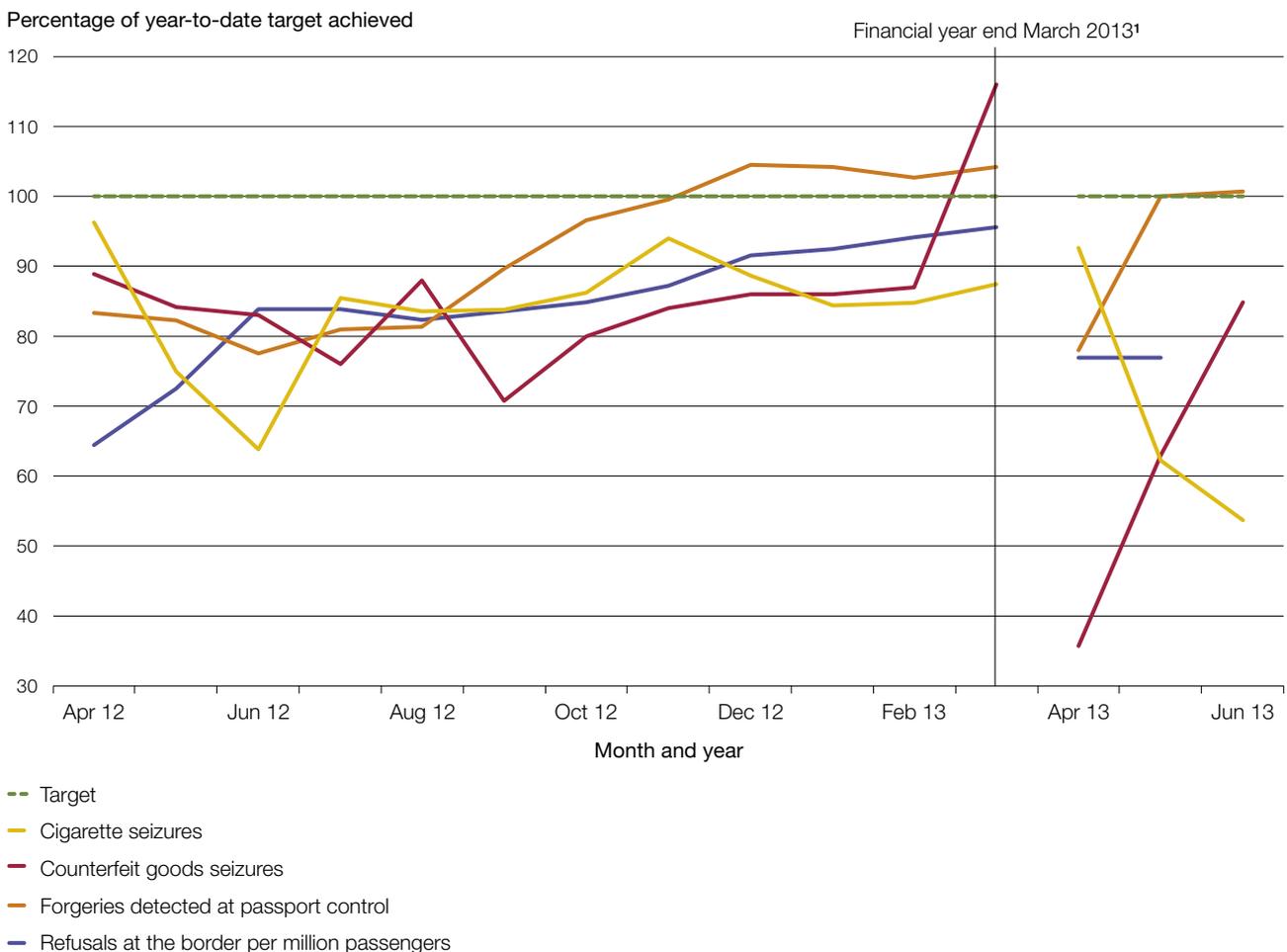
**Note**

1    New targets began from the start of April 2013.

Source: National Audit Office analysis of Border Force management information

**2.15** To improve performance in meeting high-priority targets, the Border Force conducted several 'intensification' exercises. In these exercises, it identified key priorities and diverted resources to achieving targets in these areas. For example, during our visits in early 2013, the Border Force had flagged to individual ports the need to improve their performance in the seizure of illegal cigarettes, and officers in the ports we visited were prioritising tobacco searches in their everyday roles. The impact of these exercises by the end of March 2013 was mixed, making little material difference to performance on cigarettes and tobacco seizures,[5] but bringing seizures of counterfeit goods above the target level.

**2.16** By the end of March 2013, the Border Force met or exceeded 11 out of 19 separate targets for seizures or detections, was within 10 per cent of the target on two, and was more than 10 per cent below the target on six (**Figure 4**).

## Potential obstacles to improving performance

**2.17** Any improvements in performance that the Border Force has achieved since it was separated from the UK Border Agency have been made despite a lack of organisational identity, low workforce morale and limited use of technology.

### Staff relations

**2.18** In our site visits, we found morale among Border Force staff is exceptionally low. The Border Force workforce response rate to the civil service staff survey in 2012 was the lowest in government, at 23 per cent, in part due to a trade union-led boycott. Although the survey findings should be treated with caution because of this, staff engagement[6] figures reported in the survey are particularly low, at 36 per cent compared with an average of 58 per cent across government. Equivalent ratings for the core Department and the UK Border Agency were 57 per cent and 47 per cent respectively.

