



# Immigration Advice Authority

## Annual Report and Accounts

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2024/25

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

HC 1665



# **IMMIGRATION ADVICE AUTHORITY**

## **Annual Report and Accounts**

For the period of 1 April 2024 to 31 March 2025

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

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

Ordered by the House of Commons to be printed 29 January 2026

HC 1665



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PO Box 567 Dartford KENT DA1 9WX United Kingdom

ISBN 978-1-5286-6146-1

E03515455 01/26

Printed on paper containing 40% recycled fibre content minimum

Printed in the UK by HH Associates Ltd. on behalf of the Controller of His Majesty's Stationery Office



# Contents

<b>Part 1: Performance Report</b>	<b>8</b>
<b>1.1 Overview</b>	<b>8</b>
<b>1.1.1 Commissioner's statement</b>	<b>8</b>
<b>1.1.2 About the Immigration Advice Authority</b>	<b>11</b>
<b>1.1.3 Our purpose and core activities</b>	<b>12</b>
<b>1.1.4 Our key risks</b>	<b>13</b>
<b>1.1.5 Going concern statement</b>	<b>14</b>
<b>1.2 Performance summary:</b>	
<b>Delivery against our Business Plan</b>	<b>15</b>
<b>1.2.1 Strategic aims and objectives</b>	<b>15</b>
<b>1.2.2 Performance summary</b>	<b>17</b>
<b>1.3 The Commissioner's report on regulation by the Designated Professional Bodies of their members</b>	<b>34</b>

<b>Part 2: Accountability Report</b>	<b>40</b>
<b>2.1 Corporate governance report</b>	<b>41</b>
<b>2.1.1 Directors' report</b>	<b>41</b>
<b>2.1.2 Statement of Accounting Officer's responsibilities</b>	<b>46</b>
<b>2.1.3 The Governance Statement</b>	<b>47</b>
<b>2.2 Remuneration and staff report</b>	<b>62</b>
<b>2.3 Parliamentary accountability and audit report</b>	<b>77</b>
<b>2.3.1 The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament</b>	<b>79</b>
<b>Part 3: Financial Statements</b>	<b>88</b>
<b>3.1 Statement of comprehensive net expenditure</b>	<b>88</b>
<b>3.2 Statement of financial position</b>	<b>89</b>
<b>3.3 Statement of cash flows</b>	<b>91</b>
<b>3.4 Statement of changes in taxpayers' equity</b>	<b>93</b>
<b>Notes to the Accounts</b>	<b>94</b>

## Part 1

# Performance Report

## 1.1 Performance Overview

This overview provides information on the Immigration Advice Authority (IAA), previously known as 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 2024/25.

### 1.1.1 Commissioner's statement

I joined the Immigration Advice Authority on 12th December 2025. Since then, I have received a detailed handover and assurances from my predecessor, John Tuckett, on events during the year under review. I have also met with the Executive Team on a number of occasions to review the financial position and other events in the current fiscal year, as well as in this reporting year.

This reporting year was a significant one for the organisation as we made the innovative and important transition to become the Immigration Advice Authority (IAA). Having existed as the Office of the Immigration Services Commissioner (OISC) for over 20 years, it was time for us to step out and step up with a new, bold brand identity. This was more than simply a rebrand; this shift clarifies our purpose and enhances the evolution we are experiencing in the regulation of immigration advice.

The rebrand work was driven by our inaugural Corporate Plan, an ambitious strategy spearheading the work of the IAA through to 2027. The Plan sets out our goals and objectives, which sit beneath four

overarching aims focused on the availability of high-quality advice, disruption of illegal activity, awareness for advice seekers, and becoming a high-performing organisation. These aims will direct delivery for the next three years and inform annual business plans for the IAA.

As outlined in our Corporate Plan, throughout the year, staff across the organisation worked tirelessly to ensure we were ready to adopt our new identity as the IAA. Though our mission remains the same – to protect seekers of immigration advice through regulation, enforcement and promoting best practice, we have become an outward-focused agency with an expansive, ambitious agenda. We have made services more accessible and understandable; we have strengthened our capabilities and expertise; and we have taken a more robust approach to regulation and enforcement.

This year has not been without challenge. We faced turbulent times during the riots of 2024 due to the emerging threat to many of our registered advisers, which arose from violence and unrest caused by far-right activists. We made the decision to temporarily remove our Adviser Finder and Adviser Register, two vital services for immigration advice seekers. We later reinstated these tools, at the same time as launching our online forms system. Our online forms are intended to make it easier to apply for registration, change levels as an adviser, and make payments. Some experienced difficulties with the system, so work has continued to streamline the process and improve accessibility to ensure we can continue our journey to become a more modern organisation with improved ways of working.

In September 2024 our new Code of Standards came into effect. The new Code sets the standards of conduct to be met by regulated advisers and organisations. It aims for a less prescriptive, more principles-based regulatory approach with the necessary safeguards to ensure the organisation can take swift, fitting action against anyone who undermines the reputation and quality of advice and services within the immigration system. The Codes were a result of consultation with the wider sector, who provided invaluable input and insight.

## Annual Report and Accounts

Throughout the year, engagement with organisations and partners has proven vital. We have been able to collaborate with other regulators, receive challenge from charities working on the ground, and learn from various sector-wide forums. This engagement activity will continue to grow in the months and years to come.

In the final quarter of this reporting period, a new Chief Executive Officer joined the organisation, adding to the knowledge and skills of the IAA's Executive Team and providing significant support to the Commissioner role. This strengthened leadership has enabled greater focus on strategic direction and transformation.

Although this Annual Report and Accounts relate to the period 2024/25, during which John Tuckett served as Immigration Services Commissioner, it is my privilege to sign off this report as the newly appointed Commissioner. I recognise and commend the achievements made under John's leadership and look forward to building on this strong foundation as we continue our journey to ensure all advice seekers receive reliable immigration advice from regulated professionals.

The team at the IAA is committed, diligent and motivated, and together, we keep the advice seeker at the heart of all we do as we strive to be a high-performing organisation leading the regulation of immigration advice.



**Gaon Hart**  
Immigration Services Commissioner

## 1.1.2 About the Immigration Advice Authority

The Immigration Advice Authority (IAA) is an arms-length body of the Home Office, led by the Immigration Services Commissioner, Gaon Hart.

Formerly known as the Office of the Immigration Services Commissioner (OISC), we rebranded as the IAA in January 2025 to reflect our bold, outward-focused agenda and commitment to evolving with the immigration landscape.

We are the statutory regulator of immigration advice and services across the UK, as set out in the Immigration and Asylum Act 1999. Our role is critical in ensuring that people seeking immigration advice are protected, and that standards are upheld across the sector.

In 2024/25, we received a grant-in-aid budget of £5,742k (revenue and capital) to deliver on our regulatory mandate. As of 31st March 2025, we had a dedicated team of 68 employees working remotely across all regions of the UK.

We regulate more than 3,800 individual immigration advisers and over 2,000 organisations, holding them to account through a robust system of registration, compliance, and enforcement. **In 2024/25, fees pertaining to the application successfully processed amounted to £1,647k, all of which will be remitted to the Home Office.**

Our work is underpinned by a strong relationship with our senior sponsor in the Home Office, the Deputy Director for the Human Rights and Family Policy Unit within the Migration and Borders Group. Our relationship with the Home Office is defined by a Framework Agreement, which details our accountability, governance, finance and reporting arrangements, overseen by the Home Office Sponsorship Unit.

## 1.1.3 Our purpose and core activities

The Immigration and Asylum Act 1999 defines our role as the leading authority for immigration advice in the UK – responsible for promoting best practice, setting standards, and ensuring compliance across the sector.

Specifically, we:

- assess and register individuals seeking to provide immigration advice, against the IAA's clearly defined three levels of competence (levels 1, 2, and 3)
- audit advisers and organisations to ensure consistent performance, and that standards are maintained
- manage and thoroughly investigate complaints against immigration advisers.
- investigate and take decisive enforcement action against those providing poor or illegal immigration advice; and
- oversee the regulation of immigration advice by solicitors and barristers in Scotland and Northern Ireland, where legal systems differ

As an ALB operating at arm's length from government, the change in government following the 2024 general election did not change our commitments. The priority for us has remained delivering against our vision that all advice seekers receive reliable immigration advice. This was confirmed in our Corporate Plan published in January 2025.

## 1.1.4 Our key risks

Each year, our Business Plan is driven by the strategic risks that have the potential to disrupt the delivery of our priorities. During 2024/25, five principal corporate risks - each assessed as either **High** or **Very High**, were identified, monitored, and mitigated to protect the delivery of our strategic objectives and ensure operational resilience.

These risks were:

### **Risk of insufficient funding to deliver strategic objectives**

There is a risk that the level of funding required to deliver the outcomes of the 2025/2027 Corporate Plan may not be secured, particularly concerning shifting government priorities - potentially compromising our ability to deliver organisational aims.

### **Risk to financial management capability**

The IAA's ability to provide a robust financial function is at risk due to limitations in our current finance and case management systems. This could result in inaccurate financial reporting and potential regulatory noncompliance in accounts management.

### **Risk of fraudulent activity**

There is a risk that staff may indulge in fraudulent activity, arising from inadequate internal controls, including the manual processing of travel/subsistence claims and salary, resulting in financial losses, legal consequences and undermining of accounts.

### **Risk to security, capability and accessibility of its IT systems**

There is a risk that the organisation could face challenges in relation to the security, capability and accessibility of its IT systems/digital media platforms arising from a system failure or cybersecurity breach resulting in disruption to critical services and vulnerabilities within our IT infrastructure.

### **Risk to criminal prosecution work being impacted**

There is a potential risk to criminal prosecutions work due to the termination of the Legal Service Agreement with the current provider, which may result in an inability to prosecute section 91 statutory offences.

Further details on our risk management approach are provided in Part 2 (pp. 40).

### **1.1.5 Going concern statement**

Our accounts have been prepared on a going concern basis, with the IAA's future liabilities to be met by grant-in-aid funding, approved annually by Parliament.

Funding allocation for 2025/26 has been secured, and there is no indication that future approvals will not be granted to ensure the ongoing delivery of our services.

As detailed in our previous Annual Report and Accounts, the IAA was subject to a Public Bodies Review in 2023. This review aimed to assess the governance, accountability, and efficiency of existing arm's-length bodies (ALB), and concluded in June 2024. The report made 11 recommendations and described the IAA as an agile organisation with strong leadership. The final report, which was published by the Home Office on 8 October 2025, recognises continued improvements that better serve the public and fulfil our regulatory responsibilities. The IAA is currently working on the implementation of the review recommendations and is subject to further scrutiny as part of the Government's Arm's Length Body review that is currently underway.

Our future cash flow projections demonstrate that the IAA can meet liabilities as they are due, for a period of at least 12 months from the date of certification by the Comptroller and Auditor General.

## 1.2 Performance Analysis: Delivery against our Business Plan

This section builds on the performance overview by outlining our strategic aims and objectives, and providing detailed analysis on the IAA's performance against these objectives within the year under review. It also includes information on the various support functions at the IAA and how these have contributed to overall performance.

### 1.2.1 Strategic aims and objectives

In our 2024/25 Business Plan, we set out five ambitious objectives to drive progress across the organisation. Performance against these objectives was monitored through robust governance processes.

The IAA's governance framework includes a Chief Executive and two directors who are accountable to the Commissioner for their respective responsibilities in leading directorate functions, including Service Delivery and Corporate Operations. Together with the Chief Staff Officer, they form the Executive Team, which meets four times a year. In addition to the Executive Team, the IAA is supported by an Advisory Board and the Audit and Risk Committee (ARAC).

The Advisory Board comprises at least four non-executive members who act in an advisory capacity to the Commissioner, providing advice on strategic issues and the overall performance of the IAA. The Advisory Board meets three to four times a year.

The ARAC comprises up to four non-executive members and is responsible for advising the Commissioner on the conduct of financial matters within the IAA, the management of risk, and the proper stewardship of the IAA's resources and assets. The Committee meets four times a year, and additionally as required. The following section provides a summary of performance against these objectives:

- 1. REGULATION:** Ensuring compliance with established standards for registered immigration advisers.
- 2. DEVELOPMENT:** Developing the immigration advice sector, working in partnership with advisers and stakeholders.
- 3. ENFORCEMENT:** Disrupting illegal advice-giving activities that undermine the integrity of the immigration system.
- 4. COMMUNICATION & ENGAGEMENT:** Raising awareness and engaging with stakeholders to gather data and enhance joint working.
- 5. TRANSFORMATION:** Transforming the IAA into a high-performing organisation.

Other elements of the IAA's governance framework include internal audits (IA) of key areas, carried out by the Government Internal Audit Service. Audit topics are agreed between the Head of Internal Audit and the Commissioner. All IA reports are reviewed by ARAC.

An annual external audit of the IAA's accounts is conducted by the National Audit Office. The audit findings are included in the Annual Report and Accounts, which is laid before Parliament.

