



Office of the Immigration Services Commissioner

# Annual Report and Accounts 2010/11

Incorporating the Commissioner's Report on regulation by  
Designated Professional Bodies of their members



# **Office of the Immigration Services Commissioner Annual Report and Accounts**

**1 April 2010 to 31 March 2011**

**Incorporating the Commissioner's Report on regulation by Designated  
Professional Bodies of their members**

Annual Report presented to Parliament pursuant to paragraph 21(3) of Schedule 5 to the Immigration and Asylum Act 1999.

Accounts presented to Parliament pursuant to paragraph 20(3) of Schedule 5 to the Immigration and Asylum Act 1999.

Ordered by the House of Commons to be printed 18 July 2011.

HC 1123

London: The Stationery Office

£20.50

© Office of the Immigration Services Commissioner (2011)

The text of this document (this excludes, where present, the Royal Arms and all departmental and agency logos) may be reproduced free of charge in any format or medium providing that it is reproduced accurately and not in a misleading context

The material must be acknowledged as Office of the Immigration Services Commissioner copyright and the document title specified. Where third party material has been identified, permission from the respective copyright holder must be sought.

Any enquiries regarding this publication should be sent to us at  
Office of the Immigration Services Commissioner.

This publication is also available for download at [www.official-documents.gov.uk](http://www.official-documents.gov.uk). This document is also available from our website at [www.oisc.homeoffice.gov.uk](http://www.oisc.homeoffice.gov.uk)

ISBN: 9780102972122

Printed in the UK for The Stationery Office Limited  
on behalf of the Controller of Her Majesty's Stationery Office

ID P002431975 07/11

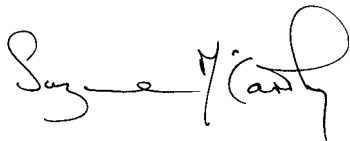
Printed on paper containing 75% recycled fibre content minimum

## **Annual Report and Accounts of the Office of the Immigration Services Commissioner**

The Rt Hon Theresa May MP

Madam,

I have great pleasure in submitting the Annual Report and Accounts of the Office of the Immigration Services Commissioner as required by paragraph 21(3) of Schedule 5 to the Immigration and Asylum Act 1999. The Report covers the period 1 April 2010 to 31 March 2011.

A handwritten signature in black ink, appearing to read 'Suzanne McCarthy', with a large, stylized flourish at the end.

Suzanne McCarthy  
Immigration Services Commissioner and Accounting Officer  
Office of the Immigration Services Commissioner  
Counting House  
53 Tooley Street  
London, SE1 2QN

24 June 2011

---

# Contents

---

<b>Foreword</b>	<b>3</b>
<b>Annual Report</b>	<b>5</b>
<b>Chapter 1: Commissioner's Statement</b>	<b>5</b>
<b>Chapter 2: The organisation</b>	<b>10</b>
<b>Chapter 3: Statistical report</b>	<b>16</b>
Regulation of immigration advice	16
Complaints	21
Investigating illegal activity	24
<b>Chapter 4: Key Performance Indicators</b>	<b>27</b>
<b>Chapter 5: Governance</b>	<b>32</b>
<b>Chapter 6: Remuneration report</b>	<b>33</b>
<b>Annex A: OISC publications</b>	<b>37</b>
<b>Annex B: Glossary</b>	<b>38</b>
<b>Statement of Accounts 2010/11</b>	<b>41</b>
<b>The Commissioner's Report on regulation by Designated Professional Bodies of their members</b>	<b>75</b>

# Foreword

Like all non-departmental public bodies, the period since the May 2010 General Election has been one of uncertainty for the OISC. Francis Maude's October 2010 Ministerial Statement made it clear that the OISC's future was undecided and that various options were being considered including possible merger. My Office is assisting officials and Ministers in coming to a decision which will ensure that the OISC's valuable functions continue to be delivered in an effective way.

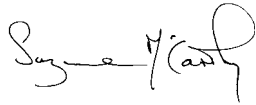
What is clear is that the Coalition Government, like the Labour Government before it, is seriously committed to continued and strong regulation of the UK's immigration advice and services sector, and I warmly welcome the statements that Damian Green, the Minister for Immigration, has made confirming this. Regulation of the immigration advice industry remains vitally important both to those needing good advice and to others – Government, particularly the UK Border Agency (UKBA), the Home Office, the Ministry of Justice, and the Judiciary – who rely on those considering or pursuing immigration applications or appeals receiving good advice. Regardless of the final decision taken on the OISC's future, noting the time that will be needed to implement whatever changes are required, the OISC will continue as the sector's regulator for the foreseeable future.

I remain firmly convinced that the OISC is a necessary component in ensuring the existence of a well regarded professional immigration service community, and we have not let discussions about the Office's future cause us to falter in our delivery of good, proportionate and robust regulation or in finding ways to work more efficiently and effectively. Notwithstanding that our workload continues to expand while our resources are squeezed ever tighter, we have been able, as explained in this Report, not only to cope with this pressure, but also to respond to it in positive and constructive ways. Economic restrictions always do, however, place eventual limitations on what can be done by any organisation. The reduction in our budget means that in 2011/12 and beyond we will be forced to make increasingly difficult choices about how we allocate our finite resources, recognising that our first priority is to deliver our statutory duties.

I was pleased to accept the offer of reappointment made to me by the Home Secretary and by her decision to appoint a new Deputy Commissioner. I believe that in taking these decisions she has given the organisation the essential stability it needs for the immediate future. I was delighted when Dr Ian Leigh joined us in February 2011, and everyone at the OISC is looking forward to working with him.

---

Given the volatile background in which we now operate, and with a keen awareness of the increasing pressures that my Office faces, I remain justifiably proud of what my staff have achieved and am humbled by their inexhaustible commitment to their valuable work. I have no doubt that they will successfully ensure that the OISC meets whatever challenges the future may bring.



Suzanne McCarthy  
Immigration Services Commissioner  
24 June 2011

# Chapter 1: Commissioner's Statement

## Introduction

Every UK Government since the 1997 Labour administration has been committed to controlling tightly who can provide immigration advice and services in this country. The 1999 Immigration and Asylum Act made it a criminal offence to give immigration advice outside of that Act's requirements. The UK acted as a world leader in creating the OISC, and remains a prime mover towards regulation of immigration advice and services.

I warmly welcome the opportunity this Report gives me to describe the important work the OISC is doing as a regulator, complaint handler and law enforcer within the difficult economic circumstances in which it, like other public sector bodies, is currently operating. In my Foreword I explained that the OISC's future remains undecided. That uncertainty has not, however, blighted my organisation's efforts in the past year to keep evolving and improving regulation of the sector for which it has responsibility.

## Increase in the OISC's Workload

It is helpful to put the OISC's situation in context. The work done by my Office has appreciably expanded over the past decade presenting heavy challenges for the OISC, an organisation which does not have massive resources or large staff numbers. Last year's Report described our Reform and Remodel and our Themis (OISC database) projects. The changes introduced as a result of those initiatives have helped us to absorb the increase in workload and have also allowed us to direct more of our valuable senior caseworker time towards auditing organisations both within the scheme and wishing to join. In previous years we targeted our audits mainly at Advice Level 2 and 3 organisations, recognising that, as these firms were authorised to do the more complicated work, they posed a potentially higher risk for clients. While retaining the need to audit where there is the potential for greater risk, we have also decided to do more auditing of Advice Level 1 organisations (and intend to audit all such organisations by March 2015) as well as organisations wishing to join the scheme.

Through audits we are able to support organisations in continuing to provide a good service and to improve, as well as helping new organisations to assess whether they have the necessary skills and experience to give good immigration advice. We are taking greater steps to ensure that those wishing to become regulated immigration advisers realise that joining the scheme is a holistic and demanding process, and one that should not be entered into lightly.



---

## Complaints

Complaints are important to our regulatory role. They help us to understand the standard of service being provided by the sector generally, and to work with individual advisers to deliver good customer care as well as remain fit and competent. Complaints also help to identify those giving immigration advice or services illegally. It is important that complaints are investigated thoroughly, whether by us directly or by the regulated organisation against which the complaint is made applying their OISC approved complaints scheme. This enables us to confirm that the service given was good or identify if there is a problem that needs correcting.

## Prosecutions

Unfortunately, the vulnerability and desperation of those who seek immigration advice attracts those tempted to act outside of the law and/or in contravention of our Codes and Rules. A number of UKBA investigations as well as intelligence received from other sources have led to the OISC taking action against certain regulated advisers resulting in the First-tier Tribunal (Immigration Services) banning them indefinitely from giving immigration advice or services. In addition we have successfully prosecuted individuals in both the Magistrates and Crown Courts. Since 2001 the OISC has prosecuted over 130 offenders before the criminal courts and conducted almost 1,200 criminal investigations.

Full details about regulated advisers and the results of our activities are contained in Chapters 3 and 4 of this Report.

## Responding to budgetary pressures

In contrast to our developing workload, from 2007/08, when our funding was just below £4.5m, to 2010/11, when it was just over £4m, we have seen a budget reduction of almost 9%. Our 2011/12 budget has been further reduced to just under £3.9m. Thus, we are caught in a pincer movement – a rise in workload countered by a severe and continual loss of grant-in-aid. Squaring that circle has tested our ingenuity and resourcefulness.

We must accept that there will always be an element of risk associated with the immigration advice sector, and it is, of course, impossible for any regulator to eliminate risk completely. What a regulator can do is take steps to reduce that risk. We have succeeded in doing this while managing the competing pressures

---

described above through making difficult savings, reorganising our processes and procedures, and finding improved ways to deliver our services.

In particular we responded by implementing the Reform and Remodel project, described in our 2009/10 report, which resulted in significant changes being made to our operational staff component and their roles and responsibilities and to our processes. We have separated the more complex compliance and complaint work from the less difficult, allowing our senior caseworkers to dedicate their time to conducting audits and to considering the more difficult applications and complaint investigations. Further, with the introduction of the Applications and First Contact Team we have been able to increase the speed with which we process uncomplicated and uncontroversial applications (as reported in Chapter 4).

The Applications and First Contact Team is often the initial contact people have with the OISC. We take delivering good customer service seriously, and recognise that this requires continual monitoring and training. Thus during this year we required all members of this new team to take NVQ Level 2 training in Customer Service. This training will continue to be a mandatory requirement for anyone joining that team.

## Application processes

We have changed our application processes to make them more efficient and cost effective while at the same time allowing us to improve the service we provide to advisers. From 1 October 2010 my Office launched new application forms and processes for those applying to join the scheme complementing the already introduced revised continued registration forms. We have moved away from printed material, and all of our information including model documents, forms and publications is available electronically on our website.

In line with better regulation principles we reviewed what documents we require from new advisers, and have focused on asking for only those that will provide us with insight into their proposed business model, skills and experience. We have similarly reduced the regulatory burden on registered advisers by creating a simplified 'repeat authorisations' procedure for organisations that are applying for their registration to be continued without any substantive change. Since that process was introduced my Office has been able to decide over 70% of such applications within a 15 working day timeframe.



## Adviser competence

We are placing increasing emphasis on ensuring that advisers allowed into the OISC scheme are fit and competent. From October 2010 we made it mandatory for all new applicants to complete a Criminal Records Bureau check as part of their application. Further, they must also now complete a more thorough Competence Statement including full details of their relevant sector experience and/or qualifications. This has to be submitted to us before they are allowed to attempt our Advice Level 1 competence assessment. Passing that assessment, however, does not necessarily mean that they will be allowed entry into the scheme, as we are now laying much greater emphasis on adviser experience. In 2011/12 we will be considering further how our competence assessment requirements and processes are delivered.

Closely linked to assuring adviser competence is our *Guidance on Competence*. One of our framework publications, the *Guidance* helps advisers determine the level of activity and category of advice they can competently provide. The introduction of the Points Based System together with legislative and other changes resulted in us consulting on changes to that document. In light of the responses we received we are currently amending the document, which we expect to implement in 2011/12. The revised *Guidance* will include, for example, a reduction in the number of adviser work categories from five to two – asylum and protection; and immigration. We believe this simplification will make it easier for advisers and clients and be less bureaucratic for us to administer. We will also rename Advice Level 1 as ‘Advice and Assistance’, a description we feel will help clients and others better understand the service persons working at this level can give.

The consultation on the *Guidance* asked some searching questions about the value of retaining the Advice Level 2 category. Having considered the comments from respondents on this issue, we decided not to remove that Advice Level, but rather to use the document to provide greater clarity as to what such advisers are permitted to do particularly regarding appeals. The new *Guidance* will also expand on what is required when working under supervision, in particular trainee advisers working at Advice Level 1 under supervision and regulated advisers working at a higher Advice Level under supervision.

## Looking ahead

Acknowledging the pressures that face us, the OISC’s 2011/12 Business Plan concentrates on the OISC delivering three specific areas of activity: consolidating the operational changes as mentioned above which we have introduced during the

---

last two years; seeking new ways to engage with advisers; and concentrating on delivering our statutory duties.

