![NAO National Audit Office]

DEPARTMENTAL OVERVIEW 2019

HOME OFFICE

FEBRUARY 2020

HOME OFFICE

This overview summarises the work of the Home Office including what it does, how much it spends, recent and planned changes, and what to look out for across its main business areas and services.

CONTENTS

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_About the Department

The Home Office (the Department) is the lead government department for: crime, policing and fire, counter-terrorism, immigration and passports, and border security.

The Department operates in a fast-moving and highly visible environment, which is shaped by external developments such as changes in immigration patterns and terrorist threats. To deliver its goals it works with around 30 agencies and public bodies, 43 territorial police forces in England and Wales and 45 fire and rescue services in England.

The Department's 2019 single departmental plan sets out four objectives, which are underpinned by 12 goals.

1
Improve public safety and security

Goals:

- Reduce crime and the harm that it causes, including serious and organised crime.
- Prevent fires or reduce their impact.
- Manage civil emergencies within the remit of the Department.
- Protect vulnerable people and communities.
- Reduce extremism and the harm that it causes.
- Reduce terrorism.

Responsibilities

Setting policy and providing funding for police (England and Wales), fire and rescue services (England), counter-terrorism and tackling serious and organised crime.

2
Strengthen the border, immigration and citizenship system

Goals:

- Secure the border against threats from people and goods.
- Control migration.
- Provide world-class customer services and contribute to prosperity.
- Protect vulnerable people and communities.

Responsibilities

Maintaining the UK border through immigration, passport and border controls, issuing passports and visas, enforcing immigration laws and managing asylum cases.

3
Maximise the benefits of the United Kingdom leaving the European Union

Goal:

- Maximise the benefits of the United Kingdom leaving the European Union.

Responsibilities

The Department's role in Brexit is set out on pages 10 and 11.

4
Improve corporate services

Goal:

- Fulfil the statutory and constitutional duties of the Department.

Responsibilities

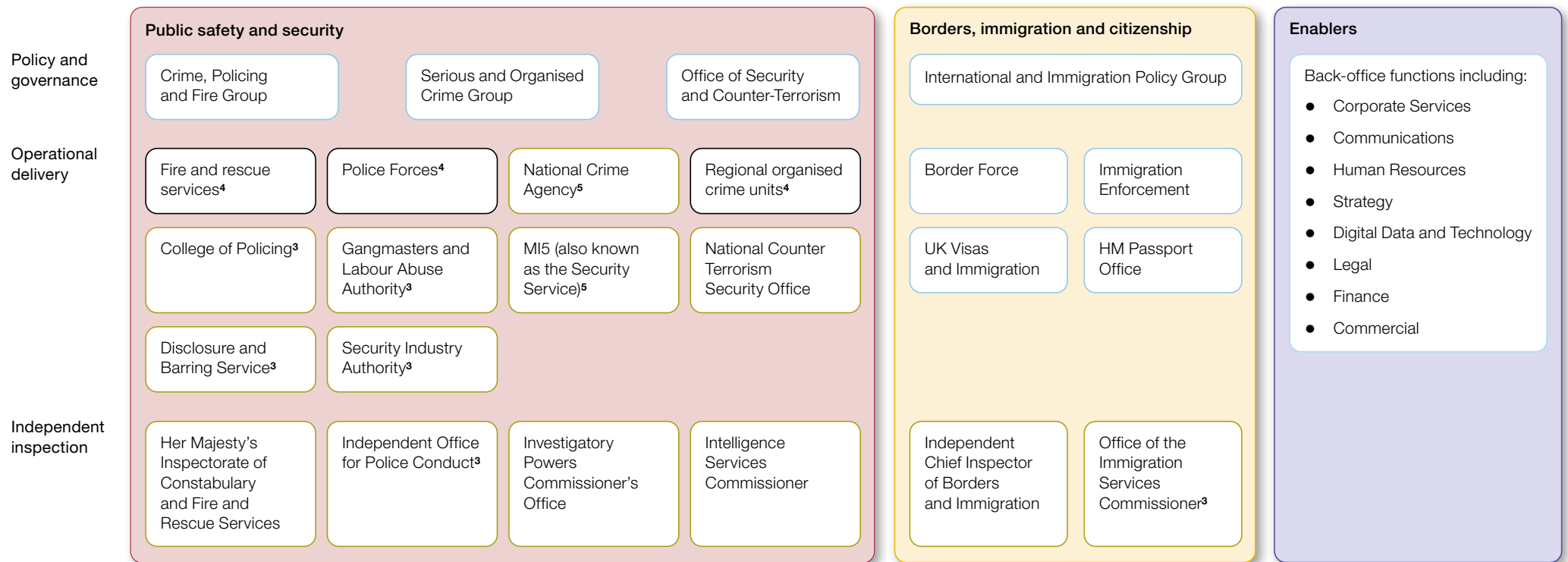The Department runs its own payroll, finance and other back-office services.

- ○ Public safety and security work strand
- ○ Border, immigration and citizenship work strand
- ○ Exiting the European Union work strand
- ○ Enabling functions

3

_How the Department is structured

To meet its objectives, the Department has arranged its activities into two strands of policy and operational delivery. It sets policy which is delivered through a network of bodies which include: the Department's nine principal business areas (referred to as directorates-general), around 30 independent arm's-length bodies and local bodies.

For its public safety and security work strand, the Department sets policy but outcomes are delivered through locally accountable bodies such as the police in England and Wales and fire and rescue services in England, with independent assurance from an inspectorate.

For its borders, immigration and citizenship work strand, the Department is responsible for policy and planning, as well as delivery through the operational management of the border and immigration systems.

	Public safety and security			Borders, immigration and citizenship		Enablers
Policy and governance	Crime, Policing and Fire Group	Serious and Organised Crime Group	Office of Security and Counter-Terrorism	International and Immigration Policy Group		Back-office functions including: • Corporate Services • Communications • Human Resources • Strategy • Digital Data and Technology • Legal • Finance • Commercial
Operational delivery	Fire and rescue services[4] · Police Forces[4] · National Crime Agency[5] · Regional organised crime units[4] · College of Policing[3] · Gangmasters and Labour Abuse Authority[3] · MI5 (also known as the Security Service)[5] · National Counter Terrorism Security Office · Disclosure and Barring Service[3] · Security Industry Authority[3]			Border Force · Immigration Enforcement · UK Visas and Immigration · HM Passport Office		
Independent inspection	Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services · Independent Office for Police Conduct[3] · Investigatory Powers Commissioner's Office · Intelligence Services Commissioner			Independent Chief Inspector of Borders and Immigration · Office of the Immigration Services Commissioner[3]		

4

Work strand:

- ● Public safety and security work strand
- ● Border, immigration and citizenship work strand
- ● Enabling functions
- ○ Home Office principal business area

Delivered by:

- ○ Arm's-length body
- ○ Locally accountable body

Notes

1   Figure shows a selection of bodies and groups involved in delivering the Department's goals.

2   Activities relating to the Department's objective three (Maximise the benefits of the United Kingdom leaving the European Union) take place across all areas of the Department's network of bodies.

3   The Department directly oversees these arm's-length bodies and their financial accounts are consolidated into the Department's accounts.

4   Locally accountable bodies are not part of the Department. For example, in 40 out of 43 forces, police and crime commissioners are responsible for setting strategic policing priorities, engaging with the public and holding their force to account through the chief constable. The Metropolitan Police Service, Greater Manchester Police and City of London Police have different arrangements.

5   The National Crime Agency and the Security Service (MI5) report to the Home Secretary but sit outside the Department structure.

_Where the Department spends its money

In 2018-19, the Department's total expenditure was £16.8 billion, with an income of £3.2 billion across its nine principal business areas and the arm's-length bodies that it directly oversees, resulting in a net expenditure of £13.7 billion.

The Department spends the majority of its funding within the Crime, Policing and Fire Group on funding for police services. In 2018-19, it provided grants to 43 police forces (England and Wales) totalling £9.4 billion and 45 fire services (England) totalling £0.6 billion. Other income and expenditure in this area includes the Disclosure and Barring Service.