Quarterly Health and Safety Committee meetings are held, attended by management, health and safety representatives, and staff representatives. Agenda and minutes are made available to staff.

## 1.2.2 Performance summary



**1,029** new adviser applications received  
(1117 in FY 23/24)



**41** investigations into complaints  
of illegal activity completed  
(27 in FY 23/24)



**1,220** continued registration  
applications had been approved  
(1227 in FY 23/24)



**206** new organisation applications approved  
(140 in FY 23/24)



**84** audits completed  
(79 in FY 23/24)



**851** applicants sat competence assessments  
(737 in FY 23/24)



**16** competence assessment events held  
(16 in FY 23/24)



**464** passed competence assessments  
(400 in FY 23/24)

### Objective: Regulation

Through dedicated teams in the South, Central and North, we deliver targeted regulatory activity across the regions. They lead on auditing organisations, investigating complaints, and cracking down on illegal activity – while also empowering advisers within their region through expert guidance and tailored support.

### Applications

In 2024/25, we saw a significant rise in new registration applications from organisations. The table below sets out application volumes and outcomes, highlighting the scale of regulatory demand. The received column shows applications received in 2024/25. The approved, refused, withdrawn and awaiting decision columns show the decisions which were made this year, which may relate to applications received this year or in previous years.

	<b>Applications for registration (organisations)</b>	<b>Applications for registration (individuals)</b>	<b>Applications for continued registration (organisations)</b>
<b>Received</b>	457 (comparative with 295 in 2023/24)	1029 (comparative with 1,117 in 2023/24)	1,186 (comparative with 1277 in 2023/24)
<b>Approved</b>	206	599	1,220
<b>Refused</b>	109	2429	0
<b>Withdrawn/ Invalid</b>	116	14	75
<b>Awaiting decision</b>	223	460	100

In 2024/25, the Commissioner also received 415 applications from advisers and organisations seeking to raise their level of regulation, along with 22 applications from organisations seeking to register as new legal entities.

To protect advice seekers and maintain high standards, we rigorously assess the competence of all individuals seeking entry into the IAA scheme. Our formal assessments ensure that only those with the right skills and knowledge are approved to provide immigration advice. Over the year, we held 16 online competency assessments (12 at level 1, and 4 at levels 2 and 3).

A total of 851 applicants sat the assessments, with 464 achieving a pass, resulting in a 55% pass rate - compared with a 54% pass rate achieved by candidates in 2023/24. These results demonstrate the consistently high standards required to enter the regulated immigration advice sector.

## **Audits**

During 2024/25 the IAA conducted 84 audits of regulated organisations, delivered both in person and online. Our audit programme is a key tool in our compliance toolkit and provides assurance that regulated organisations are operating effectively and in line with our Code of Standards.

Audits offer a vital opportunity for the IAA to engage directly with organisations, assess the quality of advice being given, and review areas including adviser fitness and competence, training and continuing professional development. Through this work we aim to foster a culture of continuous improvement and constructive support.

Breaches relating to general service standards, such as client care and maintenance of appropriate records, remain the most frequently identified issues in our audits. These are followed by breaches relating to the competence of advice, finances and the handling of money by advisers.

To address these recurring concerns, we will strengthen our communications throughout the year to ensure advisers understand their responsibilities in these areas. These themes will also form a core focus of our 2025/26 audit programme.

A smaller number of more serious breaches were identified, involving concerns around behaviour and fitness, and instances of unregulated individuals providing immigration advice. Where such risks were found, organisations will be subject to close monitoring and follow-up audit in the year ahead.

### Complaints

In 2024/25, we received 182 new complaints concerning IAA regulated advisers (comparative with 90 in 2023/24). During the same period, we closed 110 complaints (compared to 52 in 2023/24).

Our timeliness in handling complaints improved, with 67% of investigations concluded within 5 months (up from 58% in 2023/24).

While investigating complaints, we identified 32 cases where there were one or more breaches of the Codes of Standards. A further 10 complaints were resolved through the Commissioner's redirection scheme.

Although we do not currently have statutory powers to force an organisation to refund fees, our advice and mediation meant we secured £28,667 in refunds for complainants (compared to £11,886 in 2023/24).

The rise in complaints reflects growing public awareness of our role and a stronger willingness among advice seekers to challenge poor service. As our regulatory reach expands, so does our ability to intervene early, resolve issues swiftly, and deter misconduct across the sector.

As complaints rise, so will our ambition. We're building the foundations for a regulatory system that not only responds to failures but prevents them – raising the standard of protection and transparency for advice seekers.

### **Policy and guidance for IAA advisers**

In April 2024, the IAA published a new principle-based Code of Standards, which marks the most significant change in approach in our regulatory standards since our first Code of Standards was published.

To support implementation, our regulatory policy team published comprehensive guidance in August 2024, ahead of the new Codes introduction in September 2024. This detailed guidance document sets out our new principle-based approach, explaining in more detail the various principles and corresponding codes, alongside the indicative behaviours that the Commissioner expects to ensure compliance.

Since publication, the policy team has:

- updated 11 existing practice notes and introduced 3 new ones to support advisers with practical application of the new standards
- delivered internal training and guidance to IAA staff to ensure a consistent and informed approach to regulation across the organisation

In addition to work on the new codes and guidance, the IAA also revised the Immigration Assistance document, which clarifies what support can be provided without regulation, particularly relevant to the community and voluntary sector.

## Annual Report and Accounts

The policy team has proactively engaged with a range of key stakeholders to consider how processes might be streamlined to encourage greater provision in high demand areas, including providers such as Citizen Advice offices, university law clinics, EU Settlement Scheme specialists and detainee bail support groups.

In July 2024, the team was invited to speak on a panel at the LawWorks (Solicitors Pro Bono Group) conference, targeting charities, law firms, pro bono experts, and other free advice providers. They also worked closely with the Solicitors Regulation Authority (SRA) and Cilex Regulation to improve guidance on supervision and engaged with the Home Office and grant funded organisations on the introduction of eVisas.

Throughout the year, the policy team has handled over 320 regulatory policy enquiries, reflecting the demand for clarity and engagement during this period of reform.

## Border Security, Asylum and Immigration Bill 2025

### Objective: Development

During this reporting period, the Border Security, Asylum and Immigration Bill 2025 was introduced in Parliament and received Royal Assent in December 2025, becoming law. This Act is designed to improve border security, make the asylum process more efficient, and update immigration rules.

It also aims to give the IAA more powers to strengthen how it regulates and enforces the law. These new powers include:

- issuing financial penalties
- requiring fee refunds and compensation
- cancelling or suspending registrations more quickly
- compelling cooperation with complaint investigations

These changes will help the IAA regulate immigration advice more effectively and bring it in line with other regulators.

In the second half of the year, a lot of work went into preparing this legislation. Policy and operations teams worked with the Home Office to help draft the provisions relating to the IAA. Supporting the passage of the legislation through Parliament will continue in the next reporting year. Our movement to principle-based regulation reflects an increasing confidence in the development of our regulated sector and, supported by guidance material published and queries answered, we believe the new codes provide regulated firms with the flexibility to operate their businesses in a modern and efficient manner.

In line with this modernised approach, we were pleased to engage in discussions this year with the Solicitors Regulation Authority on the future development of self-service systems for immigration advice. We have also begun shaping the IAA's strategy to ensure the effective use of artificial intelligence tools, which we believe if responsibly used, have the potential to significantly enhance the capability and capacity of advice provision across the sector.

Looking ahead, we have also begun exploring how competence might be better demonstrated and maintained in the future, and how this can contribute to professional development. We have begun to collect more detailed information about the continuing professional development activity of advisers as part of the continued registration process. We also met with the Law Society of England and Wales regarding their Immigration and Asylum Accreditation Scheme to understand the comparability of the two assessment regimes, helping to ensure consistency and coherence across the broader regulatory landscape.

In June 2024, we attended a global research symposium hosted by the Canadian College of Immigration and Citizenship Consultants. The event brought together immigration regulators, researchers and industry experts to consider the role of immigration on economic

growth, global governance, public safety and regulatory practice. It provided critical insight into how regulatory counterparts in Canada and Australia are addressing common regulatory challenges, including adviser assessment and accreditation and cross-border regulation. It also provided an opportunity to explore collaborative approaches to tackling poor quality or illegal advice from overseas.

To deepen our understanding of sector pressures, we have begun collecting more detailed information on the quantity and breadth of work undertaken by regulated advisers, as well as the extent to which they are required to refer clients due to capacity constraints. This data provided by advisers at the point of continued registration, is helping us to understand capacity and capability issues for our advisers in different geographical regions, helping us shape more targeted support and policy responses.

## **Objective: Enforcement**

### **Enforcement Strategy**

This year we accelerated the implementation of our new enforcement strategy that we launched in 2023/24, significantly stepping up our efforts to disrupt illegal immigration advice and protect advice seekers.

A key pillar of this strategy is to take a more proactive approach to seeking information about instances of illegal advice-giving. We deepened engagement with partners across the sector and launched a new online portal, enabling individuals to report information about illegal advice-giving, including anonymously.

This shift has already delivered results; we have received 606 referrals concerning advisers who were either IAA regulated or suspected to be providing advice illegally. This compares to 501 referrals received in 2023/24.

Another key part of the strategy was to focus on how we can disrupt illegal activity, recognising the value of prosecutions where it is in the public interest, but also undertaking a wider set of disruptions where this will achieve our aim of causing the activity to cease, and being persistent in doing so. This year we designed new enforcement processes to bring this disruption approach to life, which we will roll out in the upcoming reporting year. We have also documented our requirements for a new case management system to manage enforcement cases, which we will pursue in 2025/26.

Our strategy is not just about action, it's about ambition. This year, we have actively pursued an expanded set of powers to strengthen our ability to disrupt illegal activity. As part of this, we have sought legislative change via amendments to the Border Security, Asylum and Immigration Bill 2025. In 2025/26, we aim to secure new fining powers, as well as powers to compel the return of fees and payment of compensation where advice seekers have received immigration advice illegally from unregistered providers. Additionally, the Home Office intend to consult on the IAA having powers under the Proceeds of Crime Act (POCA), further enhancing our enforcement capabilities.

## **Investigations and disruptions**

We are intensifying our efforts to investigate and disrupt illegal immigration advice wherever it is indicated or suspected. Through intelligence referrals and complaints, we proactively target unlawful activity, taking decisive enforcement action where appropriate to protect advice seekers and uphold the integrity of the immigration system.

In 2024/25 we opened 62 new investigations, marking a significant increase from 13 in 2023/24. We also continued work on 12 ongoing cases. During the same period, we closed 41 investigations, up from 27 the previous year - 12 were closed following disruption or restitution action, 4 were referred to a partner agency (including one where we assisted with a prosecution), and we also secured

2 successful prosecutions. The remaining cases were closed due to lack of witness co-operation, failure to meet the evidential or public interest criteria, or were outside the IAA's jurisdiction. Follow up checks confirmed that in all disrupted cases, the illegal activity remained halted.

### Prosecution outcomes

In one case, an adviser was sentenced to a 16-month custodial sentence (suspended for 18 months) for fraud and giving unregulated immigration advice. The court also issued a compensation order totalling £8,832 directly to the victims, alongside 150 hours of unpaid community work and a £156 victim surcharge.

In another case, an adviser received a six-month custodial sentence (suspended for 12 months) for providing unregulated immigration advice and services. The sentence included a 25-day rehabilitation activity requirement, 150 hours of unpaid work, and a personal financial contribution.

These outcomes reflect our commitment to pursuing justice and ensuring that illegal advisers are disrupted. As we continue to scale our enforcement strategy, we remain focused on delivering meaningful disruption, protecting vulnerable advice seekers and driving systemic change.

### Objective: Communications and Engagement

This reporting year marked a major milestone for the IAA, with our communications and engagement team fully established and operating at full capacity for the first time. With dedicated leads for internal communications, external communications and stakeholder engagement, the team played a pivotal role in delivering one of the most transformative initiatives to date – our rebrand.

The rebrand was a strategic repositioning of the IAA. We launched a brand-new website, developed a comprehensive toolkit for immigration advisers and produced a suite of new promotional materials accessible in 24 languages, ensuring advice seekers can clearly identify and access trusted immigration advice. Regular stakeholder communications supported partners and organisations through the transition, reinforcing our commitment to transparency and collaboration.

Building on the foundations laid in the previous year, we implemented our National Engagement Strategy. The Commissioner followed a regular meeting rhythm with the Minister for Migration and Citizenship, other regulatory bodies, government departments and charity partners, on average meeting with key partners on a quarterly basis. As part of our rebrand engagement activity, we hosted a roundtable event with key organisations across the immigration sector represented; this provided insights into the current landscape of immigration advice and new opportunities to further develop the sector.

This year, we ran a series of 6 seminars, both online and in person, to support individuals interested in becoming registered advisers. These seminars also provided a platform to address broader issues impacting the sector, including the introduction of our new online forms system.

