

OFFICE OF THE  
IMMIGRATION SERVICES  
COMMISSIONER



# Annual Report and Accounts 2019/20



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



# Office of the Immigration Services Commissioner Annual Report and Accounts

1 April 2019 to 31 March 2020

Incorporating the Commissioner's  
report on regulation by the  
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

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# Part 1: Performance Report

## 1.1 Overview

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**This overview provides information on the Office of the Immigration Services Commissioner (OISC), including our purpose and activities, the key risks against achieving our objectives and a summary of our performance for 2019/20.**

### 1.1.1 Commissioner's statement

I was delighted to join the OISC as Immigration Services Commissioner in July 2019. Prior to my appointment, the OISC was led by the Deputy Commissioner, Dr Ian Leigh and I would like to thank him for his leadership during this period.

2019/20 has been the last year of the 2017-19 Corporate Plan. It has been a busy and successful year in which we have continued to deliver against our statutory duties and responsibilities. More detail on these regulatory activities are included in the Performance Analysis section of this report. There have also been several significant achievements which I am pleased to report on.

In supporting the implementation of Government's EU Settlement Scheme (EUSS) we worked closely with various European community groups and the Home Office, to set up a dedicated and streamlined registration process for voluntary organisations. This enabled these organisations to provide immigration advice and services for EU citizens wishing to apply for settlement in the UK under the EUSS. By ensuring the timely registration of these organisations we provided more opportunity for EU citizens to get good and legal advice and reduced the opportunity for organisations operating illegally to take advantage of the need for advice on the EUSS.

In pursuit of our fight against exploitation of individuals and abuse of the immigration system, we continued our investigations and prosecutions work. 2019/20 saw seven successful criminal prosecutions. This included a case against DDR Legal Services and Burlow Spencer, which was particularly significant as it tested our ability to prosecute a legal firm based outside of the UK (in Romania), who were providing supervision to advisers in

England and claiming they were not subject to UK regulation or the Commissioner's Code of Standards. DDR and Burlow Spencer company directors were found guilty of offences against the Immigration Act, and we await their sentencing following a Proceeds of Crime investigation.

We have continued to build relationships with stakeholders, promoting the role of the OISC and realising positive results by working closely with them on key issues. In particular, our work with the Solicitors Regulation Authority (SRA) on proposals to allow SRA regulated solicitors to practice from OISC regulated organisations, avoided a potentially confusing dual regulation environment.

In 2019/20 we further developed our communication function, including the recruitment of a new Head of Corporate Strategy and Communications and the embedding of the Communications Business Partner who was recruited in 2018. Through restructuring our website and launching our first social media channels we have created more consumer focussed content, better promoting the importance of using regulated advisers to those who are vulnerable and in need of immigration advice.

OISC's professional and dedicated staff have been central to the successful delivery of our 2019/20 Business Plan. I would like to thank them for their hard work and their ability to welcome change with enthusiasm. Most recently the Coronavirus pandemic has impacted on the organisation and how it continues its work. That said, I am delighted by the way staff have responded to working from home in lockdown conditions, and whilst we have had to pause some activities whilst we implement new ways of working, we continue to be able to deliver the majority of our functions.

In 2019/20 we have seen some significant events and milestones that will impact on the future regulation and provision of immigration advice and services, principally the new Government and its commitment to develop a world class global points-based immigration system and end the free movement of EU citizens to the UK. Two high profile reports into immigration (Law Commission's Simplifying the Immigration Rules report and the Windrush Lessons Learned Review) have also been published which highlight the need to create a more transparent and simplified immigration system. All these will impact on how immigration advice and services are provided in the future.

2020/21 is bringing further change and challenge as we continue to react to the impact of the Coronavirus pandemic and learn to work in new and different ways. However, the most significant change will be the development and implementation of the new vision and 2020-23 Corporate Plan. The vision will shift our focus to placing the person seeking immigration advice at the heart of everything we do. This will considerably expand our range of activities and may include the organisation moving to working on a regional and national basis. I very much look forward to working with our staff, partners and stakeholders to embed this new vision and establish a development programme that will change the way the OISC works over the next five years.

*J. J. Tuckett*

**John Tuckett**  
Immigration Services Commissioner

### 1.1.2 About the Office of the Immigration Services Commissioner

Led by the Immigration Services Commissioner, the OISC is an Arm's Length Body of the Home Office. Our statutory duties are set by the Immigration and Asylum Act 1999 and include regulating immigration advice and services across the UK<sup>1</sup>. We are funded through a grant-in-aid budget of £3.82m to carry out our statutory regulatory responsibilities with 60 employees and based in London. We regulate over 3,000 individual immigration advisers and 1,600 organisations from which we collect fees of c£1m which are remitted to the Home Office.

The Immigration Services Commissioner acts as Corporation Sole and Accounting Officer and is accountable to the Home Secretary for the OISC's activities and performance. The Commissioner is supported by an Audit, Risk and Assurance Committee (ARAC), the Deputy Commissioner and a senior management team.

Our Home Office Senior Sponsor is the Director of Borders, Immigration and Citizenship (BICS), who is responsible for the policy and legal framework within which the OISC works. Our relationship with the Home Office is defined by a Framework Agreement, which includes details on accountability, governance, finance and reporting arrangements. These matters are overseen by the Home Office Sponsorship Unit (HOSU).

### 1.1.3 Our purpose and core activities

The OISC fulfils its statutory duties as set out in the Immigration and Asylum Act 1999 by promoting good practice to immigration advisers, setting standards for immigration advice and services, and making sure those standards are upheld. Specifically, it includes:

- assessing and registering those who want to provide immigration advice against OISC levels of competence (Level 1, 2 and 3)
- auditing the performance of organisations and advisers ensuring standards are maintained
- managing and investigating complaints against immigration advisers
- investigating and taking enforcement action against those who provide poor service or immigration advice illegally
- overseeing those who regulate immigration advice by solicitors and barristers in Scotland and Northern Ireland where the legal systems are different

### 1.1.4 Our key risks and issues

We are committed to applying risk management to all our activities to enable the identification, prioritisation and escalation of strategic and operational risks and issues. During 2019/20, two principal risks which had the potential to impact on our success in delivering our strategic objectives were identified and managed:

- Financial: increased costs of legal services and additional building service charge rates means that the OISC is unable to manage activities within 2019/20 budget allocation
- COVID-19: Business activities are restricted due to the UK's response to Coronavirus impacting on the OISC's ability to achieve 2019/20 business plan objectives

### 1.1.5 Going concern statement

Our accounts have been prepared on a going concern basis with the future financing of the OISC's liabilities to be met by grant-in-aid funding, to be approved annually by Parliament. Approval for amounts required for 2020/21 has been given and there is no reason to believe future approvals will not be forthcoming. The Triennial Review into the OISC (published January 2017) confirmed that there was a continued need for regulation of immigration advice and services and that the OISC should continue to provide this as a non-departmental public body.

<sup>1</sup> Advice provided by solicitors and barristers falls outside of OISC's authority and is regulated by the Solicitors Regulation Authority and the Bar Standards Board



### 1.1.6 Performance summary

**1,064**

new adviser applications, including regulated individuals applying to raise levels

**86%**

of new organisation applications decided in under 16 weeks

**100%**

of Commissioner's decisions upheld on appeal

**56**

applications to provide support for EU Settlement Scheme

**93%**

of new organisation applications decided within six months

**112**

complaints against regulated advisers received

**181**

new organisation applications approved

**5**

organisations' registration cancelled, or refused continued registration

**£54,000**

fees recovered on behalf of clients

**1,033**

continued registrations approved

**264**

premises audits completed

**10**

criminal prosecutions awaiting trial

**19**

assessment centres held

**1**

organisation had 2 or more serious breaches within 2 years of registration

**7**

people convicted

**642**

applicants attended assessment centres

**85**

negative assessments made

**99**

investigations into complaints of illegal activity completed

**304**

applicants passed

**10**

organisations appealed against a negative decision

## 1.2 Performance analysis: Delivery against our business plan

### 1.2.1 Strategic aims and objectives

In 2019/20 we set four strategic aims and supporting objectives:

<b>A</b>	<b>Authorising only those demonstrably fit and competent</b>	A.1 Facilitating applications for registration
		A.2 Making timely, fair and correct decisions
		A.3 Monitoring compliance through audits and complaints
		A.4 Improving compliance and removing those that fail
<b>B</b>	<b>Improving the quality of immigration advice</b>	B.1 Empowering consumers
		B.2 Setting clear standards
		B.3 Working with other legal services stakeholders
<b>C</b>	<b>Protecting people</b>	C.1 Stopping illegal immigration advice
		C.2 Encouraging consumers to use authorised immigration advisers
		C.3 Reducing abuse of the immigration system
		C.4 Identifying trends in demand and supply of immigration advice
<b>D</b>	<b>Managing our resources efficiently and effectively</b>	D.1 People and estate
		D.2 Information and communications technology
		D.3 Finance
		D.4 Legal

Performance against these objectives are measured on a quarterly basis through the senior management team and Audit and Risk Assurance Committee. The following section provides a summary of how these aims and objectives were met in 2019/20.

### 1.2.2 Aim A — Authorising only those demonstrably fit and competent

Through this aim we have ensured that immigration advisers are 'fit and competent' through a rigorous process of registration, assessment, re-registration and audit, and by informing the public of those who are OISC registered immigration advisers. The following describes how we have achieved this aim.

