National Audit Office

Home Office
2025-26

September 2026

OVERVIEW

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Summary

C&AG introduction

In 2025, we set out our new five-year strategy. In delivering our statutory responsibilities, we aim to maximise our contribution to two outcomes – more productive and resilient public services and better financial management and reporting in government.

Our overviews summarise the key information and insights from our examinations of departments and from their annual report and accounts, and explore departments' progress against these crucial outcomes, highlighting positive examples and opportunities to improve.

If you would like more information about our work, or to arrange a briefing with me or one of my teams, please contact our Parliamentary Relations team at parliament@nao.org.uk.

Financial management

Total spending in 2025-26	£27.7 billion. This was £0.7 billion (3%) more than the previous year. Net expenditure was £20.3 billion (£0.5 billion more than 2024-25).
Income in 2025-26	£7.5 billion. This was £0.2 billion (3%) more than the previous year. The majority coming from visa and immigration fees.
Limited opinion	The Government Internal Audit Agency (GIAA) has issued a limited opinion to the Home Office for nine consecutive years, although its latest report recognised some positive change. The GIAA's opinion reflects the ongoing need to strengthen the risk management and internal control framework.

Risk and resilience

Principal risks	The Home Office has identified 12 principal risks which it rates as 'high' or 'critical'; during 2025-26. It assessed that one risk had increased in severity and none had decreased.
Public agenda	Between April 2025 and April 2026, the Home Office published four new strategies and three white papers.
Senior leadership	The Home Office appointed eight Executive Committee members in 2025-26, including six directors general and the Permanent Secretary.

Productivity

Efficiency targets	£533 million annual savings expected by 2028-29 under Spending Review 2025 plans; 70% is expected to be delivered through organisational and strategic workforce changes.
Staff numbers	The full-time equivalent (FTE) number of staff employed by the Home Office has increased by 43% since 2020-21. However, in 2025-26, the Home Office employed around 56,000 FTE, which is 850 fewer than in 2024-25, a reduction of less than 2%.
Digital transformation	The National Infrastructure and Service Transformation Authority (NISTA) has rated all three of the Home Office's digital transformation projects as 'Amber' in 2025-26.

About the Home Office

The Home Office is responsible for delivering the government's ambition of a safer, fairer and more prosperous United Kingdom.

In 2025-26, the Home Office reported its performance against three priority outcomes (**Figure 1**). The Home Office is the lead government department for:

- immigration and passports (including securing the UK border);
- drugs policy;
- crime;
- counter-terrorism; and
- policing.

Figure 1

National Audit Office summary of Home Office priority outcomes for 2025-26

The Home Office reports performance against its priority outcomes, which cover border security, crime and homeland security

Priority outcome	Home Office objectives	Examples of key outcomes in 2025-26
Increase control and fairness in the Migration and Borders system to strengthen border security	• Reduce the number of small boat arrivals to the UK • Increase total returns • End the use of hotels this Parliament • Clear the asylum backlog	• Small boats – 41,472 arrivals were detected in 2025, **a 13% increase from 2024** • Immigration – 37,918 individuals were returned in 2025, **a 9% increase on 2024** • Hotels – 30,657 asylum seekers were housed in hotels at 31 December 2025, **19% lower than at 31 December 2024** • Asylum system – 135,151 people received initial decisions on asylum claims in 2025, 56% higher than in 2024. In the same period, asylum initial decisions exceeded new claims
Deliver safer streets, prevent crime, reduce serious harm, and increase public confidence in policing and the criminal justice system	• Halve violence against women and girls in a decade • Halve knife crime in a decade • Additional 3,000 neighbourhood policing personnel by March 2026 • Improve confidence in policing	• 10.6% of people aged 16 and over (approximately 5.1 million people) experienced domestic abuse, sexual assault or stalking in the year ending March 2025, **compared to 11.3% in the previous year** (approximately 5.4 million people) • 48,774 knife-enabled crimes were recorded in the year ending March 2026, **an 8% reduction on the previous year** • **3,814 additional neighbourhood officers** and Police Community Support Officers (PCSOs) in post at 31 March 2026 compared with March 2025 (the baseline year) • 67% of people surveyed reported confidence in their local police in the year ending March 2025, **an increase from 65% in the previous year**
Reduce homeland security risks to the UK's people, prosperity, and freedom	• Ensure individuals at risk of radicalisation are identified and supported • Monitor fraud scale and trends to inform prevention	• Prevent system – 10,293 referrals in the year ending September 2025, **a 39% increase compared to the previous year** • Fraud – an estimated 4.5 million incidents of fraud in the year ending March 2026, **up 0.3 million (7%) since the previous year** • In April 2026, the UK National Threat Level was raised to **SEVERE**

Note

1 A full list of performance against objectives is detailed in the Home Office *Annual Report and Accounts 2025 to 2026*. The Home Offices objectives also cover areas such as border performance, child sexual exploitation and abuse, modern slavery, drugs misuse, firearms offences and cyber crime.

Source: National Audit Office analysis of Home Office, *Annual Report and Accounts 2025 to 2026*

How the Home Office is structured

The Home Office sponsored six arm's-length bodies in 2025-26

The five executive non-departmental public bodies were as follows.

- Disclosure and Barring Service (DBS) – processes and issues DBS checks for England, Wales, the Channel Islands and the Isle of Man. It also maintains the Adults and Children's barred lists.
- Gangmasters and Labour Abuse Authority – regulates labour providers in agriculture, horticulture, shellfish gathering and associated processing and packaging and stops labour exploitation.[1]
- Independent Office for Police Conduct – the police complaints watchdog for England and Wales.
- Immigration Advice Authority – licences and regulates individuals who provide immigration advice to the public, excluding legal professionals.
- Security Industry Authority – regulates the UK's private security industry.

The remaining arm's-length body was the College of Policing Limited, an independent professional body supporting policing and promoting excellence.[2]

The National Crime Agency (NCA) is not part of the Home Offices departmental group. It receives its budget settlement from HM Treasury and some funding for specific operational activities, such as economic crime. The Home Office works closely with the NCA, and a Home Office representative observes NCA board meetings.

Leadership changes in 2025-26

Dame Antonia Romeo DCB was appointed Permanent Secretary on 14 April 2025 and subsequently moved to become Cabinet Secretary on 18 February 2026. **Simon Ridley CB** had previously served as Acting Permanent Secretary between 29 March 2025 and 13 April 2025 and did so again from 19 February 2026 until 5 April 2026. **Gareth Davies CB** was appointed as Permanent Secretary on 6 April 2026.

The Home Office Executive Committee manages the department day-to-day and underwent significant change during the year. **Eight out of the 13** current members were appointed to their role between April 2025 and April 2026. These were six directors general, the Chief People Officer and the Permanent Secretary.

Structural and strategic changes

Since April 2025, the Home Office has undergone a period of strategic realignment characterised by changes such as:

- a greater focus on asylum returns and enforcement;
- tightening the economic migration system; and
- a greater focus on neighbourhood policing.

On 1 April 2025, the government moved **responsibility for fire policy and fire and rescue functions** to the Ministry of Housing, Communities & Local Government (MHCLG). This included the transfer of fire safety and reform policy, funding and staff.

The Home Office retained:

- responsibility for the Emergency Services Mobile Communications Programme;
- management of the Airwave service contract on behalf of MHCLG; and
- sponsorship of His Majesty's Inspectorate of Constabulary and Fire & Rescue Services.

1 In April 2026, the Gangmasters and Labour Abuse Authority was wound down. The Fair Work Agency, which is an executive agency of the Department for Business, Innovation, Science and Trade, was established on 7 April 2026 – bringing together the functions previously delivered by the Gangmasters and Labour Abuse Authority, the Employment Agency Standards Inspectorate and the Director of Labour Market Enforcement.

2 The Home Secretary is the sole shareholder and owner of the College of Policing Limited. It is classified as an arm's-length body by HM Treasury and is consolidated within the Home Office's departmental boundary as a non-departmental public body.

How the Home Office is structured *Continued*

Internally, the Home Office has adopted a **more active role in overseeing police performance and driving improvements**. It has created a Police Standards and Performance Improvement Directorate and is seeking to improve its data to better understand variations across police forces.