In addition to routine regional engagement, with teams increasing their local knowledge, contacts and opportunities, we conducted deep-dive activity at a regional level, most notably in Belfast where we engaged with influential organisations, increased awareness of the work of the IAA, met new potential partners and identified gaps in the provision of immigration advice. We intend to replicate such regional work to gather this more in-depth insight in other regions of the UK going forward.

One area which overlapped our stakeholder engagement efforts with our proactive external communications work was that of the 2024 riots. In light of the emerging threat to many of our registered advisers, due to unrest caused by far-right activists, we temporarily removed from the Adviser Finder and Adviser Register tools from the IAA website. We provided support to advisers and worked with them to establish how to reinstate the tools in a way that protected their identities and location. We engaged closely with other government departments to ensure we were informed of any changes to the threat landscape. We also engaged with a group of registered organisations who shared valuable insights from the sector. Later in the year we were able to reinstate the tools, and work continues to introduce a map function to our Adviser Finder, for use by advice seekers.

We provided content to media colleagues throughout the year. Our press office shared external announcements via our digital channels, including our website and social media platforms. Such proactive work included the announcement of our Code of Standards, the launch of our online forms system, the publication of our Corporate Plan, and various news items outlining successful prosecutions, in an effort to support advisers and raise awareness of the IAA's role, among advice seekers.

## Objective: Transformation

Our Aspire programme, launched in April 2023, continues to drive our ambition to become a high-performing, future-ready organisation. With a focus on improving efficiency and effectiveness, whilst ensuring we have a highly engaged workforce that enables us to deliver meaningful impact for advice seekers.

This year, in relation to staff engagement levels, we saw tangible progress which reflects our growing confidence and connection across the organisation.

When conducting staff surveys, the IAA includes some core questions which are asked in the annual Civil Service People Survey. This allows for benchmarking against key people metrics.

A key measure in the Civil Service People Survey, which is also included in the IAA survey, is the employee engagement index (EEI). This is a summary index score of responses to five specific questions in the survey relating to engagement, which cover: How proud staff feel working for their organisation, whether they would recommend their organisation as a great place to work, whether they feel a strong personal attachment to it, and whether they feel their organisation inspires and motivates them to do the best in their job and achieve their organisation's objectives.

The IAA EEI score of 66% in the 2024 survey showed an increase of 2 percentage points from 2023, and is above the median benchmark score for the Civil Service as a whole, which is 64%.

During this phase of the programme, we introduced online forms to automate new applications and streamline continued registrations, marking a foundational step in modernising our systems and driving future cost savings. This was an exciting and significant step forward for the IAA, though not without challenge. Some customers faced challenges with the system which resulted in the establishment of a taskforce, chaired by the Director of Corporate Operations, to address concerns, data gaps and technical issues. While work continues, we have seen positive engagement with the system and will continue to develop it to maximise efficiency savings.

To further drive efficiency and effectiveness, we advanced development of our case management system (IRIS), using insights from our 2023 lean review to streamline key processes. All staff received comprehensive training and ongoing support from a network of internal technical experts, ensuring the system is embedded and effective.

## Annual Report and Accounts

In 2024, we procured new HR and finance systems to further streamline operations and enhance user experience. These systems will be fully implemented in 2025, unlocking new efficiencies across our core business functions. We continued to build our data capability, laying the foundation for a fully data-enabled organisation. This work will accelerate in 2025/26, enabling smarter decision making and more targeted interventions.

Internal communications played a vital role in keeping our staff informed, connected and motivated through a period of significant change. We brought the new IAA brand to life with a comprehensive toolkit for staff, filled with branded assets for consistent use across the organisation. We also developed a 'Guide to working at the IAA' – a digital manual, now used by all new starters as part of their onboarding process, which serves as not only an invaluable guide for new joiners, but provides useful hints and tips to all staff on working remotely.

To further support our fully remote workforce, we delivered a comprehensive calendar of wellbeing activities aligned with our Wellbeing Strategy. These initiatives continue to have a positive impact, with 78% staff reporting good mental and physical health in our wellbeing surveys.

We also introduced a weekly internal newsletter with an impressive 90% average open rate, and delivered real-time updates on major organisational changes through all staff events, team meetings, workshops. Staff received training on the use of SharePoint to ensure they were able to navigate the platform more efficiently; work was also done to amend the landing page so that this can serve as an intranet and library of resources for individuals and teams.

We continue to embed our organisational values at the heart of how we work – shaping the way we interact with each other, our stakeholders and the public. These values are reinforced through our reward and recognition schemes, performance management processes and ongoing staff communication and engagement activities.

These values are:

- **Supportive:** We support each other, working as one organisation to deliver our mission.
- **Progressive:** We continuously improve, innovate, and look to the future with curiosity and agility.
- **Authoritative:** We act with authority and professionalism, demonstrating leadership across the advice sector for the benefit of the advice seeker.
- **Inclusive:** We create an environment that is inclusive for all, respecting, valuing, and celebrating our diverse team.
- **Collaborative:** We collaborate, welcoming different perspectives and contributions to drive success.

## Corporate Operations

To enhance our regulatory, enforcement and engagement work, our corporate operations function has continued to support the organisation.

## Knowledge, Information, and Performance Management

In 2024/25 the IAA established a Data Governance Board (DGB), which is chaired by the Senior Information Risk Owner (SIRO), with representation from across all operational areas of the organisation. The purpose of this group is to prioritise data requirements, and monitor data quality, data assurance and data analysis activities. The DGB also provides a vehicle for the monitoring and governance of information security, data risk and data protection matters.

The introduction of the Tableau Business Intelligence platform in 2024/25 has given the IAA enhanced data analysis and reporting capabilities. This platform has been effective in reporting operational performance and has also been used to answer ad-hoc data requests from both internal and external stakeholders. Additional capabilities of the platform have also been evidenced through the effective identification of data quality issues, which is positive for future data cleansing and verification efforts.

## Annual Report and Accounts

In 2024/25, the IAA implemented a cloud-based performance and risk management platform to monitor and report on Business Plan objectives and risk management activities. The system provides real-time insights for management and has streamlined the review, update, and reporting processes.

Additionally, the IAA introduced a revised Risk Management Framework aligned with HMT Orange Book guidance and best practice. Together with the new platform, the framework supports a structured, integrated approach to risk management, enhancing the achievement of corporate, operational, and programme objectives while effectively managing risks and opportunities.

In 2024/25, the IAA conducted a series of targeted surveys to gather feedback from users of key services. Insights from the survey data informed the development of specific improvement actions, which were assigned to relevant managers for implementation. These actions included enhancements to customer-facing information on the IAA website and the refinement of internal processes to better monitor and improve response times.

## Finance and Legal

Our financial statements continue to be produced in line with the government's financial reporting guidance, and we have managed our budget within allocated monies. We continued to ensure counter-fraud activities were maintained across all departments.

During the reporting year, we received 41 Freedom of Information requests and 19 Subject Access Requests, responding to 100% of them within the required legislative timeframes.

Our legal team ensured that all IAA regulatory and enforcement decisions were underpinned by a thorough assessment of legal risk, reinforcing the integrity and robustness of our decision making.

## **Customer Service Unit**

Following the launch of the Customer Service Unit (CSU) Portal in 2023/24, external queries are now received directly into our content management system IRIS. During 2023/24, the CSU handled a total of 21,726 queries, with 78% resolved directly, and the remaining 22% triaged to teams across the IAA.

In 2024/25, the CSU expanded its support offerings by conducting registration support seminars, providing potential applicants with detailed guidance and support on how to submit a successful registration application. Additionally, the CSU hosted webinars aimed at helping registered advisers navigate the new online application system. Feedback from attendees was very positive, highlighting the significant impact these sessions had in improving understanding of the application process. These initiatives underscore the CSU's critical role in delivering quality support and customer service.

Following the successful launch of the complaints portal in 2023/24, the CSU also received 15 complaints submitted through the new online system, further supporting a transparent and accessible process for stakeholder engagement.

## 1.3 The Commissioners report on regulation by the designated professional bodies of their members

Under Section 86 (9) of the Immigration and Asylum Act 1999 (IAA 1999), the Immigration Services Commissioner is required to keep under review the list of designated professional bodies as set out in Section 86 (1) IAA 1999. The designated bodies are the Law Societies of Scotland and Northern Ireland, the Faculty of Advocates and the General Council of the Bar of Northern Ireland. This year, we introduced a new requirement for the Designated Professional Bodies (DPBs) to report to the IAA against a regulatory performance framework for us to assess the effectiveness of their regulation.

This framework was designed to provide enhanced assurance that the four organisations are continuing to be effective in their approach to the regulation of immigration advice and services in their jurisdictions. It asked for evidence against the themes of leadership, regulatory approach and operational delivery.

The IAA was assured from the information provided by the DPBs that all four of the professional bodies are effective in the regulation of their members and have the necessary procedures in place for this to continue in future reporting years.

## Leadership

Each of the four DPBs provided detailed information and evidence regarding their structures, governance and responsibilities, demonstrating clarity of purpose, effective leadership and transparency in approach.

The Law Society of Scotland provided documents covering its Governance Strategy for 2022-2027, Annual Plan 2024/2025 and latest Annual Report. The Law Society of Northern Ireland provided a report to the IAA detailing its governance structure and detailed information regarding its approach to complaint handling and other regulatory measures that are in place.

The Faculty of Advocates issued information highlighting its leadership and governance model, the regulatory obligations with which it must comply and details around the expectations for advocates in their adherence to the Faculty Guide to Professional Conduct. Similarly, the General Council of the Bar of Northern Ireland provided guidance around the risk-based approach that dictates its oversight and description of its Code of Conduct, which is subject to continual update to identify any risks to compliance by barristers who fall under its scrutiny.

### Regulatory approach

The extent of immigration advice and services provided by members of each Professional Body varies, but all indicated an awareness of the demand for immigration services and a regulatory approach that is proportionate and risk-based.

The Law Society of Scotland drew attention to its Immigration and Asylum Sub-Committee, which seeks to develop and respond to public policy issues related to immigration and asylum. The Society also informed the IAA that the sub-committee considered and responded to a Tribunal Procedure Committee consultation, worked on the Border Security Asylum and Immigration Act and continues to provide a forum for immigration practitioners to raise and discuss issues of concern impacting them and their clients, among other initiatives. The Society confirmed that all complaints start at the Scottish Legal Complaints Commission (SLCC). Complaints are categorised into two broad areas: Conduct and Service. If the complaint is about conduct, it is referred to the Society. If the complaint is about service, it is dealt with by the SLCC.

The Law Society of Northern Ireland adopts a blended approach to inspection and monitoring, with tools such as on-site inspections and desk-based reviews used to identify non-compliance and areas of risk. In addition, each regulated firm is required to provide their independent statutory reporting accountant's annual report for desk top analysis, with any serious breaches followed up and investigated. Furthermore, all new firms are inspected within 12 months of opening, meaning that any issues are flagged up and identified early.

The Faculty of Advocates has many regulatory obligations to which it must comply including anti money laundering regulations, data protection and a devolved authority through legislation from the Court of Session to regulate the discipline of all advocates. A detailed risk register captures all the key risks to which Faculty are exposed, controls are in place to mitigate those and the outcomes that they aim to achieve. This also includes a regulatory compliance risk which covers complaints made against any advocates that fall under Faculty's regulation.

The Bar Council of Northern Ireland sees its function as a vital obligation, fundamental to maintaining the standards of and confidence in the profession of barristers. The Bar Council reported that it upholds the highest standards of regulation in all that it does. Barristers regulated by the Bar must comply, not only with their Code of Conduct, but with any prevailing regulations associated with their area of practice. The Bar applies a risk-based supervision approach to the provision of immigration advice. This means that the Bar Council has to date and will continually take steps to inform itself of many risks to its sector, including factors within the UK relating to immigration advice, and specific risk factors within the legal sector that have been the subject of advice to name but two matters of consideration.

## **Operational delivery**

Clear regulatory standards are evidently in place within each of the DPBs, and information was provided regarding compliance checks such as in person and desk-based inspections. In addition, each of the bodies provided a detailed breakdown of matters dealt with in this business year as set out below:

## **The Law Society of Northern Ireland**

The Society reported that it has a remit across 437 solicitors' firms in Northern Ireland, with around 3,000 individuals practising. This includes those on the Roll of Solicitors in Northern Ireland providing immigration advice and services. Within the reporting period the Society confirmed that there were three professional conduct complaints received against immigration firms. Within the reporting period there was one client complaint relating to immigration advice and services. The matter was heard before the Client Complaints Committee. Within the reporting period there was one matter dealt with by the Independent Solicitors' Disciplinary Tribunal.

## **The Law Society of Scotland**

The Society informed the IAA that it had received 6 new conduct complaints relating to immigration since the last reporting period, and provided information relating to the progress of those complaints. The Society's website states that there are over 12,000 Scottish Solicitors, 70% of whom are in private practice. The Society also provided an update on previously reported conduct complaints and any actions being taken.

