

Accounting Officer Assessment: FBIS Programme

- **Background and context**

It is normal practice for Accounting Officers to scrutinise significant policy proposals or plans to start or vary major projects, and then assess whether they measure up to the standards set out in Managing Public Money. From April 2017, the Government has committed to make a summary of the key points from these assessments available to Parliament when an Accounting Officer has agreed an assessment of projects within the Government's Major Projects Portfolio.

- **Summary**

The Future Border and Immigration System (FBIS) programme is delivering HMG's strategy for legal migration and border control, underpinned by the ambition to put in place the world's most effective and secure border system that: recognises and values the contribution legal migration makes to our country; is simple to understand and operate; and prioritises public protection, by making our borders more secure. The Programme has delivered several significant milestones to date, including some new routes as well as the initial rollout of the Electronic Travel Authorisation (ETA) scheme.

Overall, the main challenge for the Programme is to continue to deliver at pace, on time and on budget, building on the foundations it has put in place. Given the low level of risk and uncertainty set out in this advice, as well as the Programme's track record of successful delivery to date, I consider that the FBIS programme conforms to all four Accounting Standards of regularity, propriety, value for money and feasibility.

- **Regularity**

The FBIS Programme is funded in accordance with the Supply and Appropriation Act and the annual vote to implement government policy.

The FBIS programme relies on existing primary legislation, and in particular the Immigration Act 1971 provides the basis for the regulation of entry and stay in the UK. The Immigration Rules, which are laid before Parliament under section 3 of that Act, set out the practice that will be followed. Changes to the scope and operation of the immigration system are made through the Immigration Rules and a framework of secondary legislation as required.

We ensure there is a fit for purpose UK immigration system following the UK's exit from the European Union and the ending of free movement for EEA nationals through the Immigration and Social Security Co-Ordination (EU Withdrawal) Act 2020.

Biometrics, in relation to applications to come to the UK, are collected under the UK Borders Act 2007 and the Nationality, Immigration and Asylum Act 2002.

As the Programme is well-established, the Programme has Ministerial meetings as appropriate to discuss policies, design, and delivery – this ensures that ongoing Ministerial approval is sought and maintained for key elements of the Programme.

The Programme has well-established and robust governance and assurance processes in place, including approval of the Programme Business Case (PBC) by the Home Office InvestCo, the Major Projects Review Group (MPRG), regular interactions and reviews by the Infrastructure and Projects Authority (IPA). FBIS is a part of the Government Major Projects Portfolio (GMPP) and reports quarterly to the IPA. As part of the most recent Gate 0 review conducted by the IPA in January 2024, the Programme was given a rating of “Amber” and received no critical recommendations.

Internally, we have a clear structure of Programme and Project Boards and a Finance and Workforce Committee that meet regularly to monitor delivery, manage dependencies, mitigate risks, and ensure compliance with financial management requirements.

The Programme is not considered novel, contentious, or repercussive, so HMT approval has not been sought on that basis.

Affordability

As part of the Departments Spending Review 2021 settlement, funding for the programme was agreed for 3-years, meaning the Programme currently has approval to spend until the end of 2024/25. Remaining years investment will be considered as part of subsequent Spending Reviews, the first of which is underway. Spending Review 2024 (Phase 1) was fed into by the Programme in September 2024. Subsequently the budget for 2025/26 will be announced at the end of October 2024. A multi-year Spending Review is expected to follow in the Spring of 2025.

There is an overall funding expenditure of £3,557m over the next 10 years. This consists of £454m for Capital costs, £190m for Resource Implementation costs, £2,913m of Resource BAU costs (including depreciation, optimism bias and contingency). This is offset by the expected income and benefits of £7,662m across the 10-year period and means that the Programme expects to deliver surpluses from 2025/26.

The programme is currently seeking HMT approval of the 24/25 Programme Business Case (PBC), in conjunction with sharing this Accounting Officer note. The programme therefore **conforms to the Regulatory Accounting Officer standard**.

Regularity summary:

There is a framework of legislation underpinning the regulation of immigration, in particular the Immigration Act 1971 (which the Immigration Rules are laid under), the Immigration and Social Security Co-Ordination (EU Withdrawal) Act 2020 and the Nationality and Borders Act 2022.

Funding for the Programme up to 2024/25 was approved and provided as part of the Department's Spending Review and we expect the variances to be manageable within the Programme's budget.

I therefore consider it to **conform to the Regularity Accounting Officer standard**.

- **Propriety**

The FBIS programme is at the heart of improvements to the UK's legal migration system – underpinning our ambition to create an effective border and migration system.

We are creating a streamlined, digital immigration system which will be quicker and more secure for the millions of people who pass through each year and will enhance the security of the UK. This will include a digital approach to applying for permission to travel, proving identity and immigration status, crossing the border, and demonstrating entitlements in the UK.