It is also managing police reforms. In January 2026, the Home Secretary announced plans for a **National Police Service** – a new national police force – bringing together existing national bodies, including the National Police Chiefs' Council, the College of Policing Limited, the NCA and Counter Terrorism Policing into a single organisation. This new national force will focus on counter-terror, serious and organised crime and fraud.

How the Home Office spends its money

Home Office budget in 2025-26

The Home Office's initial budget for 2025-26 was £21.2 billion, including £19.7 billion Resource Departmental Expenditure Limit (RDEL is used for day-to-day spend) and £1.5 billion Capital DEL (CDEL is used for infrastructure).[3]

In February 2026, the Home Office agreed a revised budget of £20.1 billion, including **£18.4 billion RDEL (a 7% decrease)** and **£1.7 billion CDEL (a 16% increase)**.

Changes that led to the decrease in RDEL included:

- budget transfer of £209 million to MHCLG as part of the transfer of responsibility for fire; and
- budget exchange of £175 million relating to McCloud injury to feelings claims due to cases not being heard until next year.[4]

The increase in CDEL primarily related to increased investment of:

- £200 million for Major Law Enforcement Programmes; and
- £20 million for the Border Security Command.

Spending and income in 2025-26

The Home Office's net expenditure in 2025-26 was **£20.3 billion** (£0.5 billion more than 2024-25). The Home Office spent **£27.7 billion** in 2025-26, which was £0.7 billion (3%) more than 2024-25. It received an income of **£7.5 billion**, which was £0.2 billion (3%) more than 2024-25.

Note: budgetary estimates are prepared on a different accounting basis than the financial statements and, therefore, are not directly comparable. The Home Office's *Annual Report and Accounts 2025 to 2026* reconciled budgetary outturn and net operating expenditure. This shows that the **Home Office did not exceed its resource budget** during 2025-26 (total budget of £20.1 billion compared with a total outturn of £19.5 billion).

The largest increase in spending in 2025-26 was in the Public Safety Group, which includes the Police Main Grant (**Figure 2** on page 8). The Group spent £14.7 billion (53% of total expenditure), which was £0.7 billion more than 2024-25 (a 5% increase). This increase was offset by decreases in other areas such as Asylum Support, Resettlement and Accommodation, which spent £0.3 billion less than in 2024-25. The Home Office's 2025-26 budget for asylum costs was £3.6 billion; total spend was £3.7 billion.

The Home Office receives income from a range of sources, the largest of which are visa and immigration income (£3.6 billion in 2025-26; £3.0 billion in 2024-25) and the Immigration Health Surcharge (£2.3 billion; £2.4 billion in 2024-25).[5] Visa fees are set to recover operating costs and contribute to the wider migration and borders system. Over the previous two years, the Home Office has had a target to recover more than twice as much as it spends on visa fees overall. In April 2025, it increased the certificates of sponsorship charge by 120%. These increases will have partially offset the impact of net migration, which has been falling from the peak of 944,000 in the year ending March 2023.

Funding for the departmental group

In 2025-26, the Home Office spent a net total of £117 million on non-departmental public bodies.

- £76 million on the Independent Office for Police Conduct.
- £54 million on the College of Policing Limited.
- £8 million on the Security Industry Authority.
- £6 million on the Gangmasters and Labour Abuse Authority.
- £6 million on the Immigration Advice Authority.

The Disclosure and Barring Service generated a net £33 million income for the departmental group.

3 The Home Office's budget includes both DEL (Departmental Expenditure Limit), to cover costs that a department can plan and control such as staff costs, and AME (Annually Managed Expenditure), to cover expenditure which is more difficult to predict or control, such as pensions.

4 The McCloud injury to feelings claims relate to distress caused to individuals who were unlawfully discriminated against by the 2015 public service pension reforms.

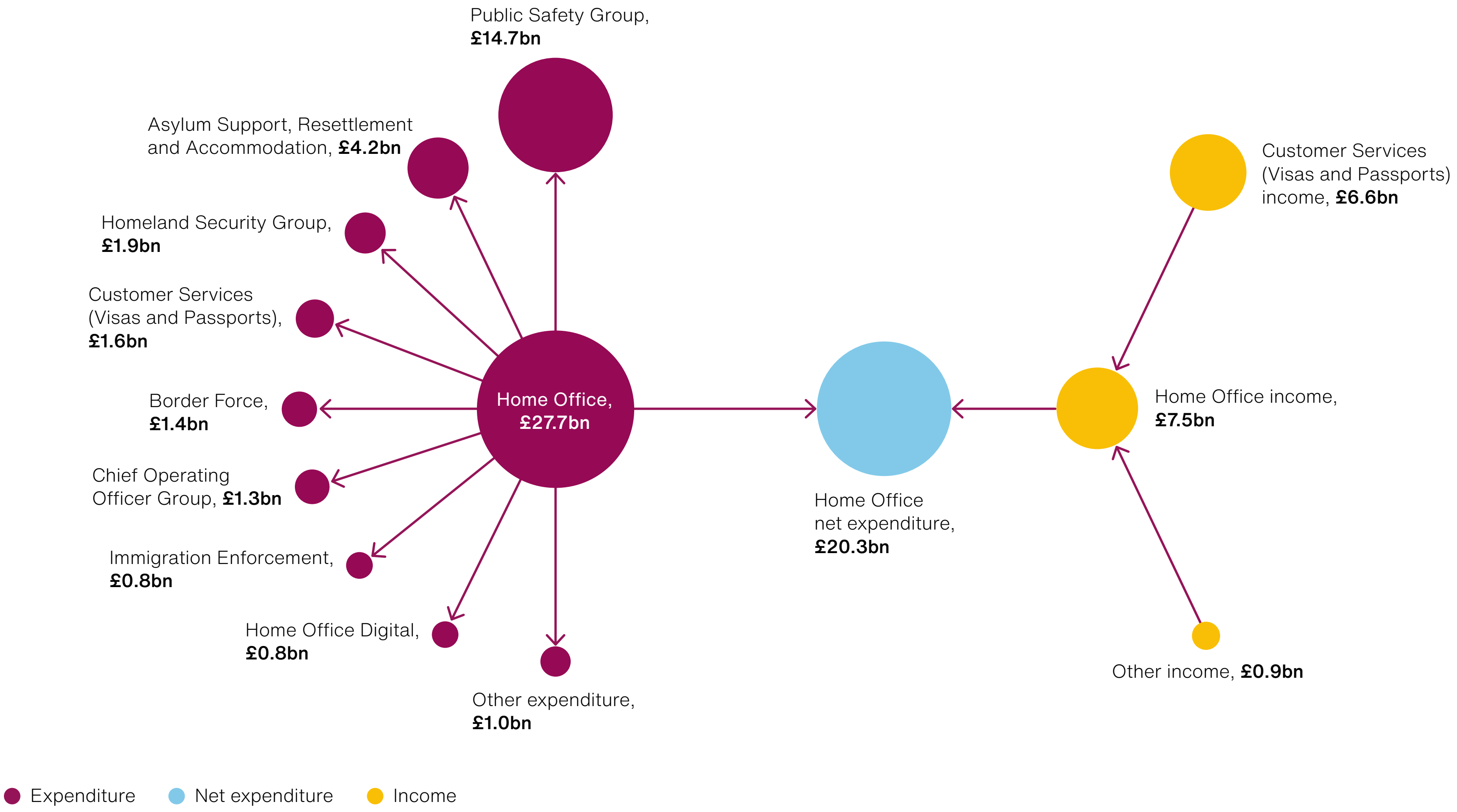
5 Income collected from the Immigration Health Surcharge is transferred to the Department of Health & Social Care.

How the Home Office spends its money *Continued*

Figure 2

Home Office departmental group – expenditure and income 2025-26

In 2025-26, the Home Office departmental group spent £27.7 billion and received income of £7.5 billion



Notes

1 Other expenditure includes: Science, Technology, Analysis and Research; Legal Advisors; Migration and Borders; Border Security Command and non-departmental public bodies.

2 Other income includes: Homeland Security Group; Public Safety Group; Migration and Borders Group; Border Security Command; Asylum Support, Resettlement and Accommodation; Border Force; Immigration Enforcement; Chief Operating Officer Group; Home Office Digital; Science, Technology, Analysis and Research; Legal Advisors; and non-departmental public bodies.