## The General Council of the Bar of Northern Ireland

As has been the case in previous reporting years, the Bar confirmed that there were no complaints received or pending in the past 12 months relating to immigration advice or representation provided by the 650 barristers that fall within its regulatory remit.

## The Faculty of Advocates

The faculty confirmed that no immigration complaints were received or were outstanding in the year 2024/2025 from any conduct by its 450 members, which has also been the case in previous years.

A handwritten signature in black ink, appearing to read 'Gaon Hart'.

**Gaon Hart**

Immigration Services Commissioner and Accounting Officer

27 January 2026

## Part 2

# Accountability Report

The Accountability Report forms a key part of the Immigration Advice Authority's Annual Report and Accounts. It demonstrates how the IAA is accountable to Parliament and the public for the proper use of public funds, and how it upholds the principles of good governance, transparency, and stewardship in line with the Corporate Governance in Central Government Departments: Code of Good Practice and the HM Treasury Financial Reporting Manual (FReM).

The report comprises three main sections:

- 2.1 Corporate Governance Report
- 2.2 Remuneration and Staff Report
- 2.3 Parliamentary Accountability and Audit Report

Collectively, these three sections ensure that the IAA:

- operates with strong governance and oversight
- manages public resources transparently and responsibly; and
- complies with statutory accountability requirements and corporate governance best practice

Through this structure, the IAA provides Parliament and the public with clear assurance on its leadership, integrity, financial management, and stewardship of public money.

## 2.1 Corporate governance report

### 2.1.1 Directors' Report

These financial statements report the results of the IAA for the year 1 April 2024 to 31 March 2025, and incorporate the content required with a directors' report, as required by the government Financial Reporting Manual (FReM). 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).

### Commissioner

The IAA is led by the Immigration Services Commissioner, who is a Corporation Sole. The Commissioner is appointed by the Secretary of State for the Home Department (Home Secretary). John Tuckett was appointed as Immigration Services Commissioner on 8 July 2019 for a period of five years. This was extended for a further five years, commencing July 2024. In October 2025, John Tuckett took up a new position as Chief Inspector of Borders and Immigration and continued to work 1 day a week as Immigration Services Commissioner, until his replacement was announced in December 2025. Details on salary and pension benefits for the Commissioner can be found in the Remuneration and Staff Report.

Gaon Hart was formally appointed as Immigration Services Commissioner on 12th December 2025.

### Audit and Risk Assurance Committee (ARAC) members

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.

Name	Role	Appointment Dates
Simon Smith	ARAC Chair	January 2019 – December 2021 Extended January 2022 – January 2026
Daniel Bunting	ARAC Member	April 2018 – March 2021 Extended March 2021 – March 2025
Sue Gallone	ARAC Member	April 2018 – March 2021 Extended March 2021 – March 2025
Jon Hayes	ARAC Member	April 2018 – March 2021 Extended March 2021 – March 2025
Julie Parker	ARAC Member	Appointed 1 April 2025
Mike Venables	ARAC Member	Appointed 1 April 2025
Susan Giles	ARAC Member	Appointed 1 April 2025

### Interests

An important aspect of good governance at the IAA is the management of outside and personal interests. To this end, the IAA Code of Conduct requires members of the Executive Team as well as Non-Executive Directors to update declarations in the

register of interests at least annually, and immediately any relevant issues arise. Where there are potential conflicts of interest, real or perceived, this is declared along with planned mitigation to ensure that the interests of the IAA and the judicious use of public funds are not compromised.

During 2024/25, the Commissioner held no company directorships or other significant interests relating to the IAA's interests, and there were no significant interests held by any of the Non-Executive Directors which may conflict with their responsibilities.

## Financial review

The accounts for the year 1 April 2024 to 31 March 2025 are set out on pages 88 to 93. The notes on pages 94 to 115 form part of the accounts. In accordance with Schedule 5 paragraph 20 of the Act, the IAA's financial statements cover the period 1 April 2024 to 31 March 2025, and are prepared on an accrual's basis in accordance with any Accounts Direction issued to the Commissioner by the Secretary of State for the Home Department with the consent of HM Treasury.

The grant-in-aid received was used to finance activities and expenditure that support the statutory and other objectives of the IAA. These amounts are treated as financing and credited to the general reserve, as they are considered contributions from a controlling party.

The IAA has embarked on ambitious capital projects, including the development of various systems to support its remote working environment and have systems in place to provide its services effectively and efficiently. The net assets position is £2,279k (2023/24 £1,987k), of which intangible assets (IT Software) are £1,619k (2023/24 £1,449k). The increase in intangibles is due to the development of the IRIS system.

## Annual Report and Accounts

Total operating expenditure for the year was £5,454k (2023/24 £5,443k), of which £4,009k (2023/24 £3,968k) were employment costs. The increase in employment costs is due to a combination of the annual pay award approved by the Cabinet Office, as well as senior staff joining the IAA during the year.

Total revenue for the year was £1,647k (2023/24 £1,375k). This increase was due to a large increase in numbers of new applications for regulation by organisations, as well as deferred income from prior years released to income in FY 2024/25.

## Compliance with public sector payment policy

The IAA 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 2025, 98% of invoices were paid within 30 days of receipt (2023/24: 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 and sustainability report

The IAA is a small remote ALB; therefore, the organisation's operational footprint and environmental impact is minimal. Formal reporting is therefore disproportionate under these circumstances, and the IAA is exempt under Greening Government Commitments (GGC) and sustainability reporting guidance.

However, we acknowledge our responsibility to manage and reduce the impact that our work has on the environment.

We are committed to reducing our consumption of resources, using those we must consume more efficiently, and will balance unavoidable emissions where possible.

We aim to minimise the environmental impacts of our operations under the principles of the GGC. Full GGC disclosures are published by the Home Office in its Annual Report and Accounts.

We also acknowledge the need to provide sustainable solutions as we undertake our regulatory and investigatory activities.

We have adopted the Home Office Environment Policy where applicable to the IAA.

## **Employment policies**

We have continued with a planned programme of employment policy reviews during 2024/25, updating these with our staff representatives and trade unions. We have updated our health and safety procedures and site visits guidance to align with our fully remote working environment.

## **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, to be treated with dignity and respect. All staff are required to undertake mandatory training in counter fraud, bribery and corruption.

The IAA is not required to produce a statement under the Modern Slavery Act. However, we are committed to ensuring that there is no modern-day slavery or human trafficking in any of our supply chains or in any part of our business. Any indication of such activity would be dealt with promptly and robustly. We take a similar approach to the maintenance of human rights, anti-corruption, and anti-bribery.

## 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 a statement of accounts in the form and on the basis set out in the accounts direction, in each financial year. The accounts are prepared on an accruals basis and must give a true and fair view of the IAA's income and expenditure, financial position 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 (FrM) and to:

- observe any 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 FrM 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 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 IAA, commencing 12 December 2025. 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 IAA'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 relevant steps to make myself aware of any relevant audit information and to establish that the IAA's auditors are aware of that information. To my knowledge, there is no relevant audit information of which the auditors are unaware.



**Gaon Hart**

Immigration Services Commissioner and Accounting Officer

27 January 2026

## 2.1.3 The governance statement

### Overview

As the new Accounting Officer for the IAA, I am responsible for the effective management and control of the organisation's resources, and for ensuring that robust arrangements for governance, risk management, and internal control are in place to support the delivery of the IAA's policies, aims, and objectives. Since joining the organisation in December 2025, I have undertaken a structured handover process with my predecessor, John Tuckett, during which the IAA's financial position, governance framework, and key operational risks were discussed in detail. I have also met with the IAA Executive Team and the Home Office Senior Sponsor to review the accounts, budget, and wider governance arrangements, ensuring I am fully briefed on the organisation's financial and operational context.

### Oversight and governance

The IAA, previously known as the Office of the Immigration Services Commissioner (OISC), has been established under the Immigration and Asylum Act 1999 (“the Act”), the Nationality, Immigration and Asylum Act 2002 and the Immigration Act 2014. Its purposes are set out in Part V of the 1999 Act. The IAA is a Non-Departmental Public Body.

As Immigration Services Commissioner, I act as Corporation Sole and am accountable to the Home Secretary.

The IAA’s sponsoring department is the Home Office, to which the IAA is accountable for its use of resources and performance. Governance arrangements between the Home Office and the IAA are set out in a governance framework document, which during the reporting period was under review. A final draft is expected early in 2026. Home Office oversight of the IAA continues to be managed through the IAA’s Senior Sponsor (Deputy Director for the Human Rights and Family Unit within the Migration and Borders Group) and the Home Office Sponsorship Unit (HOSU).

As Commissioner, my activities and performance are assessed annually by the Home Office Senior Sponsor, who reports to ministers. The organisation’s performance report is presented to me at quarterly performance meetings. These meetings are attended by senior individuals across the organisation and representatives of the Home Office sponsor department.

The IAA complies with the Cabinet Office Code of Good Practice to the extent that it is applicable, owing to the statutory framework under which the IAA was established.

As Commissioner, I am supported by an Executive Team who provide governance support, performance management and reporting on financial, strategic, and operational issues against the IAA's annual Business Plan. In the final quarter of this year, the Executive Team expanded with a new Chief Executive Officer in post.

## **Performance management meeting**

The IAA holds a quarterly performance management meeting to formally review the organisational performance against the objectives set out in the Business Plan. Each member of the Executive Team provides an update on the progress of their respective department. The meeting is chaired by the Commissioner and attended by the Executive Team, with support from the Chief Staff Officer, Finance Manager and Head of Knowledge, Information and Performance.

A member of the ARAC or Advisory Board is invited to observe the meeting and contribute questions relevant to their oversight role. The Home Office Senior Sponsor is also invited, although their attendance is not mandatory. The meeting operates under an agreed term of reference, which is reviewed regularly to ensure it remains fit for purpose.

## Annual Report and Accounts

Name	Role	Attendance at Performance Meeting
John Tuckett	Commissioner	4/4
Heather Laing	Chief Executive [*]	1/4
Annie Morris	Chief Staff Officer	4/4
Clare Hussain	Director Corporate Operations	3/4
Karen Eyre-White	Director Service Delivery	4/4
Adrienne Gault	Director People, Culture and Programmes	4/4

[\*] The Chief Executive joined the IAA in January 2025 (on interim basis) and was appointed on a permanent basis in March 2025.

## Audit and Risk Assurance Committee

The organisation is supported by an Audit and Risk Assurance Committee (ARAC), which provides appropriate independent advice and challenge to give assurance on overall governance arrangements, financial and risk management, and internal audit arrangements. However, as Commissioner, in governance terms, I remain Corporation Sole.

The ARAC currently comprises of four non-executive members, drawn from a variety of sectors. The formal responsibilities are set out in its Terms of Reference and are reviewed regularly. The ARAC meets at least four times a year. Meetings are attended by the Commissioner and relevant members of the IAA's Executive Team, along with representatives from internal and external audit, Home Office Sponsorship Unit and Home Office Senior Sponsor.

Reports of ARAC meetings are recorded in formal minutes. An annual self-assessment of effectiveness was completed and submitted to the Commissioner on 24 March 2025. The review confirmed that the Terms of Reference remain fit for purpose and that members provided appropriate oversight, challenge, and strategic focus. The Boards were considered to have operated with sufficient independence and expertise.

Risk management processes were strengthened, with members contributing to the development of new systems and providing feedback on key risks. Engagement with senior leaders supported informed recommendations and follow-up actions.

Succession planning was completed and took effect from 1 April 2025, supporting deeper integration of the Advisory Board into the governance framework and enhancing strategic input and oversight of KPIs and outcomes.

The Board relies on validated internal performance, financial, and risk data. Members were satisfied with the quality of data received, noting it was timely, consistent, and reliable. Any limitations were flagged and addressed through further analysis or recommendations.

Throughout the year, ARAC has provided constructive challenge on the delivery of the 2024/25 Business Plan, reviewed the Corporate and Operational Risk Registers monitored the IAA's financial position at each meeting, and reviewed key organisational policies.

<b>Name of ARAC member</b>	<b>Attendance of meetings</b>
Simon Smith (Chair)	4/4
Daniel Bunting [*]	3/4
Sue Gallone [*]	3/4
Jon Hayes [*]	3/4

[\*] Term ended as members of the IAA ARAC on 31st March 2025.

### Advisory Board

Following the introduction of the IAA Advisory Board in 2023, the Board has continued to meet throughout the reporting year and is accountable to me as Commissioner.

Though I remain Corporation Sole, the Board has advised me on specific issues impacting the organisation, performance and activity across the business.

The responsibilities are set out in its Terms of Reference and meetings are recorded in formal minutes.