**2.19** One explanation for low morale is that a culture of fear has developed among some frontline staff about making a mistake, particularly as queue breaches are reported to the Home Secretary. Staff are also now reluctant to implement any changes that could take them away from full checks of passengers, even when these are sanctioned by senior managers. For example, at one port we were told that staff were reticent about participating in a trial that would allow them to adopt a more intelligence-led approach to checks on parties of schoolchildren.[7]

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5  For more detail on the Border Force and HMRC's performance on curtailing tobacco smuggling, see: Comptroller and Auditor General, *Progress in Tackling Tobacco Smuggling*, Session 2013-14, HC 226, National Audit Office, June 2013.

6  The staff engagement level is an index based on responses to five different measures. These are: being proud to tell other people which organisation you work for; recommending the organisation as a great place to work; feeling a strong personal attachment to the organisation; feeling inspired by it; and feeling motivated by it.

7  This was also highlighted in a recent inspection report. Independent Chief Inspector of Borders and Immigration, *An Inspection of Juxtaposed Controls*, page 47, The Stationery Office, August 2013.

## Figure 4
Performance on seizures and detection targets, 2012-13

| | |
|---|---|
| **Met or exceeded full-year target** | Weight of high-risk Class A drugs and psychoactive substances seized, referred or subject to controlled delivery (kg) |
| | Number of firearms seized at the border |
| | Number of counter-proliferation seizures[1] |
| | Number of referrals of alcohol consignments to HMRC |
| | Number of detections of counterfeit goods (postal) |
| | Tax revenue protected through detecting goods where excise duty has not been declared (£) |
| | Number of seizures of CITES[2] |
| | Volume of clandestine detections at juxtaposed controls[3] |
| | Number of drugs seizures other than high-risk Class A and psychoactive drugs |
| | Number of products of animal origin seized |
| | Number of seizures of precursor chemicals and adulterants |
| **Within 10 per cent of full-year target** | Cash seized at the border (£ million) |
| | Number of seizures of indecent/obscene material |
| **More than 10 per cent below full-year target** | Number of cigarettes seized |
| | Tonnes of hand-rolling tobacco seized |
| | Number of detections of counterfeit goods (freight) |
| | Forged documents detected other than at passport control |
| | Weight of drugs seizures other than high-risk Class A and psychoactive drugs (kg) |
| | Number of offensive weapons seized |

**Notes**

1    Counter-proliferation seizures refer to products, software or technology that could be used to make weapons of mass destruction.

2    CITES is the Convention on International Trade in Endangered Species.

3    UK border controls located in France and Belgium where immigration checks on passengers are conducted before they travel to the UK.

Source: National Audit Office review of Border Force strategic performance reports, March 2013

**2.20** Many managers and staff argued that the scope of Border Force officers to exercise their professional judgement had been removed because decisions were escalated to director level. Their prevailing view was that, while demonstrating compliance was necessary to restore the trust of ministers and the public, some defined elements of making decisions should eventually return to the front line. Morale also appeared to be affected by measures such as the Border Force's attempt to move towards using multifunctional teams, the aim of which is to provide greater flexibility to managers with fewer staff. As a result of this, some specialised staff, such as international trade specialists, did not believe that their skills were being used well.

## Organisational identity

**2.21** Longer-serving Border Force officials typically identify themselves as either 'ex-customs' or 'ex-immigration', even though the two functions joined the Border Force in 2008 with the creation of the UK Border Agency. This lack of a shared identity has been further reinforced by the lack of a distinct Border Force uniform. In many of the ports we visited in early 2013, Border Force officers frequently still wore uniforms referring to the UK Border Agency. Additionally, many staff we interviewed had the perception that it was no longer clear whether the Border Force was a law enforcement body or one whose overall objective was to process passengers as quickly as possible at the border.

**2.22** Under the leadership of its new director general, the Border Force is working to address these issues. It has improved staff communications and is seeking to clarify the values and behaviours it expects from all staff. These will be incorporated into its induction and reward and recognition programmes. The new director general has also prioritised the procurement of new uniforms and plans for all operational staff to have these by October 2013.

## Use of technology

**2.23** Although constrained by external factors such as airport configuration, the Border Force is not making the most of its opportunities to use technology at the border. There are 63 automated clearance gates (e-gates) at 15 terminals across the country. Greater use of these e-gates could improve passenger processing times and efficiency because they require fewer officers than traditional staffed passport controls. However, they are currently underused because of past reliability problems and passengers' reluctance to use them. Also, the Border Force introduced the e-gates without a clear business case setting out how they could contribute to overall staffing levels at the border. Currently, 31 per cent of eligible passengers use such gates; this is an improvement since March 2011, when 22 per cent did so, but still below the Border Force's own target of 50 per cent. In 2013-14, the Border Force will establish a new four-year framework agreement to procure new e-gates and it has now developed a specific strategy to ensure that they are located in the most appropriate ports.

## Use of information

### National and regional command centres

**2.24** As a response to departmental concerns that its management had insufficient control over the organisation, the Border Force has introduced regional and national command centres. Each region feeds into the Border Force's national operations and command centre, which was phased in from January 2013. This national centre has a range of responsibilities including coordinating responses to operational challenges such as industrial action and deploying mobile teams. The Border Force regions report to the national command centre on any breaches of the operating mandate, and also provide regular situation reports during crises. In February 2013, the Border Force also established a national customs operations command centre, to raise the profile of customs work given its low priority during 2012. This command centre has been tasked with roles including oversight of the strategic direction of customs controls. At the time of reporting, it was too early to assess the impact of these command centres.