3 Figures may not sum due to rounding.

Source: National Audit Office analysis of Home Office, *Annual Report and Accounts 2025 to 2026*

The Home Office's plans for delivering efficiency savings

In June 2025, the government announced each department's funding settlement for 2025-26 to 2028-29 for day-to-day spending, and until 2029-30 for capital investment.

The Home Office's day-to-day spending (RDEL) is expected to decrease by an average of **1.7% per year in real terms between 2025-26 and 2028-29** (**Figure 3**). Capital funding (CDEL) will increase by an average of 0.6% per year between 2025-26 and 2029-30.

In June 2025, the Home Office committed to delivering at least **5% savings and efficiencies** between 2026-27 and 2028-29 against baseline spend in 2025-26. The Home Office has committed to delivering efficiency savings of **£533 million (net of investment) per year by 2028-29** through:

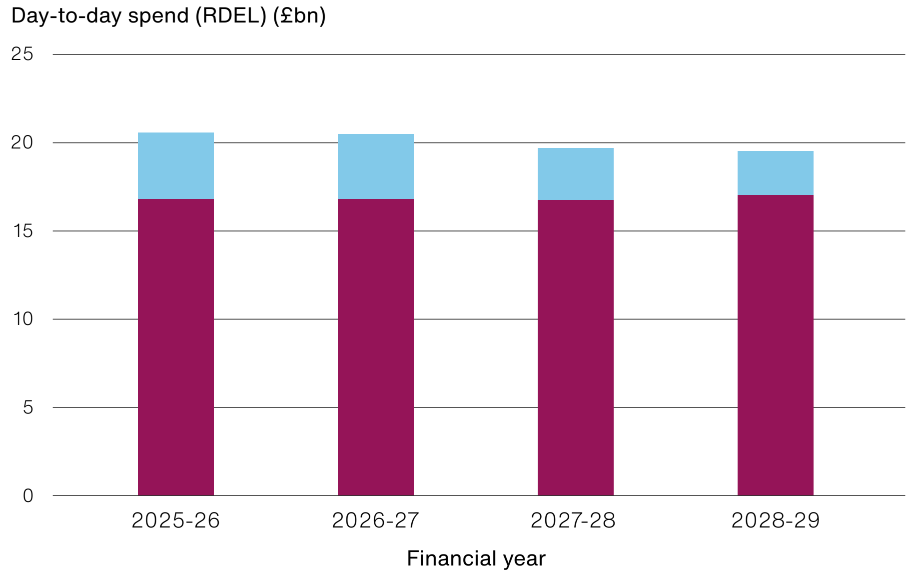
- reducing the use of third-party resources, including insourcing specialist digital roles; and
- workforce reform including increased use of automation and artificial intelligence (AI).

This represents savings of 2.9%, just over half of the 5% total savings the Home Office has committed to make. It includes efficiencies from the **Police Efficiencies and Collaboration Programme**, which has identified the potential for savings of up to £354 million over 2025-26 to 2028-29. The Home Office stated this programme had delivered savings of £28 million as at March 2026. However, our *Police productivity* report concluded that the efficiency savings programme will be challenging to achieve.

Figure 3

The Home Office's Spending Review totals for day-to-day spend, 2025-26 to 2028-29 (2025-26 prices)

The Home Office's day-to-day spending is expected to decrease from £20.5 billion in 2025-26 to £19.4 billion in 2028-29, with the majority of this planned decrease to be found from reducing spend on people seeking asylum



	2025-26	2026-27	2027-28	2028-29
Home Office spend excluding asylum (£bn)	16.9	16.9	16.8	17.1
Home Office asylum spend (£bn)	3.6	3.5	2.8	2.4
Total (£bn)	**20.5**	**20.5**	**19.6**	**19.4**

Notes

1 The graph uses Resource Departmental Expenditure Limit (RDEL) to demonstrate the expected change in Home Office spending in this period, in real terms. RDEL spending includes money that is spent on day-to-day resources and administration costs.

2 Spend for 2025-26 is presented using the published Spending Review settlements. Spend for periods 2026-27 to 2028-29 have been adjusted to represent the value of budgets in 2025-26 prices, using GDP data released on 30 June 2026.

3 Numbers may not sum due to rounding.

Source: National Audit Office analysis of departmental settlements in *Spending Review 2025*

Tackling future financial pressures

Our June 2025 report *Financial management of fees and charges* examined how the Home Office had managed visa and passport fees. HM Passport Office aims to recover full costs for the passport service, but we found it had been under-recovering since 2017-18 – without explicit approval from Home Office ministers or HM Treasury – leading to a deficit of £223 million in 2023-24.[6] Although the Home Office has increased fees by 25% in recent years, it is still missing its target. HM Passport Office increased passport fees again in April 2026, stating that this would help it move towards a system that meets its costs through those who use it. Lost income from passport fees was **£202 million in 2025-26**. If the Home Office had recovered all fees at target rates, it would have collected an additional **£319 million in 2025 26**.

In 2019 the Home Office estimated that the **Asylum Accommodation contracts** would cost £4.5 billion over 10 years. In 2024, this estimate increased to **£15.3 billion**, due to more people seeking asylum being accommodated in hotels than expected. The contracts covered the period from 2019 to 2029. The Home Office has begun market engagement to re-procure services from 2029, including for asylum accommodation, advice and travel services and asylum support payments.

At the 2025-26 Spending Review, the government set out its aims to reduce asylum costs by **at least £1 billion per year by 2028-29, compared with 2024-25 levels**, primarily through clearing backlogs, increasing appeals capacity and ending the use of hotels to accommodate people seeking asylum. The Home Office spent £0.7 billion less on asylum support in 2024-25 compared with 2023-24.

While the Home Office is reducing the use of hotel accommodation, this remains a significant cost, and progress towards the planned savings will depend on sustained improvements across multiple parts of the system, including appeals capacity and removals.

6 The Home Office aims to recover operational costs of HM Passport Office in full plus the costs of connected services including consular services and the cost of processing British nationals at the UK border.

Future Home Office

The Home Office is modernising the way it works through its Future Home Office programme. The programme has four core aims.

- Improving pace of delivery, and outcomes through prioritisation, clearer accountability and joined-up working.
- Improving confidence of Members of Parliament and the public through better advice, improved use of data and robust decision-making.
- Strengthening capability by investing in leadership skills and training, supported by digital tools and reliable data, to enable evidence-based decision-making.
- Creating a high-performing organisation by streamlining processes and improving tools, to build a culture of trust, accountability and performance.

As at March 2026, the Home Office had not yet agreed the scope and timing of all the programme's strands. However, it will need to implement and manage process improvements while also delivering efficiency savings.

National Audit Office insights

Good financial management is essential for all organisations. Our January 2025 good practice guide on monitoring and forecasting is part of our financial management in government series, which spans the full financial management lifecycle.

Our February 2025 good practice guide *Managing the commercial lifecycle* is designed to support public bodies to implement effective arrangements and processes when procuring goods and services.

Financial management and reporting *Continued*

The Home Office published its accounts for the year ending 31 March 2026 on 14 July 2026. The Comptroller & Auditor General (C&AG) gave an **unqualified opinion** on the financial statements of the Home Office. This means that the accounts give a true and fair view of the Home Office's affairs and have been properly prepared in accordance with the Government Resources and Accounts Act 2000; that total spending has not exceeded amounts voted by Parliament; and that the income and expenditure recorded have been applied to the purposes intended by Parliament. In 2025-26, the C&AG identified two key audit matters (**Figure 4**).

In 2025-26 the Home Office finance team focused on the **Asset Clearing Account** (ACA). Home Office teams record individual items in the ACA rather than categorising them into specific asset classes straight away. The unmatched balance increased from £695 million in 2023-24 to £961 million by the end of 2024-25. The Home Office reviewed the balance and adjusted its accounts, so the spending was recorded properly. This reduced the balance to £485 million by 31 March 2026.

During 2025-26, mischarging of the **Immigration Skills Charge** was identified within the Home Office Trust Statement. Differences between the size of sponsoring organisations within the Home Office's system and their size as per Companies House and other data led to under- and over-collection of income, which was not in line with the underlying legislation. This matter did not affect our opinion that the accounts were 'true and fair' and regular.