UK Visas and Immigration and HM Passport Office are funded from fees charged to people applying for visas and passports. The Department aims to recover 100% of the cost of passports and 203% of the cost of visas in line with legislation and government guidance set by HM Treasury, which allows it to recover more than the full cost of visas. The additional income generated from issuing visas and passports contributes to the overhead costs within the Department.
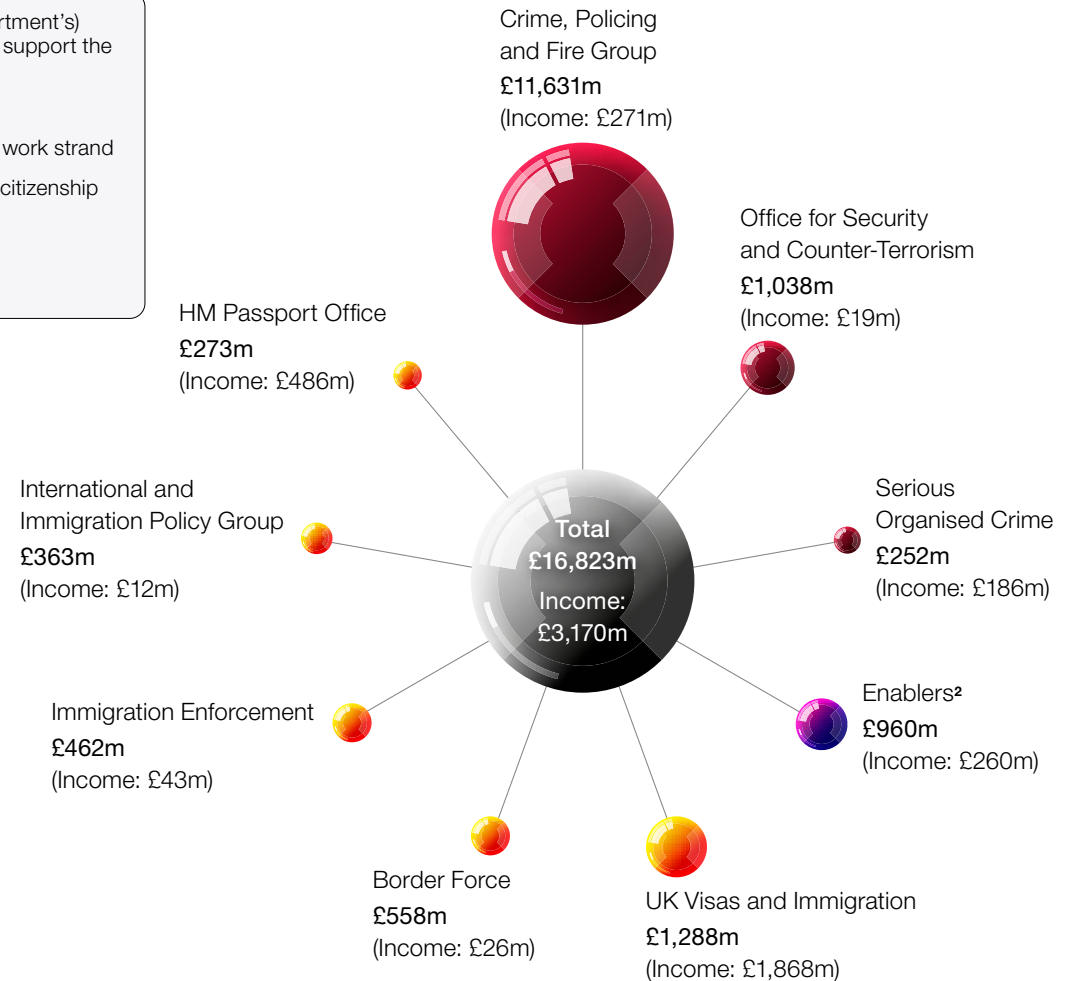
The Home Office's (the Department's) nine principal business areas support the delivery of its objectives:

Front-line delivery:

- Public safety and security work strand

- Borders, immigration and citizenship work strand

Back-office support:

- Enabling functions[2]

Crime, Policing and Fire Group
£11,631m
(Income: £271m)

Office for Security and Counter-Terrorism
£1,038m
(Income: £19m)

HM Passport Office
£273m
(Income: £486m)

International and Immigration Policy Group
£363m
(Income: £12m)

Total
£16,823m
Income: £3,170m

Serious Organised Crime
£252m
(Income: £186m)

Immigration Enforcement
£462m
(Income: £43m)

Enablers[2]
£960m
(Income: £260m)

Border Force
£558m
(Income: £26m)

UK Visas and Immigration
£1,288m
(Income: £1,868m)

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Notes

1   Figure shows expenditure and income from 'Note 2' in the Department's *Annual Report and Accounts 2018-19*. This includes depreciation but not capital expenditure. Bubbles are proportional to expenditure. Numbers have been rounded to the nearest £1 million so may not add up to the total.

2   Back-office support (referred to as 'Enablers' in the accounts) include Corporate Services, Communications Directorate, Human Resources Directorate, and Strategy, Delivery and Private Office Group.

3   Expenditure related to the Department's objective three (Maximise the benefits of the United Kingdom leaving the European Union) occurs in several principal business areas. Further details are on pages 10 and 11.

Source: Home Office, *Annual Report and Accounts 2018-19*, June 2019

Key changes to Departmental expenditure

The Department's total budget for 2018-19 was £15.7 billion, of which it spent £14.1 billion.[1] Of this spending, £10.8 billion was on planned day-to-day activities.[2]

**Change in the Department's budget for day-to-day spending, 2014-15 to 2019-20**

The Department's budget for day-to-day spending has fallen by 4% in real terms (adjusted for inflation) since 2014-15.

The biggest fall in the Department's spending on its day-to-day activities between 2014-15 and 2019-20 was on Immigration Enforcement, where spending fell by more than 20% between 2014-15 and 2019-20.

Resource Departmental Expenditure Limits[2] between 2014-15 and 2019-20

Percentage change (%)
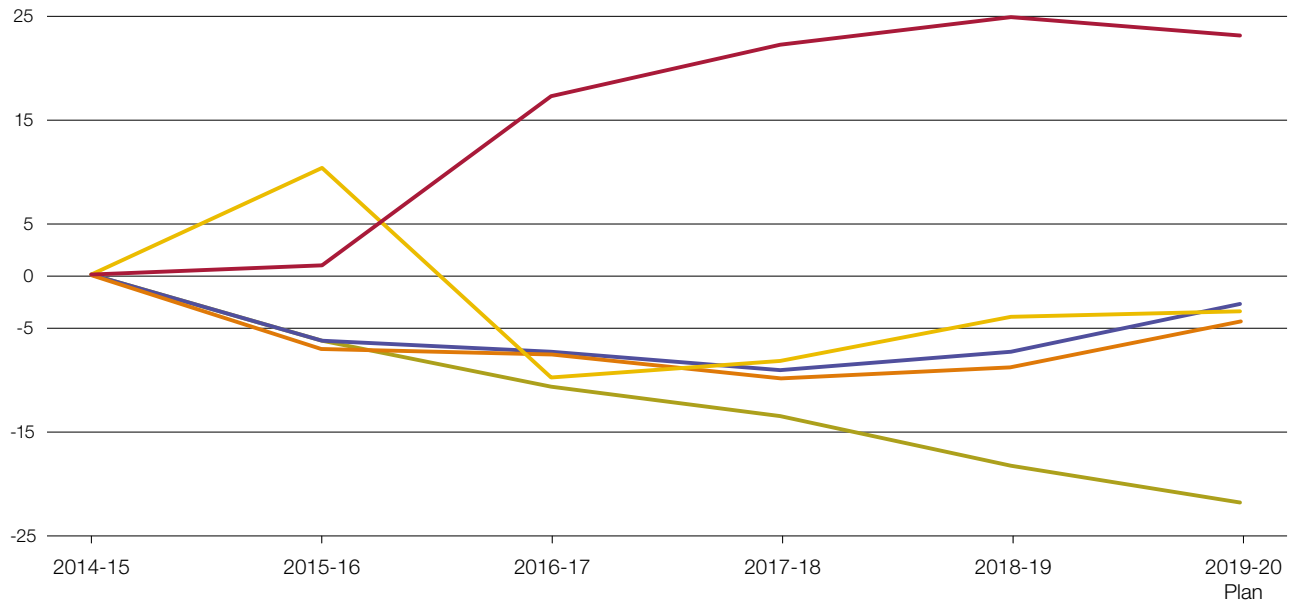
- Office for Security and Counter Terrorism
- Border Force
- Total spending budget
- Crime, Policing and Fire Group
- Immigration Enforcement

Notes

1   The Home Office's (the Department's) total spend was under budget mainly due to spending less than expected on activities that are inherently difficult to forecast or which are driven by demand outside the Department's control rather than underspending on its main day-to-day activities. In 2018-19, the underspend mainly related to potential liabilities to pay additional amounts for firefighters' pensions and the Windrush compensation scheme. This accounted for some £1.2 billion of the underspend. The Department also spent around £200 million less than expected on top-up grants for police and firefighters' pensions due to the demand being lower than forecast.