Name of Advisory Board member	Attendance of meetings
Simon Smith	3/3
Daniel Bunting	1/3
Sue Gallone	3/3
Jon Hayes	3/3

### Risk management

The IAA proactively manages risk through a structured risk management process and corporate and operational risk registers. The process enables the identification, prioritisation, and escalation of both operational and corporate risks. Each risk is assigned an owner, pre and post control risk levels, alongside defined mitigating actions. The framework ensure that risks are escalated and reported to the appropriate management tiers to inform business decisions, enable effective resource allocation, enhanced strategic and business planning, and strengthen contingency planning preparedness.

The risk register and review process are managed by the Head of Knowledge, Information and Performance Management and overseen by the Director of Corporate Operations. Risks are formally considered by the Commissioner, Executive Team and the ARAC on a quarterly basis. Additionally, the Integrated Internal Audit programme and work of the Government Internal Audit Agency are informed by regular mapping to ensure adequate coverage of all key areas of risk.

## Key corporate risks as at Q4 2024/25

Corporate risk	Mitigating actions summary
<p>There is a risk that the level of funding required to deliver the outcomes of the 2025-2027 Corporate Plan may not be secured, particularly concerning shifting government priorities - potentially compromising our ability to deliver organisational aims.</p>	<ul style="list-style-type: none"> <li>• strategic discussions with the Commissioner and the Home Office regarding appropriate funding streams</li> <li>• contingency plans created for various funding scenarios, including prioritisation of critical activities if resources are constrained</li> <li>• regular review and streamlining of internal processes to ensure cost and process efficiencies</li> </ul>

Corporate risk	Mitigating actions summary
<p>The IAA's ability to provide a robust financial function is at risk due to limitations in our current finance and case management system. This could result in inaccurate financial reporting and potential regulatory non-compliance in accounts management.</p>	<ul style="list-style-type: none"> <li>implementation of improved finance systems and processes</li> <li>external audits conducted to assess and strengthen financial controls</li> <li>temporary appointment of a Senior Finance Advisor to support executive financial management</li> <li>revised internal controls and regular reporting to the Sponsor Unit</li> <li>access to financial systems restricted to authorised personnel</li> <li>regular financial reconciliations to ensure data accuracy</li> <li>new online payment solution implemented in October 2025</li> </ul>
<p>There is a risk that staff may indulge in fraudulent activity, arising from inadequate internal controls, including the manual processing of travel/ subsistence claims and salary, resulting in financial losses, legal consequences and the undermining of our accounts.</p>	<ul style="list-style-type: none"> <li>internal controls strengthened, including separation of duties and regular internal/ external audits to minimise fraud risk</li> <li>a published travel and subsistence policy is in place, along with documented finance procedures</li> <li>strict access controls ensure only authorised personnel can approve financial transactions</li> <li>whistleblowing mechanism encourages staff to report suspected fraudulent activity</li> <li>new finance system implemented in Q4 2024/25 to automate manual processes and reduce human error and fraud risk</li> </ul>

<b>Corporate risk</b>	<b>Mitigating actions summary</b>
<p>There is a risk that the organisation could face challenges in relation to the security, capability and accessibility of its IT systems/digital media platforms arising from a system failure or cybersecurity breach, resulting in disruption to critical services and vulnerabilities within our IT infrastructure.</p>	<ul style="list-style-type: none"> <li>• SIRO (Director of Corporate Operations) in post, with formal risk reporting via the Data Governance Board</li> <li>• regular engagement with the Home Office to monitor emerging threat scenarios</li> <li>• ongoing programme to meet government security standards</li> <li>• off-site backup solution in place protecting against ransomware and enabling system recovery</li> <li>• contracted cloud service providers are monitored for compliance with KPIs, value for money, and third-party assurance requirements</li> <li>• staff training and awareness programmes delivered via Civil Service Learning</li> <li>• strict access controls and monitoring in place, including joiners and leavers processes</li> <li>• Business Continuity Plan (BCP) and alternative communication methods established for breach or system failure scenarios</li> </ul>
<p>There is a potential risk to criminal prosecutions work due to the termination of the Legal Service Agreement with the current provider, which may result in an inability to prosecute section 91 statutory offences.</p>	<ul style="list-style-type: none"> <li>• engagement with the Home Office to explore alternative public sector legal service providers</li> <li>• Head of Legal Services actively exploring private sector options for criminal legal support</li> <li>• weekly meetings held with the current provider to monitor progress on active cases</li> </ul>

## Risk appetite

The IAA adopts a measured and evidence-based approach to risk-taking. Our strategy is informed by careful assessment of both the likelihood and potential impact of risks. As an organisation, we prioritise key risks identified by the business and establish an appropriate level of risk appetite, weighing the potential benefits against the costs of mitigating actions. This approach is applied consistently and transparently across the organisation.

The IAA is committed to operating within the parameters set out in its Risk Appetite Statement. Where planned activities are expected to exceed the defined level of risk, this will be escalated through the appropriate governance channels of review and decision making.

**Risk appetite for all categories of risk, grouped by appetite level, is as follows:**

### **Open risk appetite:**

The IAA takes an open stance to risk in relation to **Strategy, Operations, People, Technology, and Projects and Programmes**. We are willing to consider all possible options with regard to these areas and seek to achieve a balance between a high likelihood of successful delivery and a high degree of benefit and value for money, whilst accepting that activities themselves may potentially carry, or contribute to, a high degree of residual risk.

### **Cautious risk appetite:**

The IAA is willing to accept some risk in certain circumstances, regarding **Information**. However, there is a preference for safe options that have a relatively low degree of residual risk. Processes, and oversight and monitoring arrangements will enable cautious risk taking, and we are willing to tolerate a degree of risk in selecting which activities to undertake to achieve our key objectives where we have identified scope to achieve significant benefit and/or realise an opportunity.

### **Minimal risk appetite:**

Regarding **Financial, Commercial, Security and Reputational** risk, the IAA has taken a minimal stance. In these areas, the preference will be for very safe business delivery options that have a low degree of residual risk, where the potential for benefit and return is not necessarily a key driver. Activities in these areas will generally only be undertaken where they have a low degree of residual risk.

### **Averse risk appetite:**

The IAA has taken an adverse approach to **Governance and Legal risk**, where the avoidance of risk and uncertainty in achievement of key deliverables or initiatives is a key objective. Activities undertaken will only be those considered to carry virtually no inherent risk.

## **Significant lapses of protective security**

There were no reportable significant lapses of protective security (e.g. data losses) in 2024/25.

# Audit

## Internal

The Government Internal Audit Agency (GIAA) provide internal audit services for the IAA.

The classification used by the GIAA is as follows:

<b>Substantial</b>	The framework of governance, risk management and control is adequate and effective.
<b>Moderate</b>	Some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.
<b>Limited</b>	There are significant weaknesses in the framework of governance, risk management and control that it could be or could become inadequate and ineffective.
<b>Unsatisfactory</b>	There are fundamental weaknesses in the framework of governance, risk management and control such that it is inadequate and ineffective or is likely to fail.

A programme of three internal audits was carried out in 2024/25, covering the following areas:

- Customer Service Unit
- Investigations, Disruptions and Prosecutions
- Performance Management

The GIAA audit opinion for 2024/25 was Moderate for the IAA. The recommendations have either been concluded, or work is being undertaken to address them.

## Other matters

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

## Ministerial directions

In 2024/25 no ministerial directions were given to the IAA.

## Whistleblowing

The IAA Whistleblowing policy and procedure aligns with the principles of the model policy recommended by the Cabinet Office. The policy allows staff to raise legitimate issues of public interest via the Director of People, Culture and Programmes, through a confidential central reporting email address. During the reporting year, the policy was reviewed and updated. No whistleblowing cases were reported.

## Remote working

During this financial year, the IAA has operated as a fully remote organisation, following the closure of its London headquarters in 2023/24. As a result, our workforce primarily works from home, significantly reducing commuting-related carbon emissions.

Most of our work is conducted digitally, except for legal papers, which in some instances are still required in hard copy. We use shared IT systems to collaborate internally and with external stakeholders and have increasingly adopted digital communications methods and enhanced video conferencing capabilities. This has significantly reduced the need for travel to meetings, thereby lowering the levels of associated emissions.

Operating remotely has also significantly minimised waste generation and eliminated the consumption of electricity, water and waste products associated with use of an office. Notably, our paper consumption has substantially reduced.

We have introduced a more sustainable approach to audits, by developing online audits where appropriate, again significantly reducing the levels of associated emissions.

Similarly, we now conduct online immigration adviser assessments, eliminating the need for applicants to travel to London. However, the option to sit the assessment in person remains available for those that require it.

For all-staff events, we actively encourage the use of public transport and select venues with sustainable environmental policies. These events were predominantly hosted in the South East of England of England where most of our staff are based.

## Functional standards

Government Functional Standards set expectations for the management of functional work across government. They mainly (but not exclusively) relate to corporate services and cross cutting functions.

The suite of functional standards:

- supports the governance, planning, delivery, and assurance of functional work
- supports organisational continuous improvement and professional development

At the time of the previous review, the IAA was found to be largely compliant with the relevant Government Functional Standards. Where

instances of non-compliance were identified, appropriate actions have either been implemented or are currently underway.

Compliance with these standards was also assessed as part of the Public Bodies Review, which commenced in November 2023 and concluded in June 2024. The final report was published by the Home Office on 8 October 2025.

The use of Functional Standards has been embedded into our corporate and business planning processes.

## **Procurement**

We support a sustainable procurement programme. When tendering contracts, we seek to engage with suppliers that adopt a positive approach to environmental and sustainability matters, such as our printing and copying supplier, which has a robust recycling and reducing carbon emissions policy.

## **Conclusion**

I confirm that I have received comprehensive information sufficient to provide assurance over the systems of governance, risk management, and internal control that operated during the year under review and up to the date of approval of the Annual Report and Accounts. On this basis, I am satisfied that throughout 2024/25 the resources allocated to the IAA were managed with due propriety and regularity and were subject to appropriate and effective controls.



**Gaon Hart**

Immigration Services Commissioner and Accounting Officer

27 January 2026

## 2.2. Remuneration and staff report

### Remuneration report

Part V of the Immigration and Asylum Act 1999 created the role of the Immigration Services Commissioner. The Commissioner is the head of the IAA and is supported by an Executive Team. The Commissioner is a ministerial appointee.

In accordance with schedule 5 of the Immigration and Asylum Act 1999, John Tuckett was appointed to the position of Immigration Services Commissioner for a period of five years commencing 8 July 2019. This was extended for a further five years, commencing July 2024. In October 2025, John Tuckett took up a new position as Chief Inspector of Borders and Immigration. He continued to work 1 day a week as Immigration Services Commissioner until his replacement Gaon Hart, was formally appointed on 12 December 2025.

### Remuneration policy

The Commissioner's salary is determined by the Secretary of State for the Home Department.

### Salary and pension entitlements

The following sections provide details of the remuneration and pension interests of the most senior members of the IAA. 'Salary' includes gross salary, pay award and other performance related payments, recruitment and retention allowances, to the extent that it is subject to UK taxation.

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

	2024/25 Salary	2024/25 Pension Related Benefits Accrued in Year	2024/25 Total	2023/24 Salary	2023/24 Pension Related Benefits Accrued in Year	2023/24 Total
	£'000	£'000	£'000	£'000	£'000	£'000
John Tuckett [i] Commissioner	85 – 90 (110 – 115)	41	125 – 130	85 – 90 (110 – 115)	37	125 – 130
Heather Laing [ii] Chief Executive Officer	35 – 40 (110 – 115)	14	50 – 55	0	0	0
Deirdre Gilchrist [iii] Acting Director, Service Delivery	15 – 20 (70 – 75)	17	30 – 35	15 – 20 (70 – 75)	7	25 – 30
Karen Eyre- White [iv] Director, Service Delivery	75 – 80 (90 – 95)	31	105 – 110	65 – 70 (85 – 90)	30	95-100

[i.] The Commissioner works 0.8 FTE.

[ii.] Joined IAA on 01/12/2024.

[iii.] Acting up into the role from 01/01/2024 to 14/06/2024.

[iv.] Went on maternity leave on 18/01/2024 and came back  
on 17/05/2024.

## Annual Report and Accounts

	2024/25 Salary	2024/25 Pension Related Benefits Accrued in Year	2024/25 Total	2023/24 Salary	2023/24 Pension Related Benefits Accrued in Year	2023/24 Total
	£'000	£'000	£'000	£'000	£'000	£'000
Clare Hussain [v] Director, Corporate Operations	80 – 85	32	110 – 115	20 – 25 (75 – 80)	9	30 – 35
Adrienne Gault Director, People, Culture & Programmes	95 – 100	38	135 – 140	90 – 95	36	125 – 130

[v.] Joined IAA on 11/12/2023.

() Full Year Equivalent are in brackets.

	2024/25	2023/24
Band of highest paid director's remuneration (annualised FTE) - (£'000)	110 – 115	110 – 115
Range of Staff remuneration, excluding highest paid above (annualised) - (£'000)	26 - 110	24 – 95

Pension related benefits information on the above table is derived from MyCSP scheme statement.

