



Home Office

The Home Office response to the Independent Chief Inspector's report:

An Inspection of the effectiveness of the monitoring of Tier 4 sponsor licences

June – October 2014

The Home Office thanks the Independent Chief Inspector for his report.

UK Visas and Immigration (UKVI) has a vital role in driving and implementing change to support the wider Home Office purpose and principles. We are pleased that the Independent Chief inspector's report on the effectiveness of the monitoring of Tier 4 sponsor licences, found that the Educational Testing Service (ETS) incident was handled well across UK Visas and Immigration (UKVI), and praised the effectiveness of the use of the Sponsor Watchlist, Operation Firewall and Operation Joust.

We are pleased that the Independent Chief Inspector recognised the value and high quality of risk based referrals from the Sponsor Investigations Team (SIT).

We welcome the finding that Operation Firewall was successful in identifying, and taking action against, non-compliant sponsors. This was a large-scale operation for UKVI, which required a high number of complex compliance visits over a relatively short period.

We also welcome the positive changes mentioned in relation to Tier 4 sponsor compliance, following Operation Firewall. A dedicated Tier 4 compliance network has been introduced, which focuses solely on Tier 4 compliance visits.

We are grateful to the Independent Chief Inspector for highlighting potential areas for improvement, including the recommendation that we should consider ceasing the practice of 'reporting by exception', and set out within compliance reports how the sponsor has demonstrated compliance where a 'Met' marking is given. We agree with this point and have ceased this process; our guidance has been amended accordingly.

We also agree that a requirement for compliance officers to record standard details within their compliance reports, such as a summary of the checks and interviews conducted, would be of benefit to the department and the customer. This has also been implemented and now forms part of the report.

The Home Office accepts all five of the Chief Inspector's recommendations in full.

1. Ceases the practice of 'reporting by exception' and sets out within compliance reports how the sponsor has demonstrated compliance where a 'Met' marking is given.

1.1. Accepted

We accept the Independent Chief Inspector's view. We have reviewed and amended the Tier 4 reporting process used by compliance officers.

The practice of reporting by exception has now been removed from standard compliance reporting process. Each report now provides full details of where the sponsor has met and not met their sponsor duties.

The sponsor compliance function no longer reports 'by exception'. The report template has been updated to accommodate this change. The report now includes 'evidence' fields for each human resource (HR) and compliance area, as well as an 'overall sponsor compliance summary field' to provide feedback to sponsors. This demonstrates how the sponsor is either compliant or in breach of each duty in an area; and provides a meaningful overview of the sponsor's compliance with sponsor duties, with direct reference to the relevant 'guidance for sponsors' paragraphs.

All compliance officers have received training on the new approach and have been using the new guidance and supporting products for visits that took place from 18 May 2015.

2. Introduces a requirement for compliance officers to record standard details within their compliance reports such as:

- **a summary of the checks and interviews conducted;**
- **clear findings, including whether any inadequacies identified amount to non-compliance with sponsor duties.**

2.1. Accepted

We accept the Independent Chief Inspector's view. We have reviewed and amended the Tier 4 report stencils used by compliance officers.

The report now details how the sponsor is either compliant, or in breach of each duty in an area; and provides a meaningful overview of the sponsor's compliance with sponsor duties, with direct reference to the relevant 'guidance for sponsors' paragraphs. This includes a breakdown of performance against each area of responsibility, clearly setting out how the sponsor has either been assessed to be compliant or non-compliant.

3. Improves its quality assurance mechanisms by ensuring that:

- **an objective for managers to observe a certain number of compliance visits per compliance officer is consistently applied and achieved;**
- **all compliance reports are countersigned by an HEO or above, regardless of recommendation; and**
- **full quality assurance checks are undertaken on a random sample of reports and written feedback is provided to the lead compliance officer.**

3.1. Accepted

We accept the Independent Chief Inspector's view. We have reviewed and amended the Tier 4 process: all adverse decisions are now counter signed by an HEO or above; and there is regular, random dip sampling of all reports, visit notes and preparation.

The Sponsor Management Unit has introduced a quality assurance framework, incorporating quality measures for every stage of the end to end visit process.

All reports which recommend refusal, downgrade, maintaining a downgrade, suspension, or revocation, must be countersigned by a higher executive officer (HEO) or above, unless the report is completed by staff at or above that level.

Managers will also check a cross-section of reports, interview notes and visit preparation documents, across a range of visit outcomes; observing a percentage of compliance visits to inform training and development and drive performance.

4. Stores compliance visit notes electronically in a central location.

4.1. Accepted

We accept the Independent Chief Inspector's view. We have reviewed and amended the process; from 18 May 2015 all compliance reports and notes are scanned and saved on the shared drive, within the relevant sponsor folder.

Certain documentation must be scanned after the visit, into the corresponding locations on the shared drive. This allows all colleagues, regardless of location, access to the required information. All handwritten documents, including notes taken during the sponsor visit, telephone conversations, letters and/or emails relating to the sponsor visit (compliant sponsor) are now all scanned and retained.

In order for managers to check the quality of compliant outcomes; handwritten notes and all other documentary evidence from these visits must be retained locally for 2-6 weeks, before sending to off site storage, or discarded. Once the report is complete and the necessary documents have been scanned, any original documents belonging to the sponsor are returned.

Work is currently underway to migrate sponsor specific data to a single, central electronic hold.

5. Differentiates the roles of HEO and EO compliance officers to reflect the grade distinction.

5.1. Accepted

We accept the Independent Chief Inspector's view. We are currently conducting a review of the Sponsorship Compliance Network to ensure that the locations of staff are aligned to the volumes of work across the country and those structures and grade responsibilities are consistent. As identified by the ICI this will take longer to achieve, due to the nature of the recommendation to ensure the experience of colleagues at the HEO grade is not lost.