Figure 4

Key audit matters identified in the Comptroller and Auditor General's audit of the Home Office's 2025-26 financial statements

No material misstatements were identified from our 2025-26 audit

Key audit matter	Key observation
Asset clearing account – cleansing exercise Home Office teams record individual items of capital spend in an 'asset clearing account' when the business has not yet provided sufficient information to confirm the nature of the spend rather than categorising them into specific asset classes straight away. At 31 March 2025, the uncategorised balance was £961 million and included a large number of historical items. This gave rise to the risk that historical items may have been incorrectly capitalised. During 2025-26, management reviewed historical balances, undertaking significant cleansing activities to reduce the balance to £485 million at 31 March 2026.	A significant proportion of audit resource was allocated to review the year-end balance. The outcomes of the procedures performed were satisfactory, and no material misstatements were identified.
Machinery of Government (MoG) change – fire functions From 1 April 2025, responsibility for all fire functions transferred from the Home Office to the Ministry of Housing, Communities & Local Government (MHCLG). The Home Office needed to account for this MoG change in line with HM Treasury's reporting requirements. This includes restating prior year comparatives in its group accounts to present the position as if only its current responsibilities were applicable during 2024-25. Restating prior year comparatives increases the complexity of accounts preparation and the risk of material misstatement.	The outcomes of the audit procedures performed were satisfactory, and no material misstatements were identified.

Source: National Audit Office analysis of Home Office, *Annual Report and Accounts 2025 to 2026*

Financial management and reporting *Continued*

Financial management within the Home Office's Departmental group

On 4 July 2025, the C&AG disclaimed his audit opinion on the College of Policing Limited's 2023-24 financial statements as he was unable to obtain sufficient audit evidence to form an opinion. Poor financial management – resulting from inaccurate information in the College's financial systems led to an overspend of £1.3 million against the delegated budget from the Home Office.

This led to the 2024-25 accounts being disclaimed, due to the legacy issues. The College's management developed a detailed audit recovery plan focusing on addressing the issues prospectively. It has made progress in addressing these historic issues and, while it anticipates limitation of scope of its 2025-26 accounts, it believes it has a credible pathway to an unqualified audit opinion in 2026-27.

We used the College's transfer to a new accounting system as a case study in our January 2026 *Audit Insights: lessons and findings from the National Audit Office's financial audits 2024-25*.

Potential historical financial management issues also led to the Home Office recognising a combined **£81 million provision** for employment tax and VAT relating to potential historical non-compliance with off-payroll working.

Over recent years, several of the Home Office's non departmental public bodies (NDPB) accounts have not always been completed in a timely fashion. For the financial year 2024-25, the statutory deadline for laying NDPB accounts before Parliament was 31 January 2026. Of the Home Office's NDPB accounts:

- the Gangmasters and Labour Abuse Authority's accounts were certified on 16 December 2025, **one month before the deadline**;
- the Immigration Advice Authority's accounts were certified on 28 January 2026, **three days before the deadline**;
- the Independent Office for Police Conduct's accounts were certified on 14 July 2026, **five months after the deadline**; and
- the Security Industry Authority and the Disclosure and Barring Service were certified in July 2025 and November 2025, **six months and two months before the deadline**, respectively.

The Home Office recognised the importance of timely audit completion in a letter to the Committee of Public Accounts in December 2025. It also set out its oversight of its NDPBs and the governance mechanisms in place. The Home Office emphasised the role of the Accounting Officers in its NDPBs and the importance of rigorous financial management.

Managing the asylum estate

The Home Office contracts out provision of accommodation and other services to asylum seekers. Our May 2025 report *The Home Office's asylum accommodation contracts* found that the Home Office had not made full use of contractual mechanisms to recover costs from suppliers. In November 2025, the **Home Office audited the data provided by suppliers and recovered £74 million**.

The Home Office *Annual Report and Accounts 2025 to 2026* detailed two constructive losses from its estates.

- In August 2025, the Home Office procured the Atrium hotel in London on a nine-month contract. It anticipated a surge in demand that would have placed the Manston processing site at risk. The hotel was never required, resulting in a **constructive loss of £23 million**.
- The Home Office has agreed to transfer the former Ministry of Defence site Northeye to Homes England. The cost to remedy the site means the Home Office has not recouped any of its original outlay, resulting in a **constructive loss of £15 million** and an **ex-gratia payment of £1.8 million** for the out-of-court settlement.

National Audit Office insight

We set out about the importance of leadership, skills and management information in our July 2023 good practice guide *Financial management in government: enablers of success*.

Our work has identified various issues with the Home Office's procurement. Our 2024 report *Investigation into the acquisition of the Northeye site for asylum accommodation* highlighted weaknesses in governance and risk management when the Home Office acquired the Northeye site. We found that processes had been dispensed with and formal approval was sought late, after significant risks had been identified. In response, the Home Office has sought to strengthen assurance and support better decision-making by embedding earlier challenge, clearer governance and more consistent application of controls. This will be important as the Home Office seeks to secure more large accommodation sites to reduce its reliance on hotels.

In March 2024, we reported that, in rapidly progressing its plans to reduce the use of hotels, the Home Office had incurred nugatory spending and increased risk. At the time, the sites were expected to cost £46 million more than hotels. In March 2025, the Home Office had procured six large accommodation sites, of which only two were in use (**Figure 5**).

The Home Office is now scaling up use of large sites and has recently procured a contract for accommodation at Crowborough training camp. The Ministry of Defence has given permission to extend usage of the site to 2030, which the Home Office told us it is considering. It is also seeking planning permission at two more military sites, in Bicester in Oxfordshire and Barnham in Suffolk, and is exploring the use of Linton-on-Ouse in North Yorkshire. The Home Office previously considered the latter in 2022, when it spent £2.9 million to set up the site before cancelling it.

Figure 5

Status of Home Office large accommodation sites as at March 2025

In March 2025, the Home Office had procured six large sites, of which two remained in use as asylum accommodation

Site	Previous usage	Location	Opened	Status as at March 2025
Napier	Former barracks	Folkestone, Kent	September 2020	In use – planning permission for use was in place until September 2026
Wethersfield	Former RAF base	Wethersfield, Essex	July 2023	In use – planning permission for use is in place until April 2027
Bibby Stockholm	Barge	Portland, Dorset	August 2023	Closed – contract expired in January 2025
Scampton	Former RAF base	Scampton, Lincolnshire	N/A	Never opened – in September 2024 the Home Office announced it no longer planned to use the site
Northeye	Unused	Bexhill, East Sussex	N/A	Never opened – as of December 2024 the Home Office was investigating options to sell or transfer the site
Huddersfield	Former student accommodation	Huddersfield, West Yorkshire	N/A	Under development as of February 2025

Note

1 At the end of March 2025, Napier and Wethersfield were the only sites remaining in use.

Source: Comptroller and Auditor General, *The Home Office's asylum accommodation contracts*, Session 2024-25, HC 874, National Audit Office, May 2025

Risk management

The importance of risk management

The Home Office is responsible for reducing national security risks to the UK's people, prosperity and freedoms, where failures will have significant consequences. It sets the strategic direction for government and leads the UK's crisis response for risks from terrorism, state threats, fraud and other economic crime, and cyber crime. Threats of this nature are constantly evolving.

National risk register

The Home Office is the lead department for identifying, preventing, planning the response to, and recovery arrangements from:

- domestic terrorist attacks;
- public disorder;
- disruption of emergency services (police) including industrial action; and
- malicious release of chemical, biological, radiological and nuclear, with the exception of water supply.

The Home Office's approach to risk management

The Home Office has committed to improving its risk management, including a focus on accountability, planning for further improvement through its director-general led risk improvement plans. The Government Internal Audit Agency (GIAA) recognised the **increased senior engagement and accountability** in understanding and addressing known issues in its 2025-26 report. It noted that lasting change would need to be underpinned by a strong culture of shared accountability, openness and challenge.

The Home Office's Performance System, which is new in 2025-26, underpins its governance system. A self-assessment indicated that compliance with the Home Office Enterprise Risk Management Framework (which the Home Office told us was revised in July 2026) and the *Orange Book* has improved since 2023-24. The Home Office noted that **further development is needed to strengthen risk strategies** and assure learning from risk management practices which are principles set out in the *Orange Book*.