#### A1 - Facilitating applications for registration

Facilitating applications for registration is an important step in the registration of immigration advisers. We have improved the process for applicants by publishing clear and transparent information on our website about the application process, encouraging more applicants to submit electronic applications and working with voluntary and community sector support groups to assist applications for registration.

In 2019/20, 209 new organisations applied for registration. This included 56 organisations applying to provide immigration advice and services related to the Home Office's EU Settlement Scheme (EUSS) under a simplified application process. We processed 1,047 continued registration applications from organisations. In addition, 1,064 individual adviser applications, including 61 for EUSS, were processed for new individuals joining registered organisations and individuals raising their levels of registration.

We continued to review the information on the OISC website about the application process and entry standards so that everyone has access to the necessary information to submit a valid application. We have also promoted the use of electronic applications, increasing the number received electronically from 76% in 2018/19 to 87% in 2019/20 exceeding the target of 85%. A survey on the electronic application process found that 98% of those using electronic applications thought the supporting instructions on how to complete an electronic application were very clear or clear and 82% of candidates thought the application very easy or easy to complete.

In 2019/20 we continued to provide advice and assistance to the community and voluntary sector. Through our Community and Voluntary Sector Support Group we dealt with 38 general queries and six substantial queries regarding complex matters or pilot schemes from the sector. Work has continued with Refugee Action on their Frontline Immigration Advice Project. This project assists small to medium sized refugee and asylum support charities throughout the UK in gaining the necessary knowledge and skills to achieve OISC registration.

We also continue to offer support and guidance to community groups who have received Home Office funding to assist clients making EUSS applications, either through taking direct questions or attending the EUSS stakeholder engagement meetings.

**Table 1: Applications by previously unregulated organisations to join the OISC regulatory scheme 2019/20**

	Fee charging	Non-fee charging	Total
New applications received	128	81	209
Applications brought forward from 2018/19	50	16	66
Applications approved	102	79	181
Applications refused	32	4	36
Applications withdrawn	4	5	9
Applications carried forward	40	9	49

**Table 2: Applications from regulated organisations for continued registration 2019/20**

	Fee charging	Non-fee charging	Total
Continued registration applications received	820	227	1,047
Applications brought forward from 2018/19	26	6	32
Applications approved	814	219	1,033
Applications refused	2	0	2
Applications withdrawn	2	0	2
Applications carried forward	28	14	42

**Table 3: Applications from regulated organisation to add new advisers or increase levels of operation 2019/20**

	Approved	Refused	Total
Applications for new advisers to join an existing registered organisation	505	23	528
Applications from registered organisations to change level	22	13	35
Applications from registered advisers to change level	56	77	133

## A2 - Making timely, fair and correct decisions

A key part of our statutory responsibilities is to ensure that advisers are, and remain, 'fit and competent'. We have achieved this by facilitating applications for registration for a range of complexity of work able to be undertaken (Levels 1 to 3)<sup>2</sup> and by making timely, fair and correct decisions.

In 2019/20, 93% of all new organisations' applications for registration were decided within six months of receipt, with 86% of applications decided in under 16 weeks. 89% of Level 1 applications were decided within 16 weeks and 60% of all organisations applying for registration to conduct work under the streamlined EUSS were decided in six weeks. Delays in processing applications under the EUSS scheme were encountered due to some organisations experiencing problems acquiring their DBS certificates.

In addition to new registrations, 98% of continued registration applications were decided within three months. 99% of organisations that were not seeking any amendment to the terms of their registration, were decided within three weeks.

Assessment centres are a key part of the registration process and in deciding if the applicant is 'fit and competent'. In 2019/20 assessment centres were held for Level 1, Level 2 and Level 3 assessments. In total 438 applicants undertook Level 1 assessment with a pass rate of 54%, 131 applicants for Level 2 with a 30% pass rate and 73 applicants for Level 3 with 37% pass rate. Due to COVID-19 restrictions, assessment centres from March 2020 have been postponed and options for online assessments are being explored.

Within 2019/20, we measured how many organisations granted registration were found to be in breach of two or more serious compliance issues following an OISC audit. The review provided reassurance that registered organisations demonstrate compliance with the Commissioner's Code of Standards relating to fitness and competence, with only one organisation having two serious breaches post approval within two years of registration and none with more than two serious breaches.

Good decision making at the entry point is reflected by the low number of organisations that need to be subsequently removed from the scheme. In 2019/20, only five organisations had their registration cancelled or were refused continued registration on the grounds that the Commissioner found them to be no longer fit or competent; 89 applications were not approved and of those only 10 appealed the decision. The First Tier Tribunal (Immigration Services) upheld the Commissioner's decisions in 100% of appeals brought during 2019/20.

<sup>2</sup> OISC registration levels:

Level 1: basic immigration advice within the Immigration Rules

Level 2: more complex casework, including applications outside the Immigration Rules

Level 3: appeals

**Table 4: Total number of regulated organisations as at 31 March 2020**

	As at 31 March 2020
Fee charging	950
Non-fee charging	313 (plus 352 Citizens Advice Bureau operating at Level 1)
<b>Total number of regulated organisations</b>	<b>1,615</b>

**Table 5: Total number of regulated advisers as at 31 March 2020**

	As at 31 March 2020
Fee charging	1,534
Non-fee charging (Excluding Level 1 Citizens Advice Bureau)	1,245*
Fee charging and non-fee charging** (Some advisers are both fee charging and non-fee charging)	36
<b>Total number of regulated advisers</b>	<b>2,815 (Excluding 352 Level 1 Citizens Advice Bureau)</b>
<b>Total number of regulated advisers including Citizens Advice Bureau ***</b>	<b>3,167</b>

\* Includes EUSS and voluntary sector scheme

\*\*Advisers who work for both fee charging and non-fee charging organisations have not been double counted in the total

\*\*\*Includes one adviser for each Citizens Advice Bureau registered with the Commissioner at Level 1

**Table 6: The number of regulated organisations by advice level as at 31 March 2020**

	Fee charging	Non-fee charging	Total
Level 1	505	531	1,036*
Level 2	92	56	148
Level 3	353	78	431
<b>Total</b>	<b>950</b>	<b>665</b>	<b>1,615*</b>

\*This figure includes 352 Citizens Advice Bureau registered at Level 1.

**Table 7: The number of regulated advisers by advice level as at 31 March 2020**

	Fee charging	Non-fee charging	Fee charging and Non-fee charging*	Total
Level 1	909	1,362	13	2,284**
Level 2	184	149	10	343
Level 3	441	86	13	540
<b>Total</b>	<b>1,534</b>	<b>1,597</b>	<b>36</b>	<b>3,167**</b>

\* Some advisers are both fee charging and non-fee charging. Advisers who work for more than one organisation have not been double counted in the total.

\*\*This figure includes 352 Citizens Advice Bureau registered at Level 1.

### A3 - Monitoring compliance through audits and complaints

The ongoing assessment of registered organisations is a crucial part of ensuring that all immigration advisers remain 'fit and competent' and are acting within the regulatory scheme and the OISC's Code of Standards. We have achieved this through premise audits and investigating complaints against advisers.

At the beginning of 2019/20 a risk-based assessment identified 307 organisations which would require a premise audit. 233 of these organisations were audited. 31 additional audits were conducted as these organisations' risk scores changed during the year. The full 307 programmed audits were not completed due to a reduction of case workers during the year and travel restrictions in place due to COVID-19. A number of organisations were also de-prioritised as they had no new clients and their risk score had reduced. Due to continuing restrictions due to COVID-19 premise audits were put on hold from March 2020 and alternative online options are being developed.

Of those organisations that were audited, 95% were issued with their post-audit Identified Issue Reports within 20 working days of the audit, with 85% being issued with the report within 10 working days.

In relation to complaints, the OISC received 112 complaints against regulated advisers in the 2019/20 business year, compared to 127 received in the previous business year. 87% of all complaints which were closed in 2019/20 were resolved or determined within five months of receipt.

Whilst the OISC does not have the statutory power or authority to force an organisation/adviser to refund any fees paid by a client, during 2019/20 we secured 27 refunds for complainants, totalling around £54,000 (including £30,000 for one complainant).

**Table 8: Breakdown of total complaints received during 2019/20**

As at 31 March 2020	
Complaints about OISC regulated advisers	113
Complaints about advisers under approved regulators	27
Complaints about unregulated advisers	87
<b>Total number of complaints received</b>	<b>227</b>

**Table 9: Outcomes of complaints made about regulated advisers as at 31 March 2020\***

Complaint outcomes	Number
Substantiated	44
Unsubstantiated	10
Re-directed and successfully resolved by organisation	26
Closed as outside time and/or jurisdiction	9
Closed due to insufficient evidence	6
Closed due to failure in complainant cooperation	9
Closed due to organisation no longer registered	14
Investigation suspended due to ongoing legal action	2
<b>Total</b>	<b>120</b>

\*These totals include complaints carried forward from previous years

### A4 - Improving compliance and removing those that fail

To ensure organisations meet their clients' and other stakeholders' needs in providing immigration advice and services, we have improved organisations' compliance with the Commissioner's Code of Standards through premise audits, support activities and, where necessary, deregistration.