For some time we have been asking complainants and advisers what they think of our processes through surveys and our roundtable events, and the comments we have received have helped us reflect on how we operate. We will be continuing with these surveys, but have decided to rethink our face-to-face engagement. We have decided, for example, to vary our roundtable programme by starting to offer workshops on specific issues such as supervision and effective complaints processing. In addition, now that the new Deputy Commissioner is in place, I hope personally to have opportunities to meet with advisers.

My intention in writing this Statement was to give readers a flavour of what we are doing in order to make certain that those who seek immigration advice and services receive a good service. The regulation that the OISC delivers assists both those who require advice and those who rely on good advice being given. It is a responsibility that I, the Deputy Commissioner and all OISC staff take extremely seriously.

## Chapter 2: The organisation

### **The Commissioner's Office**

The Commissioner's Office consists of the Immigration Services Commissioner, Suzanne McCarthy, the Deputy Immigration Services Commissioner, Ian Leigh, and their administrative support team.

### **The Operational Teams**

A number of separate, but interlinked, teams perform the OISC's regulatory functions.

### **The Compliance and Complaints Teams and the Operational Services and Support Team**

Led by the Interim Head of Compliance and Complaints, the members of the two Compliance and Complaints Teams (CCT) come from a variety of backgrounds across the private, public and voluntary sectors.

The Teams' caseworkers have primary responsibility for the delivery of the OISC's regulatory and complaints functions, and their main focus is ensuring continued compliance with the Commissioner's Code and Rules. The Teams conduct site audits and investigate complaints made against regulated advisers. They are the main point of contact for regulated advisers.

The Operational Services and Support Team provides administrative support to the CCT, as well as having responsibility for updating the information on the OISC's database, responding to advisers' questions on the Commissioner's Code and Rules and OISC internal policy. In addition it monitors adviser compliance with the OISC's Continued Professional Development (CPD) requirements and works with the Open University in administering this CPD programme.

### **Applications and First Contact Team**

The Applications and First Contact Team (AFCT) deals with enquiries from the public, regulated advisers and those considering joining the scheme. It also has responsibility for the initial handling of applications to enter the scheme and makes final decisions on the more straightforward applications. The AFCT also administers Criminal Records Bureau checks on behalf of the Office.

### **The Investigations and Intelligence Team**

The Investigations and Intelligence Team seeks out and investigates alone, or jointly with other UK investigative bodies, allegations of unregulated immigration



advice or services activity. As part of this work the Team leads on the prosecution of specific OISC offences before the criminal courts. The Team considers and disseminates intelligence received from various sources on prospective and regulated advisers and possible illegal activities.

### **The Legal and DPB (Designated Professional Bodies) Team**

This Team provides general legal advice to the Office, oversees the conduct of cases in the civil courts and tribunals, and assists the Commissioner in fulfilling her oversight regulation of the DPBs (see the separate report on the DPBs which accompanies this Annual Report).



## The Corporate Support Service Teams

### The Finance Team

The Finance Team is responsible for the preparation of the OISC's annual phased budget, production of monthly management accounts, monitoring of actual spend against budget, forecasting for full year spend, and liaising with external and internal auditors.

The Head of Finance provides secretariat support to the OISC's Audit Committee, and has responsibility for asset management and the OISC risk register. She liaises with the UKBA Sponsor Unit in relation to general finance and other audit issues. She represents the OISC on Home Office working groups on all financial reporting matters.

Other specific team responsibilities include maintenance of the OISC's accounting records, creditor payments, administering payroll and staff expenses and production of the OISC's annual accounts and other periodic financial reporting including financial returns to the Home Office and HM Treasury.

### The Human Resources and Facilities Team

This Team is responsible for providing a comprehensive personnel and training/development service for OISC staff. It is also responsible for health and safety and facilities management issues within the OISC. During 2010/11 the Team continued its ongoing review of HR policies, ensuring the Office's continued compliance with employment legislation. Several recruitment exercises were undertaken during the year.

The Head of HR is also responsible for the investigation of any complaints made against the OISC and its staff. During 2010/11 nine substantive complaints were investigated. One complainant withdrew their complaint and eight were not upheld.

Staff attended 290 training and development days. Several staff received support in their further education studies.

Work commenced on preparing the OISC's Equality Scheme. The bulk of this work, including implementation, will continue into 2011/12.

### The Information and Communications Technology Team

This Team is responsible for the provision, maintenance and support of the OISC's IT systems and functions. During 2010/11 the Team focused on the post-delivery

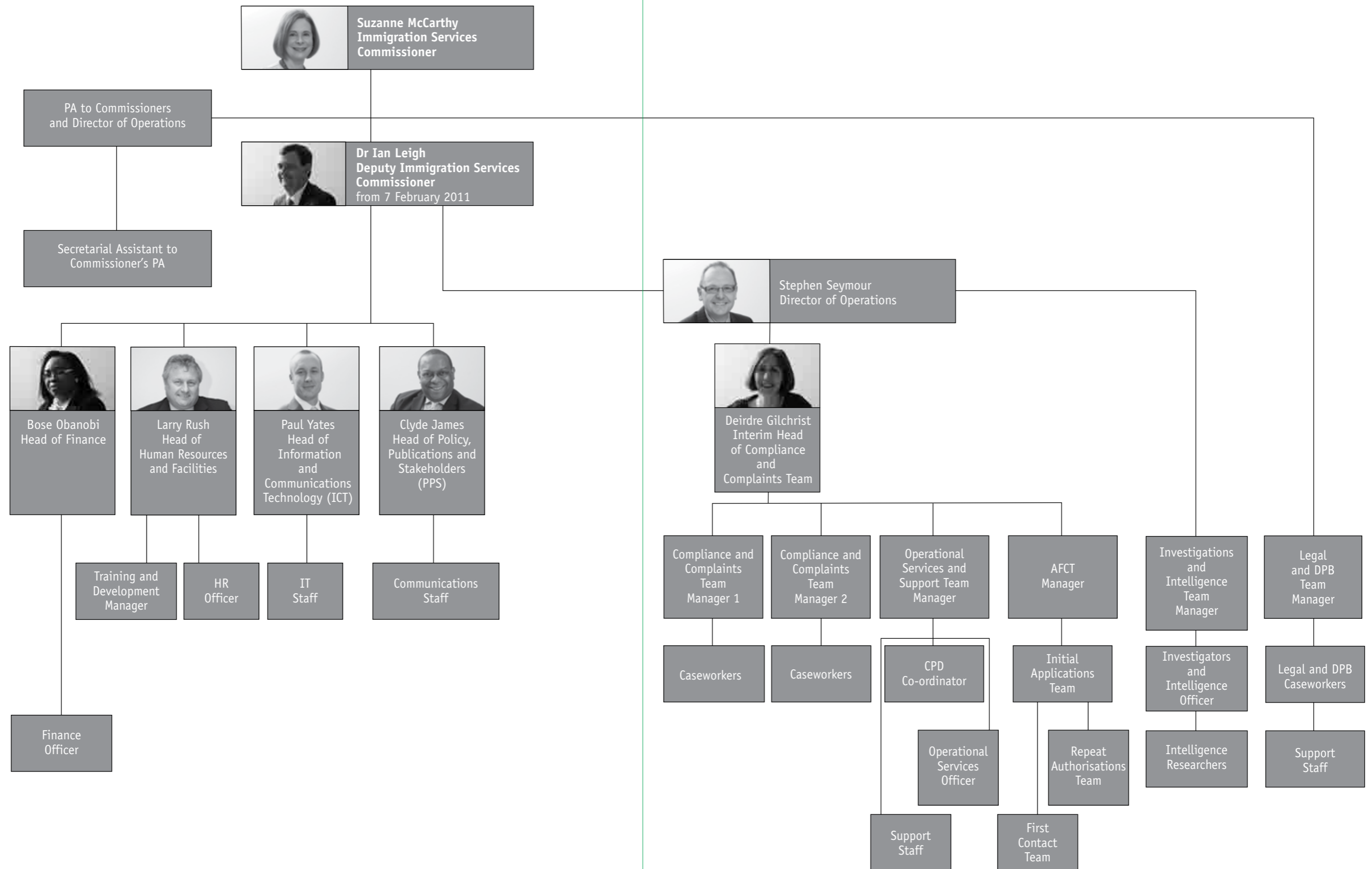
---

support and update of Themis, the OISC database, which went live in early April 2010. The Team also successfully completed a technology refresh programme for the Office which updated computing hardware and software for all users.

### **The Policy, Publications and Stakeholders Team**

This Team provides guidance on the OISC's regulatory scheme and on the interpretation of relevant legislation, case law and wider regulatory concerns, contributes to discussions on possible legislative changes and assists at meetings with external stakeholders. The Team represents the OISC at various stakeholder events and meetings. It also manages the Office's internal and external communications, including the OISC website. Additionally it is responsible for a range of events including the Annual Conference programme and the Roundtable Meetings programme.





## Chapter 3: Statistical report

### Regulation of immigration advice

It is illegal to offer immigration advice and services without being directly regulated by the OISC. The only exceptions to this are those who are regulated by a DPB, such as the Law Society of Scotland, or those who have been exempted by a Ministerial Order<sup>\*</sup>.

The organisations that the OISC regulates range widely from small community-based organisations and sole traders through to national charities with multiple offices and large specialist profit-making advisory services. Statute distinguishes between regulated organisations by dividing them into two specific categories: 'Registered' and 'Exempt'. The OISC defines these in the following way:

- Registered organisations are mainly those operating in the private sector. They charge for their advice or services either through a straightforward fee or via charges made as part of a larger package. This category would include, for example, a private college that offers advice as part of their student services. If voluntary and community sector organisations including charities and local authorities charge for their services to cover their costs, they are also included in this group. Some Registered organisations may hold Legal Services Commission contracts enabling them to provide free advice to some clients while charging others.
- Exempt organisations generally operate in the voluntary or community sector. They do not charge clients for the advice or services they provide, and are referred to as 'Exempt' only because they do not have to pay the OISC's fee.

The OISC's regulatory framework is based on four cornerstone documents: *The Code of Standards*, *The Commissioner's Rules*, *the Guidance on Competence* and *The Complaints Scheme*. *The Commissioner's Rules*, which focus mainly on financial management and control, apply only to Registered organisations, while the other three apply to all organisations. These documents set out what is expected of regulated immigration advisers in terms of skills, experience and aptitudes.

The OISC's approach to regulation is both targeted and proportionate. Wherever possible, the OISC supports and encourages organisations to come into its scheme and to develop and improve the level of service they offer to their clients.

<sup>\*</sup> Ministerial Orders give specific exemption from regulation and relate to the NHS, publicly funded educational institutions and relevant employers.

## Statistics on regulated organisations and advisers as at 31 March 2011

The following statistics outline the regulated sector.

**Table 1: Total number of regulated organisations**

	As at 31 March 2010	As at 31 March 2011
Registered	830	966
Exempt*	903	885
Total number of regulated organisations	1,733	1,851

\* This figure includes Citizens Advice Bureaux at Level 1.

**Table 2: Total number of regulated advisers**

	As at 31 March 2010	As at 31 March 2011
Registered	2,224	2,396
Exempt*	1,943	942
Total number of regulated advisers**	4,150	3,346

\* This figure includes one adviser at each of the Citizens Advice Bureaux.

\*\* Some advisers work for both Registered and Exempt organisations and are not included twice.

**Table 3: Total number of regulated premises per region per Advice Level**

	Level 1		Level 2		Level 3		Total		Overall total
	Reg*	Ex**	Reg	Ex	Reg	Ex	Reg	Ex	
East Midlands	19	52	10	2	15	4	44	58	<b>102</b>
East England	36	88	5	7	25	3	66	98	<b>164</b>
London	400	141	75	28	210	43	685	212	<b>897</b>
North East	19	27	1	2	7	1	27	30	<b>57</b>
Northern Ireland	5	31	2	0	0	5	7	36	<b>43</b>
North West	68	86	15	2	39	12	122	100	<b>222</b>
Scotland	32	83	2	2	5	0	39	85	<b>124</b>
South East England	74	126	4	5	27	7	105	138	<b>243</b>
South West England	16	61	2	1	3	5	21	67	<b>88</b>
Wales	10	47	0	0	1	3	11	50	<b>61</b>
West Midlands	31	59	5	4	33	6	69	69	<b>138</b>
Yorkshire	30	54	6	10	26	10	62	74	<b>136</b>
Other ***	24	28	6	0	16	7	46	35	<b>81</b>
<b>Total</b>	<b>764</b>	<b>883</b>	<b>133</b>	<b>63</b>	<b>407</b>	<b>106</b>	<b>1,304</b>	<b>1,052</b>	<b>2,356</b>

\* Registered

\*\* Exempt

\*\*\* Region unidentified at time of print

**Table 4: Total number of OISC regulated individual advisers per region per category**

	Asylum	Entry clearance	Nationality and citizenship	EU and EEA*	Detention
East Midlands	69	90	109	62	31
East England	88	133	147	97	42
London	1,170	1,730	1,544	1,250	404
North East	44	43	64	33	11
Northern Ireland	13	20	14	13	5
North West	185	286	236	285	185
Scotland	57	54	80	39	6
South East England	141	202	232	136	40
South West England	31	75	78	30	12
Wales	54	48	73	37	8
West Midlands	150	221	193	144	80
Yorkshire	166	244	251	174	66
Other**	25	57	71	38	8
<b>Total</b>	<b>2,193</b>	<b>3,203</b>	<b>3,092</b>	<b>2,338</b>	<b>898</b>

\* European Union and European Economic Area

\*\* Region/category unidentified at time of print

**Table 5: First-time applications for entry into the OISC scheme**

	Registered	Exempt	Total
Applications received	272	24	<b>296</b>
Applications brought forward from 2009/10	66	3	<b>69</b>
Applications approved	245	18	<b>263</b>
Applications refused	11	3	<b>14</b>
Applications withdrawn	9	0	<b>9</b>
Applications carried forward	73	6	<b>79</b>



Organisations leave the OISC's scheme for a number of reasons, as indicated in Table 6.

