Home Office

Annual Report and Accounts

2025 to 2026

HC 440

Home Office

Annual Report and Accounts 2025 to 2026

Accounts presented to the House of Commons pursuant to Section 6 (4) of the Government Resources and Accounts Act 2000 and Section 2 (3) of the Exchequer and Audit Departments Act 1921

Report presented to the House of Commons by Command of His Majesty

Ordered by the House of Commons to be printed on 14 July 2026

HC 440

This publication is available at **www.gov.uk/official-documents**

Any enquiries regarding this publication should be sent to us at Direct Communication Unit, 2 Marsham Street, London SW1P 4DF.

This is part of a series of departmental publications which, along with the Main Estimates 2025-26 and the document Public Expenditure: Statistical Analyses 2025, present the government's outturn for 2025-26 and planned expenditure for 2026-27.

ISBN: 978-1-5286-6367-0

E03577101 07/26

Printed on paper containing 40% recycled fibre content minimum.

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

Contents

Foreword of the Home Secretary

This Great Department of State bears responsibility for the most critical duties of government: securing our borders, policing our streets, keeping our nation safe. The policies we implement and the decisions we take affect the lives of millions.

The scale and nature of the Home Office mission make it implausible, if not impossible, that we would ever find ourselves reflecting on a quiet year. Even so, the period covered by this report has been an exceptionally busy one.

Led by our Border Security Command, we have taken the fight to the criminal gangs fuelling illegal migration. The Border Security, Asylum and Immigration Act is now on the statute book. It enables law enforcement to intervene against smuggling networks well before small boats are launched or dangerous journeys started. Small boat arrivals are, for the first time, being returned to France under one of several agreements we have struck with key international partners. Asylum claims fell by 12 percent in the year ending March 2026, compared to the previous year.

I have been clear since my appointment that we will go further and faster, doing whatever it takes to secure our borders. We have begun implementing the most sweeping asylum reforms in modern times, with a focus on reducing the incentives that draw people to this country, and further increasing removals, which have risen to the highest level in almost a decade under this government.

Asylum hotel use, meanwhile, has been more than halved as we work towards ending the practice for good. As we bear down on illegal routes and restore control at our border, we will begin to open new safe and legal routes for those fleeing war and persecution. The first new route will begin to accept applicants in Autumn of 2026, and arrivals a year later.

On legal migration, the Immigration White Paper set out our plans to restore order, control and fairness to the system. Net migration as at 31st December 2026 has now fallen to 171,000, a reduction of 82 percent from the peak recorded in 2023 under the previous government. Following the historically high levels of lower-skilled migration under the previous government, I have announced a major overhaul of settlement rules.

These will reward contribution to and integration into our country, ensuring that the rights that come with settled status are earned through responsibilities fulfilled. They are subject to review.

Alongside major reforms to our immigration system, this government is making our streets safer. The Crime and Policing Act will provide a range of new powers to tackle harmful threats. Knife crime fell by 10 percent in 2025. Homicide rates have hit historic lows.

At the same time, we are restoring neighbourhood policing, rebuilding the crucial link between forces and their communities, with 3,000 additional officers now in neighbourhood roles. The government has also launched the most significant police reform programme in a generation, as we build a new model that will ensure the right policing happens in the right places.

Through a new Violence against Women and Girls (VAWG) Strategy, we are mobilising the whole of society behind our mission to halve VAWG in a decade. We are wholly committed to the pursuit of truth and justice over the grooming gangs scandal, with an independent inquiry now under way.

The government's most sacred duty remains the security of this nation, and the safety of our fellow citizens. The threats we face today are varied and they are rising.

Nowhere is this escalation more evident than in our ongoing effort to protect Jewish life in the UK. The horrendous attacks in Manchester last October and Golders Green in April, along with a series of arson attacks in London, have left our Jewish community feeling uncertain and even unsafe. That is intolerable.

I am clear that no one should have to live a smaller Jewish life in this country. An attack on one community is an attack on us all. I have in recent weeks announced a record increase in protective security funding for our Jewish community, taking Home Office investment to £58.4 million for 2026/27. More security is only part of the answer, though. We must address the very existence of this ancient hatred in our society and the permissive environment that allows it to fester. This includes work my department is leading to block hate preachers and extremists from entering this country, alongside wider government efforts to strengthen online safety, drive antisemitism out of public institutions and prevent young minds being polluted by poisonous narratives.

The threat from terrorism not only endures, but is rising – as evidenced by the increase to the UK national threat level from SUBSTANTIAL to SEVERE earlier this year. Work to tackle all forms of terrorist activity continues, underpinned by the counter-terrorism strategy, CONTEST. We will always act where necessary to strengthen our approach. The Terrorism (Protection of Premises) Act is progressing towards implementation, while we have also brought forward new measures to prevent young people being drawn into terrorism.

We must also now contend with foreign powers that seek to undermine our security and democracy. The threat from states and their proxies is growing – and our response must evolve accordingly. We are making the United Kingdom an even harder target, including through the Foreign Influence Registration Scheme, which went live in July 2025. More recently, we have brought forward new legislation enabling the Home Secretary to designate bodies engaged in state threat activity.

Efforts to learn and apply the lessons of the appalling attack in Southport in July 2024 have remained a key priority. As I made clear following the publication of the Southport Inquiry's Phase 1 report in April, my thoughts are with the victims and their families, and every step needed to prevent such a tragedy from happening again must and will be taken. That includes strengthening our response to the threat of violence that is not driven by any ideology.

Taken together, the Home Office is contending with the challenges posed by an increasingly dangerous world. However, we are delivering results today – making our borders stronger, our streets safer and our nation more secure. Looking to the future, we have an ambitious programme of reform, and a packed legislative agenda.

This leaves me only to end with the thanks that are due to those who have contributed to this year at the Home Office. I would like to thank my ministers and the officials within the Department, as well as those partners outside it, including the security services and law enforcement. Every day, and every night, they make our country safer. We are fortunate to have them, and I thank them for their service.

Shabana Mahmood MP
Home Secretary

Foreword of the Permanent Secretary

Our mission, our North Star, is the most important in government - to keep our country safe and secure. We are guardians of order and control. We need to work to ensure people feel that the system is fair and on their side.

The department can be proud of its achievements in 2025-26. We improved the performance of the asylum system, delivering 56% more initial decisions on asylum claims than the previous year. We rolled out and enforced Electronic Travel Authorisations, with 25.1 million issued in the year ending March 2026. Knife crime reduced by 10% in the year ending December 2025 against the June 2024 baseline.

However, there is far more we need to do. We need to reform policing to increase trust and reduce crime. We need to tackle illegal migration and ensure that the immigration system is fair and controlled. In 2026-27 we need to deliver, and deliver at pace.

I have four priorities. Making it easier for our teams to get things done by having clear priorities, simpler processes, and shorter decision changes. I want to improve how we deliver through further investment in technology and training. I want to ensure we have the trust of Ministers, Parliament, and citizens. And I want to ensure we are able to attract and retain great people to work on this ambitious agenda.

Thank you to colleagues across the Home Office for their work over the last year. I have been impressed by their professionalism, expertise, and passion since being appointed as Permanent Secretary in April. My thanks to Simon for being acting Permanent Secretary and to Antonia Romeo for her leadership of the department last year. I look forward to building on their work and delivering for Ministers and the public in 2026-27.

Gareth Davies CB
Permanent Secretary
Home Office

2

Performance Report

Performance Overview

This section provides a high-level summary of key data and performance across the Home Office during the 2025 to 2026 financial year. It highlights selected headline metrics and developments reflected in the department's performance.

A more detailed assessment, including analysis of trends and areas for improvement, is set out in the performance analysis section that follows.

- Keeping the UK safe
- Protecting communities
- Border security
- Supporting prosperity
- Strengthening resilience

The government has an ambitious agenda for the Home Office to deliver a safer, fairer and more prosperous United Kingdom. The Home Office is at the frontier of keeping the UK safe and secure, delivering services that make a real difference to the public. This brings together Mission delivery, work to contribute to government's foundations, the Plan for Change, and our overall priorities for this Parliament.

Our three departmental priority outcomes are:

Priority outcome 1

Increase control and fairness in the Migration and Borders system to strengthen border security.

Priority outcome 2

Deliver safer streets, prevent crime, reduce serious harm, and increase public confidence in policing and the criminal justice system.

Priority outcome 3

Reduce homeland security risks to the UK's people, prosperity, and freedom.

Note: Performance metrics are drawn from published official statistics. Where datasets are not aligned to the financial year, the data available at 30 April 2026 has been used. Reporting periods (e.g. year ending March, June or December) are specified for each metric.

Priority outcome 1

Increase control and fairness in the Migration and Borders system to strengthen border security

Key achievements in 2025-26

Decision-making at scale

56%

increase in asylum initial decisions from 2024, the highest (135,151) since comparable records began in 2002.

48%

reduction in people awaiting an Asylum initial decision (125k to 64k).

Decisions exceeded new claims. The system is now turning a corner.

Reducing system pressure

19%

reduction in people in hotel accommodation, (30,657) compared to the end of December 2024.

5%

reduction in people receiving asylum support, (107,003) compared to the end of December 2024.

Strengthening enforcement and compliance

9%

increased returns on 2024, 37,918 returns in 2025.

58%

increase in illegal working enforcement visits on 2024, 12,831 visits in 2025.

60%

increase in arrests from illegal working visits on 2024, 9,008 arrests in 2025.

Cross-cutting metrics

Border performance

99%

of passengers cleared within service standards nationally.

Value delivered

£821m

in tax revenue protected, 38% increase on 2024.

System control

Net Migration around two-thirds lower than the previous year

Only +204,000 net migration (year to June 2025).

Summary

This year marked a **step change** in the Home Office's approach to border security and migration, with renewed investment, stronger operational measures and tighter system controls to deliver the government's ambition to restore order, fairness and control to the UK's border security and immigration system.

In November 2025 a range of new policies were announced including those aimed at strengthening border security. In tandem, **asylum decision-making has accelerated**, reducing the number of people awaiting an initial decision and, as a result, reliance on hotel accommodation. This increase in decisions has also led to an increase in the appeals caseload, with the Home Office and Ministry of Justice taking joint action to address this.

This year also saw **continued delivery of major immigration reforms**, including the rollout of Electronic Travel Authorisations, eVisas and eGates as part of the transition to a fully digital border. Net migration fell sharply in the year to June 2025, around two-thirds lower than the previous year, reflecting lower arrivals on work and study routes and increased emigration.

Priority outcome 2

Deliver safer streets, prevent crime, reduce serious harm, and increase public confidence in policing and the criminal justice system

Key achievements in 2025-26

Reducing serious harm

10%

lower knife crime than June 2024 (baseline).

11%

lower hospital admissions (sharp object assault, under 25s), down 11% year-on-year.

Disrupting criminal networks

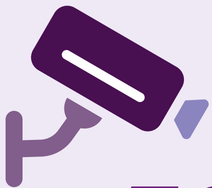
1,642

County Lines closed, (data for April to December 2025), exceeding the full year target of 1,610.

Taking visible action in communities

Theft from the person fell from 152,293 to

129,068.



Robbery of personal property decreased from 66,658 to

58,508.

17%

increase in successful outcomes for town centre acquisitive crime, in year ending December 2025 compared to previous year.

Strengthening policing capacity and public confidence

2,383

additional neighbourhood officers and PCSOs, in post as of September 2025, on track for delivery of 3,000 by the end of March 2026.

2 percentage points

increase on public confidence in police, 67% for year ending March 2025.

Improving system performance

25,390

decisions in the National Referral Mechanism. +48% increase on 2024.

72%

reduction in median decision times, 282 days in 2025-26, down from 1,001 in Q3 2024.

Backlog reduced. To the lowest level since 2018.

Summary

The Home Office is delivering the government's **Plan for Change** with a focus on visible neighbourhood policing, tougher action on serious harms and anti-social behaviour, and long-term reforms to increase confidence and make communities safer. While some crime types have risen, targeted national and local interventions are making a measurable difference, and public safety remains a top priority.

We progressed police reform through publication of the White Paper, **From Local to National: A New Model for Policing**, on 26 January 2026. The Police Performance Framework, supported by the Police Efficiency and Collaboration Programme, has delivered £27.7 million in-year savings to date (March 2026) to help free up frontline capacity. We also successfully delivered security for major national and international events, including the D Day 80th anniversary and the UEFA Champions League Final.

The department **successfully supported policing** to maintain public order across a high volume of protests and public marches in towns and cities.

Priority outcome 3

Reduce homeland security risks to the UK's people, prosperity and freedom

Key achievements in 2025-26

Countering hostile state activity

67

individuals tried,

62

convictions, for terrorism-related offences.

Foreign Influence Registration Scheme (FIRS) launched in July 2025. **State Threats Central Unit** established.

Strengthening early intervention

27%

increase in Prevent referrals on 2024, 8,778 referred in year ending March 2025.

20%

discussed at Channel panels, (support programme helping people at risk of radicalisation through early intervention). Up from 13%.

Committed to national security

Enhanced **counter-terrorism capability and coordination** to respond to evolving threats.

Strengthened cross-government leadership and supported the **Strategic Security Review** to ensure national security priorities drive government decisions.

Delivered new **legislative and system-level improvements** to protect the UK from state threats and hostile activity.

Strengthening asset recovery systems

15%

increase in assets recovered from confiscation, forfeiture and civil recovery orders,

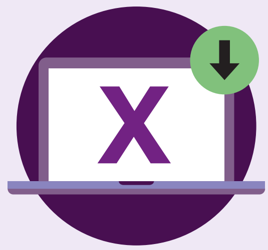
£284.5m

in year ending March 2025.

Reducing harm and cyber resilience

3 percentage point decrease

in computer misuse incidents. 4% in year ending March 2025 compared to 7% in March 2024.



Summary

During 2025-26, we have **delivered major operational, system-level and legislative improvements** to reduce risks to the UK's people, prosperity and freedom in a highly challenging threat environment.

We provided **sustained cross-government leadership** on homeland security, supporting the Strategic Security Review and ensuring national security priorities were reflected in wider government decision-making.

To counter hostile state activity, we established the State Threats Central Unit and delivered the Foreign Influence Registration Scheme, which came into force in July 2025.

We continued delivery of the Transnational Repression Review, rolled out specialist state-threats training across all 45 police forces and published guidance to support individuals at risk. We also **strengthened the Prevent system** through new assessment frameworks and independent oversight, and led the cross-government response to the Southport attack, including the launch of a public inquiry.

Progress against **economic crime priorities remained strong**, building on the publication of the Fraud Strategy and the UK Anti-Corruption Strategy, while making improvements in law enforcement disruption and strengthening foundations for cyber resilience.

Home Office structure at 31 March 2026

Permanent Secretary to 19 February 2026	
Dame Antonia Romeo DCB	
Acting Permanent Secretary (29 March 2025 to 13 April 2025 19 February to 5 April 2026) **Second Permanent Secretary**	
Simon Ridley CB	
Martin Hewitt	**Border Security Command**
Dan Hobbs	**Migration, Borders and International Policy and Programmes**
Basit Javid	**Immigration Enforcement**
Phil Douglas CB	**Border Force**
Paul Morrison CBE	**Visas, Passport, Citizenship and Resettlement Services**
Dr Rannia Leontaridi OBE	**Asylum Group**
Jerome Glass CB	**Chief Operating Officer**
Jenny Richardson	**Chief People Officer**
Mike McCarthy	**Chief Digital and Innovation Officer**
Dr Michelle Haslem CMG	**Homeland Security Group**
Dr Richard Clarke CB	**Public Safety**

Changes to governance

Details of changes to governance can be found in the Governance Statement included in the Accountability Report.

Performance Analysis

This section provides a detailed assessment of how the Home Office has delivered against its objectives during the 2025 to 2026 financial year.

It builds on the performance overview by analysing trends in performance data and identifying next steps. This section provides a clear and transparent account of the Home Office's performance and its impact.

Note: some of the prior year comparison numbers in the performance analysis section have been updated following a data refresh during the year.

Priority outcome 1

Small boat arrivals

Objective

Reduce the number of small boat arrivals to the UK.

Performance summary

- **2024:** 36,816 arrivals
- **2025:** 41,472 arrivals
- **Trend:** Arrivals increased by 13% between 2024 and 2025, compared with a 25% increase between 2023 and 2024

Analysis

Since the Border Security Command was created in July 2024, it has mobilised the border security system, establishing a clear strategic framework and setting agreed priorities for delivery. Over the past year it has delivered the Border Security Asylum and Immigration Act, mobilised international action, and established taskforces to tackle organised immigration crime (OIC), and increased law enforcement action, including 40% more major disruptions in 2025 than the previous year.

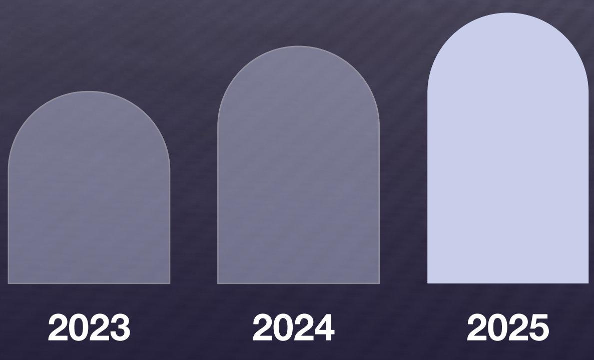
Small boat arrivals rose to 41,472 in 2025, which is a 13% increase over 2024. This is however, at a slower rate than the 25% increase in 2023-2024, and arrivals in 2025 remain below the peak observed in 2022. The average boat occupancy increased to 62 people per boat in 2025, compared with 53 people per boat in 2024. Disruption activity also increased in 2025, with 3,625 OIC disruptions recorded across the border security system (up 37% from 2,648 in 2024), with 533 boats or engines seized working with partners across Europe. However, Organised Crime Groups (OCGs) continue to adapt to counter and evade law enforcement action and high migrant demand provides ongoing operational challenges.

Assessment

The Department has not yet delivered the government's ambition to reduce small boat crossings. Arrivals continued to rise in 2025 and the objective to reduce crossings has not yet been met, although the rate of increase was lower than in previous years. Arrivals remain high and this does not yet provide evidence of sustained reductions.

41,472

small boat arrivals in 2025



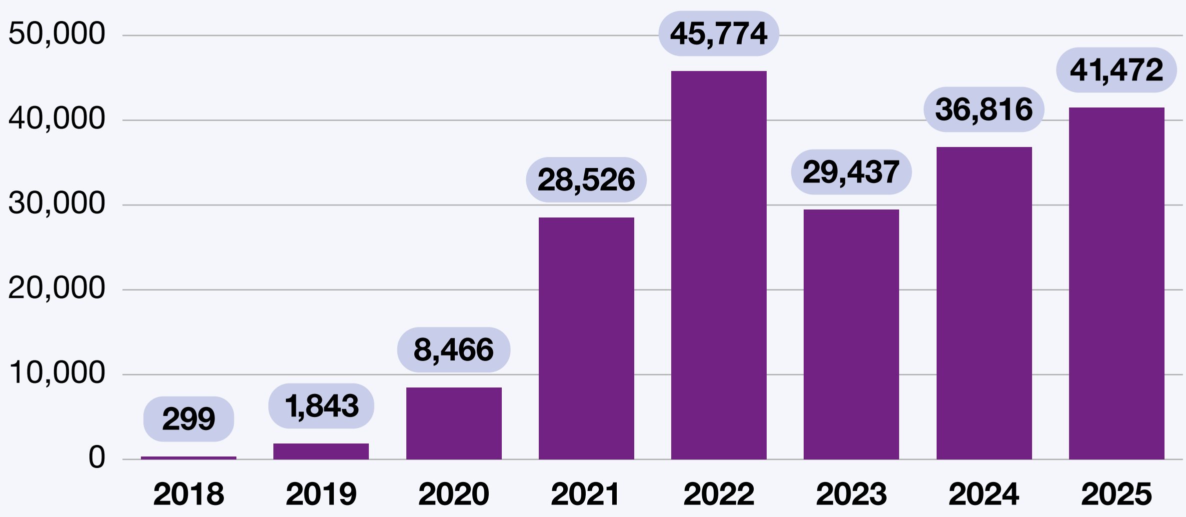
Upstream disruption, stronger international cooperation, and timely delivery of policy reforms will be critical to reducing small boats crossings.

Next steps

The Home Office will continue to:

- strengthen cooperation with France, Belgium and wider European partners to disrupt organised immigration crime groups and their smuggling routes
- deter migrants from attempting the dangerous crossings by implementing Spring 2026 asylum reforms at pace, including the introduction of temporary refugee status
- target small boat equipment supply chains and work with upstream partners to improve disruption capabilities
- enhance international data and intelligence sharing, and strengthen legislative frameworks to support detection and disruption of OIC
- invest in technological improvements and operational innovation to deter crossings and support earlier, more effective interventions

Volume of small boat arrivals



Source: www.gov.uk/government/statistical-data-sets/immigration-system-statistics-data-tables#illegal-entry-routes

"The Home Office is committed to restoring control at our border. We are strengthening international partnerships, investing in cutting edge technology to detect clandestine entry, and tackling organised immigration crime to deter illegal journeys and prevent arrivals."

Illegal entry routes (Detected Arrivals)

Detected arrivals via illegal entry routes increased to 46,497 in 2025, up 7% compared with 2024. This was driven by an increase in small boat arrivals (which represented 89% of detected arrivals). Arrivals via other illegal routes comprised of inadequately documented air arrivals (7% in the latest year), recorded detections in the UK within 72 hours of arrival (4%), and recorded detections at UK ports (0.4%). Detected arrivals via each of these non-small boat routes decreased over the latest year. However not all people arriving via illegal entry routes will be detected and the proportion of arrivals detected will vary by method and route. The Home Office continues to work with international partners to prevent illegal arrivals at the earliest opportunity and is investing in cutting-edge technology to detect clandestine entry at the border.

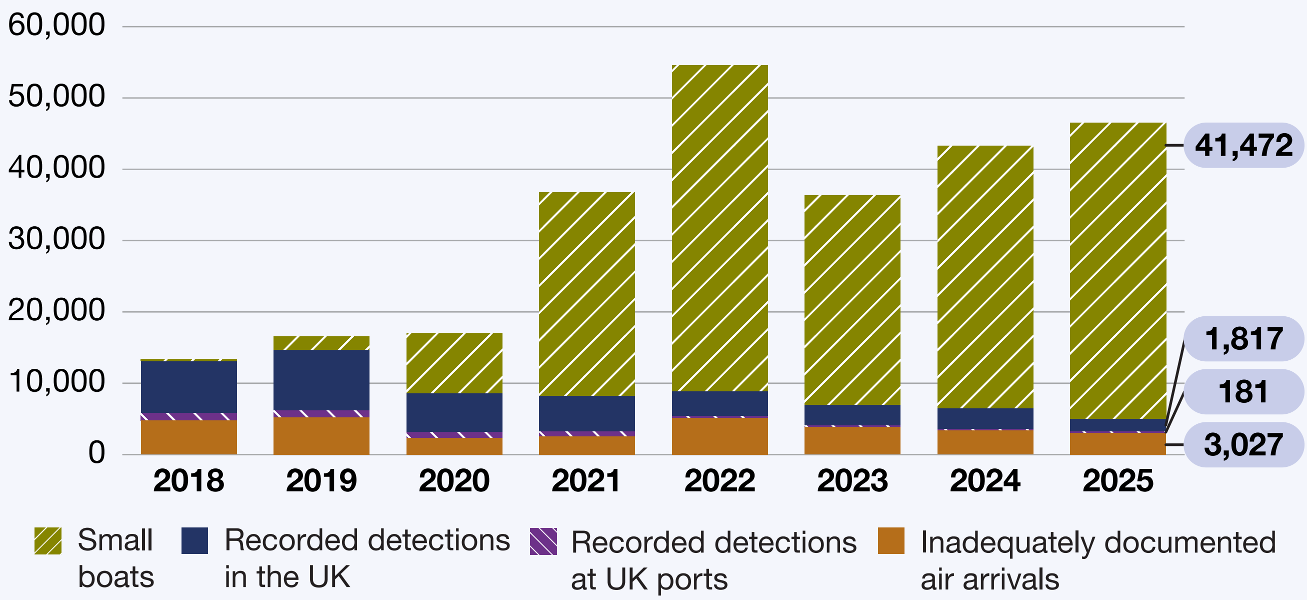
46,497

detected irregular arrivals in 2025 (up 7% from 2024)

89%

(small boats represent 89% of detections)

People detected entering the UK by illegal method of entry



Source: www.gov.uk/government/statistical-data-sets/immigration-system-statistics-data-tables#illegal-entry-routes

Priority outcome 1

Asylum decisions

Objective

Restoring order and control to the migration system by clearing backlogs.

Performance

- **Total initial decisions in the year ending December 2024:** 86,643
- **Total initial decisions in the year ending December 2025:** 135,151
- **Grant rate (for main applicants only):** 42%, down from 47% in 2024

Analysis*

A total of 100,625 people claimed asylum in the year ending December 2025. This was 4% fewer than the previous year but more than twice the number in the year ending December 2019.

In the same period, asylum initial decisions exceeded new claims, with 135,151 people receiving initial decisions. This is the highest number since comparable records began in 2002 and a 56% increase on the year ending December 2024.

Of those who received an initial decision:

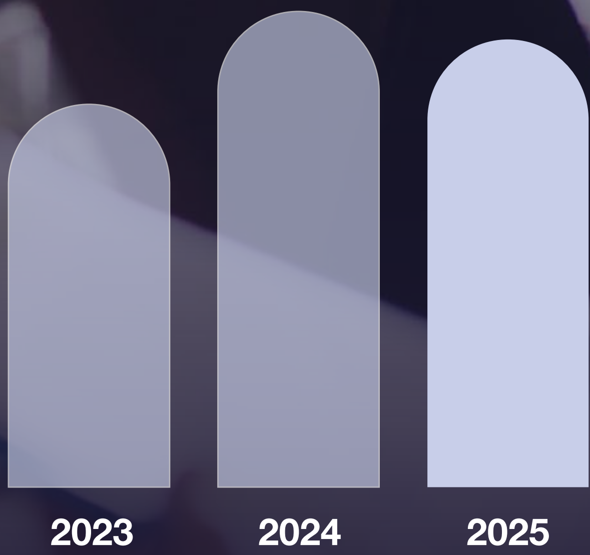
- 80,264 applications were refused, a 75% increase compared with the previous year
- 54,887 people were granted refugee protection or other leave, 35% higher than the previous year

The increase in the number of people granted refugee protection or other leave reflects higher overall decision making volume, rather than a change in the grant rate.

* Data in this section includes main applicants and dependants. Asylum claims and asylum outcomes are not directly comparable within the same period. Initial decisions are based on date of decision and do not necessarily relate to claims made in the same period. For example, a decision in 2017 may relate to a claim made in 2016.

100,625

people claimed asylum in the UK in year ending December 2025, 4% less than previous year



Assessment

Performance during the year reflects a significant strengthening of asylum decision making, with initial decisions reaching a record level and exceeding new claims. Efficiency has increased due to the delivery of enhancements to the process. The impact of the wider reforms and new policies announced during 2025 will start to be realised in the coming year, alongside the sustainable improvements already made.

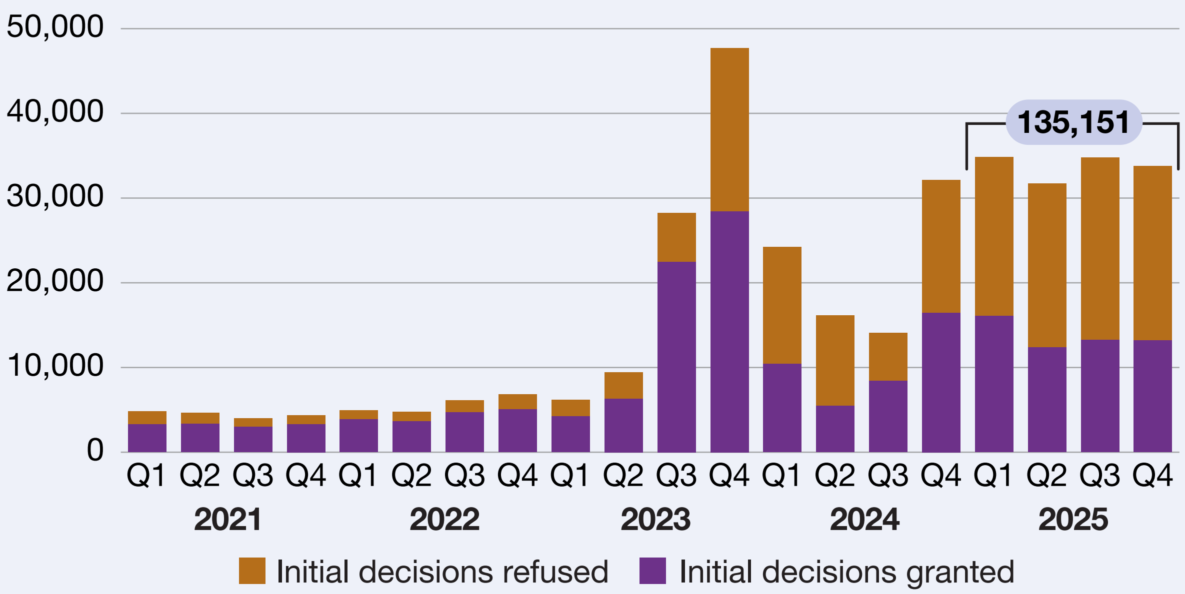
Next steps

To sustain and build on recent improvements, the Home Office announced a further package of reforms in March 2026 aimed at fundamental change to the UK's approach to international protection, and strengthening the efficiency, consistency and resilience of the asylum system.

These measures include the "Core Protection" model, which will introduce more structured review points (such as reviewing cases every 30 months); and a new approach to registration of claims in order to enable quicker decision-making without interviews, where appropriate.

Together, these reforms will support faster, higher-quality decision making, improve throughput, and ensure the system remains fair, sustainable and capable of maintaining public confidence.

Asylum initial decisions, by outcome



Source: www.gov.uk/government/statistical-data-sets/immigration-system-statistics-data-tables#asylum

People awaiting an initial decision

At the end of December 2025, there were 64,426 people awaiting an initial decision, compared with 124,802 at the end of December 2024, representing a 48% reduction. This is also 63% lower than the peak of 175,457 claims at the end of June 2023.

This reduction has been achieved by significantly increasing decision-making capacity and prioritising the clearance of older cohorts of asylum claims. As a result, the number of initial decisions made during 2025 exceeded the number of new claims received over the same period. Clearing these cohorts has materially reduced the Initial decision backlog and will enable sustained focus on managing the ongoing flow of new claims.

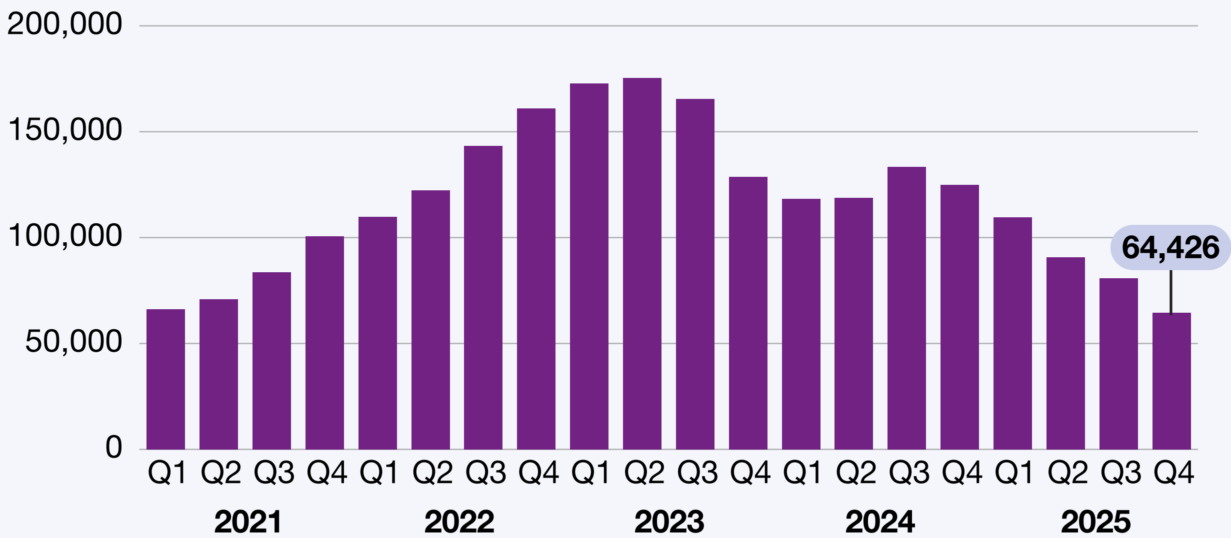
64,426

people awaiting initial decision at the end of December 2025

48%

reduction from the 124,802 at the end of December 2024

Asylum claims awaiting an initial decision



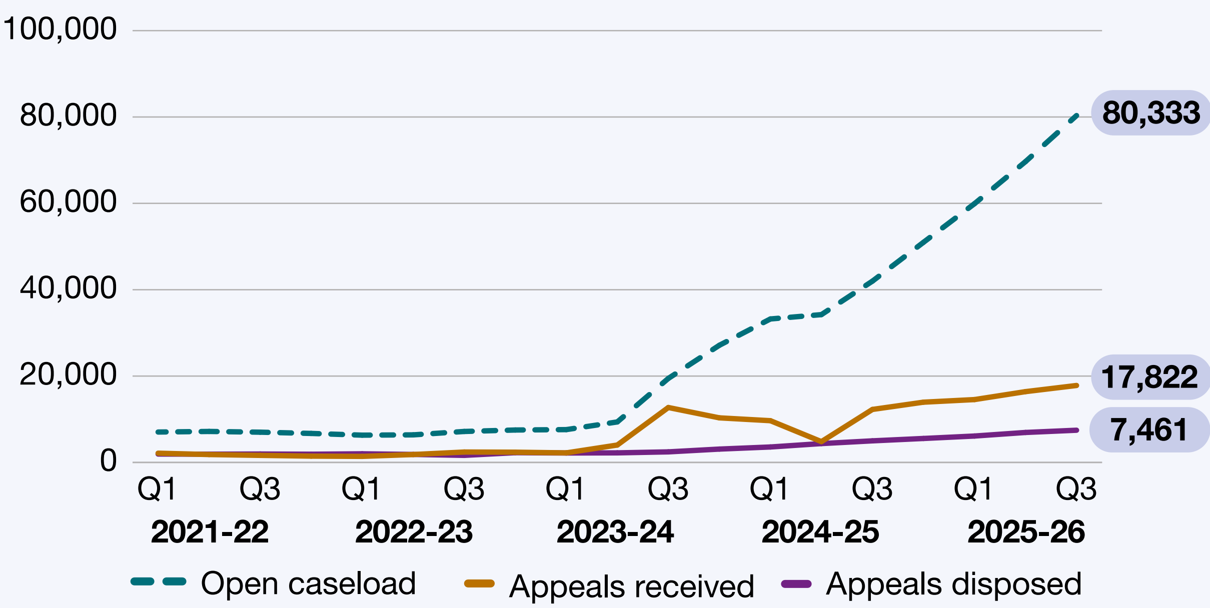
Source: www.gov.uk/government/statistical-data-sets/immigration-system-statistics-data-tables#asylum

Appeals

In October to December 2025, the caseload of asylum appeals, including protection and revocation of protection, stood at 80,333. This was nearly double the caseload in the same period the previous year (41,987). This increase reflects higher volumes of initial asylum decisions flowing into the tribunal system. The Home Office and Ministry of Justice are now taking joint action to increase appeal throughput and reduce avoidable losses.

Note: Appeals data is reported by financial year. The most recent data available is for Q3 2025/26, covering the period October to December 2025.

First-tier Tribunal Asylum appeals, in financial year



Source: www.gov.uk/government/collections/tribunals-statistics

Priority outcome 1

Asylum accommodation

Objective

End the use of hotels for asylum accommodation by the end of the Parliament.

Performance

- **Number in hotels at the end of December 2024:** 38,054
- **Number in hotels at the end of December 2025:** 30,657

Hotel bed use fluctuates throughout the year due to seasonal variations in demand.

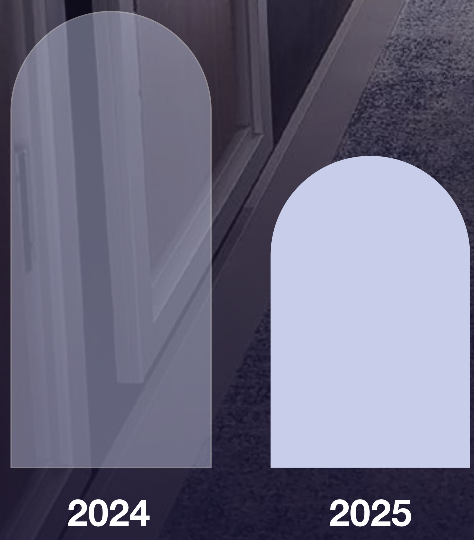
Analysis

There were 30,657 in hotel accommodation at the end of December 2025, 19% lower than at the end of December 2024, and 45% lower than the peak of 56,018 at the end of September 2023.

Success has been achieved through increasing procurement of non-hotel accommodation and reducing the overall demand for accommodation by increasing the pace of processing asylum claims. This has both reduced new demand for support and the time that support is required. In parallel increased returns activity has contributed to reducing the overall supported population. This has moved people out of the asylum system who have no right to remain and eased pressure on accommodation, including hotels.

30,657

in hotel accommodation at the end of 2025, 19% lower than at the end of 2024



Assessment

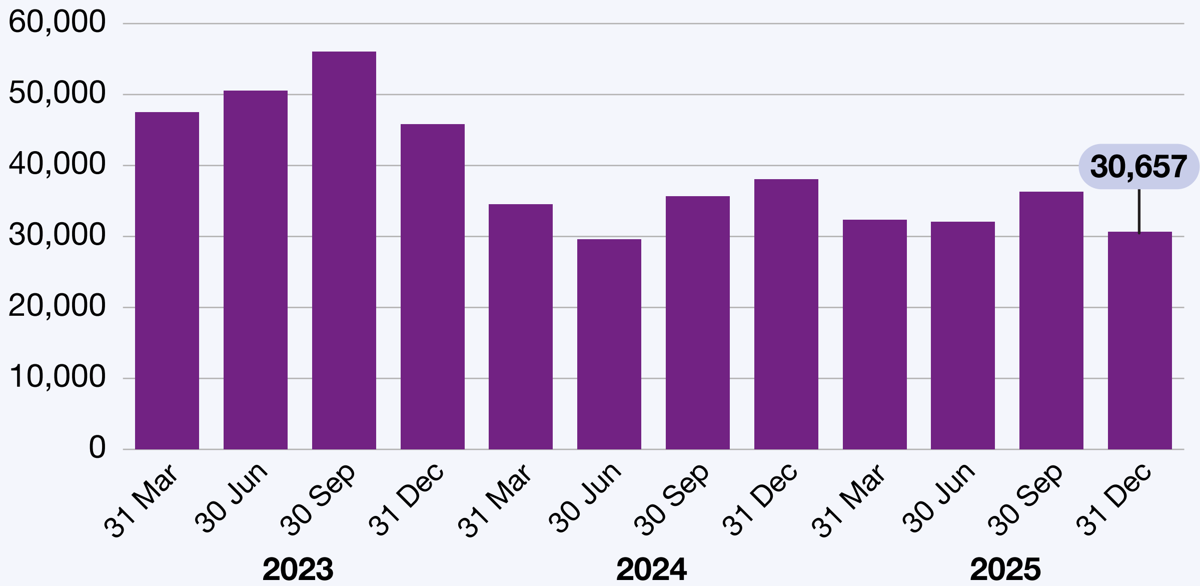
Progress has been made in achieving this objective due to unified efforts across the Home Office including commercial, delivery, operational, policy and other officials and with international partners. However, further work is required to end our use of hotels for accommodation.

Next steps

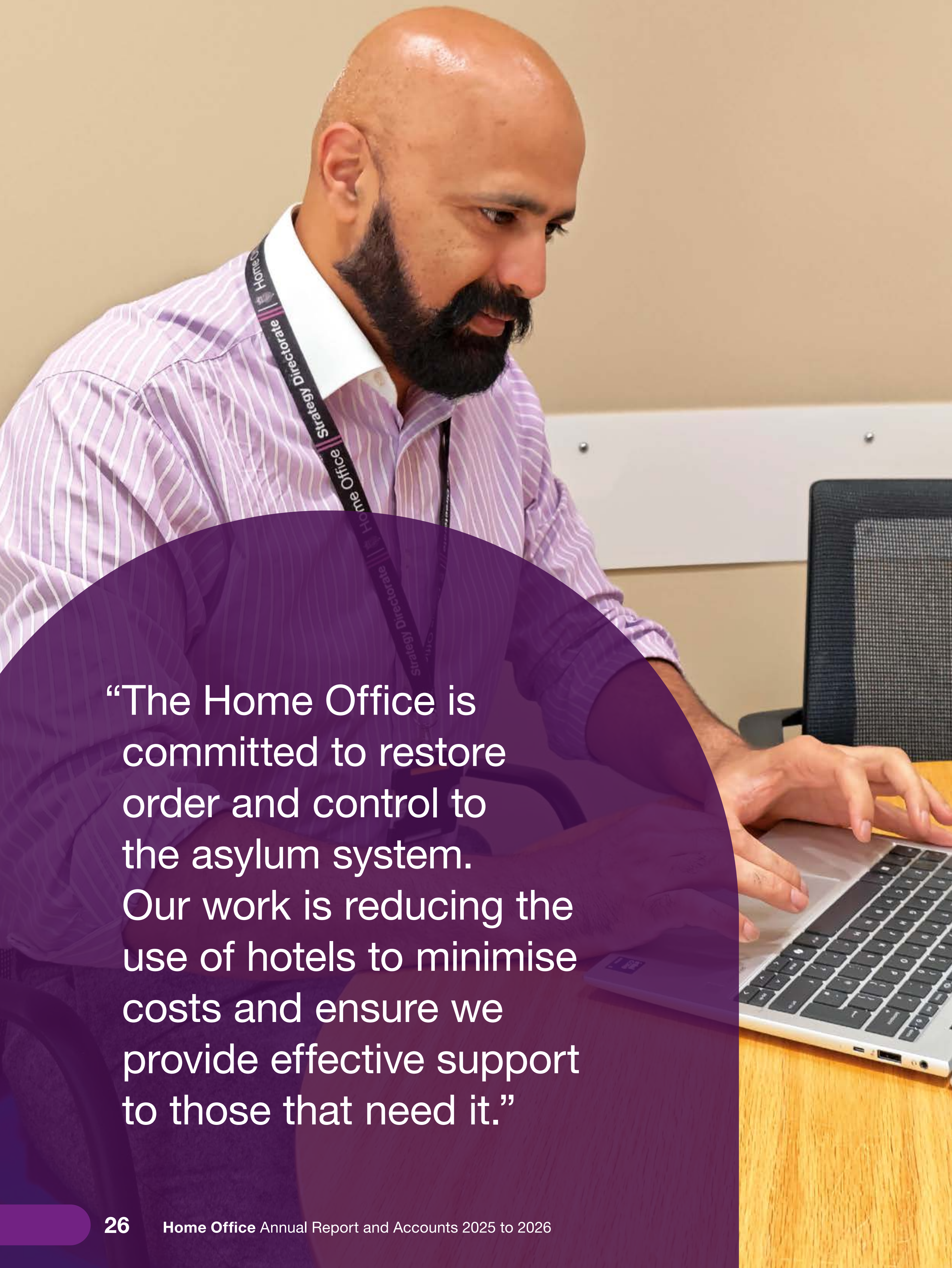
Building on recent progress towards ending the use of hotels for asylum accommodation, the Home Office will:

- expand the use of large sites and other non-hotel accommodation to continue reducing reliance on hotels
- strengthen existing delivery efforts to ensure progress is sustained and the accommodation system can respond effectively to changing demand
- implement newly enacted policies, including prioritising the returns of failed asylum seekers to deliver sustained reductions in overall accommodation demand

Number of asylum seekers accommodated in hotels



Source: www.gov.uk/government/statistical-data-sets/immigration-system-statistics-data-tables#asylum



"The Home Office is committed to restore order and control to the asylum system. Our work is reducing the use of hotels to minimise costs and ensure we provide effective support to those that need it."

Asylum support population

At the end of December 2025, there were 107,003 individuals in receipt of asylum support. This was 5% lower than the end of December 2024. This reduction reflects both lower inflows into asylum support and higher outflows during 2025 driven by fewer new claims requiring support and faster movement of people off support following case resolution. Furthermore this was 14% fewer than at the end of September 2023 when the number of supported asylum seekers peaked at 123,758 people.

Of the supported population:

- 29% were in hotel accommodation
- 64% were in dispersal accommodation
- 7% were in receipt of other support types (including initial accommodation, other contingency accommodation, and subsistence only support)

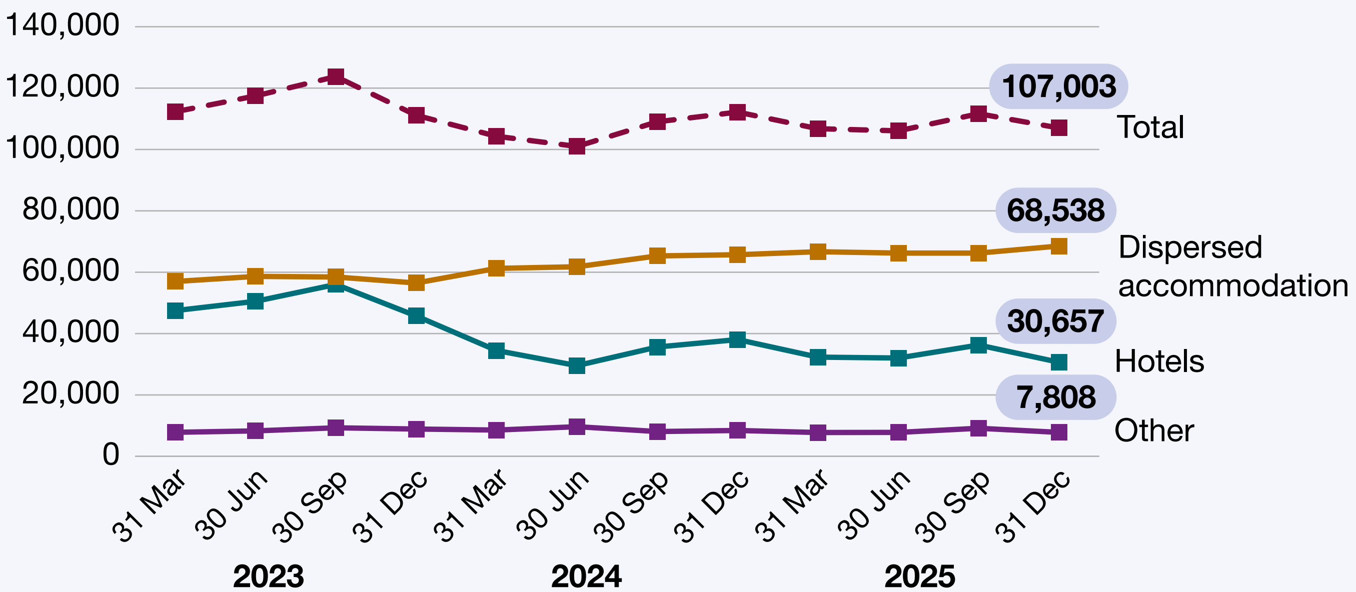
107,003

individuals in receipt of asylum support at the end of 2025

29%

in hotel accommodation

Total accommodated population, by type



Source: www.gov.uk/government/statistical-data-sets/immigration-system-statistics-data-tables#asylum

Priority outcome 1

Returns and Immigration Enforcement

Objective

Increase total returns through a system capable of delivering frequent, high volume removals.

Performance summary

- **2024:** 34,758 total returns
- **2025:** 37,918 total returns
- **Trend:** 9% increase in total returns from 2024 to 2025

Analysis

Returns performance is now at its highest in almost a decade. In 2025, enforced returns increased to 9,914, representing a 21% increase compared to 2024, while voluntary returns rose to 28,004, which is a 5% increase compared to 2024. These improvements reflect the impact of investment in capacity and capability building and initiatives designed to increase productivity and efficiency across the system which are now delivering sustained results.

In total, Immigration Enforcement delivered over 37,900 returns in 2025, exceeding 2024 performance by approximately 9%.

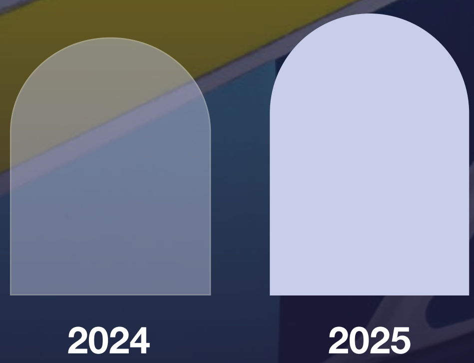
Assessment

Data shows rising levels of both voluntary and enforced returns, highlighting improved Home Office capability in enforcing immigration law. Continued investments over time are expected to further develop these capabilities and support higher returns outcomes.

Voluntary returns continue to underpin the strength of our returns system, reflecting a strategic focus on encouraging and enabling people to leave the UK through clear information, tailored engagement and targeted support. In the year ending December 2025, voluntary returns from Indians (8,652), Brazilians (4,759) and Albanian nationals (1,884) together accounted for 55% of all voluntary departures, demonstrating how proactive outreach, strengthened international partnerships and improved

37,918

9% increase in total returns from 2024 to 2025



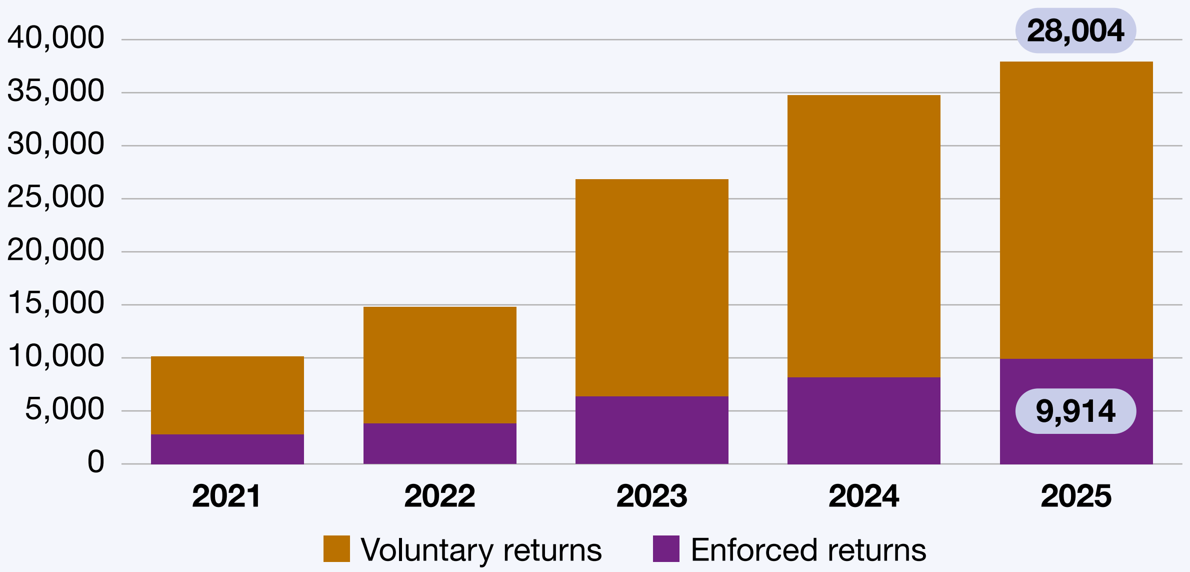
returns pathways are helping people to leave the UK more safely, sustainably and compliantly whilst delivering better long-term outcomes and greater cost-effectiveness.

Next steps

To meet the objective of increasing returns and enforcing immigration law effectively, the Home Office will:

- innovate across the returns process and restart returns where changing country conditions allow, maximising every viable route and exploring new models to strengthen case progression and reduce delays
- adopt a digital first contact management approach, expanding our escorting capacity and scaling up our charter programme
- utilise opportunities from forthcoming legislation and wider policy changes to remove legal barriers to returns
- increase our workforce and detention capacity, alongside investment in emerging technologies to improve productivity and efficiency

Total returns



Source: www.gov.uk/government/statistical-data-sets/immigration-system-statistics-data-tables#returns

Foreign national offender returns

The Home Office is accelerating the removal of high-harm offenders, delivering 5,634 FNO* returns in 2025, an 11% increase on the previous year, driven by a strengthened operating model, greater resources and sharper case prioritisation. Targeted reforms to the Ministry of Justice's Early Removal Scheme are incentivising voluntary departures, boosting throughput and reducing system pressure. Returns are split almost evenly between EU (49%) and non-EU (51%) nationals, with Albanian nationals the largest group for the fourth consecutive year. The Sentencing Act 2026 will enable earlier deportation of eligible FNOs in prison.

* A foreign national offender (FNO) is a non-British citizen convicted in the UK, or abroad for a serious criminal offence. Returns include only those subject to immigration enforcement.

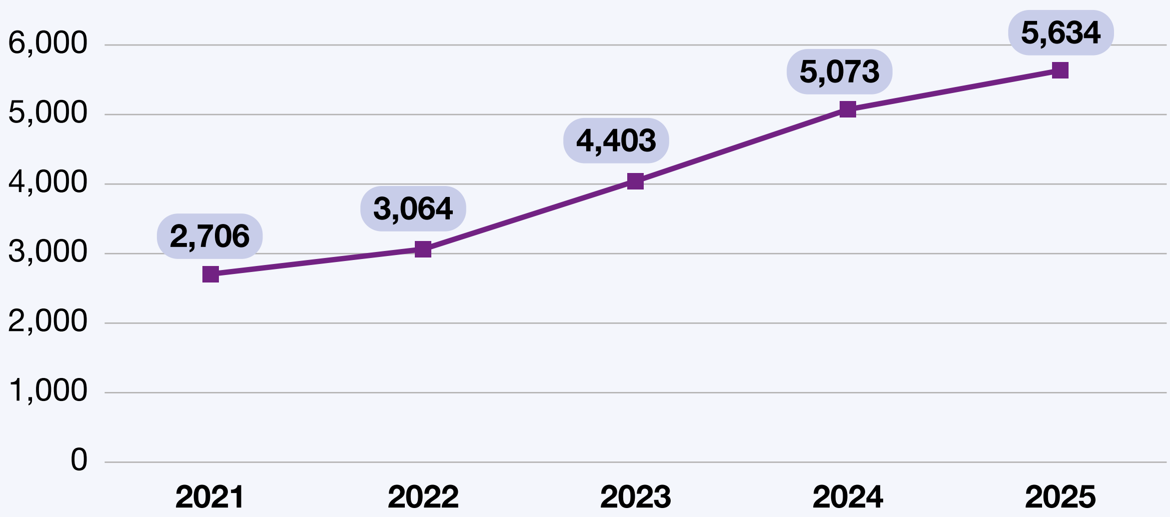
5,634

FNO returns in 2025

11%

increase on the previous year

Foreign national offenders returns



Source: www.gov.uk/government/statistical-data-sets/immigration-system-statistics-data-tables#returns

Illegal working enforcement

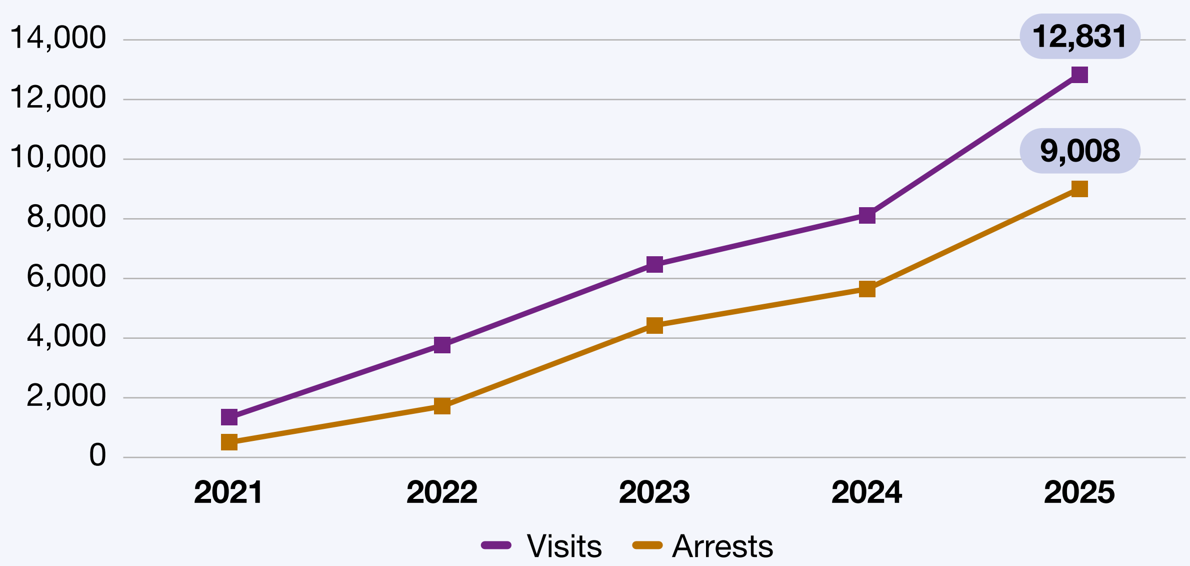
The Home Office has intensified its grip on illegal working, delivering 12,831 enforcement visits in 2025, a 58% surge on the previous year, and securing 9,008 arrests, a 60% uplift that demonstrates more precise, intelligence led targeting of non-compliant activity.

The tougher sanctions regime introduced on 13 February 2024, tripling penalties to £45,000 per illegal worker for a first breach and £60,000 for repeat breaches, has driven a decisive shift in employer accountability. This is reflected in the 2,438 civil penalties issued in 2025, worth over £130 million, compared with 1,835 penalties totalling £77 million the previous year.

The rise in illegal working activity reflects a planned expansion of in country enforcement, with operational resources redirected to disrupt illegal working, deter irregular migration and remove the economic pull factors that incentivise unlawful entry and overstaying. The alignment between rising visit volumes and arrests shows that Immigration Enforcement is now deploying its officers with greater precision and impact, while the marked growth in penalties signals a firmer and more consistent sanctioning approach to drive behavioural change among employers.

Note: in the chart below, data and narrative are presented on a calendar year basis.

Total illegal working enforcement



Source: www.gov.uk/government/publications/returns-from-the-uk-and-illegal-working-activity-since-july-2024

Priority outcome 1

Regular Migration and Borders

Objective

To reduce overall net migration levels.

Performance summary

- **Year ending June 2023:** +924,000
- **Year ending June 2024:** +649,000
- **Year ending June 2025:** +204,000
- **Trend:** Following a record peak in early 2023, net migration has fallen sharply in year ending June 2025, and is around two-thirds lower than in year ending June 2024

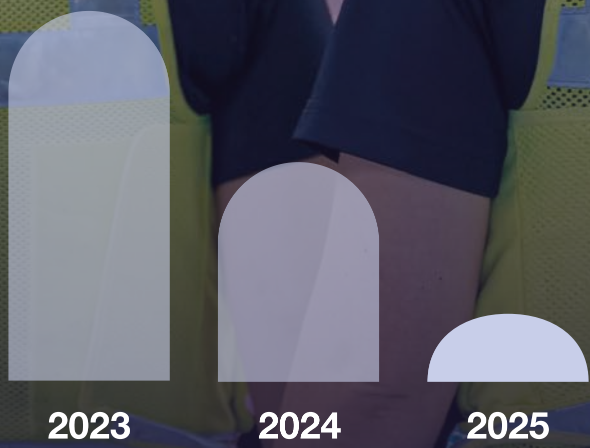
Analysis

The fall in net migration is driven by fewer non-EU+ nationals arriving for work and study-related reasons and a continued, gradual increase in emigration. The reduction in non-EU+ immigration reflects fewer arrivals, including on dependant visas, alongside longer-term emigration trends.

Since 2021, non EU+ migration has driven the overall trend in net migration, while within EU+ and British nationality groups, more people have continued to leave the UK than arrive, reinforcing the overall reduction.

+204,000

Net migration has dropped sharply and is two-thirds lower than a year earlier



Assessment

The Department has made significant progress towards its objective of reducing net migration, with levels falling substantially from their 2023 peak. However, restoring control and order to the system remains ongoing, and further reform is required to ensure reductions are sustained.

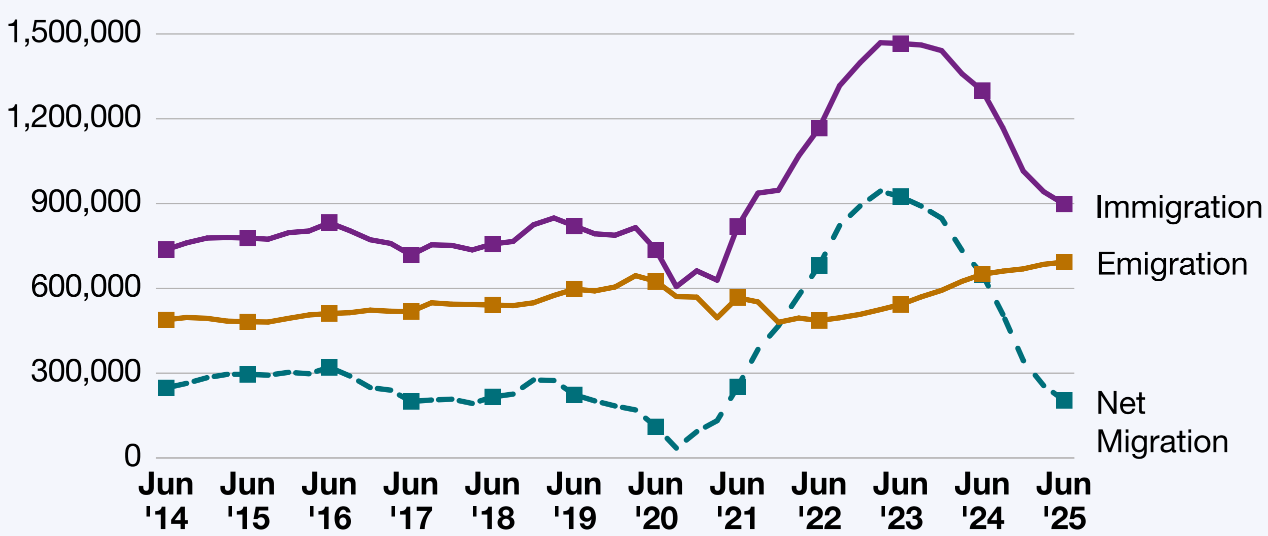
The Immigration White Paper, Restoring control over the immigration system, published in May 2025, sets out a clear framework linking immigration, skills and visa policy to growing the domestic workforce, reducing reliance on overseas labour, and supporting economic growth.

Next steps

The Home Office will:

- build on existing changes to the Skilled Worker and Health and Care Worker visa routes, which came into force on 22 July 2025 and have contributed to further reductions in these routes
- deliver further reforms to settlement, English language requirements and Skilled Worker routes throughout 2026 and early 2027 to embed sustained reductions in net migration and reinforce long term system control

ONS Immigration and Emigration estimates, year ending



Source: www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/internationalmigration/bulletins/longterminternationalmigrationprovisional/yearendingjune2025

Visas granted

In 2025, 3.1 million entry clearances were granted. Visitor visas accounted for 2.2 million of these, representing 73% of all entry clearance visas and a 4% increase compared with 2024 (2.1 million visas). Work-related visa grants have decreased over the last 2 years, largely due to the decline in Health and Care Worker visas. Sponsored study visa grants have increased slightly over the last year despite a decline in grants to dependants of students. The Home Office continually monitors visa regimes to ensure abuse is minimised.

Note: in the chart below, ‘Other’ includes groups remaining visa and permission types, such as EEA family permit, EU settlement scheme permits, BN(O) visa route, Ukraine visa schemes, Transit schemes, other certificates of entitlement to right of abode, and other temporary and permanent entry clearance documents.

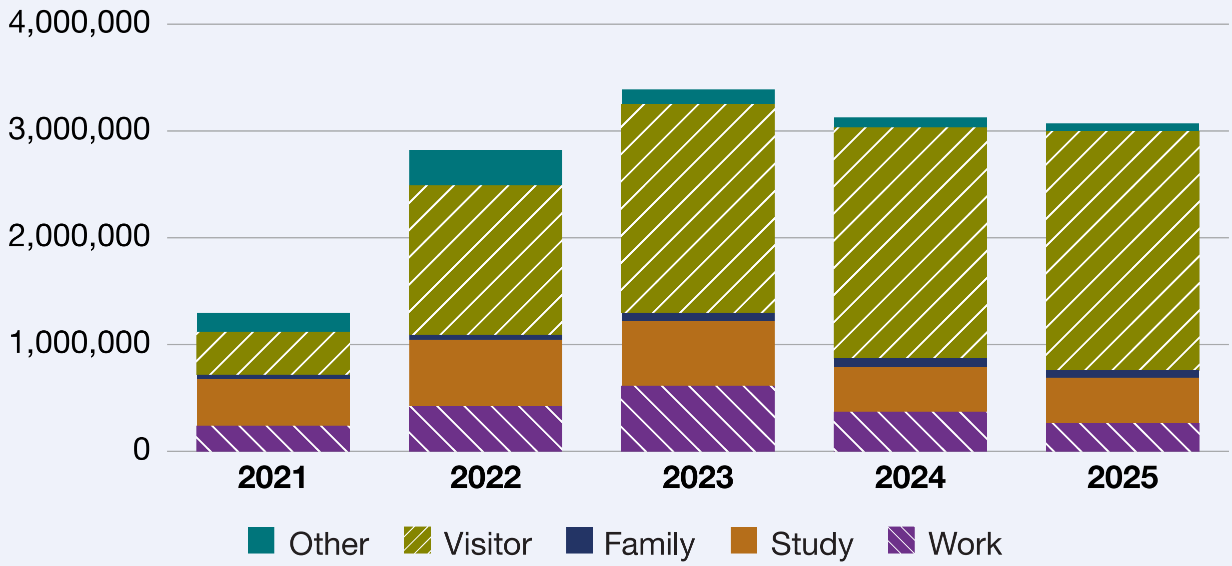
3.1 million

entry clearances granted in 2025

73%

were visit visas

Number of entry visas granted by type



Source: www.gov.uk/government/statistical-data-sets/immigration-system-statistics-data-tables#entry-clearance-visas-granted-outside-the-uk

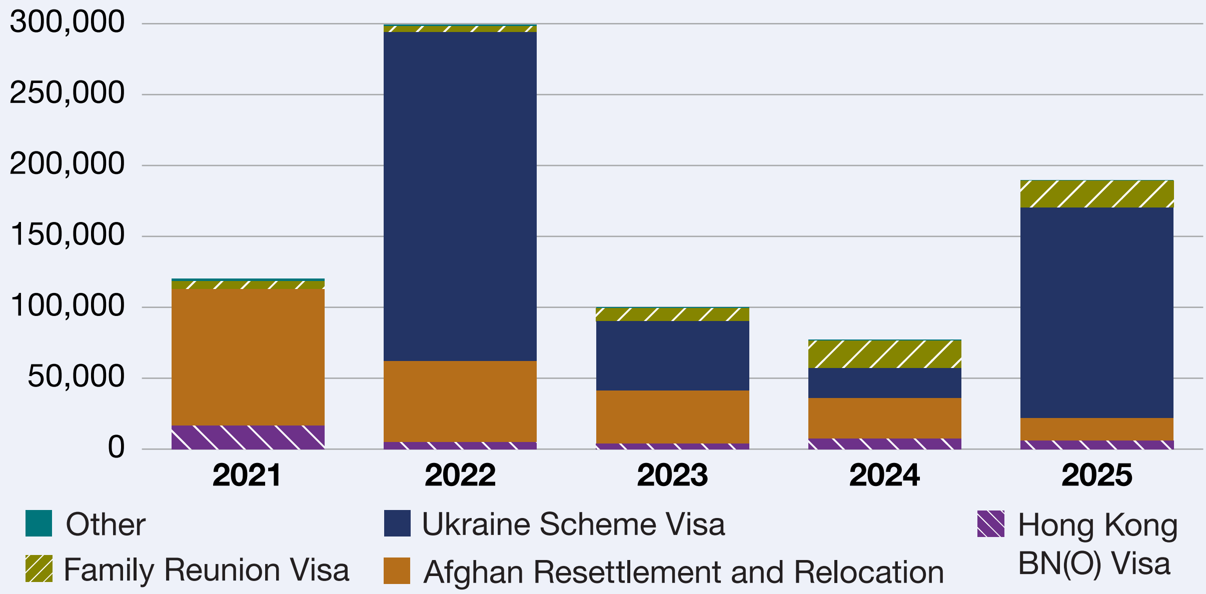
Safe and legal routes

There were 190,000 grants of leave on safe and legal (humanitarian) routes, allowing people to come to, or remain in, the UK in the year ending December 2025.