To ensure our new system is simple to understand and operate, we are putting the customer at its heart, ensuring it is easier to navigate and digital by default. It is a global system that treats its customers as individuals, making it fairer and simpler while continuing to ensure that the opportunities for legal migration to the UK are not abused. This includes transformation of our sponsorship system for employers and educational establishments.

Through the FBIS programme, we are developing a fully digital immigration system. A key part of this is replacing most physical immigration documents such as Biometric Residents Permits (BRPs), Biometric Residence Cards (BRCs) and wet ink stamps with eVisas by the end of 2024. Later in 2025, visa vignette stickers (including those for visitors) will also be replaced by eVisas. This transition to a digital system affects everyone who has a current immigration status in the UK and new customers who apply in future.

Our system will prioritise public protection, by making our borders more secure and transforming the border with visible changes to security measures, queue times and passenger experience. We will achieve this by understanding more about people coming to the UK before they travel, enabling us to manage flow and interventions at the border based on individual circumstances and seek to reduce queues. We will maximise the use of pre-travel interventions to prevent harmful people reaching our border in the first place with the ETA (Electronic Travel Authorisation) implementation

underway. Most people crossing the UK border will experience an eGate style arrival using automation as their only point of contact at the border. Eventually we want the border experience to be contactless for most people.

These principles ensure that UK citizens and others who are in the UK legally have confidence in the effectiveness and efficiency of our system. We are committed to openness and transparency in understanding the impact of the points-based system and published a revised Equality Impact Assessment in February 2022.

Governance structure

The Governance structure for FBIS is as follows:

- **Government level:** Number 10/Cabinet Office. There are periodic deep dive challenges on the Programme's delivery.
- **Ministerial Level:** The Programme engages as appropriate with Home Office Ministers.
- **Home Office Corporate level:** The Programme attends Investment Committee (InvestCo) annually.
- **Group level:** The Migration and Borders Transformation Board (MBTB) continues to provide challenge on delivery of agreed Programme scope and performance in line with the vision for the end state architecture.
- **FBIS Programme Board:** SROs holding Delivery Directors/Managers to account.
- **Simplify, eVisa Delivery, Customer & Channel Delivery, Caseworking Capability Delivery and Digitise Pillar Boards:** Delivery Directors holding project managers to account.

Financial management

Funding for the programme was provided from HMT as part of the Spending Review. Funding is then allocated via Home Office InvestCo, which approves business cases and provide a level of scrutiny and challenge to ensure the programme is aligned with Ministerial commitments.

Risk management

The Programme has a comprehensive RAID management strategy that aligns with the Government Functional Standard for Project Delivery.

Programme level risks and issues are updated monthly and reviewed by the FBIS Programme Board to ensure focus is on the right risks and to ensure good progress is made on mitigations to drive down risk scores in line with risk appetite.

Key FBIS risks are highlighted in the feasibility section of this document.

Propriety summary:

In summary, I consider FBIS strategy and direction aligns with Government commitments. I believe there is adequate governance in place to adhere to the principles documented in Managing Public Money and **conform to the Propriety Accounting Officer standard**.

- **Value for Money**

Delivery of the FBIS programme outcomes will provide the United Kingdom with significant financial and non-financial benefits. The latest PBC provided a detailed assessment against our preferred option. The Net Present Social Value (NPSV) of FBIS is £2,746m (inclusive of optimism bias (OB) but not contingency, over 10W years, 2024/25 prices).

The preferred option includes £572m of implementation costs over the appraisal period. Operational costs (ongoing costs) are £1,956m over the appraisal period but these costs are lower than they otherwise would be, due to operational efficiencies from doing FBIS vs. not doing FBIS, reported in the paragraph below.

FBIS quantified benefits

Benefits include visa fee income (£3,652m), income from ETAs (£1,886m), operational efficiencies, public sector benefits and wider social benefits. Total benefits for the programme are estimated at £5,704m.

Summary of quantified benefits as they appear in the FBIS PBC'24 Economic Case covering the appraisal period of financial year 2024/25 to 2033/24 are presented in the following table, with further narrative below:

Ref	Benefit Name	PBC'24 Economic Case (incl. OB and Discounted)
1	Visa Fee Income	£3,652m
2	ETA Income	£1,886m
3	Sponsorship Reduced Admin Burden	£66m
4	Sponsorship Quicker Decisions	£53m
5	Caseworking Operational Efficiency & Commercial Saving, and Call Centre Demand Reduction (eVisa)	£24m
6	Upstream Detection	£8m
7	NiNo Transformation Efficiency	£7m
8	Sponsorship Operational Efficiency	£5m
9	eVisa Operational Efficiency	£3m
10	Group Reference Number	£0.2m

The full rollout of ETAs is expected to bring in significant income as c. 32 million applications are expected per year. The benefit has been estimated at around £1,886m over the appraisal period (2). With the full rollout of ETAs, in addition to the ETA fee income there is a fiscal disbenefit estimated at -£430m.