**Table 6: OISC regulated organisations that have voluntarily left the scheme**

Reason for departure	2008/09	2009/10	2010/11
Did not return continued registration application	65	65	52
No longer giving immigration advice	34	60	46
Ceased trading	18	29	32
Regulation not necessary as no adviser at organisation	8	4	18
Now under a DPB	2	0	1

### Refusing continued registration or withdrawing exemptions

Refusing an organisation's continued registration application or withdrawing an organisation's exemption are serious matters and are not actions the OISC takes lightly. While our caseworkers make every effort to help organisations, it is the Commissioner's statutory duty to protect the public from unfit or incompetent immigration advisers.

**Table 7: Organisations not continuing in the scheme**

Reason for refusal or withdrawal of exemption	2008/09	2009/10	2010/11
Non compliance – not fit/not competent	9	53	12
Incomplete application/information	6	3	0

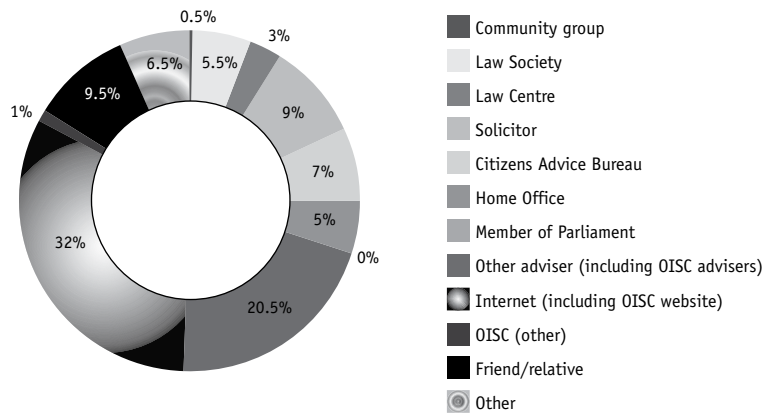
### Changing competence levels

We may change an organisation's or adviser's competence level for a number of reasons. An adviser or organisation may be allowed to move up Advice Levels if they have satisfied us as to their competence at the higher level. The OISC may lower an organisation's or adviser's Advice Level because they tell us that they no longer wish to operate at the higher level or because we consider, based on competence assessment and/or audit, that they are no longer able to operate at the higher level.

## Complaints

The OISC's Complaints Scheme is an important part of our regulatory framework. Complaints help the OISC to monitor the competence and fitness of regulated advisers. Complaints against unregulated advisers also help to bring illegal activity to our attention.

**Figure 1: How complainants heard about the OISC\***



\* These figures are based on responses given to the question 'How did you hear about the OISC?' in the OISC's complaints form. As the complaints form is just one of the means by which the OISC receives complaints, the above does not represent the total number of complaints the OISC received in 2010/11.

**Table 8: Sources of formal complaints**

Public	OISC advisers	First-tier Tribunal (Immigration and Asylum Chamber)	DPB advisers	UKBA	Other public body	OISC initiated	Law centres	MP	Other
178	8	2	20	11	11	102	1	3	4

**Table 9: Breakdown of total complaints received 2001/02–2010/11**

	Complaints against OISC regulated advisers	Complaints against DPB regulated advisers	Complaints against unregulated advisers	Total number of complaints received
2001/02	120	178	91	389
2002/03	120	204	178	502
2003/04	138	217	116	471
2004/05	238	163	140	541
2005/06	255	170	143	568
2006/07	239	114	144	497
2007/08	238	98	158	494
2008/09	280	116	105	501
2009/10	379	74	125	578
2010/11	291	32	17	340
<b>Total</b>	<b>2,298</b>	<b>1,366</b>	<b>1,217</b>	<b>4,881</b>



**Table 10: How the OISC disposed of complaint cases against regulated advisers**

Substantiated	Unsubstantiated	Conciliated	Suspended investigation	No supporting evidence	Not OISC regulated	Withdrawn	Passed to Intelligence	Redirected	Other	Total
88	46	1	2	5	28	4	1	32	7	214

Substantiated:	The organisation was found to have breached the Commissioner's Rules or Code of Standards and/or a sanction was applied
Unsubstantiated:	No breach was found
Conciliated:	The complainant and the organisation came to an agreed settlement (for example, the organisation handed over the complainant's file in return for unpaid fees) and the OISC was satisfied that no further investigation was required
Suspended investigation:	The investigation of the complaint was suspended because, for example, either the firm or the complainant was involved in ongoing legal proceedings
No supporting evidence:	Evidence was not forthcoming to support the complaint
Not OISC regulated:	The organisation left the regulatory scheme before the complaint could be determined or the complaint did not relate to a matter with which the OISC can deal
Withdrawn:	The complainant withdrew their complaint
Passed to Intelligence:	The details of the complaint were passed to the OISC's Investigations and Intelligence Team for analysis as the complaint did not relate to a regulated adviser, member of a DPB or someone otherwise exempt. Although the matter is not 'closed', it is no longer considered a complaint under the Immigration and Asylum Act 1999
Redirected:	A complaint referred back to the adviser complained about to process under their organisation's OISC approved complaints scheme
Other:	For example, the complaint was made anonymously and did not provide enough information for the OISC to open an investigation

## Appeals and charges before the First-tier Tribunal (Immigration Services)

Certain decisions by the Commissioner to refuse or vary registration or to withdraw exemption carry a right of appeal to the First-tier Tribunal (Immigration Services) which also considers our decision to lay a disciplinary charge against a regulated adviser.

**Table 11: Breakdown of appeals and charges 2003/04–2010/11**

	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Appeals received	9	21	11	14	11	8	6	7
Appeals allowed	4	4	1	0	1	1	2	0
Appeals dismissed	2	5	3	5	3	4	3	1
Appeals withdrawn	0	0	5	4	6	2	3	4
Charges brought	0	1	2	2	0	0	2	3
Charges upheld	0	1	0	2	0	0	0	1
Charges dismissed	0	0	1	2	0	0	0	0
Charges withdrawn	0	0	0	0	0	0	0	0

## Investigating illegal activity

The OISC undertakes investigations based on information received from a range of sources. The Office has its own in-house investigations team which proactively gathers intelligence on possible illegal activity. As previously, the public were the main source of information leading to investigation.

**Table 12: Source of investigations**

TSIA*	UKBA	Public	OISC adviser	Other government agency	OISC staff	Solicitor	Other	Total
8	16	69	6	1	21	13	1	135

\*Tribunals Service Immigration and Asylum

## Disposal of investigations

We began the year with 147 cases open from 2009/10. During 2010/11 we received a further 136 complaints about unregulated advisers. A total of 134 investigations were closed, with 149 carried forward into 2011/12.

**Table 13: Disposal of investigations**

Prosecutions	Not in public interest	Under DPB supervision	Cautions	Witness/suspect left UK	Insufficient evidence	Passed to another agency	Failure of witness co-operation	Outside time/jurisdiction	Total
37*	21	9	8	25	21	0	7	6	134

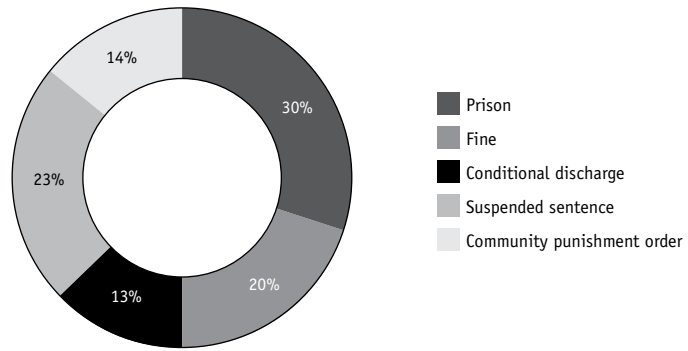
\*24 people were prosecuted for 37 separate complaints.

A total of 149 investigations remained open as at 31 March 2011 and there were 14 defendants awaiting trial.

**Table 14: Breakdown of prosecutions 2001/02–2010/11**

Year	Prosecutions	Formal cautions administered
2001/02	1	0
2002/03	8	1
2003/04	13	3
2004/05	7	3
2005/06	14	8
2006/07	8	5
2007/08	15	28
2008/09	13	27
2009/10	26	9
2010/11	24	8
<b>Total</b>	<b>129</b>	<b>92</b>

**Figure 2: Breakdown of punishment on conviction 2001/02–2010/11**



## Chapter 4: Key Performance Indicators

The OISC measures its performance against published Key Performance Indicators (KPIs). The data produced help the organisation examine and assess delivery of its key day-to-day functions.

Each business unit records and processes data (most of the operational statistics being obtained from the Themis database) and these data are used to compare performance against the KPI for that relevant business unit.

The OISC's KPIs measure three main areas:

- Performance in relation to regulatory activities. These KPIs monitor application processing, delivery of the audit programme, complaint investigations and challenges to the Commissioner's appealable decisions.
- Performance in relation to activity controlling illegal immigration advice activity.
- Performance in relation to internal operations, particularly the acknowledgement of applications and complaints and the payment of undisputed invoices.

### KPIs for 2010/11

The KPIs for this period were:

KPI 1 New applications:

- a) 75% of completed applications processed within five months of receipt.
- b) 95% of completed applications processed within eight months of receipt.

KPI 2 Continued registration applications:

- a) 60% of completed applications processed within 15 working days of receipt.
- b) 75% of completed applications processed within three months of receipt.
- c) 95% of completed applications processed within six months of receipt.

KPI 3 Audits:

350 audits to be completed between 1 April 2010 and 31 March 2011.

KPI 4 Complaints:

- a) 75% of written complaints about OISC advisers to be closed within six months of receipt.

- 
- b) 95% of written complaints about OISC advisers to be closed within 12 months of receipt.

#### KPI 5

A total of 75% of Commissioner's decisions to stand following an appeal lodged with the First-tier Tribunal (Immigration Services).

#### KPI 6

Identification of 400 unregulated organisations.

#### KPI 7

Resolve the status of 200 unregulated organisations.

#### KPI 8 Internal Response Targets:

- a) 95% of applications and written complaints acknowledged within five working days of receipt.
- b) 60% of undisputed invoices paid within 10 working days.
- c) 80% of undisputed invoices paid within 20 working days.
- d) 100% of undisputed invoices paid within 30 working days.

## The OISC's 2010/11 performance as measured against its KPI targets

### **KPIs that measure regulatory activity – applications and audits**

Applications fall into various types – applications to join the regulatory scheme from either for-profit (Registered) or not-for-profit (Exempt) organisations, organisations of either category that wish to change their Advice Level, change their advisers or make some other substantive alteration in their activities, and annual applications from Registered organisations that want to renew their registration. The OISC captures within its KPIs its processing of initial applications and applications for continued registration.

### **New applications**

The two KPIs in this category were both met during 2010/11.

KPI 1a – *75% of completed applications processed within five months of receipt.*

The OISC decided 89% of new applications within five months of receipt.

---

KPI 1b – *95% of completed applications processed within eight months of receipt.*

The OISC decided 96% of new applications within eight months of receipt.

At the end of 2010/11 there were four applications over five months old.

This is a remarkable result considering the increase in new applications received year on year (296 in 2011/12 compared to 251 in 2009/10) during a period of escalating resource stringency.

### **Applications for Continued Registration**

The KPIs in this category were also met during 2010/11.

KPI 2a – *60% of completed applications processed within 15 working days of receipt.*

This KPI was new for 2010/11. Employing new ways of processing of repeat registration applications, the OISC was able substantially to exceed this target, having processed 76% of such applications within the very strict 15 days turnaround time.

KPI 2b – *75% of completed applications processed within three months of receipt.*

The OISC also exceeded this target, having processed 95% of these applications within three months of receipt.

KPI 2c – *95% of completed applications processed within six months of receipt.*

The OISC again met this target by processing 99% of completed applications.