2   Resource Departmental Expenditure Limits: planned and controlled expenditure on day-to-day resources and administration costs.

3   Expenditure has been converted to 2018-19 terms using GDP deflators published by the Office for National Statistics in June 2019, and then expressed as the change since 2014-15. Excludes capital expenditure (but includes depreciation). The graph does not show HM Passport Office or UK Visas and Immigration as these are self-funding.

Source: National Audit Office analysis of data published with *Home Office Annual Report and Accounts 2018-19*

_Key changes to Departmental expenditure *continued* 2/2

New spending announcements

The trend of falling spending is expected to change in 2020-21, as the government announced in September 2019 that the Department's budget for day-to-day spending would increase by 6.3% in real terms (adjusted for inflation).

Public safety and security

In 2019, the Department announced additional funding for policing. This included:

- £100 million serious violence fund (announced in March 2019), which included: £51 million for additional police officers; £35 million for violence reduction units in 18 areas; £12.4 million to forces faced with violent crime in 18 areas; and £1.6 million for improving data collection;

- £750 million (announced in September 2019), to recruit an additional 20,000 police officers by 2023, with a further £45 million being spent to recruit the first 2,000 in 2019-20;

- £30 million for safeguarding children and £20 million to disrupt 'county lines' (organised criminal groups who exploit children to transport drugs across county borders);

- increasing the budget for counter-terrorism in line with inflation; and

- further funding for the wider justice system to improve criminal justice outcomes and hold criminals to account.

In January 2020, the government announced the following:

- funding available to the policing system for 2020-21 would increase by more than £1.1 billion, to £15.2 billion, if Police and Crime Commissioners took full advantage of flexibility to set the police precepts; and

- funding for counter-terrorism policing will total £906 million in 2020-21, a year-on-year increase of £90 million.

Borders, immigration and citizenship

By October 2019, the Windrush taskforce had given some 8,124 people documentation of their right to live in the UK and begun to compensate them. The Department estimated it might have to spend between £50 million and £590 million compensating those who suffered a loss because they could not demonstrate their lawful right to live in the UK.

- Parliament has not yet passed legislation authorising the scheme. In July 2019, the Home Secretary responded to the request of the Department's Permanent Secretary for a 'ministerial direction' by directing them to implement the Windrush Compensation Scheme.

Exiting the European Union

In July 2019, the government announced a further £344 million to be spent on new border and customs operations, including:

- recruiting an extra 500 border force officers; and

- investing in passport processing and customs agent training.

In September 2019, the government announced funding for exiting the EU would be maintained in real terms at £480 million for 2020-21.

The Department faces a challenge in how it spends additional funding within the time limits set

- The National Police Chiefs' Council (NPCC) found that the recruitment picture is mixed across forces. Some forces have over-recruited, but in 2018-19, 24 forces fell short of their target numbers; of these, 16 forces missed their target by a margin of more than 25%.

- It will be challenging for the Department to recruit and train border guards in the time limit set when the additional funding was announced.

_Major programmes and projects   1/2

The Department is responsible for 12 of government's 133 major projects, which in turn support all aspects of its work, including border operations, asylum accommodation, emergency services capabilities and corporate performance.

The Infrastructure and Projects Authority (IPA) rates each project's progress, which includes an assessment of delivery confidence. In 2018-19, one of the Department's major projects was rated green, one was amber-green, four were amber-red and six were amber.

Our previous concerns about the Department's ability to manage these projects has led us to audit the Emergency Services Mobile Communications Programme and the Disclosure and Barring Services programme and keep a watching brief on the others. Pages 20 and 21 cover these two programmes in more detail.

	Programmes and projects, with IPA ratings 2015 to 2019		Status	2015	2016	2017	2018	2019
Public safety and security work strand	Emergency Services Mobile Communication Programme (ESMCP)	Intended to replace the mobile communications service currently used by the three emergency services and other public safety users.	Programme has been reset and is focusing on revising the timetable for full delivery. Our 2019 report noted that further delays were possible, see page 20.	🟡	🟡	🟡	🔴	🟠
	Disclosure and Barring Service (DBS) programme	Intended to unify operations, introduce electronic applications and referrals, and enable new services, with the aim of delivering cost reductions and service improvements.	Contract part-terminated. See page 21 for explanation. Programme closed in May 2019.	🟡	🟠	🟠	🟠	🟠
	National Law Enforcement Data Programme (NLEDP)	Aims to replace the current Police National Computer (PNC) and Police National Database (PND) systems with the Law Enforcement Data Service (LEDS).	The Programme is reconsidering its approach to address affordability and deliverability challenges.	N/A	N/A	🟠	🟡	🟠
	Home Office Biometric (HOB) programme	Intended to deliver improvements to the fingerprints, DNA and facial imagery services.	Proceeding against current plan.	N/A	🟡	🟢	🟢	🟢
	Communications Capabilities Development (CCD) programme	Intended to help ensure police, wider law enforcement, security and intelligence agencies can lawfully obtain, manage and use communications data and intercepted content to detect, prevent and disrupt crime.	The Home Office (the Department's) programme closed on 31 March 2018 and the service is now run by the Communications Data and Lawful Intercept (CDLI) Service Partnership.	🟡	🟡	🟢	🟡	🟢

Key: 🔴 Red   🟠 Amber/Red   🟡 Amber   🟢 Amber/Green   🟢 Green

_Major programmes and projects *continued*

	Programmes and projects, with IPA ratings 2015 to 2019		Status	2015	2016	2017	2018	2019
Border, immigration and citizenship work strand	Digital Services at the Border (DSAB) programme	Intended to replace a number of obsolete IT systems currently used at the border.	Some projects nearing completion. In 2015 we reported on issues with the predecessor programme, e-borders.	🟡	🟠	🟠	🟠	🟡
	Asylum Accommodation and Support Transformation (AAST) programme	Intended to deliver an asylum accommodation and support model that will ensure the safety and security of service users and their host communities.	Transition completed September 2019. In 2014 we reported on issues with the predecessor programme known as COMPASS.	N/A	N/A	N/A	🟡	🟡
	Immigration Platform Technologies (IPT) programme	Intended to deliver technology and information systems to support immigration services.	Some parts went live in September 2018, but the rest may be delayed.	🟡	🟠	🟡	🟡	🟡
	Cyclamen programme	Cyclamen equipment provides the capability to detect and deter the illicit movement of radiological materials into the United Kingdom.	Status not published by government for National Security reasons.	N/A	N/A	🟠	🟡	🟡
Enabling functions	Metis programme	Intended to transform the way the Department delivers its back-office processes. Metis will comprise a suite of applications which include enterprise resource planning (ERP), customer relationship management (CRM) and human capital management (HCM).	Phase 1 delivered in December 2018 after delays to address defects identified in testing. Phase 2 currently being designed.	🟡	🔴	N/A	🟡	🟠
	Technology Platforms for Tomorrow (TPT) programme	Aims to overhaul IT across the Department, impacting around 29,000 staff, delivering a new IT operating system, and replacing the mobile phone estate with modern smartphones.	New devices delivered as expected in September 2018. Plans for exiting data centre being revised to reduce risk.	🟠	🟠	🟡	🟡	🟡
	Smarter Working programme	Helping to modernise ways of working and embed a smart working culture through better support for people, improved technology and workspaces.	The programme transferred to 'business as usual' on 31 July 2018, ahead of schedule.	N/A	N/A	🟡	🟡	🟡

Key: 🔴 Red   🟠 Amber/Red   🟡 Amber   🟢 Amber/Green   🟢 Green

Note

1   The Infrastructure and Projects Authority (IPA) rates each project's progress using a delivery confidence assessment, which is an evaluation of a project's likelihood of achieving its aims and objectives and doing so on time and on budget.
   It refers to a 5-point scale (Red, Amber/Red, Amber, Amber/Green, and Green). Definitions are included in the IPA's annual report. Ratings reflect the project status at the end of September in the relevant financial year.
   IPA ratings apply to the government's major project portfolio (GMPP) whose membership is determined by the IPA. Projects which the IPA did not rate (including those not in the GMPP at that time) are denoted N/A.