### Revisions to the performance framework

**2.25** In recognition of its performance framework being geared largely towards measuring outputs, the Border Force has revised its framework for 2013-14 to incorporate new measures of service quality and operational effectiveness. Its new measures will take account of activities at each stage of the system, from activity overseas designed to prevent illicit goods entering the country through to passenger and freight control. It distinguishes service standards, such as waiting times, from performance indicators, such as the percentage of passengers refused entry at the border. It also includes system 'health check' measures, such as the number of passengers using e-gates and the number of forged documents detected. Reporting against the new framework is due to start in September 2013.

### Queue measurement

**2.26** The data used by many ports on queue measurement is of poor quality. An internal audit report based on visits to 13 ports between October 2012 and March 2013 concluded that some methods of queue monitoring were not fit for purpose. Similarly, in our visits we found the reliability of queue measurement varied significantly between ports. In addition, we found that current service standards for measuring queues are designed for airports rather than for car ferry ports, where the layout of car lanes makes it impossible for the Border Force to identify the end of the queue. The Border Force is aware of data quality concerns and has taken action to caveat the published data and to improve its queue measurement approach. Although the poor quality of queue measurement data casts some doubt on the Border Force's reported performance in this area, we do not believe that it fundamentally undermines the overall trends in queuing times the Border Force has reported. This is because the Border Force has introduced improvements to its queue measurement at Heathrow, Stansted and Gatwick, where measures are taken more frequently and which therefore contribute substantially to trend figures.

**2.27** To avoid discrepancies between different systems of measurement, the Border Force and the owners of Heathrow airport have introduced a shared system of queue measurement. To date, this system is only being used at Heathrow, Stansted and Gatwick airports, but it has been successful in standardising queue measurement there. The Border Force is planning how this approach can be rolled-out to other locations, and is developing a weighting approach to more accurately reflect the volumes of passengers experiencing the queuing times recorded. It is also using the data at Heathrow to improve the accuracy of its staff deployment.

## Use of intelligence

**2.28** Maximising intelligence is a key strand of the Border Force's transformation programme (see paragraph 3.7). It is essential for the Border Force to use the right intelligence and to communicate this effectively to the frontline. Timely intelligence should enable Border Force officers to act more efficiently by identifying those passengers and freight that pose a greater risk to the UK and further afield.

### Actions to improve intelligence

**2.29** To allow frontline officers to make decisions using more robust intelligence, the Border Force has introduced hubs focusing on intelligence about specific types of passenger and freight traffic. These include the multi-agency National Border Targeting Centre, which scrutinises all passenger and crew data, a freight container intelligence centre for freight arriving in containers, and another gathering intelligence about ferries. These hubs are responsible for gathering intelligence and distributing it as risk-based alerts to frontline Border Force officers in ports across the UK. In addition, strategic tasking groups set specific priorities for individual ports to act upon. In October 2012, the Border Force began a review of its use of intelligence to identify any gaps in how to use the available resources most efficiently. This review also seeks to define more precisely what an intelligence-led organisation should look like, and ties in with wider Home Office reviews.

### Gaps and weaknesses in intelligence

**2.30** In our interviews and visits to ports, we found a number of areas where work is needed to improve the Border Force's gathering and use of intelligence. Collectively, these reduce the Border Force's ability to stop undesirable people and goods entering the country without its knowledge. Specific gaps include the following:

- **The information and communications technology used by Border Force officers is not up to date.** Frontline staff use a database called the Warnings Index to check all passengers' passports and to ascertain whether the passengers should be detained or questioned by other agencies. The Warnings Index went live in the early 1990s and was designed to have a seven-year life span. It is now unstable and at risk of collapsing. It also contains a great deal of out-of-date information, which can delay passenger processing if officers need to leave passport control to double-check entries. It will, for example, contain details of somebody being refused entry to the UK but not state whether they have subsequently been granted permission to enter.

- **Data on passenger arrivals is not always supplied to the Border Force in advance.** The Border Force estimates that around 63 per cent of passenger information is supplied to it in advance of their arrival, primarily by airlines. Operators of ferries, trains and airlines are not required by legislation to share information about EU passengers arriving from the European Union in advance of their arrival. Although it conducts checks on all passengers arriving by scheduled services, regardless of whether or not it has received advance passenger information, improving the coverage, quality and timeliness of such information would help the Border Force to improve how well it deploys staff to meet demand.

- **Advance information supplied to the Border Force by private planes and boats arriving at UK ports, is far from comprehensive.** Many UK ports receive passengers travelling by private flights (called General Aviation) or private boats (called General Maritime). These are not covered by the Border Force's operating mandate, meaning that passengers arriving in this way are not subject to the same checks as those travelling by commercial airlines and ferries. At Luton airport, for example, around 1,000 private flights arrive annually. The Border Force is aware that advance information it receives on passengers arriving at UK ports by private planes and boats is far from comprehensive and in more than one port we visited, Border Force officers told us that when it was supplied, such passenger information could be inaccurate. The Border Force is taking action in this area: in May 2013, it introduced a scheme to make it easier for private carriers to upload advance passenger information. A similar initiative is planned for general maritime and cruise vessels from summer 2013.

**2.31** In addition, we conducted work evaluating the Border Force's processes for gathering and using information; we identified a number of areas for improvement. Although the Border Force has established various intelligence functions, we found that at present these are often not joined up with one another. For example, our evaluation of processes in place at the Felixstowe hub, which issues intelligence alerts on shipping containers, found that information supplied to frontline officers did not align with their specific targets, such as on drug and cigarette seizures. We also found that information was being gathered without assessing what Border Force officers would find useful, and that the hub was not analysing information to detect whether trends were emerging in border security.