### **Audits**

KPI 3 – *350 audits to be completed between 1 April 2010 and 31 March 2011.*

Previously the OISC measured its success in this area against a target of having completed audits of at least 25% of Advice Level 2 and 3 organisations that were regulated at the end of the previous financial year. On this basis the 2009/10 target was 105 audits and for 2010/11 would have been 116.

While recognising the need to continue to audit those organisations that are doing the more complex work, the OISC felt that more use could be made of audits as a tool to help the OISC ensure that only fit and competent advisers are allowed into the regulatory scheme and to remain there. To that end, and recognising the efficiency benefits produced by the reorganisation of its operations as described in detail in the 2009/10 Annual Report, the OISC decided to change this KPI by both

increasing the number of audits to be carried out and to count under this KPI not only audits it conducted of higher Advice Level organisations, but also those carried out before an organisation was allowed into the regulatory scheme (pre-registration audits) and audits of Advice Level 1 organisations.

While the OISC was not able to achieve the stretching target we set ourselves this year of 350 audits, we did undertake 332, a shortfall from the target of only 18. This was a massive increase in auditing activity, and one that the OISC plans to continue in 2011/12 notwithstanding the decrease in its financial resources and the resource restrictions on the size of its operational teams.

### **KPIs that measure complaint processing**

A total of 117 complaints made against OISC advisers were brought forward from 2009/10. During 2010/11 32 complaints were redirected to the organisation against which the complaint was made. As at 31 March 2011, 95 complaints were carried forward into 2011/12.

#### KPI 4

- a) *75% of written complaints about OISC advisers to be closed within six months of receipt.*
- b) *95% of written complaints about OISC advisers to be closed within 12 months of receipt.*

The OISC succeeded in meeting both of these targets, closing 78% of complaints about OISC advisers in six months and 96% of complaints within 12 months.

Another measure is the number of complaints that were over six months old at the end of the year. Only seven complaints were still open six months after receipt in comparison with 23 at the end of 2009/10.

### **KPIs that measure the number of Commissioner's decisions that remain standing following an appeal to the First-tier Tribunal (Immigration Services)**

*KPI 5 – A total of 75% of Commissioner's decisions to stand following an appeal lodged with the First-tier Tribunal (Immigration Services).*

The OISC's success rate for 2010/11 was 100%. During 2010/11, 90 appealable Commissioner's decisions were made, which resulted in advisers lodging 10 appeals. During the year eight appeals were heard. Two appeals were ongoing



---

as at 31 March 2011. Also ongoing were two charges being matters brought by the OISC before the Tribunal.

### **KPIs that measure the OISC's control of illegal immigration advice and services activities**

KPI 6 – *Identification of 400 unregulated organisations.*

KPI 7 – *Resolve the status of 200 unregulated organisations.*

The OISC again met both KPIs 6 and 7 by identifying 410 unregulated organisations and resolving the status of 288 unregulated organisations.

### **KPIs that measure how long it takes the OISC to process activities internally**

KPI 8 – *95% of applications and written complaints acknowledged within five working days of receipt.*

The OISC acknowledged 100% of applications within five working days.

The OISC acknowledged 97% of written complaints about immigration adviser services within five working days.

KPI 9

- a) *60% of undisputed invoices paid within 10 working days.*
- b) *80% of undisputed invoices paid within 20 working days.*
- c) *100% of undisputed invoices paid within 30 working days.*

The OISC met all of its finance KPIs by paying 79% of undisputed invoices within 10 working days; 86% of undisputed invoices within 20 working days; and 100% of undisputed invoices within 30 working days.

## Chapter 5: Governance

The Immigration Services Commissioner is a Corporation Sole and is accountable for all actions undertaken in her name by the OISC. She is the Office's Accounting Officer\* and Consolidation Officer. She is personally responsible for safeguarding the public funds for which she has charge, for ensuring propriety and regularity in the handling of those funds and for the day-to-day operations and management of the OISC. The Commissioner is answerable to the Home Secretary for the Office's activities and performance, and is accountable to Parliament through the Secretary of State. The relationship between the Home Office and the OISC is conducted in accordance with the joint Management Statement and Financial Memorandum. This requires, among other things, that the Commissioner must take note of any direction given by, or on behalf of, the Home Secretary and of any guidance issued by the Home Office.

Monthly strategic management meetings, which are attended by the Commissioner and the Deputy Commissioner and members of the Office's Senior Management Team, are the OISC's main decision-making forum. These meetings are used to consider strategic and operational matters, to monitor the OISC's activities and to make sure that consequential decisions are taken.

### **The OISC's Audit Committee**

Supporting the Commissioner in the delivery of her responsibilities as to issues of risk, control and governance is the OISC's Audit Committee, which is composed of three Non-Executive members, one of whom is the chair. The Committee's main aims are to ensure the proper stewardship of the OISC's resources and assets, to oversee financial reporting and to monitor the effectiveness of audit arrangements (internal and external), internal controls and the management of risk throughout the organisation. It accordingly makes recommendations to the Commissioner.

The Audit Committee reviewed its terms of reference in December 2010.

\* Please see 'Statement of Accounting Officer's responsibilities' in the Statement of Accounts on page 48.

## Chapter 6: Remuneration report

Part V of the Immigration and Asylum Act 1999, as amended, created the role of the Immigration Services Commissioner and the Office of the Immigration Services Commissioner, an independent, UK-wide non-departmental public body (NDPB). The Commissioner heads the OISC, and she and the Deputy Commissioner are Ministerial appointments. Suzanne McCarthy took up her appointment on 5 September 2005, and was re-appointed for a second five years, finishing in September 2015. Dr Ian Leigh took up his appointment as Deputy Commissioner on 7 February 2011 for five years in accordance with Schedule 5 of the Immigration and Asylum Act 1999.

### Salary and pension entitlements

The following sections provide details of the remuneration and pension interests of the most senior members of the OISC.

#### Remuneration

	2010/11	2009/10
	Salary	Salary
	£'000	£'000
<b>Suzanne McCarthy</b> <i>Commissioner</i>	85–90* 145–150**	65–70
<b>Dr Ian Leigh*</b> <i>Deputy Commissioner</i>	5–10*** 72.5–75**	0

\* The Commissioner works 0.60fte, the Deputy Commissioner works 0.83fte

\*\* Full-time equivalent salary

\*\*\* Deputy Commissioner from 7 February 2011

#### Salary

'Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances; and any other allowances to the extent that they are subject to UK taxation.

There were no bonuses paid in the year.

## Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the OISC and treated by HM Revenue and Customs as a taxable emolument. Neither the Commissioner nor the Deputy Commissioner received benefits in kind for 2010/11 or 2009/10.

## Pension benefits

	Accrued pension at pension age as at 31/3/11 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/3/10	CETV at 31/3/11	Real increase in CETV as funded by employer
Suzanne McCarthy <i>Commissioner</i>	£0–5k	£0–2.5k	£32k	£55k	£20k
Dr Ian Leigh* <i>Deputy Commissioner</i>	N/A	N/A	N/A	N/A	N/A

\* The Deputy Commissioner is currently not an active member of the scheme and as such there are no pension figures to disclose.

## Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, civil servants may be in one of four defined benefit schemes: either a 'final salary' scheme (**classic**, **premium** or **classic plus**); or a 'whole career' scheme (**nuvos**). These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under **classic**, **premium**, **classic plus** and **nuvos** are increased annually in line with changes in the Retail Prices Index (RPI). Members who joined from October 2002 could opt for either the appropriate defined benefit arrangement or a good quality 'money purchase' stakeholder pension with a significant employer contribution (**partnership** pension account).

Employee contributions are set at the rate of 1.5% of pensionable earnings for **classic** and 3.5% for **premium**, **classic plus** and **nuvos**. Benefits in **classic** accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For **premium**, benefits accrue at the rate of 1/60th of final pensionable earnings

for each year of service. Unlike **classic**, there is no automatic lump sum. **Classic plus** is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per **classic** and benefits for service from October 2002 worked out as in **premium**. In **nuvos** a member builds up a pension based on their pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and, immediately after the scheme year end, the accrued pension is uprated in line with RPI. In all cases members may opt to give up (commute) pension for lump sum up to the limits set by the Finance Act 2004.

The **partnership** pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of three providers. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of **classic**, **premium** and **classic plus** and 65 for members of **nuvos**.

Further details about the Civil Service pension arrangements can be found at the website [www.civilservice-pensions.gov.uk](http://www.civilservice-pensions.gov.uk).

## Cash Equivalent Transfer Values

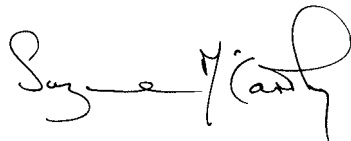
A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The figures include the value of any pension benefit in

---

another scheme or arrangement which the individual has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional years of pension benefits at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

### **Real increase in CETV**

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation and contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.



**Suzanne McCarthy**  
**Immigration Services Commissioner and Accounting Officer**

24 June 2011

## Annex A: OISC publications

### **General information**

- General Information about the OISC
- OISC News

### **Materials relating to the regulatory scheme**

- The Code of Standards and the Commissioner's Rules
- Guidance on Competence

### **Materials relating to the application process**

- Exemption Application Form
- Exemption Application Notes
- Registration Application Form
- Registration Application Notes
- Continued Registration Application Form
- Repeat Authorisation Form

### **Guidance notes for regulated advisers**

- Cover in the Absence of an Adviser
- Meeting Clients' Needs and Client Care
- Premises
- Promotion and the Promoting of Business
- Resolution of Complaints
- Signposting and Referrals
- Supervision

### **Practice notes for regulated advisers**

- Bail
- Fees and Accounts
- Licensed Access

### **Materials relating to the Complaints Scheme**

- The Complaints Scheme
- The Immigration Services Commissioner's Complaints Scheme – Complaints Form

### **Materials relating to CPD**

- CPD Frequently Asked Questions
- CPD Training and Development Plan
- CPD Guidance Booklet
- Data Protection Act Statement

## Annex B: Glossary

<b>AIT</b>	<b>Asylum and Immigration Tribunal</b> See First-tier Tribunal (Immigration and Asylum Chamber)
<b>ARIA</b>	<b>Association of Regulated Immigration Advisers</b> ARIA is a professional membership body whose membership is open to OISC advisers and others.
<b>DPB</b>	<b>Designated Professional Body</b> The DPBs are the: <ul style="list-style-type: none"> <li>• Law Society of England and Wales;</li> <li>• Law Society of Scotland;</li> <li>• Law Society of Northern Ireland;</li> <li>• Institute of Legal Executives;</li> <li>• General Council of the Bar of England and Wales;</li> <li>• General Council of the Bar of Northern Ireland; and</li> <li>• Faculty of Advocates.</li> </ul> <p>The Immigration Services Commissioner has statutory oversight responsibilities in respect of the effective regulation by these bodies of their members in the provision of immigration advice and/or services.</p>
<b>Exempt organisations</b>	OISC regulated organisations classified as 'Exempt' generally operate in the voluntary or community sector. They do not charge clients for the advice or services they provide, and are referred to as 'Exempt' only because they do not have to pay the OISC's fee.
<b>First-tier Tribunal (Immigration and Asylum Chamber)</b>	The First-tier Tribunal (Immigration and Asylum Chamber) deals with appeals against decisions made by the Home Secretary and his officials in immigration, asylum and nationality matters.
<b>First-tier Tribunal (Immigration Services)</b>	The First-tier Tribunal (Immigration Services) hears appeals against decisions made by the Immigration Services Commissioner and considers disciplinary charges brought against immigration advisers by the Commissioner.
<b>Home Office</b>	The Home Office is the UK government department with responsibility for immigration, asylum, nationality and citizenship matters.
<b>ILPA</b>	<b>Immigration Law Practitioners' Association</b> ILPA is a professional membership body whose membership is open to OISC advisers and others.



---

<b>IMSeT</b>	<b>Immigration Services Tribunal</b> See First-tier Tribunal (Immigration Services)
<b>PBS</b>	<b>Points Based System</b> PBS is an immigration system designed to ensure that only those with 'sufficient points' can enter the UK to work or study.
<b>Registered organisations</b>	OISC regulated organisations classified as 'Registered' are mainly those operating in the private sector. They charge for their advice or services either through a straightforward fee or via charges made as part of a larger package. This category would include, for example, a private college that offers advice as part of their student services. If voluntary and community sector organisations including charities and local authorities charge for their services to cover their costs, they are also contained in this group. Some Registered organisations may hold Legal Services Commission contracts enabling them to provide free advice to some clients while charging others.
<b>Redirected complaints</b>	A complaint referred back to the adviser complained about to process under their organisation's OISC approved complaints scheme
<b>TSIA</b>	Tribunals Service Immigration and Asylum
<b>UKBA</b>	<b>The UK Border Agency</b> The UKBA is the Home Office agency that deals with immigration, asylum, nationality and citizenship issues.
<b>Upper Tribunal</b>	The Upper Tribunal (Immigration and Asylum Chamber) is a superior court of record dealing with appeals against decisions made by the First-tier Tribunal (Immigration and Asylum Chamber).