To support advisers, we have published online presentations on what is required during premises audits, information regarding professional conduct and ethics. Each registered organisation continues to have a named caseworker to provide tailored advice and guidance to ensure ongoing compliance with the Code of Standards.

Where organisations are found to be not competent or unfit the Commissioner is required by the Act to cancel registration. In 2019/20 five organisations had their registration cancelled, or were refused continued registration, because they were deemed to be no longer fit nor competent.

### 1.2.3 Aim B — Improving the quality of immigration advice across the UK

Through this aim we have raised the quality of immigration advice across the UK through setting clear standards for all those providing immigration advice and improving advice seekers' knowledge so they can make an informed choice about which adviser to use. We have also ensured the OISC's expertise on regulating good immigration advice and services is heard and adopted. The following describes how we have met this aim.

#### B1 - Empowering consumers

Empowering immigration advice seekers to make more informed choices is an important part of improving the quality of immigration advice across the UK. In 2019/20 we focussed on improving information available through the OISC website ([gov.uk/oisc](http://gov.uk/oisc)) so consumers make more informed choices about which immigration advice and service providers to use.

In November 2019, a new consumer section was created on the OISC website; this included nine guidance documents for consumers providing a range of information from how to find an adviser, to what you can expect from your adviser, to what the OISC does and how to make a complaint.

In January 2020 our first consumer survey closed, providing feedback on advice seeker experience of using a regulated adviser. Whilst only 21 surveys were completed the results indicated an overwhelmingly positive relationship between regulated advisers and their clients. The survey also reported a lack of knowledge of the OISC by consumers prior to instructing their OISC adviser suggesting that more work is needed by the OISC to ensure consumers are aware of the regulatory body.

In 2019/20 we revised the OISC's Complaints Scheme following a public consultation on the scheme which ran from November 2019 to January 2020. Changes to the scheme included increasing the range of possible outcomes to complaints and improving understanding of the complaints process. The revised scheme was implemented on 1 April 2020.

Working with key stakeholders, we developed a series of posters highlighting the importance of using a regulated adviser and how to make a complaint. Due to COVID-19 restriction, distribution of the posters was postponed to early 2020/21.

#### B2 – Setting clear standards

This year we have continued to ensure our regulatory scheme is proportionate and is fit for purpose.

Our three core regulatory documents, Guidance on Competence, Complaints Scheme and Code of Standards were all reviewed in 2019/20 along with the various guidance and practice notes that accompany these documents (see B1: Empowering Consumers for changes to the Complaints Scheme). No changes to the Code of Standards or Guidance on Competence were required. Two new guidance notes were published on the OISC website relating to premises audits and work permitted by EUSS advisers at Level 1.

#### B3 – Working with other legal services stakeholders

Working with other legal stakeholders we have improved consistency across immigration services regulation. This has been achieved through regular engagement with the relevant stakeholders on key issues.

Throughout 2019/20 we have actively engaged with other legal services stakeholders through a programme of activities. This included discussions regarding the Competitions and Market Authority's (CMA) 2016 legal services market report and their recommendations around transparency on price and services and empowering consumers. We have also had ongoing discussions with the Solicitors Regulation Authority (SRA) to make sure that proposed changes to the SRA Handbook did not conflict with the regulation of immigration advisers and the OISC's regulatory scheme.

We continued to engage with The Immigration Law Practitioners Association (ILPA) regarding a number of matters including the UK Visa and Citizenship Application Service operated through Sopra Steria. We have met with ILPA and a large cross section of legal stakeholders including the Home Office, Justice Government Legal Department, Legal Aid Agency and the legal regulators for round table discussions on improving the quality of immigration and asylum advice and assistance.

We monitored progress being made by other legal services regulators related to the recommendations of the CMA report. In particular, we discussed with the SRA and the Chartered Institute of Legal Executives (CILEx) their work on transparency of price and services and empowering consumers. We also continue to be a panel member for the Legal Choices website and have monitored discussions in Scotland regarding the Scottish Legal Services review and its outcomes.

### 1.2.4 Aim C — Protecting people

Through this aim we have encouraged advice seekers to use authorised advisers, stopping individuals or organisations providing advice illegally and reducing abuse in the UK's immigration system. In particular, we have reduced illegal immigration advice, encouraged consumers to use authorised immigration advisers and reduced abuse of the immigration systems. The following describes how we have met this aim.

#### C1 – Stopping illegal immigration advice

Through our investigation and enforcement activities we have reduced illegal immigration advice, stopping unscrupulous advisers providing poor or illegal advice.

In April 2019, we progressed 29 prosecutions, 19 of which were carried over from 2018/19 and ten (involving 15 defendants) started in 2019/20. Seven criminal convictions (counted at the point of sentencing) were secured against individuals providing immigration advice and services illegally and one law firm ceased trading following an OISC investigation. An additional three defendants are currently awaiting sentence, however due to COVID-19 restrictions and subsequent impact on the courts it is unknown when sentencing will take place.

In addition to criminal prosecutions, two immigration advisers who were acting illegally but found not to be causing significant harm, were stopped from providing advice and services and have been encouraged to register with the OISC. Two simple cautions and five reprimands were issued under our Criminal Prosecutions Policy.

We worked closely with the immigration removal centres to ensure that only regulated immigration advisers are allowed access to the detainees and that detainees are aware of the risks posed by unregulated advisers. This included checking the credentials of visiting legal representatives to ensure they are regulated and distributing publicity materials to the centres. We also liaised with Home Office, SRA and HM Court and Tribunal Service to assist in collecting evidence concerning unlawful activity (see C3: Reducing abuse in the immigration system).

**Table 10: Summary of enforcement activity taken in 2019/20**

Type of enforcement activity	Number taken
Criminal convictions secured	7
Simple cautions	2
Reprimands	5
Interventions*	2
Disruptions **	16
New criminal prosecutions awaiting trial***	10

\* Adviser is encouraged to register with the OISC rather than face a criminal sanction

\*\* Websites or social media used for unlawful advertising are taken down or amended

\*\*\* Court availability for 2020/21 is limited due to COVID-19 restrictions impacting on prosecution timetable

**Table 11: Outcome of complaints about illegal activity in 2019/20**

Complaint Outcome	Number of outcomes achieved
Disruption – verbal/written warning to desist	16
Evidential criteria not met	31
Failure of witness cooperation	8
Intervention - applied for OISC registration	2
Not in public interest to pursue	1
Other	1
Passed to other government department	3
Passed to approved regulator	22
Prosecution under Section 91 of the Immigration and Asylum Act 1999	4
Reprimand	2
Simple caution	2
Under approved regulator	7
<b>Total</b>	<b>99</b>



## C2 – Encouraging consumers to use authorised immigration advisers

Throughout 2019/20 more advice seekers were encouraged to use regulated immigration advisers by improving our communication and engagement activity. This included launching new social media channels, improving the promotion of our 'Adviser Finder' service and restructuring our website to include a new section on consumer information. We also continued to promote the importance of using authorised immigration advisers to community support groups and supported stakeholders to develop and distribute information about the benefits of using authorised immigration advisers.

## C3 – Reducing abuse of the immigration systems

Working with stakeholders we have reduced abuse of the immigration system by collecting and sharing evidence of suspected abuse of the UK's immigration systems. This was achieved by working with the Tribunal Judiciary, Home Office Immigration Enforcement Team, legal regulators including the SRA and other Home Office departments such as UK Visas and Immigration, to identify abuse and collect evidence on illegal activity.

This collaborative work resulted in 340 intelligence referrals relating to illegal immigration advice and services provisions. Out of these referrals 18 led to a criminal complaint being raised, of which 12 were under Section 91 and six under Section 92B. In addition, we identified the use of digital platforms to provide immigration advice illegally, resulting in the closure or amendment of 16 websites within the UK through disruptions enforcement activity.

**Table 12: Intelligence referrals by organisation in 2019/20**

Source	No. intelligence referrals
Public	122
Home Office	104
SRA	52
OISC regulated advisers	25
OISC Staff	20
Police	6
CILEx	3
Her Majesty's Court and Tribunal Service	2
Immigration removal centre	2
SRA regulated solicitors	2
Bar Standards Board regulated barristers	1
The Insolvency Service	1
<b>Total number of complaints received</b>	<b>340</b>

## C4 – Identifying trends in demand and supply of immigration advice

In 2019/20 we improved our data capabilities by investing in a new mapping tool that will better enable us to identify trends in demand and supply of immigration advice across the UK. We have also improved the OISC's case management system as far as resources have allowed and increased training for our staff to maximise how we use our systems and improve our data.

A project to identify and analyse how social media is being used by both regulated and unregulated advisers in providing legal and illegal immigration advice was started and will continue in 2020/21.

### 1.2.5 Aim D — Managing our resources efficiently and effectively

Underpinning our operations activities are our support functions which have successfully prioritised and maximised our resources. This has been achieved through the following objectives.

#### People and estates

##### D1a – Recruit the right people in the right role at the right time

We improved our recruitment process and trained all line managers in the recruitment and selection process as well as in unconscious bias. This contributed to successfully filling 93% of vacancies within the target of 13 weeks from the job advert being published.

We also achieved an annual retention rate of 87% against a target of at least 85%. A staff survey was completed in November 2019 and we continue to implement actions arising from the 2017/18 staff survey with 78% of actions now completed.