Investment will enable DDaT to provide an automated solution so that customers with chipped documents can do Update my Details (UMD) without manual intervention from October 2024. Likewise, enabling certain customers who have lost their details to recover accounts online instead of via a Home Office agent will realise FTE efficiencies from August 2024. The benefit has been estimated at around £3.4m over the appraisal period (9).

Operational efficiency benefits through the delivery of Differentiation and Workflow products in Caseworking teams. Additionally, an in-house interview booking system for asylum interviews, which will remove the need for an outsourced contract in asylum (currently JRNI). Customer Journey Support (CJS) will serve to reduce the additional number of customer queries expected due to Standalone Account Registration (SAR) and new flow eVisa digital fulfilment queries, resulting in operational savings at contact centres and lower costs associated with outsourced contact centres (currently serviced by Teleperformance). The benefit has been estimated at around £24m over the appraisal period (5).

The roll out of Group Reference Number (GRN) linking to work (including temporary work), study and settlement routes in FY 2025/26 will lead to an FTE benefit for Home Office caseworkers from automating the linking of dependents to their main applicants. The benefit has been estimated at around £0.2m over the appraisal period, with the benefit arising from 2025/26 onwards (10).

Once ETAs are enforced, anyone travelling to the UK will require a permission to do so, in the form of their British or Irish passport, an ETA or an eVisa. Carriers will receive digital confirmatory messages, on immigration status, for every passenger travelling to the UK, on all routes. Anyone without a valid digital or physical permission to travel to the UK will be refused boarding and will not reach the UK border, meaning a reduction in Inadequately Documented Arrivals at the border, resulting in both security and efficiency benefits – estimated at £8.0m over the appraisal period (6).

There will be a benefit to the UK exchequer from faster sponsorship decisions on visa applications. This benefit assumes that migrants on a Skilled Worker visa arrive in the UK earlier and therefore start their fiscal contribution earlier, due to the faster decision. The benefit has been estimated at around £53.3m over the appraisal period, with the benefit arising from 2026/27 onwards (4).

There will be a reduced admin burden to sponsors when sponsoring migrants due to a more efficient sponsorship system (this benefit is based on the cost per sponsor of reading the sponsorship guidance and the cost to the sponsor per migrant of preparing evidence for the CoS). The benefit has been estimated at around £65.5m over the appraisal period, with the benefit arising from 2026/27 onwards (3).

Delivery of the Transformed Sponsorship system is also expected to provide FTE benefits because of efficiency savings to casework teams due to increased productivity through a) the use of new proving tools; b) automation and streamlining of checks; c) a new Caseworking system (ATLAS); and d) removal of certain processes (requiring policy sign-off). The expectation is that this would not result in a reduction in headcount, but rather the extra FTE would be used to deliver a more compliant system. The benefit has been estimated at around £5.3m over the appraisal period, with the benefit arising from 2026/27 onwards, but likely not fully realised until FY 2027/28 (8).

The National Insurance Number (NiNo) checking automation project will lead to FTE efficiencies to Department for Work and Pensions (DWP) caseworkers. The benefit has been estimated at around £1.7m over the appraisal period if only in country routes are rolled out and £6.6m if out of country routes are also rolled out (7).

FBIS non-quantified benefits

The Programme is also delivering a multitude of unquantified benefits, which contribute to the following overarching themes:

- Efficiency and Effectiveness: benefits in terms of improved efficiency and effectiveness of the systems used by the Home Office.
- Security and Criminality: benefits from improved security and reduced criminality risks.
- Customer Experience: improving the customer experience, through simplifying the application process, or reducing the number of errors/refusals.

Non-quantified costs and disbenefits

Any change could result in unintended behavioural consequences. Tightening one route can always lead to uncompliant behaviour in a different form. For example, travellers may be displaced into other routes rather than being deterred i.e., from air passenger routes to tourist maritime and rail routes.

A further potential behavioural impact is the potential for visitors to be deterred through the introduction and wider rollout of ETAs. While Home Office research on the evidence of a price elasticity of demand for visas has found the demand for visas to be relatively inelastic to changes in its price, the introduction of ETAs has the potential to work against some of the positive behavioural response expected from making the customer journey more attractive. The Programme currently estimates the net disbenefit of ETAs to be - £430m.

Value for Money summary:

FBIS is based on a combination of process and policy transformation which result in a strong positive net present social value to the UK. This delivers monetised and non-monetised benefits, meets the Government's manifesto commitments and 2025

Border Strategy, and is strategically aligned to proposals set out within our Ministerial commitments.