# Statement of Accounts 2010/11

## Foreword

This Statement of Accounts reports the results of the Office of the Immigration Services Commissioner (OISC) for the year 1 April 2010 to 31 March 2011. It has been prepared in accordance with the Accounts Direction given by the Secretary of State for the Home Department with the consent of HM Treasury, in accordance with Schedule 5 paragraph 20 (1 and 2) of the Immigration and Asylum Act 1999 (the Act).

## 1. History

The OISC was established on 22 May 2000 as a Corporation Sole by authority of the Act.

The Act established the OISC as an independent body with a remit to promote good practice by those who provide immigration advice or immigration services and to ensure that those who do so are fit and competent. The OISC was also to operate a complaints scheme regarding all who provide immigration advice or services.

The OISC has the status of an executive non-departmental public body established by statute. It is financed by grant-in-aid from the Home Office (Request for Resources 1). The Secretary of State for the Home Department is answerable to Parliament for the OISC and is responsible for making financial provision to meet its needs. The Commissioner is a Corporation Sole.

The Act provides that the OISC shall have a Commissioner and Deputy Commissioner appointed by the Secretary of State for the Home Department.

The OISC occupies offices at 53 Tooley Street, London SE1 2QN.

## 2. Principal activities

The OISC carries out the statutory functions set out in the Act, namely to:

- promote good practice by those who provide immigration advice or immigration services;
- decide if it needs to make or alter rules regulating any aspect of the professional practice, conduct or discipline of:
  - a) registered persons; and
  - b) those employed by, or working under, the supervision of registered persons in connection with the provision of immigration advice or immigration services;

- 
- register qualified persons under section 84 (2) of the Act;
  - prepare and maintain a register of qualified persons registered under the Act, which must be available for inspection during reasonable hours and copies of the register must be provided on payment of a reasonable fee;
  - prepare and issue a code setting standards of conduct, which those to whom the code applies are expected to meet;
  - exempt, under section 84 (4) (a) of the Act, persons providing immigration advice or services from the requirement to register;
  - keep a record of persons to whom a certificate of exemption has been issued under section 84 (4) (a) of the Act;
  - establish a scheme for the investigation of relevant complaints made to the OISC in accordance with the provisions of the scheme;
  - determine complaints under the complaints scheme and give a decision in writing; and
  - investigate all allegations of criminal behaviour involving the unlawful provision of immigration advice or services, or the advertising of such, and where necessary prosecute offenders through the criminal courts.

In carrying out these functions the OISC seeks to ensure that customers are dealt with effectively and expeditiously and that its services are delivered in ways appropriate to its stakeholders' needs. The OISC also seeks to promote public understanding of its role and to bring its existence and purpose to the attention of those seeking or providing immigration advice or services.

### **3. Commissioner and Deputy Commissioner**

The Home Secretary under the Act appointed Suzanne McCarthy as the Immigration Services Commissioner for a period of five years from 5 September 2005. During the year 2010/11 Mrs McCarthy was reappointed to serve for a second term until 4 September 2015. The Home Secretary also under the Act appointed Dr Ian Leigh as Deputy Immigration Services Commissioner for a period of five years from 7 February 2011.

During the year 2010/11 neither the Commissioner nor the Deputy Commissioner held company directorships or other significant interests which could have posed a conflict with their management responsibilities at the OISC.

---

In addition to holding the post of Immigration Services Commissioner, during the year Mrs McCarthy held the following public appointments:

- Non-Executive Director – Public Guardian Board
- Non-Executive Director – Human Tissue Authority
- Member, The Pensions Regulator’s Determinations Panel.

Information on salary and pension entitlements for the Commissioner and Deputy Commissioner is contained in the Remuneration Report.

## 4. Corporate governance

This Statement of Accounts includes on pages 49 to 52 a statement on the system of internal control.

The operating and financial systems have been developed to respond to, and satisfy the needs of, the OISC and to safeguard the OISC’s assets against unauthorised use or disposition.

The assurance obtained from the systems and adherence to them is of particular importance to the OISC because of the small size of its finance unit.

The OISC appointed the Home Office Audit and Assurance Unit to provide internal audit services from 1 April 2001.

During 2010/11, £14,433 (2009/10: £5,940) was paid to the Audit and Assurance Unit in respect of audit services

Arrangements for external audit are provided under Schedule 5 paragraph 20 of the Act which requires the Comptroller and Auditor General to examine, certify and report on the Statement of Accounts and to lay copies of it before each House of Parliament. The fee for this service during 2010/11 was £20,000 (2009/10: £26,500).

An Audit Committee was set up in November 2001 and was chaired by the then Commissioner until the appointment of Tim Cole, a non-executive member, as Chairman in March 2003. The Audit Committee adopted revised terms of reference in December 2005, which are reviewed annually. The current members of the Audit Committee and their terms of appointment are:

- Tim Cole (Chairman) – appointed until 31 December 2011
- Terry Price – appointed until 30 June 2013
- John King – appointed until 31 October 2012.

---

The Senior Management Team (SMT) reviews the financial accounts on a monthly basis. Defined expenditure authorisation limits are in place, and the team compares actual costs with approved budgets on a monthly basis.

The SMT, chaired by the Commissioner, also meets monthly to review and advise upon the OISC's policies and management and to monitor major strategy, budgetary and operational issues and activities. The corporate risk register, which was last substantially revised during 2010/11, is owned by this group and is reviewed by them quarterly.

## 5. Results for the period

The accounts for the year 1 April 2010 to 31 March 2011 are set out on pages 56 to 59. The notes on pages 60 to 74 form part of the accounts.

In accordance with Schedule 5 paragraph 20 of the Act, the OISC's financial statements cover the period 1 April 2010 to 31 March 2011, and are prepared on an accruals basis in accordance with the Accounts Direction issued to the Commissioner by the Secretary of State for the Home Department with the consent of HM Treasury.

Grant-in-aid from the Home Office funds the activities of the OISC. In 2010/11 the resource allocated to the OISC by the Home Office was £4,092,000 (2009/10: £4,061,000). This resource has been used efficiently to meet the year's business plan targets. Any additional expenditure (Capital Reserve) that has been met out of cash brought forward from previous accounting periods has had the approval of the Sponsor Unit.

The total operating costs during the year were £3,931,753 of which £2,494,690 were employment costs.

## 6. Research and development

The OISC incurred development costs of £Nil (2009/10: £Nil) on the CPD platform during the year ended 31 March 2011 and £46,066 (2009/10: £237,924) on developing its database.

## 7. Charitable donations

No charitable donations were made in the year ended 31 March 2011.

---

## 8. Changes in non-current assets

The OISC purchased additional IT equipment worth £22,495 and spent £46,066 on its database during the year.

## 9. Post reporting period events

There were no post reporting period events.

## 10. Compliance with public sector payment policy

The OISC policy, in line with government policy introduced in October 2009, is to pay all invoices within 10 days of receipt, unless a longer payment period has been agreed or the amount billed is in dispute. In the year ended 31 March 2011 84.87% (2009/10: 79.75%) of invoices were paid within 10 days of receipt.

In November 1998 the Late Payment of Commercial Debts (Interest) Act came into force. This provided small businesses with a statutory right to claim interest from large businesses (and all public sector bodies) on payments that are more than 30 days overdue. Amended legislation (the Late Payment of Commercial Debts Regulations 2002) came into force on 7 August 2002 providing all businesses, irrespective of size, with the right to claim statutory interest for the late payment of commercial debts. No such claims were received during the year.

## 11. Environmental policy

The OISC seeks to minimise the impact of its activities on the environment. It has adopted the Home Office Environmental Policy in as far as it applies to the OISC. The OISC benefits from energy saving lighting in its office premises, and seeks to use recycled materials where such alternatives are available and provide value for money. It seeks to reduce the use of paper by maximising its intranet and website for the dissemination of information. The OISC also sorts its waste paper and other waste for recycling purposes.

## 12. Employment policies

The employment policies adopted by the OISC seek to create an environment in which all employees can give their best, and can contribute to the OISC's and their own success.

---

### **13. Equality and diversity**

The OISC recognises the business benefits of having a diverse workforce and is committed to maintaining a culture in which diversity and equality are actively promoted and where discrimination is not tolerated.

### **14. Staff involvement and development**

The OISC is committed to keeping its staff informed of performance, development and progress. The OISC encourages staff involvement in its development.

The OISC recognises the Public and Commercial Services Union for collective bargaining purposes.

### **15. Employees with protected characteristics under the Equality Act 2010**

The OISC operates a fair and open selection policy relating to applications for employment and internal promotion. The OISC published its Disability Equality Scheme on 1 December 2008 and is currently consulting on the introduction of an OISC Equality Scheme which will supersede the Disability Equality Scheme. This will be published in July 2011 and will incorporate all the protected characteristic areas as defined by the Equality Act 2010.

### **16. Sickness data**

The OISC lost 543 working days owing to sick absence during 2010/11 (2009/10: 383 days), the equivalent of 4.14% (2009/10: 2.59%) of the total number of working days available.

### **17. Future developments**

The OISC will continue to concentrate on delivery of its principal activities in order to ensure that those who provide immigration advice or services are fit and competent to do so and to drive out unregulated activity. The OISC intends to maintain and build on the respect and recognition it has achieved both with regards to the contribution it makes to the sector and the experience it has gained since it began operating. The OISC will work to remain an effective regulator both by ensuring that advisers give a good quality service to their clients and by providing a good service to regulated advisers and to others in the sector.

---

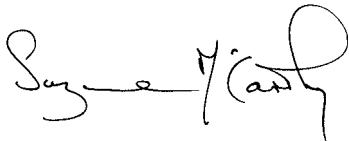
## 18. Going concern

A decision on the long-term future of the OISC is still awaited following the Cabinet Office's review of public bodies. This does not, however, cause significant doubt on the OISC's ability to continue as a going concern, because the OISC's grant-in-aid has been agreed for 2011/12 and the OISC cannot be abolished without legislation.

## 19. Disclosure of relevant audit information

As Accounting Officer I confirm that:

- there is no relevant audit information of which the auditors to the Office of the Immigration Services Commissioner are unaware;
- I have taken all the steps I ought to ensure that the said auditors are aware of relevant audit information; and
- I have taken all the steps I ought to establish that the said auditors are aware of such information.



**Suzanne McCarthy**  
**Immigration Services Commissioner and Accounting Officer**

24 June 2011



---

## Statement of Accounting Officer's responsibilities

Under the Immigration and Asylum Act 1999, the Secretary of State has directed the Immigration Services Commissioner to prepare for each financial year a Statement of Accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the OISC and of its income and expenditure, changes in taxpayers' equity and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the *Government Financial Reporting Manual (FReM)* and in particular to:

- observe the Accounts Direction issued by the Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the FReM have been followed, and disclose and explain any material departures in the financial statements; and
- prepare the financial statements on a going concern basis.

The Accounting Officer of the Home Office has designated the Immigration Services Commissioner as the Accounting Officer of the OISC. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the OISC's assets, are set out in the Accounting Officers' Memorandum issued by HM Treasury and published in *Managing Public Money*.

---

## Statement on internal control

### Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the OISC's policies, aims and objectives, while safeguarding the public funds and Office assets for which I am personally responsible, in accordance with the responsibilities assigned to me in *Managing Public Money*.

The OISC is a non-departmental public body of the Home Office. I am accountable to the Secretary of State and through her to Parliament.

### The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable, and not absolute, assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the OISC's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the OISC for the year ended 31 March 2011 and up to the date of approval of the Annual Report and Accounts, and accords with HM Treasury guidance.

### Data handling

There have been no losses of information during the year, including any losses of personal protected data which would be required to be reported to the Information Commissioner's Office. The OISC is continuing to develop policies and procedures for information management that are in accord with the Home Office's Information Risk Management Policy, but are adapted, as appropriate, to an organisation the size of the OISC.

### Capacity to handle risk

The OISC understands the importance of risk management and internal control. All members of the SMT and OISC staff have responsibility for risk management. The SMT is ultimately responsible for overseeing management of the OISC's strategic risks. It is supported by the Audit Committee which monitors risks through quarterly reports from the executive and updates of the strategic risk register. I am responsible for providing leadership for management of risk within

---

the organisation and all members of the SMT are responsible for managing the strategic risks that may impact the delivery of policies and objectives in their areas of work. Heads manage the operational risks to the delivery of their areas of work.

In addition to maintaining a corporate risk register which is reviewed on a regular basis by senior management, each team within the organisation keeps a more detailed register of risks associated with its day-to-day operations. Not only does this ensure that staff are trained in risk identification, management and mitigation, but it also embeds a culture of risk awareness throughout the OISC, guaranteeing that everyone is familiar with the OISC's appetite for risk and the part they must play in its control. Handling information risk has recently received significantly increased attention with the establishment of an Information Security Monitoring Board and the development of an overarching Information Risk Strategy, bringing together aspects of information security already addressed in numerous corporate policies.