Source: Infrastructure and Projects Authority (IPA), *IPA Annual Report on Major Projects 2018-19*, July 2019

_Exiting the European Union

The Department's aims for exiting the EU are to (subject to negotiation): agree a new security, law enforcement and criminal justice partnership with the EU; implement a new immigration system; support the needs of the economy; and maintain the Common Travel Area, while protecting the integrity of the UK's immigration system.

The Department has significant operational responsibilities arising from the UK's exit from the EU. In April 2018, the Department had 10 active EU Exit work streams, which could affect the Department across three main areas:

1. Policing and public safety

The Department is the lead department responsible for managing the law enforcement implications of a potential no-deal exit. The government currently cooperates with other EU member states and agencies on security, law enforcement and justice. It intends that effective cooperation between the UK and the EU continues in these areas. Changes to areas such as cooperation with Europol, exchange of Passenger Name Records and extradition arrangements may affect the Department's ability to access capabilities that currently support cross-border law enforcement activity.

2. Border services

Since April 2018, the cross-government Border Delivery Group has been responsible for scoping, planning, coordinating and ensuring the delivery of the necessary change plans to ensure the border works effectively after EU Exit.

Border Force is responsible for securing the border and managing flows of people and goods entering the UK. Our report *The UK border: preparedness for EU Exit* (October 2018) reported that the government has confirmed that in the event of disruption on 'day one', it will prioritise security and safety and the flow of people and goods. The government's third priority will be compliance activity, including the collection of revenue. In line with these priorities, ministers have agreed that 100% checks on people at the border will be maintained and there will be no change to current security-related checks on freight (security); a risk-based approach to customs, agri-food and other controls will seek to minimise disruption to imports as a result of UK controls at the border (flow); and Customs compliance policies will be risk-based to facilitate flow at ports (revenue).

Our February 2019 memorandum *The UK border: preparedness for EU Exit update* (February 2019) noted that Border Force had prioritised EU Exit work in its recruitment activity and planned to use its whole workforce flexibly. By February 2019, Border Force had recruited an additional 249 staff ready to deploy by day one in the event of no deal, and had a further 274 staff in a mobile Readiness Taskforce. We noted that Border Force faced a challenge updating its operating guidance and ensuring that all of its approximately 8,600 staff are trained in new procedures following EU Exit.

_Exiting the European Union *continued*

3. Immigration

The Department is responsible for delivering immigration arrangements and managing new immigration arrangements for EU citizens. The principal business areas within immigration UK Visas and Immigration, Immigration Enforcement and Border Force and HM Passport Office units would implement changes following EU Exit.
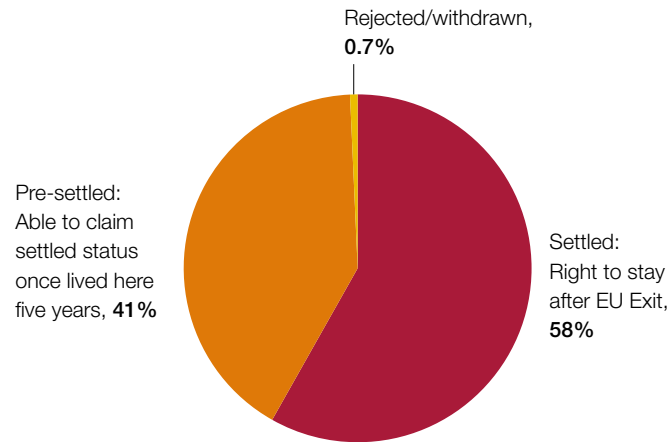
The Department's EU settlement scheme went fully live in March 2019, allowing EU citizens[1] to register their right to remain in the UK following EU Exit.

Applications processed:	2.45 million (by 31 December 2019)
Potential applications:	3.6 million[1]
Fee charged:	none (since March 2019)
Deadline:	30 June 2021 (31 December 2020 if the UK leaves the EU without a deal)
Total cost:	£182 million (Implied cost per eventual applicant[1]: £51)
Public beta testing result:	81% found it easy to use

Note

1   There are 3.6 million EU citizens in the UK according to Office for National Statistics data. The scheme is also open to citizens of the European Economic Area, Switzerland, and their family members regardless of citizenship. Irish citizens do not need to apply as their rights are preserved by other legislation.

Most applicants receive pre-settled or resettled status

Rejected/withdrawn, **0.7%**

Pre-settled: Able to claim settled status once lived here five years, **41%**

Settled: Right to stay after EU Exit, **58%**

Note

1   Figures do not add up to 100% due to rounding.

Source: European Union Settlement scheme statistics (January 2020)

What to look out for?

The Department's *Annual Report and Accounts 2018-19* noted that "The continued political uncertainty means that we need to continue to plan and implement at least two radically different scenarios. This impacts all future planning and budgeting across the department, and increases the workload for strategy and planning teams."

_The pressures on police

Police forces are facing increased pressure in meeting public demand for their services.

Our report _Financial sustainability of police forces in England and Wales_ (September 2018) found that there is strong evidence the police are facing increased pressure compared with 2015, most notably from a changing terrorist threat. At the same time police forces have been facing a recent upsurge in reporting of low-volume and high-harm crime, such as sexual offences, which are more expensive to investigate.

The report found that a number of forces were identified by the Department as high-risk in terms of future resilience. The Department committed to developing a process for assessing forces' financial sustainability by the end of 2019.

The Department funds police forces through police and crime commissioners (commissioners). Central government funding to commissioners has fallen by 30% since 2010-11.[1] Commissioners received £7.7 billion of funding from central government in 2018-19, 30% less than they received in 2010-11 in real terms.

Since 2015, central government funding for commissioners has not fallen in real terms and, increasing amounts have been used to fund national priorities, such as police technology programmes or funding for transformation projects. Some of these programmes, such as the Emergency Services Network, have faced delays and cost over-runs (see page 20).
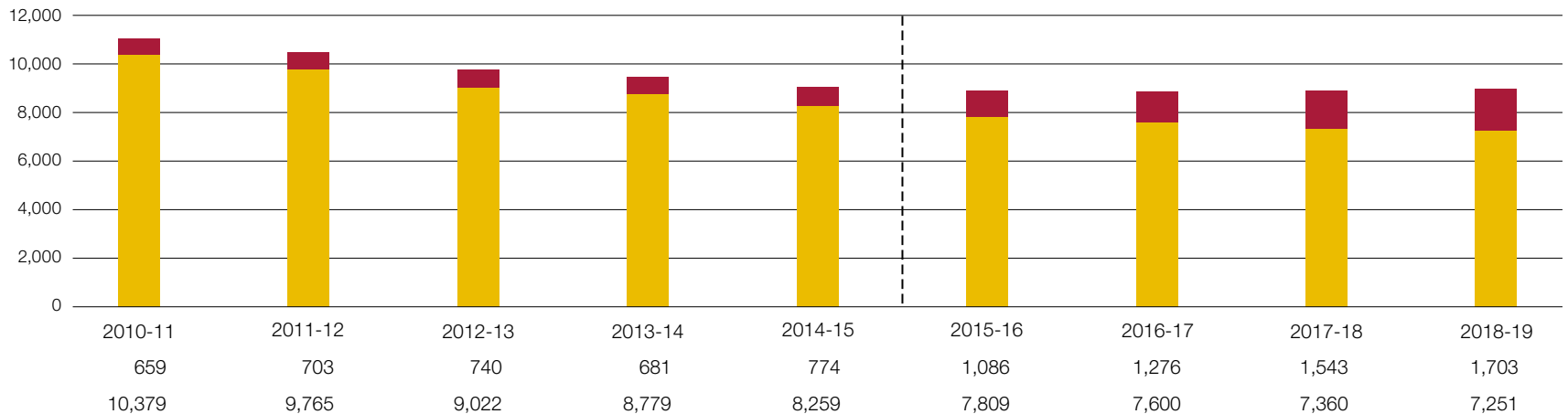
Note

1   In real terms (adjusted for inflation).

Central government revenue funding for the police, 2010-11 to 2018-19

Central government funding has not fallen since 2015-16 in real terms, but increasing amounts have been used to fund national priorities

Central government funding in real terms (2018-19 prices) (£m)

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
■ Funding for national priorities	659	703	740	681	774	1,086	1,276	1,543	1,703
■ Direct funding to police forces	10,379	9,765	9,022	8,779	8,259	7,809	7,600	7,360	7,251

Notes

1   Figures are in real terms inflated to 2018-19 prices, using the Office for National Statistics Quarterly National Accounts Gross Domestic Product deflators at market prices, March 2018.