##### D1b – Provide a conducive learning and development environment

We continued to support our staffs' learning and development needs. Eleven corporate training needs were identified for 2019/20 and all were delivered by 31 March 2020, and Personal Development Plans were introduced as part of the performance appraisal.

##### D1c – Managing risk by providing a healthy and safe working environment

We reviewed our health and safety activities to ensure they are still fit for purpose and developed a Health and Safety Improvement Plan which identified 20 recommendations. All recommendations have been implemented including a Health and Safety Toolkit for staff.

##### D1d – Resolving complaints about the OISC and its staff

During 2019/20 we continued to ensure that our staff are professional and objective in their work, including reviewing and responding to 15 complaints made against the OISC and its staff. 47% of complaints were resolved within eight weeks against a target of 95%. Of the remaining complaints, 26.6% were resolved within 12 weeks and a further 26.6% were resolved outside of 12 weeks. None of the complaint allegations were upheld.

##### D1e – Developing the corporate communications function

In 2019/20 the new Head of Corporate Strategy and Communications was recruited, providing more senior oversight and representation. A number of new communication tools were introduced and developed including new social media channels, new e-newsletter software to support more regular communications and better data and evaluation and new sections of the OISC website to improve information for advice seekers. A series of promotional posters for the OISC's Complaints Scheme and Adviser Finder were developed and shared with stakeholders and through social media. A new video supporting the EU Settle Scheme was also commissioned and will be published in 2020/21.

#### Information and communications technology (ICT)

##### D2a – Provide systems that enable the OISC to operate and work with others

To ensure that our staff have the right tools to carry out their work effectively and efficiently we successfully maintained our systems uptime with computer uptime at 99.86% and fixed telephony uptime at 99.94% (as at 31 March 2020). This was achieved with an ICT staff availability of 99.6%.

To improve ICT functionality and support new ways of working, we delivered a number of ICT projects. These included the migration of Office Automation tools from an onsite basis to cloud services, the rollout of Microsoft Teams and replacement of the OISC's backup software.

##### D2b – Facilitate remote working through robust, easy to use, secure and effective systems.

As part of ensuring the security of the ICT systems a penetration test had been planned for March 2020. Due to COVID-19 restrictions this testing was unable to take place. General protection against threats continues to be provided by the use of appropriate hardware and software solutions.

##### D2c – Provide effective support for the OISC's ICT systems

As part of maintaining our systems we identified two serious failures affecting the telephony system and servers in 2019/20. These failures were caused by an error of the telephony provider and a building power failure and were resolved without significant impact to the OISC's business.

## Finance

### D3a – Manage financial resources within available funds and budget while working closely with the Home Office

We identified savings and overspends, risks and impact, as well as exploring alternative ways of working that would bring longer term efficiencies and better maximise resources. Through the management of available funds, we ensured resources were used effectively, economically and effectively, avoiding waste. This included identifying and managing in-year budget pressures relating to increased costs for legal services provision and unexpected increases in building services and dilapidation costs for our Bloomsbury Street office.

As a significant proportion of our budget is committed to fixed costs of staff salaries and accommodation, our ability to fully meet these additional costs was impacted.

### D3b – Manage procurement process ensuring value for money

We continued to adhere to government procurement rules with all procurement activities carried out within the rules and in liaison with the Crown Commercial Service and/or Home Office Commercial Unit where appropriate.

### D3c – Ensure prompt payments to suppliers and staff

All undisputed invoices were paid within the target of 30 working days, 89% of which paid within five working days ensuring prompt payment to our suppliers and staff.

### D3d – Produce the annual financial statements void of any material misstatements and errors

We produced the OISC's financial statements in line with Government's financial reporting guidance providing assurance that our financial statements are credible. These financial statements are prepared in accordance with Schedule 5 of the Immigration and Asylum Act 1999. The audit fee for this service was £20,000 (2018/19: £19,000). No remuneration has been paid to the National Audit Office during 2019/20 for non-audit work.

## Legal

### D4 - Deal with Freedom of Information/ General Data Protection Regulation requests for information promptly and in accordance with statutory requirements

We continue to adhere to Freedom of Information (FOI) and General Data Protection Regulation requirements responding to all 65 FOI and Subject Access Requests (SARs) received in 2019/20 (22 FOIs and 43 SARs) within the required timeframe.

Through our legal support we ensured that the Commissioner's negative decisions on applications and our investigation and prosecutions were robust and legal. This included providing support for appeals against negative decisions of which all 10 were upheld by the First-tier Tribunal and for suspension applications and disciplinary charges.

## 1.2.6 COVID-19

Government restrictions put in place in March 2020 in response to the COVID-19 pandemic has impacted on the OISC. We have successfully adapted our ways of working, including moving all staff to working from home, to ensure that we can continue to deliver our statutory functions with minimal negative impact. However, restrictions on travel, social distancing requirements and the impact on court and tribunal availability continue to affect our ability to take forward premise audits, competence assessments and prosecutions. We are looking at options to deliver these functions online and continue to use our investigation and enforcement activities to identify and take action against poor and/or illegal activity.

## 1.2.7 Business Impact Target 21 June – 12 December 2019

The Immigration Services Commissioner is a 'relevant regulator' for the purposes of section 22 of the Small Business, Enterprise and Employment Act 2015 and brings the OISC within the scope of the Regulators' Code. During the Business Impact Target reporting period 21 June to 12 December 2019 we made no changes to our processes that met the qualifying threshold for submission as a Qualifying Regulatory Provision.

### **1.3 The Commissioner's Report on Regulation by the Designated Professional Bodies of their members**

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**This report, which is made in accordance with Part V of the Immigration and Asylum Act 1999, provides the Commissioner's opinion on the extent to which the Designated Professional Bodies (DPBs) have provided effective regulation of their members in the provision of immigration advice and/or services. The DPBs are the Law Society of Northern Ireland, the General Council of the Bar of Northern Ireland, the Law Society of Scotland and the Faculty of Advocates.**

### The Law Society of Northern Ireland

The Law Society of Northern Ireland (the Society (NI)) continues with its focus on immigration matters, having held its second conference on immigration.

We continue to liaise with the Society (NI), discussing its review into how it manages complaints and following the Legal Complaints, Regulation Act (NI) 2016. We will continue to monitor progress in this area. The Society (NI) has also been proactive in assisting those who wish to make a complaint, introducing new software on their website to aid those who do not have English as a first language.

The Society (NI) received one complaint in 2019/20, which was not referred from the OISC. The Complaints Committee found in favour of the complainant and the solicitor was directed by the Committee to waive and repay the professional fee received.

The Society (NI) also continued to deal with an ongoing complaint concerning a solicitor's delay and failure to submit relevant immigration applications. The Committee found that the level of service had been inadequate and the conduct dishonest. This matter has progressed to the Solicitors Disciplinary Tribunal. We will continue monitoring this complaint.

### The General Council of the Bar of Northern Ireland

Discussions with the General Council of the Bar of Northern Ireland (Bar Council) took place, focussing on the impact of leaving the EU on immigration matters and the importance of immigration advice. We will continue to monitor developments in this area.

No complaints were received or were outstanding as at 31 March 2020 in respect of the Bar Council.

### The Law Society of Scotland

We continue to liaise with the Law Society of Scotland (the Society (Scotland)) on a number of matters. This includes the current immigration landscape and progress of recommendations of the Review of the Regulation of Legal Services in Scotland (2018)<sup>3</sup>.

In 2019/20 the Society (Scotland) received seven complaints from the Scottish Legal Complaints Commissioner (SLCC). These were all non OISC referral complaints and are currently being investigated.

Two of the complaints, which were originally received by the SLCC in 2018, were from immigration clients. However due to insufficient evidence owing to a lack of engagement from complainants no further action was taken.

A third complaint from 2018, was determined and resulted in the solicitor against whom the complaint was made, being found guilty of professional misconduct by the Scottish Solicitors Discipline Tribunal.

We will continue to monitor progress of the remaining complaints.

### The Faculty of Advocates

Discussions were also held with the Faculty of Advocates regarding post EU Exit issues relating to immigration and the progress of the Review of the Regulation of Legal Services in Scotland recommendations. We will continue to monitor progress against these. An updated version of the Memorandum of Understanding was also signed this year.

No immigration complaints were received or were outstanding in the year.

*J. F. Tuckett*

#### John Tuckett

Immigration Services Commissioner  
and Accounting Officer

6 July 2020

<sup>3</sup><https://www2.gov.scot/Resource/0054/00542583.pdf>

# Part 2: Accountability Report

## 2.1 Corporate governance report

### 2.1.1 Directors' Report

These financial statements report the results of the Office of the Immigration Services Commissioner (OISC) for the year 1 April 2019 to 31 March 2020 and incorporate the content required with a Directors' Report, as required by the Government Financial Reporting Manual (FRM). 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).

#### Commissioners

The OISC is led by the Immigration Services Commissioner, who is a Corporation Sole. The Commissioner is supported by a Deputy Commissioner. Both the Commissioner and the Deputy Commissioner are appointed by the Secretary of State (Home Secretary).

Between September 2015 and July 2019, the role of Commissioner lay vacant. During this period the Deputy Commissioner, Dr Ian Leigh, acted in place of the Commissioner in accordance with the provisions of the Immigration and Asylum Act 1999.

On 8 July 2019 Mr John Tuckett was appointed as Immigration Services Commissioner for a period of five years.