In order to strengthen its internal controls and provide assurance, the OISC has appointed internal auditors. The OISC is also subject to external audit by the Comptroller and Auditor General.

### **The risk and control framework**

As a Corporation Sole and Accounting Officer I have the right to make all decisions regarding the running of the OISC personally. While the organisation does not have a management board that includes non-executive members, the OISC's SMT acts in this capacity, meeting monthly under my chairmanship to discuss, make recommendations to me and monitor major strategy, budgetary and operational issues and activities.

Risks that could affect the achievement of the OISC's objectives are identified and key risks are actively managed. The SMT reviews the OISC's business activities and risks on a regular basis.

The OISC's register of risk covers:

- accommodation and workplace;
- finance;
- government relationships;
- operational systems;
- performance and working practices;
- regulatory system;
- information security;

- 
- reputation; and
  - staffing.

Both the OISC's Audit Committee and the SMT regularly reviewed the key corporate risks during 2010/11. The OISC has been mindful of the need to adequately protect the data it holds.

The relevant OISC procedures and practices were reviewed during the year to ensure that they provided the correct level of protection and security.

### **Review of effectiveness**

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the OISC senior managers with responsibility for the development and maintenance of the internal control framework and comments made by the external auditors in their management letter and other reports. The Audit Committee has advised me on the implications of the result of my review of the effectiveness of the system of internal control.

The effectiveness of the system of internal control was maintained and reviewed through:

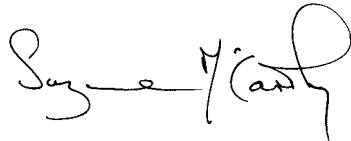
- the SMT, which met under my chairmanship on a monthly basis to consider both strategic and operational issues. That team consists of the Deputy Commissioner, the Director of Operations, the Interim Head of the Compliance and Complaints Teams and the heads of the various corporate support services;
- the OISC's Audit Committee. During 2010/11 the Audit Committee's membership consisted of three non-executive members, one of whom was the Committee's chairman. I also attended the Audit Committee meetings together with the Deputy Commissioner, the Head of Finance and representatives from the National Audit Office and the Home Office Audit and Assurance Unit (AAU);
- risk management arrangements, as described above, under which key risks that could affect the OISC achieving its objectives have been managed actively, with progress being reported to both the SMT and the OISC's Audit Committee; and
- regular reports by the Home Office AAU complying with the Government's Internal Audit Standards, which include an independent opinion on the adequacy and effectiveness of the OISC's internal controls together with recommendations for improvement, where necessary.

---

The OISC has appointed the Home Office AAU as its internal auditors. It complies with the Government's Internal Audit Standards. The work of the AAU is informed by the analysis of the risk to which the body is exposed, and the internal audit plans are endorsed by the OISC's Audit Committee and approved by me. Each year the AAU provides me with a report on its internal audit activity in the OISC. The report includes the AAU's independent opinion on the adequacy and effectiveness of the OISC's system of internal controls together with recommendations for improvement. In their 2010/11 report, the AAU stated that the OISC's system of internal control is sound and operating effectively, and that the processes for addressing and managing the risks to the objectives are effective and adequately controlled.

The OISC continues to keep its arrangements under review in response to external developments, including changes in the business environment.

For 2010/11, I am able to report that there were no material weaknesses in the OISC's system of internal controls that affected the achievement of aims and objectives.



**Suzanne McCarthy**  
**Immigration Services Commissioner and Accounting Officer**

24 June 2011

---

## **The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament**

I certify that I have audited the financial statements of the Office of the Immigration Services Commissioner for the year ended 31 March 2011 under the Immigration and Asylum Act 1999. These comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

### **Respective responsibilities of the Accounting Officer and auditor**

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Immigration and Asylum Act 1999. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Office of the Immigration Services Commissioner's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Office of the Immigration Services Commissioner; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

---

### **Opinion on regularity**

In my opinion, in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

### **Opinion on financial statements**

In my opinion:

- the financial statements give a true and fair view of the state of the Office of the Immigration Services Commissioner's affairs as at 31 March 2011 and of its net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the Immigration and Asylum Act 1999 and the Secretary of State's directions issued thereunder.

### **Opinion on other matters**

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the Secretary of State's directions issued under the Immigration and Asylum Act 1999; and
- the information given in the sections entitled the Foreword and The Organisation for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which I report by exception**

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records or returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Statement on Internal Control does not reflect compliance with HM Treasury's guidance.

---

---

**Report**

I have no observations to make on these financial statements.

Amyas C E Morse  
Comptroller and Auditor General  
National Audit Office  
157–197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP  
4 July 2011



## Statement of Comprehensive Net Expenditure

For the year ended 31 March 2011

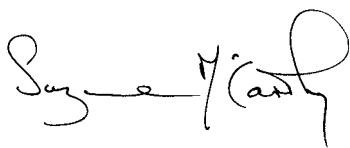
		2010/11		2009/10	
	Note	£'000	£'000	£'000	£'000
<i>Expenditure</i>					
Staff costs	4		(2,495)		(2,693)
Other expenditure	5		<u>(1,437)</u>		<u>(1,471)</u>
			<b>(3,932)</b>		<b>(4,164)</b>
<i>Other income</i>					
Fee income	3	995		908	
Other income	3	18		7	
Interest receivable		1		2	
Less: Corporation tax		<u>0</u>		<u>(5)</u>	
		1,014		912	
Appropriation due to the Home Office		<u>(1,002)</u>	12	<u>(925)</u>	(13)
Release of government grant			<u>57</u>		<u>0</u>
<b>Net expenditure</b>			<b>(3,863)</b>		<b>(4,177)</b>

The notes on pages 60 to 74 form part of these accounts.

## Statement of Financial Position

as at 31 March 2011

	Note	31 March 2011		31 March 2010	
		£'000	£'000	£'000	£'000
<b>Non-current assets</b>					
Property, plant and equipment	6		412		347
Intangible assets	7		386		460
<b>Total non-current assets</b>			798		807
<b>Current assets</b>					
Trade and other receivables	8	323		308	
Cash and cash equivalents	11	509		186	
<b>Total current assets</b>			832		494
<b>Total assets</b>			1,630		1,301
<b>Current liabilities</b>					
Amounts due within one year	9	(249)		(253)	
Provisions for liabilities and charges	10	(253)		(54)	
<b>Total current liabilities</b>			(502)		(307)
<b>Total assets less current liabilities</b>			1,128		994
<b>Non-current liabilities</b>					
Amounts due after more than one year	9		(58)		(97)
<b>Assets less liabilities</b>			<b>1,070</b>		<b>897</b>
<b>Capital and reserves</b>					
General Fund			817		587
Capital reserve			238		295
Revaluation reserve			15		15
<b>Total taxpayers' equity</b>			<b>1,070</b>		<b>897</b>



**Suzanne McCarthy**  
Immigration Services Commissioner and Accounting Officer

24 June 2011

The notes on pages 60 to 74 form part of these accounts.

## Statement of Cash Flows

for the year ended 31 March 2011

	2010/11	2009/10
	£'000	£'000
<b>Cash flows from operating activities</b>		
Net deficit after interest	(3,863)	(4,177)
Adjustments for:		
<b>Non-cash costs</b>		
Depreciation and amortisation	277	145
Revaluation	0	(9)
Interest received	(1)	(2)
(Increase)/decrease in trade and other receivables	(15)	179
Increase/(decrease) in trade payables	(51)	(113)
Release of government grant	(57)	0
Use of provisions	0	(28)
<i>Net cash outflow from operating activities</i>	<b><u>(3,710)</u></b>	<b><u>(4,005)</u></b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(14)	(86)
Purchase of intangible assets	(46)	(238)
Interest received	1	2
<i>Net cash outflow from investing activities</i>	<b><u>(59)</u></b>	<b><u>(322)</u></b>
<b>Cash flows from financing activities</b>		
Government grant	0	295
Grant-in-aid capital	15	15
Grant-in-aid revenue	4,077	4,046
<i>Net cash flow from financing activities</i>	<b><u>4,092</u></b>	<b><u>4,356</u></b>
Net increase in cash and cash equivalents in the period	323	29
Cash and cash equivalents at the beginning of the period	186	157
<b>Cash and cash equivalents at the end of the period</b>	<b><u>509</u></b>	<b><u>186</u></b>

The notes on pages 60 to 74 form part of these accounts.

## Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2011

	General Reserve £'000	Capital Reserve £'000	Revaluation Reserve £'000	Total £'000
<b>Balance at 1 April 2009</b>	<b>712</b>	<b>-</b>	<b>6</b>	<b>718</b>
<b>Changes in taxpayers' equity for 2009/10</b>				
Net gain on revaluation of property, plant and equipment	(9)	-	9	-
Net expenditure for year ended 31 March 2010	(4,177)	-	-	(4,177)
Changes in accounting policy on adoption of IFRS	-	-	-	-
<b>Total recognised income and expense for 2009/10</b>	<b>(4,186)</b>	<b>-</b>	<b>9</b>	<b>(4,177)</b>
Government grant	-	295	-	295
Capital grant-in-aid	15	-	-	15
Resource grant-in-aid	4,047	-	-	4,047
<b>Balance at 31 March 2010</b>	<b>588</b>	<b>295</b>	<b>15</b>	<b>898</b>
<b>Changes in taxpayers' equity for 2010/11</b>				
Net gain on revaluation of property, plant and equipment	-	-	-	-
Release of government grant	-	(57)	-	(57)
Net expenditure for year ended 31 March 2011	(3,863)	-	-	(3,863)
<b>Total recognised income and expense for 2010/11</b>	<b>(3,863)</b>	<b>(57)</b>	<b>-</b>	<b>(3,920)</b>
Capital grant-in-aid	15	-	-	15
Resource grant-in-aid	4,077	-	-	4,077
<b>Balance at 31 March 2011</b>	<b>817</b>	<b>238</b>	<b>15</b>	<b>1,070</b>

The notes on pages 60 to 74 form part of these accounts.

---

## Notes to the accounts

### 1 Statement of accounting policies

#### Basis of accounts

These financial statements have been prepared in accordance with the 2010/11 *Government Financial Reporting Manual (FReM)* issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the OISC for the purpose of giving a true and fair view has been selected. The particular policies adopted by the OISC are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

#### Accounting conventions

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets and inventories.

#### Standards in issue but not yet effective

IAS 8 'Accounting policies, changes in accounting estimates and errors' requires disclosures in respect of new IFRS, amendments and interpretations that are, or will be, applicable after the reporting period. There are a number of IFRS, amendments and interpretations that have been issued by the International Accounting Standards Board that are effective for financial statements after this reporting period. None of these new or amended standards and interpretations are likely to be applicable or are anticipated to have a future material impact on the financial statements of the OISC.

#### Grant-in-aid

Grant-in-aid and grant received used to finance activities and expenditure which supports the statutory and other objectives of the OISC are treated as financing and are credited to the General Reserve because they are regarded as contributions from a controlling party.

Grant relating to capital expenditure used to acquire specific capital items is credited to a government grant reserve. The capital costs are released to expenditure over the expected useful life of the asset it has been used to acquire and an equal amount transferred from the government grant reserve is released to income.

### Going concern

A decision on the long-term future of the OISC is still awaited following the Cabinet Office's review of public bodies. This does not, however, cause significant doubt on the OISC's ability to continue as a going concern, because the OISC's grant-in-aid has been agreed for 2011/12 and the OISC cannot be abolished without legislation.

### Non-current assets

Assets are capitalised as non-current assets if they are intended for use on a continuous basis and their original purchase cost, on an individual or grouped basis, is £1,000 or more. Non-current assets are revalued only when impact is material at current replacement cost by using the *Price Index Numbers for Current Cost Accounting* published by the Office for National Statistics, except in their year of disposal and acquisition when their current and historical costs are not materially different.

### Depreciation and amortisation

Depreciation is provided on all non-current assets on a straight-line basis over the asset's anticipated life as follows:

Office refurbishments	on a straight-line basis over the remaining term of the lease
Computer equipment	on a straight-line basis over 3.5 years
Furniture and office equipment	on a straight-line basis over 3.5 years
Database software	on a 20% reducing balance basis
CPD platform	on a straight-line basis over 3.5 years
CPD licences	on a straight-line basis over the life of the licence

A change to prior year policy on depreciation and amortisation was adopted in recognition of the fact that the current premises lease expires in September 2013 and uncertainty over where the OISC will in the future be located. The change in IT (Themis) depreciation policy has been adopted as a more realistic estimate of the useful economic life of the software system. As a result of this change, depreciation increased by £60,752 in the current year.

### The dilapidation provision

For property provisions, the OISC recognises a dilapidation provision for the leased premises currently occupied where it has an obligation to bring the property into

---

a good state of repair at the end of the lease. In line with IAS 37 'Provisions, contingent liabilities and assets', the costs of reinstatement have also been recognised as a tangible fixed asset, under the fit-out costs for Counting House, and will be depreciated over the period to the first break clause of the lease.