2   The Department made adjustments to the funding data in 2015-16, which means figures from 2010-11 to 2014-15 are not directly comparable with later years.

3   Excludes funding from the local council tax support grant for ease of comparison between years. This is a central government grant that was introduced in 2013-14 to compensate commissioners for a drop in precept funding due to a change in council tax legislation, and totalled £434 million in 2018-19.

4   Funding for national priorities includes specific grants forces can apply for such as the Police Transformation Fund and special grants for unexpected high-cost events. It also includes counter-terrorism funding, which was £728 million in 2018-19 and is allocated to individual forces.

Source: National Audit Office analysis of Home Office data

_The pressures on police *continued*

The main way police forces have managed financial pressures is by reducing their workforce size.

Between 1 April 2010 and 31 March 2019, the total police workforce fell by 17% and the number of police officers fell by 15% over the same period.[1] It is not clear what impact a reduced workforce is having on the ability of forces to meet increasing demand for police services.

What to look out for?

In July 2019, the government announced its drive to recruit an additional 20,000 police officers by 2023. The government intends that up to 6,000 officers will be in post by the end of 2020-21. The remainder of officers will be recruited in 2021-22 and 2022-23. The 20,000 new officers are intended to be in addition to those recruited to replace officers leaving the force.

In September 2019, the government announced additional funding of £750 million for the recruitment of 20,000 police officers, with a further £45 million being spent to recruit the first 2,000 in 2019-20.

The pledge has generally been met with approval by those in the policing community, although some senior police officers have argued that reforms to police recruitment and training policies will make the recruitment drive logistically difficult.

Number of police officers in England and Wales, 2005 to 2019

The size of the police officer workforce peaked in March 2010, but had reduced by 15% by March 2019

Number of police officers (000s)

- Police officers
- Additional 20,000 officers
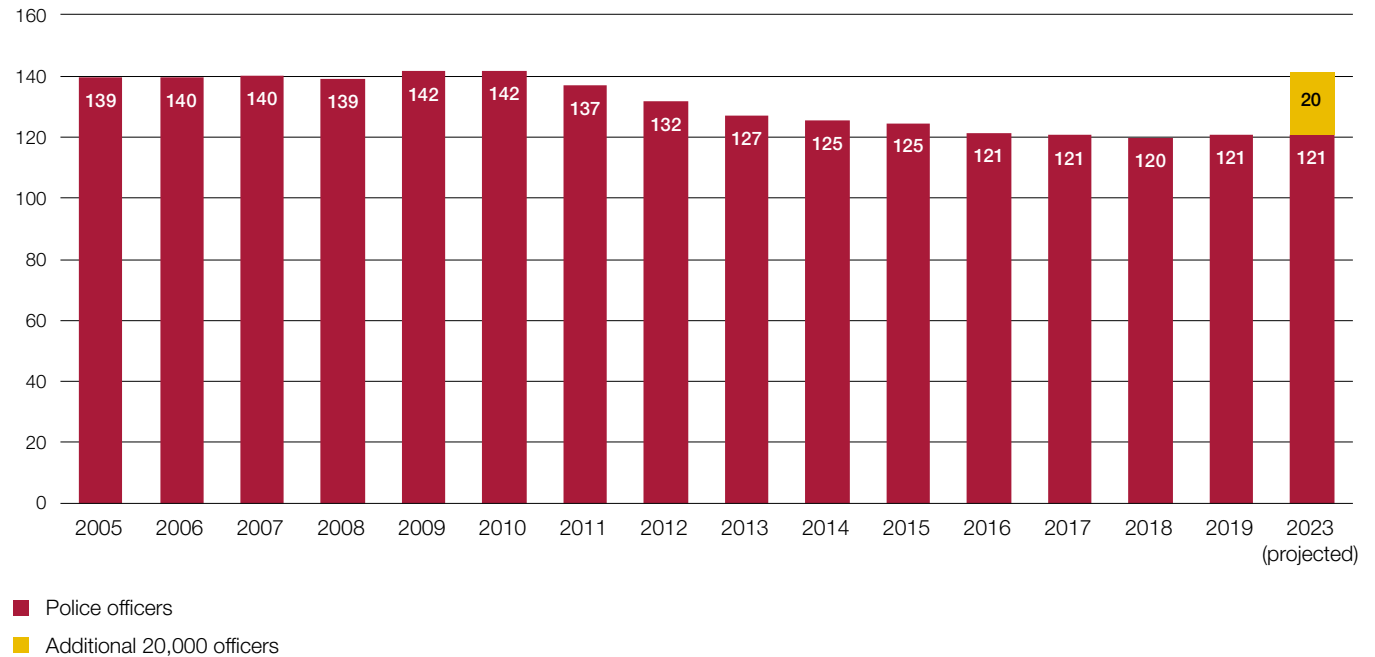
Notes

1   Total police workforce includes police officers, police community support officers, police staff, police traffic wardens and designated officers.

2   2023 projection assumes recruitment maintains the 2019 workforce in addition to recruiting 20,000 new officers.

Source: National Audit Office analysis of Home Office police workforce statistics, England and Wales: 31 March 2019

_The changing nature of crime

The Department and the police forces it funds are having to respond to the changing nature of crime.

They need to respond to crimes such as modern slavery, child sexual exploitation and online fraud that have previously been under-reported or that have increased in prevalence. These cases are often complex and place substantial demands on police resources. In addition, the terrorist threat remains acute and continues to evolve rapidly.

In the year ending March 2019, results from the Crime Survey showed that crime was at a similar level to that reported in recent years. This follows a long-term fall in crime since the 1990s.

The latest figures show a mixed picture, with continued rises in some types of theft and fraud and falls in computer misuse. Consistent with the rising trend over recent years, there were increases in some of the less prevalent but higher-harm types of violence, including offences involving knives and sharp instruments.

What to look out for?

The *Online Harms White Paper*, which was open for consultation between April and July 2019, proposed online safety laws including regulation of social media companies and a statutory duty of care to make social media companies take more responsibility for the safety of their users, and codes requiring action against crimes such as online child abuse and incitement of violence.

Police recorded crime figures can give a reliable indication of trends in some types of offence involving theft that are thought to be well-reported and accurately recorded by the police. In the latest year these data show:

a **2%** increase in vehicle offences, which includes an **8%** increase in the subcategory of 'theft or unauthorised taking of a motor vehicle'

an **11%** increase in robbery

a **3%** decrease in burglaries, following rises seen in the previous two years

Police recorded crime gives an insight into the lower-volume but higher-harm violence. Data show:

a **4%** decrease in the number of homicides following a period of increases over the past four years

an **8%** increase in the number of police-recorded offences involving knives or sharp instruments

a **3%** increase in the number of police-recorded offences involving firearms

Many of these lower-volume, higher-harm types of violence tend to be concentrated in metropolitan police force areas such as London, the West Midlands, West Yorkshire and Greater Manchester.
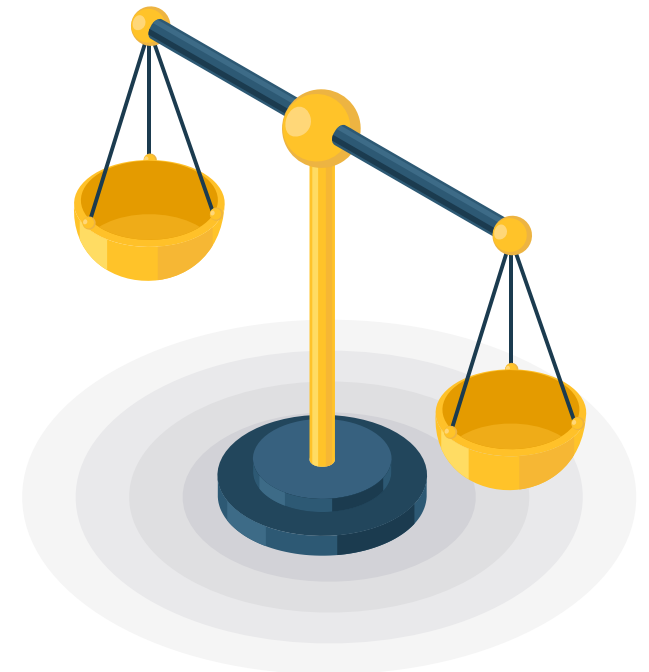
_The changing nature of crime *continued*