This was 2.5 times higher than in the year ending December 2024, largely due to grants made under the Ukraine Permission Extension scheme, which applied to 133,519 people already on Ukraine schemes.

Note: in the chart below, 'Other' includes groups remaining resettlement and protection routes not shown separately, such as the UK Resettlement Scheme and the Mandate Scheme.

People offered safe and legal (humanitarian) routes



Source: www.gov.uk/government/statistical-data-sets/immigration-system-statistics-data-tables#safe-and-legal-humanitarian-routes-to-the-uk

Windrush Compensation Scheme

As of March 2026, the scheme has offered £132.7 million to 4,045 claimants, of which £127.1 million has been paid to 3,978 claimants. The figures reflect the maturing of the Windrush Compensation Scheme, with a sustained rate of case resolution over the reporting period, more claims reaching final resolution, and higher awards being made as evidence is completed.

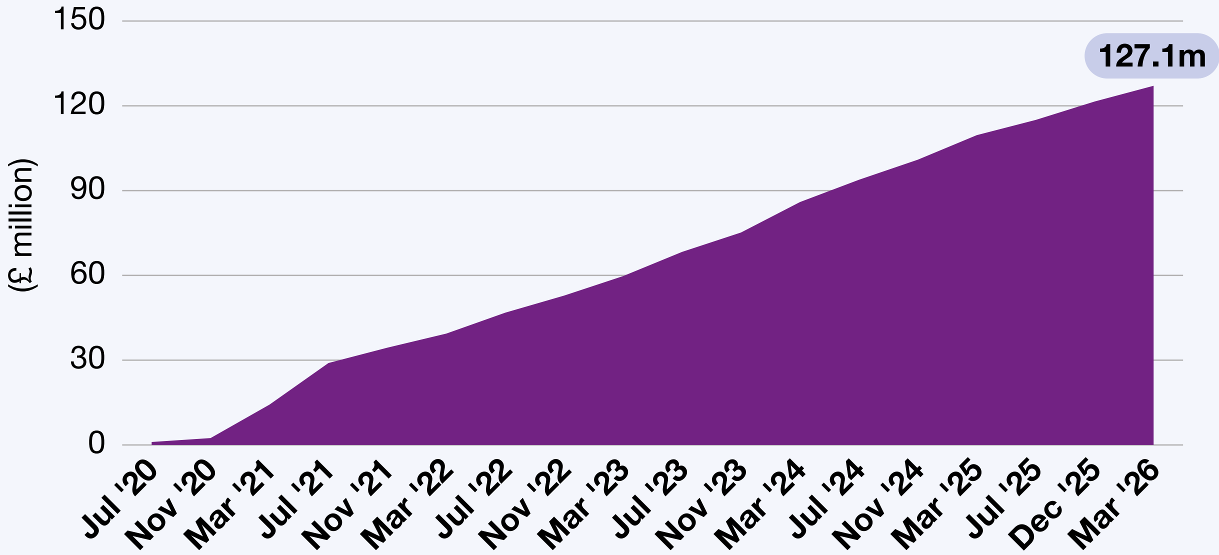
£132.7 million

has been offered by the scheme to

4,045

claimants

Windrush Compensation Scheme cumulative amount paid (£ million)



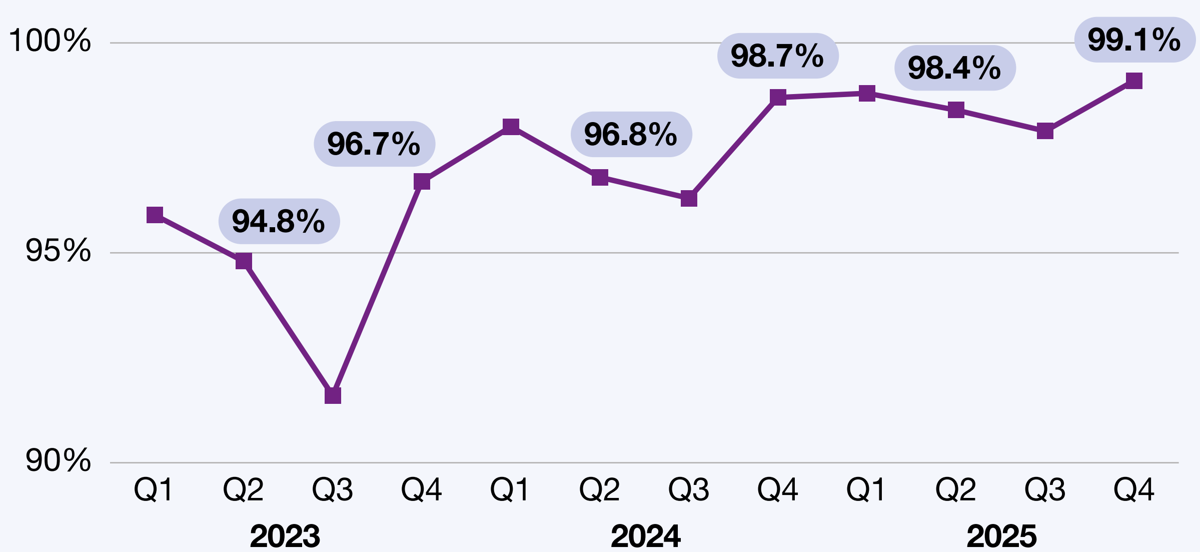
Source: www.gov.uk/government/statistical-data-sets/migration-transparency-data#windrush-compensation-scheme

Border Force wait times at the border

In 2025 Border Force consistently met the service standards for sampled queue measurements, which is 95% within 25 minutes (for passengers using eGates or queues where the majority of passengers are eGate eligible) and within 45 minutes (for passengers using queues dedicated to other nationalities).

Between October and December 2025, 99% of sampled queue measurements met service standards. This is the highest rate since early 2020. Border Force expanded automation and eGates use and managed demand peaks more effectively. The Home Office is now focused on sustaining this resilience.

Passengers cleared at the border within service standards



Source: www.gov.uk/government/statistical-data-sets/migration-transparency-data#border-force

Border Security – Revenue protection

In 2025, Border Force protected a record £821 million of tax revenue at the border.* This represents a year-on-year increase (38% improvement) and demonstrates strong delivery against one of Border Force's core objectives.

The result shows the impact of targeted border enforcement activity and delivery of a substantial return for the taxpayer while supporting fair competition for legitimate businesses.

* Revenue protected is the amount of tax or duty that the Home Office stopped from being lost by preventing smuggling, fraud, or non-payment.

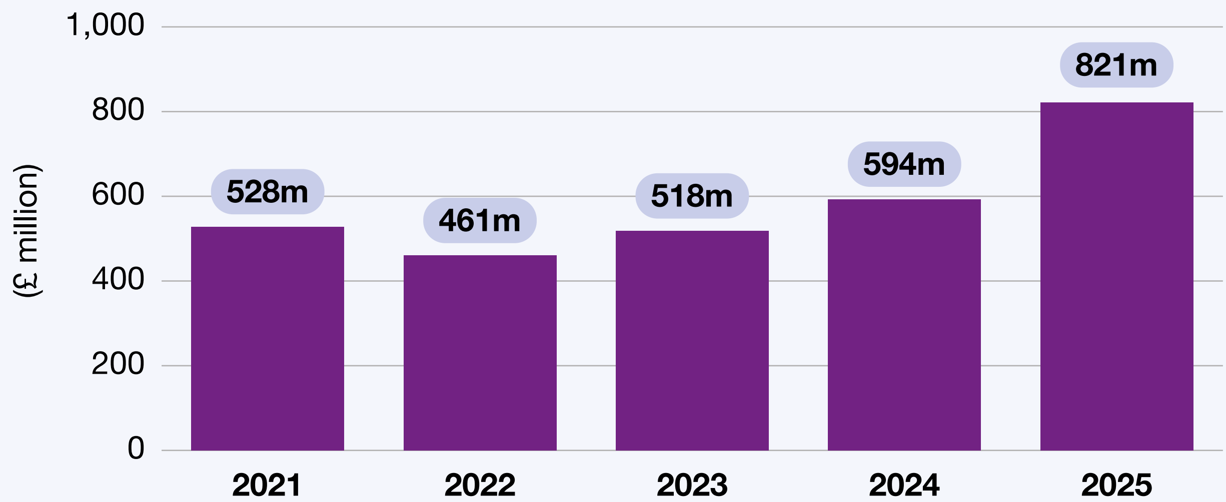
£821 million

tax revenue protected at the border

38%

representing a year-on-year increase

Revenue loss prevented (£ million)



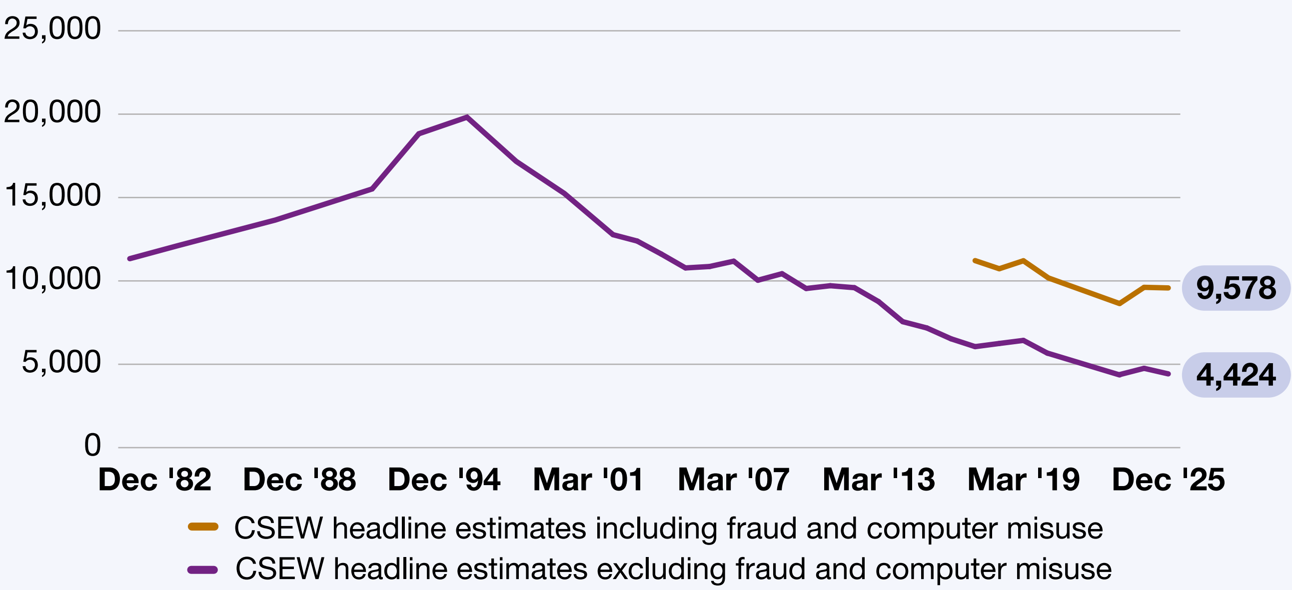
Source: www.gov.uk/government/statistical-data-sets/migration-transparency-data#border-force

Priority outcome 2

Overall crime

Crime in England and Wales, as measured by the Crime Survey for England and Wales (CSEW), has fallen substantially since the mid 1990s, with long-term decreases in theft, criminal damage, and violence with or without injury. Comparable estimates including fraud and computer misuse show overall crime remains around 15% lower than in 2017, when these offences were first included. More recently, crime has stabilised, with around 9.6 million incidents in the year ending December 2025, showing no statistically significant change compared with the previous year. However, the nature of crime has shifted. Fraud and computer misuse now account for a growing share of incidents, while higher-harm and more complex offences, including domestic abuse and sexual offences, make up an increasing proportion of police demand. As a result, lower overall crime has not reduced pressure on policing, with forces managing more complex and resource-intensive cases. Police workforce numbers remain historically high, at over 235,000 personnel, including more than 146,000 officers, as at 31 March 2025.

Overall crime annual estimates, England and Wales



Source: www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/bulletins/crimeinenglandandwales/latest#data-sources-and-quality

Priority outcome 2

Violence against women and girls

Objective

Reduce violence against women and girls (VAWG), in line with the government's ambition to halve VAWG in a decade. Measured using combined prevalence estimates of domestic abuse, sexual assault and stalking from the Crime Survey for England and Wales.

Performance summary

- **Year ending March 2024:** 11.3% of people aged 16 and over (~5.4m people) experienced domestic abuse, sexual assault or stalking
- **Year ending March 2025:** 10.6% (~5.1m people)

Analysis

The combined prevalence measure is a new metric. Although prevalence fell by 0.7 percentage points between the latest data and the previous year, uncertainty inherent in the survey estimates means it is not yet possible to conclude that this reflects a genuine change, rather than normal data variation. We therefore continue to monitor trends in the individual forms of VAWG alongside the combined measure (see below).

Assessment

It will take time and enduring commitment to create a meaningful and lasting reduction to the prevalence of VAWG in society. The government published 'Freedom from violence and abuse: a cross-government strategy to build a safer society for women and girls' in December 2025. This publication sets out strategic direction and concrete actions to prevent violence and abuse, pursue perpetrators, and support victims to deliver the ambition to halve VAWG in a decade.

Progress towards halving VAWG had started before the publication of the strategy. Since July 2024, the Home Office has delivered a series of measures to tackle these crimes including establishing the National Centre for VAWG and Public Protection, commencing the rollout of Raneem's Law to strengthen protections for victims of domestic abuse, introducing Domestic Abuse Protection Orders in the initial pilot areas, and announcing £53 million of funding over four years to expand the Drive Project across England and Wales.

10.6%

(estimated) people aged 16 and over experienced domestic abuse, sexual assault or stalking in 2025

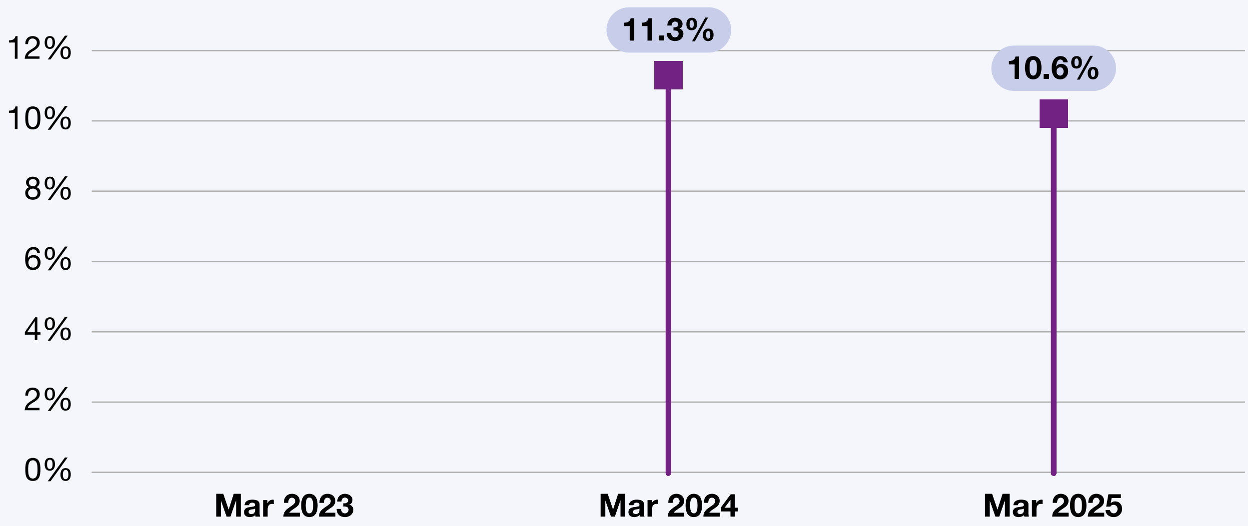
Next steps

To continue progress, the Home Office will:

- continue the roll-out of Raneem's Law and Rapid Video Response to better support victims of domestic abuse
- accelerate the expansion of proven perpetrator intervention programmes and continue to develop and test further programmes to address the patchwork of provision of perpetrator interventions across England and Wales
- begin work to establish a consistent and comprehensive offering in every local area so there is greater access to tailored interventions for domestic abuse and stalking perpetrators, from first-time offenders to higher-risk perpetrators
- oversee delivery of the 'Freedom from Violence and Abuse' Strategy across government and ensure that departments are accountable for their commitments in the published Action Plan

Note: in the chart below, data prior to the year ending March 2024 are excluded due to changes in Crime Survey for England and Wales questions, which mean earlier estimates are not comparable.

Prevalence of VAWG (combined domestic abuse, stalking and sexual assault), year ending



Source: www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/crimeinenglandandwalesannualsupplementarytables

Domestic abuse prevalence

An estimated 7.8% of people aged 16 and over (around 3.8 million) experienced domestic abuse in the year ending March 2025 (compared to 8% in the previous year, representing no statistically significant change). Changes to survey questions mean figures are not directly comparable with earlier years, though data over the past decade indicates a gradual decline.

Note: in the chart below, data prior to the year ending March 2024 are excluded due to changes in Crime Survey for England and Wales questions, which mean earlier estimates are not comparable.

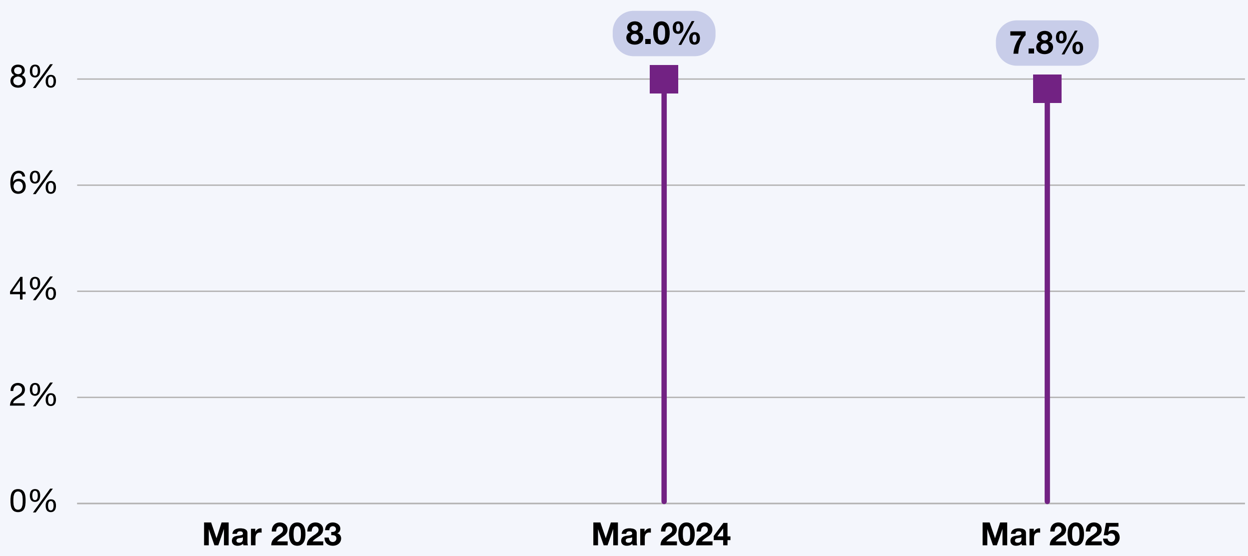
7.8%

(estimated) of people aged 16 and over, or around

3.8 million

people experienced domestic abuse in the year ending March 2025

Prevalence of domestic abuse, year ending



Source: www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/crimeinenglandandwalesannualsupplementarytables

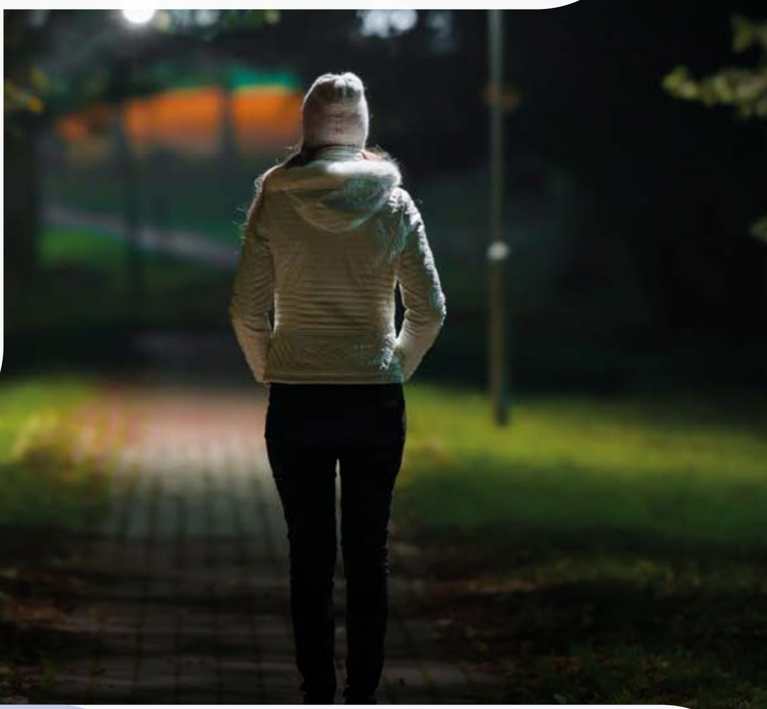
Stalking prevalence

An estimated 2.9% of people aged 16 and over (around 1.4 million people) experienced stalking in the year ending March 2025.

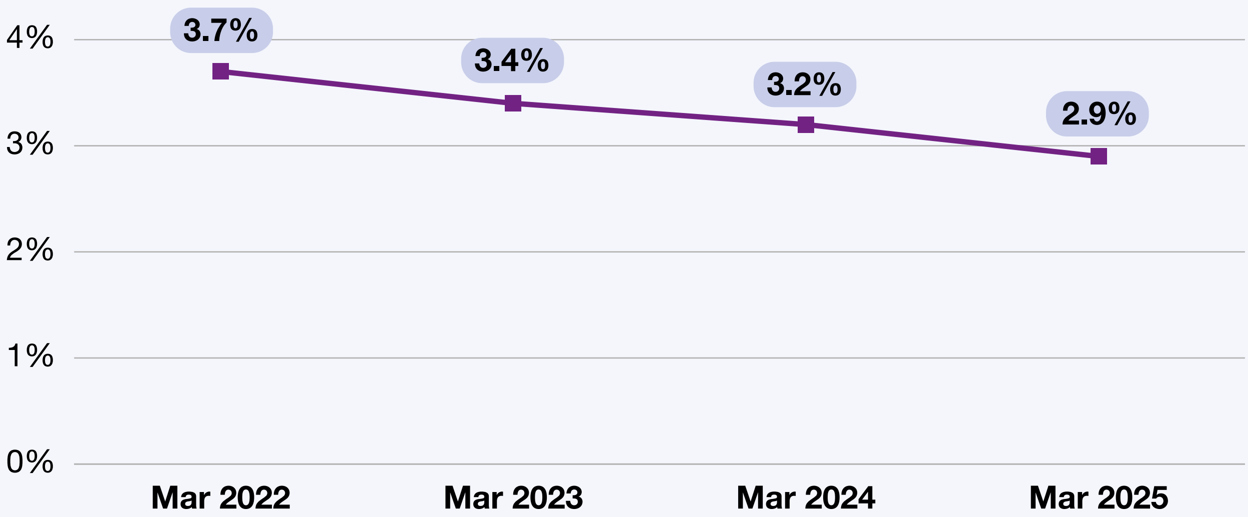
While the 16 and over measure is too new to show long-term trends, data for people aged 16 to 59 suggest that prevalence has remained broadly stable over the past decade.

Note: in the chart below, data prior to the year ending March 2022 are excluded due to changes in Crime Survey for England and Wales questions, which mean earlier estimates are not comparable.

The Home Office has introduced six measures to tackle stalking, including guidance allowing police to disclose the identities of online stalkers and a review of stalking legislation.



Prevalence of stalking, year ending



Source: www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/crimeinenglandandwalesannualsupplementarytables

Sexual assault prevalence

An estimated 1.9%, around 900,000 people, of those aged 16 and over experienced sexual assault in the year ending March 2025.

While the 16 and over measure is too new to show long-term trends, data for people aged 16 to 59 indicates an increase over the past decade following an earlier decline.

Recognising the role of online material in violence against women and girls, the government is taking wider action to tackle sexual violence, including criminalising pornography depicting strangulation.

Note: in the chart below, data prior to the year ending March 2022 are excluded due to changes in Crime Survey for England and Wales questions, which mean earlier estimates are not comparable.

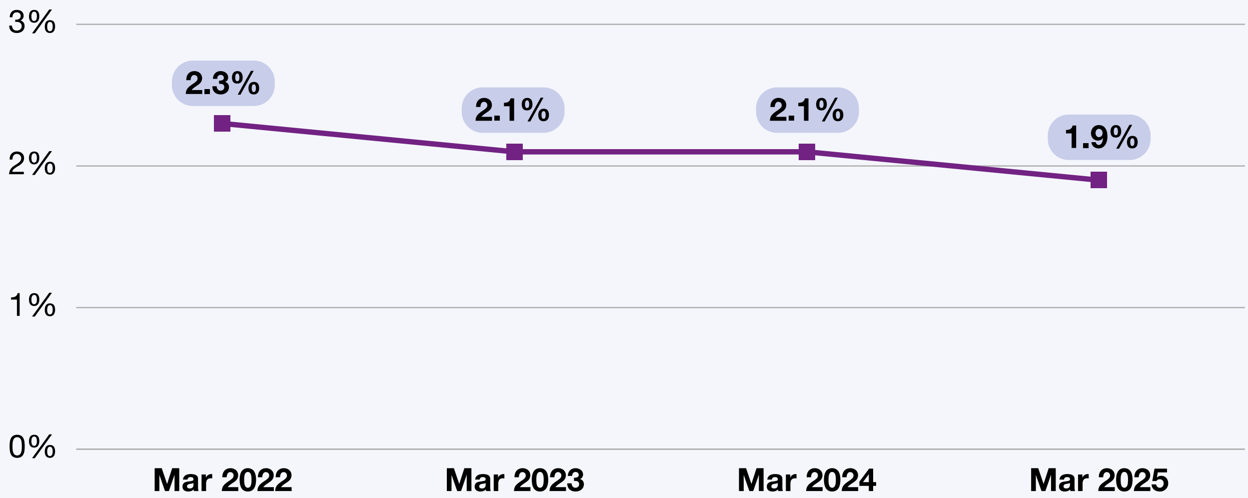
1.9%

(estimated) of people aged 16 and over, around

900,000

people experienced sexual assault in the year ending March 2025

Prevalence of sexual assault, year ending



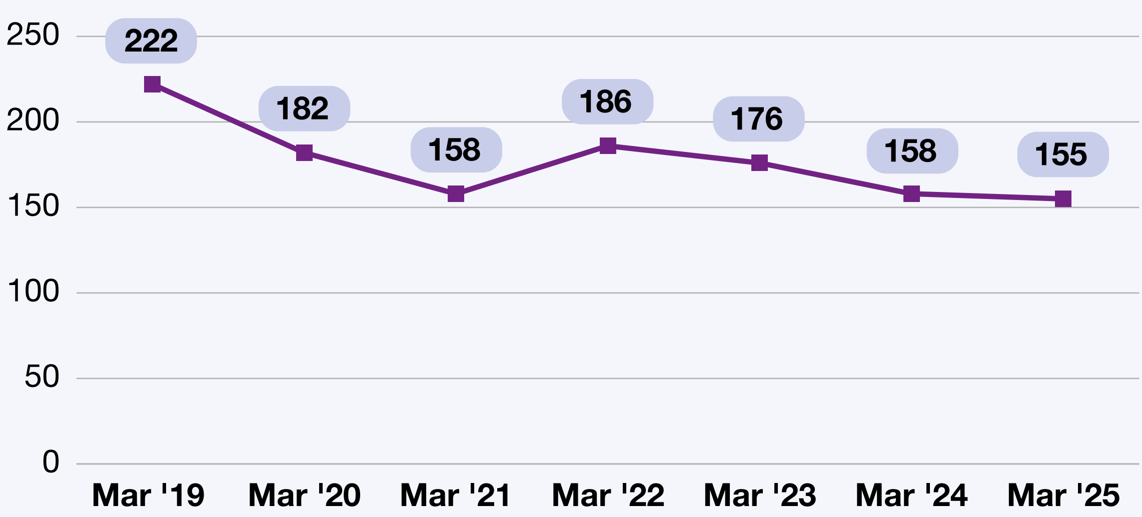
Source: www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/crimeinenglandandwalesannualsupplementarytables

Female homicide victims

There were 155 female homicide victims in the year ending March 2025, the lowest annual total since records began in 1977. However, above homicide figures reflect only deaths recorded as homicide.

Other Home Office and policing evidence, including domestic homicide reviews, shows that domestic abuse can also be linked to deaths by suicide or in suspicious circumstances, meaning these figures do not capture the full extent of harm associated with domestic abuse. To address this, we are strengthening the police response, with Senior Investigating Officer training now covering suspected victim suicide and deaths following domestic abuse.

Number of female homicides, year ending



Source: www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/crimeinenglandandwalesannualsupplementarytables

Priority outcome 2

Knife crime

Objective

Reduce knife crime in line with the government's ambition to halve knife crime in a decade, as measured by police-recorded, knife-enabled offences (excluding possession).

Performance summary

- **Baseline (year ending June 2024)**: 54,605 offences
- **Year ending December 2025:** 49,151 offences, 10% lower than baseline

Analysis

The government's sustained focus on tackling knife-enabled robbery through the establishment of the Knife Enabled Robbery Taskforce, now the KER Group, has turned a 14% increase in knife robberies into 18% reductions across seven priority police force areas, according to the latest published data. Knife-enabled robbery is now down 15% nationally (year ending December 2025).

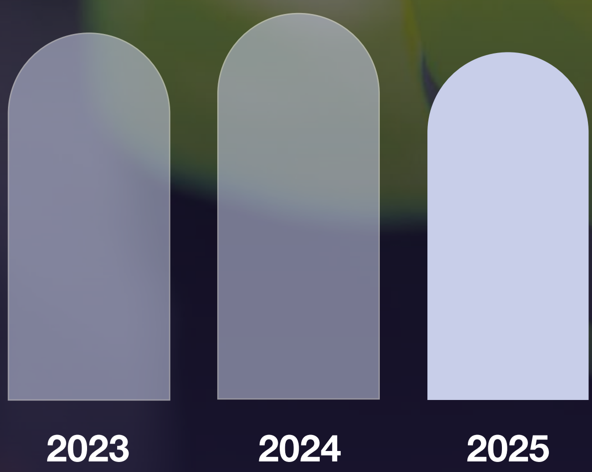
A combination of preventative and enforcement-based measures, including Violence Reduction Units, the County Lines Programme, and targeted enforcement activity, have continued to provide a suppressive effect on knife crime as well as sustained reductions in hospital admissions for assault with a sharp object, based on NHS data.

Assessment

By focussing on the drivers of and risk factors for knife crime, targeting interventions in areas at greatest risk, and adopting a whole-society approach to prevent harm at every opportunity, we are already making progress against our 10-year ambition. New measures in the Crime and Policing Bill will reinforce this approach, including a new offence of Child Criminal Exploitation and Ronan's Law, which strengthens police powers to seize and destroy dangerous knives,

49,151

offences (around 10% lower than baseline)



as well as introducing tighter controls on online knife sales. Together, these reforms are designed to reduce the availability of dangerous weapons, deter repeat offending, and support continued reductions in knife-enabled crime.

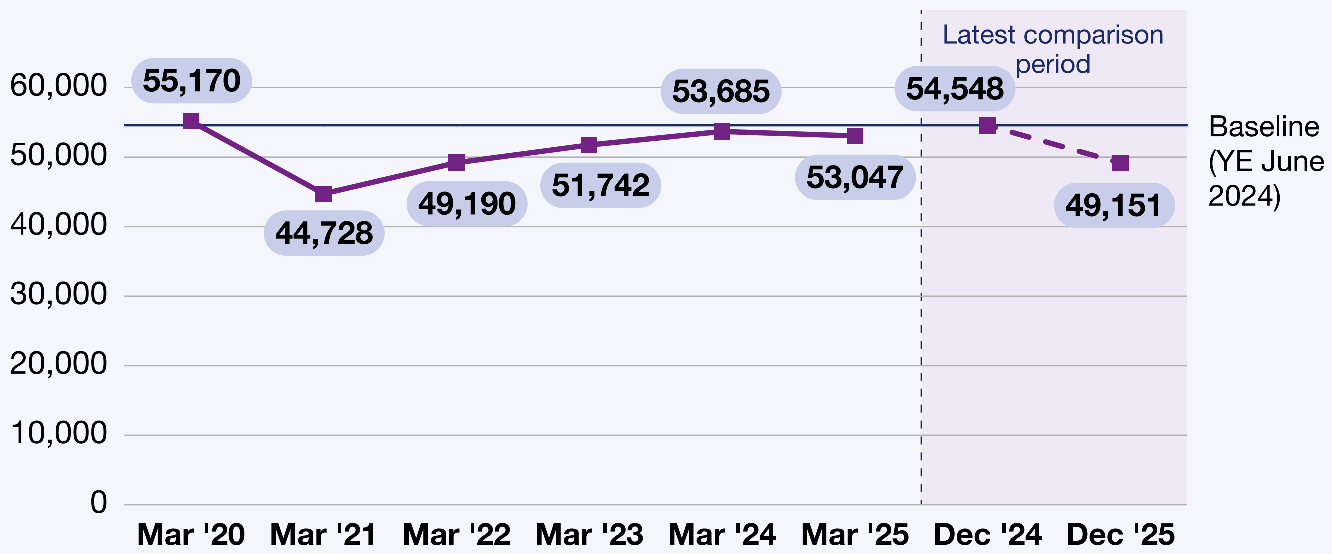
The strategy Protecting Lives, Building Hope: A Plan to Halve Knife Crime, published in April 2026, sets out our decade-long approach, bringing together cross-government action to reduce risk factors, prevent those at risk from turning to crime, and break the cycle of knife crime, underpinned by the Neighbourhood Policing Guarantee and police reform.

Next steps

To continue progress, the Home Office will:

- work with partners across government to deliver the Plan, track progress and ensure accountability through a Halving Knife Crime Delivery Board chaired by the Minister for Policing and Crime
- implement new legislation on child criminal exploitation, including new offence and civil preventative orders, and continued delivery of Young Futures Panels to provide tailored, multi-agency support for vulnerable children
- implement new legislation on knife supply to crack down on online knife sales

Police recorded knife crime, year ending



Source: www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/crimeinenglandandwalesappendixtables

“The Home Office is committed to reducing serious violence through prevention and enforcement. We are achieving reductions in knife-related harm through targeted interventions that protect young people and improve the safety of our communities.”

Hospital admissions for sharp object assault

There were 1,132 hospital admissions for 'assault with sharp objects' in those aged 24 and under in the year ending December 2025 (NHS data). This represents an 11% reduction compared with the 1,275 sharp object hospital admissions in the year ending December 2024.

We are continuing to invest into core programmes that have had an evidential impact on reducing hospital admissions for 'sharp object', including Violence Reduction Units (VRUs). Since 2019, VRUs, in combination with hotspot police patrols, have prevented an estimated 550 sharp object hospital admissions and around 3,750 admissions for all types of violence among people aged 24 and under.

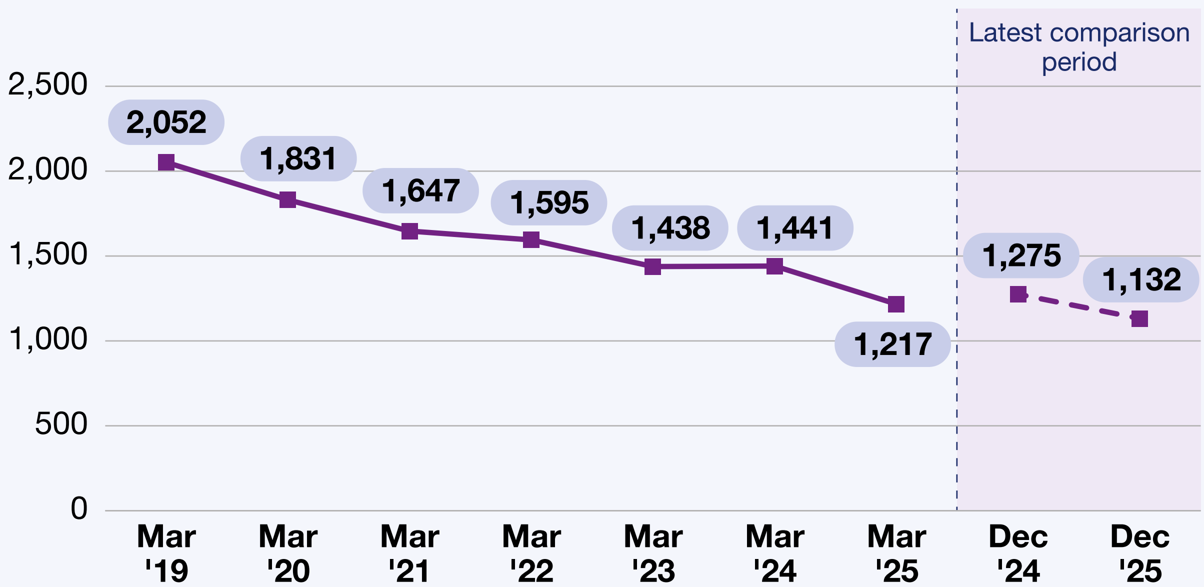
1,132

hospital admissions for 'assault with sharp objects'

11%

reduction in year ending December 2025, compared to previous year

Hospital admissions for sharp object assault in England and Wales, year ending



Source: www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/crimeinenglandandwalesappendixtables

Priority outcome 2

Neighbourhood policing

Objective

Deliver the Neighbourhood Policing Guarantee by increasing neighbourhood officers, PCSOs and special constables, including 3,000 additional neighbourhood personnel by March 2026.

Performance summary

- **At 30 September 2025:** 19,558 full-time equivalent (FTE) neighbourhood officers and PCSOs in post, including officers in training for neighbourhood roles
- **Growth:** 2,383 FTE increase compared with baseline of 17,175 FTE (March 2025)

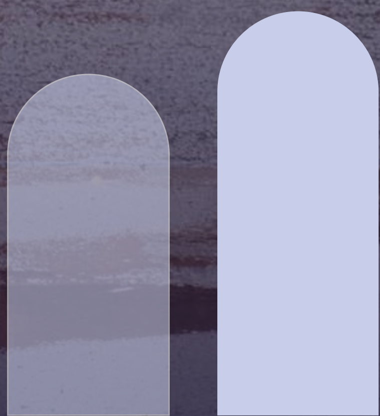
Analysis

Financial year 2025-26 represents the first year of delivery for the Neighbourhood Policing Guarantee and the programme to grow the neighbourhood policing personnel by 13,000. At 30 September 2025, the growth comprised an additional 2,187 officers and 196 PCSOs, compared with March 2025.

Management information published on 7 April shows that, at 28 February 2026, the Year 1 target had already been surpassed, with 3,123 additional neighbourhood personnel in post compared to March 2025. Further breakdowns by worker type will be made available in the Accredited Official Statistics on the police workforce, scheduled for release in July 2026.

19,558

neighbourhood officers and PCSO in post as at 30 September 2025



Assessment

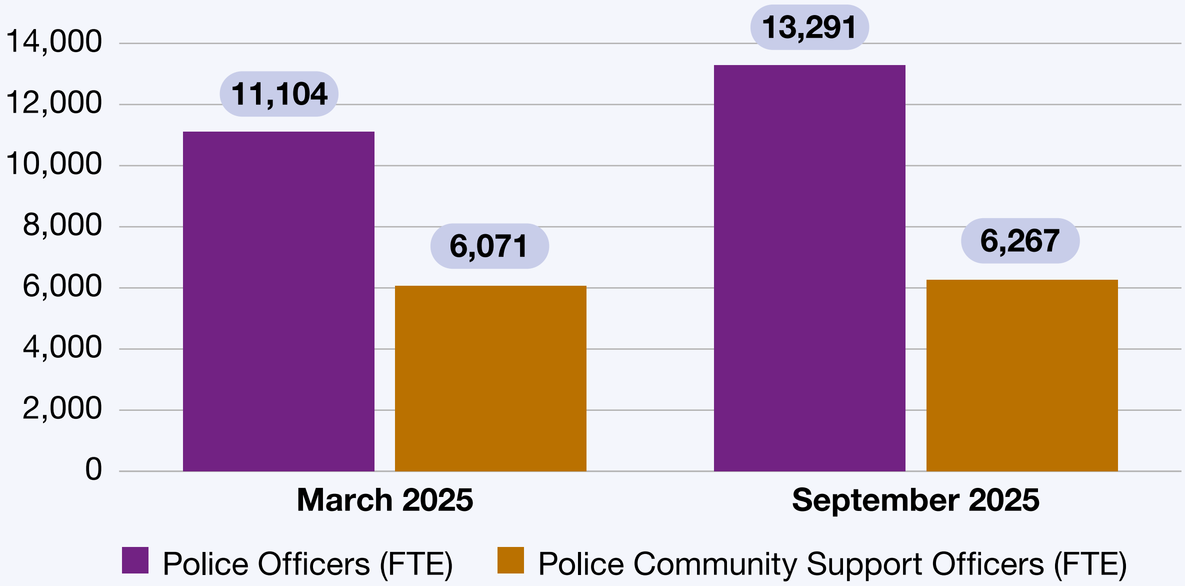
Our progress to date demonstrates that the first-year target of 3,000 additional neighbourhood policing personnel by the end of March 2026 has been surpassed. Publication of Accredited Official Statistics in July 2026 will provide further assurance and detail on the workforce composition.

Next steps

During Year 2 of the programme (2026/27), the Home Office expects:

- the national number of neighbourhood officers to rise by an additional 1,750 FTE, including both neighbourhood officers and PCSOs
- the total growth to reach 4,750 FTE by the end of March 2027 compared with March 2025

Neighbourhood officers (FTE)



Source: www.gov.uk/government/statistics/police-workforce-england-and-wales-30-september-2025

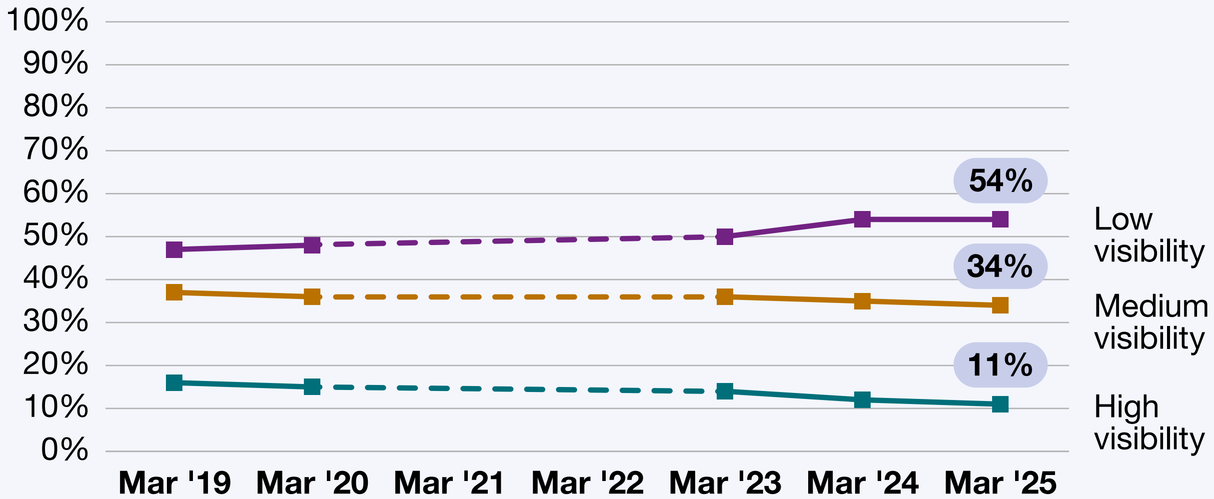
Police Visibility

The percentage of those who reported high visibility of police foot patrols decreased to 11% in the year ending March 2025 compared to 12% in the year ending March 2024 (CSEW data).

Note: in the chart below, data is unavailable for the years ending March 2021 and March 2022 due to the suspension of the Crime Survey for England and Wales during the COVID-19 pandemic. This is the same for all graphs which display crime survey data over the following pages.

The Neighbourhood Policing Programme aims to reverse this decline through the delivery of the Neighbourhood Policing Guarantee. Since July 2025, all neighbourhoods have a named, contactable officer to address local issues, and forces are publishing details of regular local beat meetings to provide local communities the opportunities to engage with neighbourhood teams and raise local concerns.

Visibility of police foot patrols, year ending



Source: www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/perceptionandexperienceofpoliceandcriminaljusticesystemenglandandwales

Confidence in the police in the local area

A total of 67% of people surveyed reported confidence in their local police in the year ending March 2025, up from 65% in the previous year (CSEW data). This reverses a longer-term decline from 79% in 2016 and 74% in 2020, followed by a sharper fall to 68% after the pandemic, when data collection resumed.

While confidence remains below pre-2020 levels, the most recent year indicates a modest recovery. The government is supporting further improvement through the Neighbourhood Policing Guarantee, wider police reform, and the new Police performance framework, which will strengthen accountability, transparency, effectiveness and trust.

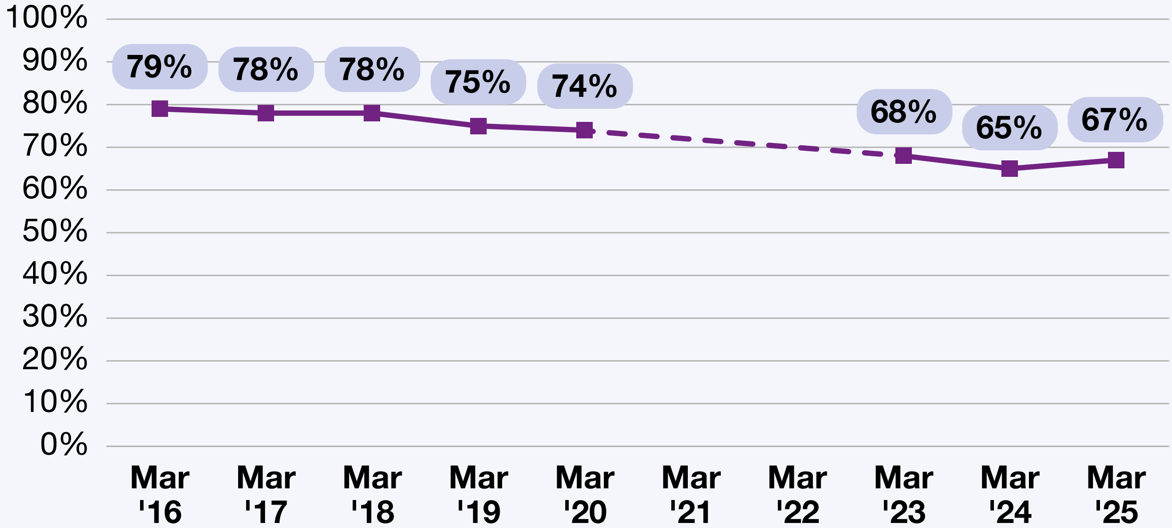
67%

of people surveyed reported confidence in their local police, up

2pp

(percentage points) in year ending March 2025 compared to previous year

Overall confidence in local police, year ending



Source: www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/perceptionandexperienceofpoliceandcriminaljusticesystemenglandandwales

Perceptions of police fairness, respect, trust

Public perceptions of police fairness, respect and trust stabilised in the most recent year after a period of decline (according to CSEW data). In the year ending March 2025, 81% of people said the police would treat them with respect (up from 79% in 2024), 59% said the police would treat them fairly (compared with 57% in 2024), and 71% said local police can be trusted (an increase from 69% in 2024). These measures remain below their pre-2020 levels, but the latest rises represent a modest improvement. To support further improvement government's police reform programme is designed to enhance transparency, consistency and public trust.

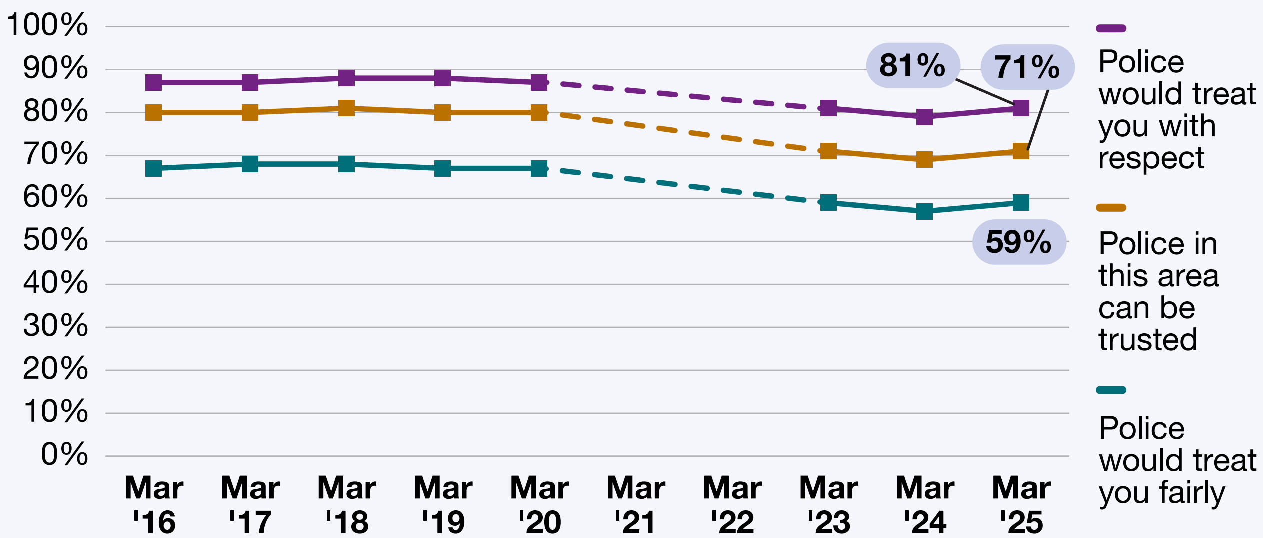
81%

said the police would treat them with respect

59%

said the police would treat them fairly

Perceptions of police fairness, respect, trust, year ending



Source: www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/perceptionandexperienceofpoliceandcriminaljusticesystemenglandandwales

"The Home Office is committed to increasing public confidence in the police. Our reforms whilst tackling crimes that most impact our neighbourhoods and communities are improving the fairness, visibility and accountability of the police, which is essential to building public trust in policing."

Priority outcome 2

Antisocial Behaviour (ASB)

Objective

Reduce antisocial behaviour and its impact on communities by improving both actual and perceived safety, measured using Crime Survey indicators.

Performance summary

- **Year ending December 2024:** 36% of people reported witnessing or experiencing antisocial behaviour
- **Year ending December 2025:** 39% of people reported witnessing or experiencing antisocial behaviour in their local area in the previous 12 months, up 3 percentage points from the previous year

Analysis

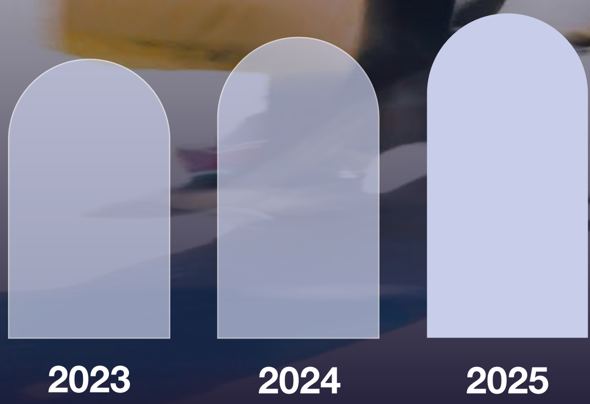
While Crime Survey measures do not capture recorded crime nor police demand directly, they provide valuable insight into how communities feel and the issues that most affect their sense of safety. The data shows that the proportion of people witnessing or experiencing antisocial behaviour has risen gradually over the last two years, returning to levels closer to those reported before the pandemic.

Assessment

Although recent increases in public perceptions of antisocial behaviour are relatively small, they indicate that the public perceive the issue to be increasing. Reducing both the experience and perception of antisocial behaviour requires coordinated activity across policing, local authorities, and community partners. The latest data reinforces the need to focus resources and activity in areas experiencing high or persistent levels of antisocial behaviour.

39%

of people reported witnessing or experiencing ASB in their local area

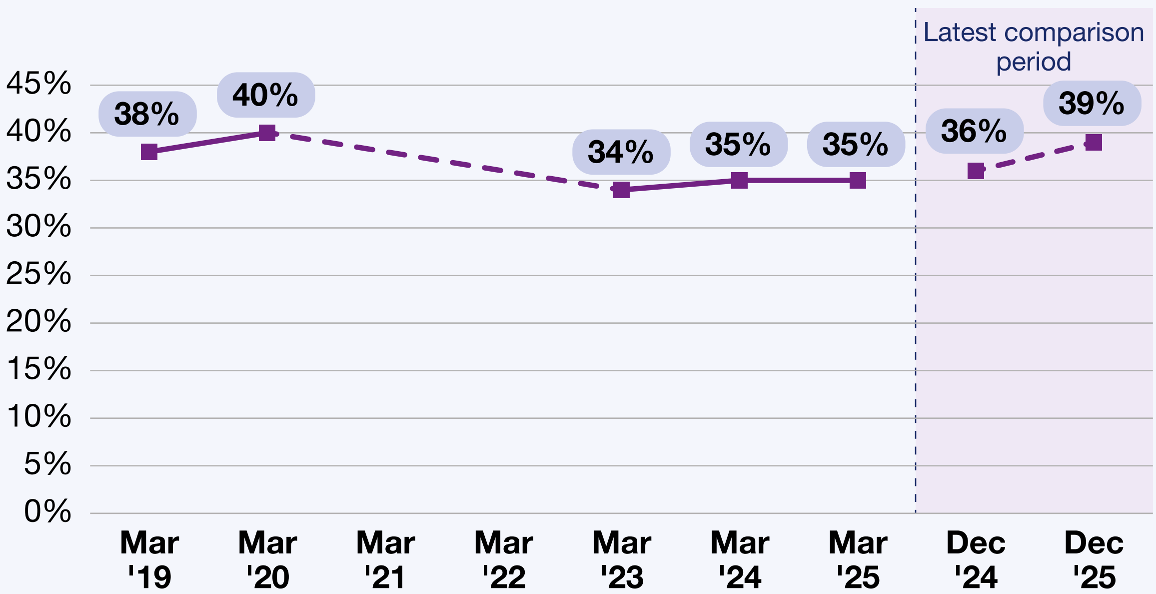


Next steps

To reduce antisocial behaviour, the Home Office will:

- support implementation of Crime and Policing Bill measure, including Respect Orders, which will prohibit persistent adult ASB offenders from repeating harmful behaviours and require them to address underlying causes
- support police forces in England and Wales in developing and publishing individual anti-social behaviour action plans, led by designated antisocial behaviour leads in each force
- accelerate work to give police the ability to swiftly seize and dispose of vehicles used anti-socially, reducing nuisance driving and related harms
- continue to the deliver the Neighbourhood Policing Guarantee, including visible patrols and improving local engagement to reduce antisocial behaviour

Percentage who have witnessed/experienced ASB in their local area in past 12 months, year ending

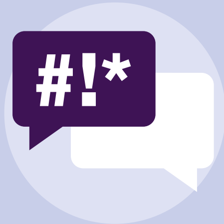


Source: www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/crimeinenglandandwalesannualsupplementarytables

Percentage of people who say antisocial behaviour is a problem in their area

A total of 25% of people surveyed said antisocial behaviour was a problem in their local area in the year ending December 2025, up from 24% in the previous year and comparable with pre-pandemic levels (CSEW data).

Following a period of broadly stable reporting, this increase suggests concerns about antisocial behaviour (ASB) remain prominent in some communities. The government is addressing this through measures in the Crime and Policing Bill, including new Respect Orders for persistent adult ASB offenders, alongside strengthened neighbourhood policing and hotspot enforcement aimed at reducing ASB and improving local confidence.



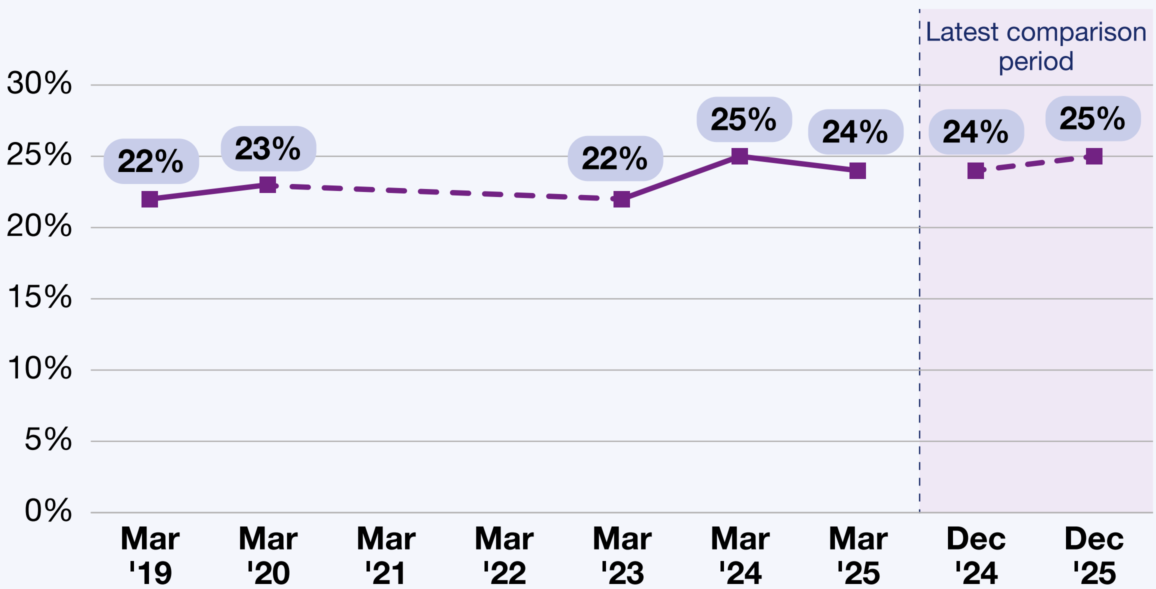
25%

of people surveyed said ASB was a problem in their local area

+1pp

a slight increase from 24% in the year ending December 2024

Percentage saying ASB is a problem in their local area, year ending

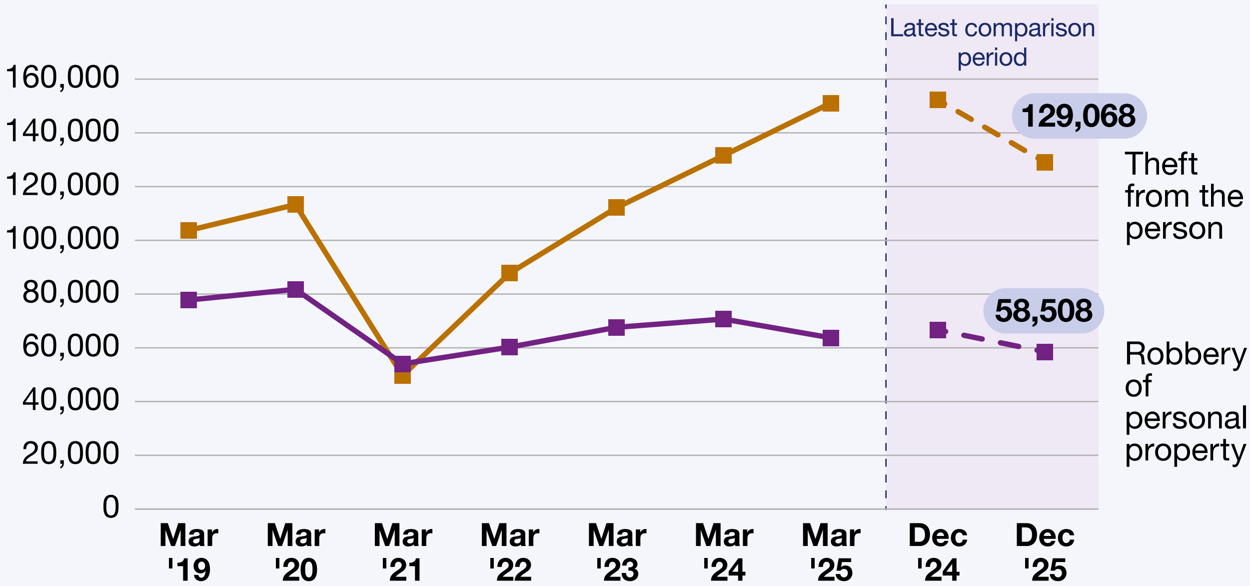


Source: www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/crimeinenglandandwalesappendixtables

Police recorded incidents of crime relevant to town centres (retail and street crime)

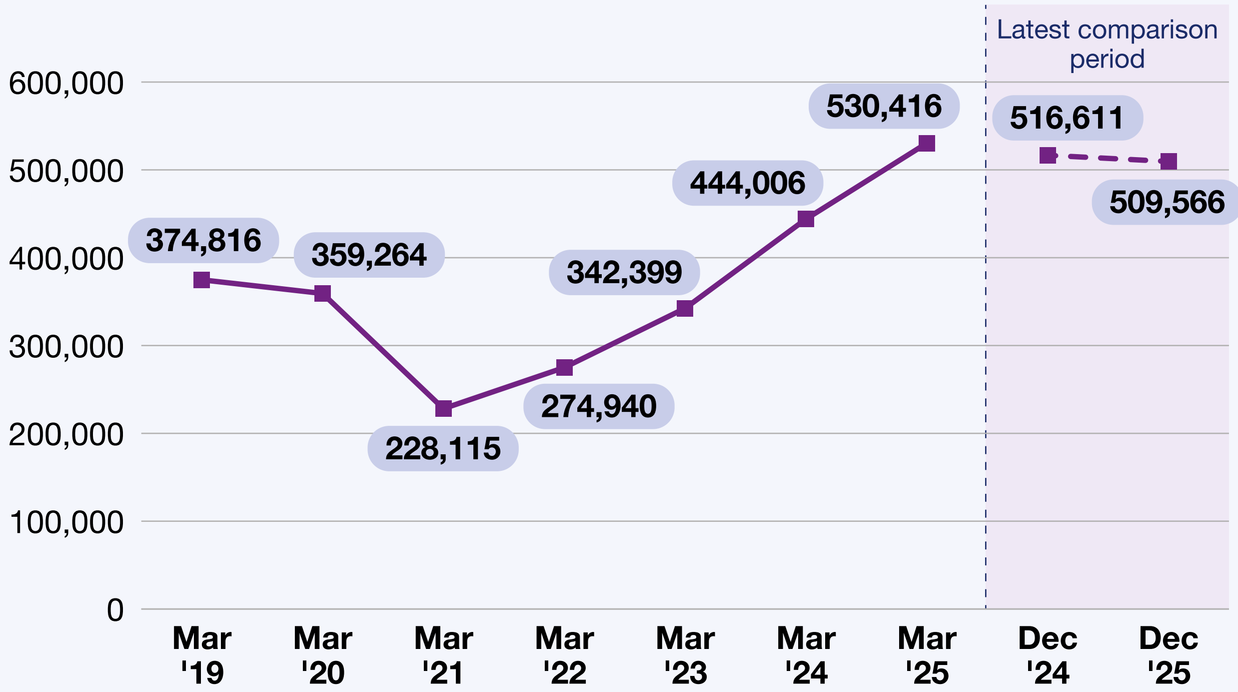
Police recorded incidents of retail and street crime, which together indicate levels of acquisitive crime in town centres, are mixed across offence types in the year ending December 2025. Theft from the person fell from 152,293 to 129,068, and robbery of personal property decreased from 66,658 to 58,508. In contrast, robbery of business property rose from 14,691 to 26,158. Shoplifting, which makes up the largest share of retail crime, fell very slightly from 516,611 to 509,566. These results indicate reductions in some forms of street crime but continued upward pressure on retail focused acquisitive crime, driven particularly by increases in business robbery and shop theft. To help tackle retail and street crime, the government is progressing measures through the Crime and Policing Bill, including creating a standalone offence of assaulting a retail worker and removing the £200 low value shop theft threshold, alongside wider neighbourhood policing reforms aimed at improving visibility and responsiveness and disruption of persistent offenders.

Police recorded incidents of acquisitive crime relevant to town centres: street crime, year ending

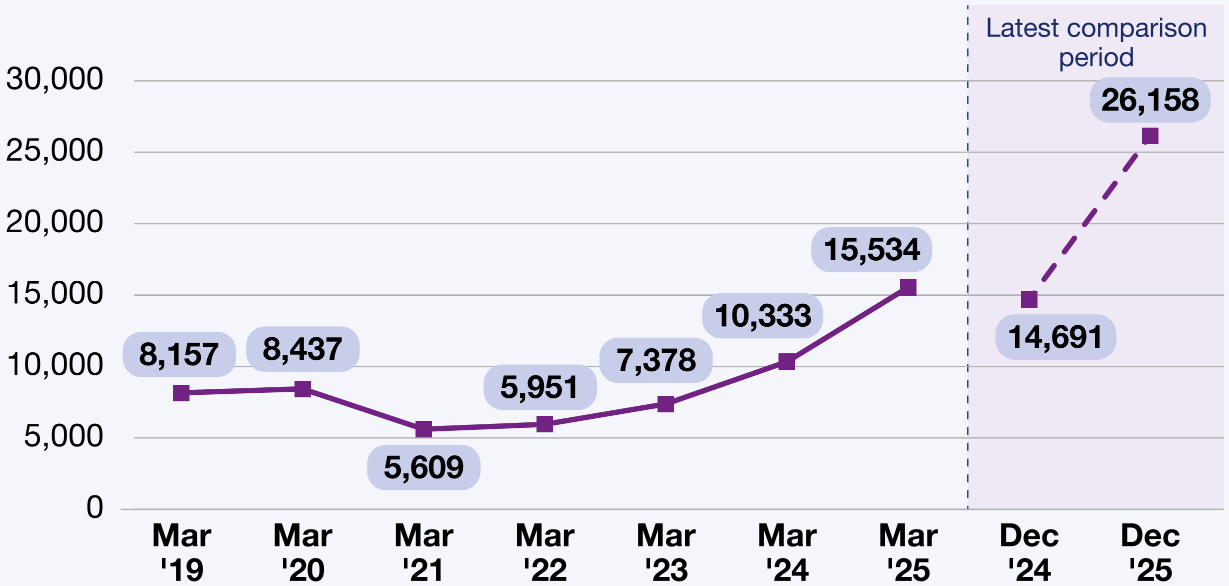


Source: www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/crimeinenglandandwalesappendixtables

Police recorded incidents of acquisitive crime relevant to town centres: shoplifting, year ending



Police recorded incidents of acquisitive crime relevant to town centres: robbery of business property, year ending



Source: www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/crimeinenglandandwalesappendixtables

Town centre acquisitive crime – successful outcomes

In the year ending December 2025, police-recorded outcomes for acquisitive retail and street crime increased to 152,170, up 17% from 130,369 the previous year. This was driven largely by improved outcomes for shoplifting, rising from 120,444 to 139,822, and robbery of business property, from 2,463 to 5,043. Theft from the person and robbery of personal property remained broadly stable, 1,732 and 5,573 respectively. The latest figures demonstrate improved outcomes for acquisitive crime affecting town centres.