Details on salary and pension benefits for the Commissioner and Deputy Commissioner can be found in the Remuneration and Staff Report.

#### Non-Executive Advisers

The Commissioner is supported by an Audit and Risk Assurance Committee (ARAC). Members are appointed by the Commissioner for a three-year period with the option to extend for a further three.

Member	Role	Appointment dates
Simon Smith	ARAC Chair	January 2019 - December 2021
Daniel Bunting	ARAC Member	April 2018 - March 2021
Sue Gallone	ARAC Member	April 2018 - March 2021
Jon Hayes	ARAC Member	April 2018 - March 2021

#### Interests

During 2019/20 the Commissioner and Deputy Commissioner held no company directorships or other significant interests relating to the OISC's interests, and there were no significant interests held by any of the Non-Executive Advisers which may conflict with their responsibilities. A register of interests is held by the OISC.

#### Results for the period

The accounts for the year 1 April 2019 to 31 March 2020 are set out on pages 37 to 41. The notes on pages 42 to 50 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 2019 to 31 March 2020, 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 2019/20 the resource allocated to the OISC by the Home Office was £3,820,000 (2018/19: £3,820,000). This resource has been used efficiently to meet the year's business plan targets.

Total operating expenditure for the year was £3,972,936 (2018/19: £3,773,131) of which £2,798,125 (2018/19: £2,607,224) were employment costs.

#### Changes in non-current assets

The OISC purchased additional non-current assets worth £7,686 (2018/19: £6,926).

#### Compliance with public sector payment policy

The OISC policy, in line with government policy, is to pay all invoices within 30 days of receipt, unless the amount billed is in dispute. In the year ended 31 March 2020, 100% of invoices were paid within 30 days of receipt (2018/19: 98%).

Suppliers can claim statutory interest where a buyer has not paid an undisputed and valid invoice within 30 days (or any earlier payment date agreed in the contract). No such claims were received during the year.

### Environmental policy

The OISC is not required to provide a sustainability report but seeks to minimise the impact of its activities on the environment. It has adopted the Home Office Environmental Policy in so far as it applies to the OISC. This includes energy-saving lighting, use of recycled materials where possible, recycling office waste and reducing use of paper through its digital first approach.

### Employment policies

The OISC developed and implemented nine new policies and procedures during 2019/20 and reviewed and implemented three existing policies and procedures. The nine new policies and procedures are:

- Exit Policy and Procedure
- Eyesight Tests Procedure
- Learning and Development Policy
- Personal Development Plan
- Use of Social Media Policy
- Suggestion Box Procedure
- Guidance notes for Appraisee
- Guidance notes for Appraiser
- Onboarding Programme

The OISC also reviewed and implemented three existing policies and procedures:

- Whistleblowing Policy and Procedure
- Code of Conduct
- Complaints about the OISC and/or Staff Procedural Guidance

### Social matters, respect for human rights, anti-corruption and anti-bribery matters

We operate a Dignity at Work policy which fully supports the right of all its members of staff and external stakeholders it engages with to be treated with dignity and respect. All staff were required to undertake mandatory training in counter fraud, bribery and corruption over the last year.

The OISC is not required to produce a statement under the Modern Slavery Act but takes a robust approach to human rights, anti-corruption and anti-bribery.

### Impact of COVID-19

On 16 March 2020 in response to the COVID-19 pandemic the OISC moved all staff to working from home. This was to ensure the safety of staff and comply with Government guidelines. Impact on the OISC's capability to maintain business as usual in 2019/20 was minimised with most activities able to be continued with staff working from home. Exceptions to this were competency assessment centres, some enforcement activities and premise audits where activity was postponed into 2020/21 to enable digital alternatives to be explored and implemented. There may be some short term corresponding reduction in fee income from adviser registration, whilst alternative digital options for assessment centres are introduced and organisations review their business priorities.

### Going concern

The OISC's grant-in-aid for 2020/21: £3,820k was approved with no increase from the prior year (2019/20: £3,820k). The 2019/20 OISC statement of financial position reports a negative general reserve. The 2020/21 budget will look to reduce this negative result through reviewing cost saving options, however the opportunity to do so is restricted due to the significant proportion of OISC budget committed to fixed costs of staff salary and accommodation.

There is a reasonable expectation that the OISC will continue in operational existence and has a statutory obligation to continue to provide services in 2020/21 and for the foreseeable future. Accordingly, we continue to adopt the going concern basis in preparing the annual report and accounts.



### 2.1.2 Statement of Accounting Officer's responsibilities

Under the Immigration and Asylum Act 1999, the Secretary of State for the Home Department 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.

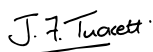
In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual (FReM) and in particular to:

- 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
- prepare the financial statements on a going concern basis
- confirm that the annual report and accounts as a whole is fair, balanced and understandable and take personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable

The Accounting Officer of the Home Office designated the Immigration Services Commissioner as the Accounting Officer of the OISC on appointment in 8 July 2019, with the Deputy Commissioner acting as Accounting Officer between 1 April and 7 July 2019. 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.

#### Disclosure of audit information to auditors

As Accounting Officer, I have taken all the steps I ought to have taken to make myself aware of any relevant audit information and to establish that the OISC's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.



**John Tuckett**  
Immigration Services Commissioner  
and Accounting Officer

6 July 2020

### 2.1.3 The Governance Statement

#### Overview

As the Office of the Immigration Services Commissioner's (OISC) Accounting Officer I am accountable for the management and control of the resources at the OISC, and for maintaining a sound system of risk management, governance and control in support of achieving the OISC's policies, aims and objectives. I commenced in the role on 8 July 2019, therefore this statement is informed by a handover with the Deputy Commissioner who was acting Immigration Services Commissioner from 4 September 2015 to 7 July 2019.

#### Oversight and Governance<sup>4</sup>

The OISC is a Non-Departmental Public Body established through the 1999 Immigration and Asylum Act. As Immigration Commissioner, I act as Corporation Sole and am accountable to the Home Secretary.

The OISC's sponsoring department is the Home Office, to which the OISC is accountable for its use of resources and performance. The corporate governance arrangements between the Home Office and OISC are set out in a framework document. Home Office oversight of the OISC is managed through the OISC's Senior Sponsor (Director of Borders, Immigration and Citizenship) and Home Office Sponsorship Unit (HOSU).

The OISC complies with the Cabinet Office code of corporate governance to the extent that it is applicable. Owing to the statutory framework under which the OISC was established with the Commissioner acting as Corporation Sole, the OISC does not have a management board with non-executive directors.

I am supported by an Audit and Risk Assurance Committee (ARAC) and a senior management team. The ARAC act as an advisory committee providing appropriate independent advice and challenge to give assurance on overall governance arrangements, financial and risk management and internal audit arrangements. The senior management team provide executive governance, reporting on financial, strategic and operational issues and on performance against the OISC's annual business plan. Their responsibilities are set out in detail in the OISC's Governance Framework.

#### Audit and Risk Assurance Committee

The ARAC currently comprises of four non-executive members. The ARAC provides an independent view and challenge on the OISC's financial and risk management and assurance processes. Its formal responsibilities are set out in its Terms of Reference, which were reviewed in March 2019 and December 2020.

The committee meets at least four times a year and meetings are attended by the Commissioner, Deputy Commissioner and relevant members of the OISC's senior management team. Representatives from internal and external audit, Home Office Sponsorship Unit and Home Office Senior Sponsor are also in attendance. ARAC members are also invited to attend and advise on strategic management meetings.

Name of ARAC member	Attendance
Simon Smith	4/4
Daniel Bunting	4/4
Sue Gallone	4/4
Jon Hayes	4/4

#### Risk management

The OISC proactively manages corporate risks, through its risk management process and Corporate Risk Register. The risk management process enables the identification, prioritisation and escalation of operational and corporate risk. It identifies risk owner, pre control risk level, mitigating actions and post control risk level. The Corporate Risk Register and risk review process is managed by the Head of Corporate Strategy and Communications and formally considered by the senior management team and ARAC on a quarterly basis.

#### 2019/20 key risks

All the risks within the Corporate Risk Register have been managed effectively, and none are considered to pose any significant threat to the OISC. In 2019/20 the corporate risks mitigated through the OISC's risk management process included financial management, COVID-19, legal services provision, staff skills, ICT reliability and information security. The two principal risks to the OISC in 2019/20 were on financial management due to the combination of increased costs of legal services and additional building service charge rates and COVID-19 restricting business activities. The financial management risk was managed through actions to recruit an inhouse lawyer and to challenge and escalate to Home Office the building service charge and identify saving options and the COVID-19 risk was managed through planning and piloting new ways of working.

<sup>4</sup> <https://www.gov.uk/government/organisations/office-of-the-immigration-services-commissioner/about/our-governance>

## Audit

### Internal

The Government Internal Audit Agency provide internal audit services for the OISC. A programme of five internal audits were carried out in 2019/20. These were:

- Corporate Communications and Stakeholder Management
- Business Performance
- Exhibits Management
- HR Performance Management
- Key Financial Controls

Four of the audits resulted in a 'Moderate' assurance, confirming that the systems reviewed operated effectively with no critical actions being identified. The Corporate Communication and Stakeholder Management audit resulted in a 'Limited' assurance, reflecting the relatively new status of the communications function. The majority of the recommendations were accepted and are being addressed. Internal Audit's overall audit rating of the OISC is Moderate.