Type of recorded crime in England and Wales, 2010–2019

Recorded crime (000s)
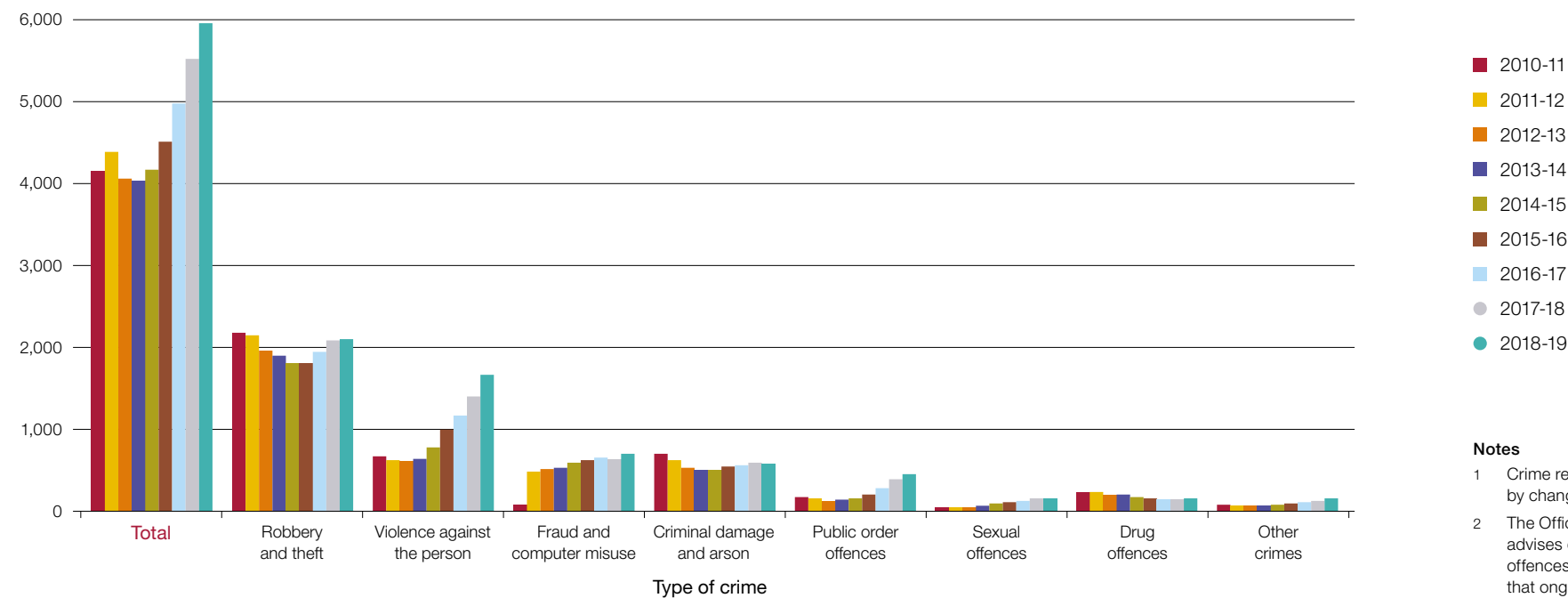
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Total (000)	**4,151**	**4,380**	**4,064**	**4,028**	**4,168**	**4,510**	**4,979**	**5,519**	**5,950**
Robbery and theft	2,184	2,149	1,966	1,903	1,801	1,810	1,939	2,088	2,102
Violence against the person	665	627	601	635	778	993	1,171	1,397	1,671
Fraud and computer misuse	72	476	510	522	593	619	652	638	693
Criminal damage and arson	695	626	530	506	503	540	565	591	574
Public order offences	173	151	132	134	159	205	284	386	448
Sexual offences	54	53	54	64	89	107	122	151	162
Drug offences	233	229	208	198	171	149	137	136	151
Other crimes	75	69	63	66	74	87	109	132	149

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Notes

1 Crime recorded by the police can be affected by changes in reporting rates or police activity.

2 The Office for National Statistics (ONS) advises caution in interpreting increases in offences. For example, in 2018 the ONS noted that ongoing work by police forces over the past three years to improve crime recording practices had driven an increase in recorded violence against the person offences. However, the ONS identified genuine increases in less frequent, but higher-harm violent offences, such as robbery and possession of weapons, which includes those involving knives or sharp instruments.

3 'Other crimes' include possession of weapons (46,000 instances reported in 2018-19) and 'miscellaneous crimes against society' such as dangerous driving.

Source: National Audit Office analysis of Office for National Statistics data, *Crime in England and Wales, year ending March 2019*

_The changing nature of crime *continued*

Traditional crime such as theft typically has a single place where the crime scene, victim, offender, witnesses and evidence can all be found. But increasingly crime is moving online, making it harder to tackle.

Online crime continues to evolve quickly because of the constantly changing opportunities to commit fraud through rapid changes in technology. New technologies and increasing use of the internet mean online crime can happen on a greater scale, at a faster speed and reach more victims than traditional crime. As a result, the Department is having to reconsider its strategies and its ways of working with others in both private and public sectors to ensure it can continue to address these areas of crime effectively.

Our report *Progress of the 2016–2021 National Cyber Security Programme* (March 2019) reported that the UK has one of the world's leading digital economies, making it more vulnerable to cyber-attacks from hostile countries, criminal gangs and individuals, which continue to increase and evolve as it becomes easier and cheaper to launch attacks. However, the internet is inherently insecure, and attempts to exploit its weaknesses – known as cyber-attacks – continue to increase and evolve. The risk of deliberate or accidental cyber incidents is heightened by the increasingly interconnected nature of networks, systems and devices in use by organisations and individuals. Government's view is that cyber risks can never be eliminated but can be managed to the extent that the opportunities provided by digital technology, such as reducing costs and improving services, outweigh the disadvantages.

Our report *Tackling serious and organised crime* (June 2019) found that the challenges in tackling serious and organised crime are formidable. There are more than 4,500 identified UK organised crime groups operating in changing and often unpredictable ways. The government estimated that the annual social and economic cost of serious and organised crime was £37 billion in 2015-16. The government published its serious and organised crime strategy in 2013 and revised it in 2018. We found that the Department and the National Crime Agency do not know whether their efforts are working and are not yet able to target resources against the highest-priority threats. Unless the government addresses these issues there will continue to be a mismatch between its ambitious plans to respond to serious and organised crime and its ability to deliver on them.

What to look out for?

In December 2018, the Department announced that £90 million of police funding would be used to build capabilities and support delivery of the Serious and Organised Crime Strategy in 2019-20. Following our report on serious and organised crime, in September 2019 the government announced a formal review of the powers, capabilities, governance and funding needed across the policing and law enforcement landscape, including the National Crime Agency and the wider justice system, to enable it to improve its response to serious and organised crime. It expects this review to report in advance of Spending Review 2020.

_The changing nature of crime *continued*

Indicators of the scale of serious and organised crime, by crime type

Most types of serious and organised crime have increased in scale

Vulnerabilities	Scale[2]	Recent trend
Modern slavery and human trafficking	6,993 potential victims in 2018 in the UK.[3]	36% increase, up from 5,142 in 2017.
Organised immigration crime	–	–
Child sexual exploitation and abuse	61,646 sexual crimes against under-16s in 2018 in England and Wales, excluding crimes involving indecent images.[4]	9% increase, up from 56,346 in 2017.
	113,948 industry referrals for child sex abuse images in 2018 in the UK.[5]	39% increase, up from 82,109 in 2017.
Prosperity		
Money-laundering	More than £100 billion a year in the UK.[6]	–
Fraud and other economic crime	3.6 million fraud incidents in 2018 in England and Wales.[7]	12% increase, up from 3.3 million in 2017.
International bribery, corruption and sanctions evasion	–	–
Cyber-crime	0.98 million computer misuse incidents in 2018 in England and Wales.[7]	28% decrease, down from 1.35 million in 2017.
Commodities		
Drugs	144,741 drugs offences in 2018 in England and Wales.[4]	7% increase, up from 134,922 in 2017.
Firearms	6,525 offences where firearms were used in 2018 in England and Wales.[4]	2% decrease, down from 6,641 in 2017 (although up 26% from 5,182 in the 12 months ending March 2016).
Organised acquisitive crime	Two million theft offences in 2018 in England and Wales.[4]	1% decrease, down from 2.01 million in 2017.