Note: successful outcomes are defined as cases where an offender is charged or summonsed, receives an out-of-court disposal, or where the offence is taken into consideration at sentencing.

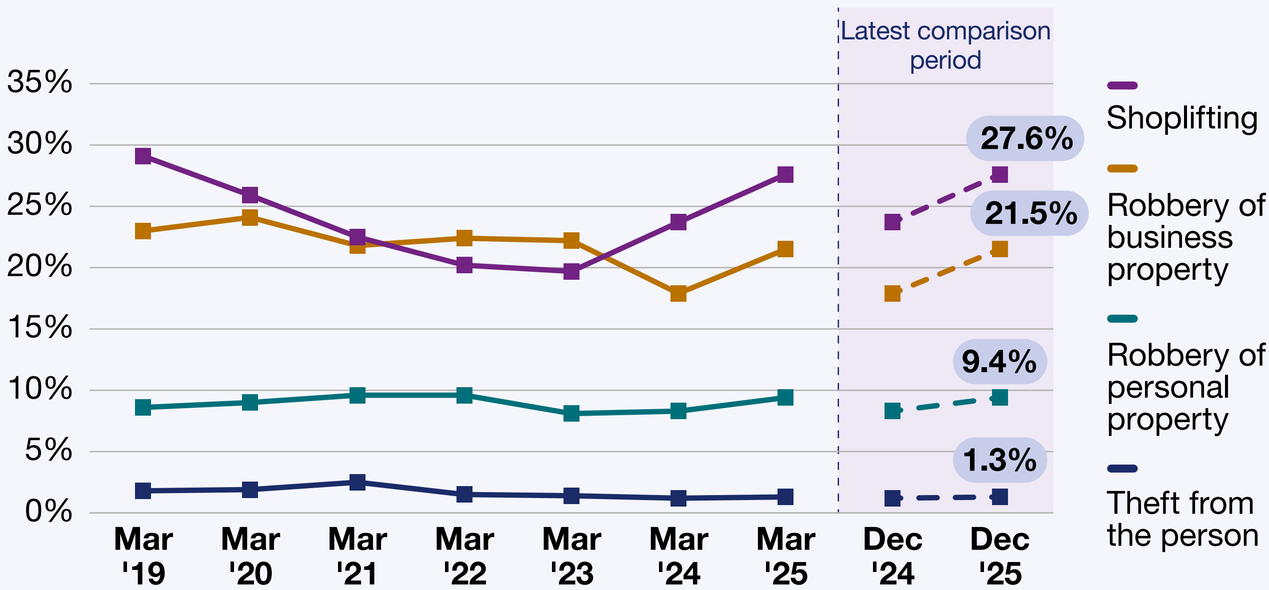
152,170

successful outcomes for retail and street crime

17%

increase in year ending December 2025, compared to previous year

Proportion of outcomes assigned by the police in each 12 month period which were successful outcomes, year ending



Source: https://assets.publishing.service.gov.uk/media/6977930d67ae94b328013869/prc-outcomes-open-data-mar2026-tables-290126.xlsx

Priority outcome 2

Child Sexual Exploitation and Abuse (CSEA)

Objective

Reduce child sexual abuse and improve identification and charging through year-on-year increases in recorded offences (5%) and charges (10%).*

Performance summary

- **Year ending December 2025:** 61,273 contact child sexual abuse (CSA) offences recorded by police, excluding indecent images of children, a level broadly unchanged from the previous year. The number of charges for contact CSA offences increased by 12% over the same period to 8,901
- **Year ending December 2025:** 42,545 obscene publications offences were recorded by police, used as an indicator of indecent images of children, a 5% increase compared with the previous year. The number of charges for obscene publications increased by 5% over the same period to 6,171
- **Context:** Due to the length of time required to charge cases involving CSA, cases charged over the period are likely to have been reported in an earlier reporting window

Analysis

Child sexual abuse remains a largely hidden crime, with a substantial gap between prevalence and police-recorded crime. Driving up reporting and charging is therefore a necessary and positive indicator of improved identification, investigation and system response, rather than an increase in underlying harm.

Charges for both contact offences and indecent images have continued to increase, with volumes at their highest level since 2016. Prosecutions and convictions for both types of offence are also at the highest level since 2018, based on comparable data.

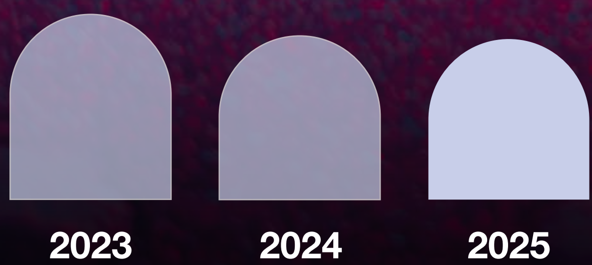
Assessment

Progress has been made with increases in reporting and charging reflecting improved system response. The government remains committed to driving further year-on-year increases in reports, charges and prosecutions for child sexual abuse.

* Number of CSEA offences and charges are reported as "old-style" outcomes. "Old-style" outcomes show the outcomes that are assigned to offences within the year, regardless of when the associated crime was recorded. Given the length of time it can take to investigate CSA offences, this provides a better outcome measure than new style outcomes.

61,273

contact CSA offences in year ending December 2025



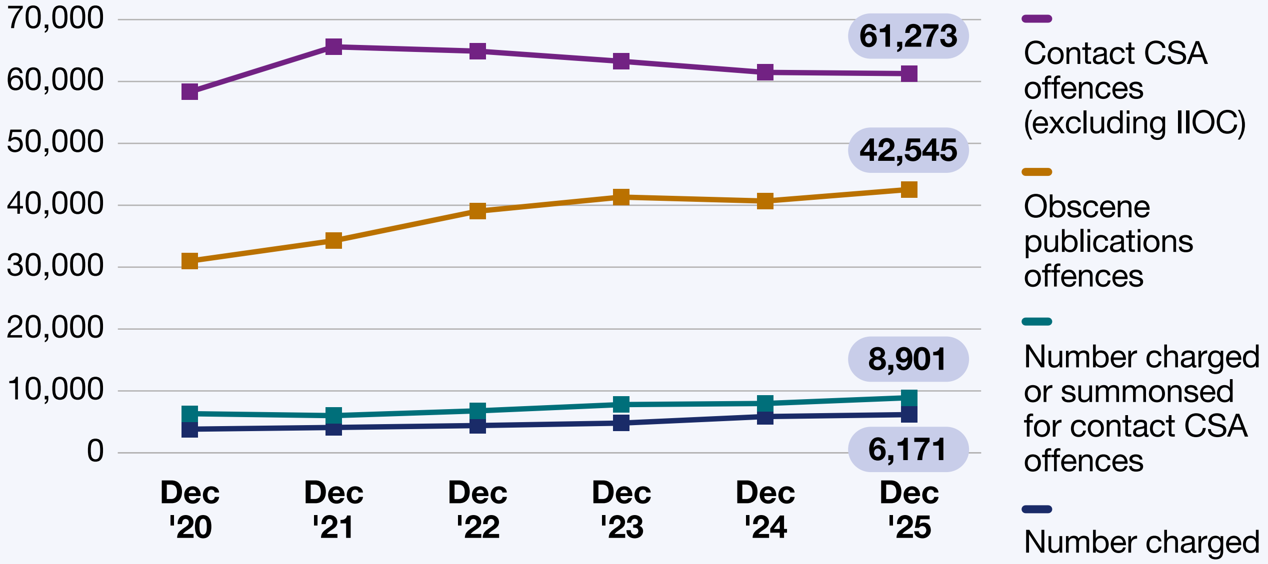
Future work is focused at bridging the gap between prevalence and recording through stronger prevention and early intervention, alongside improved support to enable and encourage victims to report abuse.

Next steps

To build on the progress, the government will:

- continue delivery of the CSA Progress Update published in April 2025, including implementation of the Independent Inquiry into Child Sexual Abuse recommendations
- deliver measures to respond to misuse of technology by offenders to sexually abuse children
- progress delivery of Baroness Casey's National Audit recommendations, including establishing the statutory Independent Inquiry into Grooming Gangs, led by Baroness Longfield, with final Terms of Reference published on 31 March 2026
- deliver the new national police operation, Operation Beaconport, overseen by the National Crime Agency and delivered in partnership with policing, to bring together the cross-law enforcement response to grooming gangs
- continue to work with other government departments to deliver on the wider recommendations made in Baroness Casey's National Audit.
- continue to be informed by lived experience of victims and survivors and overseen by an Inter-Ministerial Group on CSA, chaired by the Minister for VAWG and Safeguarding

Number of CSEA offences and charges, year ending



Source: www.gov.uk/government/statistical-data-sets/police-recorded-crime-and-outcomes-open-data-tables

Priority outcome 2

Modern Slavery

Objective

Deliver the government's ambition to improve the identification and support of victims of modern slavery, including through eradicating the backlog in the National Referral Mechanism (NRM).

Performance summary

- **Year ending December 2025:** 23,411 NRM referrals, an increase of 4,294 compared to the previous year (+22.5%)
- **Year ending December 2025:** 25,390 NRM Conclusive Grounds (CG) decisions issued, an increase of 8,226 compared to the previous year (+47.9%), following a period of relative stability between year ending March 2019 and year ending March 2022

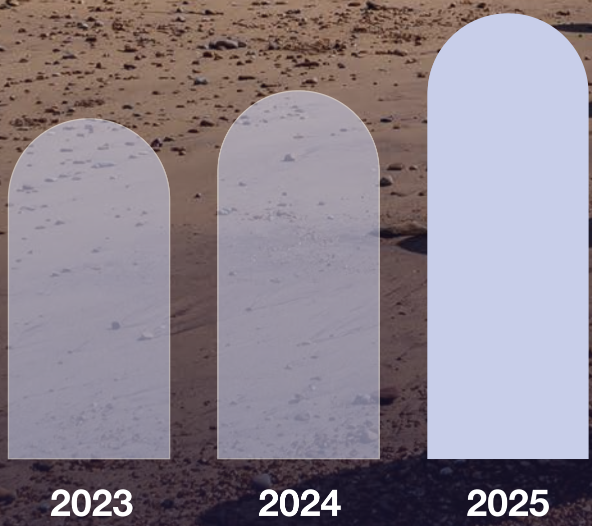
Analysis

There is a sustained upward trend in referrals which may indicate the system's improving ability to identify potential victims, as well as indicating the scale of harm that prevention and disruption activity aims to reduce. Recent data shows a growing demand on identification, safeguarding, and decision processes.

The increase in the number of CG decisions made reflects delivery of the government's commitment to improving the identification of victims of modern slavery, including the recruitment of 200 additional decision makers to reduce the NRM backlog.

23,411

NRM referrals in year ending December 2025, an increase of 4,294



Assessment

The Modern Slavery Action plan, published in March 2025, sets out reforms to tackle modern slavery at its root and strengthen the overall system. This included new statutory and operational guidance, reforms to victim support and additional staffing to address the NRM backlog. The backlog has now reached its lowest level since 2018, indicating that the system capacity has improved.

However, the continued growth in referrals suggest that the underlying exploitation risk remains significant and that prevention and disruption activity has not yet translated into sustained reductions in modern slavery prevalence.

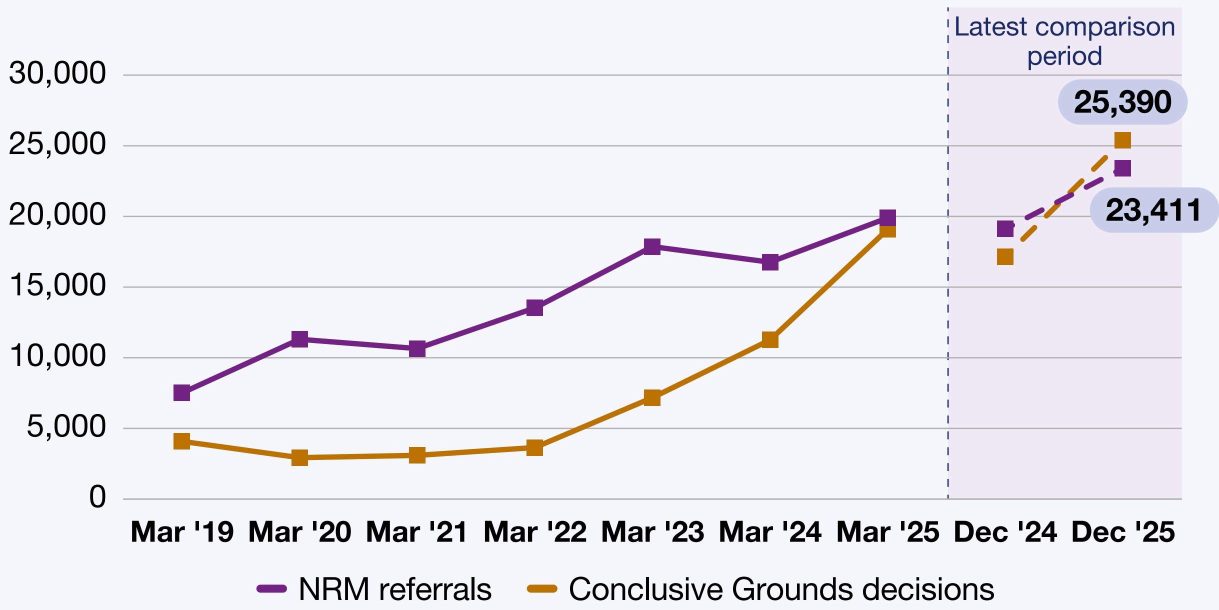
Next steps

To build on progress, the Home Office will:

- continue to support system improvements by delivering upstream initiatives through the Home Office Modern Slavery Fund
- deliver on the Home Secretary's commitments under the Asylum Policy Statement to introduce legislative reform of the modern slavery system, maintaining essential protections for victims and addressing risks of system misuse

Note: the trends in the graph below should not be interpreted as a continuous time series due to a change in the reporting period between 2023 and 2024, in which reporting changed from financial year periods (April to March) to calendar year periods (January to December).

Number of NRM referrals and number of Conclusive Grounds decisions made, year ending



Source: www.gov.uk/government/statistics/modern-slavery-nrm-and-dtn-statistics-october-to-december-2025

"The Home Office is committed to strengthening the system to tackle modern slavery through increased capacity and system reform. We are reducing backlogs and waiting times, enabling faster decisions and improving support for victims."

Median number of days to a Conclusive Grounds decision

The median time from referral to a Conclusive Grounds decision was consistently high across 2019 to 2024, with wait times peaking in Q3 2024 at 1,001 days. Since Q4 2024, there has been a consistent downward trend and by Q4 2025 the median fell to 282 days.

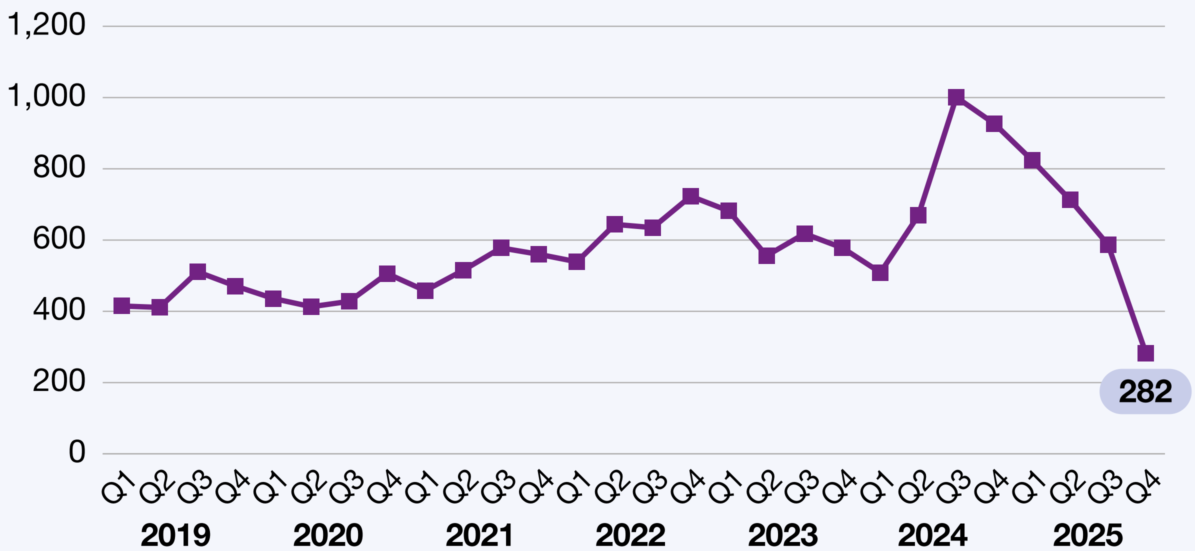
282

days to a Conclusive Grounds decision

72%

decrease from the peak in Q3 2024

Median number of days to a Conclusive Grounds decision



Source: www.gov.uk/government/collections/national-referral-mechanism-statistics

Priority outcome 2

Prevalence of drugs misuse

Objective

Reduce the proportion of people aged 16 to 59 reporting drug misuse in the last 12 months.

Performance summary

- **Prevalence:** Self-reported drug misuse levels have remained relatively unchanged across the reporting period with no statistically significant change compared with year ending March 2019

Analysis

The Crime Survey in England and Wales is a demand-side indicator of drug misuse in the population. The data suggests that, to date, high-level supply disruption activity alongside Department of Health and Social Care investment in treatment and recovery has not yet translated into measurable reductions in population-level drug misuse as captured by the CSEW survey.

Overall drug misuse in England and Wales remains stable and well below its late-1990s peak. Based on the CSEW data, drug misuse among people aged 16 to 24 years is lower than in the year ending March 2015.

During 2024-25, the Home Office activity to combat drug misuse focused on a combined approach including legislation to control harmful drugs, supply disruption and system coordination through hosting the Joint Combatting Drugs Unit. The activity is aligned to the government's overall strategy on drugs and the work of other departments on education, prevention, treatment and recovery. The Home Office continues to support the independent Advisory Council on the Misuse of Drugs, and Dame Carol Black was reappointed as adviser to government on drugs.

Assessment

The Home Office launched a range of national and local initiatives to reduce drug misuse as part of the government's wider strategic approach involving multiple departments and partners. It is aimed at reducing drug misuse and to support those struggling with dependence on drugs to recover and to rebuild their lives. Through hosting the Joint Combating Drugs Unit and bringing together staff from key departments, the Home Office provides national oversight and supports local level response via

8.7%

prevalence of self-reported drug misuse levels in year ending March 2025

Combatting Drugs Partnerships, including prevention activity such as the £5 million Innovation Fund supporting research into behaviour change and drivers of drug misuse among children and young people.

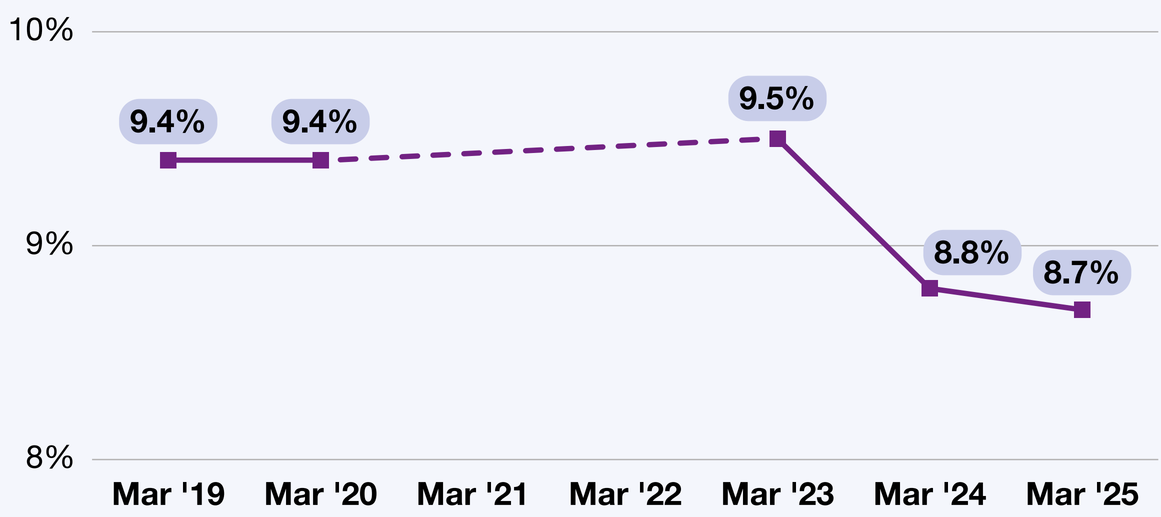
There have been record levels of County Lines closures over this period. The Home Office strengthened the legislative and operational activity, including expanding powers for Drug Testing on Arrest through the Crime and Policing Bill which is currently in Parliament. The Home Office also coordinates the UK's engagement through the United Nations Commission on Narcotic Drugs championing further drug controls globally and oversees the drug licensing operation for granting licences to businesses, researchers and others who have a legitimate basis for accessing controlled drugs. While expansion of system oversight, legislative powers, and disruption activity is positive, this has not yet translated into reductions in the proportion of people reporting drug misuse.

Next steps

To sustain progress, the Home Office will:

- reduce drug demand through multi-agency prevention and treatment-linked activity
- target prolific drug-driven offending, expanding access to evidence-based interventions
- disrupt supply and organised criminality and maintain progress of the County Lines Programme
- monitor demand and supply, education and prevention, treatment and recovery through the Joint Combating Drugs Unit
- legislate to control harmful drugs, and ensure that reviews of drug-related risks and harms support government action to address the threat

Prevalence of drug misuse: percentage using drugs in previous 12 months, year ending



Source: www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/drugmisuseinenglandandwalesappendixtable

County Lines closures

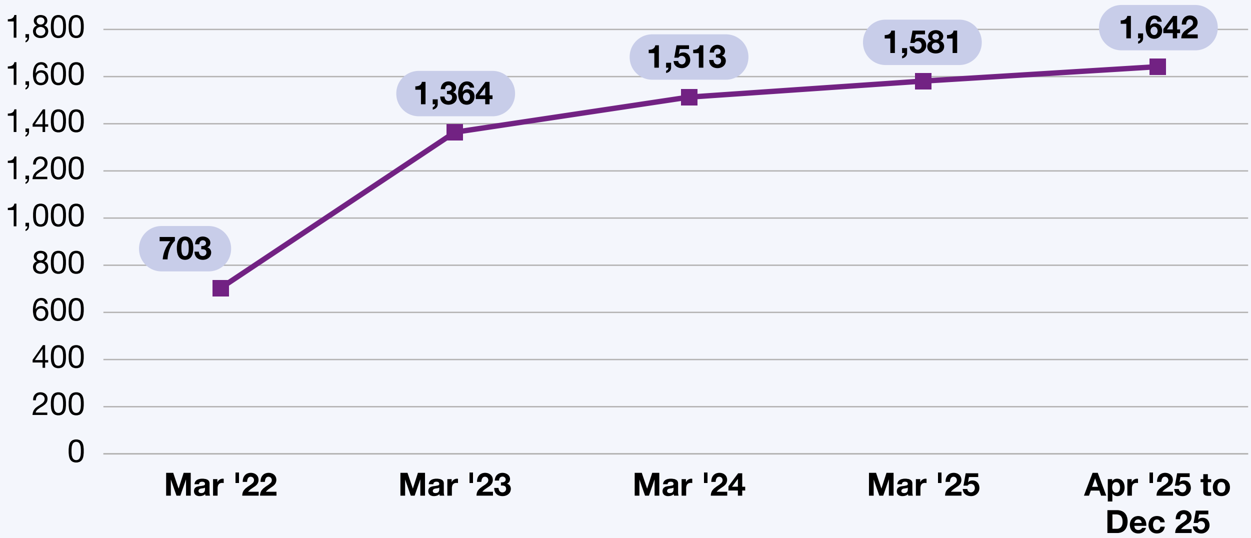
County Lines closures refer to the arrest and charge of a deal line holder. Programme taskforces continue to deliver against targets and results for April 2025 to December 2025, show that annual line closure targets for 25/26 have already been met, with 1,642 line closures against an annual target of 1,610.

Closures increased substantially from 703 in the year ending March 2022 to 1,364 in the year ending March 2023. Numbers remained steady in year ending March 2024 (1,513) and into year ending March 2025, with 1,581 closures. The sustained number of closures signals the ongoing progress in disruption nationwide.

The County Lines programme* targets both drug supply and knife crime. An Independent evaluation of the County Lines Programme also found a causal link to 25% reductions in hospitalisations due to knife stabbings in the key exporter force areas (Metropolitan Police, Merseyside, West Midlands and Greater Manchester) over the course of the Programme.

* The County Lines Programme began in November 2019 and covered three key exporter force areas (Metropolitan Police, Merseyside, West Midlands) as well as British Transport Police. Greater Manchester was added in April 2022 and West Yorkshire in July 2025. The Surge Fund (support for forces outside these areas) began reporting safeguarding referrals from April 2025, but these are excluded from the data reported here.

Number of County Lines closures, year ending



Source: www.gov.uk/government/publications/home-offices-county-lines-programme-data/county-lines-programme-data

Individuals referred for safeguarding through County Lines

The number of individuals referred for safeguarding through the County Lines Programme increased sharply during the early part of the time series, rising from 163 referrals in the year ending March 2020 to 3,470 referrals in the year ending March 2024. Referrals declined to 3,046 in the year ending March 2025.

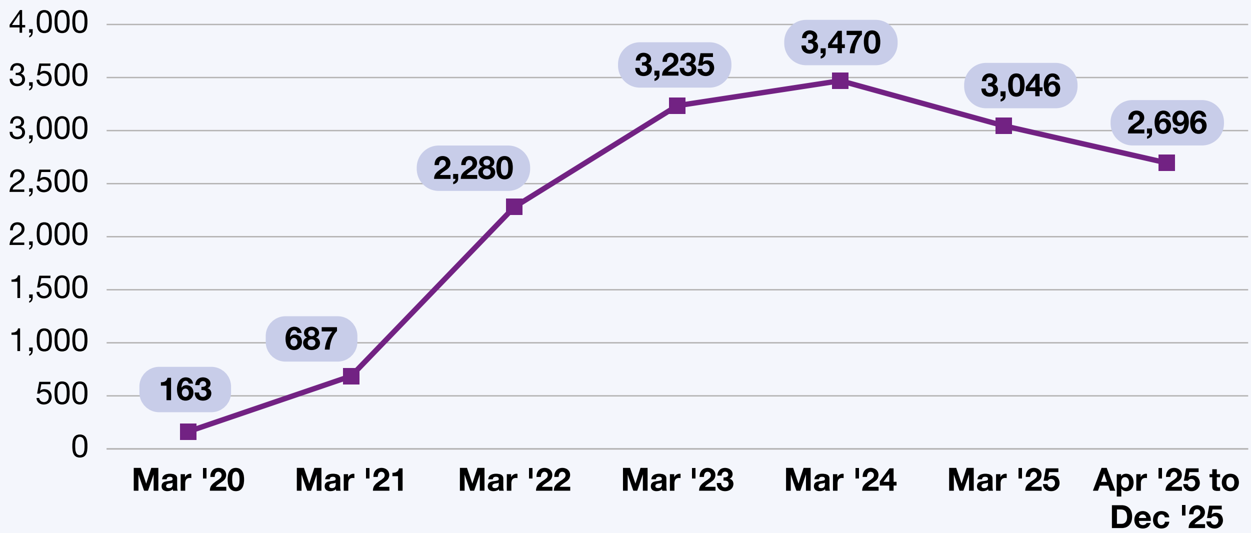
Between April 2025 to December 2025, 2,696 individuals had been referred for safeguarding through the County Lines programme. On a partial-year basis, referrals are trending higher than at the same point in the previous year.

2,696

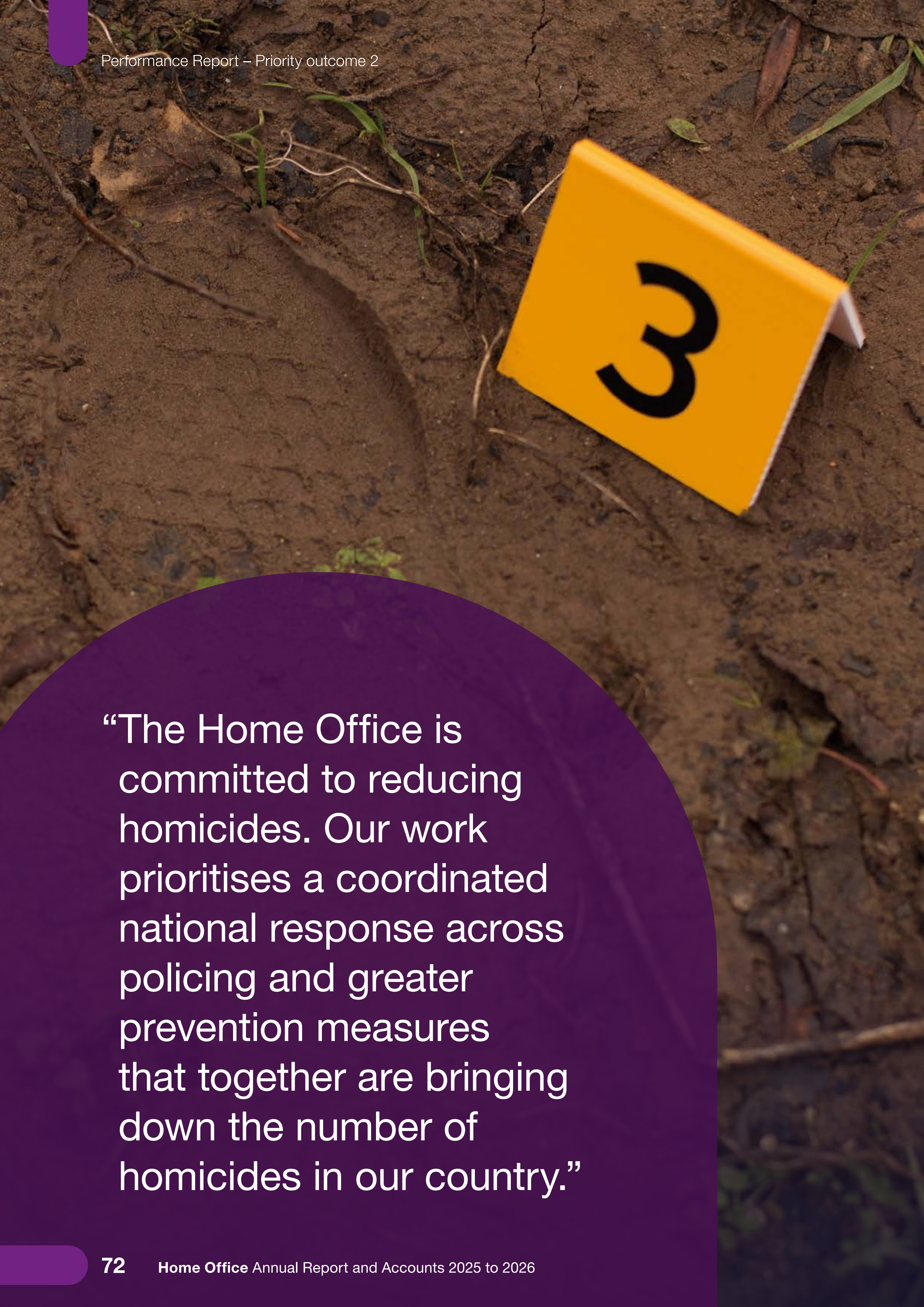
individuals referred for safeguarding through the County Lines programme (April-December 2025)

Referrals trending higher than at the same point last year (April - December 2025)

Number of individuals referred for safeguarding through County Lines, year ending



Source: www.gov.uk/government/publications/home-offices-county-lines-programme-data/county-lines-programme-data



"The Home Office is committed to reducing homicides. Our work prioritises a coordinated national response across policing and greater prevention measures that together are bringing down the number of homicides in our country."

Police recorded homicide offences

Police recorded homicide offences in England and Wales, published by the ONS show year-on-year fluctuation, with figures of 672 in year ending March 2019, 710 in 2020, 574 in 2021, and 687 in 2022. Recorded offences dropped to 582 in year ending March 2023 and continued through year ending December 2024 at 534.

In year ending December 2025, there were 503 recorded offences, 6% lower compared to previous year and 29% lower than the peak in 2020. This sustained reduction suggests that ongoing interventions, including knife bans, and early-intervention measures such as the Young Futures Panel and Violence Reduction Units, are having tangible impacts on homicide rates.

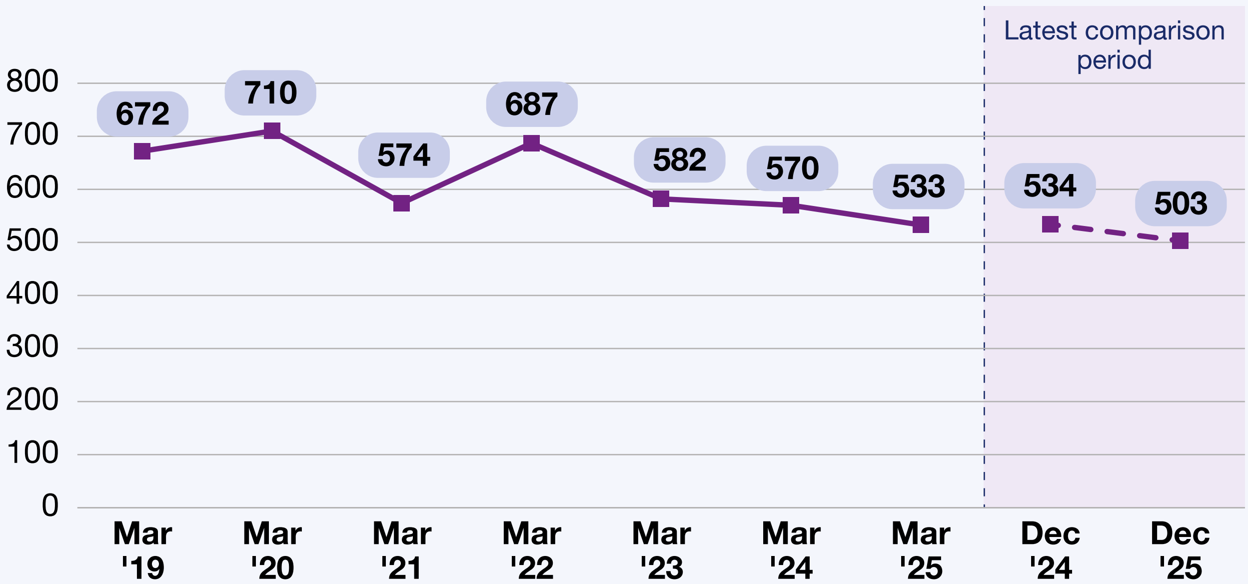
503

police-recorded offences representing a

6%

reduction in year ending December 2025, compared to previous year

Number of homicides, year ending



Source: www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/crimeinenglandandwalesappendixtables

Priority outcome 2

Firearms

Objective

The Home Office aims to keep the total number of firearms offences no higher than the June 2024 baseline of 5,991 offences to the end of this Parliament (July 2029), while working towards a sustained reduction in police-recorded firearms offences.

Performance summary

- **Year ending December 2024:** 5,241 firearms offences
- **Year ending December 2025:** 4,753 firearms offences
- **Trend:** Offence levels in year ending December 2025 were 9% lower than previous year and 31% lower than the series peak at year ending March 2019 (6,881 firearm offences)

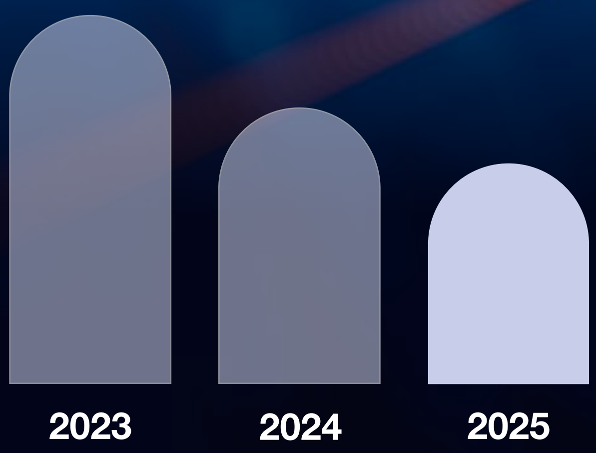
Analysis

This data captures police-recorded firearms offences where a firearm is fired, used as a blunt instrument, or used as a threat. Following a consultation in early 2025, the Home Office committed to strengthening firearm licensing controls, increase firearm licensing fees, and strengthen controls on illicit import routes.

While the reduction in offences is encouraging, the rate of reduction remains steady. Many of the interventions initiated in this period are largely focused on disrupting supply, controlling the inflow and potential conversion of weapons from the licit to the illicit economy.

4,753

of reported firearm offences, 31% lower in year ending December 2025, compared to series peak in 2019



Assessment

Progress towards a reduction of police recorded firearm offences has sustained between year ending December 2024 and year ending December 2025, with offence levels remaining below the June 2024 baseline and continuing to trend downwards.

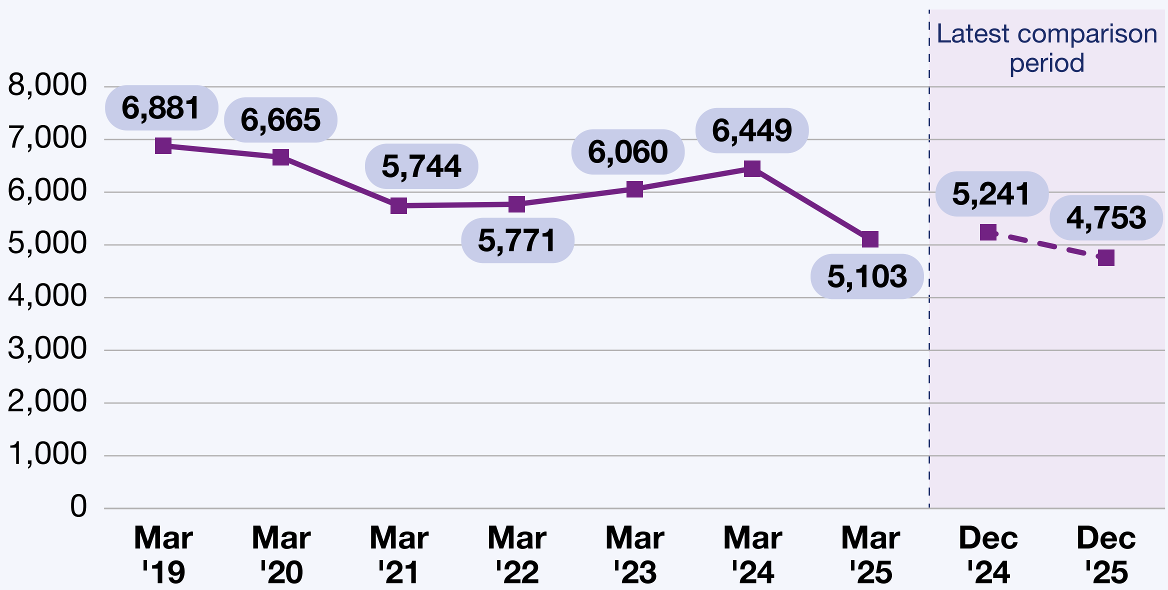
The observed reduction aligns with a package of work delivered during 2024-25 focused on tightening licensing and compliance, including the Home Office response to the February 2025 consultation, signalling stronger controls and a further consultation on shotgun controls, supported by increased licensing fees. It also reflects activity to reduce supply and convertibility risks, including Border Force operational instructions to seize a broader range of potentially dangerous weapons. This work is effective, but is constrained by its lack of reach, with limited powers over existing and domestically held illicit firearms.

Next steps

To sustain progress, the Home Office will:

- continue to tighten controls across licensing, illegal supply and operational capability
- progress further reforms signalled in 2025, including consultation on tighter shotgun controls and proposals to tighten regulation of second hand sales
- expand training for operational colleagues to reflect developments in the illicit firearms market

Police recorded offences involving firearms, year ending



Source: www.gov.uk/government/statistical-data-sets/police-recorded-crime-and-outcomes-open-data-tables

Priority outcome 3

National Security

Objective

Ensure individuals at risk of radicalisation are identified and, where appropriate, supported through multi-agency Channel panels,* which assess vulnerability and coordinate tailored safeguarding support.

Performance summary

- **Financial year 2024 to 2025:** 8,778 referrals to Prevent, the highest financial year on record
- **Channel consideration:** 20% of referrals discussed at Channel panels, equating to 1,727 referrals

Analysis

In the financial year (FY) 2024 to 2025, Prevent received 8,778 referrals due to concerns that an individual was susceptible to radicalisation. This represented a 27% increase compared with the previous year. Of these referrals, 20% (1,727) were discussed at a Channel panel and considered for support. Of the remaining referrals, 50% were signposted to other services, 30% required no further action, and 1% were still undergoing information-gathering at the point of reporting. Percentages may not sum to 100 due to rounding.

There was a 93% increase in the number of referrals discussed at Channel panels compared with the previous year, rising from 893 to 1,727. The proportion of referrals discussed at Channel panels also increased from 13% to 20%, indicating increased system capacity to assess and consider cases.

Assessment

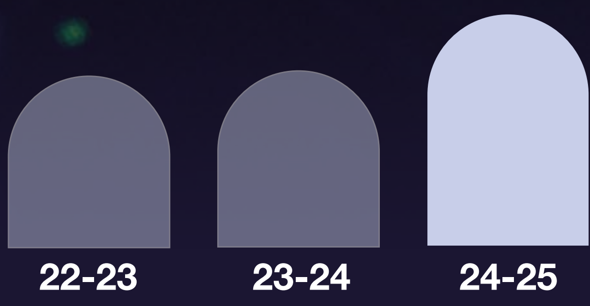
The Interim Independent Prevent Commissioner, Lord Anderson, suggested in the Lessons for Prevent report that the large increase in referrals observed in January to March 2025 may have been influenced by increased public awareness following the Southport trial on 20 January 2025, which followed the Southport attack on 29 July 2024.

The proportion of referrals discussed at a Channel panel has increased to 20% in FY 2024 to 25 compared with 13% in FY 2023 to 2024.

* Channel panels are multi-agency panels that assess and support individuals at risk of radicalisation.

8,778

referrals in the financial year 2024 to 2025



The proportion of referrals adopted as a Channel case has increased to 17% in FY 2024 to 25 compared to 7% in FY 2023 to 2024; however, this is primarily due to a change in methodology, with adoption now recorded at the point of the Channel panel's decision rather than when consent is provided.

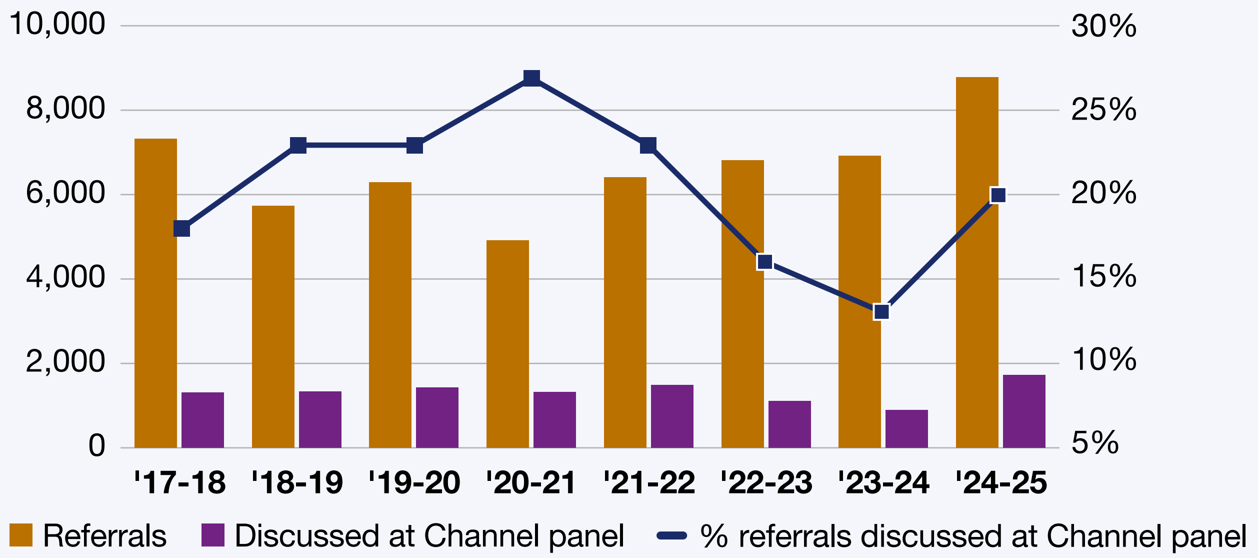
The Department's work with Counter Terrorism Policing and local delivery partners to clarify guidance, enhance Prevent capability and raise frontline awareness has enabled the system to respond to significantly increase referrals, demonstrating the effectiveness of the Department's early intervention approach to managing terrorism risk. Robust initial assessment and effective signposting remain essential to ensure the Prevent programme continue to identify and assess individuals at risk of radicalisation proportionately and effectively.

Next steps

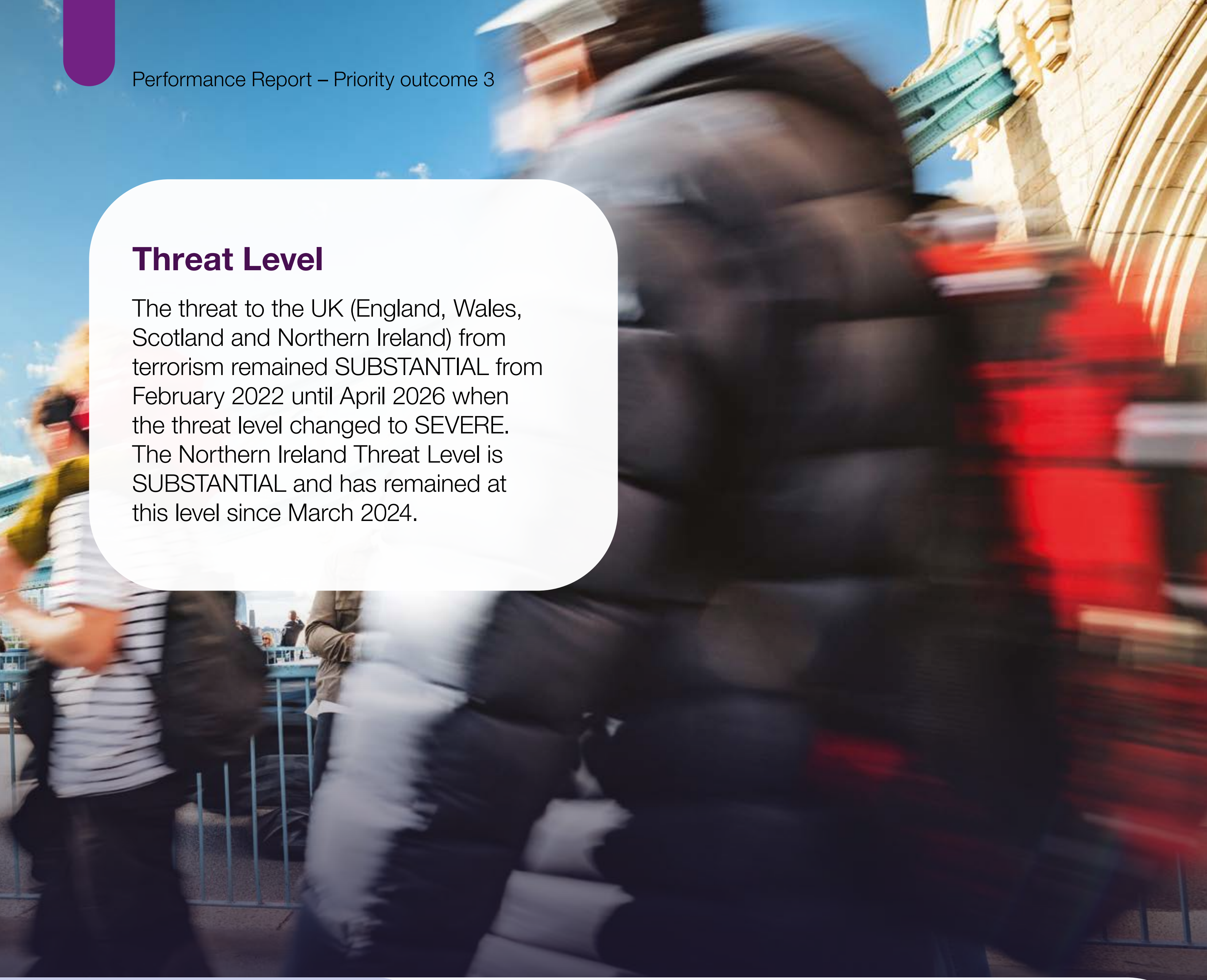
To strengthen delivery of Prevent, the Home Office will:

- continue ongoing improvement of the Prevent system, including delivery of key recommendations from Lessons for Prevent, embedding new oversight arrangements and implementing changes arising from system reviews
- work with cross-government partners to identify opportunities to prioritise individuals who present the highest national security risk for support and intervention including within health, education and social care
- strengthening consistency and proportionality in Prevent decision-making

Prevent referrals discussed at Channel panel, in financial year



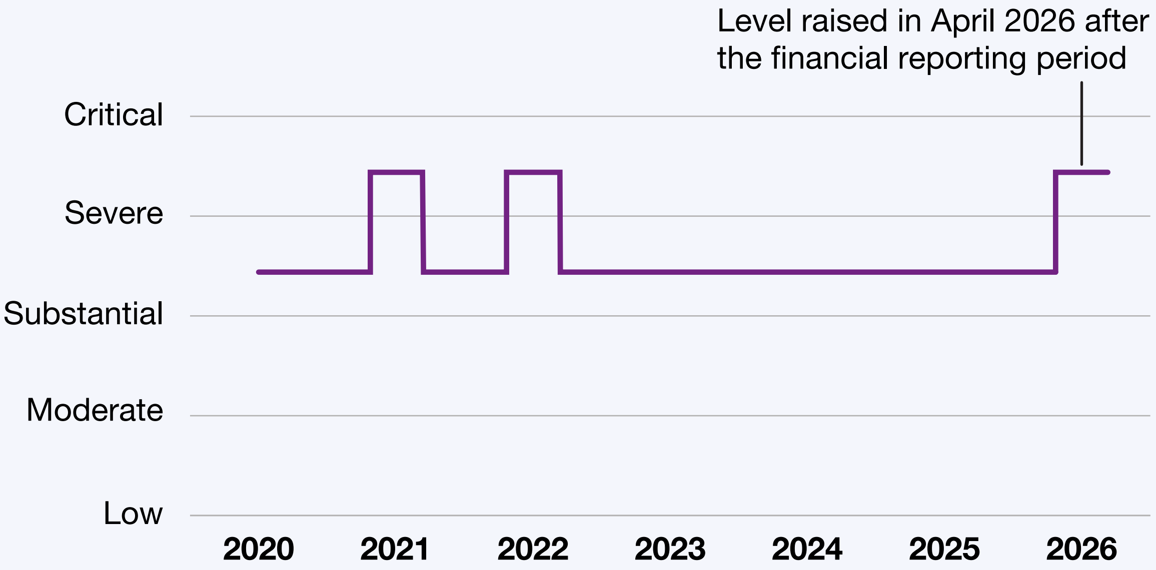
Source: www.gov.uk/government/collections/individuals-referred-to-and-supported-through-the-prevent-programme-statistics



Threat Level

The threat to the UK (England, Wales, Scotland and Northern Ireland) from terrorism remained SUBSTANTIAL from February 2022 until April 2026 when the threat level changed to SEVERE. The Northern Ireland Threat Level is SUBSTANTIAL and has remained at this level since March 2024.

UK Threat Level



Source: www.mi5.gov.uk/threats-and-advice/terrorism-threat-levels

Terrorism arrests resulting in a charge (Great Britain)

In the year ending 31 December 2025, there were 3,034 arrests for terrorist-related activity in Great Britain, an increase of 2,784 (1,114%, or 2% if discounting those linked to Palestine Action) from the year ending 30 September 2024). This increase largely reflects arrests following the proscription of Palestine Action on 5 July 2025, which accounted for 2,779 of the total. Of all those arrested, 469 (15%) were charged with terrorism-related offences, compared with 30% in the year ending 31 December 2024. However, this reduction should be interpreted with caution, as the inclusion of a large number of Palestine Action-related arrests, many of which did not progress to charge, means the two periods are not directly comparable.

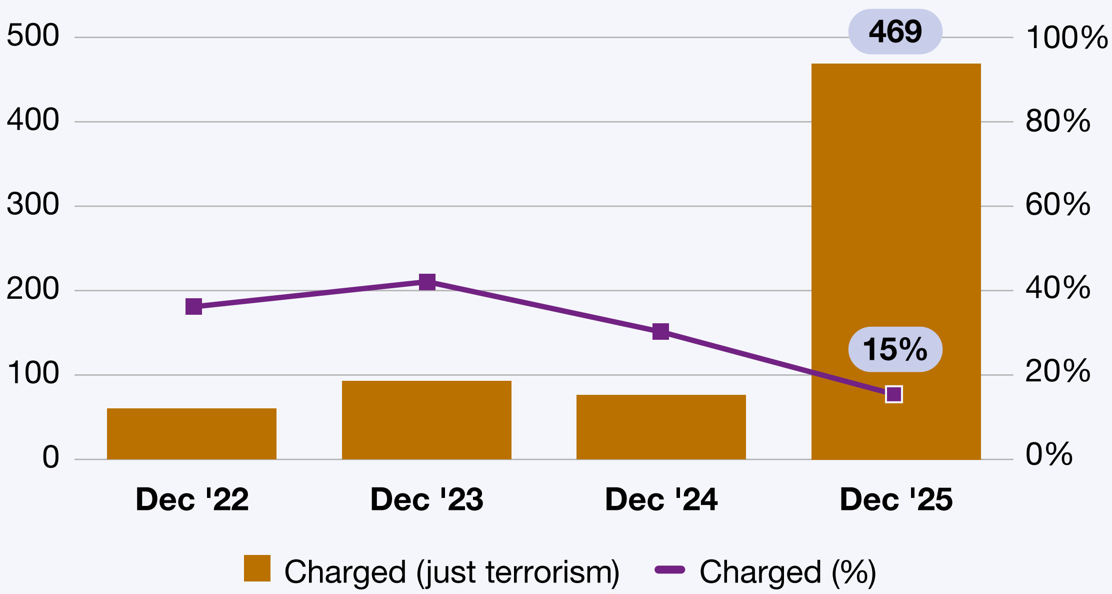
3,034

arrests for terrorism-related activity

15%

of above were charged

Terrorism arrests resulting in a charge, year ending



Source: www.gov.uk/government/collections/operation-of-police-powers-under-the-terrorism-act-2000

Conviction rate for terrorism-related prosecutions in England and Wales

In the year ending 31 December 2025, 67 persons were tried for terrorism-related offences, 24 less than in the year ending 31 December 2024. Of the 67 persons tried for terrorism-related offences, 62 were convicted (93%). Conviction rates have remained consistent in recent years, with 94% (61 out of 65) of trials leading to a conviction in the year ending 31 December 2023, and 97% (88 out of 91) of trials in the year ending 31 December 2024. The number of convictions will likely increase in future releases, as many cases were yet to reach the point of charge or conviction at point of publication.

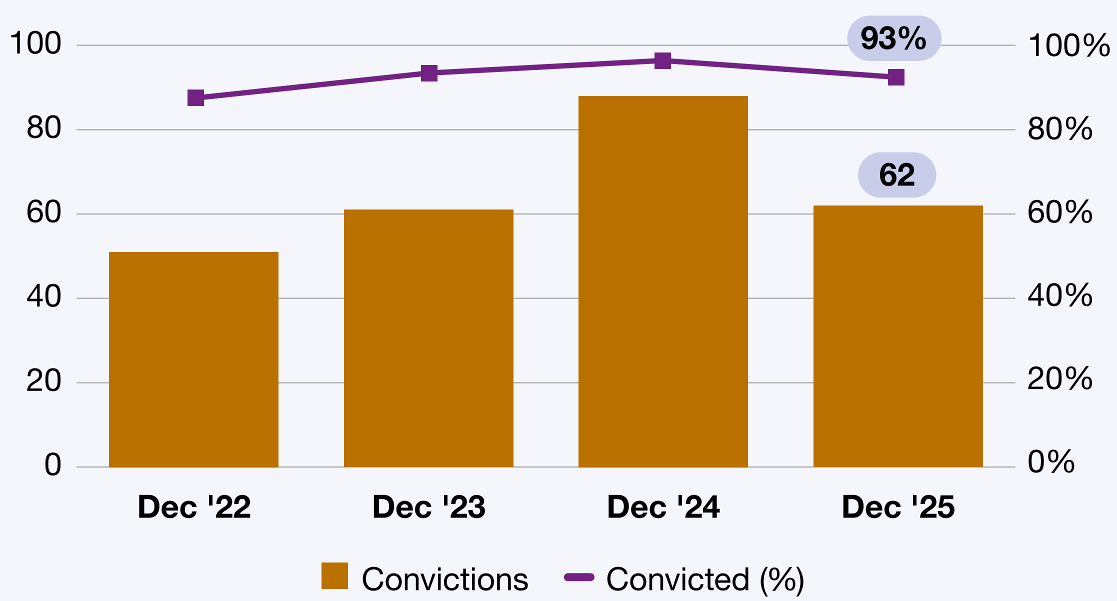
67

people were tried for terrorism-related offences

62

of people from above were convicted

Terrorism prosecutions resulting in a conviction, year ending



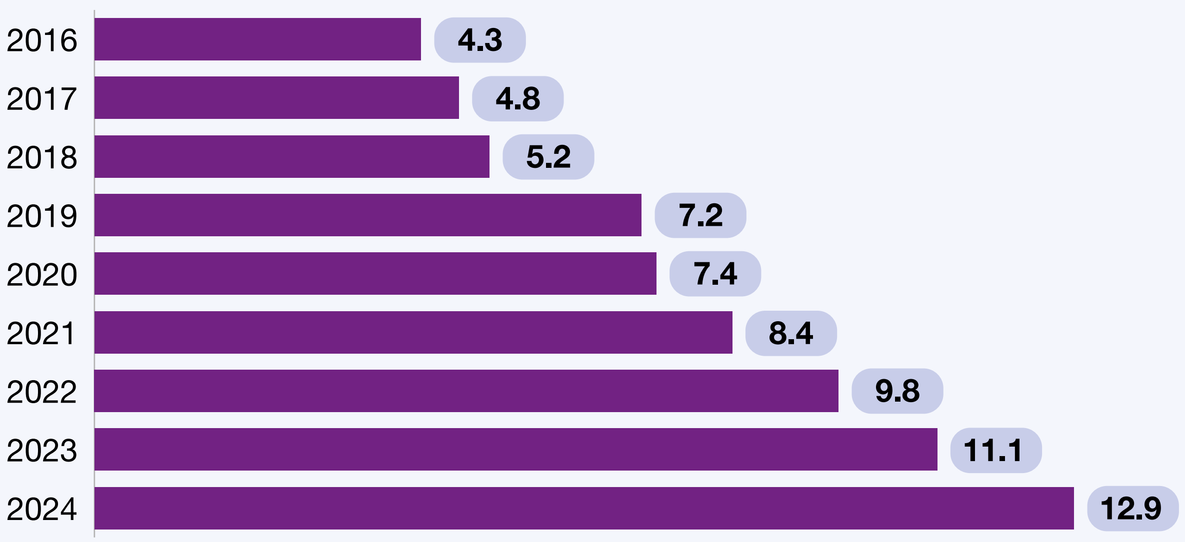
Source: www.gov.uk/government/collections/operation-of-police-powers-under-the-terrorism-act-2000

National Security Capabilities – size of security exports

The UK's security exports were estimated to be £12.9 billion in 2024, an increase of 16.2% from 2023 in nominal prices.

These statistics are based on company reports and other research conducted by Westlands Advisory (WA) under contract from the Department for Business and Trade (DBT), with their analysis for these statistics covering 2021 to 2024. In previous years, the contract was awarded to WA in some years and to Frost & Sullivan in others. Data is collected from Companies House and a variety of other sources, including an online survey and data from security industry associations such as members of the Security and Resilience Industry Suppliers Community (RISC).

UK security exports, 2016 to 2024 (£ billion)



Source: www.gov.uk/government/collections/uk-defence-and-security-exports-statistics

Priority outcome 3

Volume of fraud incidents

Objective

To monitor the scale and trends of fraud against individuals over the past year using Crime Survey England and Wales (CSEW) data to inform prevention efforts.

Performance summary

- **Year ending December 2024:** 4.1 million incidents
- **Year ending December 2025:** 4.4 million fraud incidents, no statistically significant change compared with previous year

Analysis

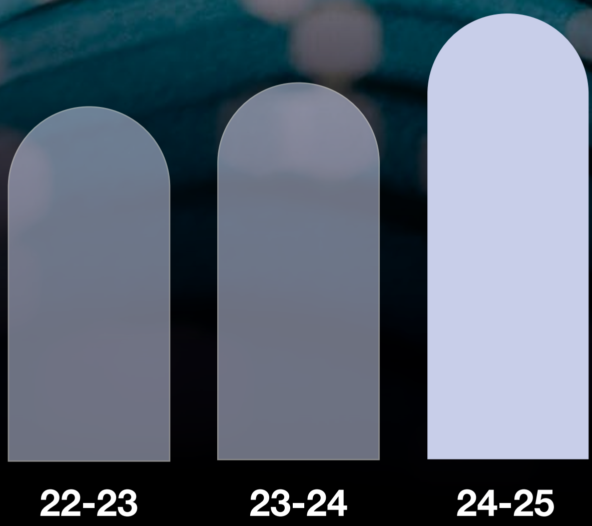
Fraud remains the most prevalent crime experienced by individuals in England and Wales on the Crime Survey. In the year ending December 2025, the survey estimated 4.4 million fraud incidents, with no statistically significant change in overall fraud compared with the year ending December 2024.

Within the total, bank and credit account fraud increased by 15% to around 2.7 million incidents. Out of the estimated 4.4 million incidents, around 3.2 million involved a loss, and the victims reported being fully reimbursed in 2.4 million of these cases.

Over the longer term, fraud incidents are estimated to be 29% higher than the earliest comparable year (year ending March 2017, around 3.4 million incidents). While levels of bank and credit account fraud for year ending December 2025 were similar in comparison to year ending March 2017 estimates, there was a 51% increase in consumer and retail fraud and a five-fold increase in advance fee fraud.

4.4m

fraud incidents in year ending December 2025



Assessment

We continued to make good progress in tackling fraud, through planning our approach including development of the Fraud Strategy 2026-29, working with partners and taking action to disrupt fraud. However, headline prevalence did not improve year-on-year, and long-term levels remain elevated.

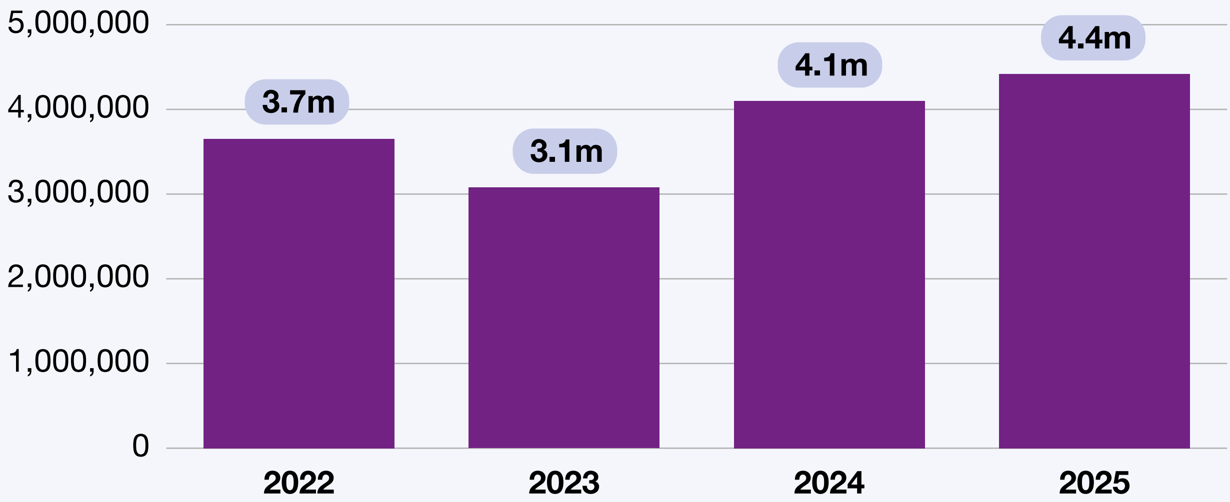
The shift toward bank and credit fraud underlines continued exposure to high volume, digitally enabled offending, while reimbursement trends suggest downstream consumer protection is working better than upstream prevention. Overall, performance is steady but not yet moving prevalence downward.

Next steps

To strengthen deliver, the Home Office will:

- implement the new Fraud Strategy
- expand our 'Stop! Think Fraud' campaign
- implement the Anti-Corruption Strategy to strengthen prevention, enforcement and international cooperation
- tighten upstream prevention with the finance, telecoms and online sectors and improve fraud data, intelligence and performance tracking to target high-growth typologies, including consumer and retail and advance fee fraud, and evaluate impact

Number of incidents of fraud against individuals, year ending December



Source: www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/crimeinenglandandwalesappendixtables

Value and volume of assets recovered

The Proceeds of Crime Act (2002) enables law enforcement agencies to deprive criminals of their money, or other property connected to criminal activity, and recover the proceeds of crime. There was £284.5 million of assets recovered from confiscation, forfeiture and civil recovery orders in the financial year ending March 2025. This represents an increase of 15% compared to financial year ending March 2024, a 31% increase compared to financial year ending March 2020 and is 7% above the 6-year median of £265.5 million.

The increase in receipts compared to the previous year has been driven primarily by increased confiscation order receipt performance. Forfeiture orders also saw a slight increase in overall performance.