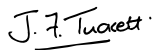
### Other matters

Internal controls are in place to mitigate against risk in relation to financial loss, handling of information, health and safety, security incidents, business continuity and whistleblowing. All policies and processes relating to these matters are reviewed at appropriate intervals.

There have been no incidents during the year relating to these matters that have required reporting to the Home Office.

## Conclusion

I was appointed as Immigration Services Commissioner and OISC Accounting Officer in July 2019. I met with the Deputy Commissioner and Chair of ARAC to review internal controls and processes shortly after my appointment. I am satisfied that throughout 2019/20 the resources for which I am responsible were subject to appropriate controls.



### John Tuckett

Immigration Services Commissioner  
and Accounting Officer

6 July 2020

## 2.2 Remuneration and staff report

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### Remuneration report

Part V of the Immigration and Asylum Act 1999 created the role of the Immigration Services Commissioner. The Commissioner heads the Office of the Immigration Services Commissioner (OISC) and is supported by a Deputy Commissioner. Both the Commissioner and Deputy Commissioner are Ministerial appointees.

On 3 May 2019 it was announced that the Home Secretary had appointed Mr John Tuckett to the position of Immigration Services Commissioner for a period of five years commencing 8 July 2019. During the period where the role of Commissioner remained vacant (September 2015 to July 2019) the Deputy Commissioner, Dr Ian Leigh, acted in place of the Commissioner in accordance with the provisions of the Act.

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. Dr Leigh was subsequently reappointed to serve for a second term until 6 February 2021.

### Remuneration policy

The Commissioners' salaries are determined by the Secretary of State for the Home Department. Salary increases are awarded to both the Commissioner and the Deputy Commissioner in accordance with the Senior Salaries Review Body's annual recommendations. In 2019/20, only the Deputy Commissioner had a salary increase with the Commissioner's post being vacant in the prior year.

### Salary and pension entitlements

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

'Salary' includes: gross salary, overtime, reserved rights to London weighting or London allowances, recruitment and retention allowances, private office allowances and any other allowance to the extent that it is subject to UK taxation.

### Gender pay gap reporting

We have reported our gender pay gap in line with national requirements and have instigated an action plan to address the relatively small published gap.

## Senior staff remuneration and fair pay disclosure (audited)

	2019/20				2018/19			
	Salary	Non - Consolidated Performance Pay	Pension Related Benefits Accrued in Year	Total	Salary	Non - Consolidated Performance Pay	Pension Related Benefits Accrued in Year	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
John Tuckett Commissioner	45-50* 110-115**	0	0	45-50* 110-115**	0	0	0	0-0
Dr. Ian Leigh Deputy Commissioner	55-60* 70-75**	0	0	55-60* 70-75**	65-70* 75-80**	0	29	90-95* 105-110**
Band of Highest Paid Commissioner's Remuneration (annualised) - (£'000)	110 - 115			75 - 80				
Range of Staff Remuneration, excluding highest paid above (annualised) - (£'000)	25 - 70			24 - 61				
Median Total Remuneration - (£)	36,313			35,915				
Ratio	3.1***			2.2				

There were no bonuses paid in the year.

\* The Commissioner works 0.60fte (from 8 July 2019) and Deputy Commissioner works 0.83fte.

During the year ended 31 March 2020 neither were members of the Civil Service pension arrangements whilst working for the OISC.

\*\* Full time equivalent salary.

\*\*\* Increase in ratio due to appointment of a new Commissioner from 8 July 2019.

Amounts paid to members of the Audit and Risk Assurance Committee are not included in this table since they are not members of the management board but are appointed as advisers by the Commissioner, a Corporation Sole.

### 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 2019/20 or 2018/19.

### Pension benefits (audited)

During the year ended 31 March 2020 neither the Commissioner nor the Deputy Commissioner were members of the Civil Service pension arrangements. In the prior year, the Deputy Commissioner had a Cash equivalent transfer value (CETV) of £246,000.

### Audit and Risk Assurance Committee (ARAC)

The non-executive members of the Audit and Risk Assurance Committee were paid £375 per day (£425 Chair of Committee) plus travel costs for attendance at OISC meetings in 2019/20. All received more than £2,000 during the year in this capacity.

### Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements through either Principal Civil Service Pension Scheme or ALPHA scheme which was introduced 1 April 2015. These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Employee contributions are salary-related and range between 4.6% and 8.05% of pensionable earnings. Further details about the Civil Service pension arrangements can be found at the website [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk).

### Cash Equivalent Transfer Values

A 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 member 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 pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 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.

## Staff Report

### Staff costs (audited)

	2019/20			2018/19
	Total	Permanently Employed	Others	Total
	£'000	£'000	£'000	£'000
Wages and salaries	2,072	2,058	14	2,019
Social security costs	216	216	0	205
Other pension costs	510	510	0	383
	<b>2,798</b>	<b>2,784</b>	<b>14</b>	<b>2,607</b>

### Average number of persons employed (audited)

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

	2019/20	2018/19
Directly employed	55.00	53.55
Others	0.48	1.15
<b>Total</b>	<b>55.48</b>	<b>54.70</b>

The Commissioner and Deputy Commissioner are Ministerial appointments and are not included in the above. The post of Commissioner was vacant until 7 July 2019.

### Pensions contributions

The Civil Service Pension Scheme (CSPS) 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 2016. Details of the resource accounts of the Cabinet Office: Civil Superannuation can be found at [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk)

For 2019/20, employer contributions of £503,828 were payable to the CSPS (2018/19: £374,710) at one of three rates in the range 26.6%% to 30.03% of pensionable pay, based on salary bands. The scheme's actuary reviews employer contributions every four years following a full scheme valuation. The contribution rates are set to meet the costs of benefits accruing during 2019/20 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 £6,235 (2018/19: £8,180) were paid to the appointed stakeholder pension providers. Employer contributions are age-related and for the period 1 April 2019 to 31 March 2020 ranged from 8% to 14.75% of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay.

Contributions of £1,212 were due to Partnership Pension providers at 31 March 2020 (2018/19: £5,147).

### Reporting of Civil Service and other compensation schemes – exit packages (audited)

During 2019/20 there were no exit packages (2018/19: £nil).

### Number of persons of each sex employed

The number of persons of each sex employed during the year was as follows:

	2019/20	2018/19
Commissioner*	1	0
Deputy Commissioner*	1	1
Female (F) Staff	41	34
Male (M) Staff	25	31
<b>Total</b>	<b>68</b>	<b>66</b>

\*Both the Commissioner and Deputy Commissioner (M) are male and ministerial appointments.



### Sickness data

During the period from 1 April 2019 to 31 March 2020, 330 sick days were taken by OISC staff (2018/19: 490). 226 (68%) were taken as short-term sickness absence (2018/19: 102 (21%)) and 104 (32%) were taken as long-term sickness absence (2018/19: 388 (79%)). This equates to 5.66 days average per person overall compared to the latest comparison figures available from the public sector of 5.60 days average per person. Long-term sick absence has a disproportionate impact on the organisation, given our small number of staff. The OISC's short-term absence figure equates to an average sickness rate of 3.88 days per person (2018/19: 1.78).

### 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. How we gather data on equality and diversity has been reviewed, and a new form published, which all members of staff have been required to complete.

### Staff involvement and development

The OISC is committed to keeping its members of staff informed of performance, career and personal development and progress. The OISC encourages members of staff involvement in its development and recognises the Public and Commercial Services Union for collective bargaining purposes.

### Trade union facility time

The OISC has an agreement in place with the Public and Commercial Services Union, the trade union it has recognised, for its Branch Executive Committee (BEC) members to have access to 52 days facility time which can be used between them to carry out trade union duties. In addition, the BEC's Health and Safety Committee and the Union Learning and Development Working Group Representatives each have a total of 10 days paid leave to attend training for their respective roles. All BEC members work within the allotted allowances.

### Consultancy

There were no consultancy assignments in the year or in previous year.

### Off payroll engagement

No employee was paid through their own limited company. Agency staff were paid through the relevant agency.

## 2.3 Parliamentary Accountability and Audit Report

These notes and disclosures are audited.

### Losses and special payments

OISC incurred £13,961 extra-contractual costs in 2019/20 in respect of legal services for criminal investigations (2018/19: £78,000).

There were no losses and special payments in the year ended 31 March 2020 (none in 2018/19).

### Material remote contingent liabilities

There are two ongoing claims that are potentially material remote contingent liabilities at 31 March 2020 (31 March 2019: four).

### Gifts

There were no gifts for the year ended 31 March 2020 (2018/19: none).

### Fees and charges

OISC costs and fee income are as follows:

	2019/20			2018/19		
	Costs	Income	Deficit	Cost	Income	Deficit
	£'000	£'000	£'000	£'000	£'000	£'000
Adviser fees*	3,973	(922)	(3,051)	3,773	(952)	(2,821)
	<b>3,973</b>	<b>(922)</b>	<b>(3,051)</b>	<b>3,773</b>	<b>(952)</b>	<b>(2,821)</b>

\* Application fees are paid by advisers at a level set by the Home Office (S.I. 2011/1366). This generates income which is less than the total cost of OISC operations.