Amounts paid to members of the Audit and Risk Assurance Committee (ARAC) are shown on page 42.

## **Benefits in kind**

The monetary value of benefits in kind covers any benefits provided by the IAA and treated by HM Revenue and Customs as a taxable emolument. The Commissioner and the Directors did not receive any benefits in kind for 2024/25 or 2023/24.

## **Bonuses**

Bonuses are not payable to the Commissioner and other employees of the IAA.

## **Fair pay multiples (audited)**

In the reporting year, the highest paid director of the IAA was the Chief Executive Officer. The full-time equivalent banded remuneration in 2024/25 was £110,000 – £115,000. Compared to the previous fiscal year, the highest paid director has changed with the recruitment of the CEO, but there has been no increase to the highest band of remuneration at the IAA.

All staff who met the eligibility criteria received pay increases, resulting in changes to some of the pay ratios.

The average remuneration reflects salary only. Insignificant values of ad hoc performance related pay were made to the junior staff as part of the reward and recognition scheme. These payments have not been included in the fair pay calculation as they have no impact on the overall result. There is a 9.5% increase in the average remuneration in respect of the employees of the IAA taken as a whole, over the previous financial year. This increase is due to a combination of the pay award, as well as the recruitment of more senior staff as the IAA seeks to position itself to meet its strategic objectives.

The pay ratio information is in the table below.

### PAY RATIO TABLE (audited)

	2024/25	2023/24
Pay [*] and benefits of the highest paid director	112,500	112,500
25th percentile pay and benefits £	37,305	32,923
25th percentile ratio	3.02	3.42
Median percentile pay and benefits £	42,890	40,750
Median ratio	2.62	2.76
75th percentile pay and benefits £	53,332	49,722
75th percentile ratio	2.11	2.26

[\*] The reported figures are salary only as no benefits were paid to the highest paid director or to any other employees.

The movement in the ratios is due to the pay rise approved by the Secretary of State, whilst the pay band for the highest paid director has remained the same as the previous year.

The median pay ratio was 2.62 with median pay being about £43k, well above the current UK median annual salary of about £32k. The IAA believes in fair pay and is fully compliant with the Fair Pay Disclosures Implementation Guidance within the FrEM, which emphasises transparency, fairness and the justification of senior pay relative to the workforce. Hence the IAA uses standard public sector pay scales which benchmark staff pay in line with individual levels of responsibility. As with many organisations, the work the IAA does requires different types of skills and expertise at differing levels of experience - employing several specialist staff, which feeds directly into our pay ratios. Based on this, median pay ratio at the IAA is in line with our organisational commitment to fair pay.

#### **Audit and Risk Assurance Committee (ARAC) (audited)**

<b>Non-Executive Directors</b>	<b>FY 2024/25</b>	<b>FY 2023/24</b>
Simon Smith (Chair)	£0 – 5k	£0 – 5k
Sue Gallone	£0 – 5k	£0 – 5k
Daniel Bunting	£0 – 5k	£0 – 5k
John Hayes	£0 – 5k	£0 – 5k

The non-executive directors (NEDs) of the ARAC were paid a flat annual rate of £4,000 per annum (2023/24: £3,896 per annum) except for the Committee Chair who was paid £4,500 per annum (2023/24: £4,396 per annum) for attendance at IAA meetings in 2024/25.

**Pension benefits (audited)**

During the year ending 31 March 2025, the Executive Team were members of the Civil Service pension scheme. The table below provides details of their pension benefits.

	<b>Accrued pension at pension age as at 31.03.2025</b>	<b>Real increase in pension and related lump sum pension at pension age</b>	<b>CETV at 31.03.25</b>	<b>CETV at 31.03.24</b>	<b>Real increase in CETV</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
John Tuckett Commissioner	5 – 10	0 – 2.5	138	104	26
Deirdre Gilchrist [i] Acting Director, Service Delivery	25 – 30 plus a lump sum of 60 – 65	0 – 2.5 plus a lump sum of 0 – 2.5	484	457	15
Karen Eyre- White [ii] Director, Service Delivery	20 – 25	0 – 2.5	288	247	15
Clare Hussain Director, Corporate Operations	0 – 5	0 – 2.5	32	7	19

[i.] Acting up into the role from 01/01/2024 to 14/06/2024.

[ii.] Went on maternity leave on 18/01/2024 and came back on 17/05/2024.

	<b>Accrued pension at pension age as at 31.03.2025</b>	<b>Real increase in pension and related lump sum pension at pension age</b>	<b>CETV at 31.03.25</b>	<b>CETV at 31.03.24</b>	<b>Real increase in CETV</b>
Heather Laing [iii] Chief Executive Officer	20 – 25	0 – 2.5	338	325	11
Adrienne Gault Director, People, Culture & Programmes	20 – 25	0 – 2.5	387	320	32

[iii.] Joined IAA on 01/12/2024.

### Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements through either the Principal Civil Service Pension Scheme or ALPHA scheme, introduced on 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 7.35% % of pensionable earnings.

### Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued because 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 arising from the purchase of 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.

## Real increase in CETV

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

CETV figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that was extant as of 31 March 2025.

## STAFF REPORT TABLE (audited)

Staff costs comprise:

	2024/25	2023/24
	Total £'000	Total £'000
Wages and salaries	2,834	2,623
Social security costs	311	303
Other pension costs	809	683
	<b>3,954</b>	<b>3,609</b>
Voluntary exit costs	55	359
	<b>4,009</b>	<b>3,968</b>

### Average number of persons employed (audited)

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

	2024/25	2023/24
	Total	Total
Directly employed	54.34	55.46
<b>Total</b>	<b>54.34</b>	<b>55.46</b>

### Pensions contributions

The Civil Service Pension Scheme (CSPS) is an unfunded multi-employer defined benefit scheme, but the IAA is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2020.

For 2024/25, employer contributions of £781,880 were payable to the CSPS (2023/24: £679,903) at the rate of 28.97% of pensionable pay, based on salary.

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 2024/25 to be paid when the member retires and not the benefits paid during this period to existing pensioners. Employees can opt to open a partnership pension account – a stakeholder pension with an employer contribution. Employer contributions of £5,320 (2023/24: £3,310) were paid to the appointed stakeholder pension provider. Employer contributions are age-related and for the period 1 April 2024 to 31 March 2025 ranged from 8% to 14.75% of pensionable pay.

Employers also match employee contributions up to 3% of pensionable pay.

No contributions were due to Partnership Pension providers at 31 March 2025 (2023/24: £0).

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

Exit package cost band	FY 2024/25			FY 2023/24
	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band	Total number of exit packages by cost band
<£10,000	-	-	-	-
£10,000-£25,000	-	-	-	1
£25,000-£50,000	-	1	1	5
£50,000-£100,000	-	-	-	3
£100,000-£150,000	-	-	-	-
£150,000-£200,000	-	-	-	-
Total number of exit packages	-	1	1	9
Total resource cost/£ [*]	-	54,456	54,456	406,713

[\*] Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme (CSCS), a statutory scheme made under the

Superannuation Act 1972. The table above shows total exit costs of £54,456 were paid in 2024/25 (of which £36,804 was paid to 1 person who exited in FY 2024/25 and the balance £17,652 were paid to staff that exited in FY 2023/24 for the pay rise element for the previous year), the year of departure (2023/24: £406,713). This has resulted in disclosure of exit payments in band £25,000-£50,000.

### Number of persons of each sex employed.

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

	2024/25	2023/24
	Total	Total
Commissioner [*]	1	1
Female (F) staff	46	50
Male (M) staff	24	29
<b>Total</b>	<b>71</b>	<b>80</b>

[\*] The Commissioner is male and a ministerial appointment.

Five directors were employed through the year all of whom were female of which three are senior civil servants.

### Sickness data

During the period from 1 April 2024 to 31 March 2025, 99 sick days were taken by IAA staff. 44 days (44%) were taken as short-term sickness absence and 55 were taken as long-term sickness absence. This equates to 1.8 days average per person overall compared to the latest comparison figures available from the public sector of

6.4 days average per person. Long-term sickness absence has a disproportionate impact on the organisation, given our relatively small number of staff. Our short-term sickness absence equates to an average rate of 0.8 days per person.

## Staff turnover

During 2024/25 the annual turnover of staff was 14%, equating to 10 members of staff. This is based on the number of employees leaving as a percentage of the total number of staff (headcount) employed. One member of staff left through the Civil Service voluntary exit scheme in November 2024, creating opportunities to refresh skills and create efficiencies.

## Equality and diversity

The IAA 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.

Disabled candidates can request that adjustments are considered by the IAA to assist them throughout the recruitment process. This applies to internal and external recruitment exercises. Workstation assessments are conducted for all new staff, with required adjustments made for those with a disability, to ensure that all staff have appropriate equipment and a suitable work environment. Awareness sessions have been held for staff on particular matters e.g. neurodiversity. Staff have access to Mental Health First Aiders, counselling, an occupational health service, as well as health and safety representatives.

The IAA holds an annual equality and diversity survey which includes collecting data on staff with a disability, to ensure our policies and procedures do not unintentionally discriminate against anyone.

### Staff involvement and development

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

We have embedded the role of the IAA's Staff Voice consultative body into the organisation's engagement process. In addition, we work with union representatives in continuing two-way engagement for our business.

To complement our remote working business model, we promote a staff engagement model which enables all staff to meet face-to-face at regular intervals throughout the year.

### Trade union facility time

The IAA has an agreement in place with the PCSU, our recognised union, for its Branch Executive Committee (BEC) members to have access to 52 days' facility time which can be used between them to carry out 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.

### Off payroll engagement

No employee was paid through off payroll engagements in FY 2024/25 (£16,052 paid to one employee in FY 2023/24).

## 2.3 Parliamentary Accountability and Audit Report

This section details how the IAA has used public resources properly, efficiently, and within the authority granted by Parliament. It includes statutory accountability disclosures such as the Statement of Outturn against estimate, losses and special payments, fees and charges, and the audit opinion from the Comptroller and Auditor General.

The IAA also operates in line with the Government Functional Standards, particularly those for finance, risk, and counter fraud. These standards support consistent, high-quality governance and control across government departments. Adherence to these standards strengthens accountability by ensuring that the IAA's financial management, assurance, and performance reporting meet recognised cross-government benchmarks of good practice.

These notes and disclosures are subject to audit.

### Losses and special payments

There were no losses and special payments in the year ended 31 March 2025 (31 March 2024: nil).

### Remote contingent liabilities

There are no matters that meet the criteria of remote contingent liabilities as of 31 March 2025 (31 March 2024: nil).

### Gifts

There were no gifts for the year ended 31 March 2025 (31 March 2024: no gifts).

## Fees and charges

IAA costs and fee income are as follows:

	2024/25			2023/24		
	Costs	Income	Surplus/ (Deficit)	Costs	Income	Surplus/ (Deficit)
	£'000	£'000	£'000	£'000	£'000	£'000
Adviser fees [*]	5,454	(1,647)	(3,807)	5,443	(1,375)	(4,068)
	<b>5,454</b>	<b>(1,647)</b>	<b>(3,807)</b>	<b>5,443</b>	<b>(1,375)</b>	<b>(4,068)</b>

[\*] Adviser application fees are paid by advisers at a level set by the Home Office (S.I. 2011/1366) (as amended) 2022. The fees charged were increased in 2022 aiming to bring them closer to cost recovery aligning with the governments guidelines in Managing Public Money. Between 14th March to 5th June 2024, a consultation in relation to proposed changes to the IAA fee structure was undertaken by the Home Office, and is currently being assessed and considered.

## Regularity of expenditure (audited)

The IAA operates within a Framework Document dated 14 February 2017, which sets out the financial transaction limits to which the IAA may operate without further referral to the Home Office. During 2024/25, 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.



**Gaon Hart**

Immigration Services Commissioner and Accounting Officer

27 January 2026

## 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 Immigration Advice Authority for the year ended 31 March 2025, under the Immigration and Asylum Act 1999. The financial statements comprise the Immigration Advice Authority's:

The financial statements comprise the Immigration Advice Authority's

- Statement of Financial Position as at 31 March 2025
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted International Accounting Standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Immigration Advice Authority's affairs as at 31 March 2025 and its net expenditure for the year then ended; and
- 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 for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 **Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024)**. 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 2024**. I am independent of the Immigration Advice Authority in accordance with the ethical requirements that are relevant to my audit of 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

In auditing the financial statements, I have concluded that the Immigration Advice Authority's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Immigration Advice Authority's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Immigration Advice Authority is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

## **Other Information**

The other information comprises information included in the Annual Report but does not include the financial statements and my auditor's certificate thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

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.

## **Annual Report and Accounts**

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the Immigration and Asylum Act 1999.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the Immigration and Asylum Act 1999; and
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

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

In the light of the knowledge and understanding of the Immigration Advice Authority and its environment obtained in the course of the audit, I have not identified material misstatements in the Statutory Other Information.