A provision for Floor 5, Counting House, 53 Tooley Street, London SE1 2QN has been created for £253,000 which will be depreciated over 3.5 years to the first break clause in the lease on 30 September 2013.

### **Fee income**

Fees that accompany applications to the Commissioner for registration or continued registration are recognised in the Statement of Comprehensive Expenditure as and when they are received. All fees are held by the Commissioner in a separate bank account from that used for the running expenses of her Office and are remitted in full to the Home Office on a quarterly basis.

Under paragraph 5(2) of Schedule 6 of the Immigration and Asylum Act 1999 the Commissioner cannot entertain an application for either registration or continued registration unless the application is accompanied by the specified fee.

Except where a fee was received in error or a mistake was made in accepting that fee by the OISC, fees are non-refundable either in full or in part.

The Commissioner is required to prepare an Annual Report for the Secretary of State on the extent to which each Designated Professional Body (DPB) over which she retains regulatory oversight has provided effective regulation of its members in their provision of immigration advice or immigration services. The Commissioner is authorised to charge the DPBs for these services. The charge is set by statute in a Fee Order. The Fee Order is made after the end of the financial year in which the work was undertaken. Hence fee income from the DPBs is receivable in the accounting year after the work has taken place.

### **Reinstatement of cost of capital**

HM Treasury decided to remove cost of capital. This is a change in accounting policy under IAS 8. As cost of capital is reversed on the face of the Statement of Comprehensive Expenditure, there is no impact on the total net expenditure or reserves when restating. Therefore only one year of comparatives needs to be disclosed in the Statement of Financial Position. The restatement of cost of capital reduces expenditure by £30,000.

---

### **Operating leases**

The OISC has an operating lease in respect of the premises it occupies in Tooley Street, London. The OISC's commitments are disclosed in Note 13. The rental agreement contained a rent-free period, the benefits of which are spread over the life of the lease and further details of which are disclosed in Note 9. There are no finance leases.

Payments made under operating leases on equipment are charged to expenditure on a straight-line basis.

### **Pension costs**

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS), which is a defined benefit scheme and is unfunded and non-contributory. The OISC recognises the expected cost of providing pensions on a systematic and rational basis over the period during which it benefits from employees' services by payment to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. The rate of the employer's contribution is determined from time to time by the Government Actuary and advised by HM Treasury. Contributions are charged to the Statement of Comprehensive Expenditure.

### **Holiday accrual**

An accrual is made of outstanding holiday due to OISC staff as at the end of the financial year. The basis of calculation is now 220 working days instead of 365 working days estimated in the 2009/10 accounts. The change in accounting policy is due to costing for actual working days which is a better estimate than the use of calendar days. As a result, holiday accrual has increased by £43,890. The total for 2010/11 was £93,222 (2009/10: £49,331).

### **Value Added Tax**

The OISC is not eligible to register for VAT and all costs are shown inclusive of VAT.

## **2 Operating segments**

The statutory duty of the OISC, as enacted in the Immigration and Asylum Act 1999, is to promote good practice by those who provide immigration advice or immigration services and to ensure that those who do so are fit and competent. It is also to operate a complaints scheme regarding all who provide immigration advice or services.



All the financial resources of the OISC are used towards the furtherance of this statutory duty. The OISC does not, therefore, have separate reporting or operating segments as envisaged by IFRS 8.

### 3 Income

#### Fee income

	2010/11	2009/10
	£'000	£'000
Designated Professional Bodies	112	125
Adviser fees	883	783
	<u>995</u>	<u>908</u>

Each year the OISC calculates the cost of supervising the Designated Professional Bodies (DPBs) for which the Commissioner has regulatory oversight. The costs of this supervision, based on staff salaries and related overheads, are charged to the DPBs on a full cost basis with no built-in profit element. All other costs incurred by the OISC are expended on fulfilling its statutory duties under the Immigration and Asylum Act 1999.

#### Fees and charges

Costs relating to fee income are as follows:

	2010/11			2009/10		
	Costs	Income	Surplus/ (Deficit)	Costs	Income	Surplus/ (Deficit)
	£'000	£'000	£'000	£'000	£'000	£'000
Designated Professional Bodies	112	112	-	125	125	-
Adviser fees	3,820	883	(2,937)	3,998	783	(3,215)
	<u>3,932</u>	<u>995</u>	<u>(2,937)</u>	<u>4,123</u>	<u>908</u>	<u>(3,215)</u>

#### Other income

	2010/11	2009/10
	£'000	£'000
Court costs	18	7
Other income	-	-
	<u>18</u>	<u>7</u>

The monies received from fees and other income are passed on to the Home Office on a quarterly basis. This is shown in the Statement of Comprehensive Expenditure as Appropriation due to the Home Office.

#### 4 Staff numbers and related costs

Staff costs comprise:

	Total	Permanently employed staff	Others	2009/10
	£'000	£'000	£'000	£'000
Wages and salaries	1,976	1,976	-	2,147
Social security costs	156	156	-	170
Other pension costs	363	363	-	399
	<u>2,495</u>	<u>2,495</u>	<u>-</u>	<u>2,716</u>
Less recoveries in respect of outward secondments	-	-	-	(23)
	<u>2,495</u>	<u>2,495</u>	<u>-</u>	<u>2,693</u>

#### Average number of persons employed

The average number of whole-time equivalent persons employed during the year was as follows:

	Total	Permanent staff	Others	2009/10
Directly employed	61	61	0	64

The Commissioner and Deputy Commissioner are Ministerial appointments.

The audited accounts for 2010/11 reported £2,494,690 (2009/10: £2,693,405) for total employment costs.

#### Pensions contributions

The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme but the OISC is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2007. Details of the resource accounts of the Cabinet Office: Civil Superannuation can be found at [www.civilservice-pensions.gov.uk](http://www.civilservice-pensions.gov.uk).

For 2010/11, employer contributions of £370,486 were payable to the PCSPS (2009/10: £398,844) at one of four rates in the range 17.1% to 25.5% of pensionable pay, based on salary bands. The scheme's actuary reviews employer

contributions every four years following a full scheme valuation. From 2009/10, the salary bands were revised but the rates remained the same. The contribution rates are set to meet the costs of benefits accruing during 2010/11 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employer contributions of £5,803 (2009/10: £8,380) were paid to one or more of the panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from 3% to 12.5% of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay.

There were no contributions due to the partnership pension providers at the reporting date nor were there any contributions prepaid at that date.

### Audit Committee

The three non-executive members of the Audit Committee are paid £350 per day plus travel costs for attendance at Audit Committee meetings. None has received more than £1,500 during the year.

## 5 Other expenditure

	2010/11	2009/10
	£'000	£'000
Running costs:		
Accommodation	316	274
Information technology	41	182
Legal costs	92	108
Advertising and publicity	35	112
Office supplies and services	74	76
Website	0	12
Training	52	55
External audit fee*	22	27
CPD cost	103	59
Other running costs	85	99
Rentals under operating leases	340	277
Non-cash items:		
Depreciation, amortisation and revaluation	277	136
Provision for reinstatement (decant) costs	0	54
	<b>1,437</b>	<b>1,471</b>

\* External audit fee includes £2,000 relating to prior year cost. £4,500 of the prior year's audit amount relates to IFRS work.

## 6 Property, plant and equipment

	Office refurbishments*	Furniture and office equipment	Computer equipment	Total
	£'000	£'000	£'000	£'000
Cost at 1 April 2010	395	269	283	947
Additions	253	-	22	275
Disposals	-	-	-	-
Revaluation	-	-	-	-
Cost at 31 March 2011	<u>648</u>	<u>269</u>	<u>305</u>	<u>1,222</u>
Depreciation at 1 April 2010	(248)	(176)	(176)	(600)
Additions**	(54)	-	-	(54)
Charged during the year	(99)	(28)	(29)	(156)
Disposals	-	-	-	-
Revaluation	-	-	-	-
Depreciation at 31 March 2011	<u>(401)</u>	<u>(204)</u>	<u>(205)</u>	<u>(810)</u>
<b>Net book value at 31 March 2011</b>	<b><u>247</u></b>	<b><u>65</u></b>	<b><u>100</u></b>	<b><u>412</u></b>
Net book value at 31 March 2010	<u>147</u>	<u>93</u>	<u>107</u>	<u>347</u>

	Office refurbishments	Furniture and office equipment	Computer equipment	Total
	£'000	£'000	£'000	£'000
Cost at 1 April 2009	360	266	211	837
Additions	-	-	86	86
Disposals	35	-	(44)	(9)
Revaluation	-	3	30	33
Cost at 31 March 2010	<u>395</u>	<u>269</u>	<u>283</u>	<u>947</u>
Depreciation at 1 April 2009	(189)	(164)	(155)	(508)
Charged during the year	(40)	(10)	(35)	(85)
Change in depreciation method	(19)	-	36	17
Revaluation	-	(2)	(22)	(24)
Depreciation at 31 March 2010	<u>(248)</u>	<u>(176)</u>	<u>(176)</u>	<u>(600)</u>
<b>Net book value at 31 March 2010</b>	<b><u>147</u></b>	<b><u>93</u></b>	<b><u>107</u></b>	<b><u>347</u></b>
Net book value at 31 March 2009	<u>171</u>	<u>102</u>	<u>56</u>	<u>329</u>

\* £57k of the office refurbishment depreciation charge relates to the assets recognised in relation to the dilapidation provision.

\*\* The £54k addition to office refurbishments relates to the reclassification of amounts charged to the provision in prior years.

## 7 Intangible assets

	Themis software £'000	CPD platform £'000	CPD licences £'000	Total £'000
Cost at 1 April 2010	238	347	12	597
Additions	46	-	-	46
Disposals	-	-	-	-
Cost at 31 March 2011	284	347	12	643
Amortisation at 1 April 2010	-	(125)	(12)	(137)
Charged during the year	(57)	(63)	-	(120)
On disposals	-	-	-	-
Amortisation at 31 March 2011	(57)	(188)	(12)	(257)
<b>Net book value at 31 March 2011</b>	<b>227</b>	<b>159</b>	<b>-</b>	<b>386</b>
Net book value at 31 March 2010	238	222	-	460
	<b>Database software £'000</b>	<b>CPD platform £'000</b>	<b>CPD licences £'000</b>	<b>Total £'000</b>
Cost at 1 April 2009	328	347	12	687
Additions	238	-	-	238
On disposals	(328)	-	-	(328)
Cost at 31 March 2010	238	347	12	597
Amortisation at 1 April 2009	(322)	(69)	(6)	(397)
Charged during the year	-	(56)	(6)	(62)
On disposals	322	-	-	322
Amortisation at 31 March 2010	-	(125)	(12)	(137)
<b>Net book value at 31 March 2010</b>	<b>238</b>	<b>222</b>	<b>-</b>	<b>460</b>
Net book value at 31 March 2009	6	278	6	290

---

## 8 Trade receivables and other current assets

	31 March 2011	31 March 2010
	£'000	£'000
<b>Amounts falling due within one year</b>		
Trade receivables	173	161
Other receivables:		
Season ticket loans to staff	22	22
Prepayments and accrued income	170	162
Provision for bad and doubtful debts	(42)	(37)
<b>Total</b>	<u>323</u>	<u>308</u>
<b>Intra-government balances</b>		
Balances with central government bodies	-	-
Balances with local authorities	-	-
Balances with bodies external to government	323	308
<b>Total</b>	<u>323</u>	<u>308</u>

## 9 Trade payables and other current liabilities

	31 March 2011	31 March 2010
	£'000	£'000
<b>Amounts falling due within one year</b>		
Trade payables	11	52
Accruals and deferred income	142	107
Taxation and social security	57	55
Accommodation rent free period*	39	39
<b>Total</b>	<b>249</b>	<b>253</b>
<b>Intra-government balances</b>		
Balances with central government bodies	57	59
Balances with local authorities	-	-
Balances with bodies external to government	192	194
<b>Total</b>	<b>249</b>	<b>253</b>
<b>Amounts falling due after more than one year</b>		
Accommodation rent free period*	58	97
<b>Total</b>	<b>58</b>	<b>97</b>

\*Accrued rent: During 2003–05, the OISC negotiated a 10-year lease on Floor 5, Counting House, 53 Tooley Street, London SE1 2QN. As part of this agreement the OISC was granted an 18-month rent free period, from 29 September 2003 to 31 March 2005. In accordance with IAS 17, the OISC has spread the cost of the lease on an effective straight-line basis from the start of the rent free period to the end of the extended lease on 28 September 2013. As a result, notional rent charges for the rent free period have been charged to the Statement of Comprehensive Net Expenditure



## 10 Provisions for liabilities and charges

	Increased rent	Reinstatement costs	Total provisions
	£'000	£'000	£'000
Balance at 1 April 2009	82	–	82
Movement in the year	–	54	54
Provision not required written back	(82)	–	(82)
Balance at 31 March 2010	–	54	54
Balance at 1 April 2010	–	54	54
Movement in the year	–	199	199
Provision not required written back	–	–	–
<b>Balance at 31 March 2011</b>	<b>–</b>	<b>253</b>	<b>253</b>

On 28 September 2008 the OISC's landlord exercised its right to increase the rent payable on the fifth anniversary of the lease. The landlord proposed increasing the annual rent from £257,660 to £421,000. The annual rent has been agreed at £346,000.