### Regularity of expenditure

The Office of the Immigration Services Commissioner operates within a Framework Document dated 14 February 2017 which sets out the financial transaction limits to which the OISC may operate without further referral to the Home Office. During the course of 2019/20, there were no additional expenditure controls. The Commissioner also operates to the standards set out in HM Treasury's 'Managing Public Money' and can confirm no irregularity with any of the provisions contained therein.

*J. F. Tuckett*

**John Tuckett**  
Immigration Services Commissioner  
and Accounting Officer

6 July 2020

### 2.3.1 The certificate and report of the comptroller and auditor general to the houses of parliament

#### Opinion on financial statements

I certify that I have audited the financial statements of the Office of the Immigration Services Commissioner for the year ended 31 March 2020 under the Immigration and Asylum Act 1999. The financial statements comprise: The Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes, including the significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Accountability Report that is described in that report as having been audited.

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 2020 and of 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 Secretary of State directions issued thereunder.

#### Opinion on regularity

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

#### Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my

certificate. Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2016. I am independent of the Office of the Immigration Services Commissioner in accordance with the ethical requirements that are relevant to my audit and the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the Office of the Immigration Services Commissioner's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate
- the Office of the Immigration Services Commissioner has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Office of the Immigration Services Commissioner's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### Responsibilities of the Accounting Officer for the financial statements

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.

#### Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Immigration and Asylum Act 1999.

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. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Office of the Immigration Services Commissioner's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- conclude on the appropriateness of the Office of the Immigration Services Commissioner’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Office of the Immigration Services Commissioner’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Office of the Immigration Services Commissioner to cease to continue as a going concern.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure 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.

### Other Information

The Accounting Officer is responsible for the other information. The other information comprises information included in the annual report, but does not include the parts of the Accountability Report described in that report as having been audited, the financial statements and my auditor’s report thereon. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

### Opinion on other matters

In my opinion:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Secretary of State directions made under the Immigration and Asylum Act 1999;
- in the light of the knowledge and understanding of the Office of the Immigration Services Commissioner and its environment obtained in the course of the audit, I have not identified any material misstatements in the Performance Report or the Accountability Report; and
- the information given in the Performance Report and Accountability Report 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 returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Accountability Report to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury’s guidance.

### Report

I have no observations to make on these financial statements.

### Gareth Davies

Comptroller and Auditor General

7 July 2020

National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP

# Part 3: Financial Statements

## 3.1 Statement of Comprehensive Net Expenditure

For the year ended 31 March 2020

	Note	2019/20		2018/19	
		£'000	£'000	£'000	£'000
Revenue from contracts with customers	3	(922)		(952)	
Other operating income	3	(3)		(7)	
<b>Total operating income</b>			<b>(925)</b>		<b>(959)</b>
Staff costs	4	2,798		2,607	
Other expenditure	5	1,175		1,166	
<b>Total operating expenditure</b>			<b>3,973</b>		<b>3,773</b>
<b>Net expenditure</b>			<b>3,048</b>		<b>2,814</b>

All income and expenditure is derived from continuing activities. There is no other Comprehensive Net Expenditure.

The notes on pages 42 to 50 form part of these accounts.

## 3.2 Statement of Financial Position

As at 31 March 2020

	Note	31 March 2020		31 March 2019	
		£'000	£'000	£'000	£'000
<b>Non-current Assets</b>					
Property, plant and equipment	6		36		76
Intangible assets	7		46		57
<b>Total non-current assets</b>			<b>82</b>		<b>133</b>
<b>Current assets</b>					
Trade and other receivables	8	163		301	
Cash and cash equivalents	11	419		162	
<b>Total current assets</b>			<b>582</b>		<b>463</b>
<b>Total assets</b>			<b>664</b>		<b>596</b>
<b>Current liabilities</b>					
Trade and other payables	9	(558)		(358)	
<b>Total current liabilities</b>			<b>(558)</b>		<b>(358)</b>
<b>Non-current assets plus net current assets</b>			<b>106</b>		<b>238</b>
<b>Non-current liabilities</b>					
Trade and other payables	9	(73)		(107)	
Provisions for liabilities and charges	10	(99)		(51)	
<b>Total non-current liabilities</b>			<b>(172)</b>		<b>(158)</b>
<b>Assets less liabilities</b>			<b>(66)</b>		<b>80</b>
<b>Taxpayers' equity</b>					
General fund			(66)		80
<b>Total taxpayers' equity</b>	<b>SoCTE</b>		<b>(66)</b>		<b>80</b>

*J. F. Tuckett*

**John Tuckett**  
Immigration Services Commissioner and Accounting Officer

6 July 2020

The notes on pages 42 to 50 form part of these accounts.

## 3.3 Statement of Cash Flows

For the year ended 31 March 2020

	Note	2019/20 £'000	2018/19 £'000
<b>Cash flows from operating activities</b>			
Net expenditure	SoCNE	(3,048)	(2,814)
<b>Adjustments for non-cash costs</b>			
General fund opening adjustment for revenue from contracts with customers	SoCTE	0	(60)
Depreciation and amortisation	5	59	63
Decrease/(Increase) in trade and other receivables	8	138	(151)
Increase/(Decrease) in trade and other payables	9	166	(21)
Increase/(Decrease) in provision for liabilities and charges	10	48	(33)
<b>Net cash outflow from operating activities</b>		<b>(2,637)</b>	<b>(3,016)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	6	(8)	(2)
Purchase of intangible assets	7	0	(5)
<b>Net cash outflow from investing activities</b>		<b>(8)</b>	<b>(7)</b>
<b>Cash flows from financing activities</b>			
Grant-in-aid	SoCTE	3,820	3,820
Appropriation of fees to the Home Office	SoCTE	(918)	(971)
<b>Net cash inflow from financing activities</b>		<b>2,902</b>	<b>2,849</b>
Net increase/(decrease) in cash and cash equivalents in the year	11	257	(174)
Cash and cash equivalents at the beginning of the year	11	162	336
<b>Cash and cash equivalents at the end of the year</b>	<b>11</b>	<b>419</b>	<b>162</b>

The notes on pages 42 to 50 form part of these accounts.



## 3.4 Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2020

	General Reserve
	£'000
<b>Balance at 1 April 2018</b>	<b>105</b>
<b>Changes in taxpayers' equity for 2018/19</b>	
Opening adjustment for IFRS 15 - Revenue from contracts with customers	(60)
Appropriation of fees to the Home Office	(971)
Net Expenditure for Year Ended 31 March 2019	(2,814)
Grant-in-aid	3,820
<b>Balance at 31 March 2019</b>	<b>80</b>
<b>Changes in taxpayers' equity for 2019/20</b>	
Appropriation of fees to the Home Office	(918)
Net Expenditure for Year Ended 31 March 2020	(3,048)
Grant-in-aid	3,820
<b>Balance at 31 March 2020</b>	<b>(66)</b>

The notes on pages 42 to 50 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 2019/20 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. Depreciated historic cost is used as a proxy for current value in existing use.

### Changes in accounting policies and standards New accounting standards adopted

There are no new accounting standards applicable this year.

### New standards, amendments and interpretations issued but not effective for the financial year beginning 1 April 2019 and not early adopted

IFRS 16: Leases will be applicable to OISC from 2021/22 and will change the way OISC recognises, measures, presents and discloses leases that it holds. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is short term (less than 12 months) or the underlying asset has a low value. The impact of IFRS 16 on OISC has not yet been assessed.

### 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.

### Going concern

The OISC's grant-in-aid for 2020/21: £3,820k was approved with no increase from the prior year (2019/20: £3,820k). The 2019/20 OISC statement of financial position reports a negative general reserve. The 2020/21 budget will look to reduce this negative result through reviewing cost saving options, however the opportunity to do so is restricted due to the significant proportion of OISC budget committed to fixed costs of staff salary and accommodation.

There is a reasonable expectation that the OISC will continue in operational existence and has a statutory obligation to continue to provide services in 2020/21 and for the foreseeable future. Accordingly, we continue to adopt the going concern basis in preparing the annual report and accounts.

### 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. The OISC has elected to adopt a depreciated historical cost basis as a proxy for current value in existing use for assets that have short useful lives or low values.

### Depreciation and amortisation

Depreciation is provided on all property, plant and equipment over life of the tenancy agreement, March 2014 to November 2022. In previous years, this was provided for on a straight line basis over 4 years. Amortisation on intangible assets is provided for on a 20% reducing balance basis.

Office refurbishments	on a straight-line basis
Computer equipment	on a straight-line basis
Furniture and office equipment	on a straight-line basis
Themis software	on a 20% reducing balance basis
Office Software	on a 20% reducing balance basis
CPD Platform	on a straight-line basis over 4 years

### The dilapidation provision

The OISC recognises a dilapidation provision for the leased premises it occupies where it has an obligation to bring the property into a good state of repair at the end of the lease. We have obtained a revised estimate of the dilapidation provision from the Estates Directorate for the Ministry of Justice of £222,946 (2018/19: £84,150). The provision is now recognised annually as wear and tear is incurred.

### Revenue from contracts with customers

Fees that accompany applications to the Commissioner for registration or continued registration are recognised in the Statement of Comprehensive Net Expenditure at the point in time when a decision is made as to whether to register the applicant as an immigration adviser.

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.

Where the Commissioner is in receipt of fees for which decisions have not yet been made on the applications at year end, the fees are held in contract liabilities and only recognised when the decision has been made.