Risk profile and risk maturity

The Home Office reset its departmental risk register in October 2025. It identified principal risks covering areas such as operational delivery, technology, governance and workforce (**Figure 6** on page 16). Most risks identified were classified as of 'critical' or 'high' severity, with only one classified as 'medium'. The Home Office reported that during 2025-26 one risk increased in likelihood and impact, which was asylum accommodation and capacity.

In 2025-26, the GIAA issued a **'limited' opinion** to the Home Office for the **ninth consecutive year**. This means there are weaknesses in the Home Office's governance, risk management and controls, such that they could become inadequate or ineffective. The GIAA's opinion reflected the ongoing need to strengthen the risk management and internal control framework. It recognised early signs of positive change, including the articulation and ownership of strategic risks. The Home Office told us it is launching a new risk maturity model during 2026-27.

Risk management *Continued*

Responding to external risks

Fraud against individuals and businesses cost the UK economy £14.4 billion in 2023-24. In March 2026, the Home Office published its *Fraud Strategy 2026–2029*. The government has committed to spending over **£250 million** delivering this strategy using a three-part approach.

- **Disrupt:** Making fraud harder to commit and preventing fraud through early intervention.
- **Safeguard:** Strengthening the ability to detect and repel fraud.
- **Respond:** Delivering a coordinated, victim-centred response.

In December 2025, the Home Office published its *Freedom from Violence and Abuse: a cross-government strategy to build a safer society for women and girls*. This sets out its plans for achieving its target to **halve violence against women and girls (VAWG) in 10 years**. The new strategy focuses on the importance of prioritising prevention, recognising the need to tackle harmful attitudes among young people to achieve long-term change, bringing perpetrators to justice and ensuring victims are supported.

The strategy includes multiple funding commitments, including £13 million to establish a new National Centre for VAWG and Public Protection. In 2025-26 the Home Office allocated £122 million to tackle VAWG including:

- £50 million to policing to strengthen their response;
- £18 million towards victims' services; and
- £3 million on prevention and early intervention.

Figure 6

National Audit Office summary of the 'critical' and 'high' risks identified by the Home Office in 2025-26

The Home Office has identified four of its principal risks as 'critical' and eight as 'high'

Risk	Description	Risk assessment (as of 1 April 2026)	Trajectory during 2025-26
Asylum accommodation and capacity	Supply of asylum accommodation is unable to meet demand from an increased asylum population.	Critical	Increased
Border system resilience	Ineffective mobilisation of the UK Border Security System to tackle small boats.	Critical	No movement
Harm in the community	Mismanagement of immigration cases, leading to significant harm in the community.	Critical	No movement
Use of technology and data	Insufficient adoption of new technology and high-quality data.	Critical	No movement
Financial management	Ineffective prioritisation and spend against Ministerial priorities.	High	No movement
Critical IT system failure or cyber resilience	Essential services are disrupted from a critical IT system failing, including due to a cyber-attack.	High	No movement
Welfare and safety – migrants and staff	Failure to ensure the welfare and safety of staff and/or migrants.	High	No movement
Health, safety and fire incident	A fatality or serious injury to a colleague, service user or member of the public.	High	No movement
Workforce prioritisation and capability	Inconsistent prioritisation and limited workforce flexibility affects the ability to respond to changing priorities.	High	No movement
Governance, risk and compliance	Failure to build a strong, accountable risk and compliance culture.	High	No movement
Critical supplier failure	Suppliers become insolvent or fail to deliver critical services.	High	No movement
Public safety and trust in the police	Significant and widespread loss of public confidence in policing.	High	No movement

Notes

1 This table does not include all principal risks identified by the Home Office in 2025-26. It presents all 'critical' and 'high' risks disclosed in Home Office, *Annual Report and Accounts 2025 to 2026*.

2 The Home Office listed 13 principal risks as at 1 April 2026. The Home Office assesses risks using a qualitative methodology. Ratings are indicative of the remaining risk the Home Office is exposed to by the end of March 2026. Risks are assessed as either 'critical', 'high', 'medium' or 'low'.

3 The trajectory indicates whether the likelihood and impact of the risk materialising increased, decreased or remained the same over the reporting period.

4 Principal risks identified by the Home Office in 2024-25 which are not included in 2025-26 include climate security (page 14), misuse of insider information, failure to respond to harmful online content and AI, pressure on the policing system from criminal justice system reform, and disruption at the border or an immigration removal centre.

Source: National Audit Office analysis of risks to the Home Office in Home Office, *Annual Report and Accounts 2025 to 2026*

Climate change and sustainability

Under the Climate Change Act 2008, the UK is legally required to address the risks from climate change and, following the 2019 amendment, is required to reach net zero greenhouse gas emissions by 2050. Climate change is not just an environmental issue but a cross-government security and resilience challenge, with direct and indirect implications for domestic resilience and public safety.

How the Home Office is responding to climate change

The Home Office has not consistently considered climate change when developing strategies addressing long-term issues. The *No Place to Hide: Serious and Organised Crime Strategy 2023–2028* acknowledges the threat of climate change in creating new opportunities for organised criminals to exploit vulnerabilities. However, neither *Freedom from Violence and Abuse: a cross government strategy for women and girls* nor *Protecting Lives, Building Hope: A Plan to Halve Knife Crime* reference climate change, despite the government's acknowledgment that **violent behaviour and domestic violence increase during extreme weather**.

The Home Office needs to be aware of climate impacts on its day-to-day operations. Physical sites, including those occupied by both asylum seekers and its employees, need to be able to cope with extreme weather. The Home Office assessed the climate risks to its properties in 2024-25. Its **Climate Change Action Plan** will first focus on properties deemed most at risk in the short to medium term. It will also embed climate risks into its property acquisition and management plans.

The Home Office has begun to consider how it will address the impact of climate change through its operations, including:

- adopting a Sustainable Construction BREEAM Policy in November 2024, to reduce embodied and operational carbon;
- developing a nature recovery plan to improve ecology across its estate;
- delivering the Home Office Digital Sustainability Strategy; and
- delivering its Social Value 25-30 Plan to strengthen social value in procurement and contracting.

Climate-related financial disclosures

HM Treasury introduced the Taskforce on Climate-related Financial Disclosures (TCFD) in 2023-24. Their purpose is to show how an organisation's sustainability-related risks, opportunities and impacts affect, and are affected by, its strategy, performance and outlook. The disclosures have been phased in over three years. In 2025-26, the Home Office's risk management disclosures were only **partially compliant**.

The Home Office measures its operational performance against the Greening Government Commitments for environmental sustainability. Published Greening Government Commitments only cover the period until 2025. They have not been updated for 2026.

Following its risk refresh in 2025-26, **the Home Office does not consider climate change a principal risk**, although it has done so previously. It considers climate-related factors alongside other sources of risk and integrates these into existing strategic and operational risks (Figure 6 on page 16).

The Home Office concluded the most significant climate-related impacts are likely to affect:

- migration;
- operational delivery;
- national security; and
- wider system resilience.

In its *Annual Report and Accounts 2025 to 2026*, the Home Office did not disclose how it intends to respond to these risks, noting it is seeking to embed climate risk-management at the Director Group-level. The Home Office recognised limitations in its TCFD disclosures, which it stated was due to limited resources, but that it is aiming to improve its climate change disclosures through its risk management framework.

National Audit Office insights

Our October 2024 report *Achieving environmental improvement and responding to climate change: enablers for success* highlighted the importance of creating a culture of commitment that integrates climate change into wider policy objectives.

We examined the progress central government has made implementing TCFD-aligned reporting in our November 2025 report *Implementation of climate-related reporting in central government annual reports*.

Resilience refers to the ability to anticipate, prepare for, respond to, recover from, and adapt to crises and disruptions. Moving away from a crisis-centric mindset towards one that identifies and prioritises risks and issues earlier would enable the Home Office and its partners to address existing challenges more effectively, adapt to emerging threats and build long-term resilience.