Notes

1   There are no available data that differentiate serious and organised crime offences from individual offences. As such, the data presented provide an indication of the prevalence of each crime threat.

2   – denotes no recent or comparable quantitative data available for the UK.

3   Potential UK victims submitted to the Home Office's National Referral Mechanism.

4   Police-recorded crime data for England and Wales, which captures crimes reported by victims and those recorded by the police.

5   UK-relevant referrals from providers of online services to the National Center for Missing and Exploited Children.

6   The National Crime Agency's estimate for the UK.

7   Crime reported by the public in the Office for National Statistics' Crime Survey for England and Wales. Crimes against businesses or the government are not included.

8   Data reported for calendar year unless otherwise stated.

9   Some data have been rounded.

Source: Home Office, National Crime Agency and Office for National Statistics data

_Dealing with challenges in the border, immigration and citizenship system 1/2

The Department is responsible for controlling immigration, and plays a key role in delivering the government's ambition to reduce annual net migration.

It is responsible for policy and planning, as well as delivery through the operational management of the border, immigration and citizenship system by UK Visas and Immigration, HM Passport Office, Immigration Enforcement and Border Force.

Key statistics
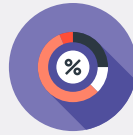
There were an estimated 145.1 million passenger arrivals in the year ending September 2019 (including returning UK residents), a 3% increase compared with the previous year and the highest number on record.

The latest available data relating (to year ending March 2019) show arrivals from British, other European Economic Area (EEA) and Swiss nationals increased by 7% to 124.4 million, while arrivals from non-EEA nationals decreased by 7% to 19.6 million.

Source: *Home Office Immigration statistics*, June 2019, second edition, and September 2019

Continuing uncertainty over future demands on the border and immigration system

Delivering an effective border is a considerable challenge, requiring coordinated action from many government departments in a compressed timeframe.

There are still some uncertainties about the basis on which the UK will leave the European Union (EU) and this creates considerable uncertainty for many aspects of the border and immigration system. This includes whether freedom of movement will still be granted to EU citizens, or for how long; uncertainty about potential changes to immigration case-working; possible changes to income derived from fees and charges for visas and passports; and the time and resource required to administer the EU Citizens Settlement Scheme to ensure everyone who wants to apply can do so.

Challenges in staffing UK Visas and Immigration and Border Force

The UK border: preparedness for EU exit (October 2018) found that between 2014-15 and 2017-18 Border Force reduced staff numbers by 7% to an average of 7,734 in 2017-18. Over the same period, demands on Border Force have risen because of increases in the flow of people (17%) and goods (15%) coming across the border into the UK. It is now increasing staff, and had an average of 8,197 in 2018-19 (see page 10).

The *Home Office Annual Report and Accounts 2018-19* (June 2019) reported that the Department spent £87 million on temporary staff to deal with a build-up of work in a variety of services including applications for visas, passports, asylum and to prepare for exiting the EU. Total spending on temporary staff was £1 million lower in 2018-19 than in 2017-18.

What to look out for?

In July 2019, the Home Secretary announced that Kate Lampard CBE had been appointed to lead a review of the Border, Immigration and Citizenship System (BICS). The review will focus on whether the BICS has in place the right systems, structures, accountability and working practices to deliver against its goals. The review will aim to complete by early 2020.

_Dealing with challenges in the border, immigration and citizenship system *continued* 2/2

Over at least the past 10 years the government has further reformed immigration policies according to the principle that the right to live, work and access services in the UK should only be available to those migrants who are eligible.

The government's former policy (known as the 'hostile environment' policy, now replaced by the 'compliant environment' policy) referred to a range of measures aimed at identifying and reducing the number of immigrants in the UK with no right to remain. The Department has an increasing appreciation of the impact some of its decisions have had on people and in 2018 the Home Secretary committed to make changes. Many of the 'compliant environment' policy measures are now being reviewed.

Failings in the treatment of the Windrush generation:

Between 1948 and 1973 many Commonwealth citizens ('the Windrush generation') came to the UK under successive pieces of immigration legislation. Some academics put the size of the Windrush generation at more than 500,000. They were granted indefinite leave to remain, but were not issued with any documentation, and the Department kept no records confirming their status. Subsequent changes to checks and controls increased the need for such documentation and a number of the Windrush generation were denied access to public services.

In implementing its immigration policy, our investigation *Handling of the Windrush situation* (December 2019) reported that the Department had not adequately prioritised the protection of those who suffered distress and damage through being wrongly penalised, and to whom they owed a duty of care. Instead it operated a target-driven environment for its enforcement teams.

In April 2018, the government acknowledged that the Windrush generation had been treated unfairly and set up a taskforce and scheme to help individuals to resolve their immigration status. It waived its usual fees for people applying through the scheme. Our investigation found that the Department had focused its reviews on individuals from the Caribbean. The Department reviewed 11,800 cases of Caribbean Commonwealth individuals.

Relying on data without questioning its validity:

When the Department discovered organised fraud in the Test of English for International Communication required for student and other visas, its contractor used voice recognition software and human listeners to identify people who may have cheated. The Department revoked the visas of those suspected without expert assurance on the validity of voice recognition data.

Our *Investigation into the response to cheating in English language tests* (May 2019) reported that the data environment was weak and the Department has not been able to independently validate its contractors' judgements about cheating.

The Department reacted vigorously to the evidence of widespread cheating available. It took action to close colleges and bring prosecutions against those accused of organising the cheating. It revoked the visas of Test of English for International Communication students accused of cheating. This course of action against students carried with it the possibility that a proportion of those affected might have been branded as cheats, lost their course fees and been removed from the UK without being guilty of cheating or being given adequate opportunity to clear their names.

Thousands of people accused of cheating have since won the right to remain in the UK.

What to look out for?

In July 2019, the Home Secretary *reported* that Wendy Williams expected to submit her Windrush Lessons Learned Review to the Department in September 2019. He noted it would be published as soon as practicable following this.

The Department asked *the Law Commission* to identify principles under which Immigration Rules could be simplified. The Law Commission published its report in January 2020.

What to look out for?

In July 2019, the Home Secretary *announced* that the Department would review its guidance to ensure it is taking the right decisions on people accused of cheating in English language tests.

_Challenges in managing contracts

Tthe Department delivers projects in partnership with a range of public bodies and private sector partners to achieve its objectives.

The Department generally spends some £3 billion a year on goods and services. Our reports have found weaknesses in its identification and management of risks and some examples of poor management of its contractors.

The Emergency Services Mobile Communication Programme (ESMCP) is intended to replace the Airwave system currently in use with a 4G Emergency Service Network (ESN) for emergency services communication.

The original Airwave contract for police is still the Department's largest contract. It was due to have ended by December 2019, but delays building ESN mean Airwave will last until at least December 2022.

Our report *Progress delivering the Emergency Service Network* (May 2019) raised concerns that delivery risks remain high and further extensions to Airwave will be needed. This was despite the Department 'resetting' the Programme to establish a new timetable and budget. Introducing ESN is now forecast to cost £3.1 billion more than planned, and this forecast is highly uncertain.

New contracts for asylum accommodation have been launched

The COMPASS contracts for asylum accommodation are being replaced. In 2019, the Department let seven new contracts to three suppliers forecasting a total cost of £4 billion over 10 years. It also let a separate contract for providing advice and managing user complaints. Following a transition period, the new contracts came into force in September 2019.