# Part Three

## Oversight and management

**3.1** The Border Force is seeking to establish itself as a self-sufficient command within the Department, independent of the UK Border Agency. This part of the report evaluates the impact of separation from the UK Border Agency and what difference being within the Department has made to the Border Force. We also examine progress in establishing the Border Force's governance structure and its management and use of staff.

### Separation from the UK Border Agency and transfer to the Department

**3.2** The Border Force ran a transition programme from March to November 2012, under which its core functions were separated from the UK Border Agency. A transition programme board was immediately established for planning and to avoid destabilising the Border Force. During the transition phase most functions were successfully transferred through a detailed programme.

**3.3** Most stakeholders we interviewed believed separating the Border Force from the UK Border Agency has resulted in an organisation in which border security is of paramount importance and is not sidelined by asylum and immigration emergencies. Additionally, since becoming an operational command within the Department, the Border Force's director general reports directly to the permanent secretary, increasing the Department's awareness of any issues that arise. Most stakeholders we interviewed thought that this has increased the Border Force's influence within the Department, as well as strengthening departmental oversight of border security.

**3.4** However, some aspects of the Border Force's separation from the UK Border Agency are not yet complete. For example, despite the transition programme ending in November 2012, at the time of our fieldwork in April 2013 the Border Force and the UK Border Agency had not agreed which organisation would be responsible for complex casework at the border.

**3.5** The Department views bringing the Border Force under its direct control as a successful model for its other immigration and enforcement responsibilities. In April 2013, following the example set with the Border Force, the Department took similar action with the UK Border Agency, breaking it up into two directorates brought within its command.

**3.6**   While the Department has increased its oversight of the Border Force, and although its clear direction on priorities has, in part, driven the 2012-13 performance described in Part Two we have not seen any evidence of a longer-term model for its relationship with the Border Force. With both the Border Force and the former UK Border Agency now within its direct command, the Department intends to further improve performance and find efficiencies across their operations, but it has not defined what this means in terms of practical measures.

## The organisation the Border Force wants to become

**3.7**   Building on its transition programme, in November 2012, the Border Force put in place a transformation programme, which it plans to run for between three and five years. In addition to maximising its use of information and intelligence, as covered in Part Two of this report, under this transformation programme it has defined its key ambitions as:

- strengthening governance and strategy, putting in place a new operating model, business strategy and workforce plan; and

- building skills and capability; for example, by ensuring the workforce is both efficient and effective.

### Developing governance

Board structure

**3.8**   At the time of reporting, the Border Force's governance arrangements are still in their infancy. Initially, after separating from the UK Border Agency, it established six boards, but these did not meet until six months after it was created. The Border Force attributed this delay partly to the demands placed on the organisation by the Olympics and Paralympics. It was also caused by a lack of permanent leadership: in its first year and prior to its separation from the UK Border Agency, the Border Force lacked consistent leadership. The director general appointed in March 2013 was the Border Force's fifth head in 18 months (including the director general in place at the time of its separation).

**3.9**   The new director general streamlined the board structure in May 2013, moving to one strategic board and several smaller groups covering operations, performance, change and technology. This addressed some of the criticisms emerging from our interviews with senior officials earlier in the year about the number of boards and lack of clarity about where decisions were taken.

## Target operating model

**3.10** The Border Force has been slow to finalise its target operating model, which has lagged behind its transformation programme. A target operating model should provide an overview of how an organisation's processes, people and systems interact, and it should set out how these can be arranged for optimal efficiency. The Border Force initially planned for its target operating model to underpin transformation by defining the rationale for changes and establishing a clear direction for the organisation that could be the basis of communications with staff, partners and stakeholders. However, because of the focus on more immediate priorities such as the Olympics and Paralympics during the first half of 2012-13, and the lack of a permanent leader until March 2013, the target operating model was not signed off until seven months after the transformation programme started, in May 2013.

**3.11** Under its new target operating model, the Border Force highlights the need to find an efficient way to deal with growing demands on its services. It also has the broader aim of conducting border controls before goods or people enter or leave the UK. To achieve this goal, the Border Force's target operating model identifies the need to deal with many of the problems covered elsewhere in this report, including gaps in intelligence, limited workforce flexibility and the lack of an organisational identity. Although the model has now been completed, the Border Force is only beginning to do the work that will set out how the model aligns with its transformation programme and how its workforce will adapt in response to the model's goals.

## Using and managing staff

### Terms and conditions

**3.12** Those Border Force officers who were initially employed by separate customs and immigration organisations have different pay scales and work under different contractual terms and conditions, which are protected under Cabinet Office guidelines on staff transfers within the public sector. This causes operational constraints when planning rosters. For example, at Heathrow in spring 2013, less than half the workforce was contractually obliged to work before 5 am without being paid additional benefits in kind, despite a significant number of long-distance flights arriving at that time.

**3.13** The Border Force initially attempted to address this issue in spring 2011 by offering staff on these legacy contracts a £3,000 incentive payment plus pay protection for two years. This was to encourage them to accept a new annualised hours working contract that offered the organisation greater flexibility. After the opt-in exercise in 2011, 63 per cent of the Border Force's workforce was employed on annualised hours.