Responding to changing priorities

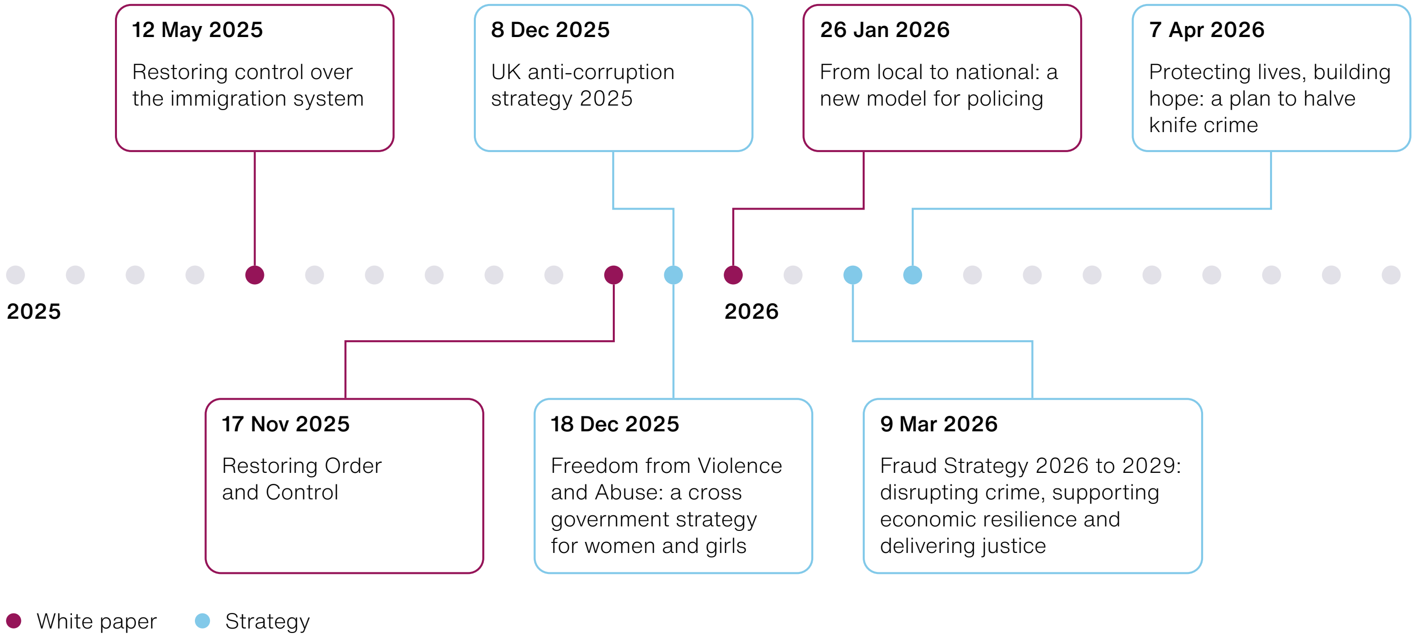
The Home Office operates in an evolving policy environment (**Figure 7**). It has set an **ambitious reform agenda**, with major policy change in immigration and policing.

We have previously recommended that the government move away from short-term, reactive fixes towards a sustainable whole-system approach. In November 2025, the then permanent secretary recognised **the Home Office's need to respond to crises had eroded the ability to focus on longer-term strategic thinking**.

Successful delivery of the Home Office's agenda will require a sustainable operating model with organisational resilience, capability and governance to support long-term change. Since April 2025, the Home Office has published four new strategies and laid three policy papers before Parliament resetting its strategic direction. In its *Annual report and Accounts 2025 to 2026*, the Home Office stated it had set a clear strategic direction during 2025-26 and was focusing on delivering its agenda.

Figure 7
Major Home Office publications since April 2025

Between April 2025 and April 2026, the Home Office published four new strategies and three white papers



Notes

1 Figure shows strategies and white papers laid before Parliament/published as a command paper by the Home Office between April 2025 and April 2026.

2 On 11 November 2025, the former Department for Science, Innovation & Technology (DSIT) published the strategy *Replacing animals in science*, the Home Office is responsible for delivering parts of this strategy. Following the July 2026 machinery of government change, the functions of DSIT will be redistributed across the Department for Business, Innovation, Science and Trade, the Department for Digital, Culture, Media and Sport and the Cabinet Office.

Source: National Audit Office analysis of strategies and white papers published by the Home Office

Taking a whole-system approach

Many of the Home Office's priorities require a cross-government, whole-system approach, with other departments and agencies delivering the operational response. Successful delivery will depend on the Home Office's ability to manage dependencies.

Our December 2025 report *An analysis of the asylum system* found that this had not been managed as a coherent, end-to-end system. Interventions were often **short-term and reactive**, focused on addressing pressures in one part of the system without a clear understanding of the impacts elsewhere. This contributed to **delays, rework and increased costs**, with improvements in one area shunting problems to another. As a result, the system has incurred significant costs – primarily on accommodation and support – that might have been avoided.

We found that improving resilience will depend on embedding a whole-system approach, in which departments establish shared objectives, manage trade-offs, and strengthen analytical capability to support joined-up decision-making. In November 2025, the government set out a range of reforms in its asylum policy statement, which represent a complex programme of change. Delivering these reforms will need coordinated, cross-government working. The key challenge will be to develop a **strategic and integrated approach that manages demand, flow and costs across the whole system**.

Similarly, our March 2026 report *Investigation into the Afghan resettlement schemes* recognised that the government, including the Home Office, had to operate in a particularly **complex and high-pressure situation with regard to resettling Afghan citizens**. We noted the lack of clear governance and shared information, which had likely **increased costs and worsened outcomes** for resettled people. The government made improvements three years into the scheme, in 2024. We recommended the lessons learned be applied in the design and operation of any future resettlement schemes.

Our forthcoming report *Recovery of the proceeds of crime* will also examine whether the Home Office is providing effective leadership across a complex system.

Delivering long term strategies

The Home Office needs to take a long-term approach when tackling many of the issues it faces.

In 2021, the government published its **10-year drugs strategy** *From harm to hope* to reduce drug use and drug-related crime and deaths. Our report highlighted that tackling the problems caused by illegal drugs is complex. Central and local government bodies are involved, ranging from police and law enforcement agencies, who seek to disrupt organised crime, to local authorities and service providers, who offer treatment and support to people with a drug addiction. We acknowledged the creation of the Joint Combating Drugs Unit and local partnerships and highlighted early progress, including closures of county lines and recruitment of additional drugs workers. We concluded that the issues are **complex and will require a longer-term, funded plan that delivers a joined-up, holistic government response**.

The government has committed additional funding since the first three years, with £310 million allocated to local authorities for treatment and recovery services in 2025-26. However, funding for future phases of the strategy – to build on initial progress and achieve long-term targets – is uncertain. A recent research report found **the programme had not yet achieved its aim of creating a world-class treatment system or a whole-system approach to alcohol and drugs.**[7] The threats posed by drugs are increasing – particularly synthetic opioids – and the 5,600 drug-related deaths in 2024 was a record high.

7 RAND, *Implementation of the Treatment and Recovery Portfolio of the 'From Harm to Hope' drug strategy in England*, 22 April 2026 (viewed on 17 July 2026).

Resilience *Continued*

In January 2025, we reported on the 2021 *Tackling Violence Against Women & Girls* strategy and the 2022 *Tackling Domestic Abuse Plan*. Our report found a lack of cross-government coordination between departments and highlighted the need to strengthen the evidence base for what works to prevent and reduce VAWG. In May 2025, the Committee of Public Accounts (PAC) raised concerns over whether the government's approach to **technology-enabled VAWG** was sufficiently agile to address the emerging threats posed online.

The cross-Government VAWG Strategy places a strong focus on preventing and combatting abuse that can occur online and through technology, including commitments to:

- ensure that intimate images that are taken, created or shared without consent are removed online; and
- encourage 'safety by design' of smart and connected technology to protect victims and survivors and stop perpetrators using this technology.

In June 2026, the government announced plans requiring technology companies to implement solutions on smartphones and tablets to detect and block nude images for children. Through the Crime and Policing Act, the government is also introducing further protections against intimate image abuse and closing loopholes on unregulated AI services, such as chatbots, by requiring them to protect people from illegal content and activity.

Continuing to fund research and evaluation despite funding pressures will be crucial to remaining resilient to emerging threats. The Home Office will need to demonstrate resilience to changes in senior leadership, ensuring it can **maintain momentum and leverage cross-government buy-in**, especially where risks and financial impacts are managed by other departments.