Our report *COMPASS contracts for the provision of accommodation for asylum seekers* (January 2014) on the previous contracts found that suppliers took on housing stock during the transition from previous suppliers without carrying out full inspections, and subsequently found that many of the properties did not meet the contractual standards on quality. Some contractors admitted they had underbid and underestimated the number of people they would need to house.
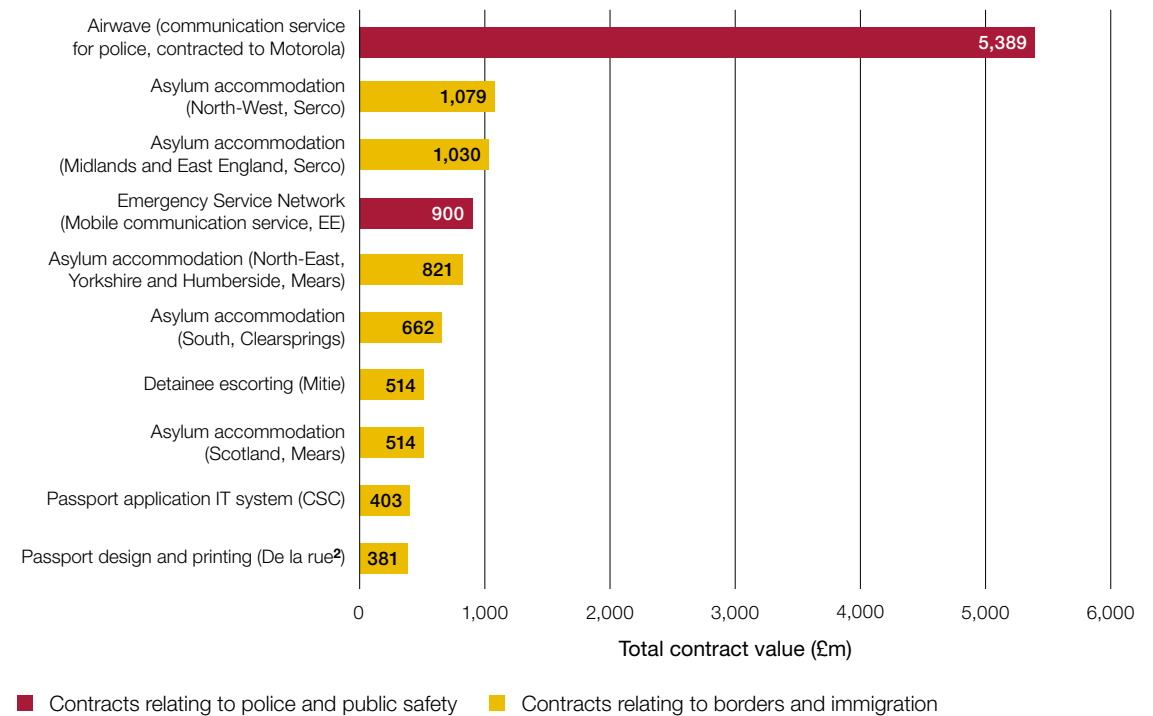
What to look out for?

The Department's current plan for the ESMCP requires it to produce a revised business case by the end of 2019.

Ten largest contracts by value awarded by the Home Office (the Department)

Two programmes, covering the Airwave Mobile Communications Programme and Asylum Accommodation and Support Services, account for the majority of expenditure in the Department's 10 largest contracts

Contract	Total contract value (£m)
Airwave (communication service for police, contracted to Motorola)	5,389
Asylum accommodation (North-West, Serco)	1,079
Asylum accommodation (Midlands and East England, Serco)	1,030
Emergency Service Network (Mobile communication service, EE)	900
Asylum accommodation (North-East, Yorkshire and Humberside, Mears)	821
Asylum accommodation (South, Clearsprings)	662
Detainee escorting (Mitie)	514
Asylum accommodation (Scotland, Mears)	514
Passport application IT system (CSC)	403
Passport design and printing (De la rue[2])	381

Total contract value (£m)

■ Contracts relating to police and public safety   ■ Contracts relating to borders and immigration

Notes

1   Shows total forecast value of the largest contracts as recorded in government spend databases and other information held by the Department. Such information may be incomplete, and the value may not be updated for changes during the contract's lifetime.

2   Passport contract is being replaced by a new contract let to Gemalto, now owned by Thales.

Source: Home Office

_Challenges in managing contracts *continued* 2/2

The Department faces delivery and coordination challenges when it relies on other government bodies, law enforcement agencies and private sector contractors to deliver public services.

It has often had to extend troubled contracts past the point at which they would have ended.

Our report The *Home Office's management of its contract with G4S to run Brook House immigration removal centre* (July 2019) found that the Department's contract with G4S was due to end in May 2018, but the Department extended it to May 2020. This is despite admitting that, in retrospect, the Brook House contract did not provide it with the levers it needs to manage performance. For example, we concluded that the inability of the Department to impose any significant financial consequences for the abuse of detainees highlights limitations in the contractual approach.

In July 2019, HM Chief Inspector of Prisons reported that Brook House had faced some very serious problems over the past two years. In its inspection between May and June 2019, it found improved training of staff employed in the centre, whistleblowing procedures that staff members had confidence in and a much-improved ratio of staff numbers to detainees.

The Department is currently procuring a new contract to manage Brook House from 2020 to 2028. Its intention is that new performance measures will cover staff recruitment, induction, training, mentoring and culture. It also wants to establish a contractual role for the Department to monitor the appropriateness of the use of force against detainees, and care of staff and detainees following an incident.
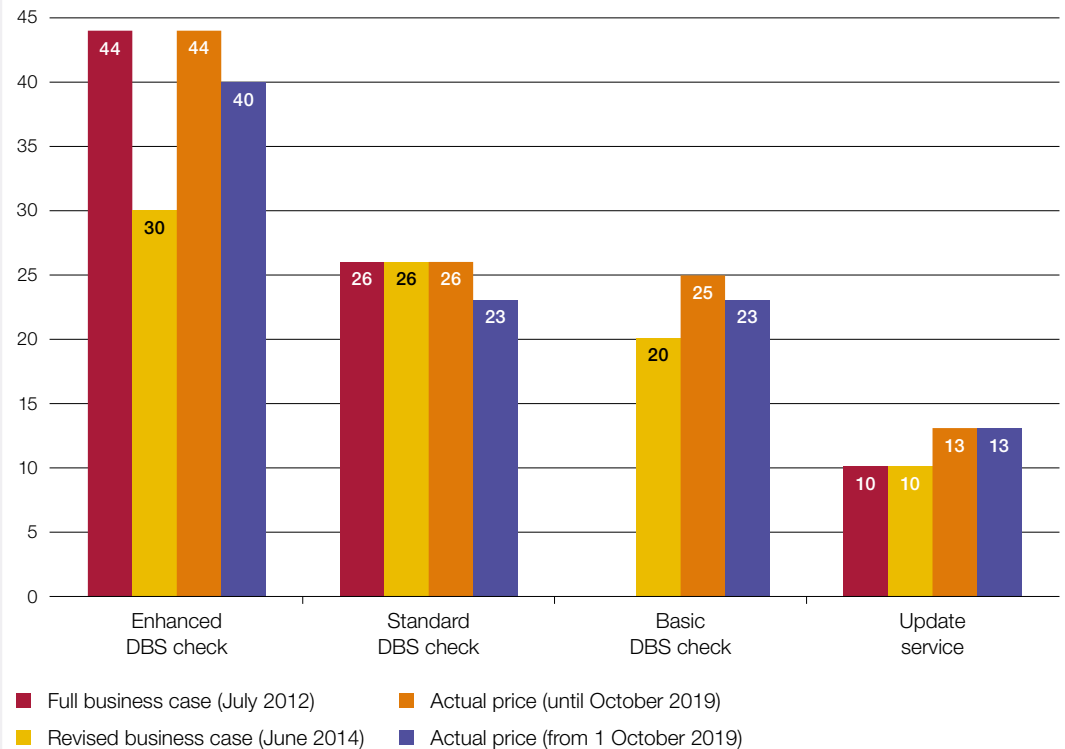
Our *Investigation into the Disclosure and Barring Service* (February 2018) considered the progress made by a programme to modernise the Disclosure and Barring Service (DBS, an arm's-length body of the Department) and reported that modernisation has been delayed. Systems delivered by the contractor are now regarded as not fit for purpose.

The update service has not delivered the savings the Department originally intended. DBS has reduced fees for some services from 1 October 2019, but Applicants who are using the update service are paying £13 a year rather than the £10 expected in 2012.

In February 2018, modernisation of DBS was running over three and a half years late. DBS has terminated part of the contract for modernisation and extended the remainder to 31 March 2020. It has let two new contracts to deliver services from 1 April 2020.

Price to paying customers (£)

	Enhanced DBS check	Standard DBS check	Basic DBS check	Update service
Full business case (July 2012)	44	26		10
Revised business case (June 2014)	30	26	20	10
Actual price (until October 2019)	44	26	25	13
Actual price (from 1 October 2019)	40	23	23	13

■ Full business case (July 2012)　　■ Actual price (until October 2019)
■ Revised business case (June 2014)　　■ Actual price (from 1 October 2019)

Source: National Audit Office analysis of Disclosure and Barring Service information