**3.14** Since 2011, all recruitment and promotions have been on annualised hours contracts, and the proportion of staff on annualised hours has increased to 81 per cent. In our interviews, Border Force managers consistently highlighted the need to move the remaining 19 per cent to annualised hours contracts as a barrier to greater workforce flexibility. The take-up of annualised hours is not even across the organisation, and there are certain ports and regions where staff have been especially unwilling to sign up to new terms and conditions. This includes Heathrow, where approximately 60 per cent of staff are on annualised hours contracts. HM Treasury has made funding available for a second opt-in exercise during 2013-14.

## Staff numbers

**3.15** As **Figure 5** overleaf sets out, since separating from the UK Border Agency the Border Force's budget has increased, and operational spending is planned to reach 92 per cent of its 2010-11 level (allowing for inflation) by March 2014. The Border Force spent £596 million in 2012-13, its first full year as an operational command of the Department. Some £380 million (64 per cent) of this was spent on operational costs such as wages. Twenty-two per cent was spent on departmental shared services, and 10 per cent on border technology. The remaining budget was spent on projects linked to the transition and transformation programmes.

**3.16** A key part of this spending increase has been to reverse reductions in staffing levels. Under the UK Border Agency's cost reduction programme, the total number of Border Force full-time equivalent staff decreased by 6 per cent, from 8,023 to 7,527, between April 2010 and March 2012. As **Figure 6** on page 31 shows, voluntary exit and early retirement exercises, as well as the recruitment freeze during 2010–2012, reduced the number of frontline operational staff. Recruitment is now in progress and the Border Force has funding to recruit up to a ceiling of 8,477 full-time equivalents in 2013-14, including up to 8,046 in frontline operations. If the Border Force reached this figure, it would have 12 per cent more frontline operational staff than it employed in March 2013. The Border Force has permission for staffing levels to exceed 2010-11 levels by the end of March 2014, although in practice it is unlikely to reach this because of the need to fill posts made vacant when staff leave.

**3.17** As well as addressing inflexible working patterns, the Border Force is training all new recruits in both immigration and customs functions so that they are multi-skilled and can be deployed on activities according to business priorities. To reduce the time between recruitment and deployment and to make training more efficient, the training programme for new recruits has been shortened to 21 weeks and makes greater use of on-the-job mentoring, so new staff can work independently more quickly.

## Figure 5

Border Force spending, 2010-11 to 2013-14

**In 2013-14, spending on operational costs is planned to increase to around 92 per cent of 2010-11 levels**

£ million (at 2012-13 prices)



| | 2010-11 | 2011-12 | 2012-13 | 2013-14 |
|---|---|---|---|---|
| ■ New overheads following split | 0.0 | 0.0 | 133.5 | 121.4 |
| ■ Strategy and change | 14.6 | 17.5 | 25.0 | 28.0 |
| ■ Border technology | 63.0 | 45.9 | 57.7 | 54.3 |
| ■ Operations | 420.3 | 378.0 | 379.8 | 387.1 |
| **Total spend** | **497.9** | **441.4** | **596.0** | **590.8** |
| **Total spend excluding new overheads** | **497.9** | **441.4** | **462.5** | **469.4** |
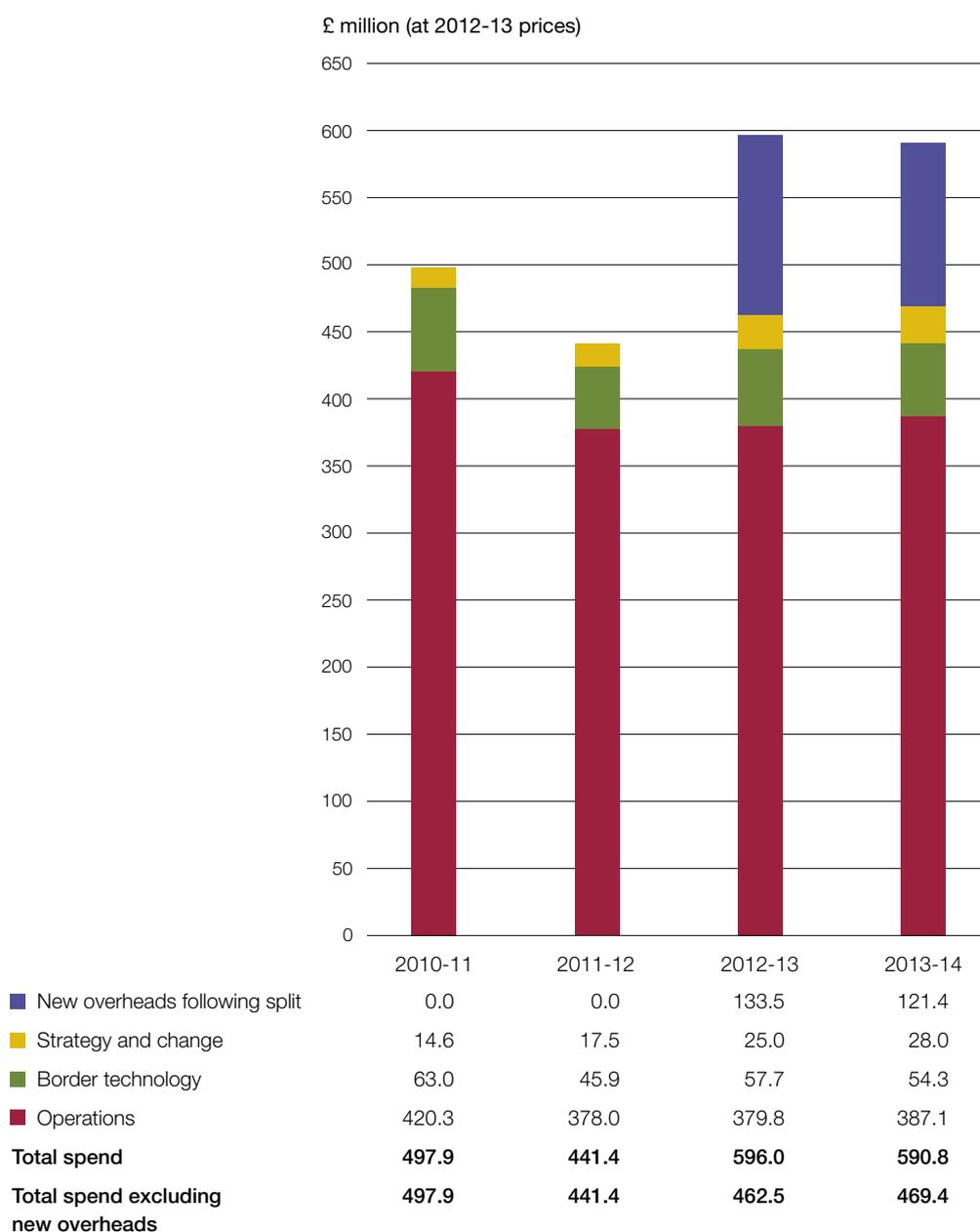
### Notes