Note: data presented here is in line with published GOV.UK statistics and may differ to numbers in the financial statements due to timing and differences in the basis of preperation.

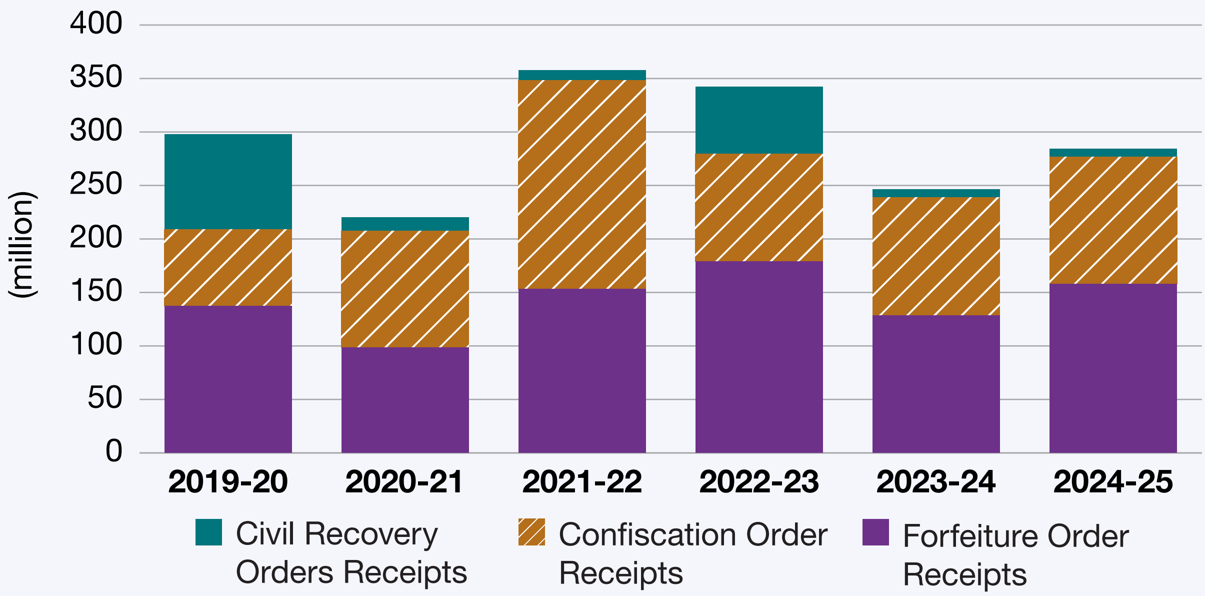
£284.5m

of assets recovered from confiscation, forfeiture and civil recovery orders

15%

increase in year ending March 2025, compared to previous year

Value of proceeds of crime recovered in England, Wales and Northern Ireland, in financial year



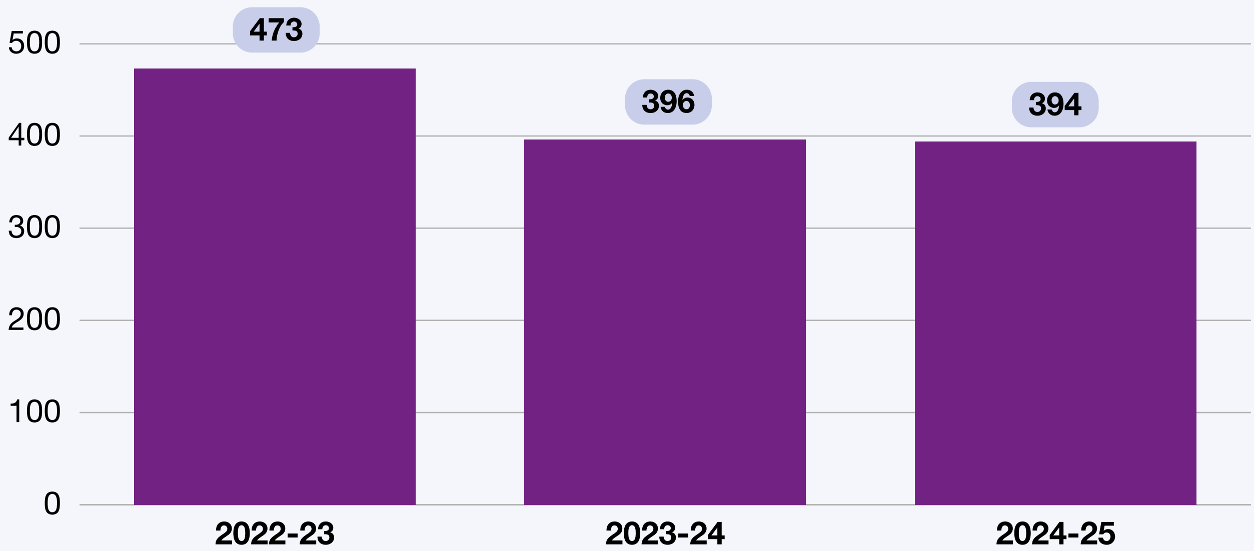
Source: www.gov.uk/government/statistics/asset-recovery-statistics-financial-years-ending-2020-to-2025/asset-recovery-statistics-financial-years-ending-2020-to-2025

Number of suspected/potential sanctions breaches

Sanctions are in place to stop people, companies, or countries from accessing money or financial services in ways that could harm the UK, helping us protect national security. In 2024/25, the Office of Financial Sanctions Implementation (OFSI) handled a high volume of suspected financial sanctions breaches (394 cases), reflecting its increasingly robust and proactive enforcement approach. During the year, OFSI issued 57 enforcement actions and maintained a strong focus on Russia-related sanctions following the 2022 invasion of Ukraine, supported by enhanced tools, intelligence and processes.

Two monetary penalties were imposed, with 240 cases still under investigation as of April 2025. OFSI's intelligence-led approach is reflected in more non-self-reported cases (151 in 2024/25) and the creation of a dedicated Compliance Enforcement team to strengthen licence compliance.

Number of suspected/potential sanctions breaches (OFSI), in financial year



Source: www.gov.uk/government/collections/ofsi-annual-reviews#annual-review-2024-to-2025

Fraud and computer misuse incidents reported to the police or Action Fraud

In the year ending March 2025, the proportion of fraud offences recorded by or referred to Action Fraud remained stable at around 13%.

The proportion of computer misuse incidents that are reported is lower, at 4% in the year ending March 2025. This was not a statistically significant change on the previous year.

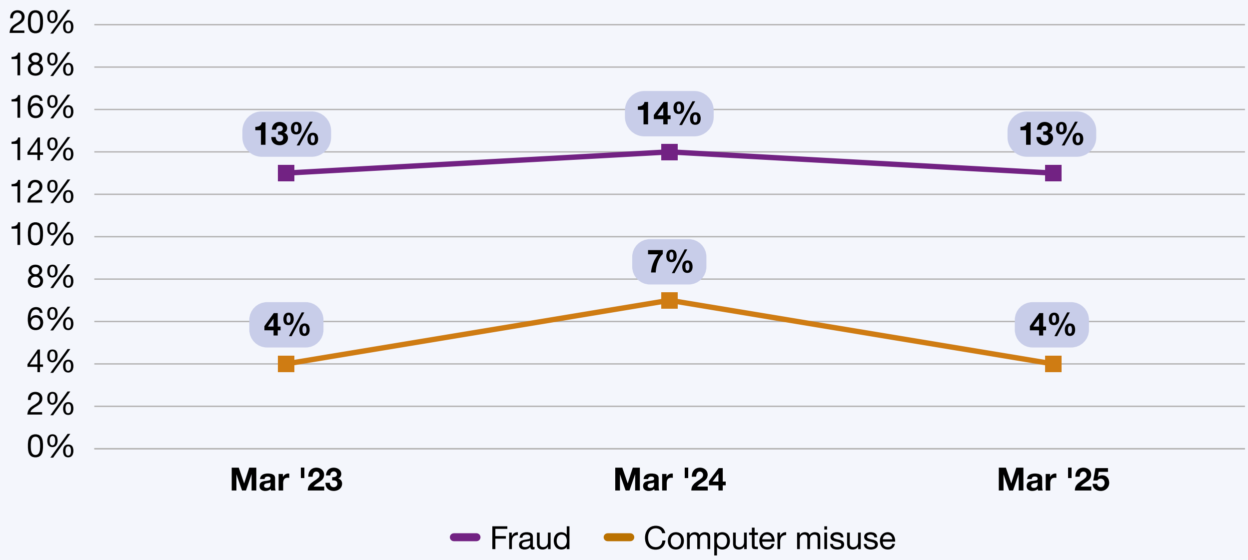
13%

fraud offences in year ending March 2025

4%

computer misuse offences

Proportion of fraud and computer misuse offences reported to police or Action Fraud, year ending



Source: www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/crimeinenglandandwalesannualsupplementarytables

"The Home Office is committed to strengthening the response to fraud and cyber-enabled crime. We are improving prevention, supporting victims and working with partners to disrupt these increasingly sophisticated and complex crimes."

Priority outcome 3

Cyber crime

Objective

To assess the scale of computer misuse and support effective cybersecurity strategies.

Performance summary

- **Year ending December 2025:** 735,000 computer misuse incidents, 3% decrease compared with the previous year and 58% lower than year ending March 2017
- **Context:** Recorded crime trends are not reliable due to under-reporting

Analysis

The Crime Survey for England and Wales (CSEW) estimated around 735,000 computer misuse incidents in year ending December 2025, representing a 3% reduction compared to previous year. This decrease was driven by a 32% fall in incidents of computer virus to around 101,000 incidents.

Compared with the earliest comparable year, year ending March 2017, computer misuse incidents are 58% lower, down from around 1.8 million incidents.

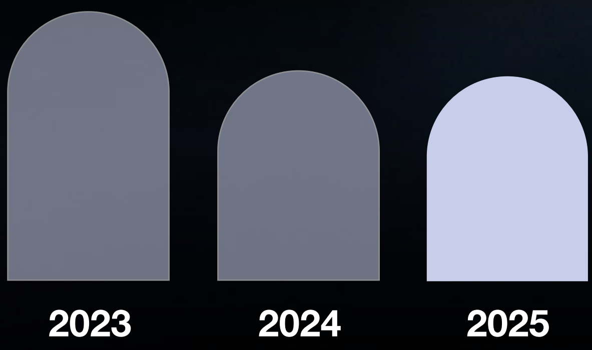
Assessment

The data shows that computer misuse experienced by individuals has been going down both when compared to the past year and when compared with year ending March 2017. The reductions in unauthorised access to personal information suggests upstream protections are improving. Overall, progress is positive but fragile and threat actors adapt quickly, and the risk environment remains dynamic.

Cyber crime facilitates a range of other crimes, including fraud, which are not captured in this data. Furthermore, businesses are also impacted by cyber-crime, as evidenced in the Cyber Security Breaches Survey and recent high-profile attacks. DSIT and KPMG estimate that the total cost of cyber attacks to businesses in 2024 to be £14.7 billion, equivalent to around 0.5% of UK GDP.

735,000

computer misuse incidents in year ending December 2025, down 3% from previous year



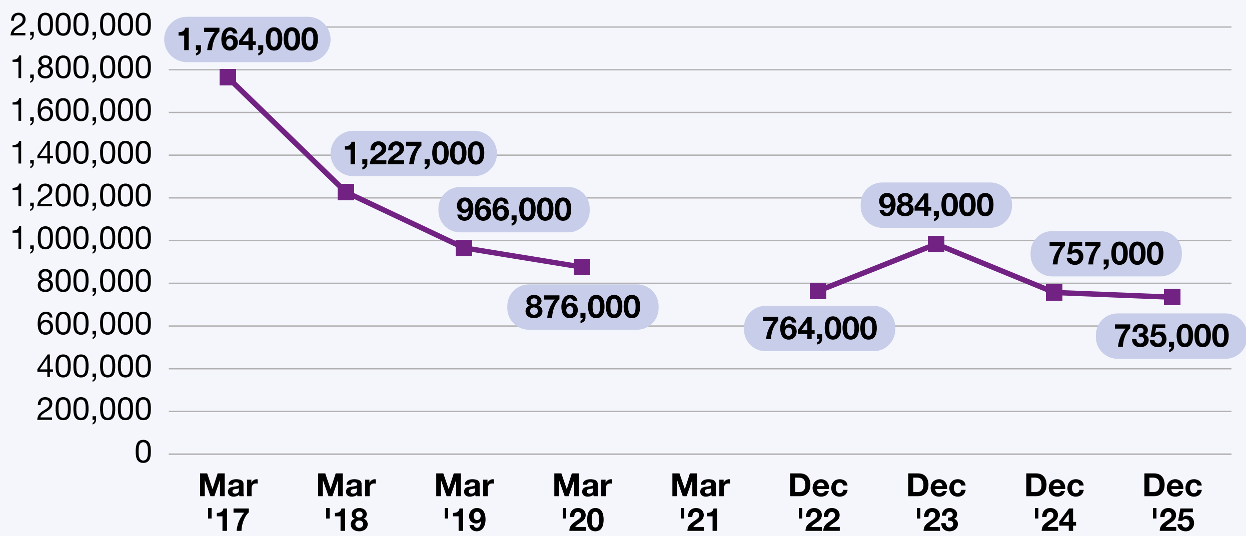
The cyber monitoring centre estimated the 2025 Jaguar Land Rover attack to be the most economically damaging cyber attack to ever hit the UK, causing an estimated financial impact of £1.9 billion and affecting over 5000 UK organisations.

Next steps

To strengthen the response to cyber crime, the Home Office will:

- publish and implement the Cyber Crime Strategy to clarify roles, priorities and outcomes across government and policing
- develop ransomware policy and legislative options informed by consultation responses and operational insight
- enhance detection, disruption and investigation capability, and improve public reporting and victim pathways to address under-reporting to Action Fraud

Number of incidents of computer misuse against individuals, in England and Wales, year ending



Source: www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/crimeinenglandandwalesappendixtables

“The Home Office is committed to tackling cyber-crime and strengthening the resilience of businesses and the wider economy. We are improving prevention, detection and response capabilities to address the growing scale and complexity of cyber threats.”

Cyber-crime incidents experienced by businesses

Computer misuse and cyber-crime continued to present a significant risk for organisations. The Cyber Security Breaches Survey (CSBS) 2025 found that 20% of businesses and 14% of charities experienced at least one cyber-crime in the year prior to the survey, a level consistent with the previous year. Incidence increased with organisation size, rising from micro businesses (18%) to large businesses (52%). Lower reported levels among micro and small organisations may reflect less mature detection and reporting capabilities, rather than lower underlying exposure, due to more limited cyber security monitoring arrangements. The survey estimated that overall UK businesses have experienced approximately 8.58 million cyber-crimes, including around 680,000 non-phishing cyber-crimes.

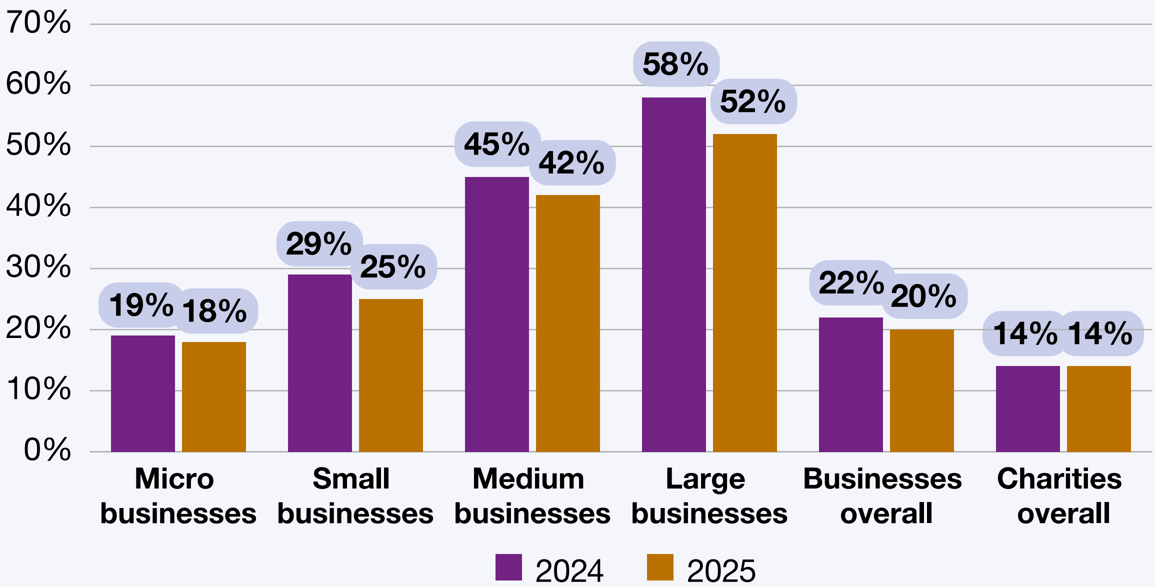
20%

of businesses and

14%

of charities experienced cyber crime

Percentage of UK organisations that have experienced any cyber crime in the last 12 months



Source: www.gov.uk/government/statistics/cyber-security-breaches-survey-2025/cyber-security-breaches-survey-2025

Principal risks

The department actively reviews its principal risks through an annual refresh with the Executive Committee (ExCo). In October 2025, ExCo reset the departmental risk register, identifying the most significant risks to delivering strategic priorities. This produced a revised set of strategic risks - including new risks (e.g. Border System Resilience) and substantially updated risks (e.g. Financial Management) – improving clarity, strengthening focus and alignment, and reducing overlap across the register. As at 1 April, the principal risks listed below comprise four Critical (Purple), eight High (Red), and one Medium (Amber) risks.

Risk assessment[1] (as of 1st April 2026)	C	Critical	H	High	M	Medium	L	Low
Trajectory[2] for FY 2025-26	⬆	Risk increase	⬇	Risk decrease	⬌	No movement		

Title	Short description	Mitigations
Border System Resilience C ⬌	There is a risk that the department does not effectively mobilise the UK Border Security System to tackle small boats.	• a clear legislative and policy framework supporting cross government action at the border • cross system governance and assurance arrangements to coordinate activity • operational resilience arrangements, including contingency planning and continuity mechanisms, to maintain critical border functions • international cooperation and upstream engagement

1 Assessment of the risks in the table follow a qualitative methodology and ratings used are indicative only to evaluate the level of remaining risk (or residual risk) the department is exposed to by end of March 2026.

2 The trajectory of the risk indicates whether the trend in likelihood and impact of the risk materialising increased, decreased, or remained the same over the reported period 2025-26. The colour code used indicates the severity of risk.

Title	Short description	Mitigations
Public Safety and Confidence in the police H	There is a risk of significant and widespread loss of public confidence in policing.	• strengthening the statutory code of practice for police vetting • National Policing Plan which improves crisis coordination • improved reporting and monitoring of significant incidents and pressures • implementing Dismissals Process Review Recommendations • major events preparedness planning
Harm in the Community C	There is a risk of mismanagement of immigration cases within the department's control leads to significant harm in/to the community.	• Police engagement to improve intelligence and speed up the detention and/or removal of Foreign National Offenders (FNOs) • Multi Agency Public Protection arrangements in place to manage violent offenders • post incident reviews embedded for lessons learned
Critical IT System failure or Cyber Resilience H	There is a risk that essential services are disrupted from a critical IT system failing, including due to a cyber attack.	• strengthened oversight and embedding 'Secure by Design' • improving vulnerability management, patching, service management and security monitoring • maintaining cyber incident response arrangements, backup, recovery and business continuity arrangements • using assurance and post incident learning to drive continuous improvement

C Critical | H High | M Medium | L Low | Risk increase | Risk decrease | No movement

Title	Short description	Mitigations
Welfare and Safety – migrants and staff H	There is a risk that the Home Office fails to ensure the welfare and safety of staff or migrants in its care.	• governance structures embedding Health and Safety and 'safety first' principles • Critical Incident (CI) response and emergency preparedness • Standing Operating Procedures, Safe Systems of Work, and Risk Assessments in custody and/or detention, to reduce likelihood of harm • infrastructure compliance reviews
Asylum Accommodation and Capacity C	There is a risk that, over the next 18 months, demand could exceed asylum accommodation capacity and, in the absence of other levers, additional hotel accommodation will be required.	• strengthening programme governance and delivery oversight through integrated forums, performance tracking and targeted reviews • working with the Ministry of Housing, Communities and Local Government, His Majesty's Courts and Tribunals Service, and the Ministry of Justice to de-risk planning and manage the appeals pipeline • optimising estate capacity and utilisation through improved supply-demand alignment and forward planning with early identification of levers and development of contingency playbooks to manage surge and saturation risks

C Critical | H High | M Medium | L Low | Risk increase | Risk decrease | No movement

Title	Short description	Mitigations
Financial Management H No movement	There is a risk the department is unable to effectively prioritise spend against Ministerial priorities.	• reviewing financial challenges • active monitoring and Finance Director led interrogation on the in year financial position/forecasts • Medium Term Financial Plan Forecasting (MTFP) updates, allowing for proactive consideration of future years' pressures and mitigations
Use of Technology and Data C No movement	There is a risk that the department is not sufficiently harnessing new technology and high-quality data.	• current data capabilities under review • data governance, quality and retention plans being actively implemented to improve maturing, informed by Data Maturity Assessments • data and analysis, business and technology investments across multiple areas underway including for business intelligence
Health, Safety (H&S) and Fire Incident H No movement	There is a risk of fatality or serious injury to a colleague, service user or member of the public where the Home Office has a duty of care.	• strengthening Health Safety and Fire governance and leadership through national oversight, senior engagement and executive scrutiny • implementing a strengthened fire safety model, supported by updated plans and risk assessments • enhancing workplace safety through improved first aid provision, communications and engagement

C	H	M	L	⬆	⬇	⬌
Critical	High	Medium	Low	Risk increase	Risk decrease	No movement

Title	Short description	Mitigations
Workforce Prioritisation and Capability H No movement	There is a risk that inconsistent prioritisation and limited workforce flexibility reduce the organisation's ability to respond to changing priorities.	• delivering a workforce strategy to ensure the right skills, capacity and leadership are in place to improve prioritisation and reduce inefficiency • implementing workforce reform to reduce role specific constraints and improve interoperability • strengthening leadership and line management capability through development programmes
Governance, Risk and Compliance H No movement	There is a risk the department does not build a strong, accountable risk and compliance culture.	• implementing a structured programme to strengthen key controls, governance and oversight of compliance • refreshing the departmental risk register to strengthen senior focus and cross departmental accountability for key risks
Critical Supplier (Service) Failure H No movement	There is a risk that failure or insolvency of Home Office critical suppliers may disrupt delivery of essential Home Office services.	• developing a commercial strategy that builds contingency and improves agility while reducing administrative burden • managing single points of failure in contracts to ensure service resilience. • Business Continuity Plans – developing and testing risk assessments, recovery plans and strategies • enhanced pre-contract financial risk assessment

C Critical · H High · M Medium · L Low · Risk increase · Risk decrease · No movement

Title	Short description	Mitigations
Strategic management of Legal and Litigation risk M	There is a risk that unanticipated or unmanaged legal risks undermine our strategic plans.	• highest risk cases are escalated to Ministers and Executive Committee by our Legal Directors • top legal risks communicated to the Law Officers as per government guidance • effective oversight of the highest legal and litigation risks

C Critical | H High | M Medium | L Low | Risk increase | Risk decrease | No movement

Financial review

Budgeting System

As with other ministerial government departments, operations are predominantly funded by an Exchequer grant, voted by Parliament by means of the Departmental Group's submission of expenditure 'Estimates' which have been agreed by HM Treasury.

The Departmental Group's budget is separated into:

- Resource Departmental Expenditure Limit (Resource DEL) for current expenditure such as staff pay, purchases of goods and services and depreciation. This budget is split between the programme budget which captures expenditure on front line services and the administration budget to cover all other expenditure
- Capital Departmental Expenditure Limit (Capital DEL) for new investment in assets including digital assets
- Resource Annually Managed Expenditure (Resource AME) for costs that may be unpredictable such as provisions
- Capital Annually Managed Expenditure (Capital AME) for unpredictable costs which also give rise to an asset in the Departmental Group's financial statements

Estimates

The budget agreed at the Supplementary Estimates for the department was £20.1 billion (including depreciation), consisting of £18.4 billion Resource DEL (a decrease of £1.3 billion since the Main Estimate), £1.7 billion Capital DEL (an increase of £238.2 million since the Main Estimate), £2.5 billion Resource Annually Managed Expenditure (AME) (a decrease of £489.4 million since the Main Estimate) and £60.1 million Capital AME (which was not part at the Main Estimate).

The Home Office's Net Cash Requirement of £23.3bn remained unchanged between the main and supplementary estimates.

Resource DEL

Resource DEL decreased by £1.3 billion compared to the 2025-26 Main Estimates. This is a result of the following changes:

- inclusion of over £1 billion of Immigration Health Surcharge income, the remaining 50% for 2025-26, the first 50% having been recognised in the Main Estimate
- budget transfer out of £208.8 million to the Ministry of Housing, Communities and Local Government completed at the Supplementary Estimate as part of the Machinery of Government (MoG) change implemented at the start of this financial year

- A budget exchange agreed by HM Treasury for £175.0 million relating to McCloud Injury to Feeling Claims being lower than anticipated due to the cases not being heard until next year

The above reductions have been offset with additional funding from HM Treasury and budget cover transfers between the Home Office and Other Government Departments.

This includes:

- £80.0 million provided by HM Treasury for the Border Security Command
- £16.0 million provided by HM Treasury for Places of Worship, Protective Security and Community Security Trust
- £8.0 million to cover Policing costs for state visits and summits from the Cabinet Office and the HM Treasury (this equates to £4.0 million from Cabinet Office and £4.0 million from HM Treasury)
- A number of smaller value transfers between the Home Office and Other Government Departments

Capital DEL

Capital DEL increased by £238.2 million compared to the 2025-26 Main Estimates. This primarily relates to:

- £200.0 million additional funding for the Major Law Enforcement Programmes
- £20.0 million for the Border Security Command from HM Treasury
- £4.0 million provided by HM Treasury for Places of Worship, Protective Security and Community Security Trust
- £15.1 million for the Economic Crime Levy which was provided in Resource DEL as part of the Main Estimate but switched to Capital DEL at Supplementary Estimate

A number of smaller value transfers between the Home Office and Other Government Departments.

Resource AME

Resource AME reduced by £489.4 million compared to the 2025-26 Main Estimates:

- This mainly relates to the MoG transfer for the Fire and Rescue Services to the Ministry of Housing, Communities and Local Government for pensions totalling £810.9 million

This was offset with additional funding for the Police Forces Superannuation and the inclusion of some accounting adjustments totalling £221.5 million related to:

- Major Law Enforcement Motorola Provision to cover decommissioning cost from the programme
- Provisions to cover potential legal costs and demand changes in compensation
- Police National Database Impairment to cover non-cash requirement resulting from the revaluation of assets

Capital AME

The Supplementary Estimates included a capital AME provision of £60.1 million. This is an accounting adjustment created for possible costs associated with leasehold dilapidations (under the IFRS16 accounting standard) where works are required at the end of a lease term to return a leasehold property to the state it was at the start of the term.

Budget and Outturn

The budgets for the department agreed at the Supplementary Estimates are shown in the table below. Outturn against each of these budgets is also shown and the variance to budget against each total.

Budget	Budget £billions	Outturn £billions	Variance £billions
Admin	0.45	0.43	0.02
Programme	17.97	17.49	0.48
Total Resource DEL	**18.41**	**17.92**	**0.49**
Total Capital DEL	**1.72**	**1.59**	**0.13**
Total DEL Voted	**20.13**	**19.51**	**0.62**
Total Resource AME	2.48	2.07	0.42
Total Capital AME	0.06	(0.02)	0.08
Total AME	**2.54**	**2.04**	**0.50**
Total managed expenditure	**22.68**	**21.55**	**1.12**

Resource DEL

The Home Office Resource DEL net expenditure was £17.92 billion against a budget of £18.41 billion, resulting in an underspend of £494.6 million. The table below shows the Resource DEL outturn against budget by Business Group.

Business Group	Budget £billions	Actual £billions	Variance £billions
Public Safety Group	12.68	12.68	0.00
Homeland Security Group	1.45	1.44	0.01
Migration and Borders Group	0.34	0.34	0.00
Border Security Command	0.18	0.18	0.00
Customer Services (Visas and Passports)	(4.93)	(4.93)	0.00
Asylum Support, Resettlement and Accommodation	4.33	4.18	0.15
Border Force	1.36	1.36	0.00
Immigration Enforcement	0.77	0.77	0.00
Chief Operating Officer Group	1.39	1.08	0.31
Home Office Digital	0.64	0.64	0.00
Science, Technology, Analysis and Research	0.04	0.04	0.00
Legal Advisors	0.02	0.02	0.00
Arm's Length Bodies (Net)	0.14	0.12	0.03
Total Resource DEL	**18.41**	**17.92**	**0.49**

The main reasons for the underspend are:

- £200 million of the underspend relates to lower than expected depreciation costs for the year due to adjustments of prior year accelerated depreciation and a revision of current year forecast depreciation after a re-assessment of assets held by Home Office
- activity under the Afghanistan Resettlement programme and other savings in Asylum and resettlement continued in 2025-26 with schemes to secure the evacuation, repatriation and care of Afghan citizens coming to the UK. However, the flow of arrivals was lower than initial assumptions resulting in underspends of £149.8 million Home Office costs for Afghan resettlement were £222.1 million in 2025-26 (an increase from £205 million in 2024-25)
- projected activity across the Home Office estate (leases, rent, utilities) was lower than expected. The expected spend on Home Office transformation activity was also lower than expected. Reductions in the Departments non-current assets balance were also not as large as expected. The combination of these 3 areas, has led to an underspend against budget of c£108 million

Capital DEL

The Home Office Capital DEL net expenditure was £1.59 billion against a budget of £1.72 billion, resulting in an underspend of £128.5 million. The table below shows the Capital DEL outturn against budget by Business Group.

Business Group	Budget £billions	Actual £billions	Variance £billions
Public Safety Group	0.61	0.61	0.00
Homeland Security Group	0.21	0.20	0.00
Migration and Borders Group	0.14	0.14	0.00
Border Security Command	0.04	0.04	0.00
Customer Services (Visas and Passports)	0.09	0.09	0.00
Asylum Support, Resettlement and Accommodation	0.11	0.03	0.08
Border Force	0.15	0.15	0.00
Immigration Enforcement	0.16	0.16	0.00
Chief Operating Officer Group	0.07	0.02	0.05

Business Group	Budget £billions	Actual £billions	Variance £billions
Home Office Digital	0.08	0.08	0.00
Science, Technology, Analysis and Research	0.05	0.05	0.00
Legal Advisors	0.00	0.00	0.00
Arm's Length Bodies (Net)	0.01	0.01	0.00
Total Capital DEL	**1.72**	**1.59**	**0.13**

The main reasons for the overall underspend are:

- Capital programmes to help alleviate asylum accommodation pressures slipped slightly during the year leading to lower levels of expenditure than had been budgeted. Work undertaken to transform the asylum support system provided further cost savings in Capital DEL. The combined impact of this was a c£76 million underspend against budget
- an overall review of the departments non-current assets (capital assets) has also led to re-assessment of the value of assets held and an adjustment to the level of capital expenditure recorded in 2025-26. This has generated a reduction of c£30 million in the capital spend against budget during 2025-26
- expenditure in relation to the IFRS16 standard for lease accounting across the Home Office property estate has been lower than expected. Rent reviews have been pushed into future years and the size of the home office estate has reduced (the value of arm's length body related properties on the Home Office books has reduced). These have both led to the IFRS16 lease impact and a lower than initially projected expenditure on leases. This has resulted in a combined underspend of c£20 million in these areas

AME Expenditure

The department's Resource AME expenditure was £2.07 billion against a budget of £2.48 billion. The largest element of this is payments towards pensions costs incurred by the Police Authorities, was £1.93 billion.

A £60.1 million Capital AME budget was given to cover leasehold dilapidations. No costs were recorded this year, as it was decided the provision was not needed. Instead, £23.2 million was released, resulting in a negative spend for 2025-26.

Reconciliation of the Estimates to the Statement of Net Expenditure

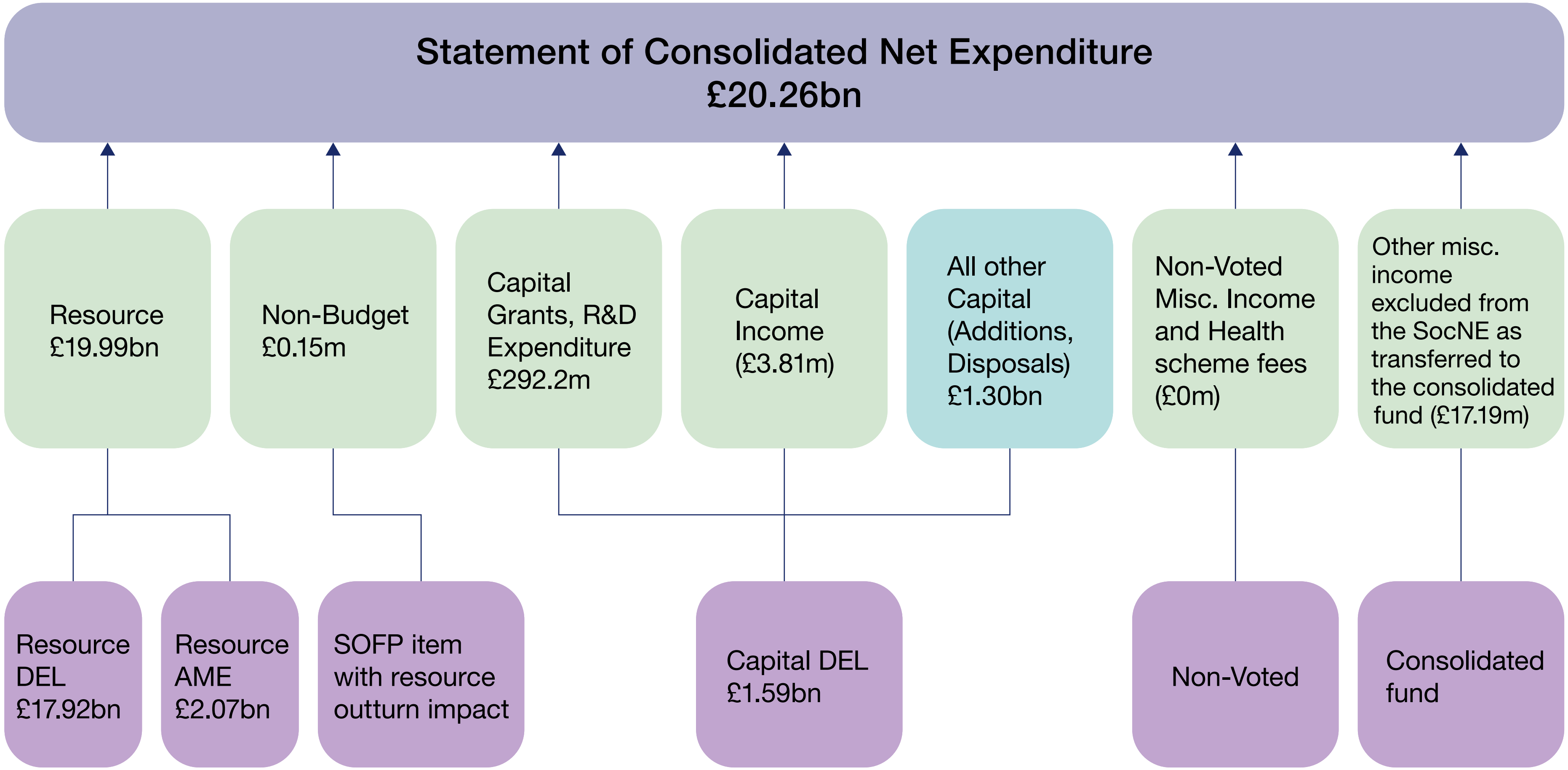
The Estimates and Statement of Outturn against Parliamentary Supply (SOPS) are compiled using the budgeting framework. The financial statements are prepared using International Financial Reporting Standards (IFRS). The diagram below outlines how we translate the Estimates to the Statement of Comprehensive Net Expenditure (SoCNE) in the schedules. All green areas feed into the SoCNE.

The department has reported net expenditure of £20.26 billion within the SoCNE. This expenditure is mainly within Resource (DEL and AME), although there are some elements of Capital DEL, non-voted income and receipts reported in the Trust Statement, which also form part of the SoCNE total.

All elements of Resource (both DEL and AME) feed into the SOCNE. These represent the Resource Outturn Figure which can be seen in SOPS tables 1.1 and 2.

Capital grants (£190.7 million) and research and development expenditure (£101.5 million), are treated as expenditure under IFRS. Capital income (£3.8 million) although reflected as CDEL in the department's Estimate, is treated as income under IFRS. All three elements are included in the SoCNE and are shown in SOPS table 2 as adjustments to the Resource Outturn figure.

Miscellaneous receipts of £17.2 million reported in the Income note are excluded from the SoCNE as they represent operating income which are payable to the consolidated fund.



The SOCNE is represented by all of Resource Expenditure (RDEL and RAME), specific elements of CDEL (Capital Grants, Capital Income and R&D Expenditure) and minor elements of Non-Voted expenditure and other Misc receipts which are captured under the Trust Statement.

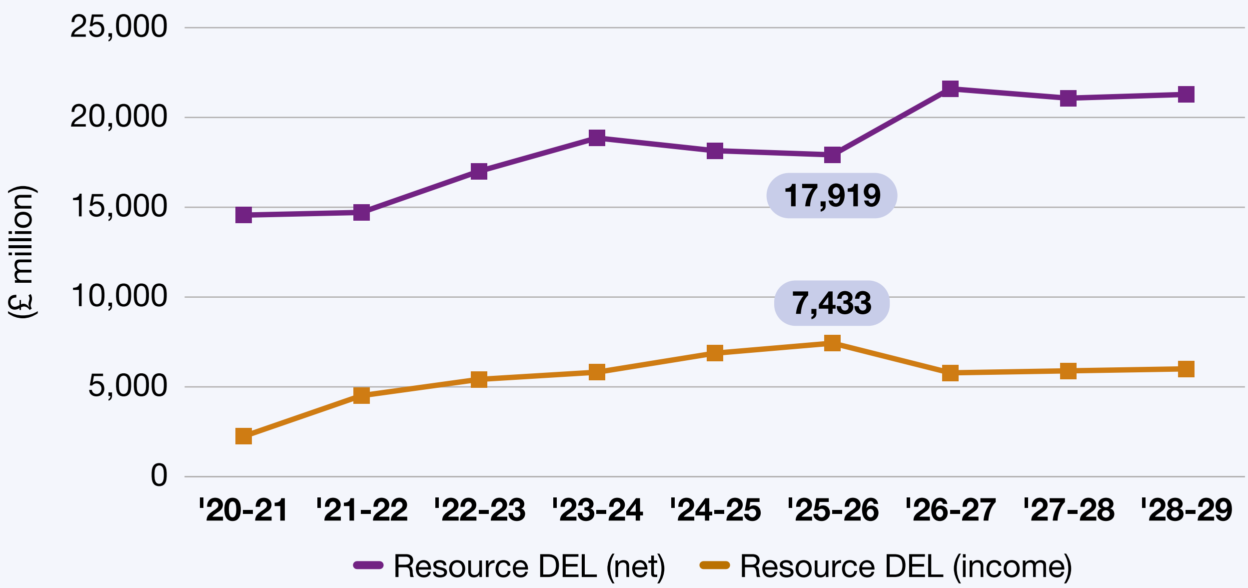
Net Expenditure Trend Analysis

The charts below show net expenditure in Resource, Capital, and AME over the past six years and estimates for 2026-27 to 28-29. The figures for future years relate to the department's SR25 settlement. The figures for all previous years are the outturn figures reflected in the respective Home Office Annual Reports and Accounts. All Resource figures include depreciation.

Resource DEL has broadly seen a rise in cash terms over recent years. The increases between 2020-21 and 2025-26 mainly relate to:

- the asylum support system which saw a rise in spending due to the increased use of hotel accommodation, peaking in 2023-24, with year-on-year reductions in 2024-25 and 2025-26
- the new Border Security Command and other policies announced by this government
- funding received over the years for various policies including Afghanistan Resettlement, Economic Crime Levy, tackling Anti-Social Behaviour, Police Productivity, Protective Security and Places of Worship
- recruitment of additional police officers since 2019 and the increase to Neighbourhood Policing funding announced by this government
- income levels have steadily increased since 2021-22 mainly due to visa fee increases; lower income during 2020-21 was due to the impact of the Covid-19 pandemic on travel

Resource spending trends (£ million)



Resource DEL include non-cash depreciation budget. Immigration Health Surcharge income is agreed and adjusted during the Mains and Supplementary Estimates process, therefore, this is not included in future years. Higher Net Resource DEL in the SR years is due to the exclusion of Immigration Health Surcharge.

In the remaining years of this Spending Review period, the Department has committed to finding further savings against asylum support, offset partially by increases to invest in policing, Border Security and other government priorities. Income in 2025-26 includes 100% of the income collected for Immigration Health Surcharge which is transferred to the Department for Health and Social Care (DHSC) – the future years budget does not include this income. This results in a reduction in income and a corresponding increase in the net Resource DEL position.

Capital DEL Net Expenditure

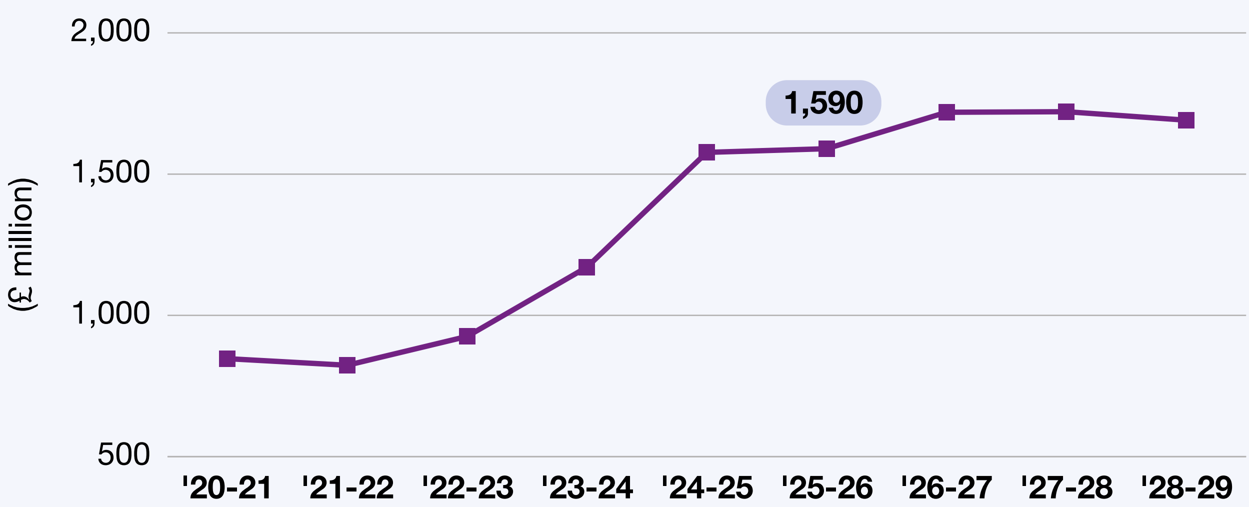
Capital DEL has also seen a rise in cash terms. The increases since 2020-21 mainly relate to:

- implementing the measures to tackle illegal migration and pressures within the UK's asylum system
- investment in the Home Office's systems and infrastructure to meet the requirements of new border controls and funding for the Future Borders Immigration System (FBIS) programme
- changes in the accounting treatment of leases under International Financial Reporting Standards (IFRS) 16

Between 2023-24 and 2024-25, capital expenditure rose due to capital programmes within Border Force, immigration removal centres, Major Law Enforcement programmes and the department taking on new leases to consolidate HO Estates.

Capital expenditure has increased over the previous years as the Emergency Services Mobile Communications Programme has moved into full delivery, with spend rising significantly year-on-year due to the ramp up of infrastructure build, large milestone payments under major contracts, and the capitalisation of costs directly related to creating the Emergency Services Network. This reflects the programme's shift from planning to delivering a modern, resilient communications platform that will enhance operational effectiveness, support faster decision making, and improve public safety outcomes across the UK.

Over the remaining years of the Spending Review Settlement, the Capital DEL budget decreases. Spending will be targeted towards funding critical programmes across policing and migration and borders.



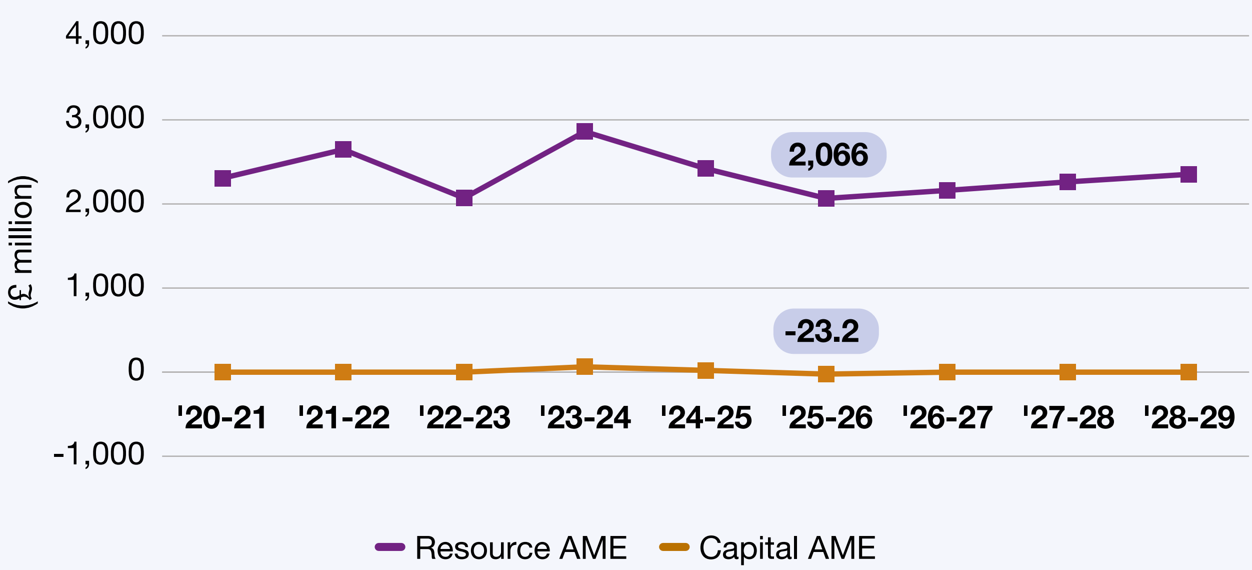
AME and Capital AME

The Department's **Resource AME** budget primarily comprises funding for Police Pensions (and Fire and Rescue Pensions prior to 2024-25). 2024-25 figures have been restated to reflect the removal of Fire. Accounting provisions are also classified as AME. Over the past 6 years movements in resource AME expenditure primarily reflect movements in annual pensions requirements.

Capital AME expenditure occurred for the first time in 2023-24 after a provision was created for the possible costs associated with leasehold dilapidations (where works are required at the end of the lease term to return a leasehold property to the state it was at the commencement of the term). The provision was c£63.5 million in 2023-24 and £21.0 million was required.

A budget of £60.1 million was requested at the Supplementary Estimates for 2025-26, however negative spend of -£23.2 million has been recorded at year end because of several leasehold properties ending. This led to a release of a provision which was not needed which resulted in an overall negative spend.

Changes to Resource and Capital AME requirements in future years will be addressed on an annual basis through the Estimates process.



Statement of Financial Position

The Home Office group has net assets of £1.14 billion at 31 March 2026, an increase of £1.26 billion when compared to the £125.5 million liability at 31 March 2025. The main changes in the Statement of Financial Position were:

- £714.5 million increase in non-current assets, which was mainly due to the growth in the value of intangible assets across ongoing major projects and programmes such as Future Borders and Immigration System (FBIS), National Law Enforcement Data Service (NLEDS), Digital Services At the Border (DSAB), Cerberus and Home Office Biometrics (HOB)
- £121.4 million increase in current assets. This was mainly driven by a £630.1 million increase in trade and other receivables, largely arising from a Machinery of Government change. As part of this change, the Fire Directorate and Pensions transferred from the Department to the Ministry of Housing, Communities and Local Government, resulting in an increase in Trade and other Receivables. This increase was partially offset by a £508.7 million decrease in the Department's balance of cash and cash equivalents
- £379.8 million decrease in current liabilities, which was mainly across trade and other payables. Balances which were outstanding at 31st March 2025 in relation to work with some of our asylum accommodation partners had reduced to zero at 31st March 2026. There were also some smaller reductions in the amounts due to those providing construction services in relation to immigration centres, and those who the Department partners with on national security activity
- £48.4 million decrease in non-current liabilities, which was mainly due to the value of leases liabilities falling from c£677 million at the end of (March 31st 2025) to c£628 million at the end of 31st March 2026, mainly due to having fewer properties

During 2025-26, the department has focused heavily on reviewing the transactions and balances making up the asset clearing account (ACA). The ACA is the account which capital-related transactions run through before being matched to assets and it is used to assure capital-related spend ahead of it being allocated to assets on the fixed asset register.

The ACA balance of c.£961m at the end of the last financial year (31 March 2025) comprised of c.136k transactions dating back to 2017-18. This gave rise to risks such as transactions being incorrectly capitalised, depreciation being calculated inaccurately, and inaccurate classification between asset categories.

Acknowledging the scale of the ACA and the risks inherent within, the department invested significant resource to conduct an exercise which involved three key workstreams. The nature of the workstreams and their outcomes were as follows:

1. Intense focus on moving (and matching) built-up historic capital items from the ACA into the fixed asset register (as per the usual process) – the majority of transactions were cleared through this route
2. Correcting and unwinding any incorrect prior year postings – the net impact of corrections made was immaterial
3. Removing longstanding unmatched items within the ACA by depreciating them down fully based on the judgement that these items were low risk of not being capital in nature – an immaterial balance went through this process

As a result of this activity, the balance in terms of value and volume has reduced significantly – the ACA balance at the end of this financial year (31 March 2026) is c.£485m comprising of c.13k transactions. Alongside this, no more than 5% of transactions within the ACA are older than 12 months with the oldest transaction now dating back to 2023-24.

The department has also strengthened the non-current assets (NCA) function and processes to ensure ACA balances are maintained, manageable, and at appropriate levels going forward. This includes; setting up a new NCA Centre of Excellence function with extra resource, mandating capital data and information to capture it at source, and automating processes wherever possible to aid efficiency.

Sustainability reporting

Environmental sustainability

This section covers the impact of the Home Office on the environment.

In 2025-26 the Home Office continued to measure its performance against the Greening Government Commitments (GGC) for reducing carbon, water, and paper use, reducing travel, managing waste, sustainable procurement, developing and delivering Nature Recovery Plans, adapting to climate change, and reducing the impact of information and communications technology.

Scope and data

This report has been prepared in accordance with HM Treasury's Financial Reporting Manual (FreM) 2025-26,[3] Sustainability Reporting Guidance 2025-26[4] and Task Force for Climate-related Financial Disclosures (TCFD) – aligned Disclosure Application Guidance (July 2025).[5] Home Office reports on all its executive agencies and non-departmental public bodies, subject to any agreed exemptions.

Due to the timing of this report data available to December 2025 has been used. The indicators for 2024-25 have been restated to show the full financial year up to March 2025.

The sustainability reporting accounting boundary is the same as the financial reporting boundary, in so far as the Home Office is able to report on sustainability issues.

3 https://assets.publishing.service.gov.uk/media/69441b8f143d960161547eb0/Government_Financial_Reporting_Manual__FReM__for_2025-26__published_December_2025_.pdf

4 www.gov.uk/government/publications/sustainability-reporting-guidance-2025-26/sustainability-reporting-guidance-2025-26

5 www.gov.uk/government/publications/tcfd-aligned-disclosure-application-guidance/task-force-on-climate-related-financial-disclosure-tcfd-aligned-disclosure-application-guidance--2

Greenhouse gas emissions

This section covers greenhouse gas emissions including Scope 1 (direct emissions), Scope 2 (indirect energy emissions), Scope 3 (emissions from official business travel) and sets out our decarbonisation activities which contribute to achieving net zero and mitigating climate change.

Despite an increase in Scope 2 and Scope 3 emissions (due to better data coverage), the Home Office has exceeded its 'Greenhouse Gas Reduction' target and its 'Direct Greenhouse gas Emissions' target, achieving reductions of 62% and 45% respectively measured against the 2017-18 baseline. The target has been achieved through a combination of property improvement projects and by disposing of older, less efficient buildings.

Figures for 2025 include newly-estimated electricity use for 61 buildings and 352 radio masts, all of which were previously excluded from the dataset. As these sites cannot be assigned a specific tariff, their usage is counted as non-renewable by default, increasing the non-renewable total. The drop in 100% renewable electricity partly reflects the disposal of buildings that previously used this tariff.

During 2025 we made good progress to develop our short-to-mid-term plan for decarbonising our estate, commissioning heat decarbonisation plans for many of our larger properties. This will enable us to deliver our decarbonisation roadmap, working with property teams to prioritise projects into forthcoming planned and reactive maintenance programmes. The introduction of a Home Office BREEAM policy has also strengthened the department's decarbonisation commitment by mandating low-carbon outcomes for all new build and refurbishment projects, including the installation of high-efficiency heating and cooling systems, improved building insulation, LED lighting, sophisticated building management systems and renewable generation technologies. In addition, we have taken a collaborative approach to working with facilities management providers to ensure low carbon outcomes are incorporated into lower-value lifetime replacement and reactive projects such as boiler replacements, building repairs and small-scale fitouts.

We have also rationalised our estate over the past 18 months, disposing of 15 properties which have delivered net carbon savings of at least 3,780 tCO2 and net water savings of 21,369 m^3.

Table 1: Estates related greenhouse gas emissions and financial costs

Metrics	2023-24	2024-25[6]	2025[7]
Greenhouse Gas Emissions[8] (tCO2e)			
Scope 1 Emissions	8,008	9,115	7,411
Scope 2 Emissions	11,055	9,718	11,782
Scope 3 Emissions from (official business travel)	5,191	6,479	6,956
Total GHG Emissions – Scope 1, 2 and 3	**24,254**	**25,312**	**26,149**
Energy Consumption (MWh)[9]			
Electricity: Non-Renewable	30,303	26,263	58,625
Electricity: Renewable[10]	16,169	15,020	6,161
Gas	34,556	35,305	35,611
Gas Oil (including diesel)	241	104	309
LPG	499	713	373
Fuel Oil	140	134	0
Burning oil	2,844	2,230	0
Total Energy Consumption	**84,752**	**79,769**	**101,079**
Energy Financial Expenditure (£'000)			
Total expenditure on energy[11]	21,198	24,254	21,016
Expenditure on official business travel (including domestic air travel)[11]	34,622	40,813	28,523
Total expenditure on energy and business travel[11]	**55,820**	**65,067**	**49,539**

6 2024-25 consumption data has been restated to show the full financial year up to March 2025 based on refreshed data sets.

7 Emissions and consumption data based on 01 January 2025 to 31 December 2025 data. Full financial year data to be provided in the 2026-27 Annual report.

8 Definitions for scope 1-3 emissions: Environmental reporting guidelines: including Streamlined Energy and Carbon Reporting requirements – **www.gov.uk/government/publications/environmental-reporting-guidelines-including-mandatory-greenhouse-gas-emissions-reporting-guidance** and Government conversion factors for company reporting of greenhouse gas emissions – **www.gov.uk/government/collections/government-conversion-factors-for-company-reporting**

9 Figures for 2025 include newly estimated electricity use for previously excluded 61 buildings and 352 radio masts. As these sites cannot be assigned a specific tariff, their usage is counted as non-renewable by default, increasing the non-renewable total. The drop in 100% renewable electricity partly reflects the disposal of buildings that previously used this tariff.

10 This includes green tariff and self-generated.

11 2024-25 financial figures have been restated due to a Machinery of Government change that was effective from 1 April 2025. This is in line with FReM 9.1.9 requiring the restatement of prior period comparatives.

Flights and Business Travel

Overall, domestic and international flights and distance travelled have fallen significantly after years of steady increases. As of 1st September 2025, Home Office implemented department wide additional spend controls on discretionary spend categories, including Travel and Accommodation and these have contributed to this reduction.

Table 2: Domestic and international flight travel greenhouse gas emissions

Metrics	2022-23[12]	2023-24[12]	2024-25[12]	2025[13]
Domestic Flights				
Number of flights	9,251	12,401	14,270	7,433
Distance (km)	4,115,529	4,115,529	5,398,562	3,124,314
Non-Financial Indicators (tonnes CO2e)	535	663	869	423
International Business Flights				
Number of flights	7,390	8,138	6,988	4,200
Distance (km)	18,942,549	25,436,953	21,045,155	11,451,419
Non-Financial Indicators (tonnes CO2e)	1497	2875	2379	1294
International (Eurostar) Train Journeys				
Distance (km)	312,683	326,430	386,775	299,661
Non-Financial Indicators (tonnes CO2e)	1.4	1.5	1.7	1.3

12 Travel figures have been restated to ensure consistency with the current year basis of disclosure.

13 Data based on 01 April 2025 to 28 February 2026.

Car Fleet

Of the 1,887 vehicles in the Home Office operational fleet, 501 are now fully electric — delivering zero tailpipe emissions and marking significant progress to reduce environmental impacts. This represents 27% of the total fleet and 35% of all non-specialist, non-exempt vehicles and a sizeable increase from 9% of total electric fleet in 2024-2025. We continue to work towards the government target of a fully electric fleet by 31 December 2027, aside from the specialist vehicles covered by the approved Office for Zero Emission Vehicles (OZEV) exemption.

Since 2022, we have been delivering a multi-year EV Programme to install the charging infrastructure required for full transition. In FY 2025/2026 Home Office installed EV chargers at 5 sites. The pace of transition is determined by landlord approval processes which continue to impact delivery timescales.

Despite this pressure, momentum continues and we are working closely with OZEV to strengthen our transition strategy, maximise available support, and pursue further exemption applications where justified. To further support the transition, the department has agreed to utilise a hybrid model of purchase and lease to maximise flexibility as infrastructure becomes increasingly robust and is able to support our fleet requirements. We are also driving an organisational cultural change including improved EV communications and guidance, EV usage data analysis and enhancing maintenance procedures to support EV transition.

Waste minimisation and management

In April 2025, the Home Office implemented new waste management arrangements to comply with the UK Government's Simpler Recycling Legislation. The standardisation of recycling requirements presented Home Office with an opportunity to update its waste management facilities, introducing standardised bins and signage, offering an improved service to building users. These legislative changes have shown early signs of increased recycling rates and have increased the volume of organic waste sent for energy recovery through anaerobic digestion by around 5.5%

We continue to comply with single-use plastics restrictions by removing banned items from Home Office supply chains and monitoring commercial and facilities management routes for further reduction opportunities. We also work with the Ministry of Justice on waste from Border Force small-boat migrant processing, diverting material from incineration to recycling. Since the start of this work, personal flotation devices have been recycled, supporting rehabilitation, work placements and income generation.

In addition to the environmental benefits, this work provides out of cell rehabilitation opportunities, valuable work placements and income generating opportunities for the Ministry of Justice.

The Home Office does not hold financial data at the required level of granularity to meet the sustainability reporting requirements on waste minimisation and management; the below table discloses the information the department does hold.

Table 3: Waste generation and disposal

Metrics	2023-24	2024-25	2025
Waste (tonnes)			
Total waste	**3,331**	**4,040**	**3,559**
Landfill	773	117	130
Reused/Recycled	1,914	2,381	1,853
Composted/anaerobic digestion	183	163	138
Incinerated with energy from waste	460	1,373	1,053
Incinerated without energy recovery	1	6	3
Other destination[14]	N/A	N/A	382
Waste Financial Expenditure[15] (£'000)	**2,625**	**2,108**	**1,994**

14 New reporting line for the period covering 2025-26 GGCs to 2029-30.

15 2024/25 financial figures have been restated due to a Machinery of Government change that was effective from 1st April 2025. This is in line with FReM 9.1.9 requiring the restatement of prior period comparatives.

Paper Use

We have reduced paper consumption again this year, achieving a reduction for the third year. This has been achieved through a continuing programme of IT improvements and digitisation in addition to hybrid working.

Table 4: Paper Use

Metrics	2023-24	2024-25[16]	2025[17]
Paper purchased			
Reams (A4 equivalents)	**64,889**	**40,284**	**39,932**

During the reporting period a larger proportion of the paper purchased has also been recycled sustainable product.

Through commercial approach and collaboration with the supply chain, the Home Office continues to improve the availability of suitable green alternatives, increase end user awareness and evolve ordering behaviour to reduce the environmental impact of its paper purchasing.

16 2024-25 calendar year data has been restated to show the full financial year up to March 2025.

17 Data based on 01 January 2025 to 31 December 2025 data.

Finite resource consumption

Our water baseline and performance against the water target was restated in 2023-24 to improve data accuracy and incorporate buildings that were not previously included. This resulted in an increase in overall water consumption, but our average consumption has remained consistent at 5.90m^3 per person per year. As part of our climate change mitigation activity, we continue to focus on reducing our water use, working with our water supplier, and using smart meter data to identify excessive water use, leaks and opportunities to improve efficiency. The introduction of the Home Office BREEAM policy also allowed us to apply a mandatory water efficiency credit to new build and property refurbishments, ensuring all projects follow best practice in water use.

Table 5: Water consumption

Metrics	2023-24	2024-25[18]	2025[19]
Water Consumption (m^3)			
Office estate	116,462	110,225	156,148
Whole Estate	348,766	384,495	460,254
Financial Expenditure (£'000)	**2,625**	**2,108**	**1,842**
Water supply and sewage costs[20]	291	467	468

18 2024-25 data has been restated to show the full financial year up to March 2025.

19 Data based on 01 January 2025 to 31 December 2025.

20 2024/25 financial figures have been restated due to a Machinery of Government change that was effective from 1st April 2025. This is in line with FReM 9.1.9 requiring the restatement of prior period comparatives.

TCFD-aligned disclosures

TCFD compliance statement

The Home Office does not hold a standalone principal climate change risk at the end of the reporting period. Further discussion is included within the 'climate risk management' section. We do not consider the non-mandatory recommended disclosures to be material to the Home Office (strategy, and metrics and targets disclosures (a) and (c).

Therefore this report does not include disclosures relating to these elements.

Where the department is unable to comply with the TCFD-aligned sustainability disclosures, this is due to the department's limited resources to collect and report on the necessary level of data.

Governance

Risk is managed through the Home Office's enterprise risk management framework (as set out in the Governance Statement), which includes processes to identify, assess and manage sources of risk. Climate-related factors are considered alongside other sources of risk within this process and are integrated into existing strategic and operational risks where relevant. We are progressing to the next stage in our maturing approach, which is to embed climate risk management at Group-level, where accountability for this risk is held by the relevant owners. Climate change is not treated in isolation; its effects are assessed as contributing factors to existing risks and managed accordingly.

Sustainability and climate-related risks and opportunities are overseen at senior level within the Home Office, with directorate accountability embedded through the line and escalation to the Executive Committee (ExCo) and the Audit and Risk Assurance Committee (ARAC). The Department's governance arrangements set out the roles of ARAC and management in overseeing climate-related risks and disclosures, embedding climate considerations in decision-making, performance management, project governance and business cases, and supporting transparent reporting in the ARA.

Risk management

The department is partially compliant with the risk management disclosure requirements. We are seeking to improve this, including through a revised Enterprise Risk Management Framework.

Climate security was previously identified as a principal risk but following the Department's annual risk refresh, will be embedded at group level, and it is now embedded in the way we consider risk drivers. The refresh concluded that the most significant climate-related impacts on the Department's objectives are realised through existing strategic risks, including migration, operational delivery, national security and wider system resilience. These impacts are typically indirect and third-order, rather than arising from direct physical climate risks to the Department's estate or operations. Responsibility for managing these impacts sits with the relevant risk owners, supported through the Department's enterprise risk management framework.

This change reflects a maturing integrated approach to climate risk management. In line with TCFD guidance, climate-related risks are managed as components of broader strategic risks within the Department's enterprise risk management framework.

The department does not use a carbon value, or internal carbon prices to appraise and evaluate policies, programmes or projects.[21]

Metrics and targets

Home Office uses several metrics and targets to measure our performance and to understand our vulnerability to climate-related risks. These include the GGC Targets and Net Zero 2050. The end of the 2024-25 financial year marked the end of the 2021-2025 round of GGCs. The information in this section therefore outlines performance against these four-year GGC targets.

The next round of GGCs commenced in 2025, with 2025–26 serving as the baseline year against which future performance will be assessed.

As part of the baselining exercise the Home Office has improved data collection and data quality. This has improved the accuracy and scope of utilities data and of domestic and international travel data. As a result, these datasets have been re-stated for previous years. Where property operators are not obliged to provide data, the Home Office has estimated the data.

Note that recommendation (b) of the metrics and targets section is covered above as part of the greenhouse gas emissions disclosures.

Other sustainability related disclosures

Sustainable construction

In 2025, the Home Office Executive Committee confirmed support for the department's Sustainable Construction BREEAM Policy, adopted by Home Office Property Services in November 2024. The policy strengthens the Government Buying Standard for property and embeds it in project delivery to reduce embodied and operational carbon. It includes 14 mandatory BREEAM credits linked to the GGCs and related targets.

To support delivery, we developed a user guide, BREEAM tracker, decision tree and derogation flowchart, and delivered training for Home Office Property Services staff.

21 Task Force on Climate-related Financial Disclosure (TCFD) -aligned disclosure application guidance, paragraph 6.2 – **www.gov.uk/government/publications/tcfd-aligned-disclosure-application-guidance/task-force-on-climate-related-financial-disclosure-tcfd-aligned-disclosure-application-guidance--2#metrics-and-targets**

Nature recovery and biodiversity action planning

Although the Home Office owns limited natural capital, it is developing a Nature Recovery Plan (NRP) to improve ecology across its estate. Biodiversity assessments at sites with significant land holdings have established baselines and identified opportunities for improvement. These will inform estate-wide NRP targets and actions, alongside site-specific recommendations for ecological management, habitat creation and enhancement.

We delivered Biodiversity Net Gain (BNG) training to property project teams to improve understanding of the framework, its requirements and its implications for project delivery.

Reducing environmental impacts from ICT and digital

We are delivering the Home Office Digital Sustainability Strategy to reduce the environmental impact of ICT and digital services and support net zero and the GGCs. Delivery is overseen through Home Office Digital governance and assurance. We work with suppliers and other departments to improve reporting, particularly for cloud services, with better assurance over carbon, energy and water data to support performance tracking and proportionate consideration of climate-related risks and opportunities.

We prioritise sustainability in device procurement by extending asset life to six to seven years and ensuring end-of-life devices are securely resold or recycled with full Waste Electrical and Electronic Equipment (WEEE) compliant traceability under a zero-to-landfill policy.

We also continue to reduce emissions through digital logistics and printing. Through GovPrint, printer numbers have fallen by 50% across our sites, with 1,100 removed and printing falling from 7 million to 4 million reams a month over five years, saving around 200 tonnes of CO2e and 200 MWh of electricity.

Sustainable procurement

The Home Office is delivering its Social Value 25-30 Plan, aligned to the Procurement Act 2023 and the National Procurement Policy Statement, to strengthen how social value is embedded in procurement and contract management.