Workforce

The Home Office intends that **around 70% of its planned £533 million efficiency savings will be achieved through organisational and strategic workforce changes** aimed at allocating resources more efficiently, including modernising the way it works and reducing duplication in frontline roles.

In 2025-26, the Home Office employed the full-time equivalent (FTE) of around 56,000 people across its departmental group, costing £3.5 billion. This figure includes £3.4 billion spent on permanently employed staff, ministers and seconded staff, and £178 million on agency staff (**Figure 8**). **The Home Office's FTE is 43% more than in 2020-21 (around 39,000), it is around 850 (less than 2%) fewer than in 2024-25**.

In 2025-26, the Home Office spent **around £260 million on consultancy services and agency staff**, a reduction of £65 million on the previous year. Agency staff were retained primarily as a flexible resource to deal with backlogs in migrant casework, passport application, and asylum applications.

National Audit Office insights

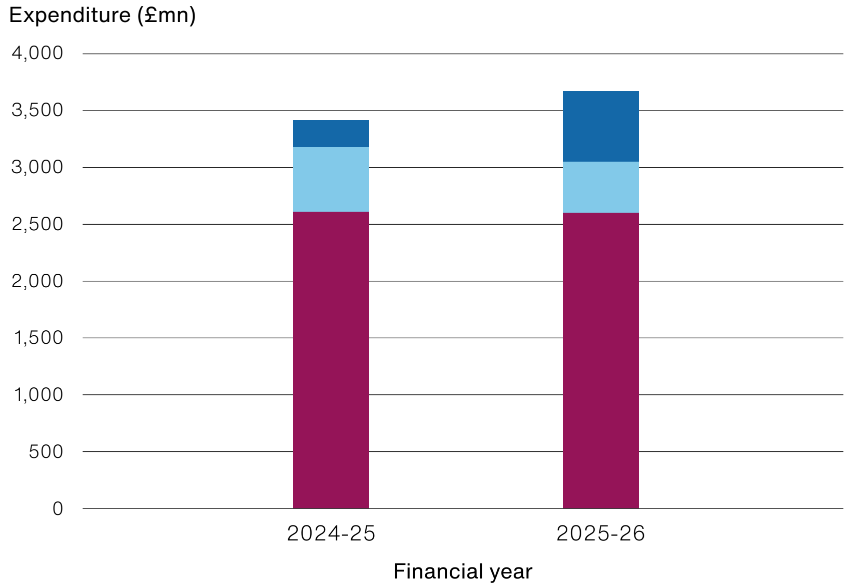
Our September 2025 guidance *Government workforce planning* is designed to help government organisations test the quality of their workforce planning.

Our November 2025 good practice guide *Using consultants in government* is designed to help organisations maximise value from the use of consultants.

Figure 8

Home Office departmental group spend on staff costs (including agency staff) and consultancy in 2024-25 and 2025-26

The Home Office departmental group total spend on staff costs, agency staff and consultants' fees combined has increased since 2024-25



	2024-25	2025-26
Departmental group net staff costs (£mn)	3,111	3,357
Departmental group agency spend (£mn)	212	178
Departmental group consultancy spend (£mn)	113	82
Departmental group total spend (£mn)	**3,436**	**3,617**

Notes

1 In line with HM Treasury's Financial Reporting Manual, 2024-25 numbers have been restated due to the machinery of government change that moved responsibility for fire to the Ministry of Housing, Communities & Local Government. Numbers shown are as if only the current responsibilities were applicable.

Source: National Audit Office analysis of Home Office, *Annual Report and Accounts 2025 to 2026*

Improving productivity

The Home Office is developing its business planning process to include a specific focus on productivity. During 2025-26, the Audit and Risk Assurance Committee began to challenge the Home Office on how it **defined and measured productivity**.

The Home Office has made productivity improvements in some specific service areas.

- Speeding up journeys for families by expanding access to eGates to include children aged 8 and 9 years and shift users to more streamlined/automated processes. The Home Office estimates that 1.5 million more children will be eligible to pass through eGates in the first year following the change, which occurred in July 2026.
- Allocating resources more efficiently by moving away from individual caseworkers taking asylum cases through their whole journey towards a chain of process elements, each with dedicated staff resources.

The Home Office will need to make productivity improvements in both its own operations and across its wider departmental delivery chain. Improving productivity will require a whole-system response (page 19). One area of challenge is policing.

Achieving improvements in police productivity

Our 2025 report on *Police productivity* examined how the Home Office is supporting police forces to improve their productivity and long-term financial sustainability. We found many examples of individual police forces adopting new approaches and using technology to improve performance, but, overall, **the rollout and adoption of new initiatives at a national level has been slow**.

We also identified the main barriers to improving productivity.

- An insufficient understanding of how new working practices could benefit forces due to inconsistent evaluations of pilots and lack of evidence on benefits.
- Slow progress in adopting new approaches due to the absence of a framework for scaling innovation, short-term funding allocations, and insufficient focus on embedding changes.
- A lack of standardisation across the 43 forces and absence of collective decision-making has discouraged the adoption of new technologies, led to duplication of working practices, and weakened forces' negotiating position with suppliers.
- The government's focus on maintaining officer numbers means police forces have less flexibility in how they use resources and often do not have the capabilities needed to support transformation programmes and embed new technology.
- Insufficient exploitation of digital and AI opportunities: The adoption of new digital technologies is critical to improving the productivity of policing. The Home Office has not yet determined the level of funding available from 2025-26. The complex governance and delivery arrangements can also lead to a lack of prioritisation and insufficient support for rolling out technology with the greatest potential.

We noted that the government's police reforms, including the creation of a National Police Service, have the potential to address some of the barriers to improving productivity. The Home Office published its *From local to national: a new model for policing* white paper in January 2026.

Digital transformation and AI

The Home Office is seeking to use technology, AI, data and standardised processes to reduce manual work, process cases faster and lower operating costs. Its *2030 Digital Strategy* explicitly commits to **increasing the use of AI and automation across departmental operations**. The Home Office's *Research, Development and Innovation Strategy 2025 – 2030* identifies AI as a major opportunity and a priority area for operational improvement. The Digital and Innovation Group is responsible for supporting this objective.

Digital transformation and the replacement of legacy systems is both costly and complex, with challenges typically increasing with the scale of operations. The Government Major Project Portfolio, which is managed by the National Infrastructure and Service Transformation Authority (NISTA), now includes seven Home Office projects, of which three include a significant digital element and all of which have been rated **'Amber'** by NISTA (**Figure 9** on page 24).

The Home Office has begun incorporating the use of AI as part of its **digital by default ethos**.

- In November 2025, the Home Office began tendering a contract valued at £816 million (VAT inclusive) for fully remote English tests as part of a move towards a digital-by-default approach.
- It is planning to increase the use of AI systems in its surveillance of small boat crossings as part of its £100-million (VAT exclusive) coastal maritime intelligence, surveillance and reconnaissance service.
- In February 2025, it signed a multi-million pound contract to support and improve the technology infrastructure underpinning its Migration and Borders Technology Portfolio.

Like the rest of the government, **the Home Office has struggled to deliver digital change to time and budget**.

- Our March 2025 report *Immigration: Skilled Worker visas* noted that, while the Home Office was making progress in modernising the **Skilled Worker visa system**, its planned transformation of the sponsorship system had been delayed, with the replacement of the existing system extended from 2023 to 2028.
- The Home Office planned to move the **Police National Database** (PND) to the cloud to improve resilience of digital services. The new service was expected to go live in summer 2025. However, in early 2025, **the Home Office decided the programme was no longer value for money, and it now plans to bring the service in-house**. The Home Office recognised that the age and complexity of the legacy structure remain a risk. It expects to spend £20 million upgrading the system and extending its service life by five to 10 years. Along with annual running costs, the total cost for the remainder of the service life is expected to be £125 million to £263 million (assuming 2% yearly inflation). The Home Office recognised a **constructive loss of £35 million** in its 2025-26 accounts in relation to the PND programme.