1 The figures are adjusted to the 2012-13 price base using HM Treasury gross domestic product (GDP) deflators – 27 March 2012 update.

2 Figures for 2010-11, 2011-12 and 2012-13 are actual, while those for 2013-14 are budgeted.

3 The overheads incurred since the split relate to shared services received from the Home Office, including property and the supply and maintenance of IT. These overheads have been apportioned to the Border Force since it split from the UK Border Agency.

Source: National Audit Office analysis of Border Force financial data, full year accounts

**Figure 6**

Border Force staffing (full-time equivalents), 2010-11 to 2013-14

Staffing levels are recovering after the voluntary exits and recruitment freeze during 2010–2012

Staff numbers (FTE)



| | 2010-11 actual | 2011-12 actual | 2012-13 actual | 2013-14 planned |
|---|---|---|---|---|
| ■ Border technology | 109 | 103 | 126 | 158 |
| ■ Strategy, change and corporate centre | 287 | 300 | 245 | 273 |
| ■ Operations | 7,627 | 7,125 | 7,226 | 8,046 |
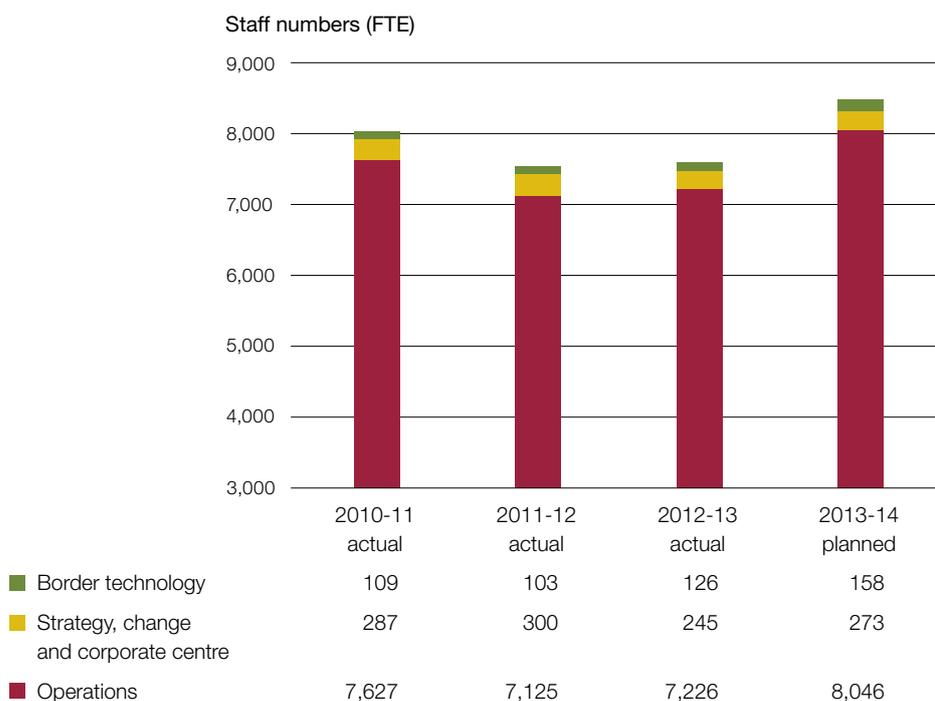
**Notes**
1    Strategy, change and corporate centre includes staff employed on change projects.
2    Operations includes all staff employed in operational roles, including regional directors and assistant directors in charge of individual ports.

Source: National Audit Office analysis of Border Force data on full-time equivalent staff numbers

## Staff shortages

**3.18** In all our visits, managers and staff reported that staffing levels had fallen too low but were now increasing. At some ports, we were told that staffing levels were now appropriate; others reported that they had bid for more recruits than they had received, and they still regarded themselves as having fewer staff than they required. A departmental internal audit report in April 2013, based on visits to 13 ports, found that "staffing levels are not always sufficient to resource all of the priority areas", and, while recruitment has increased, it will take time to fully train and deploy new recruits. The report recommended that the Border Force should review staffing levels and deployment, as well as reassessing the potential risks to the organisation caused by staffing issues.