### Appropriation of fees to the Home Office

All fees are held by the Commissioner in a separate bank account from that used for the running expenses of his Office and are remitted in full to the Home Office on a quarterly basis. These payments are disclosed as an appropriation within the Statement of Changes in Taxpayer's Equity.

### Operating leases

The OISC has commitments under two operating leases in respect of the premises it occupies. The OISC's commitments are disclosed in Note 13. There are no finance leases.

Payments made under operating leases are charged to expenditure on a straight-line basis over the term of the lease. In accordance with the principles of IAS17 (leases) and the supplementary guidance specified in SIC 15 (operating lease incentives), OISC has spread the value of rent free periods over the lease term.

### Pension costs

Past and present employees are covered by the provisions of the Civil Servants and Others Pension Scheme for those in the alpha pension scheme and the Principal Civil Service Pension Scheme (PCSPS) for those in one of the other civil service occupational pension schemes, which are defined benefit schemes and are unfunded and non-contributory. As it is a multi-employer scheme, OISC is unable to identify its share of underlying assets and liabilities. 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 appropriate scheme of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the Civil Servants and Other Pension Scheme and 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 Net Expenditure.

### Holiday accrual

An accrual is made of outstanding holiday due to OISC staff as at the end of the financial year. The calculation is based on 229 working days excluding annual and privilege leave. Total holiday accrual at 31 March 2020: £104,768 (31 March 2019: £83,369).

### Value Added Tax

The OISC is not registered 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 of operating segments as envisaged by IFRS 8.

### 3. Income

#### Revenue from contracts with customers

	2019/20	2018/19
	£'000	£'000
Adviser fees	922	952
	<b>922</b>	<b>952</b>

#### Other Operating Income

	2019/20	2018/19
	£'000	£'000
Court costs	3	3
Other income	0	4
	<b>3</b>	<b>7</b>

The monies received from fees and other income are passed to the Home Office each quarter. These are shown in the Statement of Comprehensive Net Expenditure.

### 4. Staff costs

#### Staff costs comprise:

	Total	2019/20 Permanently Employed	Others	2018/19
	£'000	£'000	£'000	£'000
Wages and salaries	2,072	2,058	14	2,019
Social security costs	216	216	0	205
Other pension costs	510	510	0	383
	<b>2,798</b>	<b>2,784</b>	<b>14</b>	<b>2,607</b>

## 5. Other expenditure

	2019/20	2018/19
	£'000	£'000
<b>Running costs</b>		
Accommodation	283	267
Information technology	68	51
Legal costs*	190	324
Advertising and publicity	14	8
Office supplies and services	37	52
Website	2	1
Training	28	26
External audit fee**	20	19
Other running costs	181	143
Rentals under operating leases	245	245
<b>Non-cash items</b>		
Depreciation and Amortisation	59	63
Dilapidation provision increased /(written back)	48	(33)
	<b>1,175</b>	<b>1,166</b>

\*Reduction in complex investigation and legal cases.

\*\*External audit fees do not include any non-audit work undertaken by the National Audit Office (NAO).  
Total fees paid to NAO for non-audit work £0 (2018/19: nil)

## 6. Property, plant and equipment

2019/20				
	Office Refurbishment	Furniture and Office Equipment	Computer Equipment	Total
	£'000	£'000	£'000	£'000
Cost at 1 April 2019	94	54	275	423
Additions	0	4	4	8
<b>Cost at 31 March 2020</b>	<b>94</b>	<b>58</b>	<b>279</b>	<b>431</b>
Depreciation at 1 April 2019	(55)	(46)	(246)	(347)
Charged during the year	(11)	(10)	(27)	(48)
<b>Depreciation at 31 March 2020</b>	<b>(66)</b>	<b>(56)</b>	<b>(273)</b>	<b>(395)</b>
Net book value at 31 March 2020	28	2	6	36
Net book value at 31 March 2019	39	8	29	76

2018/19				
	Office Refurbishment	Furniture and Office Equipment	Computer Equipment	Total
	£'000	£'000	£'000	£'000
Cost at 1 April 2018	94	54	273	421
Additions	0	0	2	2
<b>Cost at 31 March 2019</b>	<b>94</b>	<b>54</b>	<b>275</b>	<b>423</b>
Depreciation at 1 April 2018	(44)	(36)	(218)	(298)
Charged during the year	(11)	(10)	(28)	(49)
<b>Depreciation at 31 March 2019</b>	<b>(55)</b>	<b>(46)</b>	<b>(246)</b>	<b>(347)</b>
Net book value at 31 March 2019	39	8	29	76
Net book value at 31 March 2018	50	18	55	123

## 7. Intangible assets

2019/20			
	Themis Software	Office Software	Total
	£'000	£'000	£'000
Cost at 1 April 2019	293	26	319
Additions	0	0	0
<b>Cost at 31 March 2020</b>	<b>293</b>	<b>26</b>	<b>319</b>
Amortisation at 1 April 2019	(254)	(8)	(262)
Provided during the year	(8)	(3)	(11)
<b>Amortisation at 31 March 2020</b>	<b>(262)</b>	<b>(11)</b>	<b>(273)</b>
<b>Net book value at 31 March 2020</b>	<b>31</b>	<b>15</b>	<b>46</b>
Net book value at 31 March 2019	39	18	57

2018/19			
	Themis Software	Office Software	Total
	£'000	£'000	£'000
Cost at 1 April 2018	293	21	314
Additions	0	5	5
<b>Cost at 31 March 2019</b>	<b>293</b>	<b>26</b>	<b>319</b>
Amortisation at 1 April 2018	(244)	(4)	(248)
Provided during the year	(10)	(4)	(14)
<b>Amortisation at 31 March 2019</b>	<b>(254)</b>	<b>(8)</b>	<b>(262)</b>
<b>Net book value at 31 March 2019</b>	<b>39</b>	<b>18</b>	<b>57</b>
Net book value at 31 March 2018	49	17	66

## 8. Trade and other receivables

	31 March 2020	31 March 2019
	£'000	£'000
<b>Amounts falling due within one year:</b>		
Trade receivables	10	10
Impairment allowance for bad and doubtful debts	(2)	(5)
<b>Other receivables:</b>		
Season ticket loans to staff	12	16
Prepayments and accrued income*	143	280
<b>Total</b>	<b>163</b>	<b>301</b>

\* Business rate prepaid in 2019/20: £0 (2018/19: £137,550) due to office closure as a result of Covid-19 lockdown and invoice posted to the office address.

## 9. Trade and other payables

	31 March 2020	31 March 2019
	£'000	£'000
<b>Amounts falling due within one year:</b>		
Trade payables	288	7
Contract liabilities*	66	72
Accruals	170	245
Accommodation rent free period	34	34
<b>Total</b>	<b>558</b>	<b>358</b>
<b>Amounts falling due after more than one year</b>		
Accommodation rent-free period	73	107
<b>Total</b>	<b>73</b>	<b>107</b>

\*Contract liabilities arising from IFRS 15 Revenue from Contracts with customers.



## 10. Provisions for liabilities and charges

	£'000
<b>Balance at 1 April 2018</b>	84
Movement in the year	(33)
<b>Balance at 31 March 2019</b>	<b>51</b>
<b>Balance at 1 April 2019</b>	51
Additional provision	48
<b>Balance at 31 March 2020</b>	<b>99</b>
<b>Amounts falling due:</b>	
Not later than 1 year	0
Later than 1 year and not later than 5 years	99
Later than 5 years	0
<b>Total</b>	<b>99</b>

## 11. Analysis of changes in cash and cash equivalents

	£'000
<b>Balance at 1 April 2018</b>	336
Net Change in cash and cash equivalents balances	(174)
<b>Balance at 31 March 2019</b>	<b>162</b>
<b>Balance at 1 April 2019</b>	162
Net Change in cash and cash equivalents balances	257
<b>Balance at 31 March 2020</b>	<b>419</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 all its cash balances with the Government Banking Service (GBS).

The OISC does not have any liabilities arising from financing activities.

## 12. Capital commitments

At 31 March 2020 there were no capital commitments (31 March 2019: nil).

## 13. Commitments under operating leases

	31 March 2020		31 March 2019	
	Land and Building	Equipment	Land and Building	Equipment
	£'000	£'000	£'000	£'000
<b>Operating leases that expire:</b>				
Not later than 1 year	289	4	290	1
Later than 1 year and not later than 5 years	482	6	771	0
Later than 5 years	0	0	0	0

## 14. Events after the reporting period

There were no post reporting period events.

These Financial Statements were authorised for issue by the Commissioner on the date they were certified by the Comptroller and Auditor General.

## 15. Related party transactions

The Home Office, as sponsor body for the OISC throughout 2019/20 is a related party to the OISC. During the year ended 31 March 2020, the Home Office provided the OISC with grant-in-aid of £3,820,000 (2018/19: £3,820,000).

A number of transactions were made with other government departments and other central government bodies namely – HM Revenue and Customs (HMRC) £211,987 (2018/19: £205,293) and The Principal Civil Service Pension Scheme (PCSPS): £510,063 (2018/19: £374,710).

During the year ended 31 March 2020 neither the Commissioner, Deputy Commissioner, key managerial staff nor other related parties undertook any material transactions with the OISC.

## 16. Financial instruments

As the cash requirements of the OISC are met through grant-in-aid provided by the Home Office, 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.





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