To support delivery, we launched a Social Value Hub on SharePoint, delivered training on the Social Value model introduced on 1 October 2025, and reinforced expectations through supplier engagement and published case studies. We are also improving reporting and governance with Crown Commercial Service so social value is reflected more consistently in evaluations and contract KPIs, supporting clearer management of related risks and performance.

Climate change adaptation

Home Office operations and policy delivery are exposed to climate-related risks, and we continue to support cross-government adaptation activity.

In 2024/25, the department assessed the climate risks to its property assets, carrying out Climate Change Risk Assessments (CCRA) for the reference periods 2020 to 2039 (near-term), 2040 to 2059 (mid-term) and 2080 to 2099 (long-term), using two scenarios, RCP 2.6 (1.6°C) and RCP 8.5 (4.8°C). This approach aligns to Climate Change Committee guidance.

The CCRA assessed risks to the portfolio from eight climate impacts, considering Vulnerability (sensitivity and exposure) and Magnitude of impact in determining overall risk to property assets. Criticality of the property asset to business operations was also considered in the assessment of each property asset.

Our Climate Change Action Plan (CCAP) will assess the materiality of the risks identified and, in the first instance focus on the property assets most at-risk in the short to medium term. We will embed climate risks into our property acquisition and management plans, informing business continuity plans and incorporate resilience works in to estates maintenance and property refurbishment projects.

We will review our climate risks on a five yearly basis in accordance with HMT and GGC requirements, with the next CCRA planned for 2029.

Policy Objectives

Although the Home Office did not lead a government climate policy objective in 2025-26, it contributed to climate-security elements of cross-government strategies, including the National Security Strategy and the UK Government Resilience Action Plan, where these relate to departmental policy responsibilities. In 2025, we also completed an evidence assessment to strengthen understanding of risks to policy delivery. Relevant policy owners remain accountable for managing these risks through local processes, with central oversight of the cross-cutting approach.

Wider staff learning and participation

Alongside our in-house analysis and accredited expertise, we have broadened access to capability development and career pathways through partnerships with the Institute of Sustainability and Environmental Professionals and the UK Green Building Council, while continuing to upskill staff at all levels so climate and sustainability are embedded across the business.

Case Study

In 2025, Home Office Property Services held its fourth annual Sustainability Awareness Week, including lunch-and-learn sessions on sustainability and climate-related issues relevant to the department and staff roles. Topics included biodiversity and nature recovery, climate adaptation, the COP (Conference of Parties) process and climate impacts on policy delivery. Guest speakers from the Met Office, the UK Green Building Council, the Institute of Sustainability and Environmental Professionals and Mace helped attract more than 300 participants from the Home Office, devolved governments and across Whitehall.

UN Sustainable Development Goals (SDGs)

The Home Office contributes to a number of the UN's 17 Sustainable Development Goals (SDGs), particularly those most closely aligned to its responsibilities for crime, security and migration. Our work supports SDGs 3, 5, 8, 10 and 16, alongside SDGs 6 and 13 through corporate sustainability activity. Further detail is set out in the Performance section of this report.

Examples of where our work contributes to more than one Goal include:

- safer streets, protecting children and vulnerable people, and tackling violence against women and girls: SDGs 3, 5, 11 and 16
- disrupting organised crime, tackling fraud and economic crime, and strengthening cyber resilience: SDGs 3, 8, 10 and 16
- tackling modern slavery, supporting victims, and promoting decent work and economic resilience: SDGs 5, 8 and 16
- international engagement on peace, justice and strong institutions, including multilateral partnerships and treaty implementation: SDGs 16 and 17
- corporate action to support the Greening Government Commitments, reduce emissions and improve sustainable procurement: SDGs 6 and 13

Gareth Davies CB
Accounting Officer

9 July 2026

3

Accountability Report

Corporate Governance Report

Lead Non-executive Board Member's Report

The Home Office is responsible for public safety and policing, national security and our borders. This is a demanding agenda central to public confidence.

During 2025-26, the department set a clear strategic direction and laid the foundations for delivery of an ambitious reform agenda across asylum and returns, policing and public protection. We published Restoring Order and Control, setting out a comprehensive approach to asylum and returns reform, led delivery of major policing reform through the White Paper From Local to National: A New Model for Policing, and published Freedom from Violence and Abuse, a cross-government strategy to halve violence against women and girls within a decade. Alongside this, the department progressed the rollout of a more digital and secure border through Electronic Travel Authorisations and published further strategies on fraud and anticorruption.

With this agenda now firmly established, the focus turns to delivery, and the department has set out its priorities, outcomes and accountabilities for the year ahead in the Strategic Delivery Plan (SDP) for 2026-27, which was signed off by the departmental board in March 2026.

This is my final year as lead non-executive director. It has also been a year of transition for the department, including the arrival of a new Home Secretary and a refreshed departmental board. The board met twice during the year, in January and March, and I welcome the renewed focus on the board as the department's primary governance forum. Discussion centred on the Home Secretary's priorities, the realism of delivery plans, and the discipline required to deliver world class operational services within budget.

Non-executive directors operate across a balance of governance and advice. Both are essential and can be exercised at different levels: through system level oversight of how the department is run and held to account, and through more direct engagement on specific delivery challenges. Maintaining that balance has been particularly important during this period of change.

A central focus of my tenure as lead non-executive has been ensuring that the department operates through an effective and efficient, clearly articulated performance and delivery system, with transparent accountability and a strong line of sight from ministerial priorities through to operational delivery. Delivery of our Strategic Delivery Plan (SDP) is underpinned by the Home Office Performance System (formerly the Operating System which I have reported on in previous annual reports and accounts). This provides the mechanism through which progress against the SDP and the Home Secretary's priorities is tracked, performance issues are surfaced, risks are actively managed, and financial control is maintained. It also reinforces clear accountabilities, ensuring that ownership for delivery sits firmly through the line.

As I leave the department, I have been clear in my recommendations to the Home Secretary and the executive that the department must retain and protect the Performance System. Continued emphasis on the primacy of the line, clear ownership of outcomes, and performance led governance will be essential to sustaining progress.

The department experienced further senior leadership change during the year, including transition at Permanent Secretary level with Antonia Romeo being appointed as Permanent Secretary in 2025 and then being appointed as Cabinet Secretary this year. I have been encouraged by the leadership continuity provided by Simon Ridley as Second Permanent Secretary while maintaining delivery momentum against our priorities.

Also on the executive, Jerome Glass joined as Chief Operating Officer, a new position created after David Kuenssberg left the department as Director General, Corporate and Delivery. Jennifer Rubin left the department and Christophe Prince stood in as acting Director General, Science, Technology, Analysis and Research (STAR) before it was absorbed into other areas of the department. After Joanna Rowland left the department, her role as Director General, Customer Services was split into two: Marc Owen stood in as Interim Director General, Visas, Passports, Citizenship and Resettlement Services before Paul Morrison was appointed to that role full time, and Rannia Leontaridi was appointed as Director General Asylum. Also, in the Migration and Borders space, Martin Hewitt departed on the last day of this financial year, and Duncan Capps will act as Interim Border Security Commander. Jenny Richardson replaced Sarah Taylor as Chief People Officer and Mike McCarthy was appointed Director General, Digital and Innovation in a newly created role.

I am also delighted to welcome Liz Cohen, who joined the department in March 2026 and Mark Beaton, who will join at the start of April as new appointees to the non-executive team.

Non-executive directors have continued to play an important role across the department's principal governance forums, including the Investment Committee, People Committee and senior talent governance. Through these roles, non-executives have provided assurance and challenge on investment decisions, workforce capability and succession planning, ensuring these are consistently aligned to delivery priorities and performance expectations.

The Audit and Risk Assurance Committee (ARAC), chaired by James Cooper, has again focused this year on strengthening the department's approach to risk, internal control and assurance. A recurring theme has been the need for clearer executive ownership and more active use of risk, with particular attention on cyber security, data protection and health and safety, where ARAC has pressed for clearer accountability and sharper articulation of control effectiveness. This year, the committee has also begun to challenge the department more explicitly on how productivity is defined and measured. As James steps down in April 2026, I would like to record my thanks for his six years of service as ARAC Chair.

Alongside formal governance, non-executive directors have engaged directly on priority programmes and delivery challenges. This has included Jan Gower's work on supporting the transition away from the use of hotels for asylum accommodation, James Cooper's engagement on the Future Borders and Immigration System and sustained non-executive challenge on the Emergency Services Mobile Communications Programme, led by Phil Swallow and myself over several years.

I would like to thank my fellow non-executive directors for their exceptional commitment, insight and professionalism over my tenure. Their contribution consistently exceeds formal expectations and has been invaluable during a period of major reform and transition.

Above all, I would encourage the department to hold firmly to the Strategic Delivery Plan and the Performance System it has put in place. Clear priorities, disciplined performance management and strong line accountability are essential to sustaining progress and delivering the outcomes that matter most to the public.

Tim Robinson CBE
Home Office Lead Non-executive Director

Statement of Accounting Officer's responsibilities

Under the Government Resources and Accounts Act 2000 (the GRAA), HM Treasury has directed the Home Office to prepare, for each financial year, consolidated resource accounts detailing the resources acquired, held or disposed of, and the use of resources, during the year by the department (inclusive of its executive agencies) and its sponsored non-departmental and other arm's length public bodies designated by order made under the GRAA by Statutory Instrument 2025 no 268 (together known as the 'departmental group', consisting of the department and sponsored bodies listed at note 19 to the accounts). The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the department and the departmental group and of the income and expenditure, Statement of Financial Position and cash flows of the departmental group for the financial year.

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

- observe the Accounts Direction issued by the Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- ensure that the department has in place appropriate and reliable systems and procedures to carry out the consolidation process;
- make judgements and estimates on a reasonable basis, including those judgements involved in consolidating the accounting information provided by non-departmental and other arm's length public bodies;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts;
- prepare the accounts on a going concern basis; and
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

HM Treasury has appointed the Permanent Head of the department as Accounting Officer of the Home Office. In addition, HM Treasury has appointed an additional Accounting Officer to be accountable for that part of the department's accounts relating to specified Estimate sections and the associated assets, liabilities and cash flows. The appointment does not detract from the Head of Department's overall responsibility as Accounting Officer for the department's accounts.

The allocation of Accounting Officer responsibilities in the department is as follows:

- Gareth Davies CB – Permanent Secretary – responsible for Home Office as a whole
- Simon Ridley CB – Second Permanent Secretary – responsible for Migration and Borders Group, Border Security Command, Customer Services (Visas and Passports), Asylum Support, Resettlement and Accommodation, Border Force and Immigration Enforcement

The Accounting Officer of the department has also appointed the Chief Executives of its sponsored non-departmental and other arm's length public bodies as Accounting Officers of those bodies. The Accounting Officer of the department is responsible for ensuring that appropriate systems and controls are in place to ensure that any grants that the department makes to its sponsored bodies are applied for the purposes intended and that such expenditure and the other income and expenditure of the sponsored bodies are properly accounted for, for the purposes of consolidation within the resource accounts. Under their terms of appointment, the Accounting Officers of the sponsored bodies are accountable for the use, including the regularity and propriety, of the grants received and the other income and expenditure of the sponsored bodies.

For the period 29 March 2025 to 13 April 2025 Simon Ridley was the Accounting Officer for the department. From 14 April 2025 to 18 February 2026 Dame Antonia Romeo was appointed Permanent Secretary and took on the role of Accounting Officer with Simon Ridley returning to his role as Second Permanent Secretary and additional Accounting Officer with responsibilities as set out above. From 19 February 2026 to 5 April 2026 Simon Ridley acted as Permanent Secretary again and was sole accounting officer.

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 assets of the department, non-departmental or other arm's length public body for which the Accounting Officer is responsible, are set out in Managing Public Money published by HM Treasury.

As the Accounting Officer I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that Home Office's auditors are aware of that information. This includes taking assurance from directors general and obtaining assurance from the outgoing Accounting Officer as to the position of the department on their departure date. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

Directors' Report

Our ministers at 31 March 2026

The Rt Hon Shabana Mahmood MP

Secretary of State for the Home Department

Dan Jarvis MBE MP

Minister of State
Minister for Security

The Rt Hon Lord Hanson of Flint

Minister of State
Lords Minister

Sarah Jones MP

Minister of State
Minister for Policing and Crime

Our ministers at 31 March 2026 (continued)

Alex Norris MP

Minister of State
Minister for Border Security and Asylum

Jess Phillips MP

Parliamentary Under Secretary of State, Minister for Safeguarding and Violence Against Women and Girls

Mike Tapp MP

Parliamentary Under Secretary of State, Minister for Migration and Citizenship

Our executives at 31 March 2026

Simon Ridley CB
Acting Permanent Secretary

Dr Richard Clarke CB
Director General Public Safety and Safer Streets SRO

Dan Hobbs
Director General, Migration and Borders Group

Jerome Glass CB
Chief Operating Officer, Chief Operating Officer Group

Dr Rannia Leontaridi OBE
Director General, Asylum Group

Mike McCarthy
Director General, Digital and Innovation

Phil Douglas CB
Director General, Border Force

Dr Michelle Haslem CMG
Director General, Homeland Security Group

Martin Hewitt CBE QPM
Border Security Commander

Our executives at 31 March 2026 (continued)

Paul Morrison CBE
Director General, Visas, Passports, Citizenship and Resettlement Services

Bas Javid
Director General, Immigration Enforcement

Jenny Richardson
Chief People Officer

Our non-executives at 31 March 2026

Tim Robinson CBE
Lead Non-executive Director

James Cooper
Non-executive Director

Jan Gower
Non-executive Director

Phil Swallow
Non-executive Director

Liz Cohen
Non-executive Director

Other Independent members at 31 March 2026

John Aston
Independent Member, Audit and Risk Assurance Committee

Alan Hammill
Independent Member, Audit and Risk Assurance Committee

Ruth Murray-Webster
Independent Member, Audit and Risk Assurance Committee

Abi Tierney
Independent Member, Audit and Risk Assurance Committee

Changes to our senior decision-making forums in 2025-26

Person	Role	Change
The Rt Hon Yvette Cooper MP	Home Secretary	Departed on 5 September 2025
Seema Malhotra MP	Parliamentary Under Secretary of State (Minister for Migration and Citizenship)	Departed on 6 September 2025
The Rt Hon Dame Diana Johnson DBE MP	Minister of State (Minister for Policing, Fire and Crime Prevention)	Departed on 6 September 2025
Dame Angela Eagle DBE MP	Minister of State (Minister for Border Security and Asylum)	Departed on 6 September 2025
The Rt Hon Shabana Mahmood MP	Secretary of State for the Home Department	Appointed on 5 September 2025
Sarah Jones MP	Minister of State (Minister for Policing and Crime)	Appointed on 6 September 2025
Alex Norris MP	Minister of State (Minister for Border Security and Asylum)	Appointed on 6 September 2025
Mike Tapp MP	Parliamentary Under Secretary of State (Minister for Migration and Citizenship)	Appointed on 6 September 2025
Dame Antonia Romeo DCB	Permanent Secretary	Appointed on 14 April 2025 Departed on 18 February 2026

Person	Role	Change
Simon Ridley CB	Acting Permanent Secretary Substantive role was Second Permanent Secretary for the full accounting period	From 29 March 2025 to 13 April 2025 From 19 February 2026 to 5 April 2026
Director General Homeland Security	Director General Homeland Security	Departed on 30 September 2025
Dave Kuenssberg	Director General, Corporate and Delivery	Departed on 6 July 2025
Professor Jennifer Rubin	Director General, STAR and Chief Scientific Adviser	Departed on 31 December 2025
Christophe Prince	Acting Director General, STAR	From 13 to 28 December 2025
Duncan Tessier	Acting Director General Homeland Security	From 26 September 2025 to 12 October 2025
Joanna Rowland	Director General, Passports, Visa and Asylum HO	Departed on 2 December 2025
Marc Owen	Interim Director General, Visas, Passports, Citizenship and Resettlement Services	From 17 November 2025 to 12 January 2026
Sarah Taylor	Chief People Officer	No longer a member of ExCo as of 14 April 2025
Martin Hewitt CBE QPM	Border Security Commander	Departed on 31 March 2026
Jerome Glass CB	Chief Operating Officer	Appointed on 16 June 2025
Dr Michelle Haslem CMG	Director General, Homeland Security Group (HSG)	Appointed on 13 October 2025
Dr Rannia Leontaridi OBE	Director General, Asylum Group	Appointed on 1 November 2025
Mike McCarthy	Director General, Chief Digital and Innovation Office	Appointed on 12 January 2026
Paul Morrison CBE	Director General, Visas, Passports and Citizenship Services	Appointed on 12 January 2026

Person	Role	Change
Rebecca Ellis	Strategy Director	Departed on 7 April 2025
Séverine Gould	Acting Strategy Director	No longer a member of ExCo as of 14 April 2025
Jenny Richardson	Chief People Officer	Appointed on 12 January 2026 and joined ExCo as an associate member, made a full ExCo member on 23 January 2026
Robert Hall	Director of Communications	No longer a member of ExCo as of 14 April 2025
John Ward	Legal Director	No longer a member of ExCo as of 14 April 2025
Ruth Tomlinson	Legal Director	No longer a member of ExCo as of 14 April 2025
Alan Hammill	Independent Member	Departed on 31 March 2026
Liz Cohen	Non-executive Director	Appointed on 1 March 2026

As of 14 April 2025 ExCo was changed to be a directors general only committee meaning the Directors for Communications, Strategy and Legal were removed.

The Home Office organisational structure

The Home Office is responsible for public safety and policing, national security and border security, and our organisational structure reflects these priorities. Our strategic outcomes are delivered by bringing together policy development, operational delivery and enforcement, working closely with partners across government, policing, the criminal justice system and international counterparts. This includes working with more than 30 arm's length bodies, agencies and public organisations, recognising that many of the challenges we face require coordinated action across complex delivery systems.

Delivery across the department is supported by strong central functions that provide strategic direction, underpinned by evidence and provides the enabling services needed to deliver our objectives. This includes oversight of performance and resources, and coordination where outcomes depend on multiple parts of the department working together.

Senior appointments and management of interests

Appointment of senior officials

The permanent head of the department was appointed by the Prime Minister on the recommendation of the Head of the Home Civil Service (Cabinet Secretary) and with the agreement of the Ministerial Head of the department. All Executive Committee appointments are permanent Civil Service appointments, the terms of which are set out in the standard Senior Civil Service contract.

Public appointments

All appointments to Home Office sponsored public bodies are made in accordance with the principles of merit, openness, and fairness, as set out in the Commissioner for Public Appointments (OCPA) Code of Practice.

Business appointment rules

Senior Civil Servants (SCS) leaving the Civil Service are asked to complete a Business Appointment Rules (BAR) application seeking permission to take up a new appointment. If a trigger is met, the application is processed by the SCS HR Team. The Permanent Secretary is responsible for reviewing and approving all applications from former SCS PB1s and 2s, and former Special Advisers (SpAds) at SCS PB1-3 equivalent level. The Civil Service Commission is responsible for reviewing all other SCS PB3-4 BARs cases.

Exits from senior Civil Service

Number of exits from the SCS – 2025-26	
SCS4	0
SCS3	2
SCS2	5
SCS1	6
Number of BARs applications assessed by the department – 2025-26	
SCS2	2
SCS1	0
Number of BARs applications where conditions were set	
SCS2	2
SCS1	0

There were no breaches of the rules in 2025-26 with regard to exits from the senior Civil Service.

There were no applications in 2025-26 that were found to be unsuitable for the applicant to be taken up by the department.

In compliance with BARs, the department is transparent in the advice given to individual applications for senior staff, including special advisers. Advice regarding specific business appointments has been published on GOV.UK – Home Office: business appointment rules advice.[1]

1 www.gov.uk/government/publications/home-office-business-appointment-rules-advice

Quarterly updates are also provided to the Home Office Audit and Risk Assurance Committee which are aligned with the quarterly transparency requirements set by Cabinet Office.

The BARs policy and process is highlighted in SCS contracts and leavers guidance.

Non-executive board members – appointment and terms

Independent non-executive Board Members are appointed through fair and open competition by the Home Secretary in accordance with public appointment rules. Non-executive Board Members are appointed for an initial period of three years with an option to extend for a further three years. These appointments can be terminated with one month's notice period.

Declaration of Conflicts of Interest

It is Home Office policy, which aligns with the Civil Service Code, that requires all staff to ensure there is no conflict of interest, or apparent conflict of interest, between their official positions and any financial or non-financial interests, which they or those close to them may have. The policy provides guidance on matters that could be construed a conflict of interest.

Register of Interests

All SCS grades and Non-executive Board Members are required each year to consider the guidance and make a declaration on whether any such conflict may exist. These details are maintained in a register of interest to ensure that any perceived or real conflicts of interest can be identified. Relevant information is held by the department in a central register alongside mitigation measures taken. There were no conflicts of interest to report for SCS grades. The register of ministers' financial interests is held by Parliament and other relevant interests are held by the Cabinet Office.

Non-executive Board Members' interests

Name of Company or Organisation	Position Held	Type of Interest	Other information
Tim Robinson CBE			
Place2Be	Trustee	Unpaid	
Advent International	Operating Partner, Advisory	Remuneration by hours worked	
Blackstone	Industry Adviser	Remuneration by hours worked	
Single Use Support	Non-executive Chairman of the Advisory Board	Fees paid	
Novo Holdings Advisory Group	Adviser	Fees paid	
Peoples Strategy Project	Director	Unpaid	
James Cooper			
GB Railfreight Ltd	Chairman	Paid	
Forth Ports Ltd	Non-executive Director	Paid	Border Force is a tenant
Solent Stevedores Ltd	Consultant	Fees paid	
Jan Gower			
Medway Consulting	Partner	Profit Share	
Management Consultancy Industry Awards	Judge	Unpaid	
Intellectual Property Office	Independent Adviser	Fees	
Ministry of Housing, Communities and Local Government	Independent Adviser	Fees	
Department for Transport	Independent Adviser	Fees	

Name of Company or Organisation	Position Held	Type of Interest	Other information
Phil Swallow			
London Transport Museum	Member of Enterprise Board	Unpaid	
Taw Valley Ltd	Director	Unpaid	
Locomotive Services (TOC) Limited	Non-executive Director	Paid	
HS2	Senior Advisory Panel Member	Paid	
Accenture – ceased November 2025	Senior Adviser	Paid – ceased November 2025	Some work on government team, previously on METIS
Liz Cohen			
Department for Science, Innovation and Technology	Board Member and Chair of ARAC	Paid	
Copper Mark	Board Member and Member of Risk Committee	Paid	

Mitigations have been put in place in relation to potential perceived conflicts of interest for the department's non-executive board members. The Home Office non-executive board members are required to report any conflict of interests that arise and recuse themselves from any discussions which may give rise to an actual or perceived conflict of interest. There was no requirement to enact this mitigation in 2025-26.

No executive members of the board reported any significant company directorships or other interests that may conflict with their management responsibilities.

In line with the current Declaration of Interests Policy for special advisers, all special advisers have declared any relevant interests or confirmed they do not consider they have any relevant interests. The Permanent Secretary has considered these returns and the following relevant interests are set out in public:

Full Name	Details of interest
Jamie Williams	Mr Williams' brother held ministerial positions in the Cabinet Office and the Department for Science, Innovation and Technology.
Sophie Linden	Ms Linden is recused from involvement in discussions or matters relating to Sheffield Hallam University.

Personal Data Related Incidents

Summary of other personal data incidents formally reported to the Information Commissioner's Office in 2025-26

The department notified the Information Commissioner's Office (ICO) of 17 incidents during the 2025-26 reporting period.

Category	Nature of Incident	2025-26 Total	2024-25 Total
I	Loss of inadequately protected electronic equipment, devices or paper documents from secured government premises	0	0
II	Loss of inadequately protected electronic equipment, devices or paper documents from outside secured government premises	2	2
III	Insecure disposal of inadequately protected electronic equipment, devices or paper documents	0	0
IV	Unauthorised disclosure	11	10
V	Other	4	3
Total		**17**	**15**

Processes for identifying, managing and resolving personal data breaches are aligned with data protection legislation and regulatory guidance, providing a consistent framework for centralised reporting across the department.

The number of reported personal data incidents continued to increase during the year, reflecting improved data protection maturity and awareness. This trend is considered indicative of the department's strengthened capability to recognise, report and manage incidents, the majority of which remain low risk. Increased reporting has been driven by continued staff education, strengthened policy and the development of a no blame culture that promotes timely reporting as a basis for organisational learning and improvement.

Despite higher reporting volumes, ICO referrals in 2025-26 remained proportionately low. While the number of referrals increased compared with recent years, several related to historic incidents, external bodies, or were subsequently withdrawn. When considered alongside a 6% increase in reported incidents, the rise in referrals does not indicate a deterioration in data protection compliance. Viewed over the period since the introduction of GDPR, ICO referrals as a proportion of total incidents demonstrate an overall strengthening of controls. The Office of the Data Protection Officer continues to support transparent and constructive engagement with the ICO.

Reported incidents remain concentrated in business areas processing the highest volumes of personal data. Increased awareness of information security has also resulted in changes to the types of incidents reported, including greater recognition and reporting of near misses, supporting improved risk understanding. While reporting volumes currently continue to rise, this reflects increasing processing complexity and positive engagement by the business in seeking advice on incident management and risk mitigation.

Reporting is expected to increase further in 2026-27 as processes and capability continue to mature, with improved management information supporting a greater focus on mitigation and lessons learned over time.

The Home Office processes significant volumes of personal data, and incident numbers should be considered in that context. A notable proportion of incidents continue to relate to physical documents lost in transit due to delivery partner error. While continued action is required to reduce these events, they represent a small proportion of overall applications handled.

Complaints to the Parliamentary Ombudsman

The Parliamentary and Health Service Ombudsman received a total of 660 complaints against the Home Office during 2024-25, an increase of 41 (6.6%) compared to the 619 complaints in 2023-24. This report was published in November 2025 and is the period for which the most recently published data is available.[2]

In regards to data within table on the next page, the department is not able to produce reliable data for the period under review regarding the number of Ombudsman recommendations that have been complied or not complied with.

2 www.ombudsman.org.uk/annual-complaints-data/type/home-office

Organisation	Complaints Received	Complaints Resolved by mediation	Decided following primary investigation	Resolved with agreement of the complainant at initial checks or Primary Investigation	Complaints accepted for Detailed Investigation	Detailed Investigations fully upheld	Detailed Investigations partly upheld	Detailed Investigations not upheld	Detailed Investigations Resolved with the agreement of the complainant	Detailed Investigations discontinued	Uphold rate (only upholds)	Uphold rate (upheld or partly upheld)
Home Office Group	**660**	**0**	**78**	**2**	**12**	**5**	**0**	**2**	**0**	**2**	**24%**	**24%**
Greater Manchester Police	3	0	0	0	0	0	0	0	0	0	0%	0%
HM Passport Office	88	0	13	2	1	1	0	1	0	0	50%	50%
Home Office	241	0	32	0	4	1	0	0	0	1	50%	50%
Metropolitan Police Service	13	0	1	0	0	0	0	0	0	0	0%	0%
Northumbria Police	1	0	0	0	0	0	0	0	0	0	0%	0%
Office for the Independent Examiner of Complaints (IEC)	2	0	0	0	0	0	0	0	0	0	0%	0%
Office of the Immigration Services Commissioner	0	0	1	0	0	0	0	0	0	0	0%	0%
Police	50	0	3	0	2	0	0	0	0	0	0%	0%
Security Industry Authority	10	0	1	0	0	0	0	0	0	0	0%	0%
The Disclosure and Barring Service	56	0	14	0	0	0	0	0	0	0	0%	0%
UK Visas and Immigration	193	0	13	0	5	3	0	1	0	1	60%	60%
West Midlands Police	3	0	0	0	0	0	0	0	0	0	0%	0%

The Home Office deals with two types of complaints:

- formal complaints are those made by outside organisations about the behaviour of members of staff
- operational complaints refer to the way in which a person's case is dealt with

The department believes that complaints are an opportunity to improve its services and we see complaints as opportunities for us:

- to learn about the quality of the service we give, and to improve it
- to improve our service, rather than just fixing a specific problem for an individual
- to take responsibility for complaints on our subject area, we 'own' the complaint on behalf of the organisation; the complainant 'owns' the original issue

The Home Office has published its complaint handling procedure on GOV.UK.[3]

For more information on the Ombudsman complaints process, classification of complaints and where to find recent reports and consultations refer to: **www.ombudsman.org.uk/home**

The Home Office works closely with the Independent Examiner of Complaints (IEC) which is an independent complaint investigation service for individuals who are dissatisfied with the Home Office's final response to a complaint. We have continued to build a positive working relationship with the IEC through a programme of visits, regular conversations with the directors general and the senior team. Its recommendations have supported the department in reviewing our approaches to complaints handling and have provided us with insights on systemic issues. The IEC Annual Report can be found at Independent Examiner of Complaints Annual Report 2024 to 2025 on GOV.UK.[4]

Performance in responding to correspondence from the public

In 2025-26, Home Office headquarters received 6,465 letters and emails which required an official response. We replied to 85% of this correspondence within 20 working days against a target of 95%.

Compared to 2024-25 with 7,773 letters and emails, this year's performance in responding to correspondence from the public was 7% lower, and the volume received was 17% lower.

The Central Drafting Team is working closely with those areas that are required to draft bespoke and sometimes more complex responses, and that are falling behind target, in a drive to improve performance.

Volume is down a result of more robust approach in what we consider appropriate to receive a reply and the introduction of a webform as the primary means of contacting the department.

3 www.gov.uk/government/organisations/home-office/about/complaints-procedure
4 www.gov.uk/government/publications/independent-examiner-of-complaints-annual-report-2024-to-2025

Governance Statement

How we are governed

The Home Office operates and follows the principles of good governance in accordance with HM Treasury and Cabinet Office guidance. The Home Office vision for corporate governance is to create an efficient and effective decision-making structure that is inclusive, accountable, and transparent.

Governance Structure – Departmental Board to Group Level Governance

The Departmental Board, chaired by the Home Secretary on a quarterly basis, provides strategic oversight and direction and ensures the department is delivering effectively against the Home Secretary's priorities and the Strategic Delivery Plan. This is supported by the day-to-day work of the Home Secretary and the wider political team. The Executive Committee (ExCo), chaired by the Permanent Secretary, provides day-to-day executive leadership and management of the department on behalf of the departmental board.

ExCo is supported by the People Committee and Investment Committee. Each DG Group operates its own governance and performance structures aligned to the principles of the Performance System and the broader departmental governance principles.

The Home Office Performance System

The Performance System underpins governance across the department. It operates on the principles of 'accountability through the line' and provides a consistent structure of reporting against outcomes, metrics and targets in the SDP. This approach provides clarity on how the department is delivering against its strategic outcomes, priorities and manifesto commitments, and which levers are available to the Home Secretary, Ministers and Permanent Secretaries.

The Performance System is owned and led by the Permanent Secretary, with ExCo holding regular discussions on performance and risk. These discussions are underpinned by Permanent Secretary-led stocktakes with DG, enabling them to hold the department to account on our top priorities, track performance, progress, risk and the control framework through the line management chain.

The directors general and their teams are primarily responsible for the routine reports that service performance stocktakes. These reports directly inform the reporting that goes to the Board. Assurance processes are built into the reporting processes to ensure the quality and accuracy of data. The Performance, Risk, Assurance and Governance (PRAG) directorate provide first line assurance around the content and accuracy of the stocktake packs are carried out at the business area level.

Alongside embedding the Performance System in DGs' business areas, work is underway to improve the second line assurance at the centre to ensure accuracy, completeness and validity of data included in stocktake performance packs.

Corporate governance, management, and controls

We are governed by:

- the Secretary of State's overall responsibility for governance of the Home Office and its arm's length bodies
- the Permanent Secretary's responsibility both to the Secretary of State and directly to Parliament as the Principal Accounting Officer both for management and expenditure
- the Departmental Board's collective responsibility for advice on strategic and operational issues and overseeing the work of the department. Its sub-committees provide layers of control, scrutiny, and assurance to ensure that the department has been achieving its aims and objectives

The department has a Grant Governance, Management and Assurance framework which sets out the controls in place to support Accounting Officer assurance. It complements departmental grant-making processes and wider government policy. Appropriate monitoring is undertaken to review progress, expenditure, resourcing, risks and issues, with agreed actions and an ongoing assessment of delivery confidence.

Oversight of grant-making activity includes the Grant Challenge Panel (GCP), a subcommittee of the Investment Committee, which provides an ongoing control for general grants. The GCP undertakes internal review of grant scheme proposals, drawing on independent subject matter expertise to scrutinise proposals. Its outputs provide assurance to the Accounting Officer that grants are awarded appropriately, with due regard to propriety, regularity, feasibility and value for money.

The Home Office governance structure as of 31 March 2026

Department Board
Chair: Home Secretary
Provides the collective strategic and operational leadership of the department and is supported by its committees

Executive Talent Board
Chair: Permanent Secretary
Oversight of DG workforce, SCS talent and remuneration

Audit and Risk Assurance Committee
Chair: Non-executive Director
Scrutinises the department's governance, Annual Report and Accounts (ARA) and management of risk

Senior Talent Committee
Chair: Permanent Secretary
Oversight of SCS1 and 2 talent and workforce supported by the Deputy Director Talent Board

Executive Committee
Chair: Permanent Secretary
Provides direction on significant strategy decisions and cross-departmental issues to ensure the department is equipped to deliver its objectives

People Committee
Chair: DG Immigration Enforcement
Oversight of the people agenda, strategy and cross-cutting people issues

Investment Committee
Chair: Chief Operating Officer
Responsible for investment strategy, approval of investments and portfolio management

Our boards and committees

Departmental Board

The departmental board (the Board) is chaired by the Home Secretary, and comprises of all Non-executive Directors, all Ministers, the Permanent Secretaries, and the Chief Operating Officer, with other members of ExCo attending where necessary. It forms the collective strategic leadership of the Home Office with a broad purpose to steer and scrutinise the department's strategy, performance, and capability.

The Board's responsibilities are to:

- provide long-term strategic direction for the department that supports delivery of the department's performance objectives
- scrutinise, advise, and assure the department's performance against its delivery of the SDP and priority policies
- ensure the design, capability and capacity of the organisation matches current and future commitments and plans
- shape, test and assure strategic engagement across government
- provide leadership by defining and supporting the department's purpose, values, and approach to delivery

Due to ministerial changes only two Boards were held this financial Year. Following those two boards, the Departmental Board undertook a light touch effectiveness review, which found it is increasingly operating as the department's primary governance forum, providing strategic oversight and effective challenge. The review identified a need to strengthen integrated performance and corporate reporting to support more forward looking discussions and a clearer "single version of the truth", and to refine the balance between policy and delivery issues. Actions are in train to improve information quality and embed the Board within the wider performance system, with progress monitored through its forward workplan.

A review on the effectiveness of the Board was undertaken by the Lead Non-Executive Director. The Board evaluation found recent changes to be a positive step, strengthening its role as the Department's primary governance forum and a key mechanism for holding Permanent Secretaries to account.
To maximise effectiveness, interviewees emphasised the need for concise, consistent performance and corporate health information – aligned with ExCo – to enable a more forward-looking, risk-aware focus on mission-critical issues. Continued refinement is needed in balancing policy and cross-cutting discussions, supporting delivery of the Strategic Delivery Plan, and encouraging open discussion of options and trade-offs to make best use of ministerial and Non-Executive input.

Audit and Risk Assurance Committee

The Audit and Risk Assurance Committee (ARAC) is chaired by our Non-executive Board Member, James Cooper. It met five times and provides an independent view of the adequacy of the department's risk, control, and governance arrangements.

This year, alongside usual assurance activities, was an increased focus on risk management within the director general commands and Arm's Length Bodies, lessons learned from key risk events and how the Home Office measures productivity.

The committee held an additional meeting to review and make a recommendation on the approval of the Home Office Annual Report and Accounts.

Executive Talent Board

The Executive Talent Board is chaired by the Permanent Secretary and provides a forum for strategic discussions on talent, pay and performance of our most senior staff. It is attended by the Second Permanent Secretary, the Lead Non-executive Board Member, and Chief People Officer. It met three times this year, holding discussions on the full range of its responsibilities set out below.

It was supported by the Senior Talent Committee which fulfils the same purpose for SCS PB2s and the Deputy Director Talent Board for SCS PB1s. These Boards fulfil the role of a nominations committee as set out in the Corporate Code of Governance.

The responsibilities are to:

- oversee and lead on the department's processes for developing talent in the directors general (SCS PB3) population
- decide reward and incentive strategies for the SCS and take overall responsibility for decisions on the implementation of the SCS pay award
- oversee succession planning and pipeline into these roles

Executive Committee (ExCo)

The Executive Committee is chaired by the Permanent Secretary and attended by directors general and senior leaders across the Home Office. It provides direction on the significant strategy decisions and cross-departmental issues to ensure the department is equipped to deliver its objectives. It met twenty-one times.

During the year, the composition of the Executive Committee (ExCo) was refined to support effective strategic leadership and decision-making. On joining the department, the previous Permanent Secretary streamlined ExCo membership to directors general only (from 14th April 2025, the Chief People Officer, Strategy Director, Legal Directors and Communications Director no longer attended ExCo) reflecting ExCo's role as the department's senior strategic forum. The Chief People Officer was subsequently included as an associate member, recognising the importance of people leadership in departmental decision-making while maintaining a clear focus on strategic accountability. Following the Permanent Secretary's departure, the Acting Permanent Secretary formalised this arrangement by confirming the Chief People Officer as a full member of ExCo, ensuring appropriate senior representation for the department's people agenda.

ExCo is supported by the following subcommittees:

- the People Committee, chaired by the director general Immigration Enforcement, has oversight and responsibility for the departmental people agenda, strategy and cross-cutting people issues. It tracks business area performance against key people metrics
- the Investment Committee, chaired by the director general Chief Operating Officer Group, provides governance, assurance and oversight of the Home Office's significant investment decisions for all GMPP and HOC programmes as well as portfolio management and delivery

Board and committee attendance in 2025-26 (up to 31 March 2026)

Name	Departmental Board	Audit and Risk Assurance Committee	Executive Talent Board	Executive Committee
Ministers				
The Rt Hon Shabana Mahmood MP	1/2	–	–	–
Alex Norris MP	2/2	–	–	–
Sarah Jones MP	1/2	–	–	–
Mike Tapp MP	2/2	–	–	–
The Rt Hon Lord Hanson of Flint	1/2	–	–	–
Jess Phillips MP	1/2	–	–	–
Former Ministers				
The Rt Hon Yvette Cooper MP	–	–	–	–
The Rt Hon Dame Diana Johnson DBE MP	–	–	–	–
Dame Angela Eagle DBE MP	–	–	–	–
Seema Malhotra MP	–	–	–	–
Executive Directors				
Simon Ridley CB	2/2	1/1	3/3	21/21
Bas Javid	1/1	1/1	2/2	16/21
Dan Hobbs	2/2	–	–	19/21
Jenny Richardson	–	1/1	–	5/6
Jerome Glass CB	2/2	4/5	–	16/17
Martin Hewitt CBE QPM	–	–	–	16/21

Name	Departmental Board	Audit and Risk Assurance Committee	Executive Talent Board	Executive Committee
Dr Michelle Haslem CMG	–	–	–	9/12
Mike McCarthy	–	1/1	–	6/6
Dr Rannia Leontaridi OBE	1/1	–	–	10/10
Dr Richard Clarke CB	–	1/1	–	19/21
Paul Morrison CBE	–	1/1	–	5/6
Phil Douglas CB	–	1/1	–	19/21
Former Executive Directors				
Dame Antonia Romeo DCB	1/1	1/4	3/3	16/17
Former DG Homeland Security Group	–	1/1	–	8/9
Christophe Prince	–	–	–	1/1
Séverine Gould	–	–	–	1/1
David Kuenssberg	1/1	1/1	–	4/4
Professor Jennifer Rubin	–	1/1	–	13/14
Joanna Rowland	–	1/1	–	11/11
Marc Owen	–	–	–	4/4
Robert Hall	–	–	–	1/1
Ruth Tomlinson	–	–	–	1/1
John Ward	–	–	–	0/1
Sarah Taylor	–	–	1/3	1/1
Non-executive Board Members				
Tim Robinson CBE	2/2	–	3/3	–
James Cooper	2/2	5/5	–	–

Name	Departmental Board	Audit and Risk Assurance Committee	Executive Talent Board	Executive Committee
Jan Gower	2/2	1/1	–	–
Phil Swallow	2/2	–	–	–
Liz Cohen	1/1	1/1	1/1	–
Former Non-executive Board Members				
Independent Audit and Risk Assurance Committee Members				
John Aston	–	5/5	–	–
Alan Hammill	–	5/5	–	–
Ruth Murray-Webster	–	5/5	–	–
Abi Tierney	–	5/5	–	–

Our approach to risk

In 2025-26, the Home Office strengthened risk management following GIAA findings, focusing on strategic risk, accountability, and alignment of its risk register to priority outcomes. Between October and December the Executive Committee also reset its principal risks, identifying 16 new or significantly updated items, making sure each one relates to Home Office priority outcomes and is scrutinised and managed according to the Committee's new approach. In 2026-27 we will focus efforts on ensuring risk information is useful and is being used to inform decision-making across the department.

During the year, the risk function undertook sampling of directorates' self-assessments of risk maturity to identify trends and inform improvement planning. This work indicates that compliance with the Home Office Enterprise Risk Management Framework, which has been in place throughout 2025-2026, and with the principles set out in the Orange Book, has improved since the introduction of these measures in 2023-24. Further development is needed in strengthening risk strategies (Orange Book Principle B: 'Integrated') and in consistently assuring and learning from risk management practices (Orange Book Principle E: 'Continuous improvement'). These areas will be addressed through Director General–led risk improvement plans and targeted capability-building activity delivered by the risk function.

A selection of the department's principal risks are set out on pages 92-97. New risks include Border System Resilience and Public Safety and Confidence in the Police. Significantly updated risks include Financial Management and Health, Safety (H&S) and Fire Management.

Better regulation

The Home Office is fully committed to ensuring the proper balance between its responsibility to protect the public, preserve national security and ensure its firm commitment to support wider government principles of better regulation. It does this through the careful examination of policy initiatives to ensure that regulation affecting business and civil society is both proportionate and introduced only where there is a clear case for doing so.

The Home Office has continued to promote effective policymaking through well-evidenced economic appraisals, with the Better Regulation Framework embedded in the policy delivery lifecycle.

In the current financial year, the Home Office submitted one post implementation review, one impact assessment and two options assessments to the Regulatory Policy Committee for independent scrutiny, all of which received green 'fit for purpose' opinions. The department has also submitted a further four options assessments, which are currently undergoing independent scrutiny as at end March 2026.

Machinery of government changes

On 4 September 2024, the Prime Minister announced that the government would respond in full to the Grenfell Phase 2 Inquiry report within six months. In response to the recommendation from Phase 2 of the Grenfell Tower Inquiry, it was confirmed that responsibility for fire will move from the Home Office to the Ministry of Housing, Communities and Local Government. This change will bring responsibility for building safety and fire under a single Secretary of State, providing for a more coherent approach to keeping people safe from fire in their homes. The Home Office will retain management of the Airwave Service Contract on behalf of the Ministry of Housing, Communities and Local Government and will remain responsible for the Emergency Services Mobile Communications Programme and His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS).

This change was effective from 1 April 2025.

Political and charitable donations

The Home Office has not made any political or charitable donations during 2025-26.

Ministerial Directions

No Ministerial Directions were sought during 2025-26.

Financial governance, management, and controls

Financial governance

The department's finance function is responsible for the planning, reporting, management and monitoring of allocated budgets, driving the productivity and efficiency agenda and Performance, Risk, Assurance and Governance (PRAG) is responsible for leading the risk management function across the Home Office.

The department's business planning process allocates the budget voted by Parliament to all parts of the organisation. This process has been developed and expanded to include a specific focus on productivity and efficiency in line with government and ministerial objectives.

The Finance Directorate monitors budgets and forecasts to ensure alignment with decisions taken by Ministers and the Board. This oversight supports the effective management of departmental resources and helps ensure that expenditure remains within Parliamentary control totals.

The department continues to work closely with HM Treasury with frequent engagement between the department and HM Treasury.

Financial and corporate planning

The Home Office 2025-26 budget was initially developed as part of phase one of Spending Review (SR) process during the Summer of 2024 – as part of this additional funding for asylum and tackling illegal migration was agreed.

Following a rigorous budget planning process and consideration of priorities and savings, final budget allocations for each area were signed off by the Executive Committee on 5th December 2024 and agreed by the Home Secretary on 6th December 2024.

During the second phase of the SR, concluding in June 2025, the Home Office budgets for 2026-27 through to 2028-29 were agreed, underpinned by a detailed review of departmental spend. As in phase one, directors general were required to identify efficiencies as part of this to ensure investment in governmental priorities.

The department will continue to monitor emerging risks, reassess priorities and identify further savings through its annual budget-setting process.

Whistleblowing

The Home Office 'Whistleblowing and Raising a Concern' policy aligns with the principles of the model policy recommended by Cabinet Office. The current version is under review and subject to further refinement following recent reviews and legislative changes.

The Home Office policy allows staff to raise legitimate issues of public interest via their manager, a confidential central reporting hotline and email address, and through a network of Nominated Officers embedded within directors general commands. This is complemented by a board-level Senior Responsible Officer.

The Home Office Professional Standards Unit (PSU) within Security and Investigations provide an independent team of investigators, separate from business areas, to thoroughly investigate concerns that are raised. Their role is also to consider and, where deemed necessary, recommend improvements in departmental procedures and new safeguards, and monitor that any such agreed improvements are implemented.

The executive holds responsibility for ensuring the department is operating appropriate and effective whistleblowing practices for its staff and the Home Office Audit and Risk Assurance Committee (ARAC) is responsible for governing the arrangements that the executive have put in place. The committee reviews a high-level summary of the department's whistleblowing cases annually with Human Resources in their capacity as policy owners, and the Professional Standards Unit who operate the policy, supported by Nominated Officers.

Fraud and bribery

The Home Office assesses its counter-fraud activity against the Cabinet Office Counter Fraud Functional Standard and reports fraud and error losses to the Public Sector Fraud Authority (PSFA). A departmental fraud action plan supports continuous improvement.

The department works with the PSFA to strengthen fraud detection, prevention and recovery. Material losses are reported in line with Managing Public Money, the Financial Reporting Manual and PSFA requirements. The Home Office operates a federated counter-fraud model, with each director general accountable for performance in their command. The Director General, Chief Operating Officer Group, is the accountable board member for counter fraud and oversees governance and assurance.

The department's counter-fraud strategy, policy and response plan support the management of fraud and related risks. A revised policy was introduced this year and an updated response plan is due in Q2 2026-27. A new three-year strategy will be launched in 2026 to strengthen fraud-risk foundations, improve detection and support a more data-driven counter-fraud culture. The department has secured Organisational Membership of the Government Counter Fraud Profession.

The department continues to strengthen the use of Fraud Risk Assessments within wider risk management. In line with Managing Public Money, it undertakes Initial Fraud Impact Assessments and full Fraud Risk Assessments, which are reflected in spending proposals in line with HM Treasury expectations.

Within the Grants Function, Fraud Risk Assessments, due diligence and fraud reporting are required through approvals and grant agreements. For multi-year schemes, fraud risks and due diligence are reviewed annually, with gold and silver tier schemes reviewed by the Counter Fraud Team. New gold-tier, high-value, novel, contentious or manifesto-linked schemes are referred to the Cabinet Office Complex Grants Advice Panel at design stage. Gold, silver, high-risk and politically sensitive schemes are also reviewed by the Grants Challenge Panel.

Assurance

Operational assurance

Under the Home Office Operating System, the Permanent Secretaries oversee departmental assurance and risk through delegated management arrangements. The department relies on assurance from multiple sources, consistent with good practice. The department's assurance model is based on the three lines of defence: management assurance, independent oversight through risk, compliance and quality functions, and independent assurance, including Government Internal Audit Agency.

During the year, the Assurance Team worked with third-line providers, particularly the Government Internal Audit Agency, to strengthen audit delivery. It issued a new Audit Process and Recommendations Handbook. It also embedded a compliance framework setting out core management assurance principles, standard activities and reporting expectations to strengthen compliance with policy, standards and statutory requirements. SCS2 reporting informs Director General discussions, organisational learning, Audit and Risk Assurance Committee scrutiny, and Permanent Secretaries' stocktakes.

During the year, the Assurance Team introduced Director General compliance dashboards to support bi-monthly discussions with Permanent Secretaries and directors general and, with the Central Risk Team, delivered a learning programme to strengthen first and second-line assurance and risk capability. The Central Audit Recommendation and Risk Tracking Team manages the system that records the department's most significant risks and tracks recommendations from internal and external scrutiny in a single platform.

Functional standards

Since September 2021, government functional standards have set expectations for the consistent governance of 13 central functions: Digital, Data and Technology; Project Delivery; Human Resources; Property; Finance; Security; Commercial; Internal Audit; Analysis; Communication; Counter Fraud; Debt; and Grants.

Enhancements to the Home Office compliance framework and Operating System are strengthening oversight of key controls across corporate functions. This supports improved monitoring and reinforces continued implementation of the mandatory elements of each functional standard.

Home Office ALBs maintain proportionate compliance with the standards, supported by ongoing assessment and improvement activity, engagement with functional leads, and oversight through the Heads of Governance Forum.

Analytical assurance

The Home Office applies proportionate assurance to all business-critical models and ensures that material risks, limitations and uncertainties are clearly communicated to users.

The business-critical models register is reviewed annually and includes models with financial exposure above £25 million, significant reputational risk, or material importance to departmental delivery.

Each model is assigned a Senior Responsible Owner, a Model Responsible Owner and an Analytical Quality Assurance Reviewer. Formal sign-off requires an assessment of assurance and model robustness, with risks, limitations and uncertainties acknowledged by the responsible owners.

Oversight is provided by the AQA Model Board, comprising senior staff independent of model development and drawn from policy, legal, finance, commercial and operational functions. The board is supported by a full-time Head of Analytical Quality Assurance, who also leads training, guidance and advice for analysts.

Business-critical models are subject to ongoing review. Existing models have been assessed and new models will be reviewed on completion. The framework will continue to develop in support of stronger risk management and assurance.

Project assurance

Portfolio and Project Delivery (PPD), within the Performance, Risk, Assurance and Governance Directorate (PRAG), leads and coordinates assurance across the Home Office change portfolio. The National Infrastructure and Service Transformation Authority (NISTA) provides assurance for projects within the Government Major Projects Portfolio (GMPP).

All Home Office projects follow the Project Delivery Framework, aligned to the Government Functional Standard (GovS 002). GMPP, DMPP and Home Office Critical projects must maintain integrated assurance and approval plans to align assurance activity with key decision points.

In 2025–26, PPD and NISTA completed 28 assurance reviews. PPD tracks recommendations, supports their delivery through Portfolio Business Partners, and uses insights to inform community learning and GIAA thematic reviews.

Projects report monthly to PPD for portfolio oversight, with GMPP and DMPP projects also reporting quarterly to NISTA. Performance data, including delivery confidence ratings, will be published in the NISTA Annual Report (summer 2026).

Independent assurance

The department is subject to independent oversight in several areas and implements many of the recommendations made. This oversight includes:

- National Audit Office reports (including Value for Money) and the audit report for the Annual Report and Accounts. Value for money report in this financial year include:[5,6]
  - The Home Office's asylum accommodation contracts
  - Police productivity
  - An analysis of the asylum system
- Independent Chief Inspector of Borders and Immigration
- HM Inspectorate of Prisons publications and annual report
- reviews by the IPA
- Government Internal Audit Agency programme

5 www.nao.org.uk/?s=Home+Office&post_type=report&topic=&department=home-office&start_year=2025&end_year=2026&orderby=

6 www.nao.org.uk/overviews/home-office-2024-25/#downloads

Summary of Government Internal Audit Agency opinion

The Government Internal Audit Agency is providing a Limited opinion to the Home Office for the ninth consecutive year, reflecting the continued need to strengthen elements of the risk management and internal control framework. While this position continues to underscore many persistent, longstanding weaknesses previously identified, it is important to note that the year has also seen early signs of positive change. In particular, there are encouraging improvements in the articulation and ownership of strategic risks, a growing focus on control design and assurance provision, and increased senior engagement and accountability in understanding and addressing known issues. These 'green shoots' indicate that actions taken are beginning to gain traction; however, they are not yet sufficiently mature or embedded to materially change the overall assurance assessment for 2025-26.

Going forward, we must be able to see that attention remains focused on delivering a demonstrable impact of the necessary changes which will be critical to convert these early improvements into a more sustainable, resilient and effective control environment for the Home Office which can be evidenced through our work. Lasting change must be underpinned by a strong culture of shared accountability, openness, and challenge, where risks are viewed as an organisational concern rather than confined to silos. Whilst there is still a pressing need to escalate the pace of these reforms, action and progress must be tightly co-ordinated to avoid fragmented activity, duplication of effort, inefficiency or the creation of new control gaps. Crucially, delivery cannot end at implementation. The department must ensure that discipline and robust assurance mechanisms are put in place to confirm delivery of the expected outcomes.

Rachel Wrathall
Chief Internal Auditor
Government Internal Audit Agency

Year-end governance assurance process

As the Principal Accounting Officer, I am responsible for ensuring there is an effective process in place for monitoring and reporting governance issues during the year. I am supported by directors general and directors who have delegated financial and risk management authority appropriate to their responsibilities.

To prepare the department's governance statement I have been provided with feedback and assurance from across the department. This includes:

- assessment against functional standards and Orange Book Risk Control Framework
- completion of the bi-annual compliance maturity matrix which summarises the objectives, controls and risks within each director's operations and provides an assessment of the level of assurance with business processes
- content of agency and Arm's Length Body governance statements to ensure consistency and completeness of this statement

Briefing packs, including updates on governance and assurance issues, were also provided from director general commands where financial and risk management responsibility lies.

Conclusion and compliance with Code of Good Practice

Government policy on departmental governance is outlined in Corporate Governance in Central departments: Code of Good Practice. This code operates on a 'comply or explain' basis, whereby departments are asked to disclose any element of the code with which they are not fully compliant, explaining their rationale and any alternative measures which have been put in place to meet the objectives of the code. The Home Office meets the provisions outlined in the code through the operation of its departmental board and sub-committees. The function of the nominations committee is completed through the Executive Talent Board and its subcommittee. Further compliance is captured in the Lead Non-executive Statement.

Remuneration and staff report

Remuneration report

Service contracts

The Constitutional Reform and Governance Act 2010 requires Civil Service appointments to be made on merit, based on fair and open competition. The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made as an exception to this requirement.

Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation in line with the Civil Service Compensation Scheme.

Further information about the work of the Civil Service Commission can be found at **www.civilservicecommission.org.uk**.

Remuneration policy

The remuneration of Senior Civil Servants is set by the Cabinet Office following independent advice from the Review Body on Senior Salaries (SSRB).

In reaching its recommendations, SSRB has regard to the following considerations:

- the need to recruit, retain and motivate, and where relevant, promote suitably able and qualified people to exercise their different responsibilities
- regional or local variations in labour markets and their effects on the recruitment, retention and, where relevant, promotion of staff
- government policies for improving the public services including the requirement on departments to meet the output targets for the delivery of departmental services
- the funds available to departments as set out in the government's Departmental Expenditure Limits
- the government's inflation target
- evidence it receives about wider economic considerations and the affordability of its recommendations.

Further information about the work of the SSRB can be found at GOV.UK.

Single total figure of remuneration for each minister and director

This section is audited.

The following sections provide details of the remuneration and pension interests of the ministers and most senior management (board members) of the department.

Ministers

Ministers' salaries and pension benefits in 2025-26 and 2024-25 were as follows. Figures in brackets represent full year equivalents.

	Salary (£)		Benefits in kind (to nearest £100)		Pension benefits (to nearest £000)		Total (to nearest £000)	
Ministers	**2025-26**	**2024-25**	**2025-26**	**2024-25**	**2025-26**	**2024-25**	**2025-26**	**2024-25**
The Rt Hon Shabana Mahmood MP Secretary of State for the Home Department (Appointed 5 September 2025)	33,753 (67,505)	–	–	–	10	–	44	–
Dan Jarvis MBE MP Minister for Security, Minister of State (Appointed 6 July 2024)	31,680 (31,680)	23,334 (31,680)	–	–	8	6	40	29
Sarah Jones MP Minister for Policing and Crime, Minister of State (Appointed 6 September 2025)	15,840 (31,680)	–	–	–	5	–	21	–
Alex Norris MP Minister for Border Security and Asylum, Minister of State (Appointed 6 September 2025)	16,486 (31,680)	–	–	–	5	–	21	–

No 'Benefits in kind' paid in 2025-26.

	Salary (£)		Benefits in kind (to nearest £100)		Pension benefits (to nearest £000)		Total (to nearest £000)	
Ministers	**2025-26**	**2024-25**	**2025-26**	**2024-25**	**2025-26**	**2024-25**	**2025-26**	**2024-25**
Mike Tapp MP Minister for Migration and Citizenship, Parliamentary Under-secretary of State (Appointed 6 September 2025)	11,187 (22,375)	–	–	–	3	–	15	–
Jess Phillips MP Minister for Safeguarding and Violence Against Women and Girls, Parliamentary Under-secretary of State (Appointed 9 July 2024)	22,375 (22,375)	16,300 (22,375)	–	–	6	4	28	20
The Rt Hon Lord Hanson of Flint[7] Lords Minister, Minister of State (Appointed 9 July 2024)	–	–	–	–	–	–	–	–

Where Ministers move between departments, the former department will continue to pay their salary for the remainder of the month in which the move occurred. The Home Office will then pay from the following month onwards.
No 'Benefits in kind' paid in 2025-26.

7 Lord Hanson is an unpaid minister.

Former Ministers	Salary (£) 2025-26	Salary (£) 2024-25	Benefits in kind (to nearest £100) 2025-26	Benefits in kind (to nearest £100) 2024-25	Pension benefits (to nearest £000) 2025-26	Pension benefits (to nearest £000) 2024-25	Total (to nearest £000) 2025-26	Total (to nearest £000) 2024-25
The Rt Hon Yvette Cooper MP Secretary of State for the Home Department (Appointed 5 July 2024 until 5 September 2025)	33,753 (67,505)	49,721 (67,505)	–	–	7	13	41	63
The Rt Hon Dame Diana Johnson DBE MP Minister for Policing, Fire and Crime Prevention, Minister of State (Appointed 8 July 2024 until 6 September 2025)	15,840 (31,680)	23,164 (31,680)	–	–	3	6	19	29
Dame Angela Eagle DBE MP Minister for Border Security and Asylum, Minister of State (Appointed 8 July 2024 until 6 September 2025)	15,840 (31,680)	23,164 (31,680)	–	–	3	6	19	29
Seema Malhotra MP Minister for Migration and Citizenship, Parliamentary Under-secretary of State (Appointed 9 July 2024 until 6 September 2025)	11,187 (22,375)	16,300 (22,375)	–	–	2	4	13	20

Where Ministers move between departments, the former department will continue to pay their salary for the remainder of the month in which the move occurred. The Home Office will then pay from the following month onwards.
No ‘Benefits in kind’ paid in 2025-26.

Officials

Senior officials are defined as members of the Home Office Executive Committee. Senior officials' salaries and pension benefits in 2025-26 and 2024-25 are set out on the following page. Figures in brackets represent full year equivalents.

	Salary (£)		Bonus payments (£000)		Benefits in kind (£000)		Pension benefits (£000) (Restated)		Total (to nearest £000) (Restated)	
Board members	**2025 -26**	**2024 -25**	**2025 -26**	**2024 -25**	**2025 -26**	**2024 -25**	**2025 -26**	**2024 -25**	**2025 -26**	**2024 -25**
Simon Ridley CB[8] Second Permanent Secretary, Acting Permanent Secretary (From 29 March 2025 to 13 April 2025 From 19 February 2026 to 5 April 2026)	185-190	170-175	5-10	–	–	–	62	81	255-260	255-260
Dr Richard Clarke CB[9] Director General, Safer Streets Mission and Public Safety Group (From 5 July 2024)	155-160	110-115 (150-155)	–	0-5	–	–	86	134	240-245	250-255
Dan Hobbs Director General, Migration and Borders Group	140-145	130-135	5-10	0-5	–	–	56	128	200-205	265-270

8 Salary includes buy-out of annual leave, which is a non-consolidated payment of £6684.64.
9 2024-25 Pension Benefits recalculated by MyCSP.

	Salary (£)		Bonus payments (£000)		Benefits in kind (£000)		Pension benefits (£000) (Restated)		Total (to nearest £000) (Restated)	
Board members	**2025-26**	**2024-25**	**2025-26**	**2024-25**	**2025-26**	**2024-25**	**2025-26**	**2024-25**	**2025-26**	**2024-25**
Paul Morrison CBE Director General, Visas, Passports, Citizenship and Resettlement Service (From 12 January 2026)	30-35 (155-160)	–	–	–	–	–	34	–	65-70	–
Dr Michelle Haslem CMG[10] Director General, Homeland Security Group (From 13 October 2025)	–	–	–	–	–	–	–	–	–	–
Jerome Glass CB[11] Chief Operating Officer (From 16 June 2025)	120-125 (150-155)	–	–	–	–	–	39	–	160-165	–
Dr Rannia Leontaridi OBE Director General, Asylum Group (From 1 November 2025)	60-65 (145-150)	–	–	–	–	–	21	–	80-85	–

10 Individual is on secondment to the Home Office and not paid via Home Office payroll.

11 Salary includes buy-out of annual leave, which is a non-consolidated payment of £5900.46.

Board members	Salary (£) 2025-26	Salary (£) 2024-25	Bonus payments (£000) 2025-26	Bonus payments (£000) 2024-25	Benefits in kind (£000) 2025-26	Benefits in kind (£000) 2024-25	Pension benefits (£000) (Restated) 2025-26	Pension benefits (£000) (Restated) 2024-25	Total (to nearest £000) (Restated) 2025-26	Total (to nearest £000) (Restated) 2024-25
Mike McCarthy Director General, Digital and Innovation (From 12 January 2026)	40-45 (190-195)	–	–	–	–	–	16	–	55-60	–
Martin Hewitt CBE QPM[12,13,14] Border Security Commander (From 07 October 2024)	260-265	95-100 (200-205)	–	–	–	–	47	–	310-315	95-100
Phil Douglas CB[15] Director General, Border Force	145-150	145-150	0-5	10-15	–	–	55	119	205-210	275-280
Bas Javid[16] Director General, Immigration Enforcement	185-190	180-185	10-15	–	–	–	72	70	270-275	250-255
Jenny Richardson[17] Chief People Officer (From 12 January 2026)	20-25 (145-150)	–	–	–	–	–	10	–	30-35	–

12 Salary includes buy-out of annual leave, which is a non-consolidated payment of £6754.52.
13 Salary includes Payment in lieu of notice of £51,629.25 as he departed from the role on 31 March 2026.
14 2024-25, Martin Hewitt did not hold a Civil Service Pension.
15 2024-25 Salary includes buy-out of annual leave, which is a non-consolidated payment of £5,742.34.
16 2024-25 Pension Benefits recalculated by MyCSP.
17 Joined as an 'Associate member' on 12th January 2026, transferred to 'Full member' from 23rd January 2026.

Payments to past directors

Former officials	Salary (£)		Bonus payments (£000)		Pension benefits (£000) (Restated)		Total (to nearest £000) (Restated)	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Dame Antonia Romeo DCB[18] Permanent Secretary (From 14 April 2025 until 18 February 2026)	175-180 (215-220)	–	15-20	–	64	–	255-260	–
David Kuenssberg[19] Director General, Corporate and Delivery (Until 6 July 2025)	40-45 (165-170)	165-170	–	–	16	66	60-65	220-225
Director General[20,21] Homeland Security Group (Until 30 September 2025)	80-85 (160-165)	155-160	10-15	15-20	33	118	125-130	295-300

18 Bonus payment relates to role of Accounting Officer at the Ministry of Justice.
19 2024-25 Pension Benefits recalculated by MyCSP.
20 Salary includes buy-out of annual leave, which is a non-consolidated payment of £1940.44.
21 2024-25 Pension Benefits recalculated by MyCSP.

Former officials	Salary (£) 2025-26	2024-25	Bonus payments (£000) 2025-26	2024-25	Pension benefits (£000) (Restated) 2025-26	2024-25	Total (to nearest £000) (Restated) 2025-26	2024-25
Prof. Jennifer Rubin[22] Director General, Science, Technology CBE, Analysis and Research (STAR) and Chief Scientific Advisor (Until 31 December 2025)	105-110 (140-145)	165-170	–	–	41	64	145-150	230-235
Robert Hall[23] Director, Communications (Until 14 April 2025)	0-5 (120-125)	120-125	–	10-15	2	72	5-10	200-205
Joanna Rowland CB[24,25] Director General, Customer Services Group (Until 2 December 2025)	115-120 (170-175)	165-170	5-10	15-20	45	64	165-170	250-255
Rebecca Ellis CBE[26,27] Strategy Director (Until 7 April 2025)	0-5 (110-115)	120-125 (110-115)	–	10-15	1	175	0-5	305-310

22 2024-25 Pension Benefits recalculated by MyCSP. Salary decreased due to reducing to part time.
23 2024-25 Pension Benefits recalculated by MyCSP.
24 Salary includes buy-out of annual leave, which is a non-consolidated payment of £1811.60.
25 2024-25 Pension Benefits recalculated by MyCSP.
26 Salary includes Private Secretary Allowance of £194.44.
27 2024-25 salary includes Private Secretary Allowance of £10,000.

	Salary (£)		Bonus payments (£000)		Pension benefits (£000) (Restated)		Total (to nearest £000) (Restated)	
Former officials	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Sarah Taylor[28] Chief People Officer from 01 October 2024 to 14 April 2025	5-10 (145-150)	70-75 (145-150)	–	–	–	29	5-10	100-105
Séverine Gould[29] Acting Strategy Director (From 7 April 2025 until 14 April 2025)	0-5 (90-95)	–	–	–	1	–	0-5	–
Christophe Prince[30] Acting Director General, Science, Technology, Analysis and Research (STAR) and CDIO (From 13 December 2025 until 28 December 2025)	5-10 (115-120)	–	–	–	1	–	5-10	–

28 Opted out of the Civil Service Pension Scheme.
29 Salary includes Temporary Cover Allowance of £392.78. The dates relate to duration of being on ExCo.
30 Attended EXCO as Acting DG between 13th December 2025 and 28th December 2025 whilst substantive recruitment campaign was running.

	Salary (£)		Bonus payments (£000)		Pension benefits (£000) (Restated)		Total (to nearest £000) (Restated)	
Former officials	**2025-26**	**2024-25**	**2025-26**	**2024-25**	**2025-26**	**2024-25**	**2025-26**	**2024-25**
Marc Owen[31,32] Acting Director General, Visas, Passports, Citizenship and Resettlement Services (From 17 November 2025 until 12 January 2026)	20-25 (130-135)	–	–	–	5	–	25-30	–

31 Attended EXCO as Acting DG between 17th November 2025 and 12th January 2026 whilst substantive recruitment campaign was running.
32 Salary includes Temporary Cover Allowance of £ £1856.64.

Non-executive directors (Audited)

The non-executive directors listed below are those who sat on the Home Office departmental board and the executive committee. Non-executive directors do not receive bonuses. Other non-executive directors are employed by the Home Office's Non-Departmental Public Bodies (NDPB) and their details can be found in the accounts of those bodies. Salary in brackets is for the full year salary.