The OISC lease states that at the end of the lease term (28 September 2013) the landlord may require the tenant, i.e. the OISC, to reinstate the property to the condition as it was when the tenant first took on the lease. The cost of reinstatement has been estimated at £253,123. A non-current asset has been recognised and will be depreciated over the remaining life of the lease which expires in 3.5 years as required by IAS 37 'Provisions, contingent liabilities and assets'.

## 11 Analysis of changes in cash and cash equivalents

	£'000
Balance at 1 April 2009	157
Net change in cash and cash equivalent balances	29
Balance at 31 March 2010	186
Net change in cash and cash equivalent balances	323
<b>Balance at 31 March 2011</b>	<b>509</b>

The OISC has no borrowings and relies on departmental grants for its cash requirements, and is therefore not exposed to liquidity risks. It also has no material deposits and all material assets and liabilities are denominated in sterling, so it is not exposed to interest rate risk or currency risk.

The OISC holds no cash balances with the Office of the Paymaster General. All amounts are held in commercial bank accounts.

## 12 Capital commitments

At 31 March 2011 there were no capital commitments (31 March 2010: Nil).

## 13 Commitments under operating leases

	31 March 2011		31 March 2010	
	Land and building	Equipment	Land and building	Equipment
	£'000	£'000	£'000	£'000
<i>Operating leases that expire:</i>				
Not later than 1 year	347	5	347	7
Later than 1 year and not later than 5 years	521	-	868	-

## 14 Contingent liabilities

There were no contingent liabilities at 31 March 2011 (31 March 2010: Nil).

## 15 Post reporting period events

There are no post reporting period events to report. The Annual Report and Accounts were authorised for issue on **DD MMM** 2011.

## 16 Related party transactions

The UK Border Agency, as sponsor department for the OISC, is a related party to the OISC. During the year ended 31 March 2011, the UK Border Agency provided the OISC with grant-in-aid. A small number of transactions were made with other government departments and other central government bodies.

During the year ended 31 March 2011 neither the Commissioner, Deputy Commissioner, key managerial staff nor other related parties undertook any material transactions with the OISC.

Balances with central government bodies are detailed in Notes 8 and 9.

## 17 Results for the period

The financial resource allocated to the OISC has been used to meet the year's business plan targets. Any additional expenditure that has been met out of cash brought forward from previous accounting periods has had the approval of the Sponsor Unit.

---

## **18 Financial instruments**

As the cash requirements of the OISC are met through grant-in-aid provided by the UK Border Agency, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with the OISC's expected purchase and usage requirements and the OISC is therefore exposed to little credit, liquidity or market risk.

---

# The Commissioner's Report on Regulation by Designated Professional Bodies of their Members

---

## Introduction

This Report, which is made in accordance with Part V of the Immigration and Asylum Act 1999, gives my opinion on the extent to which the Designated Professional Bodies (DPBs) listed below have provided effective regulation of their members in the provision of immigration advice and/or services. The Report comments on how those bodies dealt both with complaints referred to them by the OISC and with complaints directly received by them.

The DPBs are the:

- Law Society of England and Wales;
- Law Society of Scotland;
- Law Society of Northern Ireland;
- Institute of Legal Executives;
- General Council of the Bar of England and Wales;
- Faculty of Advocates; and
- General Council of the Bar of Northern Ireland.

From 1 April 2011 oversight regulatory responsibilities for the Law Society of England and Wales, the General Council of the Bar of England and Wales and the Institute of Legal Executives transferred from me to the Legal Services Board (LSB).

In October 2010, the Legal Ombudsman's (LeO's) office took on responsibility for dealing with service complaints for these three DPBs. The OISC and the LeO signed a Memorandum of Understanding (MoU) in November 2010. All complaints received by my Office relating to these bodies are now referred to the LeO.

---

## The Law Society of England and Wales (including the Solicitors Regulation Authority (SRA) and the Legal Complaints Service\* (LCS))

My 2009/10 Report indicated that I would be discussing the following with this DPB:

- the length of time taken to allocate complaints;
- ongoing changes to the regulation of solicitors in line with the implementation of the Legal Services Act 2007; and
- arrangements for the transfer of oversight responsibilities to the LSB.

### The length of time taken to allocate complaints

I am pleased by the significant improvement the SRA has made in reducing the time needed for the allocation of complaints. In 2009/10, 81% of cases missed their allocation target. In 2010/11, over 70% hit the target.

### Changes in the regulation of solicitors in accordance with the Legal Services Act 2007 and arrangements for transfer of oversight responsibilities

As mentioned in the Introduction to this Report, the SRA moved to oversight regulation by the LSB in April 2011. The work done by my Office in tandem with the SRA and the Ministry of Justice has facilitated a smooth transition. The OISC will continue to work with the SRA.

### Statistics

**Table 1a: Immigration complaints received by the LCS, 2010/11**

From the OISC	From other sources	Total
24	323	347

**Table 1b: Immigration complaints received by the SRA, 2010/11**

From the OISC	From other sources	Total
4	207	211

**Table 2a: Immigration complaints closed by the LCS, 2010/11**

From the OISC	From other sources	Total
26	471	497

\* The LCS ceased operating in December 2010.

**Table 2b: Outcomes of closed LCS immigration complaints, 2010/11**

Upheld	Conciliated	Not upheld	Withdrawn	No response	Other	Total
94	125	121	25	37	95	497

**Table 2c: Age profile of closed LCS immigration complaints, 2010/11**

0–3 months	4–6 months	7–9 months	10–12 months	>12 months	Total
256	164	53	21	3	497

**Table 3a: Immigration complaints closed by the SRA, 2010/11**

From the OISC	From other sources	Total
2	211	213

**Table 3b: Outcomes of closed SRA immigration complaints, 2010/11**

Upheld	Conciliated	Not upheld	Withdrawn	No response	Other	Total
35	0	99	0	2	77	213

**Table 3c: Age profile of closed SRA immigration complaints, 2010/11**

0–3 months	4–6 months	7–9 months	10–12 months	>12 months	Total
131	48	20	4	10	213

## The Bar Standards Board (BSB)

My 2009/10 Report indicated that I would be discussing the following with this DPB:

- the BSB's ongoing reforms in line with the implementation of the Legal Services Act 2007;
- the specific impact of those reforms for complaints handling; and
- arrangements for the transfer of oversight responsibilities to the LSB.

## The BSB's ongoing reforms

From 6 October 2010, the BSB ceased taking service complaints directly from clients as after that date the LeO took on responsibility for these. I note that the BSB signed an MoU and entered into an Operational Protocol agreement with the LeO and consequently amended their Rules accordingly.

### Statistics

**Table 4: Immigration complaints received by the BSB, 2010/11**

From the OISC	From other sources	Total
3	0	3

**Table 5a: Immigration complaints closed by the BSB, 2010/11**

From the OISC	From other sources	Total
11	5	16

**Table 5b: Outcomes of closed BSB immigration complaints, 2010/11**

Upheld	Conciliated	Not upheld	Withdrawn	No response	Other	Total
6	0	6	0	0	4	16

**Table 5c: Age profile of closed BSB immigration complaints, 2010/11**

0–3 months	4–6 months	7–9 months	10–12 months	>12 months	Total
4	7	1	0	4	16

## The Institute of Legal Executives (ILEX)

My 2009/10 Report indicated that I would be discussing the following with this DPB:

- progress in applying section 90 powers by ILEX's Disciplinary Tribunal; and
- arrangements for the transfer of oversight responsibilities to the LSB.

### Section 90 of the Immigration and Asylum Act 1999

A decision regarding the making of the section 90 Order is a matter for Government.

In my last Report I mentioned my disappointment that ILEX had decided to defer the development of its proposed accreditation scheme for immigration work. I understand that this work is scheduled to begin in 2011/12.

## Statistics

**Table 6: Immigration complaints received by ILEX, 2010/11**

From the OISC	From other sources	Total
1	1	2

**Table 7a: Immigration complaints closed by ILEX, 2010/11**

From the OISC	From other sources	Total
1	0	1

**Table 7b: Outcomes of closed ILEX immigration complaints, 2010/11**

Upheld	Conciliated	Not upheld	Withdrawn	No response	Other	Total
0	0	1	0	0	0	1

**Table 7c: Age profile of closed ILEX immigration complaints, 2010/11**

0–3 months	4–6 months	7–9 months	10–12 months	>12 months	Total
0	0	1	0	0	1

## The Law Society of Scotland (LSS)

My 2009/10 Report indicated that I would be discussing the following with this DPB:

- progress on introducing the proposed new processes in respect of conduct complaints; and
- the impact of legal services reform.

### Progress on the proposed new processes for conduct complaints

We have continued to monitor complaints on immigration advice or services received directly by this DPB. No significant issues have emerged in 2010/11.

From 1 October 2010, the LSS's responsibility for new service complaints ceased with this responsibility transferring to the Scottish Legal Complaints Commission (SLCC). The LSS continues to have responsibility for dealing with such complaints made before that date and for complaints about conduct.

In my previous Report I mentioned that the LSS intended investigation of conduct complaints to be handled in future by LSS caseworkers rather than, as previously, by external reporters. We welcomed this development, which has been implemented. I intend to monitor the outcome of this change.



## Legal services reform

The Legal Services (Scotland) Act 2010 received Royal Assent in November 2010. Various parts of that Act will come into force throughout 2011/12, and the LSS will be consulting on issues connected with that Act. I intend to report on these developments as they affect my work in my next Report.

## Statistics

**Table 8: Immigration complaints received by the LSS, 2010/11**

From the OISC	From other sources	Total
0*	3	3

\* Since May 2009, the OISC has referred all complaints it has received about solicitors practising in Scotland to the SLCC.

**Table 9a: Immigration complaints closed by the LSS, 2010/11**

From the OISC	From other sources	Total
1*	0	1

\* This complaint was subsequently reopened when the complainant re-established contact.

**Table 9b: Outcomes of closed LSS immigration complaints, 2010/11**

Upheld	Conciliated	Not upheld	Withdrawn	No response	Other	Total
0	0	0	0	1	0	1

**Table 9c: Age profile of closed LSS immigration complaints, 2010/11**

0–3 months	4–6 months	7–9 months	10–12 months	>12 months	Total
0	0	0	0	1	1

## The Faculty of Advocates

No complaints were received or are outstanding about immigration advice or services provided by members of the Faculty of Advocates.

## The Law Society of Northern Ireland (LSNI)

My 2009/10 Report indicated that I would be discussing the following with this DPB:

- completion of the MoU between the OISC and the LSNI.

I am pleased to report that we have signed the MoU.

---

## Statistics

**Table 10: Immigration complaints received by the LSNI, 2010/11**

From the OISC	From other sources	Total
0	1	1

**Table 11a: Immigration complaints closed by the LSNI, 2010/11**

From the OISC	From other sources	Total
0	1	1

**Table 11b: Outcomes of closed LSNI immigration complaints, 2010/11**

Upheld	Conciliated	Not upheld	Withdrawn	No response	Other	Total
1	0	0	0	0	0	1

**Table 11c: Age profile of closed LSNI immigration complaints, 2010/11**

0–3 months	4–6 months	7–9 months	10–12 months	>12 months	Total
1	0	0	0	0	1

## The General Council of the Bar of Northern Ireland

No complaints were received or are outstanding about immigration advice or services provided by members of the General Council of the Bar of Northern Ireland.



Published by TSO (The Stationery Office) and available from:

**Online**

[www.tsoshop.co.uk](http://www.tsoshop.co.uk)

**Mail, Telephone, Fax & Email**

TSO

PO Box 29, Norwich NR3 1GN

Telephone orders/General enquiries: 0870 600 5522

Order through the Parliamentary Hotline Lo-call: 0845 7 023474

Fax orders: 0870 600 5533

Email: [customer.services@tso.co.uk](mailto:customer.services@tso.co.uk)

Textphone: 0870 240 3701

**The Parliamentary Bookshop**

12 Bridge Street, Parliament Square,

London SW1A 2JX

Telephone orders/General enquiries: 020 7219 3890

Fax orders: 020 7219 3866

Email: [bookshop@parliament.uk](mailto:bookshop@parliament.uk)

Internet: [www.bookshop.parliament.uk](http://www.bookshop.parliament.uk)

**TSO@Blackwell and other Accredited Agents**

**Customers can also order publications from**

TSO Ireland

16 Arthur Street, Belfast BT1 4GD

Telephone: 028 9023 8451 Fax: 028 9023 5401