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 by the Immigration Advice Authority or returns adequate for my audit have not been received from branches not visited by my staff; or

- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

## **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:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Immigration Advice Authority from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view in accordance with Secretary of State directions issued under the Immigration and Asylum Act 1999;

## **Annual Report and Accounts**

- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with Secretary of State directions issued under the Immigration and Asylum Act 1999; and
- assessing the Immigration Advice Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Immigration Advice Authority will not continue to be provided in the future.

## **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. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. 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.

## **Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud**

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

## **Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud**

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Immigration Advice Authority's accounting policies.
- inquired of management, the Immigration Advice Authority's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Immigration Advice Authority's policies and procedures on:
  - identifying, evaluating and complying with laws and regulations;
  - detecting and responding to the risks of fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Immigration Advice Authority's controls relating to the Immigration Advice Authority's compliance with the Immigration and Asylum Act 1999, and Managing Public Money;
- inquired of management, Immigration Advice Authority's head of internal audit and those charged with governance whether:
  - they were aware of any instances of non-compliance with laws and regulations;
  - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team and the relevant internal IT Audit specialists, in relation to the Systems change for Payroll and Accounting regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Immigration Advice Authority for fraud, and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex

## Annual Report and Accounts

transactions and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Immigration Advice Authority's framework of authority and other legal and regulatory frameworks in which the Immigration Advice Authority operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Immigration Advice Authority. The key laws and regulations I considered in this context included Immigration and Asylum Act 1999, Managing Public Money, employment law and pensions legislation and relevant legislation relating to fees charged by the Immigration Advice Authority.

### Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit and Risk Assurance Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- I performed substantive testing of income and confirmed that fees set out in legislation had been applied correctly and that the Immigration Advice Authority had met the performance obligations necessary to recognise income.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my certificate.

### **Other auditor's responsibilities**

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income 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.

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 I identify during my audit.

### **Report**

I have no observations to make on these financial statements.

#### **Gareth Davies**

Comptroller and Auditor General  
28 January 2026

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

## Part 3

# Financial Statements

## 3.1 Statement of Comprehensive Net Expenditure

	Note	2024/25	2023/24 (Restated)
		£'000	£'000
Revenue from contracts with customers	3	(1,647)	(1,375)
<b>Total operating income</b>		<b>(1,647)</b>	<b>(1,375)</b>
Staff costs	4	4,009	3,968
Other expenditure	5	1,445	1,475
<b>Total operating expenditure</b>		<b>5,454</b>	<b>5,443</b>
<b>Net expenditure</b>	SoCTE	<b>3,807</b>	<b>4,068</b>

The Statement for FY 2023/24 has been restated due to a prior period adjustment – see note 1.12. All income and expenditure are derived from continuing activities. There is no other Comprehensive Net Expenditure

The notes on pages 94 to 115 form part of these accounts

## 3.2 Statement of Financial Position

		31 March 2025	31 March 2024 (Restated)
	Note	£'000	£'000
<b>Non-current Assets</b>			
Property, plant and equipment	6	128	73
Intangible assets	7	1,619	1,449
<b>Total non-current assets</b>		<b>1,747</b>	<b>1,522</b>
<b>Current assets</b>			
Trade and other receivables	8	126	144
Cash and cash equivalents	11	2,731	1,136
<b>Total current assets</b>		<b>2,857</b>	<b>1,280</b>
<b>Total assets</b>		<b>4,604</b>	<b>2,802</b>
<b>Current liabilities</b>			
Trade and other payables	9	(2,325)	(815)
<b>Total current liabilities</b>		<b>(2,325)</b>	<b>(815)</b>

## Annual Report and Accounts

		31 March 2025	31 March 2024 (Restated)
	Note	£'000	£'000
<b>Non-current assets plus net current assets</b>		<b>2,279</b>	<b>1,987</b>
<b>Assets less liabilities</b>		2,279	1,987
<b>Taxpayers' equity</b>			
General fund	SoCTE	2,279	1,987
<b>Total taxpayers' equity</b>	<b>SoCTE</b>	<b>2,279</b>	<b>1,987</b>

The Statement for FY 2023/24 has been restated due to a prior period adjustment – see note 1.12.



**Gaon Hart**

Immigration Services Commissioner and Accounting Officer

27 January 2026

The notes on pages 94 to 115 form part of these accounts.

### 3.3 Statement of Cash Flows

		2024/25	2023/24 (Restated)
	Note	£'000	£'000
<b>Cash flows from operating activities</b>			
Net expenditure	SoCNE	(3,807)	(4,068)
Adjustments for non-cash costs			
Depreciation and amortisation	5	225	94
(Increase)/Decrease in trade and other receivables	8	18	65
Increase/(Decrease) in trade and other payables	9	1,510	(1,066)
Less movements in trade and other payables not passing through the SOCNE	9	(1,724)	719
<b>Net cash outflow from operating activities</b>		<b>(3,778)</b>	<b>(4,256)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	6	(11)	(11)
Purchase of intangible assets	7	(358)	(846)
<b>Net cash outflow from investing activities</b>		<b>(369)</b>	<b>(857)</b>

		2024/25	2023/24 (Restated)
	Note	£'000	£'000
<b>Cash flows from financing activities</b>			
Grant-in-Aid	SoCTE	5,742	6,333
Payment to Home Office for fees and charges	SoCTE	0	(2,167)
<b>Net cash flow from financing activities</b>		<b>5,742</b>	<b>4,166</b>
Net increase/(decrease) in cash and cash equivalents in the year		1,595	(947)
Cash and cash equivalents at the beginning of the period		1,136	2,083
<b>Cash and cash equivalents at the end of the period</b>	<b>11</b>	<b>2,731</b>	<b>1,136</b>

The Statement has been restated due to a prior period adjustment – see note 1.12 and 1.13.

The notes on pages 94 to 115 form part of these accounts

## 3.4 Statement of Changes in taxpayers' equity

	Note	General Reserve £'000
<b>Balance at 31 March 2023</b>		1,097
<b>Changes in taxpayers' equity for 2023/24 (Restated)</b>		
Appropriation due to the Home Office		(1,375)
Net expenditure for year ended 31 March 2024	SoCNE	(4,068)
Grant-in-Aid	SoCF	6,333
<b>Balance at 31 March 2024</b>		<b>1,987</b>
<b>Changes in taxpayers' equity for 2024/25</b>		
Appropriation due to the Home Office		(1,643)
Net expenditure for year ended 31 March 2025	SoCNE	(3,807)
Grant-in-Aid	SoCF	5,742
<b>Balance at 31 March 2025</b>		<b>2,279</b>

The Statement has been restated due to a prior period adjustment – see note 1.12.

The General Reserve represents the cumulative position of funding and expenditure retained by the Immigration Advice Authority on behalf of the Home Office. It reflects the net investment by the Exchequer in the IAA's operations and the cumulative effect of all income and expenditure recognised in the Statement of Comprehensive Net Expenditure, adjusted for any transfers between reserves. The reserve is not available for distribution and forms part of taxpayers' equity.

The notes on pages 94 to 115 form part of these accounts

# Notes to the accounts

## 1. Statement of accounting policies

This Annual Report and Accounts have been prepared and issued by the IAA, under directions given by the Secretary of State, with the approval of HM Treasury, in accordance with the Immigration and Asylum Act 1999. The financial statements have been prepared in accordance with the 2024/25 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 which is judged to be most appropriate to the particular circumstances of IAA for the purpose of giving a true and a fair view has been selected. The particular policies adopted by IAA are described below. They have been consistently applied in dealing with items that are considered material to the accounts.

### 1.1 Accounting Conventions

These accounts have been prepared under the historical cost convention. Depreciated historical cost is used as a proxy for current value in existing use.

## 1.2 Changes in accounting policies, adoption of new accounting standards and FReM guidance

The IAA prepares its financial statements in accordance with the Government Financial Reporting Manual (FReM) issued by HM Treasury. The FReM applies International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

During 2025/26, the FReM introduced updates to reflect changes in IFRS and sector-specific guidance. The IAA has reviewed the relevance and potential impact of these changes on its accounting policies and financial statements. The principal areas considered are set out below.

### IFRS 17 – Insurance Contracts

IFRS 17 Insurance Contracts becomes effective from 1 April 2025, for accounting periods beginning on or after 1 January 2023. The standard replaces IFRS 4 Insurance Contracts and establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts.

In accordance with FReM requirements, the IAA has assessed the applicability of IFRS 17 to its operations. The IAA does not issue insurance contracts as defined under the standard, and therefore IFRS 17 is not applicable and will have no impact on the IAA's financial statements when implemented.

## **Valuation of non-investment assets**

The 2025/26 FReM introduced further clarification on the valuation of non-investment assets, aligning more closely with IFRS 13 – Fair Value Measurement and IAS 16 – Property, Plant and Equipment. The guidance reinforces the principle of reporting assets at current value in existing use and encourages periodic review of valuation methodologies.

Following review, the IAA has determined that these amendments have no material effect on its accounting policies. The IAA's non-investment assets consist mainly of office equipment and IT systems, which continue to be measured on a depreciated historical cost basis. This basis is considered an appropriate proxy for current value due to the nature and short useful lives of these assets.

## **Accounting for social benefits**

The 2025/26 FReM also introduces additional clarification on the accounting treatment of social benefits, consistent with IPSAS 42 – Social Benefits. This guidance sets out recognition and measurement principles for government expenditure that provides income or benefits to individuals or households in accordance with social policy objectives.

The IAA does not administer or pay social benefits as defined under this guidance. The IAA's role is limited to the regulation of immigration advice, and no transfer payments are made to individuals. Accordingly, this update has no impact on the IAA's accounting policies or financial results.

In conclusion, having reviewed the above changes arising from IFRS 17 and the 2025–26 FReM updates, the IAA concludes that these developments have no material impact on its accounting policies, financial position, or performance for the year ended 31 March 2025.

## 1.3 Grant-in-aid

Grant-in-aid and other grants used to finance the activities and expenditure which support the statutory and other objectives of the IAA, are treated as financing, and are credited to the General Reserve. This is because they are regarded as contributions from a controlling party.

## 1.4 Going concern

Our accounts have been prepared on a going concern basis.

The IAA is funded by Parliament via the Supply Estimates process and through its sponsor department the Home Office. Budgets are set during Spending Review cycles but authorised for use annually at Main Estimates, with any additional funding sought through the Home Office and via the Supplementary Estimates if appropriate. Budgets include cash requirements drawn down from HM Treasury and paid via Grant in Aid, on demonstration of need.

The IAA was established by the Immigration and Asylum Act 1999 and the Triennial Review of the IAA and functions (published January 2017), concluded that there was a continued need for regulation of immigration advice and services, and that the IAA should continue to provide this as a non-departmental public body. The recent Border Security, Asylum and Immigration Act, which proposes a significant expansion of the IAA's powers gives credence to the fact that immigration, and therefore the provision of high-quality advice to advice seekers, will remain a government priority going forward.

Future cash flow projections, which are directly related to the draw down of Grant in Aid, confirm that the IAA will be able to operate on a going concern basis for the foreseeable future.

## 1.5 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.

## 1.6 Depreciation, amortisation and impairment

Assets are depreciated/amortised as follows:

Property, Plant & Equipment. These are depreciated on a straight-line basis over a period of 2-15 years, depending on the specific item.

Intangible assets – for the IAA, this is specifically internally developed IT software, which is being amortised over a period of 10 years on a straight-line basis.

Per IAS 38, both asset classes are capitalised at cost. This includes direct costs associated with the purchase of fixed assets or the development stage of internally developed software, plus any additional costs directly required for bringing the asset into use as permitted by IAS 38.

A review of all intangible assets under development is conducted at the year end and any additions in the year are formally brought into use on 1 April of the new financial year.

The carrying value of all assets is cost less depreciation/amortisation.

An impairment review is carried out at the year end and if any indicators of impairment are observed, then a full and formal impairment review is carried out. If the intangible asset is found to be impaired the value of the asset is written down accordingly.

## 1.7 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 consider 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 IAA, 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.

Accordingly, the fee received is initially recorded as deferred income within current liabilities. Revenue is subsequently recognised in the Statement of Comprehensive Net Expenditure when the IAA has completed the assessment and a decision has been made on the application, as this represents the point at which IAA's performance obligation is satisfied, and control of the service has been transferred to the applicant by grant of registration.

This policy ensures that revenue recognition reflects and is compliant with the criteria laid down in IFRS 15.

## 1.8 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.

## 1.9 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, the IAA is unable to identify its share of underlying assets and liabilities. The IAA 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 contribution made by the IAA, 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.

## 1.10 Value Added Tax

The IAA is not registered for VAT, and all costs are shown inclusive of VAT.

## 1.11 Cash and cash equivalents

Cash in the Statement of Financial Position comprises cash at the bank. For the cash flow statement, cash and cash equivalents consist of cash held at the bank.