	Salary (£)		Total (to nearest £000) (Restated)	
Non-executive directors	**2025-26**	**2024-25**	**2025-26**	**2024-25**
Timothy Robinson CBE[33,34]	30-35 (20-25)	10-15	25-30	10-15
James Cooper	20-25	20-25	20-25	20-25
Jan Gower	10-15	10-15	10-15	10-15
Phil Swallow	10-15	10-15	10-15	10-15
Liz Cohen (From 1 March 2026)	0-5 (10-15)	–	0-5	–

33 At his request, Timothy Robinson's fee is donated to charity.

34 Retrospective pay adjustment for 2024-25 and 2023-24 received in 2025-26.

Salary

'Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowance and any other allowance to the extent that it is subject to UK taxation, and any severance or ex-gratia payments. This report is based on accrued payments made by the department and thus recorded in these accounts. In respect of ministers in the House of Commons, departments only pay the cost of the additional ministerial remuneration; the salary for their services as a Member of Parliament (MP) £93,094 (from 1 April 2025) and various allowances to which they are entitled are borne centrally. However, the arrangement for ministers in the House of Lords is different in that they do not receive a salary but rather an additional remuneration, which cannot be quantified separately from their ministerial salaries. This total remuneration, as well as the allowances to which they are entitled, is paid by the department and is therefore shown in full in the figures above.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the department and treated by HM Revenue and Customs as a taxable benefit.

Bonuses

Bonuses are based on performance levels attained and are made as part of the appraisal process. Bonuses are paid in the financial year after that in which they are earned. The bonuses reported in 2025-26 relate to performance in 2024-25 and the comparative bonuses reported for 2024-25 relate to performance in 2023-24.

Pension entitlements for each minister and director

This section is audited.

The table below shows the pension entitlements for each minister.

	Accrued pension at age 65 as at 31 March 2026	Real increase in pension at age 65	CETV at 31 March 2026	CETV at 31 March 2025	Real increase in CETV
Ministers	**(£000)**	**(£000)**	**(£000)**	**(£000)**	**(£000)**
The Rt Hon Shabana Mahmood MP Secretary of State for the Home Department (Appointed 5 September 2025)	0-5	0-2.5	29	19	5
Dan Jarvis MBE MP Minister for Security, Minister of State	0-5	0-2.5	16	7	6
Sarah Jones MP Minister for Policing and Crime, Minister of State (Appointed 6 September 2025)	0-5	0-2.5	16	11	3
Alex Norris MP Minister for Border Security and Asylum, Minister of State (Appointed 6 September 2025)	0-5	0-2.5	11	6	2

Ministers	Accrued pension at age 65 as at 31 March 2026 (£000)	Real increase in pension at age 65 (£000)	CETV at 31 March 2026 (£000)	CETV at 31 March 2025 (£000)	Real increase in CETV (£000)
Mike Tapp MP Minister for Migration and Citizenship, Parliamentary Under-secretary of State (Appointed 6 September 2025)	0-5	0-2.5	3	0	2
Jess Phillips MP Minister for Safeguarding and Violence Against Women and Girls, Parliamentary Under-secretary of State	0-5	0-2.5	10	4	3
The Rt Hon Lord Hanson of Flint Lords Minister, Minister of State	–	–	–	–	–
Former ministers					
The Rt Hon Yvette Cooper MP	15-20	0-2.5	315	302	5
The Rt Hon Dame Diana Johnson DBE MP	0-5	0-2.5	45	40	3
Dame Angela Eagle DBE MP	5-10	0-2.5	216	204	3
Seema Malhotra MP	0-5	0-2.5	8	5	2

Where a minister joined or left the department part way through the year, the cash equivalent transfer value (CETV) disclosed relates to the period of service during the year and does not reflect the value at 31 March.

For individuals affected by the Public Service Pension Remedy, accrued pension benefits included in this table have been calculated on the basis that the member is treated as having remained in the relevant legacy pension scheme for the period from1 April 2015 to 31 March 2022, in line with the McCloud judgment (a court ruling on public service pension reform).

The Public Service Pensions Remedy applies to individuals who were members of, or eligible to be members of, a public service pension scheme on 31 March 2012 and were members of a public service pension scheme during the period from 1 April 2015 and 31 March 2022.

The calculations reflect the current legal position that affected members are rolled back into the relevant legacy scheme for the remedy period. On retirement, eligible members will be required to make a deferred choice as to whether to receive benefits for the remedy period calculated under the legacy scheme or under the terms of the reformed scheme.

Ministerial pensions

Pension benefits for ministers are provided by the Parliamentary Contributory Pension Fund (PCPF), a statutory defined benefit pension scheme. The scheme is established under legislation, with the rules set out in the Ministers' Pension Scheme 2015, available at PCPF Ministerial Scheme Final rules.[35]

Ministers who are also Members of Parliament (MPs) may additionally accrue pension benefits under the MPs' Pension Scheme within the PCPF. Details of MPs' pension arrangements are not included in this report. A new MPs pension scheme was introduced from May 2015, however, members who were MPs and aged 55 or over on 1 April 2013 have transitional protection to remain in the previous MP's final salary pension scheme.

Under the Minister's Pension Scheme 2015, benefits are payable from State Pension age. Pensions benefits accrued under the scheme are revalued annually in line with Pensions Increase legislation, both before and after retirement. The member contribution rate from May 2015 is 11.1% and the accrual rate is 1.775% of pensionable earnings for each year of service.

The pension value disclosed includes the total pension payable to the member under both the pre- and post-2015 ministerial pension arrangements.

Further information on the Parliamentary Contributory Pension Fund is available at **https://mypcpfpension.co.uk**.

35 **https://qna.files.parliament.uk/ws-attachments/170902%5Coriginal%5CPCPF%20MINISTERIAL%20SCHEME%20FINAL%20RULES.doc**

Executive directors' pensions

This table is audited.

Officials	Accrued pension at age 65 as at 31 March 2026 (£000)	Real increase in pension at age 65 (£000)	CETV at 31 March 2026 (£000)	CETV at 31 March 2025 (£000)	Real increase in CETV (£000)
Dr Richard Clarke CB	65-70	2.5-5	1,223	1,093	62
Phil Douglas CB	80-85	2.5-5	1,792	1,684	42
Paul Morrison CBE	55-60 plus a lump sum of 130-135	0-2.5 plus a lump sum of 2.5-5	1,203	1,162	30
Dr Michelle Haslem CMG[36]	–	–	–	–	–
Dan Hobbs	55-60	2.5-5	976	888	32
Bas Javid	10-15	2.5-5	158	88	51
Jerome Glass CB	55-60	0-2.5	946	879	20
Simon Ridley CB	70-75 plus a lump sum of 160-165	2.5-5 plus a lump sum of 0	1,453	1,334	38
Dr Rannia Leontaridi OBE	60-65	0-2.5	1,278	1,218	15
Mike McCarthy	0-5	0-2.5	12	0	9
Martin Hewitt CBE QPM	0-5	2.5-5	47	0	37
Jenny Richardson	55-60	0-2.5	1,035	1,000	7

36 Individual is on secondment to the Home Office and not paid via Home Office payroll.

Officials	Accrued pension at age 65 as at 31 March 2026 (£000)	Real increase in pension at age 65 (£000)	CETV at 31 March 2026 (£000)	CETV at 31 March 2025 (£000)	Real increase in CETV (£000)
Former officials					
Dame Antonia Romeo DCB	70-75 plus a lump sum of 150-155	2.5-5 plus a lump sum of 0	1,427	1,311	40
Rebecca Ellis CBE	35-40 plus a lump sum of 85-90	0-2.5 plus a lump sum of 0	681	680	0
Robert Hall	45-50	0-2.5	796	794	1
David Kuenssberg	15-20	0-2.5	315	300	10
Joanna Rowland CB	35-40	2.5-5	542	508	27
Prof. Jennifer Rubin CBE	15-20	0-2.5	306	258	30
DG HSG	55-60 plus a lump sum of 125-130	0-2.5 plus a lump sum of 0-2.5	1,060	1,018	19
Sarah Taylor[37]	–	–	–	–	–
Marc Owen	50-55	0-2.5	981	972	3
Christophe Prince	50-55	0-2.5	996	994	0
Séverine Gould	25-30	0-2.5	446	445	0

37 Individual opted out.

Pension benefits are provided through the Civil Service pension arrangements. Prior to 1 April 2015, civil servants participated in the principal Civil Service Pension Scheme (PCSPS), which comprised the classic, classic plus, premium and nuvos sections. Classic, Classic plus and premium provided benefits on a final salary basis with a normal pension age of 60, while nuvos provided benefits on a career average basis with a normal pension age of 65.

From 1 April 2015, a new pension scheme – the Civil Servants and Other Pension Scheme (alpha) was introduced. Alpha provides benefits on a career average basis with a normal pension age equal to the member's State Pension age (or 65 if higher). All newly appointed civil servants and the majority of those already in service joined the new scheme.

These arrangements are unfunded statutory schemes. Employees and employers make contributions with employee contributions rates ranging from 4.6% to 8.05%, depending on the salary. The balance of the cost of benefits is met from monies voted by Parliament each year. Pensions in payment are increased annually in line with pensions increase legislation.

Under alpha, pension benefits accrue at a rate of 2.32% of pensionable earnings for each year, the total amount accrued revalued annually at a rate set by HM Treasury. Members may commute pension for a lump sum up, subject to the limits set out in the Finance Act 2004. All members who switched to alpha have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha.

The accrued pension shown in this report is the pension the member is entitled to receive when they reach normal pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over the normal pension age. Normal pension age is 60 for members of classic, premium and classic plus, 65 for members of nuvos, and the higher of 65 or State Pension age for members of alpha.

Where a member holds benefits in both the PCSPS and alpha, the figures shown reflect the combined value of benefits across both schemes, although the constituent elements may be payable from different pension ages.

When the government introduced new public service pension schemes in 2015, transitional arrangements treated existing scheme members differently based on age, allowing older members of the PCSPS to remain in that scheme rather than moving to alpha. In 2018, the Court of Appeal found that these transitional arrangements amounted to unlawful age discrimination.

As a result, steps are being taken to remedy those 2015 reforms, making the pension scheme provisions fair to all members. The public service pensions remedy consists of two stages. The first closed the PCSPS on 31 March 2022, with all active members joining alpha from 1 April 2022. The second addresses the discrimination identified by the Court by rolling back eligible member's service for period, 1 April 2015 to 31 March 2022 into the PCSPS with 1 October 2023. This is known as 'rollback.'

For members within scope of the remedy, the calculation of their benefits for the purpose of Cash Equivalent Transfer Values and their single total figure of remuneration at 31 March 2024 and 31 March 2025 reflects the rolled-back position. Although eligible members will, in due course, be able to choose whether this period of service count towards PCSPS or alpha benefits, the figures disclosed reflect PCSPS benefits for that period.

As an alternative to the defined benefit scheme, employees may opt to join the Partnership Account, a defined contribution arrangement offered through the Legal and General Master trust.

The employer makes age-related contribution of between 8% and 14.75% of pensionable salary. Employees do not require to contribute, but where they do, employer contributions will match employee contributions up to a maximum of 3% of pensionable salary Employers also contribute a further 0.5% of pensionable salary towards centrally provided risk benefits, including death in service and ill health retirement.

Further details about the Civil Service pension arrangements can be found at the website **www.civilservicepensionscheme.org.uk**.

Cash Equivalent Transfer Value (CETV) – ministers and executive directors

A cash Equivalent Transfer Value (CETV) represents the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued include the member's accrued benefits and any contingent spouse's pension payable from the scheme.

A CETV is the amount paid 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 pension benefits, they have accrued in their former scheme.

The pension figures disclosed relate to the benefits that the individual has accrued as a consequence of their total service. For ministers, this reflects all service as a minister, not just their current employment. For executive directors, this reflects al pensionable service in the relevant scheme, not solely service in a senior capacity to which the disclosure relates.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost.

CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008. The calculations do not take into account of any actual or potential reduction to benefits resulting from Lifetime Allowance tax charges that which may be payable when pension benefits are taken.

CETV figures are calculated using the guidance on discount rates for unfunded public service pension schemes. Updated guidance published on 27 April 2023, reflecting changes to the SCAPE discount rate, was used in the calculation of the 2023-24 and 2024-25 CETV figures.

Basis for setting the discount rates for calculating cash equivalent transfer values payable by public service pension schemes – GOV.UK.[38]

The real increase in the value of the CETV

This reflects the element of the increase in the member's accrued pension that is funded by the Exchequer. It excludes increases arising from inflation and from contributions paid by the member. The real increase is calculated using common actuarial valuation factors applied at the beginning and end of the reporting period.

Compensation on early retirement or for loss of office

This section is audited.

Officials

There were two compensation for early exit/termination payments made to officials who were board members within 2025-26.

Ministers

No compensation payments for loss of office were made to ministers.

Fair pay disclosures

This section is audited.

Salary and allowances

The average percentage change in respect of all other employees' salary and allowances increased by 3.2% in 2025-26 compared to 2024-25. The percentage change in respect of the highest paid director's salary and allowances was 2.5% (increase). In 2024-25 the band was £200-£205k and in 2025-26 the band is £205-£210k. Both relate to Martin Hewitt CBE QPM.

Performance pay and bonuses

The highest paid director did not receive a bonus in 2025-26 or 2024-25.

For other employees, the average performance pay and bonuses decreased by 11.1% between 2025-26 (£656) and 2024-25 (£738).

Pay ratios

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

Total pay remuneration includes salary, non-consolidated performance related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the Cash Equivalent Transfer Value of pensions.

Pay remuneration bands ranged from £20,000 – £25,000 to £205,000 – £210,000.

The banded pay remuneration of the highest paid director in the Home Office in the financial year 2025-26 was £205,000 – £210,000 (2024-25, £200,000 – £205,000). This was 5.0 times (2024-25, 5.0 times) the median remuneration of the workforce, which was £41,115 (2024-25, £40,102).

In 2025-26, no employees received pay remuneration more than the highest paid director.

38 www.gov.uk/government/publications/basis-for-setting-the-discount-rates-for-calculating-cash-equivalent-transfer-values-payable-by-public-service-pension-schemes

The following table shows the median earnings of the department's workforce and the ratio between this and the earnings of the highest paid director for total pay remuneration. Martin Hewitt is the highest paid director for 2025-26 and was also the highest paid director in 2024-25.

	2025-26	2024-25
Band of highest paid director's total remuneration (£000)	205-210	200-205
25th percentile pay (£)	32,415	31,579
25th percentile remuneration ratio	6.4	6.4
Median pay (£)	**41,115**	**40,102**
Median remuneration ratio	**5.0**	**5.0**
75th percentile pay (£)	48,849	47,443
75th percentile remuneration ratio	4.2	4.3

During 2025-26, the highest paid director's pay remuneration band was £205,000 – £210,000. The median total for staff has increased by £1,013, with the median remaining within the £40,000 to £45,000 band in both 2025-26 and 2024-25. This results in the remuneration ratio remaining the same as 2024-25.

Salary and allowance component only

The table below shows the median earnings of the department's workforce and the ratio between this and the earnings of the highest paid director, for salary and permanent (regular) allowances only. Non-consolidated performance related pay, temporary one-off payments and benefits-in-kind are excluded. It also does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

For 2025-26, the highest paid director for salary component only is Martin Hewitt. This was also the case for 2024-25.

	2025-26	2024-25
Band of highest paid director's salary (£000)	205-210	200-205
25th percentile pay (£)	31,272	30,569
25th percentile remuneration ratio	6.6	6.6
Median pay (£)	**39,728**	**38,600**
Median remuneration ratio	**5.2**	**5.2**
75th percentile pay (£)	47,498	45,973
75th percentile remuneration ratio	4.4	4.4

Mandatory reporting of spending on consultancy and temporary staff

The Home Office has a robust consultancy and contingent labour expenditure control process, which has been the subject of continuous improvement and review to ensure it is fit for purpose. This process requires appointments or extensions of existing engagements for temporary labour and external consultancy services to be approved by the External Resources Governance Board (ERG Board). The ERG Board is made up of relevant Heads of Profession and members of the Tax Centre of Excellence. This control covers the Home Office core department and its arm's length bodies (ALBs).

The Consultancy and Contingent Labour approvals process is owned and managed by the Chief Commercial Officer and was established in October 2010. Consultancy requests of any value and duration, if approved by the ERG Board, are submitted to the Director General for Chief Operating Officer Group who operates under delegation from the Home Secretary for requirements up to the value of £99,999. Requests above £100,000 and up to £599,999 also go to the Permanent Secretary for approval and then onwards to the Portfolio Minister and Minister for Chief Operating Officer Group. All consultancy requests of £600,000 or more in value are also submitted to the Home Secretary for additional scrutiny and approval.

Temporary labour requirements are subject to review against business resource plans and departmental engagement criteria, based on Cabinet Office, Government Commercial Agency and HMRC guidance and good practice. Additional approval by the Director General for Chief Operating Officer Group is also required for any engagements for SCS equivalent roles, durations likely to exceed 2 years and engagements with a charge rate (day rate inclusive of VAT) of greater than £1,000 per day.

Full year spend in 2025 to 2026 on consultancy services and contingent labour by the Home Office, including ALBs, was £260 million, (2024 to 2025, £325 million), a reduction of £65 million (20% reduction) below 2024 to 2025 spend. The spend on consultancy services of £81.9 million (2024 to 2025, £113.4 million), was £31.5 million less (27.8% reduction) than in 2024 to 2025. The spend on contingent labour and agency costs of £178 million (2024 to 2025, £211.6 million) was £33.6 million less (15.9% reduction) than in 2024 to 2025.

The Home Office monitors temporary staff costs to ensure that the continuing expenditure represents the best value for money for the organisation.

Agency staff have been retained primarily as a flexible resource to deal with backlogs in migrant casework, passport application/examination, and asylum applications. In addition, fluctuating seasonal demand for HMPO and visas has contributed to the requirement for consultancy services and temporary staff.

The remainder of the temporary labour spend was associated with the engagement of specialist contractors and interim managers, primarily to assist the Home Office with our transformation plans and to deliver our digital strategy, and an increased demand for contingent labour to cover a vacancy or supplement internal capacity.

			2025-26 total expenditure
	Consultancy Services	**Contingent Labour/ Agency Costs**	**Total Consultancy Services and Contingent Labour/ Agency Costs**
	(£'000)	**(£'000)**	**(£'000)**
Home Office Core Department	80,964	175,258	256,222
Disclosure and Barring Service	–	2,158	2,158
College of Policing	811	387	1,198
Security Industry Authority	30	171	201
Gangmasters and Labour Abuse Authority	129	–	129
Immigration Advice Authority	–	–	–
Independent Office for Police Conduct	–	102	102
Total	**81,934**	**178,076**	**260,010**

	2024-25 total expenditure (Restated)[39]		
	Consultancy Services	Contingent Labour/ Agency Costs	Total Consultancy Services and Contingent Labour/ Agency Costs
	(£'000)	(£'000)	(£'000)
Home Office Core Department	112,864	206,664	319,528
Disclosure and Barring Service	28	2,768	2,796
College of Policing	117	1,074	1,191
Security Industry Authority	152	839	991
Gangmasters and Labour Abuse Authority	-14	–	-14
Immigration Advice Authority	19	–	19
Independent Office for Police Conduct	223	234	457
Total	**113,389**	**211,579**	**324,968**

39 2024-25 figures were restated due to a Machinery of Government change.

Reporting of off-payroll appointments

Following the Review of Tax Arrangements of Public Sector Appointees published by the Chief Secretary to the Treasury on 23 May 2012, departments and their ALBs must publish information on their highly paid and/or senior off-payroll engagements.

The tables 1 and 2 which follow provide the total number of off-payroll engagements earning more than £245 per day and new engagements during the year. Table 3 shows off-payroll engagements who were board members or senior officials during the year.

Table 1: This table shows the number of off-payroll engagements as of 31 March 2026, for more than £245 per day

	Core department	ALBs	Departmental group
Number of existing engagements as of 31 March 2026	630	38	668
Of which the number that have existed for:			
less than 1 year	354	23	377
for between 1 and 2 years	172	5	177
for between 2 and 3 years	56	6	62
for between 3 and 4 years	24	2	26
for 4 or more years	24	2	26

All existing off-payroll engagements outlined above have at some point been subject to a risk-based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where necessary, that assurance has been sought.

During 2025–26, the Home Office identified potential historical non-compliance with off-payroll working (IR35) requirements. As a result, the Department may be liable for employment taxes, National Insurance contributions, Apprenticeship Levy and the repayment of VAT previously recovered. The Department has recognised a £74.5 million provision in respect of estimated employment tax liabilities and associated interest, together with a £6.2 million VAT accrual. Further information on the provision is provided in Note 13 to the Financial Statements.

Table 2: For all off-payroll appointments engaged at any point during the year ended 31 March 2026 and earning at least £245 per day or greater

	Core department	ALBs	Departmental group
The number of appointments in force during the time period	1,040	56	1,096
Of which:			
The number of these appointments to which the off-payroll legislation does not apply	885	56	941
The number of these appointments to which the off-payroll legislation does apply and which were assessed as within scope of IR35;	72	0	72
The number of these appointments to which the off-payroll legislation does apply and which were assessed as not within scope of IR35;	83	0	83
The number of appointments that were reassessed for consistency/assurance purposes during the year; and	46	0	46
The number that saw a change to IR35 status following the assurance review.	1	0	1

Table 3: For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2025 and 31 March 2026

	Core department	ALBs	Departmental group
Number of off-payroll engagements of board members and/or senior officials with significant financial responsibility, during the financial year	0	0	0
Number of individuals that have been deemed 'board members and/or, senior officials with significant financial responsibility', during the financial year. This figure should include both off-payroll and on-payroll engagement.	20	–	20

Staff report

Number of Senior Civil Service staff (or equivalent) by band

Distribution of headcount of Senior Civil Service (SCS) pay remuneration as at end of March 2026 and March 2025

Pay remuneration bands	SCS within the range as at end of March 2026	Percentage	SCS within the range as at end of March 2025	Percentage
£75,000 – £80,000	–	–	5	1.36%
£80,000 – £90,000	60	16.26%	104	28.18%
£90,000 – £95,000	102	27.64%	81	21.95%
£95,000 – £100,000	62	16.80%	52	14.09%
£100,000 – £105,000	30	8.13%	15	4.07%
£105,000 – £110,000	17	4.61%	14	3.79%
£110,000 – £115,000	20	5.42%	21	5.69%
£115,000 – £120,000	25	6.78%	16	4.34%
£120,000 – £130,000	14	3.79%	20	5.42%
£130,000 – £140,000	7	1.90%	13	3.53%
£140,000 – £150,000	9	2.44%	6	1.63%
£150,000 – £155,000	6	1.63%	2	0.54%
£155,000 – £160,000	5	1.36%	5	1.36%
£160,000 – £165,000	2	0.54%	4	1.08%
£165,000 – £170,000	3	0.81%	3	0.81%
£170,000 – £175,000	3	0.81%	2	0.51%
£175,000 – £180,000	–	–	1	0.27%
£180,000 – £185,000	–	–	3	0.81%

Pay remuneration bands	SCS within the range as at end of March 2026	Percentage	SCS within the range as at end of March 2025	Percentage
£190,000 – £195,000	2	0.54%	–	–
£200,000 – £205,000	1	0.27%	2	0.54%
£205,000 – £210,000	1	0.27%	–	–
Grand total	**369**[40]	**100.00%**	**369**[41]	**100.00%**

Numbers are headcount of current, paid, Civil Servants at SCS grade.

Remuneration Bands include Salary, Allowances, non-consolidated performance related pay and Benefits in kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

Salary and all pay-related (regular) relevant allowances are based on the full-time equivalent annual salary rates (not on a pro rata basis). All other payments such as irregular allowances, non-consolidated performance related pay and Benefits in kind, are payments received in 2025-26 and 2024-25.

Where individual £5k remuneration bands contain less than five individuals, bands have been combined as per ONS statistical disclosure controls. Those earning above £150k are subject to full disclosure.

40 As of 31st March 2026, there are 370 current, paid Civil Servants at SCS grade. 1 SCS is on secondment to the Home Office not paid via Home Office payroll; therefore, they are excluded from the above table.

41 As of 31st March 2025, there were 371 current, paid Civil Servants at SCS grade. 2 SCS are incoming loan not paid via Home Office payroll; therefore, they are excluded from the above table.

Staff costs

This section is audited.

	Permanently employed staff	Others	Ministers	2025-26 Departmental group total	2024-25 Departmental group total
	(£000)	(£000)	(£000)	(£000)	(£000)
Wages and salaries	2,353,642	243,773	208	2,597,623	2,473,920
Social security costs	316,186	858	27	317,071	249,367
Other pension costs	621,858	117	–	621,975	600,156
	3,291,686	**244,748**	**235**	**3,536,669**	**3,323,443**
Less recoveries in respect of outward secondments	-1,702	–	–	-1,702	-408
Total net costs	**3,289,984**	**244,748**	**235**	**3,534,967**	**3,323,035**
Core department	3,087,572	219,448	235	3,307,255	3,109,646
Arm's length bodies	202,412	25,300	–	227,712	213,389
Total net costs	**3,289,984**	**244,748**	**235**	**3,534,967**	**3,323,035**

Staff pension

Civil Service pensions

The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Others Pension Scheme (CSOPS) – known as "Alpha" – are unfunded and contributory multi-employer defined benefit schemes but the Home Office is unable to identify its share of the underlying assets and liabilities.

The scheme actuary valued the PCSPS as of 31 March 2020. More information about this and the assets and liabilities of both schemes can be found in the Civil Superannuation accounts, which are prepared by the Cabinet Office and published on the Civil Service Pension Scheme website at **www.gov.uk/government/publications/civil-superannuation-annual-account-2024-to-2025**.

For 2025-26, employers' contributions of £602 million were payable to the PCSPS (2024/2025 £581 million) at one of four rates in the range 26.6% to 30.3% of pensionable earnings, based on salary bands.

The Scheme Actuary usually reviews employer contributions every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2023-24 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. Employers' contributions of £3.4 million were paid to one or more of the panel of three appointed stakeholder pension providers. Employer contributions are age-related and ranged from 8% to 14.75% of pensionable earnings.

Employers also match the rate of employee contributions up to a maximum 3% of their pensionable earnings £465,479.07. In addition, employer contributions of 0.5% (£141,190.49) of pensionable pay, were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service or ill health retirement of these employees.

Contributions due to the partnership pension providers as of 31 March 2026 are quoted above (£1.8 million in 2023-24). Contributions prepaid at that date were £nil (£nil in 2024-25).

Staff numbers

This section is audited.

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

Business Segment	Permanently employed staff	Others	Ministers	Special advisers	2025-26 Total	2024-25 Total
Public Safety Group	2,323	87	6	5	2,421	2,346
Homeland Security Group	1,225	14	–	–	1,239	1,300
Migration and Borders Group	894	3	–	–	897	999
Border Security Command	249	–	–	–	249	61
Customer Services (Visas and Passports)	18,362	1,976	–	–	20,338	20,886
Asylum Support, Resettlement and Accommodation	2,051	252	–	–	2,303	1,935
Border Force	11,325	40	–	–	11,365	11,984
Immigration Enforcement	6,970	87	–	–	7,057	7,231
Chief Operating Officer Group	2,103	134	–	–	2,237	2,545
Home Office Digital	2,849	352	–	–	3,201	2,544
Science, Technology, Analysis and Research	1,087	26	–	–	1,113	1,048

Business Segment	Permanently employed staff	Others	Ministers	Special advisers	2025-26 Total	2024-25 Total
Strategic Operations for Illegal Migration[42]	–	–	–	–	–	582
Core Department and Agencies	**49,438**	**2,971**	**6**	**5**	**52,420**	**53,461**
Arms Length Bodies	**3,626**	**139**	**–**	**–**	**3,765**	**3,567**
Departmental Group (including ALBs)	**53,064**	**3,110**	**6**	**5**	**56,185**	**57,028**

Special adviser numbers are taken on a snapshot of 31 March 2026.

Border Security Command is a new directorate in 2024-25.

Staff composition

Number of men and women employees at 31 March 2026

	Women	Men	Total as at 31 March 2026[43]	Representation of women by percentage
Directors[44]	3	9	12	25.0%
Senior managers[45]	172	198	370	46.5%
Employees[46]	27,170	24,299	51,469	52.8%

42 This unit closed in 2024/25 comparative included for completeness.
43 Based on headcount (not full-time equivalent). Includes permanent employees.
44 Members of the executive committee.
45 All managers at Senior Civil Service (SCS) level.
46 Employees – all grades (AA to SCS).

Number of men and women employees at 31 March 2025

	Women	Men	Total as at 31 March 2026[47]	Representation of women by percentage
Directors[48]	5	8	13	38.5%
Senior managers[49]	171	200	371	46.1%
Employees[50]	26,629	24,024	50,653	52.6%

Coverage for directors, senior managers and employees is based on current, paid civil servants.

Sickness absence data

The average working days lost to sick absence for the Home Office as of 31 March 2026 is 8.37 days (7.40 days in 2024-25). This is an increase of 0.97 days per employee. This figure is per staff year for paid civil servants only, which is in line with cross-government guidelines from Cabinet Office.

Staff turnover percentage

	2025-26	2024-25
Departmental turnover percentage	6.86%	8.38%

Leavers Coverage: Paid and unpaid civil servants (excluding Border Force Flexible Workers) who left the Home Office/average headcount.

Turnover rate calculation: Number of leavers/12 months average headcount of paid and unpaid civil servants (excluding Border Force Flexible Workers).

47 Based on headcount (not full-time equivalent). Includes permanent employees.
48 Members of the executive committee.
49 All managers at Senior Civil Service (SCS) level.
50 Employees – all grades (AA to SCS).

Staff engagement percentage scores from the latest Civil Service People Survey

Staff engagement percentage scores from the latest Civil Service People Survey. The annual Civil Service People Survey looks at civil servants' attitudes to and experience of working in government departments. The Home Office uses its annual staff survey results as an indicator of where to focus efforts on its People Plan. The 2025 People Survey had a **54%** response rate, a decrease of 10 percentage points since the 2024 survey (**64%** in 2024).

The departmental results show the staff engagement level measured by the Employee Engagement Index this decreased to **57%** (**59%** in 2024). Full results of the Civil Service People Survey are published on GOV.UK. This includes a technical guide detailing the questionnaire civil servants are asked to complete, the data collection methodology and the framework underpinning the analysis of the results.

Trade unions

The Home Office recognises four trade unions for collective bargaining purposes – PCS (Public and Commercial Services Union), FDA (formerly the First Division Association), Prospect and the ISU (formerly the Immigration Service Union). The department has a strong and extensive framework for engaging these trade unions on matters impacting their members, with engagement happening at all management levels, within business areas as well as on Home Office wide issues. There has been regular engagement with these unions over the past year on a range of issues, including pay and allowances, rostering, organisational change and changes to HR policies.

Exit packages

This section is audited. Exits for the Department and it's Agencies has been affected this year by the transfer of the Civil Service Pension Administrator to Capita. Many exits have been delayed by the backlog caused by the transfer and therefore some of the figures have been taken from quotes and not final awards, as these are not yet available. All quotes declared have been accrued in this year's budgets.

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
Less than £10,000	0 (0)	0 (9)	0 (9)
£10,000 – £25,000	0 (1)	10 (41)	10 (42)
£25,000 – £50,000	0 (0)	25 (30)	25 (30)
£50,000 – £95,000	0 (0)	64 (16)	64 (16)
£96,000 – £150,000	0 (0)	2 (2)	2 (2)
£150,000 – £200,000	0 (0)	0 (0)	0 (0)
Total number of exit package by type	**0 (1)**	**101 (98)**	**101 (99)**
Total resource cost (£000)	**0 (22)**	**6,291 (3,737)**	**6,291 (3,759)**

Due to the issues with the transfer of the Civil Service Pension Administrator, figures are based on either accepted quotes or quotes that have queries and are awaiting acceptance.

All figures have been accrued for in FY 25/26 and therefore included in the figures above.

Health and safety

All Home Office staff are afforded the protections set out in the Health and Safety at Work etc. Act 1974. In line with these responsibilities, all work activities are subject to proportionate risk assessment processes to identify, control and, where possible, eliminate hazards.

We are committed to maintaining safe and healthy working environments across all areas of our operation, both in the UK and overseas. Where the Home Office operates internationally, we ensure compliance with relevant local health and safety legislation, while maintaining the core principles of UK health and safety standards.

To strengthen this commitment, the roles within the Home Office's central Health, Safety and Fire function have been enhanced to provide greater strategic oversight and specialist support. The team has reviewed and refreshed key governance and assurance arrangements to ensure they remain aligned with legal requirements, departmental priorities, and recognised best practice.

This work forms part of a wider, continuous health and safety improvement programme; focused on improving safety leadership at all levels, providing readily available competent advice, and using data to inform strategic health and safety decision-making.

Human capital management

The department has well established HR policies and systems to support employee experience, capability and growth. Line managers have access to leadership and management training programmes aligned to Civil Service line management standards. We create the opportunity for our employees to get the skills and job-based learning and development they need, with recent particular focus on developing digital literacy in response to the pre-eminent growth of Artificial Intelligence. Our ambition is to create an environment where talent and performance conversations and support is natural and ongoing, enabling the organisation to create a talent pipeline for leadership roles and individuals to pursue their career goals. The department's performance management arrangements support effective performance, appropriate behaviours and departmental productivity through structured and ongoing discussions. These arrangements are underpinned by quality systems and data to promote consistency and fairness. Pay arrangements operate within the Cabinet Office pay remit and are agreed with recognised trade unions. They are applied through established frameworks and governance arrangements to ensure affordability, fairness and transparency.

Diversity and inclusion

The Home Office is committed to being a diverse and inclusive employer, representative of the communities we serve and drawing on their full range of skills, knowledge and backgrounds. We recognise that bringing together teams with diverse perspectives, experiences and insight is essential to tackling complex problems, driving innovation and enabling stronger decision-making.

The department aims to create an environment where people feel safe and supported to share their perspectives and are positively recognised for doing so.

Home Office 2026 Workforce Diversity

Grade	All staff	SCS
Ethnicity	26%	9%
Disability	15%	12%
Women	53%	46%
LGB+	6%	8%

Positive Declaration: % calculated using positive statements only. 'Not surveyed' and 'prefer not to say' have not been included.

This year the Home Office has focused on increasing the number of our people who provided their personal diversity data to us. We have had success in encouraging our people to do so, with increased declaration across all groups. Disability declarations have increased from 66.7% in March 2025 to 77.2% in March 2026, with Ethnic Minority increasing from 77.3% to 83.3% over the same period.

Overall, representation for all staff in the Home Office for female, ethnicity, disability and LGB+ meets or exceeds the 2021 census economically active population for England and Wales across the four protected characteristics which we monitor. This is consistent with the position in both 2024 and 2025.

At Senior Civil Service (SCS) grades representation of disabled staff and LGB+ staff is at, or above the 2021 Census economically active population benchmark.

However, representation of women and ethnic minority staff at SCS level remain below this benchmark. For the 2025-26 financial reporting year, the number of ethnic minority staff in the SCS fell from 10% to 9%. Over the same period, the proportion of women in the SCS fell slightly from 47% to 46. A targeted action plan with clear outcomes has been developed to improve representation of women and ethnic minority staff at SCS level.

Pay Gap Reporting

Organisations with 250 or more employees are required to report annually on their Gender Pay Gap (GPG). Government departments fall within scope of the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, which support delivery of the Public Sector Equality Duty and require the annual publication of GPG data.

Gender Pay Gap

Home Office 2025 Gender Pay Gap (GPG):

2025 GPG data shows:

- mean pay gap has increased by 0.1 percentage point (ppt) from 6.7% to 6.8%
- median pay gap has increased by 0.9 ppt from 11.1% to 12%
- mean bonus pay gap has increased by 3.1 ppt from 0.1% to 3.2%
- median bonus pay gap has increased by 7.2 ppt from 0% to 7.2%

When additional allowances relating to front line 24/7 operations are removed from GPG calculations the 2025 data shows a much narrower gap:

- mean pay gap decreases by 0.2% ppt from 2.8% to 2.6%
- median pay gap decreases by 3.6 ppt to from 4.3% 0.7%

The primary driver of the Home Office GPG continues to relate to workforce composition, and the use of allowances. The Home Office pays allowances to recompense people engaged in front line operations rostered on a 24/7 basis, which has a significant positive impact on pay in comparison to other parts of the workforce. Staff working in 24/7 roster roles are more likely to be men. The removal of allowances from GPG calculations reduces the hourly mean GPG to 2.6% and the median to 3.6%. The overall mean GPG, excluding allowances, has increased by 0.1 percentage points, from 6.7% in 2024, while the median has increased from 0.9% in the previous year.

Home Office gender pay gap report 2025 – GOV.UK provides a more comprehensive analysis and detailed actions for the 2026-27 reporting year.[51]

Other Pay Gaps

The Civil Service published Disability and Ethnicity Pay Gap data in the Annual Civil Service Employment Survey (ACSES)[52] in October 2025 for all departments including the Home Office. This data, published on a voluntary basis, is allowing us to undertake more detailed analysis to help identify actions to narrow disparities.

---

51 www.gov.uk/government/publications/gender-pay-gap-2025/home-office-gender-pay-gap-report-2025
52 www.gov.uk/government/statistics/civil-service-statistics-2025

This is in advance of mandatory pay gap reporting which the government has committed to introducing. A key area of focus has been to increase the number of our people who declare their personal information.

Building an Inclusive Culture

Gender

This year, the Civil Service has focused on supporting colleagues through the menopause, reflecting the new legal requirements set out in the Employment Rights Act 2025. For phase one, the Home Office introduced a new 'Menopause in the Workplace' policy, associated guidance, training and additional support for women experiencing the menopause or menopausal symptoms. To support phase 2, a 'Menopause Working Group' has been established and an action plan will be developed.

To meet the statutory duty to prevent sexual harassment under the Worker Protection (Amendment of Equality Act 2010) Act 2023, a new policy, assessment framework, training and guidance have been introduced. This reinforces the Home Office's commitment to fostering a safe and inclusive culture in which all colleagues feel empowered and able to achieve their potential.

Social Mobility

Social Mobility declaration rates increased from 38.96% in March 2025 to 52.48% in March 2026, based on the question "Would you describe yourself coming from a Lower Socio-economic background (LSEB)?". Of those who have declared, 34.42% identified as coming from a lower socio economic background in March 2026, compared with 34.85% in March 2025. These declaration rates have been driven by internal engagement activity led by the Social Mobility Team, alongside proactive and targeted central HR communications delivered through Metis.

We have continued to focus on outreach activity, supporting students from lower socio-economic backgrounds to navigate and consider joining the Home Office, while supporting colleagues from all backgrounds, including lower socio-economic backgrounds to develop and progress their careers in the Home Office.

Disability

As an accredited Disability Confident Leader employer, the Home Office continues to improve by increasing understanding, removing barriers, and ensuring that disabled people can fulfil their potential and realise their aspirations.

Our focus continues to be on building the capability of our leaders and managers, providing solutions and tools to overcome work barriers, and improving our policies and processes to ensure we enable everyone to be successful in their work.

We continue to roll out our capability building programme for leaders and managers, and this year have ensured that key learning within our central leadership and management offer reflects the knowledge and skills needed to put reasonable adjustments in place.

Working with commercial colleagues, processes have been improved to make it easier for jobholders and line managers to purchase equipment and auxiliary aids required as Workplace (Reasonable) Adjustments.

Commonly used items are now readily available through our online procurement systems This is helping our people to get the right support easily and quickly.

Collaboration across the Home Office has improved promotion of accessible documents, software and systems. This has included awareness raising activity, highlighting for leaders the role of Assistive Technology and Workplace (Reasonable) Adjustments in improving wellbeing, engagement and productivity.

Over the last year, as part of our work in promoting the use of AI tools, we successfully rolled out AI tools to colleagues with disabilities where it is identified as a reasonable adjustment. This now forms part of the core adjustments available to our people and has been successful in removing barriers.

We are continuing to review our approach and support to colleagues. During this year we sourced independent expert analysis of our approach to measurement and evaluation, and this data will help inform future activity, to improve the employee experience for our disabled colleagues.

Race

The Home Office continues to prioritise its race-related objectives, aligned with wider Civil Service race priorities.

We have continued to focus on increasing the strength of talent pipelines to increase SCS ethnic minority representation. Our approach has had notable success at Grade 6, (the grade immediately below SCS) where we have increased our representation from 11% in 2023 to 17% in 2026. We continue to focus on ensuring that all colleagues, including those from ethnic minority backgrounds have the opportunity to grow and develop the skills they need now and for the future in the Civil Service.

Sexual Orientation and Gender Identity

The Home Office is committed to being an inclusive organisation for LGB+ and gender-diverse people. In June 2025, the department launched its LGBTI+ Action Plan, setting out actions to reduce Bullying, Harassment and Discrimination (BHD), increase visibility, and promote wellbeing for LGBTI+ colleagues. These actions are aligned to clear outcomes that support the delivery of the department's wider business priorities. Progress against the Action Plan is overseen by a monthly LGBTI+ Champion Board, comprising directorate-level champions, the elected Chair of the Home Office LGBTI+ Staff Support Network, and HR Diversity and Inclusion subject matter experts.

Places for Growth

The Home Office continues to make good progress with Places for Growth (PfG). By the end of PfG Phase 1 (31 March 2025), the Home Office had Delivered 4,547 relocations, achieving 133% above the target of 1,950. This included 71 Senior Civil Servant (SCS) relocations, delivered against the target of 80 by 2030.

PfG Phase 2, 31 March 2025 to 2030, is focused on locating 50% of SCS posts outside of London, across the Civil Service. Currently, 27% of Home Office SCS are based outside of London and in the coming year we will increase that number as part of our plans to support the development of sustained career pathways at locations across the UK.

Parliamentary Accountability and Audit Report

Statement of Outturn against Parliamentary Supply

In addition to the primary statements prepared under IFRS, the Government Financial Reporting Manual (FReM) requires the Home Office to prepare a Statement of Outturn against Parliamentary Supply (SOPS) and supporting notes.

The SOPS and related notes are subject to audit, as detailed in the Certificate and Report of the Comptroller and Auditor General to the House of Commons.

The SOPS is a key accountability statement that shows, in detail, how an entity has spent against their Supply Estimate. Supply is the monetary provision (for resource and capital purposes) and cash (drawn primarily from the Consolidated Fund) that Parliament gives statutory authority for entities to utilise. The Estimate details supply and is voted on by Parliament at the start of the financial year.

Should an entity exceed the limits set by their Supply Estimate, called control limits, their accounts will receive a qualified opinion.

The format of the SOPS mirrors the Supply Estimates, published on GOV.UK, to enable comparability between what Parliament approves and the final outturn.

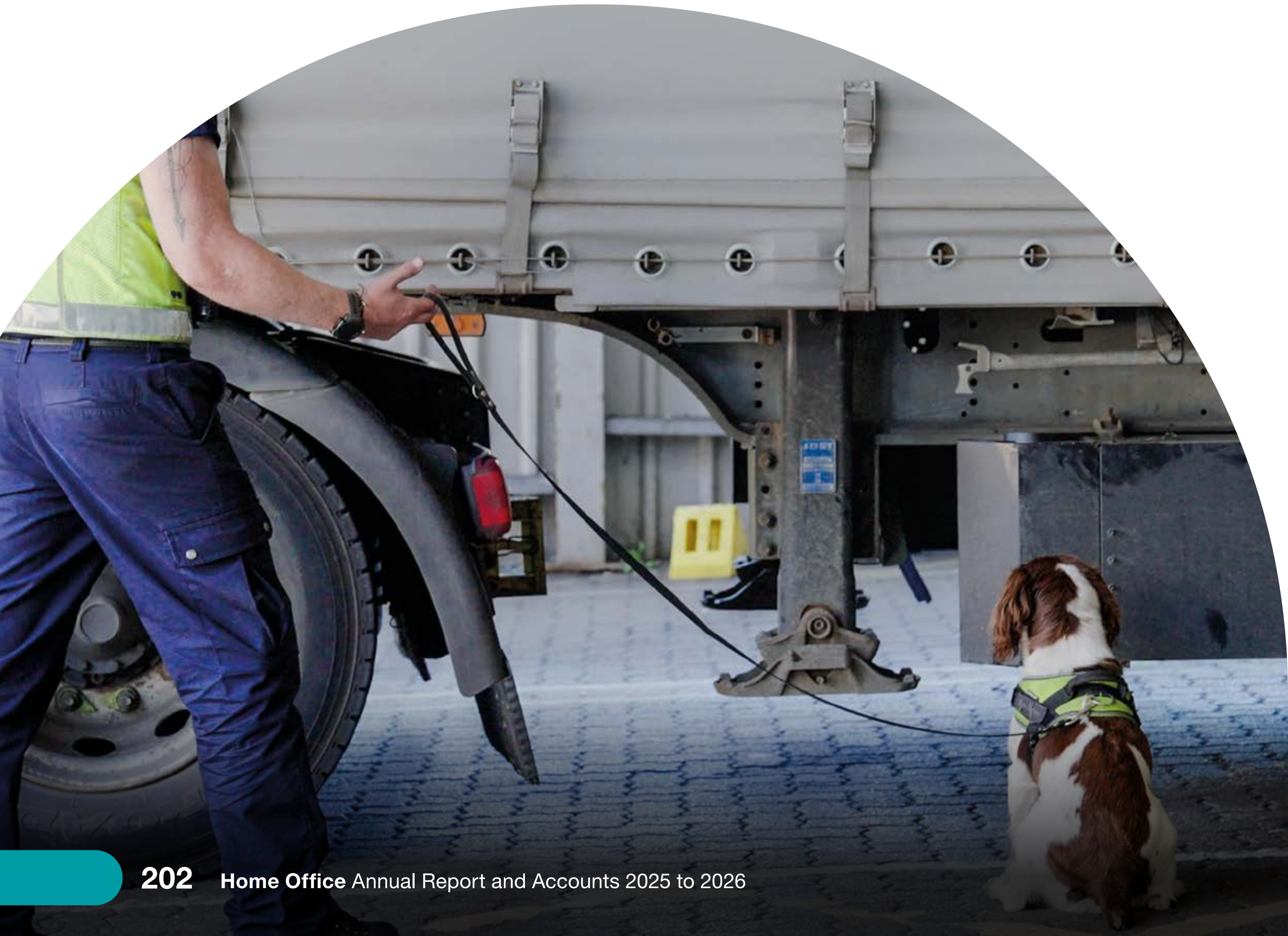
The SOPS contain a summary table, detailing performance against the control limits that Parliament have voted on, cash spent (budgets are compiled on an accruals basis and so outturn won't exactly tie to cash spent), and administration.

The supporting notes detail the following: Outturn by Estimate line, providing a more detailed breakdown (note 1); a reconciliation of outturn to net operating expenditure in the Statement of Comprehensive Net Expenditure (SOCNE), to tie the SOPS to the financial statements (note 2); a reconciliation of outturn to net cash requirement (note 3); and an analysis of income payable to the Consolidated Fund (note 4).

The SOPS and Estimates are compiled against the budgeting framework, which is similar to, but different from, IFRS. An understanding of the budgeting framework and an explanation of key terms is provided in the financial review section of the Performance Report.

Further information on the Public Spending Framework and the reasons why budgeting rules are different to IFRS can also be found in chapter 1 of the Consolidated Budgeting Guidance, available on GOV.UK.

The SOPS provides a detailed view of financial performance, in a form that is voted on and recognised by Parliament. The financial review, in the Performance Report, provides a summarised discussion of outturn against estimate and functions as an introduction to the SOPS disclosures.



Summary tables – mirrors part 1 of the Estimates

Summary table, 2025-26, all figures presented in £000s

		Outturn			Estimate			Outturn vs Estimate, saving/ (excess)		(Restated) Prior Year Outturn Total
Type of spend	**SoPS note**	**Voted**	**Non-Voted**	**Total**	**Voted**	**Non-Voted**	**Total**	**Voted**	**Total**	**2024-25**
Departmental Expenditure Limit										
Resource	1.1	17,919,340	–	17,919,340	18,413,937	–	18,413,937	494,597	494,597	17,946,535
Capital	1.2	1,590,168	–	1,590,168	1,718,665	–	1,718,665	128,497	128,497	1,574,192
Total		**19,509,508**	**–**	**19,509,508**	**20,132,602**	**–**	**20,132,602**	**623,094**	**623,094**	**19,520,727**
Annually Managed Expenditure										
Resource	1.1	2,066,123	–	2,066,123	2,482,838	–	2,482,838	416,715	416,715	1,841,815
Capital	1.2	(23,161)	–	(23,161)	60,077	–	60,077	83,238	83,238	21,048
Total		**2,042,962**	**–**	**2,042,962**	**2,542,915**	**–**	**2,542,915**	**499,953**	**499,953**	**1,862,863**
Total Budget										
Resource	1.1	19,985,463	–	19,985,463	20,896,775	–	20,896,775	911,312	911,312	19,788,350
Capital	1.2	1,567,007	–	1,567,007	1,778,742	–	1,778,742	211,735	211,735	1,595,240

		Outturn			Estimate			Outturn vs Estimate, saving/ (excess)		(Restated) Prior Year Outturn Total
Type of spend	**SoPS note**	**Voted**	**Non-Voted**	**Total**	**Voted**	**Non-Voted**	**Total**	**Voted**	**Total**	**2024-25**
Total Budget Expenditure		**21,552,470**	**–**	**21,552,470**	**22,675,517**	**–**	**22,675,517**	**1,123,047**	**1,123,047**	**21,383,590**
Non-Budget Expenditure										
Prior period adjustment[53]	1.1	–	–	–	–	–	–	–	–	(284,615)
Total Non-Budget Expenditure		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(284,615)**
Total Budget and Non-Budget		**21,552,470**	**–**	**21,552,470**	**22,675,517**	**–**	**22,675,517**	**1,123,047**	**1,123,047**	**21,098,975**

Figures in the areas outlined in thick line cover the control limits voted by Parliament. Refer to the Supply Estimates guidance manual, available on GOV.UK, for details on the control limits voted by Parliament.

Prior year figures have been restated due to a Machinery of Government change – see Financial Statements note 21.

53 In 2023-24 the Home Office recognised an accrued expenditure figure for its top-up grant for police and fire pensions of £888.9 million. As part of the audit of the 2024-25 accounts, it was identified that this 2023-24 estimate was overstated by £284.6 million.

Net cash requirement 2025-26, all figures presented in £000s

Item	SoPS note	Outturn	Estimate	Outturn vs Estimate, saving/(excess)	Prior Year Outturn Total 2024-25
Net cash requirement	3	21,528,159	23,300,000	1,771,841	21,903,568

Administration costs 2025-26, all figures presented in £000s

Type of spend	SoPS note	Outturn	Estimate	Outturn vs Estimate, saving/(excess)	(Restated) Prior Year Outturn Total 2024-25
Administration costs	1.1	430,646	448,571	17,925	406,747

Although there is not a separate voted limit, any breach of the administration budget will also result in an excess vote.

Prior year figures have been restated due to a Machinery of Government change – see Financial Statements note 21.

Notes to the Statement of Parliamentary Supply 2025-26 (£000s)

SoPS 1.1. Analysis of resource outturn by estimate line

Type of spend (Resource)	Resource outturn							Estimate			Outturn vs Estimate, saving/ (excess)	(Restated) Prior year outturn total, 2024-25
	Administration			Programme								
	Gross	Income	Net	Gross	Income	Net	Total	Total	Virements	Total including virements		
Spending in Departmental Expenditure Limit (DEL)												
Voted expenditure												
A – Public Safety Group	61,705	–	61,705	12,619,031	(3,043)	12,615,988	12,677,693	12,632,362	47,074	12,679,436	1,743	12,076,344
B – Homeland Security Group	66,478	–	66,478	1,663,119	(285,354)	1,377,765	1,444,243	1,453,652	(2,436)	1,451,216	6,973	1,384,260
C – Migration and Borders Group	45,355	(287)	45,068	298,241	(1,236)	297,005	342,073	328,321	13,988	342,309	236	360,699
D – Border Security Command	–	–	–	181,594	(3)	181,591	181,591	215,746	(34,155)	181,591	–	56,314
E – Customer Services (Visas and Passports)	–	–	–	1,628,883	(6,563,810)	(4,934,927)	(4,934,927)	(4,914,842)	(20,085)	(4,934,927)	–	(4,319,505)

Type of spend (Resource)	Resource outturn							Estimate			Outturn vs Estimate, saving/ (excess)	(Restated) Prior year outturn total, 2024-25
	Administration			Programme								
	Gross	Income	Net	Gross	Income	Net	Total	Total	Virements	Total including virements		
F – Asylum Support, Resettlement and Accommodation	–	–	–	4,181,193	–	4,181,193	4,181,193	4,330,969	–	4,330,969	149,776	4,512,568
G – Border Force	(1)	–	(1)	1,392,739	(33,807)	1,358,932	1,358,931	1,362,951	(3,297)	1,359,654	723	1,375,814
H – Immigration Enforcement	–	–	–	796,236	(26,425)	769,811	769,811	719,637	50,174	769,811	–	819,196
I – Chief Operating Officer Group	184,526	(1,283)	183,243	899,751	1,859	901,610	1,084,853	1,430,182	(37,091)	1,393,091	308,238	956,235
J – Home Office Digital	42,681	(2,082)	40,599	742,195	(146,581)	595,614	636,213	646,934	(10,239)	636,695	482	556,512
K – Science, Technology, Analysis and Research	16,633	–	16,633	57,283	(30,965)	26,318	42,951	45,350	(2,399)	42,951	–	36,375
L – Legal Advisors	16,921	–	16,921	–	–	–	16,921	18,455	(1,534)	16,921	–	8,395

	Resource outturn							Estimate				
	Administration			Programme								
Type of spend (Resource)	Gross	Income	Net	Gross	Income	Net	Total	Total	Virements	Total including virements	Outturn vs Estimate, saving/ (excess)	(Restated) Prior year outturn total, 2024-25
M – Arm's Length Bodies (Net)	–	–	–	117,794	–	117,794	117,794	144,220	–	144,220	26,426	123,328
Total voted DEL	**434,298**	**(3,652)**	**430,646**	**24,578,059**	**(7,089,365)**	**17,488,694**	**17,919,340**	**18,413,937**	**–**	**18,413,937**	**494,597**	**17,946,535**
Total spending in DEL	**434,298**	**(3,652)**	**430,646**	**24,578,059**	**(7,089,365)**	**17,488,694**	**17,919,340**	**18,413,937**	**–**	**18,413,937**	**494,597**	**17,946,535**
Spending in Annually Managed Expenditure (AME)												
Voted expenditure												
N – AME Superannuation Charges	–	–	–	1,932,497	–	1,932,497	1,932,497	2,261,279	–	2,261,279	328,782	1,825,596
O – AME Charges	–	–	–	133,626	–	133,626	133,626	221,559	–	221,559	87,933	16,219
Total voted AME	**–**	**–**	**–**	**2,066,123**	**–**	**2,066,123**	**2,066,123**	**2,482,838**	**–**	**2,482,838**	**416,715**	**1,841,815**
Total spending in AME	**–**	**–**	**–**	**2,066,123**	**–**	**2,066,123**	**2,066,123**	**2,482,838**	**–**	**2,482,838**	**416,715**	**1,841,815**

Type of spend (Resource)	Resource outturn							Estimate			Outturn vs Estimate, saving/ (excess)	(Restated) Prior year outturn total, 2024-25
	Administration			Programme								
	Gross	Income	Net	Gross	Income	Net	Total	Total	Virements	Total including virements		
Non-budget												
Prior period adjustment[54]	–	–	–	–	–	–	–	–	–	–	–	(284,615)
Total non-budget	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(284,615)**
Total resource	**434,298**	**(3,652)**	**430,646**	**26,644,182**	**(7,089,365)**	**19,554,817**	**19,985,463**	**20,896,775**	**–**	**20,896,775**	**911,312**	**19,503,735**

Prior year figures have been restated due to a Machinery of Government change – see Financial Statements note 21.

54 In 2023-24 the Home Office recognised an accrued expenditure figure for its top-up grant for police and fire pensions of £888.9 million. As part of the audit of the 2024-25 accounts, it was identified that this 2023-24 estimate was overstated by £284.6 million.

SoPS 1.2. Analysis of capital outturn by estimate line

Type of spend (Capital)	Outturn			Estimate			Outturn vs Estimate, saving/ (excess)	(Restated) Prior year outturn total, 2024-25
	Gross	Income	Net	Total	Virements	Total including virements		
Spending in Departmental Expenditure Limit (DEL)								
Voted expenditure								
A – Public Safety Group	609,904	–	609,904	582,049	27,855	609,904	–	345,842
B – Homeland Security Group	204,760	–	204,760	221,556	(12,857)	208,699	3,939	207,464
C – Migration and Borders Group	137,422	–	137,422	150,487	(13,065)	137,422	–	206,167
D – Border Security Command	38,413	–	38,413	33,350	5,063	38,413	–	20,851
E – Customer Services (Visas and Passports)	92,371	209	92,580	80,780	11,800	92,580	–	117,556
F – Asylum Support, Resettlement and Accommodation	32,786	365	33,151	109,620	–	109,620	76,469	22,685
G – Border Force	151,948	(5)	151,943	148,800	3,143	151,943	–	167,487
H – Immigration Enforcement	157,650	–	157,650	162,480	(4,830)	157,650	–	127,162
I – Chief Operating Officer Group	28,685	(4,228)	24,457	71,315	–	71,315	46,858	211,581
J – Home Office Digital	75,980	–	75,980	90,511	(14,531)	75,980	–	80,586
K – Science, Technology, Analysis and Research	52,849	(153)	52,696	55,274	(2,578)	52,696	–	61,499

Type of spend (Capital)	Outturn			Estimate			Outturn vs Estimate, saving/ (excess)	(Restated) Prior year outturn total, 2024-25
	Gross	Income	Net	Total	Virements	Total including virements		
L – Legal Advisors	–	–	–	–	–	–	–	–
M – Arm's Length Bodies (Net)	11,212	–	11,212	12,443	–	12,443	1,231	5,312
Total voted DEL	**1,593,980**	**(3,812)**	**1,590,168**	**1,718,665**	**–**	**1,718,665**	**128,497**	**1,574,192**
Total spending in DEL	**1,593,980**	**(3,812)**	**1,590,168**	**1,718,665**	**–**	**1,718,665**	**128,497**	**1,574,192**
Spending in Annually Managed Expenditure (AME)								
Voted expenditure								
N – AME Superannuation Charges	–	–	–	–	–	–	–	–
O – AME Charges	(23,161)	–	(23,161)	60,077	–	60,077	83,238	21,048
Total voted AME	**(23,161)**	**–**	**(23,161)**	**60,077**	**–**	**60,077**	**83,238**	**21,048**
Total spending in AME	**(23,161)**	**–**	**(23,161)**	**60,077**	**–**	**60,077**	**83,238**	**21,048**
Total capital	**1,570,819**	**(3,812)**	**1,567,007**	**1,778,742**	**–**	**1,778,742**	**211,735**	**1,595,240**

The total Estimate columns include virements. Virements are the reallocation of provision in the Estimates that do not require parliamentary authority (because Parliament does not vote to that level of detail and delegates to HM Treasury). Further information on virements is provided in the Supply Estimates Manual, available on GOV.UK.

The outturn vs. estimate column is based on the total including virements. The estimate total before virements have been made is included so that users can tie the estimate back to the Estimates laid before Parliament.

Prior year figures have been restated due to a Machinery of Government change – see Financial Statements note 21.

SoPS 2. Reconciliation of outturn to net operating expenditure

Item		Reference	Outturn total	(Restated) Prior year outturn total, 2024-25
	Budget	**SoPS 1.1**	19,985,463	19,788,350
	Non-budget	**SoPS 1.1**	–	(284,615)
Total Resource outturn		**SoPS 1.1**	**19,985,463**	**19,503,735**
Add:	Capital grants		190,684	231,073
	Capital expenditure		101,549	110,993
Total			**292,233**	**342,066**
Less:	Income payable to the Consolidated Fund		(17,187)	(234,076)
	Capital grant income		(3,812)	(141,586)
	SoFP items with resource outturn impact		154	–
	Prior period adjustment		–	284,615
Total			**(20,845)**	**(91,047)**
Net Operating Expenditure in Consolidated Statement of Comprehensive Net Expenditure		**SoCNE**	**20,256,851**	**19,754,754**

Prior year figures have been restated due to a Machinery of Government change – see Financial Statements note 21.

As noted in the introduction to the SOPS above, outturn and the Estimates are compiled against the budgeting framework, which is similar to, but different from, IFRS. Therefore, this reconciliation bridges the resource outturn to net operating expenditure, linking the SOPS to the financial statements.

Capital grants and capital expenditures are budgeted for as CDEL but accounted for as spend on the face of the SoCNE, and therefore function as a reconciling item between resource and net operating expenditure.

Income payable to the Consolidated Fund is outside of budget but accounted for as income in SoCNE, and therefore functions as a reconciling item between resource and net operating expenditure.

SoPS 3. Reconciliation of net resource outturn to net cash requirement

Item	Reference	Outturn total	Estimate	Outturn vs Estimate, saving/ (excess)
Total Resource outturn	**SoPS 1.1**	**19,985,463**	**20,896,775**	**911,312**
Total Capital outturn	**SoPS 1.2**	**1,567,007**	**1,778,742**	**211,735**
Adjustments for ALBs:				
Remove voted resource and capital		(128,376)	(156,740)	(28,364)
Add cash grant-in-aid		143,920	138,964	(4,956)
Adjustments to remove non-cash items:				
Depreciation and amortisation		(566,266)	(766,638)	(200,372)
New provisions and adjustments to previous provisions		(132,493)	(253,559)	(121,066)
Accrued capital expenditure		(54,124)	–	54,124
Other non-cash items		(63,403)	(28,000)	35,403
Adjustments to reflect movements in working balances:				
Increase/(decrease) in inventories		171	–	(171)
Increase/(decrease) in receivables		645,255	–	(645,255)
(Increase)/decrease in payables		57,956	1,690,456	1,632,500
(Increase)/decrease in pension liability		29	–	(29)
Use of provisions		62,829	–	(62,829)
Total		**21,517,968**	**23,300,000**	**1,782,032**

Item	Reference	Outturn total	Estimate	Outturn vs Estimate, saving/ (excess)
Removal of non-voted budget items:				
Other adjustments		10,191	–	(10,191)
Net cash requirement		**21,528,159**	**23,300,000**	**1,771,841**

As noted in the introduction to the SOPS above, outturn and the Estimates are compiled against the budgeting framework, not on a cash basis. Therefore, this reconciliation bridges the resource and capital outturn to the net cash requirement.

SoPS 4. Amounts of income to the Consolidated Fund

SoPS 4.1. Analysis of income payable to the Consolidated Fund

In addition to income retained by the department, the following income is payable to the Consolidated Fund.

	Outturn total		Prior Year, 2024-25	
	Accruals	Cash basis	Accruals	Cash basis
Income outside the ambit of the Estimate	17,187	19,110	234,076	232,472
Accrued income	–	(43)	–	(1,969)
Accrued CFER income from PYs	–	1,966	–	365
Cash income	17,187	17,187	234,076	234,076
Total amount payable to the Consolidated Fund	**17,187**	**19,110**	**234,076**	**232,472**

SoPS 4.2. Consolidated Fund Income

Consolidated Fund income shown in SOPS note 4.1 above does not include any amounts collected by the department where it was acting as agent for the Consolidated Fund rather than as principal. In accordance with HM Treasury direction, the non-retainable income generated is not recognised in the resource accounts.

Full details of income collected as agent for the Consolidated Fund are included within the Home Office's Trust Statement, published alongside these financial statements. This includes income relating to the Immigration Skills Charge, civil penalties, and consular fees.

Regularity of expenditure

The following section is subject to audit.

We are custodians of taxpayers' funds and have a duty to Parliament to ensure the regularity and propriety of our activities and expenditure. We manage public funds in line with HM Treasury's Managing Public Money. The disclosures made within the Parliamentary Accountability and Audit Report are indicative of this.

The importance of operating with regularity and the need for efficiency, economy, effectiveness, and prudence in the administration of public resources to secure value for public money is the responsibility of our Accounting Officer, as set out in Managing Public Money.

The manner in which the Accounting Officer and the wider department discharges their responsibilities in the administration of public resources is detailed within the Statement of Accounting Officer Responsibilities and the Governance Statement.

Parliamentary Accountability Disclosures

The following sections are subject to audit.

Losses and special payments

Losses statement

Losses are transactions of a type which Parliament could not have foreseen when Supply funding for the department was voted. The term 'loss' includes loss of public monies, stores, stocks, cash, and other property entrusted to the Home Office. Examples include cash losses, bookkeeping losses, exchange rate fluctuations, losses of pay, allowance and superannuation benefits, losses arising from overpayments, losses arising from failure to make adequate charges, and losses arising from accountable stores.

Situations where recurring or individual circumstances result in multiple losses of equivalent nature are grouped together. This group is subsequently counted as one case. This results in greater visibility where circumstances result in significant total values of cases despite individual cases being low value.

				2025-26				2024-25
		Core Department and Agencies		Departmental Group		Core Department and Agencies		Departmental Group
	Number of cases	Cost £000	Number of cases	Cost £000	Number of cases	Cost £000	Number of cases	Cost £000
Losses under £300,000	4	528	4	528	8	767	8	767
Cases over £300,000	6	95,277	7	97,697	8	363,728	8	363,728
Total	**10**	**95,805**	**11**	**98,255**	**16**	**364,495**	**16**	**364,495**

	2025-26				2024-25			
	Core Department and Agencies		Departmental Group		Core Department and Agencies		Departmental Group	
	Number of cases	Cost £000	Number of cases	Cost £000	Number of cases	Cost £000	Number of cases	Cost £000
Losses over £300,000 comprise:								
Fruitless payments	1	3,213	1	3,213	2	3,374	2	3,374
Loss of Pay/Cash Loss	1	18,700	1	18,700	1	5,315	1	5,315
Constructive Loss	3	72,975	4	75,395	4	345,733	4	345,733
Claim waived or abandoned	1	389	1	389	1	9,306	1	9,306
Total	**6**	**95,277**	**7**	**97,697**	**8**	**363,728**	**8**	**363,728**

Constructive losses over £300,000:

Intangible Assets

- The Police National Database (PND) 1.5 programme, approved in January 2024, was forced to terminate its contract with CGI IT UK Ltd after repeated delays, escalating costs, and failure to provide a credible delivery plan. This has resulted in a £35.2 million constructive loss.

Estates

- Atrium Hotel in Hounslow, London was procured in August 2025 on a 9-month contract to meet an expected surge in asylum demand that would have placed risk on the Manston processing site failing its legal operational standards. In the event a combination of operational efficiency initiatives and demand not meeting the anticipated levels meant the additional capacity was not required, this resulted in a constructive loss of £22.9 million.
- Ex Ministry of Defence site Northeye, Bexhill in East Sussex was purchased for intended use as asylum seeker accommodation but was unable to be used due to excessive costs to remediate the site, it has now been agreed to transfer the site to Homes England in order to ready the site for development to deliver new housing to the local area. The cost required to remedy the site ahead of making available for development has meant the Department did not recoup any of the outlay on the site resulting in a constructive loss of £14.9 million. This also resulted in an ex-gratia payment of £1.8 million for the out of court settlement (see Special Payments).

Disclosure and Barring Service (DBS)

- The loss refers to constructive losses for DBS totalling £2.4 million in 2025-26 (2024-25 £nil) relating to the impairment of two digital assets used for processing digital applications and certificates. The impairment has arisen through a benefits realisation review of the programme which saw a significantly reduced volume of paper applications; the key driver of savings for these 2 services. The reduction is such that the assets no longer provide any value to the organisation. These costs are included in DBS's Statement of Comprehensive Net Expenditure.