Figure 9

Current Home Office digital transformation projects

The National Infrastructure and Service Transformation Authority (NISTA) has rated all three of the Home Office's digital transformation projects as 'Amber' in 2025-26

	Estimated completion date			
Digital transformation project	**Original**	**Latest**	**Rating at 31 March 2026**	**Description**
Emergency Services Mobile Communications Programme (ESMCP)	2019	2030	'Amber'	The programme aims to replace the Airwave communications system used by emergency services with a new 4G Emergency Services Network (ESN) enhanced to meet the public safety requirements for coverage, functionality, availability and security. We reported on the risks associated with the programme's ambitious technology and timetable, and its commercial approach, which have created significant delays and additional costs. In late 2024 the Home Office awarded EE/BT Ltd and IBM Ltd the contracts for mobile and user services, respectively; it must actively manage these contracts to prevent further delays. The Home Office reports that ESN will be "Full Voice Service Ready" by the second quarter of 2028, at which time emergency services will begin transitioning away from Airwave, with complete transition targeted by the end of 2029. The Home Office has incurred costs of £1.1 billion due to the delay in the shutdown of Airwave from December 2026 to December 2029.
Future Border and Immigration System Programme (FBIS)	2025	2027	'Amber'	A transformation programme designed to deliver a digital border and immigration system. The programme's top priorities include delivering eVisas, Electronic Travel Authorisation (ETAs), Routes and Applications Transformation, and Border Vision. During 2025, the programme implemented the first and second phases of eVisas and launched ETAs. ETA and eVisa enforcement was implemented in February 2026; the Home Office claims ETAs have generated over £383 million as of January 2026. The Home Office plans to make facial comparison technology available at more ports following the contactless eGate pilot at Manchester airport.
Law Enforcement Data Service (LEDS)	2020	2026	'Amber'	LEDS was launched in 2016 to replace the police national computer (PNC) and police national database (PND). In 2020, the Home Office removed the PND from the scope of the programme. LEDS is designed to provide continuity of core functionality while introducing enhanced capabilities, including image sharing, geo-location data and automated alerts, enabling more effective access to and use of information across law enforcement. The PNC, which has been in operation since 1974, underpins critical policing activities, including arrests, traffic enforcement, and safeguarding interventions. However, as an ageing system originally designed for an earlier technological environment, it is increasingly complex and costly to maintain and is less able to meet evolving operational and security requirements. LEDS provides a platform that supports more integrated, intelligence-led policing and is designed to evolve over time in line with operational needs. By transitioning from legacy infrastructure to a modern data service, the programme aims to improve system resilience, data accessibility, and the ability to respond effectively to emerging threats.

Notes

1 The figure reflects the Government Major Projects Portfolio, which was revised from April 2026 and reduced the number of Home Office major projects from 16 to seven.

2 The figure includes projects assessed by the National Audit Office as being wholly or substantially digital.

3 The figure is based on publicly available information. NISTA ratings are taken from the NISTA *Major Projects Annual Report 2025/26*, July 2026.

4 NISTA ratings are categorised into three groups, 'Red', 'Amber', and 'Green', and indicate the likelihood of successful delivery and the level of associated risks. A rating of 'Amber' means successful delivery appears feasible, but significant issues already exist, requiring management attention. These appear resolvable at this stage and, if addressed promptly, should not present a cost/schedule overrun.

Source: National Audit Office analysis of National Infrastructure and Service Implementation Authority (NISTA), *Major Projects Annual Report 2025/2026* and publicly available information

What to look out for

National Audit Office summary of some expected developments against the Home Office's objectives.

Increase control and fairness in the Migration and Borders system to strengthen border security

The Government's 2026 legislative programme indicates further Home Office reforms, including the **Immigration and Asylum Bill 2026**, which is passing through the House of Commons. The Bill will enact changes to immigration and asylum, including:

- speeding up the immigration appeals process through creation of the Independent Appeals Authority;
- tightening the use of Article 8 of the European Convention on Human Rights; and
- requiring some refugees to repay part of the cost of accommodation and financial support they received – the Home Office has suggested this could be around £10,000 in each case.

Further immigration reforms are expected, including changes increasing the standard qualifying period to be granted **indefinite leave to remain**. The government ran a consultation on the proposed changes between November 2025 and February 2026, but the output has not yet been published. The Home Affairs Select Committee examined the proposed changes, publishing its report in March 2026.[8]

Deliver safer streets, prevent crime, reduce serious harm, and increase public confidence in policing and the criminal justice system

The Home Office plans to publish and implement the **Cyber Crime Strategy** to strengthen its response to cyber crime. The **Economic Crime Plan 2 2023–2026** comes to an end in 2026 and will be replaced.

Under the Proceeds of Crime Act 2002, the government has the power to recover criminal assets, including cash and assets. Our report *Recovery of the proceeds of crime*, publishing in spring 2027, will examine whether the UK's asset recovery system is efficient and effective at maximising the recovery of the proceeds of crime.

An independent review of **public order and hate crime** legislation was announced by the Home Secretary in October 2025 with a final report that was expected by February 2026; no report has been released as yet.

In February 2026, the Home Office closed its consultation on the legal framework for using **biometrics and facial recognition** in law enforcement. The outcome is not yet available.

The Immigration and Asylum Bill 2026 also enacts changes to **modern slavery legislation** intended to prevent modern slavery and support victims through preventing misuse and delays, increasing the power of law enforcement and increasing supply-chain transparency.

Reduce homeland security risks to the UK's people, prosperity, and freedom

Phase 1 of the Southport Inquiry was published in April 2026. It concluded that the July 2024 attack was both foreseeable and avoidable, highlighting failures in risk ownership and information sharing, and a lack of oversight and of understanding of the perpetrator's behaviour and parental failure. In July 2026, the government accepted all recommendations for central government. The **Southport Inquiry phase 2** will examine broader systemic issues, including the effectiveness of current systems in place. Phase 2 is expected to conclude and produce a report to the Home Secretary by May 2027. Our report *Reducing Radicalisation: The Prevent Programme* will publish in autumn 2026 and examine whether the Prevent programme is meeting its objective to intervene early and support people susceptible to radicalisation.

National Audit Office reports

Our other forthcoming work relevant to the Home Office.

- *Risk-management in government: improving capability and decision-making*, publishing in autumn 2026, will report on how well government bodies set clear roles, accountability and leadership for managing risks.
- *Procurement innovation in government*, publishing in spring 2027, will explore how departments balance risks and opportunities, and whether current practices enable a proportionate and effective approach to risk management, including the use of pilots, trials and portfolio approaches to innovation.

8 Committee of Home Affairs, *Earned Settlement: Examining the Government's proposed reforms*, Sixth Report of Session 2024–26, HC 1409, March 2026.

About the NAO

The National Audit Office (NAO) is the UK's independent public spending watchdog and is responsible for scrutinising public spending for Parliament. We audit the financial accounts of all departments, executive agencies, arm's-length bodies, some companies and charities, and other public bodies. We also examine and report on the value for money of how public money has been spent.

The NAO is independent of government and the civil service. The NAO's wide remit and unique access rights enable us to investigate whether taxpayers' money is being spent in line with Parliament's intention and to respond to concerns where value for money may be at risk.

We support all Members of Parliament to hold government to account, and we use our insights to help those who manage and govern public bodies to improve public services.

We produce reports:

- on the annual accounts of government departments and their agencies;
- on the economy, efficiency and effectiveness with which government has spent public money; and
- to establish the facts where there are concerns about public spending issues.

We do not question government policy objectives. We look at how government has spent money delivering those policies and if that money has been used in the best way to achieve the intended outcome.

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About this report

This report has been produced to provide an overview of the NAO's examination of the spending and performance of the Home Office.

It is intended to support the Home Affairs Select Committee and members across the House in their examination of the Home Office.

This report updates our previous report, An Overview of the Home Office 2024-25 published on 1 October 2025.

How we have prepared this report

The information in this report draws on the findings and recommendations from our financial audit and value-for-money work, including the annual report and accounts of the Home Office and its partner organisations. In some cases, to provide the most up-to-date information, we have drawn on information from publicly available documents. We have cited these sources throughout the guide to enable readers to seek further information if required.

Where analysis has been taken directly from our value-for-money or other reports, details of our audit approach can be found in the Appendix of each report, including any evaluative criteria and the evidence base used. Other analysis in the guide has been directly drawn from publicly available data and includes the relevant source as well as any appropriate notes to help the reader understand our analysis.