## 1.12 Restatement of FY 2023/24 accounts

In 2023/24, the IAA overcapitalised contractor costs that did not meet the requirements of IAS 38 Intangible Assets for capitalisation. These totalled £167k. In addition, the IAA did not reclassify £363k of intangible assets from assets under development (AUD) to live at the correct dates in 2023/24. A prior period adjustment (PPA) has been completed to account for these. The effect of these restatements on each financial statement is as follows.

Note	Title	FY 2023/24	Adjustment	FY 2023/24 (Restated)
		£'000	£'000	£'000
SoCNE	Other expenditure	1,308	167	1,475
SoCNE	Total operating expenditure	5,276	167	5,443
SoCNE	Net expenditure	3,901	167	4,068
SoFP	Intangible assets	1,616	(167)	1,449
SoFP	Total non-current assets	1,689	(167)	1,522
SoFP	Total assets	2,969	(167)	2,802
SoFP	Non-current assets plus net current assets	2,154	(167)	1,987
SoFP	Assets less liabilities	2,154	(167)	1,987

Note	Title	FY 2023/24	Adjustment	FY 2023/24 (Restated)
		£'000	£'000	£'000
SoFP	General fund	2,154	(167)	1987
SoFP	Total taxpayers' equity	2,154	(167)	1987
SoCF	Net expenditure	(3,901)	(167)	(4068)
SoCF	Net cash outflow from operating activities [*]	(4,881)	625	(4256)
SoCF	Purchase of intangible assets	(1,013)	167	(846)
SoCF	Net cash outflow from investing activities	(1,024)	167	(857)
SoCTE	Net expenditure for year ended 31 March 2024	(3,901)	(167)	(4068)
SoCTE	Balance at 31 March 2024	2,154	(167)	1,987
Note 5	Information technology	653	167	820
Note 5	Total other expenditure	1,308	167	1,475
Note 7	IT software in use – transfer of AUD to live	0	363	363

[\*] £625k is made up of £167k intangibles and £792k of cash flow statement classification. This is explained in note 1.13.

<b>Note</b>	<b>Title</b>	<b>FY 2023/24</b>	<b>Adjustment</b>	<b>FY 2023/24 (Restated)</b>
		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Note 7	IT software in use – cost at 31 March 2024	600	363	963
Note 7	IT software – under development - Additions	1076	(167)	909
Note 7	IT software – under development – transfer of AUD to live	0	363	363
Note 7	IT software – under development – cost at 31 March 2024	1076	(530)	546
Note 7	Total – additions	1,076	(167)	909
Note 7	Total – cost at 31 March 2024	1676	(167)	1509
Note 7	IT software in use – net book value at 31 March 2024	540	363	903
Note 7	IT Software – under development – cost at 31 March 2024	1076	(530)	546
Note 7	TOTAL – net book value at 31 March 2024	1,616	(167)	1449

## 1.13 Restatement of FY 2023/24 cash flow statement

In addition to the restatement of capital items shown in 1.12 above, the cash flow statement has also been restated.

The adjustment made was the replacement of the figure shown in the prior year accounts for the amount of fees appropriated to the Home Office, with the actual payment made to Home Office. There was no impact to total Cash and Cash equivalents

	FY 2023/24	Adjustment	FY 2023/24
	£'000	£'000	£'000
Net expenditure	(3,901)	(167)	(4,068)
Movement in trade and other payables not passing through SoCNE	(73)	792	719
Net cash flow from operating activities [*]	(4,881)	625	(4,256)
Purchase of intangible assets	(1,013)	655	(358)
Net cash outflow from investing activities	(1,024)	655	(369)
Appropriation of fee to the Home Office	(1,375)	1,375	0
Payment to the Home Office for fees and charges	0	(2,167)	(2167)
Net cash flow from financing activities	4,958	(792)	4166

[\*] £625k is made up of £167k intangibles and £792k of cash flow statement classification.

## 2. Operating segments

The statutory duty of the IAA, as enacted in the Immigration and Asylum Act 1999, is to promote good practice for 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 IAA are applied to the furtherance of these statutory duties. The IAA does not, therefore, have separate reporting of operating segments as envisaged by IFRS 8.

## 3. Income

### Revenue from contracts with customers

	2024/25	2023/24
	£'000	£'000
Adviser fees	1,647 [*]	1,375
	1,647	1,375

[\*] includes £376k of FY 2023/24 deferred income, released to income in FY 2024/25.

## 4. Staff costs [\*]

	2024/25	2023/24
	£'000	£'000
Wages and salaries	2,834	2,623
Social security costs	311	303
Other pension costs	809	683
	<b>3,954</b>	<b>3,609</b>
Voluntary exit costs	55	359
	<b>4,009</b>	<b>3,968</b>

[\*] There is a more detailed analysis of staff costs in the Remuneration and staff report section of the Accountability Report.

## 5. Other expenditure

	2024/25	2023/24
	£'000	£'000
<b>Running costs</b>		
Accommodation	0	(29)
Information technology [i]	646	820
Legal costs	20	50
Advertising and publicity [ii]	51	114
Office supplies and services	49	37

[i.] IT cost higher in FY 2023/2024 due to decapitalisation of intangible assets.

[ii.] Increase in spend on new brand and internal and external communications in FY 2023/2024.

	2024/25	2023/24
	£'000	£'000
Training, subscriptions and workshops	116	138
External audit fee [iii]	78	55
Travel and Subsistence [*]	110	113
Other running costs [*]	150	135
Dilapidation charges [iv]	0	(52)
<b>Non-cash items</b>		
Depreciation and amortisation [v]	225	94
	<b>1,445</b>	<b>1,475</b>

[iii.] No non-audit services have been received during the year.

[iv.] No longer any liability for the dilapidation.

[v.] Intangible asset – IT Software- under construction became live in 2024/2025 and amortisation began for this.

[\*] Travel and subsistence are reported separately (earlier included in other running costs). This has resulted in a change in other running costs for FY 2023/2024 reducing it by the amount of travel and subsistence costs for FY 2023/2024.

The note has been restated due to a prior period adjustment – see note 1.12.

## 6. Property, plant, and equipment

2024/25

	<b>IT</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>
<b>Cost at 31 March 2024</b>	<b>116</b>	<b>116</b>
Additions [*]	99	99
<b>Cost at 31 March 2025</b>	<b>215</b>	<b>215</b>
<b>Depreciation at 31 March 2024</b>	<b>(43)</b>	<b>(43)</b>
Charged during the year	(44)	(44)
<b>Depreciation at 31 March 2025</b>	<b>(87)</b>	<b>(87)</b>
<b>Net book value at 31 March 2025</b>	<b>128</b>	<b>128</b>
Net book value at 31 March 2024	73	73

[\*] Additions include capital accruals of £98k as at 31st March 2025.

2023/24

	<b>IT</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>
<b>Cost at 31 March 2023</b>	<b>95</b>	<b>95</b>
Additions [*]	21	21
<b>Cost at 31 March 2024</b>	<b>116</b>	<b>116</b>
<b>Depreciation at 31 March 2023</b>	<b>(9)</b>	<b>(9)</b>
Charged during the year	(34)	(34)
<b>Depreciation at 31 March 2024</b>	<b>(43)</b>	<b>(43)</b>
<b>Net book value at 31 March 2024</b>	<b>73</b>	<b>73</b>
Net book value at 31 March 2023	86	86

[\*] Additions include capital accruals of £10k as at 31st March 2024.

## 7. Intangible assets

2024/25

	IT Software - in use	IT Software - under development (AUD) [*]	Total
	£'000	£'000	£'000
<b>Cost at 31 March 2024 (restated)</b>	<b>963</b>	<b>546</b>	<b>1,509</b>
Additions [**]	0	351	351
Transfer of AUD to in use	897	(897)	0
<b>Cost at 31 March 2025</b>	<b>1,860</b>	<b>0</b>	<b>1,860</b>
<b>Amortisation at 31 March 2024</b>	<b>(60)</b>	<b>0</b>	<b>(60)</b>
Charged during the year	(181)	0	(181)
<b>Amortisation at 31 March 2025</b>	<b>(241)</b>	<b>0</b>	<b>(241)</b>
<b>Net book value at 31 March 2025</b>	<b>1,619</b>	<b>0</b>	<b>1,619</b>
Net book value at 31 March 2024	903	546	1,449

[\*] Intangible Asset – IT Software relates to implementation of the internal case management system (IRIS). The carrying amount as on 31st March 2025 is £1,860k at cost. Total amortisation as on 31st March 2025 is £241k. The remaining amortisation amounting to £1,619k will be made over its remaining useful life of 8 years.

[\*\*] Additions include capital accruals of £56k as at 31st March 2025.

The note has been restated for FY 2023/24 due to a prior period adjustment – see note 1.12.

## Intangible Assets (Restated)

2023/24

	IT Software - in use	IT Software - under development (AUD) [*]	Total
	£'000	£'000	£'000
<b>Cost at 31 March 2023</b>	<b>600</b>	<b>0</b>	<b>600</b>
Additions [**]	0	909	909
Transfer of AUD to in use	363	(363)	0
<b>Cost at 31 March 2024</b>	<b>963</b>	<b>546</b>	<b>1,509</b>
<b>Amortisation at 31 March 2023</b>	<b>0</b>	<b>0</b>	<b>0</b>
Charged during the year	(60)	0	(60)
<b>Amortisation at 31 March 2024</b>	<b>(60)</b>	<b>0</b>	<b>(60)</b>
<b>Net book value at 31 March 2024</b>	<b>903</b>	<b>546</b>	<b>1,449</b>
Net book value at 31 March 2023	600	0	600

[\*] IT software under development relates to the implementation of internal case management system (IRIS).

[\*\*] Additions include capital accruals of £63k as at 31st March 2024.

The note has been restated due to a prior period adjustment – see note 1.12

## 8. Trade and other receivables

	2024/25	2023/24
	£'000	£'000
<b>Amounts falling due within one year:</b>		
Trade receivables	1	1
Sundry debtors	0	1
Prepayments	125	142
<b>Total</b>	<b>126</b>	<b>144</b>

## 9. Trade and other payables

	2024/25	2023/24
	£'000	£'000
<b>Amounts falling due within one year</b>		
Trade payables	1660	0
Contract liabilities	229	395
Accruals	436	420
<b>Total</b>	<b>2,325</b>	<b>815</b>
Capital accruals (included in above)	154	73

As at 31st March, the IAA was yet to remit the advisors' fee collected in FY 2024/25 to the Home Office. This amounts to £1,574k and is included within the payables figure of £1,660k, making it much higher than in the FY2023/24 comparative, when the Home Office remittance was made before the year end.

## 10. Provision for liabilities and charges

IAA do not have any provision for liabilities and charges as at 31st March 2025 (NIL as at 31st March 2024).

## 11. Cash and cash equivalents

	£'000
<b>Balance at 1 April 2023</b>	<b>2,083</b>
Net change in cash and cash equivalents balances	(947)
<b>Balance at 31 March 2024</b>	<b>1,136</b>
<b>Balance at 1 April 2024</b>	<b>1,136</b>
Net change in cash and cash equivalents balances	1,595
<b>Balance at 31 March 2025 [*]</b>	<b>2,731</b>

[\*] As on 31st March 2025, IAA held cash amounting to c.£1.6m pertaining to adviser fees collected on behalf of Home Office. This was not remitted to Home Office by 31st March 2025, resulting in high cash balances in IAA's bank account as on 31st March 2025.

The IAA 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 IAA holds all its cash balances with the Government Banking Service. The IAA does not have any liabilities arising from financing activities.

## 12. Financial instruments

As the cash requirements of the IAA 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. Most financial instruments relate to contracts to buy non-financial items in line with the IAA's expected purchase and usage requirements, and the IAA is therefore exposed to little credit, liquidity or market risk.

## 13. Related party transactions

The Home Office is the parent and sponsor body of the IAA. In FY 2024/25, IAA had transactions with the following government bodies:

- HMRC
- Disclosure and Barring Service
- Security Industry Authority
- My CSP
- Home Office

No board member, key manager or other related parties has undertaken any material transactions with the IAA during the year.

The main dealings with government in the financial year under review were done through the Home Office. It involved deliberation on a review of the fees and charges of the IAA, which require a change to legislation.

The remuneration report on page 62 provides information on key management compensation.

## 14. Events after the reporting period

In accordance with the requirements of IAS 10, events after the reporting period are considered up to the date on which the accounts are authorised for issue by the Accounting Officer.

In October 2025 John Tuckett was appointed as the Independent Chief Inspector of Borders and Immigration. He continued to work 1 day per week with the IAA until 12th December 2025, when his successor Gaon Hart was appointed. Gaon Hart as the new Accounting Officer authorised these financial statements for issue on 29 January 2026.

This is interpreted as the date of the Certificate and Report of the Comptroller and Auditor General. There have been no adjustments made to the financial statements as a result of events after the reporting period.







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ISBN 978-1-5286-6146-1

E03515455