Other losses over £300,000:

- Cash loss – Administrative error within the Immigration Health Surcharge (IHS) Reimbursement Scheme has resulted in some reimbursements being paid to customers for periods not aligned with the underlying IHS payment. The scheme is administered by NHS Business Services Authority under delegated authority, with payments processed through Home Office systems. Analysis indicates an estimated financial impact of approximately £18.7 million, although full quantification remains subject to ongoing work. The resulting overpayments have been recognised as a reduction in IHS income, reflecting an error driven loss. Recovery options are being explored however recoverability remains uncertain. Control enhancements have been implemented to strengthen validation processes, with additional work underway to review controls and eligibility checks and to consider further refinements.

- Fruitless payments totalling £3.2 million (2024-25 £3.4 million) were incurred by the Home Office as a result of the cancellation of scheduled flights intended to return those who no longer have the right to remain in the United Kingdom.
- Claims waived or abandoned of £0.4 million arose during the year following the write off of court awarded litigation costs assessed as irrecoverable.

Special payments

Special payments are transactions that Parliament could not have anticipated when passing legislation or approving Supply Estimates for the department. Examples include extra contractual payments to contractors, ex-gratia payments to contractors, other ex-gratia payments, compensation payments, and extra statutory and extra regulatory payments.

Situations where recurring or individual circumstances result in multiple special payments of equivalent nature are grouped together and counted as one case.

	2025-26				2024-25			
	Core Department and Agencies		Departmental Group		Core Department and Agencies		Departmental Group	
	Number of cases	Cost £000	Number of cases	Cost £000	Number of cases	Cost £000	Number of cases	Cost £000
Special Payments under £300,000	5,475	44,466	5,538	44,525	6,475	71,073	6,908	71,113
Special Payments over £300,000	14	7,727	14	7,727	13	9,167	13	9,167
Total	**5,489**	**52,193**	**5,552**	**52,252**	**6,488**	**80,240**	**6,921**	**80,280**

Special payments under £300,000 for 2025-26 totalled £44.5 million (2024-25: £71.1 million).

These payments were in relation to:

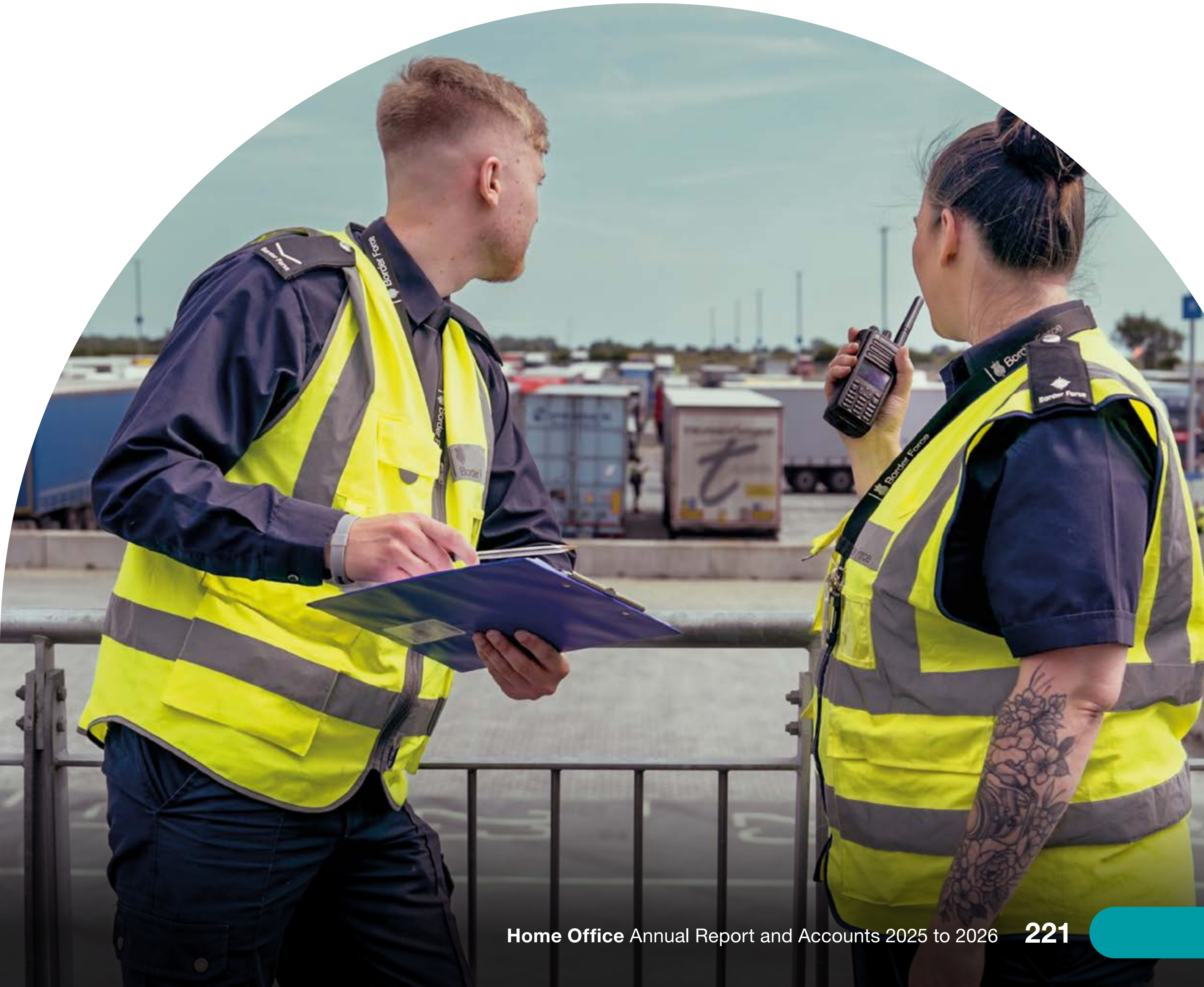
1. Adverse legal costs paid – 2,777 cases totalling £18.6 million (2,766 cases totalling £35.0 million in 2024-25)
2. Windrush compensation scheme – 1,038 cases totalling £15.8 million (1,330 cases totalling £22.5 million 2024-25)
3. Compensation payments for unlawful / wrongful detention – 210 cases totalling £7.1 million (334 cases totalling £10.4 million in 2024-25)
4. Other (Tribunal award and other compensation payments) – 418 cases totalling £2.3 million (988 cases totalling £2.6 million in 2024-25)
5. Ex-gratia payments – 1,095 cases totalling £0.7 million (1,490 cases totalling £0.6 million in 2024-25)

Some cases may involve multiple payments which fall under different classes of special payments. These cases have been counted under each class.

Special payments over £300,000 are in connection with a total of 14 cases (20 payments) with a total of £7.7 million brought against the department (£9.2 million in connection with 13 cases in 2024-25).

The 14 cases comprise of the following 20 payments:

- twelve adverse legal payments totalling £4.0 million
- one ex-gratia payment of £1.8 million for the out of court settlement of the Ex Ministry of Defence site Northeye, Bexhill in East Sussex. This also resulted in a constructive loss of £14.9 million (see Losses statement)
- four other compensation payments totalling £1.2 million
- two compensation payments for wrongful detention totalling £0.5 million
- one other compensation payment of £0.3 million linked to Windrush Compensation Scheme



Gifts

For the year ended 31 March 2026, there were no gifts that exceeded £300k.

Fees and Charges

		2025-26					2024-25				
		Income	Full Cost	Surplus/ (deficit)	Fee recovery actual	Fee recovery target	Income	Full Cost	Surplus/ (deficit)	Fee recovery actual	Fee recovery target
Segment	**Income Stream**	**£'000**	**£'000**	**£'000**	**%**	**%**	**£'000**	**£'000**	**£'000**	**%**	**%**
Corporate and Delivery	College of Policing – People Development	49,828	97,044	(47,216)	51%	100%	47,265	87,004	(39,739)	54%	100%
	SIA – Licensing and ACS Income	30,453	33,380	(2,927)	91%	100%	42,908	47,044	(4,137)	91%	100%
	DBS Disclosures and Update Service	271,547	239,959	31,588	113%	100%	225,898	219,815	6,083	103%	100%

Segment	Income Stream	2025-26 Income £'000	2025-26 Full Cost £'000	2025-26 Surplus/ (deficit) £'000	2025-26 Fee recovery actual %	2025-26 Fee recovery target %	2024-25 Income £'000	2024-25 Full Cost £'000	2024-25 Surplus/ (deficit) £'000	2024-25 Fee recovery actual %	2024-25 Fee recovery target %
Customer Service (UKVI)	In-Country and Overseas	3,574,081	1,067,639	2,506,442	335%	335%	2,978,356	1,164,523	1,813,833	256%	241%
	Passports and other associated income	684,108	885,730	(201,622)	77%	100%	667,640	924,297	(256,657)	72%	100%
	Certificate Services	29,431	78,601	(49,170)	37%	100%	26,978	61,836	(34,858)	44%	100%
Digital, Data and Technology	Police ICT	150,314	168,044	(17,730)	89%	100%	157,288	158,904	(1,616)	99%	100%
Total		**4,789,762**	**2,570,397**	**2,219,365**	**186%**	**–**	**4,146,333**	**2,663,423**	**1,482,909**	**156%**	**–**

This analysis of income satisfies the Fees and Charges requirements of HM Treasury rather than IFRS 8 Operating Segments. Categories where both income and costs are below £10 million have been excluded from this analysis.

Notes

1. **College of Policing:** People development includes exams and assessments, learning and development services, and leadership development services. HM Treasury approval has been obtained for the subsidy of selected training products for core customers, which are principally UK police forces and public bodies.

   The statutory basis for fees applied by the College of Policing for providing services of a public nature is set out in section 95A of the Police Act 1996, which states that the College may charges fees for providing services of a public nature with a view to promoting the efficiency, effectiveness, or professionalism of policing. This is also supported by the College's status as a company limited by guarantee.

2. **Security Industry Authority (SIA)**

   a. Licensing Income is the application fee for an individual SIA Licence. Individuals working in specific sectors of the private security industry are required by law to hold an SIA Licence.

   b. Approved Contractor Scheme (ACS) income is the registration and application fees for companies joining the voluntary scheme for providers of security services. Companies who satisfactorily meet the agreed standards may be registered as approved and advertise themselves as such.

   Licence fees are set out in the Private Security Industry (Licences) Regulations 2004 (as amended). ACS approval fees are set out in the Private Security Industry Act 2001 (Approved Contractor Scheme) Regulations 2007 (as amended). These are underpinned by the provisions set out in Sections 8 and 15 of the Private Security Industry Act 2001.

3. **Disclosure and Barring Service (DBS)**

   a. A Basic DBS check is available for any position or purpose. A Basic certificate will contain details of convictions and conditional cautions that are considered to be unspent.

   b. A Standard DBS check is available to individuals in certain roles. Standard DBS certificates show relevant convictions and cautions held on the Police National Computer (PNC), subject to filtering rules.

   c. An Enhanced DBS check is available to anyone involved in work with vulnerable groups, and other positions involving a high degree of trust. Enhanced certificates contain the same information as a Standard certificate, with the addition of relevant local police force information.

   d. An Enhanced with Barred List(s) DBS certificate contains the same information as an Enhanced DBS certificate but includes details of whether the individual is included on one or both of the Barred Lists.

These lists include individuals barred from working with children and vulnerable groups, where the role is in regulated activity.

e. DBS maintains the Adults' and Children's Barred Lists for England, Wales, and Northern Ireland, which are used to prevent unsuitable individuals from engaging in regulated activity with children and vulnerable groups.

The fee levels for each type of DBS certificate issued under Part V of the Police Act 1997 are prescribed by Regulations made under section 125 of the Police Act 1997. The relevant Regulations are:

- The Police Act 1997 (Criminal Records) Regulations 2002 (as amended);
- The Police Act 1997 (Criminal Records and Registration) (Isle of Man) Regulations 2011 (as amended);
- The Police Act 1997 (Criminal Records and Registration) (Guernsey) Regulations 2009 (as amended); and
- The Police Act 1997 (Criminal Records and Registration) (Jersey) Regulations 2010 (as amended).

The Regulations underpinning the fees for Adult First checks are the same as those that apply to DBS certificates.

The Regulations underpinning the fees for Responsible Body (RB) and counter signatory registration in the Crown Dependencies (Isle of Man, Jersey, and Guernsey) are those listed above. For England and Wales, the applicable Regulations are the Police Act 1997 (Criminal Records) (Registration) Regulations 2006.

4. **UK Visas and Immigration (UKVI)** is responsible for processing visa applications made Overseas and UK based applications for visas, migration, nationality and citizenship. The actual cost recovery rate is 335% with the additional income from fees contributing to the operation of the wider Migration and Borders system.

   Immigration and nationality fee levels and associated provisions are set out in The Immigration and Nationality (Fee) Regulations 2018. This is underpinned by The Immigration and Nationality (Fees) Order 2016, which sets out the functions for which the department is able to charge a fee and the maximum chargeable amount, and Section 68 (9) of the Immigration Act 2014, which sets out the factors that the Secretary of State is permitted to take into account when setting fee levels.

   Further information on UKVI fees can be found at **www.gov.uk/government/publications/visa-fees-transparency-data**.

5. **Passport costs** include all activities relating to the issuing of passports and includes downstream costs such as processing UK passport holders at UK borders. The financial objective of this activity is that income should cover the full costs of these services. A fee is charged for all passport applications except for standard passport applications made by those born on or before 2 September 1929.

Passport fee levels and associated provisions are set out in The Passport (Fee) Regulations 2022 and are underpinned by the provisions set out at Section 86 of the Immigration Act 2016.

6. **Civil Registration Certificate Services** includes all services relating to the issuing of certificates for birth, death, marriage, and civil partnership. In addition, central Home Office funding is provided for other key civil registration functions including supporting local registration services. The financial objective is to break even after central Home Office funding for non-fee bearing activities.

   The Registration of Births, Deaths, Marriages and Civil Partnerships (Fees and Records) (Amendment) Regulations 2024 updated the fees payable in Schedule 1 of The Registration of Births, Deaths, Marriages and Civil Partnerships (Fees) Regulations 2016. These regulations consolidate fee structures from various pieces of legislation.

7. **Police ICT** income stream relates to charges for national IT services and systems provided by the Home Office to England and Wales Police forces and all other law enforcement agencies.

   Charges agreements between the Home Office, police forces, and local education authorities are reached at the Charges and Oversight Board in approximately January-February for annual Police ICT charges. The Permanent Secretary approves subsequent charging letters in approximately March.

Remote contingent liabilities

In addition to contingent liabilities disclosed in the financial statements, the department also reports liabilities for which the likelihood of a transfer of economic benefit in settlement is remote but are still in scope of IAS 37.

Quantifiable contingent liabilities

	1 April 2025	Change in year	31 March 2026
	£000	£000	£000
Indemnity in respect of damage or injury caused to third parties from Border Force in their use of vehicles operating airside while transporting immigration officers between airside locations.	52,000	–	52,000
Cyclamen Programme indemnity up to a maximum of $10 million (Minute dated 17 July 2009). The Cyclamen Programme is an initiative led by the Home Office and Border Force to detect and deter the smuggling of illicit radioactive and nuclear materials at ports and airports.	8,373	473	8,846
National Communications Data Service (NCDS) Grant Agreements with Telecommunications Providers	31,351	–	31,351
National Security: Maritime Counter Terrorism Pilot Scheme. Home Office have commissioned two maritime counter terrorism capabilities; following proof of concept, further development requires an indemnity backstop, creating a contingent liability.	32,000	–	32,000
Forensic Science Service (FSS) pension liability. The FFS was a government owned company in the UK which provided forensic science services to the police forces and government agencies of England and Wales, as well as other countries. Upon its closure in December 2005 the pension obligations of the FSS transferred to the Home Office.	82,000	–	82,000
	205,724	**473**	**206,197**

The €10 million indemnity granted in relation to Cyclamen has been translated using sterling exchange rates as at 5 March 2025 (exchange rate used 1.194).

Unquantifiable contingent liabilities

The following liabilities are judged to be unquantifiable:

The Home Office appeal to the Supreme Court in relation to the Gubeladze case (A8 Worker Registration Scheme) has failed. This outcome leaves the department liable to refund Worker Registration Scheme fees collected over the period 2009 to 2011. The Home Office recognised a provision for this liability in its 2019-20 accounts and there is also an unquantifiable liability for claims for consequential losses.

Indemnities

Border Force New Detection Technology (NDT)

NDT enables upstream border security, supporting overseas partners to enhance their clandestine detection capability. The indemnities provide assurance to overseas partners hosting UK detection equipment by covering potential third party loss or damage arising from its use (excluding negligence), enabling deployment of border security technology abroad where such protection is a condition of access.

The following minutes have been used to notify Parliament of the contingent liability relating to Borders and Enforcement NDT, dated 10 September 2003, 18 December 2003, 18 March 2004, 2 July 2004 and 30 August 2016.

The minutes above refer to the following locations and NDT equipment which is loaned by the department to recipients:

1. **Belgium** (loan of motion detection equipment and building; and loan of passive millimetre wave imager trucks and reflector and thermal imaging equipment)
2. **The Netherlands** (loan of motion detection equipment and building/shelters; CO2 probes and thermal imaging equipment)
3. **France** (loan of motion detection equipment and building/shelters; CO2 probes and loan of passive millimetre wave imager reflectors and ISO containers)
   a. **Calais:** Heartbeat equipment and building and Passive Millimetric Wave Imager ISO containers. Heartbeat equipment and two buildings in juxtaposed control zone commenced Spring 2004
   b. **Coquelles:** Heartbeat Detection Unit at the Eurotunnel operated in the juxtaposed control zone by the Home Office. Passive Millimetric Wave Imager ISO containers. Shelter for Heartbeat detection equipment, which is under the control of, and operated by Borders and Enforcement in the juxtaposed control zone
   c. **Dunkerque:** Heartbeat building commenced Summer 2005. Heartbeat equipment and building operated by the Home Office in the juxtaposed control zone and commenced operation in Spring 2004
   d. **Ostend:** Heartbeat shelters
   e. **St. Malo:** CO2 probes to be operated by French operators

f. **Vlissingen:** Heartbeat equipment and shelters

g. **Zeebrugge:** Two further Heartbeat buildings and one Passive Millimetric Wave Imager ISO container

The minutes also refer to the following:

Indemnity in respect of the deployment and/or demonstration of NDT by Borders and Enforcement in Europe. Within the scope of this indemnity "Europe" is defined as the member states of the Organisation for Security and Co-operation in Europe (OSCE); and those North African and Middle Eastern countries with which the OSCE has special relationships (Algeria, Israel, Jordan, Morocco and Tunisia); and those countries which participate in Euro-Mediterranean dialogue with the Council of Europe (Libya, Syria, Lebanon and the Palestinian Authority).

Angiolini Inquiry

(Minute dated 24 May 2022)

The Angiolini Inquiry was established on 31 January 2022 to review the circumstances of the abduction, rape and murder of Sarah Everard, and the abuse of power by a serving Metropolitan police officer that risks undermining public confidence in the police.

The Home Office agrees to indemnify Dame Elish Angiolini as Chair of the Inquiry, as well as current and former members of the Inquiry and any individual engaged at any time to aid the Inquiry, against any legal costs, actions or damages arising from the execution of their duties in connection with the Inquiry. The indemnity will also cover any civil liability for any act done or omission made in good faith in the execution of their duties.

This indemnity applies only to acts committed or omissions made during the Inquiry's work, from establishment on 31 January 2022 until the final report is published by the Home Secretary.

The indemnity is subject to the proviso that any liability which is to any extent met by insurers on the beneficiary of this indemnity, or for which reimbursement is made to any extent by such insurers, shall in that event and to that extent no longer be the subject of the indemnity and, if previously met or reimbursed by the government, shall to that extent be refunded by the beneficiary to the government.

Western Jet Indemnity

The Jetfoil project was tendered through the CCS framework in December 2021 to supply first a temporary and then a permanent pontoon solution for the disembarking of small boat arrivals at Dover Harbour Jetfoil basin. Indemnity was granted to the supplier to protect against damage/loss resulting in pontoon breaking free as a result of extreme weather conditions.

Provision of Terrorism Prevention and Investigation Measures (TPIM) accommodation

The Home Office have updated the previous TPIM accommodation procurement arrangement by amending the existing contract with HO accommodation provider, Mears, and approving the inclusion of an uncapped contingent liability within the new contract with Mears.

Fees Claims

There are remote contingent liabilities relating to potential litigation arising from fees charged by third-party suppliers.

Reconciliation of contingent liabilities included in the supply estimate to the accounts

Quantifiable contingent liabilities			
	Supply Estimate	Amount disclosed in ARA	Variance (Estimate – Amount Disclosed in ARA
Description of contingent liability	**(£000)**	**(£000)**	**(£000)**
Indemnity provided to BAA in respect of damage or injury caused to third parties from Border Force in their use of vehicles operating airside while transporting immigration officers between airside locations.	52,000	52,000	0
Cyclamen Programme Indemnity up to a Maximum of $10 million (Minute dated 17 July 2009). The Cyclamen Programme is an initiative led by the Home Office and Border Force to detect and deter the smuggling of illicit radioactive and nuclear materials at ports and airports.	8,846	8,846	0
National Communications Data Service (NCDS) Grant Agreements with Telecommunications Providers.	31,351	31,351	0
National Security: Maritime Counter Terrorism Pilot Scheme. Home Office have commissioned two maritime counter terrorism capabilities; following proof of concept, further development requires an indemnity backstop, creating a contingent liability.	32,000	32,000	0
Forensic Science Service (FSS) pension liability. The FFS was a government owned company in the UK which provided forensic science services to the police forces and government agencies of England and Wales, as well as other countries. Upon its closure in December 2005 the pension obligations of the FSS transferred to the Home Office.	82,000	82,000	–

Unquantifiable contingent liabilities			
Description of contingent liability	**Included in the Supply Estimate (Yes/No)**	**Disclosed in the ARA (Yes/No)**	**Explanation of difference**
Border Force New Detection Technology (NDT)	Yes	Yes	–
Angiolini Inquiry	Yes	Yes	–
Western Jet Indemnity	Yes	Yes	–
The Home Office appeal to the Supreme Court in relation to the Gubeladze case (A8 Worker Registration Scheme) has failed. This outcome leaves the department liable to refund Worker Registration Scheme fees collected over the period 2009 and 2011.	Yes	Yes	–
Provision of Terrorism Prevention and Investigation Measures (TPIM) accommodation.	Yes	Yes	–
Fees Claims.	No	Yes	Information not available at time of Supply Estimates

Gareth Davies CB
Accounting Officer

9 July 2026

The Certificate and Report of the Comptroller and Auditor General to the House of Commons

Opinion on financial statements

I certify that I have audited the financial statements of the Home Office (the Department) and of its Departmental Group for the year ended 31 March 2026 under the Government Resources and Accounts Act 2000. The Department comprises the core Department and its agencies. The Departmental Group consists of the Department and the bodies designated for inclusion under the Government Resources and Accounts Act 2000 (Estimates and Accounts) Order 2025. The financial statements comprise: the Department's and the Departmental Group's:

- Consolidated Statement of Financial Position as at 31 March 2026;
- Consolidated Statement of Comprehensive Net Expenditure, Consolidated Statement of Cash Flows and Consolidated 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 Group 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 Department and the Departmental Group's affairs as at 31 March 2026 and their net expenditure for the year then ended; and
- have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects:

- the Statement of Outturn against Parliamentary Supply properly presents the outturn against voted Parliamentary control totals for the year ended 31 March 2026 and shows that those totals have not been exceeded; and

- 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 Department and its Group 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.

The framework of authorities described in the table below has been considered in the context of my opinion on regularity.

Framework of authorities	
Authorising legislation	Government Resources and Accounts Act 2000
Parliamentary authorities	Supply and Appropriations Act
HM Treasury and related authorities	Managing Public Money

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Department and its Group'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 Department or its Group'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 Department and its Group 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.

Overview of my audit approach

Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditor, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of the audit of the financial statements as a whole, and in forming my opinion thereon. I do not provide a separate opinion on these matters.

This is not a complete list of all risks identified through the course of my audit but only those areas that had the greatest effect on my overall audit strategy, allocation of resources and direction of effort. I have not, for example, included information relating to the work I have performed around the presumed audit risks arising from the potential for management override of controls or fraud in revenue recognition. These are areas where my work has not identified any matters to report.

The key audit matters were discussed with the Audit and Risk Assurance Committee; their report on matters that they considered to be significant to the financial statements is set out on page 128.

In this year's report the following changes to the risks identified have been made compared to my prior year report:

In my 2024-25 report, I included a key audit matter in respect of the accounting implications following change in government policy. I did so because, following the July 2024 General Election, the incoming Government made several changes to the policies of its predecessor, including ending the Migration and Economic Development Partnership (MEDP) with the Government of Rwanda, and I considered there to be a significant risk and key audit matter around accounting for the implications of these changes. Since my 2024-25 report there has been no significant change in Government policy impacting losses and I have identified no equivalent risk affecting the 2025-26 financial statements.

In my 2024-25 report I also included a key audit matter in respect of the Government Actuary's Department (GAD) Pension accrual. Home Office use GAD to come up with an estimate of the value of this accrual each year. There was complexity in this estimate and therefore associated audit risk until updated information from police and fire authorities became available. In 2024-25 the actual values became available in June 2025 and required a material adjustment to the accounts.

My review also identified that the Department had received updated information from police and fire authorities in June 2024, before the 2023-24 accounts had been certified requiring a prior period adjustment in 2024-25. In 2025-26 the updated information has again become available in June 2026 meaning that these accounts do not rely on actuarial estimation to value the pension accrual. The audit of the updated information involves significantly less risk and therefore requires less time and resource. As such I do not class this as a key audit matter for 2025-26.

In 2025-26, in addition to the presumed risks referred to above, I have identified significant risks as per ISA 315 in respect of the following areas which I have not classified as key audit matters:

- Potential new income-related liabilities: I identified a risk relating to the legislative basis for fees charged by or on behalf of the Home Office, and potential for the Home Office being required to account for related liabilities. This risk has not crystallised in the 2025-26 accounts and so while I identified a risk of material misstatement relating to this matter, I do not consider this to be a key audit matter.
- In my Audit Planning Report I identified the asset clearing account as a significant risk however, in this report, only the cleansing exercise undertaken by management (see pages 110-111) during the year is considered a key audit matter (see key audit matter 1 below). This is because the audit effort and judgement were concentrated on management's resolution of historical balances through the cleansing exercise rather than the residual year-end balance. Following completion of the exercise whilst there was still some risk in the remaining balance I was able to gain assurance over this with less audit effort than previous years as the riskier older transactions and balances had been removed.

Key audit matter 1 – Non-Current Assets – Asset Clearing Account

Description of risk

The asset clearing account is a suspense account to which the Home Office posts transactions when it incurs expenditure on items of a capital nature prior to wider business providing sufficient information to confirm its capital nature and enable it to be posted to the relevant asset class. At 31 March 2025 the balance of this was £961 million and included a large number of historical items. Its value had been increasing over recent years.

As set out on pages 110-111 in 2025-26 management undertook a cleansing exercise to review the historical balances. As a result of this work at 31 March 2026, the ACA balance has been significantly reduced to £485m.

Key audit matter 1 – Non-Current Assets – Asset Clearing Account

This gave rise to a risk that historical items reviewed as part of the cleansing exercise may have been incorrectly capitalised and this could have resulted in a prior period adjustment. The cleansing exercise required management judgment in identifying, analysing and correcting the historical transactions and in determining the appropriate accounting treatment. This was the primary driver of my audit work and focus during the year, distinguishing it from the other elements of the significant risk described above.

I allocated a significant proportion of resource on the audit to review this as set out below.

How the scope of my audit responded to the risk

My audit procedures included:

- reviewing the design and implementation of the controls and processes that the Department uses to establish when assets should be transferred to the fixed asset register;
- reviewing the Department's processes for investigating and cleansing the information held within the asset clearing account;
- for items matched and taken to the asset register (workstream 1) I have carried out substantive testing over a sample of these additions. This has included recalculation of the historical depreciation charges;
- substantive testing of individual balances within the asset clearing account for which the Home Office have made corrections in 2025-26 (workstream 2) to confirm both the value and accounting treatment of these;
- for historical transactions (from 2022-23 and earlier) where evidence could not be identified to support these balances (workstream 3) I have assessed the Home Office's accounting treatment of accelerating depreciation to effectively write-off any residual net book value of these (the total value of this was £67m). As part of this I have considered the Home Office's judgements around the low risk of incorrect capitalisation

Key observations

The outcomes of the procedures I performed in response to this risk were satisfactory. I noted no material issues arising from my work.

Key audit matter 2 – Machinery of Government (MoG) Change – Fire Functions

Description of risk

As set out on page 154 of the Accountability Report, responsibility for all fire functions transferred from the Home Office to the Ministry of Housing, Communities, and Local Government (MHCLG) from 1 April 2025. The Home Office needed to account for this machinery of government change (MoG) as required by HM Treasury's Financial Reporting Manual (the FreM).

FReM guidance requires the Home Office to restate the prior year comparatives in its group accounts to present the Department's performance and position as if only its current responsibilities were applicable in the prior period. Restating prior year comparatives, especially where there are multiple affected classes of transactions and balances, increases the complexity of the accounts preparation process and the risk of material misstatement.

How the scope of my audit responded to the risk

My audit procedures included:

- assessing the design and implementation of controls around the MoG change
- reviewing and reperforming the work of the Department to identify all transactions and balances in relation to the Fire Function to gain assurance over the completeness of the restatement
- reperformance of the calculation of the balances and transactions related to the MoG change to gain assurance over their accuracy
- reviewing the restatement and disclosures to ensure these were compliant with the FReM

Key observations

The outcomes of the procedures I performed in response to this risk were satisfactory. I noted no material issues arising from my work.

Application of materiality

Materiality

I applied the concept of materiality in both planning and performing my audit, and in evaluating the effect of misstatements on my audit and on the financial statements. This approach recognises that financial statements are rarely absolutely correct, and that an audit is designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement or irregularity. A matter is material if its omission or misstatement would, in the judgement of the auditor, reasonably influence the decisions of users of the financial statements.

Based on my professional judgement, I determined overall materiality for the Department and its group's financial statements as a whole as follows:

	Departmental group	**Department parent**
Materiality	£278 million	£275 million
Basis for determining overall account materiality	1% of gross expenditure of £27,833,148,000 (1% of gross expenditure of £27,762,277,000 in 2024-25)	1% of gross expenditure of £27,523,169,000 (1% of gross expenditure of £27,349,884,000 in 2024-25)
Rationale for the benchmark applied	The Home Office group's primary activities and those which, in my view, are of most interest to users of the financial statements, are expenditure-driven – for example, the costs of policing and asylum accommodation.	The Home Office itself is the most significant group component by size, therefore I have applied the same rationale as applied to the group when determining materiality benchmark.

Performance Materiality

I set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality of the financial statements as a whole. Group performance materiality was set at 70% of Group materiality for the 2025-26 audit (2024-25: 70%). In determining performance materiality, we have considered the uncorrected misstatements identified in the previous period.

Other Materiality Considerations

Apart from matters that are material by value (quantitative materiality), there are certain matters that are material by their very nature and would influence the decisions of users if not corrected. Such an example is any errors reported in the Related Parties note in the financial statements. Assessment of such matters needs to have regard to the nature of the misstatement and the applicable legal and reporting framework, as well as the size of the misstatement.

I applied the same concept of materiality to my audit of regularity. In planning and performing my audit work to support my opinion on regularity and in evaluating the impact of any irregular transactions, I considered both quantitative and qualitative aspects that would reasonably influence the decisions of users of the financial statements.

Error Reporting Threshold

I agreed with the Audit and Risk Assurance Committee that I would report to it all uncorrected misstatements identified through my audit in excess of £300,000, as well as differences below this threshold that in my view warranted reporting on qualitative grounds. I also report to the Audit Committee on disclosure matters that I identified when assessing the overall presentation of the financial statements.

Total unadjusted audit differences reported to the Audit and Risk Assurance Committee would have increased net expenditure and decreased net assets by £92.6m.

Audit scope

The scope of my Group audit was determined by obtaining an understanding of the Department and its Group's environment, including Group-wide controls, and assessing the risks of material misstatement at the Group level.

- The Departmental Group consists of the core Department and six components. I performed a full audit over the core Department's income, expenditure, assets and liabilities.
- I set component materialities for each of the group's components.
- I concluded that no additional assurances were necessary from the auditors of five of the components. This is because the Home Office core department represents 98% of group expenditure, 96% of group income, 96% of group assets and 97% of group liabilities.
- The Disclosure and Barring Service's contract income exceeded component materiality and therefore I determined that specific assurances from the component audit team over this class of transactions, balances and disclosures were necessary.
- I issued group audit instructions to the component audit team responsible for the audit of the Disclosure and Barring Service. These required the component auditors to complete their audit of contract income and related balances and on management override of controls, and to report the results to the group auditors. I reviewed detailed working papers supporting their judgements.
- Throughout my audit procedures I have considered compliance with the Group's framework of authorities, including compliance with the Government Resources and Accounts Act 2000, the Supply and Appropriation Act and Managing Public Money.
- I have performed audit procedures over the Statement of Outturn against Parliamentary Supply, including a review of reconciling items identified.

This work covered substantially all of the Group's assets and net income/expenditure and, together with the procedures performed at group level, gave me the evidence I needed for my opinion on the group financial statements as a whole.

Other Information

The other information comprises the information included in the Annual Report, but does not include the financial statements and my auditor's certificate and report 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.

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 FI 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 HM Treasury directions issued under the Government Resources and Accounts Act 2000.

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 HM Treasury directions issued under the Government Resources and Accounts Act 2000;
- 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 Department, its Group and their environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Report.

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 Department and its Group 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 Department and its Group 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 and are in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000; and
- assessing the Department and its Group'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 Department and its Group 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 Government Resources and Accounts Act 2000.

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 Department and its Group's accounting policies,
- inquired of management, the Department's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Department and its Group'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 Department and its Group's controls relating to the Department's compliance with the Government Resources and Accounts Act 2000, Managing Public Money and the Supply and Appropriation (Main Estimates) Act 2025;

- inquired of management, the Department'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 including significant component audit teams and the relevant internal and external specialists, including specialist pensions experts and IT auditors engaged on the audit, 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 Department and its Group for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex 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 Department and Group's framework of authority and other legal and regulatory frameworks in which the Department and Group 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 Department and its Group. The key laws and regulations I considered in this context included Government Resources and Accounts Act 2000, Managing Public Money, Supply and Appropriation (Main Estimates) Act 2025, employment law, pensions legislation, tax legislation and relevant legislation relating to fees charged by the Home Office.

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 and in-house legal counsel 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 streams and confirmed that fees set out in legislation had been applied correctly and that the Department 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 relevant component audit teams 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**. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain appropriate evidence sufficient to give reasonable assurance that the Statement of Outturn against Parliamentary Supply properly presents the outturn against voted Parliamentary control totals and that those totals have not been exceeded. The voted Parliamentary control totals are Departmental Expenditure Limits (Resource and Capital), Annually Managed Expenditure (Resource and Capital), Non-Budget (Resource) and Net Cash Requirement.

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

13 July 2026

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

4

Financial Statements

Consolidated Statements

Consolidated Statement of Comprehensive Net Expenditure

For the year ended 31 March 2026

This account summarises the expenditure and income generated and consumed on an accruals basis. It also includes other comprehensive income and expenditure, which include changes to the values of non-current assets and other financial instruments that cannot yet be recognised as income or expenditure.

		2025-26		2024-25	
		Core Department and Agencies	Departmental Group	(Restated) Core Department and Agencies	(Restated) Departmental Group
	Note	£'000	£'000	£'000	£'000
Revenue from contracts with customers	3	(4,772,247)	(5,096,004)	(4,157,761)	(4,454,163)
Other operating income	3	(2,341,769)	(2,354,489)	(2,795,211)	(2,795,973)
Total operating income		**(7,114,016)**	**(7,450,493)**	**(6,952,972)**	**(7,250,136)**
Staff costs	2	3,307,255	3,534,967	3,109,646	3,323,035
Main police grants	2	10,144,061	10,144,061	9,739,061	9,739,061
Police pensions top-up grant	2	1,932,497	1,932,497	1,825,596	1,825,596
Other current grants	2	4,571,494	4,561,533	4,160,480	4,147,132
Capital grants	2	190,499	190,684	230,982	231,073

	Note	2025-26		2024-25	
		Core Department and Agencies	Departmental Group	(Restated) Core Department and Agencies	(Restated) Departmental Group
		£'000	£'000	£'000	£'000
Purchase of goods and services	2	4,414,025	4,551,521	5,074,794	5,119,323
Depreciation and impairment charges	2	594,657	614,686	431,521	445,443
Provision expense	2	155,201	154,749	44,912	60,007
Other non-cash items	2	271	151	3,426	3,347
Other operating expenditure	2	1,921,860	2,000,370	1,933,330	2,095,173
Grant in aid to ALBs	2	143,920	–	124,944	–
Total operating expenditure		**27,375,740**	**27,685,219**	**26,678,692**	**26,989,190**
Net operating expenditure		**20,261,724**	**20,234,726**	**19,725,720**	**19,739,054**
Finance expense	2	21,544	22,125	15,500	15,700
Net expenditure for the year		**20,283,268**	**20,256,851**	**19,741,220**	**19,754,754**

	Note	2025-26 Core Department and Agencies £'000	2025-26 Departmental Group £'000	2024-25 (Restated) Core Department and Agencies £'000	2024-25 (Restated) Departmental Group £'000
Other Comprehensive Net Expenditure					
Items which will not be reclassified to net operating expenditure:					
Net (gain)/loss on revaluation of property, plant and equipment		(28,604)	(29,634)	(72,577)	(75,006)
Net (gain)/loss on revaluation of Intangible assets		–	–	(7,427)	(7,462)
Comprehensive net expenditure for the year		**20,254,664**	**20,227,217**	**19,661,216**	**19,672,286**

This account summarises the expenditure and income generated and consumed on an accruals basis. It also includes other comprehensive income and expenditure, which include changes to the values of non-current assets and other financial instruments that cannot yet be recognised as income or expenditure.

The statement has been restated due to a Machinery of Government change – see note 21.

The notes on pages 261 to 314 form part of these accounts.

Consolidated Statement of Financial Position

As at 31 March 2026

This statement presents the financial position of the department. It comprises three main components: assets owned or controlled; liabilities owed to other bodies; and equity, the remaining value of the entity.

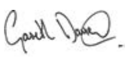
		2025-26		2024-25	
		Core Department and Agencies	Departmental Group	(Restated) Core Department and Agencies	(Restated) Departmental Group
	Note	£'000	£'000	£'000	£'000
Non-current assets					
Property, plant and equipment	4	2,044,896	2,084,540	1,835,488	1,876,557
Right-of-use assets	6	646,309	660,434	740,671	755,212
Intangible assets	5	2,131,982	2,154,337	1,547,974	1,576,460
Trade receivables and other non-current assets	9	27,603	27,615	4,231	4,243
Total non-current assets		**4,850,790**	**4,926,926**	**4,128,364**	**4,212,472**
Current assets					
Inventories		1,312	2,215	1,141	2,214
Trade and other receivables	9	1,132,829	1,178,576	511,399	548,511
Cash and cash equivalents	8	316,890	424,555	812,765	933,233
Total current assets		**1,451,031**	**1,605,346**	**1,325,305**	**1,483,958**
Total assets		**6,301,821**	**6,532,272**	**5,453,669**	**5,696,430**

	Note	Core Department and Agencies 2025-26	Departmental Group 2025-26	(Restated) Core Department and Agencies 2024-25	(Restated) Departmental Group 2024-25
		£'000	£'000	£'000	£'000
Current liabilities					
Provisions	13	375,273	376,617	305,997	309,897
Trade and other payables	10	3,943,419	4,059,548	4,369,863	4,504,010
Lease liabilities	15	82,410	85,131	84,845	87,172
Total current liabilities		**4,401,102**	**4,521,296**	**4,760,705**	**4,901,079**
Total assets less current liabilities		**1,900,719**	**2,010,976**	**692,964**	**795,351**
Non-current liabilities					
Other payables	10	2,165	2,166	2,165	2,165
Lease liabilities	15	615,329	627,480	664,612	677,385
Provisions	13	236,891	241,096	236,956	239,454
Pension liability		122	1,735	151	1,855
Total non-current liabilities		**854,507**	**872,477**	**903,884**	**920,859**
Total assets less total liabilities		**1,046,212**	**1,138,499**	**(210,920)**	**(125,508)**

		2025-26		2024-25	
		Core Department and Agencies	Departmental Group	(Restated) Core Department and Agencies	(Restated) Departmental Group
	Note	**£'000**	**£'000**	**£'000**	**£'000**
Taxpayers' equity and other reserves					
General fund	SoCTE	787,045	865,150	(454,601)	(382,549)
Revaluation reserve	SoCTE	259,289	275,084	243,832	258,896
Pension reserve	SoCTE	(122)	(1,735)	(151)	(1,855)
Total equity		**1,046,212**	**1,138,499**	**(210,920)**	**(125,508)**

The statement has been restated due to a Machinery of Government change – see note 21.

The notes on pages 261 to 314 form part of these accounts.



Gareth Davies CB
Accounting Officer

9 July 2026

Consolidated Statement of Cash Flows

For the year ended 31 March 2026

The Statement of Cash Flows shows the changes in cash and cash equivalents of the department during the reporting period. The statement shows how the department generates and uses cash and cash equivalents by classifying cash flows as operating, investing, or financing activities. The amount of net cash flows arising from operating activities is a key indicator of service costs and the extent to which these operations are funded by way of income from the recipients of services provided by the department. Investing activities represent the extent to which cash inflows and outflows have been made for resources which are intended to contribute to the department's future public service delivery.

			2025-26		2024-25
		Core Department and Agencies	Departmental Group	(Restated) Core Department and Agencies	(Restated) Departmental Group
	Note	£'000	£'000	£'000	£'000
Cash flows from operating activities					
Net expenditure for the year		(20,283,268)	(20,256,851)	(19,741,220)	(19,754,754)
Adjustments for non-cash transactions	3	771,673	791,711	502,519	531,657
(Increase)/decrease in trade and other receivables	9	(644,802)	(653,437)	111,570	111,158
Less movements in receivables relating to items not passing through the Consolidated Statement of Comprehensive Net Expenditure		18,652	18,707	1,502	1,564
(Increase)/decrease in lease receivables		–	–	(517)	(517)

	Note	2025-26		2024-25	
		Core Department and Agencies	**Departmental Group**	**(Restated) Core Department and Agencies**	**(Restated) Departmental Group**
	Note	**£'000**	**£'000**	**£'000**	**£'000**
(Increase)/decrease in inventories and assets classified as held for sale		(171)	(1)	4,064	2,991
Increase/(decrease) in trade payables	10	(478,162)	(496,407)	384,877	373,639
Less movements in payables relating to items not passing through the Consolidated Statement of Comprehensive Net Expenditure		495,394	535,050	(1,639,819)	(1,627,121)
Use of provisions	13	(62,829)	(63,226)	(44,674)	(57,518)
Increase/(decrease) in pension liability		(29)	(120)	(39)	(31)
Net cash outflow from operating activities		**(20,183,542)**	**(20,124,574)**	**(20,421,737)**	**(20,418,932)**
Cash flows from investing activities					
Purchase of property, plant and equipment	4	(174,906)	(178,540)	(669,857)	(677,184)
Less: movements in PPE capital creditors		29,590	29,590	18,855	18,855
Purchase of intangible assets	5	(1,117,295)	(1,122,159)	(526,035)	(537,169)
Less: movements in intangibles capital creditors		24,534	24,534	43,019	43,019

	Note	2025-26		2024-25	
		Core Department and Agencies	Departmental Group	(Restated) Core Department and Agencies	(Restated) Departmental Group
	Note	£'000	£'000	£'000	£'000
Proceeds of disposal		3,038	3,515	601	14,018
Net cash outflow from investing activities		**(1,235,039)**	**(1,243,060)**	**(1,133,417)**	**(1,138,461)**
Cash flows from financing activities					
From the Consolidated Fund (Supply) – current year		21,251,903	21,251,903	22,356,379	22,356,379
Consolidated Fund Extra Receipts paid to Consolidated Fund		(238,732)	(298,732)	(100,060)	(100,060)
Repayments of principal on leases		(68,921)	(72,090)	(94,181)	(98,099)
Interest on lease liabilities		(21,544)	(22,125)	(15,500)	(15,700)
Net financing		**20,922,706**	**20,858,956**	**22,146,638**	**22,142,520**
Net increase/ (decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund		(257,143)	(209,946)	691,544	685,187

	Note	2025-26 Core Department and Agencies £'000	2025-26 Departmental Group £'000	2024-25 (Restated) Core Department and Agencies £'000	2024-25 (Restated) Departmental Group £'000
Net increase/ (decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund		(495,875)	(508,678)	591,484	585,127
Cash and cash equivalents at the beginning of the period		812,765	933,233	221,281	348,106
Cash and cash equivalents at the end of the period		**316,890**	**424,555**	**812,765**	**933,233**

The statement has been restated due to a Machinery of Government change – see note 21.

The notes on pages 261 to 314 form part of these accounts.

Consolidated Statement of Changes in Taxpayers' Equity

This statement shows the movement in the year on the different reserves held by the Home Office, analysed into 'general fund reserves' (i.e. those reserves that reflect a contribution from the Consolidated Fund). The general fund represents the total assets less liabilities of the department, to the extent that the total is not represented by other reserves and financing items. The revaluation reserve reflects the change in asset values that have not been recognised as income or expenditure. The pension reserve represents the pension liabilities of the department.

Departmental Group

For the year ended 31 March 2026

		(Restated) General Fund	(Restated) Revaluation Reserve	(Restated) Pension Reserve	(Restated) Total Reserves
Departmental Group	**Note**	**£'000**	**£'000**	**£'000**	**£'000**
Balance at 31 March 2024		**(1,426,281)**	**190,675**	**(1,886)**	**(1,237,492)**
Net Parliamentary Funding – drawn down		22,356,379	–	–	22,356,379
Net Parliamentary Funding – deemed		119,799	–	–	119,799
Supply (payable)/receivable		(572,610)	–	–	(572,610)
Consolidated Fund Extra Receipts		(225,125)	–	–	(225,125)
Comprehensive net expenditure for the year		(19,754,754)	–	–	(19,754,754)
Amounts relating to machinery of government transfer of function		(894,913)	–	–	(894,913)

Departmental Group	Note	(Restated) General Fund £'000	(Restated) Revaluation Reserve £'000	(Restated) Pension Reserve £'000	(Restated) Total Reserves £'000
Non-cash adjustments					
Net gain/(loss) on revaluation of property, plant and equipment		–	75,006	–	75,006
Net gain/(loss) on revaluation of Intangible assets		–	7,462	–	7,462
Movements in reserves					
Non-cash charges – auditor's remuneration	2	740	–	–	740
Transfers between reserves		14,216	(14,247)	31	–
Balance at 31 March 2025		**(382,549)**	**258,896**	**(1,855)**	**(125,508)**

Departmental Group	Note	General fund £'000	Revaluation reserve £'000	Pension reserve £'000	Total reserves £'000
Balance at 31 March 2025		**(382,549)**	**258,896**	**(1,855)**	**(125,508)**
Net Parliamentary Funding – drawn down		21,251,903	–	–	21,251,903
Net Parliamentary Funding – deemed		572,609	–	–	572,609
Supply (payable)/receivable		(296,354)	–	–	(296,354)
Consolidated Fund Extra Receipts		(37,759)	–	–	(37,759)
Comprehensive net expenditure for the year		(20,256,851)	–	–	(20,256,851)

Departmental Group	Note	General fund £'000	Revaluation reserve £'000	Pension reserve £'000	Total reserves £'000
Non-cash adjustments					
Net gain/(loss) on revaluation of property, plant and equipment		–	29,634	–	29,634
Movements in reserves					
Non-cash charges – auditor's remuneration	2	825	–	–	825
Transfers between reserves		13,326	(13,446)	120	–
Balance at 31 March 2026		**865,150**	**275,084**	**(1,735)**	**1,138,499**

The statement has been restated due to a Machinery of Government change – see note 21.

The notes on pages 261 to 314 form part of these accounts.

Core Department and Agencies

For the year ended 31 March 2026

Core Department and Agencies	Note	(Restated) General Fund £'000	(Restated) Revaluation Reserve £'000	(Restated) Pension Reserve £'000	(Restated) Total Reserves £'000
Balance at 31 March 2024		**(1,502,320)**	**177,487**	**(190)**	**(1,325,023)**
Net Parliamentary Funding – drawn down		22,356,379	–	–	22,356,379
Net Parliamentary Funding – deemed		119,799	–	–	119,799
Supply (payable)/receivable		(572,610)	–	–	(572,610)
Consolidated Fund Extra Receipts		(234,076)	–	–	(234,076)
Comprehensive Net Expenditure for the year		(19,741,220)	–	–	(19,741,220)
Amounts relating to machinery of government transfer of function		(894,913)	–	–	(894,913)
Non-cash adjustments					
Net gain/(loss) on revaluation of property, plant and equipment		–	72,577	–	72,577
Net gain/(loss) on revaluation of Intangible assets		–	7,427	–	7,427
Movements in reserves					
Non-cash charges – auditor's remuneration	2	740	–	–	740
Transfers between reserves		13,620	(13,659)	39	–
Balance at 31 March 2025		**(454,601)**	**243,832**	**(151)**	**(210,920)**

Core Department and Agencies	Note	General Fund £'000	Revaluation Reserve £'000	Pension Reserve £'000	Total Reserves £'000
Balance at 31 March 2025		**(454,601)**	**243,832**	**(151)**	**(210,920)**
Net Parliamentary Funding – drawn down		21,251,903	–	–	21,251,903
Net Parliamentary Funding – deemed		572,609	–	–	572,609
Supply (payable)/receivable		(296,354)	–	–	(296,354)
Consolidated Fund Extra Receipts		(17,187)	–	–	(17,187)
Comprehensive Net Expenditure for the year		(20,283,268)	–	–	(20,283,268)
Non-cash adjustments					
Net gain/(loss) on revaluation of property, plant and equipment		–	28,604	–	28,604
Movements in reserves					
Non-cash charges – auditor's remuneration	2	825	–	–	825
Transfers between reserves		13,118	(13,147)	29	–
Balance at 31 March 2026		**787,045**	**259,289**	**(122)**	**1,046,212**

The statement has been restated due to a Machinery of Government change – see note 21.

The notes on pages 261 to 314 form part of these accounts.

Notes to the accounts

1. Accounting policies

1.1 Basis of preparation

The financial statements have been prepared in accordance with the 2025-26 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 the department for the purpose of giving a true and fair view has been selected. The policies adopted by the department are described below. They have been applied consistently in dealing with items that are considered material to the financial statements.

In addition to the primary statements prepared under IFRS, the FReM also requires the department to prepare a Statement of Parliamentary Supply and supporting notes to show Outturn against Estimate in terms of the net resource requirement and the net cash requirement.

The accounts have been prepared under the Government Resources and Accounts Act 2000.

1.2 Going concern

The financial reporting framework applicable to government bodies, derived from the FReM, defines that the anticipated continued provision of the entity's services in the public sector is normally sufficient evidence of going concern. In common with other government departments, the department's liabilities are expected to be met by future grants of supply and the application of future income, both to be approved annually by Parliament. The department considers there is no reason to believe that future approvals will not be forthcoming. Hence, it is considered appropriate to adopt a going concern basis for the preparation of these financial statements.

1.3 Presentation currency and rounding

The financial statements are presented in British pound sterling (£) and all numbers are rounded to the nearest thousand pounds (£'000), other than the related party disclosures in Note 18.

1.4 Accounting convention

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

1.5 Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements and assumptions that affect the amounts reported for assets and liabilities at the year ending 31 March, and for amounts reported for income and expenses during the year.

In the process of applying the department's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

- Provisions: judgements and assumptions that affect the value of the major provisions recognised in these accounts are described within the provisions note to these accounts. This narrative notably includes explanation of the judgements and assumptions affecting the provision recognised and movement in 2025-26 in respect of the Windrush Compensation Scheme. (Note 13)
- Police pensions top up grant (Note 1.15)
- Immigration Health Surcharge income (Note 1.13)
- Overseas visa income: assumptions are used to determine the overseas visa deferred income for which the visa fees are received up front, but visa applications have not been logged into visa casework systems. The proportion of off-system cases identified is applied to the cash intake figure to generate an estimated value of the off-system deferred income. Income validations are carried out to ensure the level of accuracy of the assumptions. (Note 3)
- Non-current asset clearing accounts: these accounts are temporary holding accounts used to record capital expenditure transactions before those costs are allocated to specific named assets across various asset classes, including property, plant, equipment, and intangible assets. For transactions that remain unallocated, an accounting adjustment is made to assign costs to assets either in use or under construction, within each asset class. The allocation of costs is based on the profile of current year asset additions and reclassifications. Depreciation and amortisation are calculated using the average useful economic lives of these current year additions and reclassifications, adjusted for the estimated date the assets were brought into use. This date is determined by analysing the aged profile of the expenditure and considering the expected construction in progress status. For further details, refer to Notes 1.7 and 1.8.

1.6 Basis of consolidation

These accounts are the consolidation of the core department, its five executive non-departmental public bodies (NDPBs), and the College of Policing Limited. The NDPBs consolidated within the departmental boundary are:

- Disclosure and Barring Service
- Gangmasters and Labour Abuse Authority
- Independent Office for Police Conduct
- Immigration Advice Authority (previously Office of the Immigration Services Commissioner)
- Security Industry Authority

The College of Policing Limited is a company limited by guarantee. It is classified as an arm's length body by HM Treasury and is consolidated within the departmental boundary as an NDPB.

The NDPBs and the College of Policing also produce and publish their own annual reports and accounts. Transactions between entities included in the consolidated accounts are eliminated.

All consolidated entities have accounting reference dates that align with the core department.

1.7 Property, plant and equipment

Initial recognition and capitalisation threshold

Property, plant and equipment is recognised initially at cost and thereafter carried at fair value less depreciation and impairment charged subsequent to the date of revaluation.

Cost comprises the amount of cash paid to acquire the asset and includes any costs directly attributable to making the asset capable of operating as intended. The capitalisation threshold for expenditure on property, plant and equipment is £5,000.

Furniture and fittings (e.g. workstations, chairs, filing cabinets) and low value IT assets or equipment (e.g. scanners, printers) are capitalised on a pooled basis where groups of assets bought together exceed the capitalisation threshold.

Subsequent valuation method and fair value hierarchy

Fair value of properties is based on professional valuations. Professional valuations are now conducted on a rolling programme of valuations at the end of each financial year; all properties will be professionally valued during a five-year time period. Valuations are undertaken by the Valuations Office Agency in accordance with the Royal Institute of Chartered Surveyors Appraisal and Evaluation Manual.

Where open market value is obtainable, properties are revalued to estimated use value. Where open market value is not obtainable, such as for Home Office specific use properties, these are valued using depreciated replacement cost.

The inputs used to value property, plant and equipment are therefore categorised as level 2 inputs in the IFRS 13 fair value hierarchy. Level 2 inputs are inputs that are observable for the asset, either directly or indirectly.

In between professional valuations of properties and for all other assets classes, carrying values are adjusted by the application of producer price index issued by the Office for National Statistics (ONS) or through desktop valuations for which different indices are applied depending on the assets. This ensures that carrying values are not materially different from those that would be determined at the end of the reporting period. For buildings the index applied is the Building Cost Information Service (BCIS) Extension of PUBSEC Tender Price Index of Public Sector Building Non-Housing that reflects price changes in the public sector and is a good indicator of price pressure in building contracts in the UK.

Revaluation

Any revaluation gain is credited to the revaluation reserve except to the extent that it reverses a decrease in the carrying value of the same asset previously recognised in the Consolidated Statement of Comprehensive Net Expenditure (SoCNE), in which case the increase is recognised in the SoCNE.

A revaluation decrease is recognised in the SoCNE, except to the extent of any existing surplus in respect of that asset in the revaluation reserve.

Depreciation

Depreciation is calculated to write down the costs of the assets to their estimated residual value on a straight-line basis over their expected useful lives, typically as follows:

- Buildings – up to 60 years or life of lease
- Improvements to leasehold buildings – the shorter of the duration of lease or anticipated useful life
- Plant and equipment – 2 to 15 years
- Computers – 2 to 15 years
- Transport equipment – 3 to 20 years
- Furniture and fittings – 3 to 10 years

If requested and suitable business justification can be provided to support, there occasionally may be instances where depreciation is calculated outside of the typical expected useful life ranges.

The carrying values of property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable and are written down immediately to their recoverable amount. Useful lives and residual values are reviewed annually and where adjustments are required these are made prospectively.

Assets under construction

Assets under construction are valued at historical cost within property, plant and equipment, and are not depreciated until completed and brought into use. On completion, the asset's carrying value is transferred to the respective asset category.

Expenditure is capitalised where it is directly attributable to bringing an asset into working condition, such as external consultant costs, relevant employee costs, and an appropriate portion of relevant overheads.

1.8 Intangible assets

Intangible assets are defined as identifiable non-monetary assets without physical substance. The department's intangible assets comprise internally developed software for internal use (including such assets under construction), software developed by third parties, and purchased software licences. The direct costs associated with the development stage of internally developed software are included in the cost of the asset.

The capitalisation threshold for expenditure on intangible assets is £5,000.

Intangible assets are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at historical cost at the period ending 31 March 2026. This has been a change since 1 April 2025 where before this date, the revaluation model was applied.

Internally generated intangible assets are not capitalised unless it is a development cost which meets the criteria in IAS 38 (Intangible Assets). Research and development expenditure classified as capital spend under ESA 10 is recognised in the SoCNE in the year in which the obligation to pay arises.

All intangible assets are currently assessed to have a finite life and are assessed for impairment. The amortisation period and the amortisation method are reviewed at least at each financial year end.

FReM 2025–26 removed the option to apply the revaluation model to intangible assets, which the Department had previously adopted. To address the existing revaluation reserve associated with intangible assets, the Department elected to transfer the balance to retained earnings. This transfer is undertaken either systematically over the remaining useful economic life of the assets—reflecting the additional depreciation arising from prior revaluations—or in full upon disposal of the relevant asset. This treatment has no impact on the Statement of Comprehensive Net Expenditure.

Amortisation

Amortisation is calculated to write down the costs of the assets to their estimated residual value on a straight-line basis over their expected useful lives, typically as follows:

- externally acquired licences – shorter of the term of the licence and the useful economic life of 3 to 15 years
- internally developed software – 3 to 10 years

If requested and suitable business justification can be provided to support, there occasionally may be instances where amortisation is calculated outside of the typical expected useful life ranges.

The carrying values of intangible assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable and are written down immediately to their recoverable amount. Useful lives and residual values are reviewed annually and where adjustments are required these are made prospectively.

Assets under construction

Assets in the course of construction are not amortised until the point at which they are ready to be brought into use. Expenditure which does not meet the criteria for capitalisation is treated as an operating cost in the year in which it is incurred.

1.9 Leases

Scope

IFRS 16 requires lessees to recognise right-of-use assets and lease liabilities for all leases in the Statement of Financial Position (SoFP) unless the lease term is 12 months or less, with no purchase option or the underlying asset has a low value.

The department applies the capitalisation threshold of £5,000 as the threshold for low-value underlying assets.

The definition of a contract is expanded under the FReM definition to include intra-UK government agreements where non-performance may not be enforceable by law. This includes, for example, the Memorandum of Terms of Occupation (MOTO) agreements.

Following the IAS 1 Presentation of Financial Statements, the department does not apply IFRS 16 to immaterial leases (irrespective of whether those leases are exempt from IFRS 16 reporting by virtue of their underlying assets being low value).

Property leases constitute the significant majority of the department's lease commitments. The department has chosen not to apply IFRS 16 to non-property leases because the total value is not material to these accounts.

Initial recognition

At the commencement of a lease, the department recognises a right-of-use asset and a lease liability.

The lease liability is measured at the present value of the lease payments that are not paid at that date, which include: fixed payments less any lease incentive receivables; variable lease payments; expected amounts payable under the residual value guarantees; the exercise price of a purchase option if the department is reasonably certain to exercise that option; and payments of penalties for terminating the lease if the lease term reflects the department exercising an option to terminate the lease.

Lease payments are discounted either by the interest rate implicit in the lease or, where this is not readily determinable, the department's incremental rate of borrowing. This rate is advised annually by HM Treasury (4.81% for 2025 and 5.32% for 2026 on a calendar year basis).

The measurement of lease payments excludes any VAT payable, and irrecoverable VAT is expensed at the point it falls due in line with IFRIC 21 Levies.

The right-of-use asset is measured at the value of the lease liability, adjusted for: any payments made or amounts accrued before the commencement date; lease incentives received; incremental costs of obtaining the lease; and any disposal costs at the end of the lease. However, where the lease requires nominal consideration (a type of arrangement often described as a 'peppercorn' lease), the asset is measured at its existing use value.

Subsequent measurement

The lease liability is subsequently measured to reflect the accrual of interest, repayments, reassessments, and modifications. Reassessments are reappraisals of the probability of the options given by the existing lease contract, for example where the department no longer expects to exercise an option; modifications are changes to the lease contract.

The right-of-use asset is subsequently measured using the fair value model. The department considers that the cost model (measurement by reference to the lease liability) is a reasonable proxy for fair value for property leases of less than five years or with regular rent reviews. For other leases, including peppercorn leases, the asset will be carried at a revalued amount. The value of the asset is adjusted for subsequent depreciation and impairment, and for reassessments and modifications of the lease liability. The depreciation is charged on a straight-line basis.

A holdover lease is a lease which continues after its contractual term has expired whilst a new lease agreement is being negotiated. The department applies an initial 10-year lease extension to holdover leases. This approach aligns with the guidance in Standardisation of Lease Terms: Preferred Terms published by the Government Property Function.

Home Office as a lessor

The department has immaterial balances in respect of leases as a lessor therefore no separate disclosure has been made for lessor accounting within the accounts.

1.10 Cash and cash equivalents

Cash in the Statement of Financial Position comprises cash at bank and in hand. For the purpose of the cash flow statement, cash and cash equivalents consist of cash, less any outstanding bank overdrafts.

1.11 Provisions

A provision is recognised when the department has a legal or constructive obligation as a result of a past event; it is probable that an outflow of economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of the expenditure expected to be required to settle the obligation.

Where the effect of discounting is material, provisions are measured at their present value using the current discount rates set by HM Treasury based on the underlying cash flows, which are currently: 3.64%, 4.22%, 5.32% and 5.07% for short term (0-5 years), medium term (6-10 years), long term (11-40 years) and very long term (41 years and longer) respectively.

Provisions represent a significant source of estimation uncertainty for the department.

1.12 Contingent liabilities

A contingent liability is disclosed when the likelihood of a payment is less than probable, but more than remote, or the obligation cannot be measured reliably. Where the time value of money is material, contingent liabilities required to be disclosed under IAS 37 Provisions, Contingent Liabilities and Contingent Assets are stated at discounted amounts.

In addition to contingent liabilities disclosed in accordance with IAS 37, the department also reports certain statutory and non-statutory contingent liabilities for parliamentary accountability purposes. These relate to situations where the likelihood of a transfer of economic benefit is remote, but the liabilities have been reported to Parliament in accordance with the requirements of Managing Public Money. These remote contingent liabilities are disclosed within the Parliamentary Accountability Report.

1.13 Income

Income is recognised in accordance with IFRS 15. Revenue is recognised when a performance obligation included within a contract with a customer is satisfied, at the transaction price allocated to that performance obligation.

Full cost basis

Income principally comprises fees and charges for services provided on a full cost basis to external customers.

Income which relates directly to the operating activities of the department is stated net of VAT.

Revenue from contracts with customers

The Home Office recognises revenue primarily from the provision of migration-related documentation such as passports and visas as well as certificates for the registration of births, deaths, and marriages.

Performance obligations

The following table sets out, for each income stream, when performance obligations are typically satisfied, the significant payment terms, and the nature of the goods or services which the department supplies.

All income streams usually have a contract duration of one year or less, and therefore the transaction price allocated to the remaining performance obligations is not disclosed, applying the practical expedient in IFRS 15.121.

Income stream	Operating Segment	Description of income stream	Performance obligation	Determination of transaction price	Payment terms
Passport fees	Customer Services (HMPO)	Supply of passports	On printing of the passport	Set out in legislation	Payment on application
Visa and immigration fees	Customer Services (UKVI)	Supply of visas and immigration documents	On decision of the visa or immigration application	Set out in legislation	Payment on application
Asset recovery income	Homeland Security	Recovery of proceeds of crime	Agencies with statutory powers under the Proceeds of Crime Act 2002 (POCA) are authorised to recover the proceeds of crime. This includes law enforcement bodies and other POCA-enabled organisations accredited to exercise financial investigation powers.	Value of the order including any interest	Penalty payment by court order
Certificate services	Customer Services (General Register Office)	Supply of copies of birth, marriage and death certificates	Production of the certificate	Set out in legislation	Payment on application
DBS income	Arm's Length Body (Disclosure and Barring Service)	Supply of criminal records checks by the Disclosure and Barring Service	Delivery of the information to the customer	Set out in legislation	Payment on application
Hendon Data Centre Income	Digital, Data and Technology and Science, Technology, Analysis and Research	Supply of data services to policing and law enforcement agencies	The supply of data services over time	Agreed annually between the department and police forces through negotiations	Payment quarterly in accordance with the agreement

Significant judgements in the application of IFRS 15

The total consideration from contracts with customers is included in the transaction price for each of these income streams. None of these income streams contain variable consideration which may be constrained.

Income recognition

For passport fees, visa and immigration fees, certificate services, and DBS income, income is recognised when the relevant goods or services are supplied, which is when the relevant performance obligations are satisfied.

For asset recovery income, income is recognised for Civil Orders when Agencies directly remit (to the Home Office bank account) recovered funds using POCA (Proceeds of Crime Act 2002) powers and for Confiscation Orders when HM Courts and Tribunals Service has collected receipts and those receipts become payable to the department.

For Hendon Data Centre Income, the performance obligations and transaction price are set out in an agreement between the department and police forces, and revenue is recognised against the terms set out in that agreement.

Immigration Health Surcharge

The Immigration Health Surcharge (IHS), introduced in April 2015, is payable by most migrants making a visa application to work, study or join family for over six months, including those extending their stay. Exemptions apply based on treaty obligations, international agreements and ministerial commitments. The IHS ensures migrants make a financial contribution to the full range of NHS services available during their stay and supports the long-term sustainability of the NHS. Income generated from the IHS is split between the Department for Health and Social Care and the devolved governments for healthcare spending using the Barnett formula and is transferred via the Supply Estimate process.

The IHS is out of scope of IFRS 15 as the funds are not retained by the department. The income is recognised when the immigration application is approved. For work-in-progress (WIP) immigration applications, the income is deferred.

Assumptions are used to determine the IHS deferred income. The deferred income is estimated by identifying the volume of WIP immigration applications, isolating the applications liable to pay IHS, and then applying an average IHS fee. An average IHS fee is used due to the inability to assign actual IHS fees to individual visa applications. The average IHS fee is calculated using historic actuals, and a validation is performed to assess the accuracy of the average IHS fee.

Passport fees

Free passports issued for all British nationals born on or before 2 September 1929 were introduced on 18 October 2004 and are financed by Parliamentary Supply drawn down by the Home Office.