## Workforce planning

**3.19** As part of its preparation for the 2013 Spending Review, the Border Force has developed a detailed model for forecasting resources through to 2016. It plans to use the model for better workforce planning, but, at the time of our fieldwork, it remained in development. The model is informed by sources such as passenger volumes and freight forecasts. The Border Force recognises that there are limitations to the current model at present. For example, demand forecasts do not yet take account of changes in aircraft capacity, port capacity or future port openings or closures. In addition, basing the model on historic data about how staff divide their time between different types of activity risks building in past imbalances and inefficiencies. The Border Force does not yet consider the model to be accurate enough to inform planning at an operational level but is working to improve it.

**3.20** Without an accurate model, the Department cannot base funding of the Border Force on a realistic view of the workforce it needs to keep queues at the border short, check all passengers and operate secondary controls. Furthermore, with a new spending review settlement due in June 2013, and as an unprotected department, if the workforce required to meet all the demands fully is unaffordable, the Department may need to pursue alternative operational models, such as piloting more intelligence-led checks.

**3.21** It is essential that the Border Force completes this planning, as the number of passengers and the amount of freight crossing the border annually is projected to grow substantially in coming years as ports expand. The number of air passengers arriving in the UK is expected to increase from 106 million in 2011-12 to around 117 million by 2016-17. Forecasts also suggest that air freight arriving in the UK will grow by 28 per cent, from 2.4 million tonnes in 2010 to 3 million tonnes in 2015. This growth is not projected to be even, but is likely to occur as a result of significant expansion in certain locations, such as at Manston in Kent, where a disused air base has been converted to a new transit hub linking KLM flights to Schiphol airport.

# Appendix One

## Our audit approach

**1**    This study examined how well the Border Force has established itself as an operational command within the Home Office and how it has performed during its first year. We reviewed:

- whether there was a clearly understood rationale for separating the Border Force from the UK Border Agency;

- whether the Border Force has the right governance and leadership in place to transform the organisation;

- whether the deployment of staff has improved since separating from the UK Border Agency and whether it is sufficiently responsive to changes in the flow of people and goods at the border; and

- whether there has been any improvement in key performance targets, such as processing passengers at the border within agreed service limits.

**2**    Our audit approach is summarised in **Figure 7** overleaf. Our evidence base is described in Appendix Two.

## Figure 7
Our audit approach

| | |
|---|---|
| **The objective of government** | The government's key objectives are the security of the United Kingdom's border from individuals and goods that would harm the nation's interests; and, the promotion of national prosperity through the collection of revenues from trade crossing the border. |
| **How this will be achieved** | The Border Force has a critical role to play in securing the UK border through implementing immigration and customs controls at over 138 air and sea ports around the UK and at juxtaposed controls in France and Belgium. In March 2012, the Border Force separated from the UK Border Agency, becoming an operational command of the Home Office, under closer ministerial scrutiny following the discovery that border controls had been relaxed and not consistently applied at Heathrow. From July 2012, a new operating mandate was introduced, setting out mandatory minimum standards to be followed by Border Force officials controlling the border. The Border Force is now in the early phases of a transformation programme designed to strengthen governance and build capacity, and is moving towards becoming a more intelligence-led organisation. |
| **Our study** | Our study examined whether the Border Force has been restructured as a robust organisation with the leadership and drive it needs to secure the UK border and improve passenger experience. |

**Our evaluative criteria**

| | | |
|---|---|---|
| Does the Border Force have a sound understanding of past problems in securing the border and the rationale for its creation? | Has the Border Force established itself effectively to deliver its objectives since separation from the UK Border Agency? | Is the Border Force ensuring that the border is secure while also improving passenger satisfaction and meeting the needs of other key stakeholders? |

**Our evidence**
(see Appendix Two for details)

| | | |
|---|---|---|
| We explored understanding of past problems and clarity of rationale for the Border Force by:<br><br>• interviewing senior officials;<br><br>• reviewing internal documents;<br><br>• consulting stakeholders; and<br><br>• holding focus groups with staff. | We explored how effectively the Border Force has established itself since separation from the UK Border Agency by:<br><br>• interviewing senior officials;<br><br>• reviewing internal documents;<br><br>• consulting stakeholders;<br><br>• holding focus groups with staff; and<br><br>• visiting ports. | We explored the impact of the changes to Border Force by:<br><br>• interviewing senior officials;<br><br>• reviewing internal documents;<br><br>• consulting stakeholders;<br><br>• holding focus groups with staff;<br><br>• visits to ports;<br><br>• reviewing the processes for monitoring and reporting performance;<br><br>• analysing financial data; and<br><br>• analysing performance data. |

| | |
|---|---|
| **Our conclusions** | Since it separated from the UK Border Agency, the Border Force has delivered on some important objectives: it has successfully implemented full passenger checks, and reduced queue times both during and after the 2012 London Olympics. However, these objectives do not cover all of its responsibilities, and the Border Force now needs to show that it can apply the lessons learned to perform effectively on a sustained basis across the full range of its activities in order to deliver value for money. The Department needs to fund it to do so. |

# Appendix Two

## Our evidence base

**1**     We reached our independent conclusions on the progress made in establishing and transforming the Border Force, and on its performance during this period, following our analysis of evidence collected between January and April 2013. Our audit approach is set out in Appendix One.

**2**     We examined the Border Force's and its stakeholders' understanding of the rationale for the separation from the UK Border Agency, how this change was managed through the transition period and transformation programme, and how far these changes addressed known weaknesses:

- **We conducted around 20 interviews with senior officials within the Border Force.** These included: all five regional directors; the directors responsible for finance and human resources; and the directors of the transition and transformation programmes, business planning and strategy, intelligence, and information technology.