Taking account the assessment provided, overall, I consider FBIS is a sound use of public funds that will deliver significant financial and non-financial benefits to the United Kingdom and that it **conforms to the Value for Money Accounting Officer standard**.

- **Feasibility**

The Programme continues to maintain momentum to deliver on its objectives and outcomes.

The major progress made in the past 12-months has been the Programme's delivery of the initial phase of the Electronic Travel Authorisation (ETA) scheme. Launched on the 25th of October 2023, the scheme opened to Qatari nationals, with the scheme since extended (on 22nd Feb 2024) to nationals of Bahrain, Kuwait, Oman, United Arab Emirates, Saudi Arabia, and Jordan who are travelling to the UK. As a landmark deliverable for the Programme, it demonstrates the Home Office's commitment to transforming and digitising the UK border, enabling an increasingly seamless customer experience in the future for the millions of legitimate visitors who come to the UK.

Beyond the delivery of the initial phases of ETA, the Programme has also delivered several further milestones, including:

- Increased use of automation by expanding the use of eGates to 10–12-year-olds at all ports.
- Automation of messaging to carriers on which passengers have permission to travel to the UK.
- Several enhancements to the EU Settlement Scheme.
- Launched eVisa onboarding Public Beta.

The Programme has delivered foundational capabilities that will enable the Home Office to transition millions of customers to a digital visa and decommission the use of physical documentation as part of the eVisas rollout. For example, we have:

- Made major progress on the roll out of eVisas to all BRP holders.
- Enabled biometric reuse on several routes.
- Extended status checking APIs to Social Security Scotland, the DVLA and Local Authorities.
- Made improvements to status accuracy and development and implementation of biographic matching capability.
- Made enhancements to the customer account to support wider roll out of eVisas.

The eVisa rollout is providing a streamlined customer user experience as it means they do not need to physically attend to collect documents.

Key future deliverables

The Programme's key priorities and deliverables for the remaining years will be focussed on:

- Continuing ETA rollout and Carrier Integration,
- Delivering and rolling out eVisa capabilities,
- Rolling out a new Sponsorship system,
- Implementing the technical capability required for the Home Office's Border Vision

The Programme has deliverables such as eVisa and wider ETA rollout are essential components to deliver Home Office a fair and controlled legal migration system. The increased scope for the Programme in the past few years in response to other high profile urgent Government commitments has resulted in prioritisation of key outcomes and an agreed delay to lower priority deliverables. Therefore, further time is required to achieve these key deliverables and the Programme requires an extension until March 2027.

On the Border Vision deliverables, we will build the capabilities for the remaining elements within Digitise (i.e., intelligent border and contactless for eGate, Person Control Point (PCP) capabilities, Semaphore System replacement, Counting in and Counting out tactical solutions and Enhanced Watchlisting capabilities), before handing these to BAU to roll these capabilities out.

Key risks

Like any programme, there are several risks that must be managed and mitigated against. The top risks for the Programme include:

- There is a risk that our transformation ambition is not matched by the required **robustness and stability of our systems**,
- There is a risk that not enough time and capacity is invested in resolving **technical debt** and increasing **resilience**, with increased likelihood of critical incidents at the border, data inaccuracies and reputational damage.
- There is a risk that the plan is full, and that any delays to delivery of FBIS milestones or external dependencies will continue to have knock-on impacts on other areas of the Programme.
- There is a risk prioritisation of delivery of items outside of FBIS may impact our delivery plans.
- There is a risk that unmovable deadlines within the plan carry substantial operational, reputational and customer impact if not met.

Lessons learned

- FBIS conducted a comprehensive 'lessons learned' exercise at the end of its first tranche of delivery.
- A PBC'24 Lessons Learned exercise is in progress and we will continue to undertake lessons learned sessions at key delivery points. This is fundamental to ensure we continue to learn and improve delivery as we approach our milestones.

Feasibility summary:

Although there is ongoing risk being managed by the Programme our current delivery confidence remains "amber". Therefore, the proposal above **meets the AO test of feasibility** as we remain on track to deliver FBIS outcomes.

10. Conclusion

As the Accounting Officer for the Home Office, I considered this assessment of FBIS and approved it on the 16 October 2024. This assessment has been approved by the CPO, DDaT Director, Chief Economist, and Finance Director.

I have prepared this document to set out the key points which informed my decision. If any of these factors change materially during the lifetime of this project, I undertake to prepare a revised version, setting out my assessment of them.

This document will be published on the government's website (GOV.UK). Copies will be deposited in the Library of the House of Commons, and sent to the Comptroller and Auditor General, Treasury Officer of Accounts and Chair of the Public Accounts Committee.

Sir Matthew Rycroft KCMG CBE
Permanent Secretary