- **We reviewed key documents, including board minutes and strategy documents** to understand how the Border Force planned its journey from transition to transformation, as well as the new organisational structures that had to be established.

- **We consulted over 20 stakeholders** to understand how the changes in the Border Force affected them, to get their views on the direction that the Border Force is taking, and to assess how well the Border Force has managed these relationships during a period of considerable change. Appendix Three lists the stakeholders that took part in our consultation.

- **We interviewed the Independent Chief Inspector of UK Borders and Immigration and officials from the Home Office Internal Audit and Assurance Unit,** both to take account of their key findings in our analysis and to reduce the risk of duplicating fieldwork.

3     We visited nine Border Force sites to gain a breadth of understanding of the Border Force's wide-ranging operations, to examine how effectively organisational changes were being managed and communicated in ports, to assess the operational impacts of the changes being made, and to identify continuing challenges:

● **We conducted structured visits to nine sites that provided a cross section of the different types of Border Force operations.** These covered air and sea ports, passenger and freight terminals, and unique functions such as international parcel operations. The selected sites covered all five Border Force regions, including one of the juxtaposed controls.

● **At each site we interviewed the assistant director in charge of operations and other frontline managers,** including senior officers and chief immigration officers, team leaders, and the member of staff responsible for rosters.

● **We held focus groups and interviews with frontline staff** at different grades. Where focus groups were not possible for operational reasons, we conducted separate or paired staff interviews. We ensured that the groups and paired interviews comprised staff on similar grades who did not report to each other.

4     **We analysed the Border Force's performance data on key measures across 2012-13** and compared these against targets and previous performance where possible. We interviewed the director and lead manager in charge of designing the performance framework and collating the data to understand any weaknesses in the data and the rationale for changes to the performance framework. We also observed queue monitoring techniques at Heathrow airport's terminal 5 and reviewed relevant internal assurance reports assessing the quality of the data on passenger waiting times.

5     **We reviewed trends in the Border Force's spending and workforce data between 2010-11 and 2013-14.** This included analysis of like-for-like spending, excluding the cost of overheads incurred since the split. We also analysed trends in full-time equivalent staffing levels in order to build up a picture of the Border Force's resourcing during the period, and to identify the impact of past voluntary exit schemes and the recruitment freeze on overall staffing levels.

6     **We conducted a detailed modelling review** of the Border Force's operational resource model at Heathrow, to understand how the current model works, its impact on improving staff deployment against demand, and how the Border Force plans to refine it. Our review identified strengths and weaknesses within the design of the current model.

7     **We assessed the maturity of three of the Border Force's management information and intelligence-sharing processes:** collating and sharing performance data; container intelligence and targeting; and air freight intelligence and targeting. This included structured observation and walking through the processes involved, interviewing key staff, and reviewing relevant support documentation.

# Appendix Three

## Our stakeholders and site visits

### Key stakeholders we consulted

| Organisation | Type of stakeholder |
| --- | --- |
| Airport Operators Association | Industry body |
| Association of Chief Police Officers | Security organisation |
| Border Policing Command | Security organisation (Home Office) |
| British Airways | Operational partner |
| British International Freight Association | Industry body |
| British Ports Association | Industry body |
| Civil Aviation Authority | Industry body |
| Cruise Scotland | Industry body |
| Eurostar | Operational partner |
| Freight Transport Association | Industry body |
| Harrods Aviation (private airline) | Operational partner |
| Heathrow Airport | Operational partner |
| Immigration Services Union | Trade union |
| National Crime Agency | Security organisation (Home Office) |
| Newcastle International Airport | Operational partner |
| Office for Security and counterterrorism | Security organisation (Home Office) |
| Royal Mail Group | Operational partner |
| TUI Travel plc | Operational partner |
| UK Chamber of Shipping | Industry body |
| UK Major Ports Group Ltd | Industry body |
| Virgin Atlantic Airways Ltd | Operational partner |

## Site visits we conducted

| Port | Rationale | Date of visit |
| --- | --- | --- |
| International parcel hub, Coventry | International parcel hub included to cover the breadth of the Border Force's operations. | 25 February 2013 |
| Heathrow terminal 3 (passengers) | Major international airport with a high proportion of non-European Economic Area (EEA) passengers and a comparatively low take-up of annualised hours. | 26 and 27 February 2013 |
| Heathrow Outdoor Operations (air freight) | Major international air freight hub with a high volume of traffic. | 28 February and 1 March 2013 |
| Luton airport | Large regional airport with major expansion plans, 6 to 9 per cent of non-EEA passengers and an average take-up of annualised hours. | 5 and 6 March 2013 |
| Dover | Major sea freight hub with a high volume of roll-on, roll-off traffic. | 7 and 8 March 2013 |
| Portsmouth | Mixed sea port including roll-on, roll-off freight and containers and with a high seasonal variation in passenger numbers. Proximity to Southampton (cruise liners and airport). | 11 and 12 March 2013 |
| Edinburgh airport | Mid-sized regional airport with expansion plans, approximately 10 to 12 per cent of non-EEA passengers and an average take-up of annualised hours. | 22 March 2013 |
| Manchester airport | Large regional airport with approximately 6 to 9 per cent of non-EEA passengers and a high take-up of annualised hours. | 2 and 4 April 2013 |
| Calais | Juxtaposed control. Major sea port with large volumes of passengers and freight and a high take-up of annualised hours. | 8 and 9 April 2013 |

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