Passport fees include an element relating to consular protection services provided by the Foreign Commonwealth and Development Office (FCDO) worldwide. These fees are not retained by the Home Office and are remitted to HM Treasury as Consolidated Fund Extra Receipts. These fees are separately reported in the Home Office Trust Statement.

Contract balances

Contract assets (accrued income) primarily relate to the department's right to consideration for work completed but not yet billed at the reporting date. Contract liabilities (deferred income) primarily relate to the consideration received from customers in advance of transferring a good or service.

Most departmental income comes from services for which payment is made in advance, which gives rise to a contract liability. Contract liabilities, reported under IFRS 15, are disclosed separately in the note for trade payables and other current liabilities (Note 10). Contract liabilities are recognised on receipt of cash for services and derecognised at the point of provision of those services.

The department's contract liabilities balance also includes deferred income for the Immigration Health Surcharge which is out of scope of IFRS 15 but is refundable when certain criteria are met. Passport fees and visa and immigration fees are refundable under certain circumstances. Detailed refund policies are set out on GOV.UK.

Contract assets are not material for the Home Office.

1.14 Pensions

The majority of past and present employees within the Home Office departmental boundary are covered by the provisions of the civil service pension arrangements. The defined benefit schemes are unfunded.

Principal Civil Service Pension Scheme (PCSPS)

The department recognises the expected costs on a systematic and rational basis over the period during which it benefits from employees' services by payments to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS.

Civil Servants and Others Pension Scheme (CSOPS)

CSOPS, known as Alpha, is an unfunded, defined benefit scheme which started on 1 April 2015. The department recognises the expected costs on a systematic and rational basis over the period during which it benefits from employees' services by payments to the CSOPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the CSOPS.

Partnership Scheme

Partnership is a defined contribution stakeholder pension scheme which is an alternative pension option to the main defined benefit pension scheme for members of the Civil Service pension scheme. The department recognises pension costs in respect of the scheme as they fall due.

1.15 Home Office grants

Grant in aid

Grant in aid is recognised on a cash basis. Grant in aid is a funding mechanism to finance all or part of the costs of relevant entities within the Home Office group.

Other grants

Other grants are recognised on an accruals basis: grant expenditure is recognised at the point at which the relevant work is done by the grant recipient.

For most grants, the department recognises grant expenditure monthly on the assumption of work done, which is confirmed and adjusted quarterly based on evidence from the grant recipient. Grant payments are made quarterly in arrears once in receipt of this evidence.

Significant grants given by the department and the recognition treatment adopted are as follows:

Main police grant

Main police grants are based on funding levels set out in the Police Grant Report (England and Wales) 2025-26. This includes, among other grant streams, MHCLG formula funding and legacy council tax grants. The majority of this grant expenditure is recognised on a straight-line basis across the year.

Home Office Police Core Settlement

Funding to local policing bodies made under Section 46 of the Police Act 1996.

Department for Levelling Up, Housing and Communities (now called Ministry of Housing, Communities and Local Government)

Grant funding previously paid to local policing bodies by the Secretary of State for Communities and Local Government under section 78A of the Local Government Finance Act 1988 through the Local Government Finance Report (England). It is now paid by the Home Secretary under Section 46 of the Police Act 1996. This is as a result of the Government decision that local policing bodies should be funded from outside the business rates retention scheme.

Legacy council tax grants

This funding comprises Council Tax Freeze Grant from the 2011-12, 2013-14 and 2014-15 schemes, payable to local policing bodies in England who chose to freeze or lower precept in those years and the Local Council Tax Support Grant, which was paid to local policing bodies in England from 2013-14 following the localisation of council tax support schemes.

It was previously paid by the Secretary of State for Communities and Local Government under Section 31(4) of the Local Government Act 2003. It is now paid by the Home Secretary under Section 46 of the Police Act 1996. This is a result of the government's ambition to simplify police funding arrangements.

Counter-terrorism policing grant

The counter-terrorism policing grant is paid quarterly based on claims submitted by the National Counter Terrorism Police HQ (NCTPHQ).

Police pensions top-up grant

Police pensions grants fund the difference between outgoing pension expenditure and incoming pension income in a single year with regards to the police pension scheme. The top-up grant accrual represents a significant source of estimation uncertainty for the department.

Each police force participates in unfunded defined benefit pension schemes. Each authority recognises the associated long-term pension liability for these schemes in its own financial statements. Because these schemes are unfunded, as part of the process the department is required under legislation to make grants to police forces to match the estimated cash deficit in their pension schemes for the year. The grant is based on estimates provided in year by the police and adjusted for actual outturns from prior years.

There are inherent uncertainties involved with the calculation of the pension grant, for example the number of retirees and amounts taken in optional retirement lump sums, the impact of McCloud remedy and any relevant compensation impacts, which means that the accrual is the best estimate of the liability at the year-end.

New legislation was introduced in October 2023, which applied the remedy structure to the police pension scheme regulations as provided for in the PSPJOA 2022. This means that from October 2023 onwards we expected forces to start issuing RSSs (Remediable Service Statements) and then processing remedy cases. We anticipated that the impact of remedy on the top-up grant in the first few years would be large as there would be backdated cases to process as well as the ongoing business as usual elements of the grant.

The top-up grant provides the mechanism by which cash funding is provided to the schemes to allow them to meet their liabilities as they fall due. The department recognises an accrual at the year-end (see Note 11) for the element of the grant that has not been paid by the year-end (this includes the AME to fund remedy requirements).

Capital grants

Financial support paid to third parties for the purchase or improvement of assets (including buildings, equipment and land) which are expected to be used for a period of at least one year.

1.16 Value added tax (VAT)

Most of the activities of the department are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable.

Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input tax is recoverable, the amounts are stated net of VAT.

1.17 Operating segments

IFRS 8 Operating Segments has been applied in full without interpretation or adaption in line with HM Treasury guidance.

The department recognises all revenues from external customers as within the United Kingdom. Similarly, the department recognises all its non-current assets as within the United Kingdom. Non-current assets based in foreign countries are in aggregate of immaterial value to these accounts.

1.18 Financial instruments

The majority of the department's financial instruments are trade receivables and payables.

Receivables are shown net of expected credit loss, where that expected credit loss is material to these accounts.

The department holds receivables with customers with low credit risk (mainly central government departments and police forces), and other receivables are simple trade receivables held for collecting cash in the normal course of business.

1.19 IFRS 17 Insurance Contracts

The Home Office has adopted IFRS 17 Insurance Contracts during the year. As part of implementation, a review of contingent and remote contingent liabilities was undertaken to assess whether any arrangements fell within the scope of IFRS 17.

Potential areas of exposure (Legal, Commercial and Estates) and the Department's arm's length bodies were consulted as part of this review, and no contracts or arrangements within the scope of IFRS 17 were identified. Identification of potential IFRS 17 exposure is treated as an ongoing process, with confirmation from relevant teams required through periodic Disclosure Pack submissions during the year.

1.20 Restated amounts arising from Machinery of Government transfers

On 1 April 2025, all fire-related functions previously managed by the Home Office were transferred to the Ministry of Housing, Communities and Local Government (MHCLG). This change, announced in a Written Ministerial Statement on 13 February 2025 and recommended by the Grenfell Phase 2 Inquiry, brings together responsibility for building safety and fire under a single Secretary of State. The aim is to deliver a more coherent and focused approach to fire safety policy and implementation.

This transfer of function is accounted for as a transfer by merger. This means that the group accounts are adjusted to reflect the entity's results as if the function had never been part of the group.

The results and cashflows in these accounts relate to activities undertaken by Home Office from 1 April 2025 to 31 March 2026, adjusted to achieve uniformity of accounting policies. In accordance with the transfer by merger principles, prior year balances have been restated to aid comparability with 2024-25.

See note 21 for details of the machinery of government change and the impact of this on the prior year comparatives.

1.21 International Financial Reporting Standards (IFRS) that have been issued but are not yet effective

IFRS 18 Presentation and disclosure in financial statements

IFRS 18 will replace IAS 1 Presentation of Financial Statements and is effective for annual reporting periods beginning on or after the 1 January 2027 in the private sector. The impact of IFRS 18 on the public sector is still being assessed, and a decision has not yet been taken on an implementation date.

IFRS 19 Subsidiaries without public accountability: disclosures

IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements and is effective for annual reporting periods beginning on or after the 1 January 2027 in the private sector. The impact of IFRS 19 on the public sector is still being assessed, and a decision has not yet been taken on an implementation date.

2. Expenditure

	Note	2025-26 Core Department and Agencies £'000	2025-26 Departmental Group £'000	2024-25 (Restated) Core Department and Agencies £'000	2024-25 (Restated) Departmental Group £'000
Staff costs[1]					
Wages and salaries		2,429,226	2,597,623	2,314,279	2,473,920
Social security costs		296,536	317,071	233,627	249,367
Other pension costs		581,771	621,975	561,852	600,156
Subtotal		**3,307,533**	**3,536,669**	**3,109,758**	**3,323,443**
Less recoveries in respect of outward secondments		(278)	(1,702)	(112)	(408)
Total net staff costs		**3,307,255**	**3,534,967**	**3,109,646**	**3,323,035**
Grants					
Police main grant					
Home Office police core settlement		6,057,435	6,057,435	5,780,320	5,780,320
Department for Levelling Up, Housing and Communities formula funding		3,579,237	3,579,237	3,451,352	3,451,352
Legacy council tax grants		507,389	507,389	507,389	507,389
Total main police grants		**10,144,061**	**10,144,061**	**9,739,061**	**9,739,061**

1 Further details are included in the Remuneration and Staff Report section of the report.

	Note	2025-26		2024-25	
		Core Department and Agencies	Departmental Group	(Restated) Core Department and Agencies	(Restated) Departmental Group
		£'000	£'000	£'000	£'000
Grants – police pensions grants		1,932,497	1,932,497	1,825,596	1,825,596
Grants – fire and rescue services top-up grants		–	–	–	–
Other current grants		4,571,494	4,561,533	4,160,480	4,147,132
Capital grants		190,499	190,684	230,982	231,073
Non-cash items					
Depreciation	4, 6	61,350	70,428	217,513	223,712
Amortisation	5	504,916	513,348	174,820	182,543
Impairments – non-current assets		28,391	30,910	39,188	39,188
Lease interest charge		21,544	22,125	15,500	15,700
Provision movements		155,201	154,749	44,912	60,007
External auditors' remuneration		825	825	740	740
Bad debt movement		453	398	84	22
Revaluations		12,643	12,643	–	(5)
(Profit)/loss on disposal of non-current assets		(13,650)	(13,715)	2,602	2,590

	Note	2025-26		2024-25	
		Core Department and Agencies	Departmental Group	(Restated) Core Department and Agencies	(Restated) Departmental Group
	Note	£'000	£'000	£'000	£'000
Purchase of goods and services					
Publications, stationery and printing		5,604	16,525	16,564	17,094
Passport printing and stationery		113,976	113,976	120,471	120,471
Facilities management and staff services		226,147	247,276	448,991	469,817
Travel, subsistence and hospitality		76,849	84,176	103,789	112,628
Professional fees		214,316	221,672	262,858	266,676
External auditors' remuneration		–	538	–	527
Media and IT		524,295	614,520	567,743	577,732
Asylum costs (excluding grants)		2,962,335	2,962,335	3,195,769	3,195,769
Detention costs		159,305	159,305	131,288	131,288
UK Visas and Immigration commercial partner costs		112,204	112,204	203,157	203,157
FCDO charges		18,994	18,994	24,164	24,164

		2025-26		2024-25	
		Core Department and Agencies	Departmental Group	(Restated) Core Department and Agencies	(Restated) Departmental Group
	Note	£'000	£'000	£'000	£'000
Other operating expenditure					
Rental costs		160	515	3,713	3,968
Other IT and accommodation related service charges		1,138,923	1,143,300	1,070,966	1,144,717
Asset recovery costs		135,153	135,153	159,618	159,688
Care and custody costs		194,738	194,738	218,531	218,531
Other costs		397,705	471,483	409,532	497,299
Research and development costs		55,181	55,181	70,970	70,970
Grant in aid to ALBs		143,920	–	124,944	–
Total		**27,397,284**	**27,707,344**	**26,694,192**	**27,004,890**

3. Income

	2025-26		2024-25	
	Core Department and Agencies	Departmental Group	Core Department and Agencies	Departmental Group
	£'000	£'000	£'000	£'000
Revenue from contracts with customers				
Passport fees	549,532	549,532	538,941	538,941
Visa and immigration income	3,574,088	3,574,088	2,978,355	2,978,355
Hendon data centre income	150,034	150,034	157,282	157,282
Certificate services	25,986	25,986	25,171	25,171
DBS income	–	271,547	–	225,896
Asset recovery income	273,234	273,234	296,930	296,930
Other revenue from contracts with customers	199,373	251,583	161,082	231,588
Other operating income				
Immigration Health Surcharge	2,318,923	2,318,923	2,420,109	2,420,109
Other income[2]	5,659	18,379	141,026	141,788
Total retained Income	**7,096,829**	**7,433,306**	**6,718,896**	**7,016,060**

2 Other income for 2024-25 includes Government Property Agency capital grant of £140.1 million related to 2 Ruskin Square.

	2025-26		2024-25	
	Core Department and Agencies	Departmental Group	Core Department and Agencies	Departmental Group
	£'000	£'000	£'000	£'000
Other operating income – payable to Consolidated Fund				
Immigration Health Surcharge	–	–	200,769	200,769
Other income	17,187	17,187	41,583	41,583
Bad debt write-off	–	–	(8,276)	(8,276)
Total payable to Consolidated Fund	**17,187**	**17,187**	**234,076**	**234,076**
Total	**7,114,016**	**7,450,493**	**6,952,972**	**7,250,136**

4. Property, plant and equipment

2025-26 Departmental Group

	Land	Buildings	Transport Equipment	Information Technology	Plant and Machinery	Furniture and Fittings	Payments on Account and Assets Under Construction	Departmental Group Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation								
At 1 April 2025	167,251	921,036	93,108	527,594	118,975	150,484	732,223	2,710,671
Additions[3]	–	(19,086)	21,754	52,038	9,601	14,241	250,528	329,076
Addition adjustments	–	23,428	11,074	(170,204)	(10,818)	(3,724)	(292)	(150,536)
Disposals	–	(464)	(5,224)	(14,720)	(4,505)	(2,406)	(1,529)	(28,848)
Impairments	–	–	(8)	–	(34)	–	–	(42)
Reclassifications	–	108,953	101	28,470	35,505	4,183	(177,218)	(6)
Revaluations	(11,012)	65,933	710	2,004	5,451	2,541	–	65,627
At 31 March 2026	**156,239**	**1,099,800**	**121,515**	**425,182**	**154,175**	**165,319**	**803,712**	**2,925,942**

3 Buildings Additions included within movements in the year is a credit of £133 million relating to the reversal of an accrual for capital expenditure recognised in the prior year.

	Land	Buildings	Transport Equipment	Information Technology	Plant and Machinery	Furniture and Fittings	Payments on Account and Assets Under Construction	Departmental Group Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Depreciation								
At 1 April 2025	–	(340,720)	(66,609)	(312,005)	(51,437)	(63,343)	–	(834,114)
Charged in year	–	(33,639)	(12,694)	(45,958)	(19,580)	(22,991)	–	(134,862)
Charged in year adjustments	–	(23,428)	(11,074)	170,204	10,818	3,724	–	150,244
Disposals	–	240	5,190	14,718	3,685	2,133	–	25,966
Reclassifications	–	(1)	–	–	1	–	–	–
Revaluations	–	(44,163)	(62)	(1,051)	(2,281)	(1,079)	–	(48,636)
At 31 March 2026	**–**	**(441,711)**	**(85,249)**	**(174,092)**	**(58,794)**	**(81,556)**	**–**	**(841,402)**
Carrying amount at 31 March 2026	**156,239**	**658,089**	**36,266**	**251,090**	**95,381**	**83,763**	**803,712**	**2,084,540**
Carrying amount at 1 April 2025	**167,251**	**580,316**	**26,499**	**215,589**	**67,538**	**87,141**	**732,223**	**1,876,557**

	Land	Buildings	Transport Equipment	Information Technology	Plant and Machinery	Furniture and Fittings	Payments on Account and Assets Under Construction	Departmental Group Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Asset financing:								
Owned	156,239	658,089	36,266	251,090	95,381	83,763	803,712	2,084,540
Carrying amount at 31 March 2026	**156,239**	**658,089**	**36,266**	**251,090**	**95,381**	**83,763**	**803,712**	**2,084,540**
Of the total:								
Core department	154,693	632,395	34,867	247,466	94,698	79,731	801,046	2,044,896
Arm's length bodies	1,546	25,694	1,399	3,624	683	4,032	2,666	39,644
Carrying amount at 31 March 2026	**156,239**	**658,089**	**36,266**	**251,090**	**95,381**	**83,763**	**803,712**	**2,084,540**

The latest revaluation date of PPE assets was 31/03/2026, this was carried out by the Valuation Office Agency, Principal Surveyor Marc Seabrook (MRICS).

2024-25 Departmental Group

	Land	Buildings	Transport Equipment	Information Technology	Plant and Machinery	Furniture and Fittings	Payments on Account and Assets Under Construction	Departmental Group Total
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Cost or valuation								
At 1 April 2024	124,626	651,699	89,139	540,718	112,836	130,476	385,171	2,034,665
Additions	–	246,487	3,670	19,769	12,301	15,221	379,736	677,184
Disposals	(99)	(32,156)	(2,764)	(48,167)	(13,777)	(14,031)	(4,681)	(115,675)
Reclassifications	–	(298)	1,186	13,240	7,084	8,672	(28,003)	1,881
Revaluations	42,724	55,304	1,877	2,034	531	10,146	–	112,616
At 31 March 2025	**167,251**	**921,036**	**93,108**	**527,594**	**118,975**	**150,484**	**732,223**	**2,710,671**
Depreciation								
At 1 April 2024	–	(311,405)	(58,804)	(331,259)	(49,726)	(61,356)	–	(812,550)
Charged in year	–	(30,233)	(9,240)	(27,599)	(14,491)	(11,497)	–	(93,060)
Disposals	–	31,467	2,576	48,137	13,040	13,013	–	108,233
Reclassifications	–	50	–	–	–	590	–	640
Revaluations	–	(30,599)	(1,141)	(1,284)	(260)	(4,093)	–	(37,377)
At 31 March 2025	**–**	**(340,720)**	**(66,609)**	**(312,005)**	**(51,437)**	**(63,343)**	**–**	**(834,114)**

	Land	Buildings	Transport Equipment	Information Technology	Plant and Machinery	Furniture and Fittings	Payments on Account and Assets Under Construction	Departmental Group Total
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Carrying amount at 31 March 2025	**167,251**	**580,316**	**26,499**	**215,589**	**67,538**	**87,141**	**732,223**	**1,876,557**
Carrying amount at 1 April 2024	**124,626**	**340,294**	**30,335**	**209,459**	**63,110**	**69,120**	**385,171**	**1,222,115**
Asset financing:								
Owned	167,251	580,316	26,499	215,589	67,538	87,141	732,223	1,876,557
Carrying amount at 31 March 2025	**167,251**	**580,316**	**26,499**	**215,589**	**67,538**	**87,141**	**732,223**	**1,876,557**
Of the total:								
Core department	165,751	555,193	25,032	209,912	65,594	83,297	730,709	1,835,488
Arm's length bodies	1,500	25,123	1,467	5,677	1,944	3,844	1,514	41,069
Carrying amount at 31 March 2025	**167,251**	**580,316**	**26,499**	**215,589**	**67,538**	**87,141**	**732,223**	**1,876,557**

An adjustment has been made to certain prior year additions. The carrying values have been adjusted accordingly.

5. Intangible assets

2025-26 Departmental Group

	Information Technology	Software Licences	Websites	Payments on Account and Assets Under Construction	Departmental Group Total
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 April 2025	1,283,860	23,586	2,503	971,966	2,281,915
Additions	199,720	5,847	284	831,735	1,037,586
Addition adjustments	88,902	324	(142)	(4,511)	84,573
Disposals	(25,749)	(301)	–	(391)	(26,441)
Impairments	(2,420)	–	–	(28,448)	(30,868)
Reclassifications	648,816	(87)	–	(648,723)	6
At 31 March 2026	**2,193,129**	**29,369**	**2,645**	**1,121,628**	**3,346,771**
Amortisation					
At 1 April 2025	(688,632)	(15,392)	(1,431)	–	(705,455)
Charged in year	(381,114)	(4,839)	(386)	–	(386,339)
Charged in year adjustments	(126,827)	(324)	142	–	(127,009)
Disposals	26,068	301	–	–	26,369
At 31 March 2026	**(1,170,505)**	**(20,254)**	**(1,675)**	**–**	**(1,192,434)**
Carrying amount at 31 March 2026	**1,022,624**	**9,115**	**970**	**1,121,628**	**2,154,337**
Carrying amount at 1 April 2025	**595,228**	**8,194**	**1,072**	**971,966**	**1,576,460**

	Information Technology	Software Licences	Websites	Payments on Account and Assets Under Construction	Departmental Group Total
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Asset financing:					
Owned	1,022,624	9,115	970	1,121,628	2,154,337
Carrying amount at 31 March 2026	**1,022,624**	**9,115**	**970**	**1,121,628**	**2,154,337**
Of the total:					
Core department	1,005,518	8,970	971	1,116,523	2,131,982
Arm's length bodies	17,106	145	(1)	5,105	22,355
Carrying amount at 31 March 2026	**1,022,624**	**9,115**	**970**	**1,121,628**	**2,154,337**

2024-25 Departmental Group

	Information Technology	Software Licences	Websites	Payments on Account and Assets Under Construction	Departmental Group Total
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 April 2024	1,301,422	35,306	1,885	777,185	2,115,798
Additions	218,787	855	804	316,723	537,169
Disposals	(324,148)	(12,695)	(210)	(7,258)	(344,311)
Impairments	–	–	–	(40,769)	(40,769)
Reclassifications	70,503	–	–	(73,915)	(3,412)
Revaluations	17,296	120	24	–	17,440
At 31 March 2025	**1,283,860**	**23,586**	**2,503**	**971,966**	**2,281,915**
Amortisation					
At 1 April 2024	(817,697)	(26,386)	(1,385)	–	(845,468)
Charged in year	(181,371)	(965)	(207)	–	(182,543)
Disposals	318,979	12,020	182	–	331,181
Revaluations	(8,543)	(61)	(21)	–	(8,625)
At 31 March 2025	**(688,632)**	**(15,392)**	**(1,431)**	**–**	**(705,455)**
Carrying amount at 31 March 2025	**595,228**	**8,194**	**1,072**	**971,966**	**1,576,460**
Carrying amount at 1 April 2024	**483,725**	**8,920**	**500**	**777,185**	**1,270,330**

	Information Technology	Software Licences	Websites	Payments on Account and Assets Under Construction	Departmental Group Total
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Asset financing:					
Owned	593,530	6,692	1,072	971,966	1,573,260
On balance sheet PFI/other concession arrangements	1,698	1,502	–	–	3,200
Carrying amount at 31 March 2025	**595,228**	**8,194**	**1,072**	**971,966**	**1,576,460**
Of the total:					
Core department	571,650	7,813	1,072	967,439	1,547,974
Arm's length bodies	23,578	381	–	4,527	28,486
Carrying amount at 31 March 2025	**595,228**	**8,194**	**1,072**	**971,966**	**1,576,460**

6. Right-of-use assets

2025-26 Departmental Group

	Land	Buildings	Networked Assets	Departmental Group Total
	£'000	£'000	£'000	£'000
Cost or valuation				
At 1 April 2025	13,318	971,265	18,461	1,003,044
Remeasurement of existing leases	8	18,518	21	18,547
Additions – new leases	–	107,869	1,656	109,525
Disposals	(26)	(173,484)	–	(173,510)
At 31 March 2026	**13,300**	**924,168**	**20,138**	**957,606**
Depreciation				
At 1 April 2025	(2,564)	(241,549)	(3,719)	(247,832)
Charged in year	(922)	(82,892)	(1,996)	(85,810)
Disposals	26	36,444	–	36,470
At 31 March 2026	**(3,460)**	**(287,997)**	**(5,715)**	**(297,172)**
Carrying amount at 31 March 2026	**9,840**	**636,171**	**14,423**	**660,434**
Carrying amount at 1 April 2025	**10,754**	**729,716**	**14,742**	**755,212**
Of the total:				
Core department	9,840	622,046	14,423	646,309
Arm's length bodies	–	14,125	–	14,125
Carrying amount at 31 March 2026	**9,840**	**636,171**	**14,423**	**660,434**

2024-25 Departmental Group

	Land	Buildings	Networked Assets	Departmental Group Total
	£'000	£'000	£'000	£'000
Cost or valuation				
At 1 April 2024	13,081	850,029	15,370	878,480
Remeasurement of existing leases	10,328	(44)	1,143	11,427
Additions – new leases	(34)	280,466	15,214	295,646
Disposals	(10,057)	(160,717)	(13,266)	(184,040)
Reclassifications	–	1,531	–	1,531
At 31 March 2025	**13,318**	**971,265**	**18,461**	**1,003,044**
Depreciation				
At 1 April 2024	(1,566)	(190,969)	(1,950)	(194,485)
Charged in year	(998)	(127,885)	(1,769)	(130,652)
Disposals	–	77,945	–	77,945
Reclassifications	–	(640)	–	(640)
At 31 March 2025	**(2,564)**	**(241,549)**	**(3,719)**	**(247,832)**
Carrying amount at 31 March 2025	**10,754**	**729,716**	**14,742**	**755,212**
Carrying amount at 1 April 2024	**11,515**	**659,060**	**13,420**	**683,995**
Of the total:				
Core department	10,754	715,175	14,742	740,671
Arm's length bodies	–	14,541	–	14,541
Carrying amount at 31 March 2025	**10,754**	**729,716**	**14,742**	**755,212**

7. Financial instruments

As the cash requirements of the department are met through the estimates process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body of a similar size. The department has very limited powers to borrow, invest surpluses, or purchase foreign currency. Financial assets and liabilities are generated from day-to-day operational activities and are not held to change the risk faced by the department from undertaking its activities.

The majority of financial instruments relate to contracts for goods and services in line with the department's expected purchase and usage requirements and the department is, therefore, exposed to little credit, liquidity or market risk.

8. Cash and cash equivalents

		2025-26		2024-25
	Core Department and Agencies	Departmental Group	Core Department and Agencies	Departmental Group
	£'000	£'000	£'000	£'000
Balance at 1 April	**812,765**	**933,233**	**221,281**	**348,106**
Net change in cash and cash equivalent balances	(495,875)	(508,678)	591,484	585,127
Balance at 31 March	**316,890**	**424,555**	**812,765**	**933,233**
The following balances at 31 March were held at:				
Government Banking Service	316,890	396,156	812,723	819,560
Commercial banks and cash in hand	–	28,399	42	113,673
Balance at 31 March	**316,890**	**424,555**	**812,765**	**933,233**

9. Trade receivables, financial, and other assets

	2025-26		2024-25	
	Core Department and Agencies	Departmental Group	Core Department and Agencies	Departmental Group
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade receivables	267,130	292,661	104,429	122,600
VAT receivables net of payables	57,075	56,801	11,257	10,570
Staff receivables	7,954	8,414	8,139	8,562
Receivables – government departments	2,701	2,701	178,961	178,961
Other receivables	6,818	6,664	5,046	5,044
Prepayments and accrued income	791,151	811,335	203,567	222,774
	1,132,829	**1,178,576**	**511,399**	**548,511**
Amounts falling due after more than one year:				
Other receivables	3,923	3,935	(344)	(332)
Lease receivables	23,680	23,680	4,575	4,575
Total	**27,603**	**27,615**	**4,231**	**4,243**

Trade receivables and Prepayments and accrued income include £745m receivable from MHCLG arising from the Machinery of Government change, as detailed in Note 21.

10. Trade payables and other current liabilities

	2025-26		2024-25	
	Core Department and Agencies	Departmental Group	(Restated) Core Department and Agencies	(Restated) Departmental Group
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Other taxation and social security	28,286	35,354	26,062	30,275
Trade payables	37,094	39,614	123,125	129,886
Other payables	22,332	23,289	14,131	20,382
Staff payables	92,940	96,955	83,736	87,503
Accruals	2,488,581	2,548,008	2,430,705	2,468,105
Accruals – Police Pensions	143,171	143,171	156,618	156,618
Contract liabilities	819,985	848,818	608,263	631,281
Payables – government departments	(2,734)	(2,734)	115,658	115,658
Current part of lease liabilities	82,410	85,131	84,845	87,172
Current part of imputed finance lease element of on balance sheet PFI contracts and other service concession arrangements	(1,748)	(1,748)	(1,748)	(1,748)
Amounts issued from the Consolidated Fund for supply but not spent at year end	296,354	296,354	572,610	572,610

	2025-26 Core Department and Agencies £'000	2025-26 Departmental Group £'000	2024-25 (Restated) Core Department and Agencies £'000	2024-25 (Restated) Departmental Group £'000
Consolidated Fund Extra Receipts due to be paid to the Consolidated Fund (received)	19,115	32,424	238,734	238,734
Consolidated Fund Extra Receipts due to be paid to the Consolidated Fund (receivable)	43	43	1,969	54,706
	4,025,829	**4,144,679**	**4,454,708**	**4,591,182**
Amounts falling due after more than one year:				
Other payables, accruals and deferred income	34	35	34	34
Imputed finance lease element of on-balance sheet PFI contracts and other service concession arrangements	2,131	2,131	2,131	2,131
Lease liabilities	615,329	627,480	664,612	677,385
Total	**617,494**	**629,646**	**666,777**	**679,550**

11. Contract balances

	Contract liabilities
	£'000
At 1 April 2025	631,281
Decrease due to revenue recognised in the period	(2,805,466)
Increase due to cash received in advance and not recognised as revenue during the year	3,023,003
At 31 March 2026	**848,818**
Presented within:	
Current	**848,818**
Non-current	–

12. Provisions for liabilities and charges

	2025-26		2024-25	
	Core Department and Agencies	Departmental Group	Core Department and Agencies	Departmental Group
	£'000	£'000	£'000	£'000
Balance at 1 April	**542,953**	**549,351**	**521,580**	**525,727**
Provided in the year	207,550	208,254	122,264	138,506
Provisions not required written back	(75,510)	(76,666)	(56,217)	(57,364)
Provisions utilised in the year	(62,829)	(63,226)	(44,674)	(57,518)
Balance at 31 March	**612,164**	**617,713**	**542,953**	**549,351**
Comprising:				
Not later than one year	375,273	376,617	305,997	309,897
Later than one year and not later than five years	91,513	95,002	92,356	93,255
Later than five years	145,378	146,094	144,600	146,199
Balance at 31 March	**612,164**	**617,713**	**542,953**	**549,351**

13. Provisions analysis

	Dilapidations	Legal Claims	Windrush Compensation Scheme	Pensions and Other	Departmental Group Total
	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2025	**135,297**	**255,274**	**82,265**	**76,515**	**549,351**
Provided in the year	18,280	103,065	7,000	79,909	208,254
Provisions not required written back	(41,886)	(33,624)	–	(1,156)	(76,666)
Provisions utilised in the year	(150)	(46,938)	(16,138)	–	(63,226)
Balance at 31 March 2026	**111,541**	**277,777**	**73,127**	**155,268**	**617,713**
Comprising:					
Not later than one year	20,161	251,921	30,000	74,535	376,617
Later than one year and not later than five years	25,858	25,856	43,125	163	95,002
Later than five years	65,522	–	2	80,570	146,094
Balance at 31 March 2026	**111,541**	**277,777**	**73,127**	**155,268**	**617,713**
Of the total:					
Core department	107,746	276,185	73,127	155,106	612,164
Arm's length bodies	3,795	1,592	–	162	5,549
Balance at 31 March 2026	**111,541**	**277,777**	**73,127**	**155,268**	**617,713**

	Dilapidations	Legal Claims	Windrush Compensation Scheme	Pensions and Other	Departmental Group Total
	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2024	**114,346**	**245,608**	**81,099**	**84,674**	**525,727**
Provided in the year	22,879	81,086	24,000	10,541	138,506
Provisions not required written back	(1,873)	(36,791)	–	(18,700)	(57,364)
Provisions utilised in the year	(55)	(34,629)	(22,834)	–	(57,518)
Balance at 31 March 2025	**135,297**	**255,274**	**82,265**	**76,515**	**549,351**
Comprising:					
Not later than one year	47,035	231,706	30,000	1,156	309,897
Later than one year and not later than five years	17,424	23,568	52,263	–	93,255
Later than five years	70,838	–	2	75,359	146,199
Balance at 31 March 2025	**135,297**	**255,274**	**82,265**	**76,515**	**549,351**
Of the total:					
Core department	131,489	254,002	82,265	75,197	542,953
Arm's length bodies	3,808	1,272	–	1,318	6,398
Balance at 31 March 2025	**135,297**	**255,274**	**82,265**	**76,515**	**549,351**

Dilapidations

The Home Office makes provisions to cover its obligations for the reinstatement of its leasehold buildings to their original state before its occupation. Dilapidation provisions are estimated based on market benchmarked costs, depending on the type of lease. An annual review process is conducted to evaluate dilapidation costs to ensure the costs align with the current market.

Legal claims

Provision has been made for various legal claims against the Home Office. The provision reflects all known claims where legal advice indicates that it is probable that the claim will be successful, and the amount of the claim that can be reliably estimated. The amount provided is based on an estimate of the amount required to settle the liability. Reimbursements are unlikely to be received in respect of any of these claims. Legal claims that do not yet meet the criteria of a provision are disclosed as contingent liabilities in Note 14.

Windrush Compensation Scheme

On 3 April 2019, the Home Office launched the Windrush Compensation Scheme, to compensate individuals who have suffered loss in connection with being unable to demonstrate their lawful status in the United Kingdom.

The Windrush Compensation Scheme is open to:

- Commonwealth citizens who arrived in the UK before 1 January 1973 and who are lawfully here because they have a right of abode, settled status, or are now British citizens
- Commonwealth citizens overseas who settled in the UK before 1 January 1973
- any person of any nationality who arrived in the UK before 31 December 1988 and is lawfully here because they have a right of abode, settled status, or are now a British citizen
- the children and grandchildren of Commonwealth citizens, in certain circumstances
- the estates of those who are now deceased but would have otherwise been eligible to claim compensation
- close family members of eligible claimants where there is evidence of certain direct financial losses, or significant impact on their life

These accounts report a provision of £73.1 million, being the best estimate of the total value of future compensation scheme payments.

The provision for the Windrush Compensation Scheme reflects the estimated total cost of future payments based on assumptions regarding the likely number of eligible claimants and the average compensation awarded across the various categories of loss. Given that the Windrush cohort represents a finite population, the volume of claims is expected to decline over time. This assumption underpins a tail-off model used to forecast future claim volumes. Cost estimates are derived from historical data, using the average award per category. For each category, the estimated proportion of claimants entitled to an award is multiplied by the average award value. These figures are then aggregated across all categories to inform the Whole Life Cost of the scheme.

There is uncertainty in these assumptions due to incompleteness of data on how many individuals have been impacted and how they have been impacted. There is no limit to the amount of compensation available should the claims be accepted.

Pensions and other provisions

The department has further provisions which do not fall into the above categories, but which satisfy the criteria for provision creation. The most significant of these are outlined below.

Pension provisions

The Forensic Science Service (FSS) was a government-owned company in the UK which provided forensic science services to the police forces and government agencies of England and Wales, as well as other countries. Upon its closure in December 2005, the pension obligations of the FSS transferred to the Home Office. A provision of £18.7 million was recognised in 2023-24, relating to the value of the pension liability for FSS. This provision was derecognised during 2024-25 and continues to no longer be recognised due to the estimated pension assets exceeding the estimated pension liabilities. As a result, the chance of a claim being brought to the Home Office is remote.

IR35 provision

A provision of £74.5m is recognised for a potential payment to HMRC for unpaid tax related to historical instances of supplier contracts initially classified as Contracted Out Services later determined to be supplies of resource.

Other provisions

Other provisions also include an amount subject to ongoing legal proceedings. Additional details have not been disclosed to avoid prejudice to the Home Office's position in the dispute, in line with IAS 37 – Provisions, Contingent Liabilities and Contingent Assets, paragraph 92.

14. Contingent liabilities

Contingent liabilities cover all known claims where legal advice indicates that the criteria for recognition of a provision has not been met or where the possibility of economic transfer is possible, but not probable.

Legal claims

The nature of the department's operations involve managing a substantial volume of immigration claims in relation to asylum, refugee, residency status, nationality, and entry clearance. There are a number of legal claims outstanding against the department, including unlawful detention and human rights claims that we would consider as falling within the category of contingent liability.

As part of the department's risk management practices, claims are continually assessed for their potential to have high financial impact. The nature of these claims is such that it is not possible to predict the outcome with reasonable certainty, nor to quantify the financial impact to the department. These claims arise in the course of the department's immigration processing operations and, given their generic nature and the department's need to avoid prejudicing itself in the ongoing legal process, a case-by-case disclosure has not been made.

Other contingent liabilities

The department has an unquantifiable contingent liability which is subject to potential legal proceedings. Additional details have not been disclosed due to their sensitive nature and to avoid prejudice to the Home Office's position in any dispute, in line with IAS37 – Provisions, Contingent Liabilities and Contingent Assets, paragraph 92.

15. Lease liabilities

	2025-26		2024-25	
	Core Department and Agencies	Departmental Group	Core Department and Agencies	Departmental Group
	£'000	£'000	£'000	£'000
Amounts falling due:				
Not later than one year	82,410	85,131	84,845	87,172
Later than one year and not later than five years	350,186	362,087	375,063	385,192
Later than five years	494,385	496,117	471,884	475,026
	926,981	**943,335**	**931,792**	**947,390**
Less interest element	(229,242)	(230,724)	(182,335)	(182,833)
Total present value of obligations	**697,739**	**712,611**	**749,457**	**764,557**
Current	82,410	85,131	84,845	87,172
Non-current	615,329	627,480	664,612	677,385
	697,739	**712,611**	**749,457**	**764,557**

16. Commitments under PFI and other service concession arrangements

Off balance sheet (SoFP)

Following a review of off-balance sheet (SoFP) PFI or other service concession transactions, it was deemed that no Home Office transactions meet the criteria of being a PPP arrangement or PFI contract that meets the definition of service concession arrangements in IFRIC 12 Service Concession Arrangements for financial year 2025-26.

17. Capital and other commitments

Capital commitments

	2025-26		2024-25	
	Core Department and Agencies	Departmental Group	Core Department and Agencies	Departmental Group
	£'000	£'000	£'000	£'000
Property, plant and equipment	329,548	329,548	364,440	364,440
Intangible assets	390,210	390,210	646,008	646,008
Total commitments	**719,758**	**719,758**	**1,010,448**	**1,010,448**

These commitments include:

- £654.6 million of capital commitments as of 31 March 2026 relate to the delivery of the Emergency Service Network. The two principal contracts are: the Mobile Services Contract with EE, which runs to February 2032; and the User Services Contract with IBM, which runs to December 2033
- £21.3 million is in relation to the Law Enforcement Data Service programme. The programme was established to develop a new national law enforcement data service to support frontline policing and wider priorities such as crime reduction, tackling Violence Against Women and Girls (VAWG), and Serious Organised Crime (SOC)
- £7.6 million capital commitment relates to the planned replacement of Border Force and Immigration Enforcement vehicle fleets to support delivery of the government's Zero Emission Vehicle policy, requiring all cars to be zero emission by December 2027 and all vans to be zero emission by December 2030, unless otherwise exempt
- £6.7 million relating to contractual commitments for capital works across the Immigration Removal Centre (IRC) estate
- £6.3 million relating to ongoing third party IT delivery contracts supporting the development, maintenance and enhancement of the Border Crossing and Helios systems, representing the estimated unavoidable shortterm contractual cost associated with these capitalised software assets
- £6.0 million of intangible capital commitment as of 31 March 2026 relates to the Strategic Matcher Programme, which will provide the key interlinking capability to match Fingerprint and Face data. This is a key component in providing a significant improvement to existing capabilities

- £5.1 million of capital commitments as of 31 March 2025 relates to Offline Data Capture (ODC), this will provide capability forsystem resilience of the eGates
- £3.7 million relates to delivery of the HOD Cyclamen programme. The Cyclamen programme is enhancing a critical UK Home Office initiative designed to detect and deter the illegal importation of radiological and nuclear materials at ports, airports, and mail centres

Other financial commitments

		2025-26		2024-25
	Core Department and Agencies	**Departmental Group**	**Core Department and Agencies**	**Departmental Group**
	£000	**£000**	**£000**	**£000**
Not later than one year	44,973	44,973	12,185	12,185
Later than one year and not later than five years	44,593	44,593	–	–
Total commitments	**89,566**	**89,566**	**12,185**	**12,185**

The department has entered non-cancellable contracts (which are not leases, private finance initiative (PFI) contracts or other service concession arrangements). The payments to which the department are committed are as follows:

- An Enterprise Services Agreement with Microsoft, the current term of the enterprise licence agreement (ELA) is 1 April 2025 – 31 March 2028, providing support of the Microsoft package to the Home Office. The remaining contract value is £59.9 million.
- Value Added Reseller for Dynatrace provided by Computacenter (UK) Limited, the contract term covering 26 January 2026 to 22 January 2029 and is utilised across the Home Office. The remaining contract value is £16.9 million.
- Police National Database (PND) Data Services provided by Datalynx Limited. This contract technically has termination rights in accordance with the call-off procedure however this is a critical service, and The Home Office would not elect to exercise this due to their being no suitable contingency. The remaining contract value is £12.2 million.
- An ELA with IBM for support of the IBM software and appliances which are utilised across critical national infrastructure border security services relating to supporting Border Force. The current term of the ELA is 1 September 2025 – 30 April 2026, with the remaining contract value being £0.5 million.

18. Related party transactions

The department is the parent of its agencies and other designated bodies, and the sponsor of the Non-Departmental Public Bodies (NDPBs) outlined in Note 19. These bodies are regarded as related parties with which the department has had material transactions during the year. Details of related party of NDPBs are disclosed in their audited accounts.

In addition, the department has had transactions with other government departments and other central government bodies. In particular there have been transactions with:

- the Cabinet Office: Civil Superannuation relating to the employees' pension scheme. The employer's contribution to this pension scheme can be found in the Staff Report within the accountability section
- the Foreign, Commonwealth and Development Office relating to the overseas collection of both Visa income and the Immigration Health Surcharge
- the Forensic Archive Ltd is considered a related party operating under the 'guardianship' of the Home Office with Home Office senior management sitting on the board

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

Ministers' interests are declared and maintained through the Register of Members' Interests at the House of Commons and the Register of Lords' Interest at the House of Lords.

Board members and key senior management staff are subject to a standard annual interests review, stating whether they, their spouses or close family members have been in a position of influence or control in organisations with which the Home Office has transactions.

The remuneration report provides information on key management compensation. No minister, board member, key manager or other related parties has undertaken any material transactions with the department during the year.

19. Entities within the departmental boundary

The Home Office is a UK ministerial department, based primarily at 2 Marsham Street, London, SW1P 4DF. More information about the department is at **www.gov.uk/government/organisations/home-office**

The entities within the boundary during 2025-26 comprise entities listed in the Designation and Amendment Orders presented to Parliament. They are:

Entities consolidated

The Home Office departmental boundary encompasses the central government department and five non-departmental public bodies (NDPBs). The accounts of these entities form part of the Home Office's consolidated financial statements.

Executive NDPBs

Typically established in statute and carrying out executive, administrative, regulatory, and/or commercial functions.

- Disclosure and Barring Service
- Gangmasters and Labour Abuse Authority
- Immigration Advice Authority
- Independent Office for Police Conduct
- Security Industry Authority

The accounts of the above NDPBs can be found at **www.official-documents.gov.uk**.

With effect from 7 April 2026, the Gangmasters and Labour Abuse Authority was replaced by the Fair Work Agency, which moved from the Home Office to the Department for Business and Trade.

Other entities

College of Policing Limited

The College of Policing is a company limited by guarantee. It is classified as an arm's length body by HM Treasury and is consolidated within the departmental boundary as an NDPB.

Entities within the core department

Advisory, tribunal and other NDPBs do not publish accounts as they do not have any money delegated to them. Where there are costs, these are met from Home Office budgets.

Advisory non-departmental public bodies

Provide independent, expert advice to ministers on a wide range of issues.

- Advisory Council on the Misuse of Drugs
- The Committee for the Protection of Animals Used for Scientific Purposes
- Biometrics and Forensics Ethics Group
- Migration Advisory Committee
- Police Advisory Board for England and Wales
- Police Remuneration Review Body
- Technical Advisory Board

Tribunal non-departmental public bodies

Have jurisdiction in a specialised field of law.

- Investigatory Powers Tribunal
- Police Appeals Tribunal

Other

- Commission for Countering Extremism
- Forensic Archive Ltd
- His Majesty's Inspectors of Constabulary
- Independent Family Returns Panel
- Investigatory Powers Commissioner's Office
- Office for Communications Data Authorisations
- Office of the Chief Inspector of the UK Border Agency
- The Office of the Commissioner for the Retention and Use of Biometric Material
- Office of the Director of Labour Market Enforcement
- Office of the Domestic Abuse Commissioner
- The Office of the Forensic Science Regulator

- The Office of the Independent Anti-Slavery Commissioner
- The Office of the Independent Monitor for the purposes of Part 5 of the Police Act 1997
- Office of the Independent Reviewer of State Threats Legislation
- The Office of the Independent Reviewer of Terrorism Legislation
- Office of the person appointed under sections 47H(4), 127H(4), 195H(4), 290(8), 303E(9) and 303Z23(7) of the Proceeds of Crime Act 2002
- The Office of the Surveillance Camera Commissioner
- National Crime Agency Remuneration Review Body
- The National Crime Agency is outside the departmental boundary and is not consolidated in this Report, but its operations are mentioned because the Home Office has a policy remit for the Agency

20. Contingent assets

A contingent asset is a possible asset arising from past events, the existence of which will be confirmed only by uncertain future events not wholly within the Department's control.

In accordance with the Government Financial Reporting Manual (FReM) and IAS 37 Provisions, Contingent Liabilities and Contingent Assets, contingent assets are not recognised in the financial statements, as this may result in the recognition of income before it is realised.

The department currently discloses a contingent asset estimated at £48 million in respect to overbilling repayments to be refunded to the Department by Corporate Travel Management (CTM) during the period September 2026 to September 2027 recovery of which remains uncertain given the time period of scheduled repayments.

The overbilling was brought to the attention of the Home Office in November 2025 by the CTM parent company, based in Australia, ahead of an announcement to the Australian Stock Exchange where shares in CTM were suspended.

The overbilling is understood to have taken place over 2021 to 2023. Discussions are now complete between Government Commercial Agency, CTM and their auditors and the settlement has been finalised and approved by Home Office Permanent Secretary and Minister but the Settlement Agreement is not yet signed.

21. Restatement of prior year comparatives Machinery of government changes

On 1 April 2025, all fire-related functions previously managed by the Home Office were transferred to the Ministry of Housing, Communities and Local Government (MHCLG). This change, announced in a Written Ministerial Statement on 13 February 2025 and recommended by the Grenfell Phase 2 Inquiry, brings together responsibility for building safety and fire under a single Secretary of State. The aim is to deliver a more coherent and focused approach to fire safety policy and implementation.

The transferred fire functions are divided into two main areas: Fire Directorate and Fire Pensions.

Fire Directorate is responsible for fire safety and reform policy, driving national resilience, overseeing the Crown Premises Fire Safety Inspectorate, and managing fire funding, and fire and rescue analysis.

Fire Pensions function provides top-up grants to local fire and rescue authorities, to cover any shortfalls in their pensions funds (this also covers McCloud and Mathews remedy impacts). The pensions team also works closely with the Government Actuary Department and Government Legal Department to provide analysis linked to OBR, Compensation for McCloud, scheme evaluations, litigations and settlements.

Function	Exporting Department	Importing Department
Fire Directorate	Home Office	Ministry of Housing, Communities and Local Government
Fire Pensions	Home Office	Ministry of Housing, Communities and Local Government

In accordance with the FReM, Home Office has accounted for the change as a MOG transfer by merger. For the transfer, the Home Office identified and isolated the relevant cost centres for all balances and transactions as at 31 March 2025 and 31 March 2026.

As a result of these changes and as required by IAS1, Home Office has restated the comparative balances for 2024-25.

Extract from consolidated statement of comprehensive net expenditure which shows the restated lines

	2024-25	MoG Adjustment 2024-25	(Restated) Core Department and Agencies 2024-25
Core Department	**£'000**	**£'000**	**£'000**
Staff costs	3,117,136	(7,490)	3,109,646
Fire pensions top-up grant	578,827	(578,812)	15
Other current grants	4,347,239	(186,759)	4,160,480
Capital grants	232,902	(1,920)	230,982
Purchase of goods and services	5,083,018	(8,224)	5,074,794
Provision expense	45,288	(376)	44,912
Other operating expenditure	1,934,010	(694)	1,933,316

Core Department	2024-25 £'000	MoG Adjustment 2024-25 £'000	(Restated) Core Department and Agencies 2024-25 £'000
Total operating expenditure	**27,462,968**	**(784,275)**	**26,678,693**
Net operating expenditure	**20,509,996**	**(784,275)**	**19,725,721**
Net expenditure for the year	**20,525,496**	**(784,275)**	**19,741,221**
Comprehensive net expenditure for the year	**20,445,492**	**(784,275)**	**19,661,217**

Departmental Group	2024-25 £'000	MoG Adjustment 2024-25 £'000	(Restated) Departmental Group 2024-25 £'000
Staff costs	3,330,525	(7,490)	3,323,035
Fire pensions top-up grant	578,827	(578,812)	15
Other current grants	4,333,891	(186,759)	4,147,132
Capital grants	232,993	(1,920)	231,073
Purchase of goods and services	5,127,547	(8,224)	5,119,323
Provision expense	60,383	(376)	60,007
Other operating expenditure	2,095,853	(694)	2,095,159
Total operating expenditure	**27,773,466**	**(784,275)**	**26,989,191**
Net operating expenditure	**20,523,330**	**(784,275)**	**19,739,055**
Net expenditure for the year	**20,539,030**	**(784,275)**	**19,754,755**
Comprehensive net expenditure for the year	**20,456,562**	**(784,275)**	**19,672,287**

Extract from consolidated statement of financial position which shows the restated lines

	2024-25	MoG Adjustment 2024-25	(Restated) Core Department and Agencies 2024-25
Core Department	**£'000**	**£'000**	**£'000**
Non-current assets			
Property, plant and equipment	1,836,757	(1,269)	1,835,488
Intangible assets	1,548,636	(662)	1,547,974
Trade receivables and other non-current assets	8,871	(4,640)	4,231
Total non-current assets	**4,134,935**	**(6,571)**	**4,128,364**
Trade and other receivables	627,995	(116,596)	511,399
Total current assets	**1,441,901**	**(116,596)**	**1,325,305**
Total assets	**5,576,836**	**(123,167)**	**5,453,669**
Provisions	313,864	(7,867)	305,997
Trade and other payables	4,374,526	(4,662)	4,369,864
Total current liabilities	**4,773,235**	**(12,529)**	**4,760,706**
Total assets less current liabilities	**803,601**	**(110,638)**	**692,963**
Total assets less total liabilities	**(100,283)**	**(110,638)**	**(210,921)**
General Fund	(343,964)	(110,638)	(454,602)
Total equity	**(100,283)**	**(110,638)**	**(210,921)**

Departmental Group	2024-25 £'000	MoG Adjustment 2024-25 £'000	(Restated) Departmental Group 2024-25 £'000
Non-current assets			
Property, plant and equipment	1,877,826	(1,269)	1,876,557
Intangible assets	1,577,122	(662)	1,576,460
Trade receivables and other non-current assets	8,883	(4,640)	4,243
Total non-current assets	**4,219,043**	**(6,571)**	**4,212,472**
Trade and other receivables	665,107	(116,596)	548,511
Total current assets	**1,600,554**	**(116,596)**	**1,483,958**
Total assets	**5,819,597**	**(123,167)**	**5,696,430**
Provisions	317,764	(7,867)	309,897
Trade and other payables	4,508,673	(4,662)	4,504,011
Total current liabilities	**4,913,609**	**(12,529)**	**4,901,080**
Total assets less current liabilities	**905,988**	**(110,638)**	**795,350**
Total assets less total liabilities	**(14,871)**	**(110,638)**	**(125,509)**
General Fund	(271,912)	(110,638)	(382,550)
Total equity	**(14,871)**	**(110,638)**	**(125,509)**

Extract from consolidated statement of cash flows which shows the restated lines

	2024-25	MoG Adjustment 2024-25	Other Adjustment 2024-25	(Restated) Core Department and Agencies 2024-25
Core Department	**£'000**	**£'000**	**£'000**	**£'000**
Cash flows from operating activities				
Net expenditure for the year	(20,525,496)	784,275	–	(19,741,221)
Adjustments for non-cash transactions	502,895	(376)	–	502,519
(Increase)/decrease in trade and other receivables	(9,666)	121,236	–	111,570
Increase/(decrease) in trade payables	389,540	(4,662)	–	384,878
Less movements in payables relating to items not passing through the Consolidated Statement of Comprehensive Net Expenditure	(748,399)	(901,362)	9,942	(1,639,821)
Net cash outflow from operating activities	**(20,430,790)**	**(889)**	**9,942**	**(20,421,737)**
Purchase of property, plant and equipment	(670,575)	718	–	(669,857)
Purchase of intangible assets	(526,206)	171	–	(526,035)
Net cash outflow from investing activities	**(1,134,306)**	**889**	**–**	**(1,133,417)**
Repayments of principal on leases	(84,239)	–	(9,942)	(94,181)
Net financing	**22,156,580**	**–**	**(9,942)**	**22,146,638**

Departmental Group	2024-25 £'000	MoG Adjustment 2024-25 £'000	Other Adjustment 2024-25 £'000	(Restated) Departmental Group 2024-25 £'000
Cash flows from operating activities				
Net expenditure for the year	(20,539,030)	784,275	–	(19,754,755)
Adjustments for non-cash transactions	532,033	(376)	–	531,657
(Increase)/decrease in trade and other receivables	(10,078)	121,236	–	111,158
Increase/(decrease) in trade payables	378,302	(4,662)	–	373,640
Less movements in payables relating to items not passing through the Consolidated Statement of Comprehensive Net Expenditure	(735,901)	(901,362)	10,142	(1,627,121)
Net cash outflow from operating activities	**(20,428,185)**	**(889)**	**10,142**	**(20,418,932)**
Purchase of property, plant and equipment	(677,902)	718	–	(677,184)
Purchase of intangible assets	(537,340)	171	–	(537,169)
Net cash outflow from investing activities	**(1,139,350)**	**889**	**–**	**(1,138,461)**
Repayments of principal on leases	(87,957)	–	(10,142)	(98,099)
Net financing	**22,152,662**	**–**	**(10,142)**	**22,142,520**

Other adjustments on consolidated statement of cash flows are related to corrections for lease payments.

Extract from consolidated statement of taxpayers' equity which shows the restated lines

	2024-25	MoG Adjustment 2024-25	(Restated) Core Department and Agencies 2024-25
Core Department	**£'000**	**£'000**	**£'000**
Comprehensive net expenditure for the year	(20,525,496)	784,275	(19,741,221)
Amounts relating to machinery of government transfer of function	–	(894,913)	(894,913)
Balance at 31 March 2025	**(343,966)**	**(110,638)**	**(454,604)**

	2024-25	MoG Adjustment 2024-25	(Restated) Departmental Group 2024-25
Departmental Group	**£'000**	**£'000**	**£'000**
Comprehensive net expenditure for the year	(20,539,030)	784,275	(19,754,755)
Amounts relating to machinery of government transfer of function	–	(894,913)	(894,913)
Balance at 31 March 2025	**(271,914)**	**(110,638)**	**(382,552)**

22. Events after the reporting period date

There were no significant events after the reporting period that require disclosure.

In accordance with the requirements of IAS 10 Events After the Reporting Period, events are considered up to the date on which the accounts are authorised for issue.

The date the Accounts are authorised for issue is interpreted as the same date the Accounts are certified by the Comptroller and Auditor General.

A. Financial information by arm's length body

For the year ended 31 March 2026

				Permanently Employed Staff		Other Staff	
	Total Operating Income	Total Operating Expenditure	Net Expenditure for the Year (Including Financing)	Number of Employees	Staff Costs	Number of Employees	Staff Costs
Arm's Length Body	**£'000**	**£'000**	**£'000**		**£'000**		**£'000**
College of Policing Limited	(49,828)	104,073	54,245	735	41,377	91	22,672
Disclosure and Barring Service	(271,550)	238,270	(33,280)	1,415	67,302	13	2,268
Gangmasters and Labour Abuse Authority	(1,837)	7,475	5,638	106	6,217	–	–
Immigration Advice Authority	2	6,293	6,295	77	4,573	–	–
Independent Office for Police Conduct	(272)	76,381	76,109	944	60,958	3	189
Security Industry Authority	(29,884)	38,299	8,415	350	21,985	31	171
	(353,369)	**470,791**	**117,422**	**3,627**	**202,412**	**138**	**25,300**

For the year ended 31 March 2025

				Permanently Employed Staff		Other Staff	
	Total Operating Income	Total Operating Expenditure	Net Expenditure for the Year (Including Financing)	Number of Employees	Staff Costs	Number of Employees	Staff Costs
Arm's Length Body	**£'000**	**£'000**	**£'000**		**£'000**		**£'000**
College of Policing Limited	(47,789)	104,104	56,315	780	53,111	106	8,906
Disclosure and Barring Service	(225,898)	220,398	(5,500)	1,214	60,520	24	2,845
Gangmasters and Labour Abuse Authority	(1,303)	7,541	6,238	108	5,603	1	–
Immigration Advice Authority	(22)	7,074	7,052	59	3,980	–	–
Independent Office for Police Conduct	(92)	73,472	73,380	917	57,112	3	364
Security Industry Authority	(37,595)	38,587	992	354	20,109	1	839
	(312,699)	**451,176**	**138,477**	**3,432**	**200,435**	**135**	**12,954**

B. Core tables

Total departmental spending 2021-22 to 2028-29

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
	Outturn	Outturn	Outturn	Outturn	Outturn	Plans	Plans	Plans
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Resource DEL								
Delivery	–	77,838	–	–	–	–	–	–
Strategy	–	–	70,726	84,276	–	–	–	–
Science, Technology, Analysis and Research	148,986	34,561	43,192	36,307	42,951	–	–	–
Homeland Security Group	1,021,788	1,125,074	1,243,481	1,384,065	1,444,243	1,626,613	1,564,900	1,629,000
Public Safety Group	10,473,220	11,204,367	11,577,218	12,253,493	12,677,693	13,369,228	13,572,300	13,669,200
Migration and Borders Group	86,189	287,953	428,482	357,533	342,073	–	–	–
Migration, Borders International Policy and Programmes Group	–	–	–	–	–	256,698	276,400	334,800
Strategic Operations for Illegal Migration	–	–	133,959	15,585	–	–	–	–

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
	Outturn	Outturn	Outturn	Outturn	Outturn	Plans	Plans	Plans
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Border Security Command	–	–	–	40,729	181,591	796,553	878,200	944,400
Customer Services (Visas and Passports)	333,376	-3,166,254	-3,344,985	-4,319,505	-4,934,927	–	–	–
Visa, Passport, Citizenship and Resettlement	–	–	–	–	–	-4,294,801	-3,528,900	-3,738,700
Asylum and Protection	–	4,498,823	–	–	–	–	–	–
Asylum Support, Resettlement and Accommodation	–	–	5,424,708	4,512,567	4,181,193	–	–	–
Asylum Group	–	–	–	–	–	4,116,034	3,795,700	3,621,700
Immigration Enforcement	–	–	636,293	819,196	769,811	964,547	988,300	1,054,800
Border Force	–	–	1,182,934	1,375,814	1,358,931	744,409	718,300	710,300
Borders and Enforcement	1,183,216	1,404,808	–	–	–	–	–	–
Corporate Enablers	930,201	945,611	–	–	–	–	–	–
Corporate and Delivery	–	–	775,994	887,400	–	–	–	–

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
	Outturn	Outturn	Outturn	Outturn	Outturn	Plans	Plans	Plans
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Chief Operating Officer Group	–	–	–	–	1,084,853	551,158	473,368	466,368
Digital, Data and Technology	435,679	473,013	543,316	556,514	–	–	–	–
Home Office Digital	–	–	–	–	636,213	–	–	–
Digital and Innovation Group	–	–	–	–	–	992,135	944,400	956,100
Legal Advisors	8,312	11,131	11,649	8,395	16,921	19,000	18,532	18,532
Communications	17,529	8,556	11,362	13,991	–	–	–	–
Arm's Length Bodies (Net)	73,076	99,860	118,041	123,328	117,794	112,172	–	–
DUP	–	–		–	–	274,699	34,500	222,000
Total Resource DEL	**14,711,572**	**17,005,341**	**18,856,370**	**18,149,688**	**17,919,340**	**19,528,445**	**19,736,000**	**19,888,500**
Of which:								
Staff costs	2,007,041	2,359,736	2,938,318	3,290,414	3,491,266	3,682,772	–	–
Purchase of goods and services	3,680,548	3,731,229	7,155,851	6,457,037	5,642,548	6,060,041	–	–

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
	Outturn	Outturn	Outturn	Outturn	Outturn	Plans	Plans	Plans
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income from sales of goods and services	-1,860,975	-2,640,506	-3,100,019	-3,433,921	-4,096,750	-4,598,132	–	–
Current grants to local government (net)	10,759,739	12,046,520	12,738,568	13,294,388	14,093,558	14,546,000	–	–
Current grants to persons and non-profit bodies (net)	119,972	116,452	97,096	76,606	78,375	57,156	–	–
Current grants abroad (net)	-30,929	141,701	194,475	207,794	199,597	182,500	–	–
Subsidies to private sector companies	–	–	–	–	–	–	–	–
Rentals	97,451	472	3,261	3,968	514	–	–	–
Depreciation[4]	595,117	692,833	423,303	445,443	583,776	–	–	–
Other resource	-656,392	556,904	-1,594,483	-2,192,041	-2,073,544	-401,891	–	–
Unallocated funds – resource	–	–	–	–	–	–	–	–

4 Includes impairments.

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
	Outturn	Outturn	Outturn	Outturn	Outturn	Plans	Plans	Plans
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Resource AME								
AME Charges	132,718	-7,220	-6,526	16,595	134,256	695,656	695,695	695,695
Police and Fire Superannuation	2,515,542	2,077,967	2,867,026	2,119,807	1,932,497	2,161,541	2,262,531	2,262,531
AME Charges Arms Length Bodies (Net)	-865	–	–	–	-630	18,987	18,998	18,998
Total Resource AME	**2,647,395**	**2,070,747**	**2,860,500**	**2,136,402**	**2,066,123**	**2,876,184**	**2,977,224**	**2,977,224**
Of which:								
Current grants to local government (net)	2,515,542	2,077,967	2,867,026	2,119,807	1,932,497	2,161,541	–	–
Take up of provisions	295,975	92,413	118,062	118,292	232,010	714,643	–	–
Release of provision	-164,122	-99,633	-124,588	-101,697	-98,384	–	–	–
Total Resource Budget	**17,358,967**	**19,076,088**	**21,716,870**	**20,286,090**	**19,985,463**	**22,404,629**	**22,713,224**	**22,865,724**
Of which:								
Depreciation[5]	595,117	692,833	423,303	445,443	583,776	–	–	–

5 Includes impairments.

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
	Outturn	Outturn	Outturn	Outturn	Outturn	Plans	Plans	Plans
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Capital DEL								
Delivery	–	3,048	–	–	–	–	–	–
Strategy	–	–	2,667	2,752	–	–	–	–
Science, Technology, Analysis and Research	41,067	42,973	44,117	59,966	52,696	–	–	–
Homeland Security Group	190,326	157,771	242,004	207,465	204,760	157,486	219,400	241,600
Public Safety Group	181,558	225,351	225,722	346,176	609,904	567,776	535,400	261,500
Migration and Borders Group	88,910	172,169	194,737	207,701	137,422	–	–	–
Migration, Borders, International Policy and Programmes Group	–	–	–	–	–	117,318	62,600	74,700
Strategic Operations for Illegal Migration	–	–	868	–	–	–	–	–
Border Security Command	–	–	–	20,851	38,413	76,409	76,500	87,300
Customer Services (Visas and Passports)	97,248	87,420	85,747	117,555	92,580	–	–	–

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
	Outturn	**Outturn**	**Outturn**	**Outturn**	**Outturn**	**Plans**	**Plans**	**Plans**
		£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Visas, Passports, Citizenship and Resettlement	–	–	–		–	74,572	84,000	90,600
Asylum and Protection	–	6,907	–	–	–	–	–	–
Asylum Support, Resettlement and Accommodation	–	–	195,032	22,685	33,151	–	–	–
Asylum Group	–	–	–	–	–	234,550	76,700	84,600
Immigration Enforcement	–	–	45,440	127,162	157,650	87,234	109,800	272,400
Border Force	–	–	127,025	167,487	151,943	110,177	103,400	125,000
Borders and Enforcement	153,936	135,437	–	–	–	–	–	–
Corporate Enablers	-5,254	37,929	–	–	–	–	–	–
Corporate and Delivery	–	–	-61,367	211,304	–	–	–	–
Chief Operating Officer Group	–	–	–	–	24,457	99,542	103,300	108,000
Digital, Data and Technology	59,676	39,959	53,421	80,587	–	–	–	–

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
	Outturn	Outturn	Outturn	Outturn	Outturn	Plans	Plans	Plans
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Home Office Digital	–	–	–	–	75,980	–	–	–
Digital and Innovation Group	–	–	–	–	–	179,287	164,000	160,000
Communications	2	–	–	–	–	–	–	–
Arm's Length Bodies (Net)	15,912	16,402	15,293	5,312	11,212	8,555	–	–
DUP	–	–	–	–	–	–	-3,700	–
Total Capital DEL	**823,381**	**925,366**	**1,170,706**	**1,577,003**	**1,590,168**	**1,712,906**	**1,531,400**	**1,505,700**
Of which:								
Staff costs	28,738	32,464	34,677	40,110	43,705	55,846	–	–
Purchase of goods and services	27,096	45,171	52,985	71,119	52,931	36,058	–	–
Income from sales of goods and services	–	–	–	–	–	–	–	–
Current grants to persons and non-profit bodies (net)	–	–	–	–	–	–	–	–
Subsidies to private sector companies	-90	552	263	–	–	–	–	–

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
	Outturn	Outturn	Outturn	Outturn	Outturn	Plans	Plans	Plans
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Subsidies to public corporations	15,476	3,775	4,799	-152	2,250	–	–	–
Capital support for local government (net)	120,231	120,357	113,636	132,515	98,528	152,185	–	–
Capital grants to persons and non-profit bodies (net)	–	–	-300	–	4,096	–	–	–
Capital grants to private sector companies (net)	7,742	14,407	11,477	18,304	16,798	53,483	–	–
Capital grants abroad (net)	2,633	476	–	–	60	–	–	–
Purchase of assets	116,059	644,322	889,062	1,235,484	1,300,486	1,397,502	–	–
Income from sales of assets	4,422	-4,660	-7,665	-2,554	56	–	–	–
Other capital	501,074	68,502	71,772	82,177	71,258	17,832	–	–
Capital AME								
AME Charges	–	–	–	21,048	-23,161	–	–	–
Police and Fire Superannuation	–	–	–	–	–	–	–	–

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
	Outturn	**Outturn**	**Outturn**	**Outturn**	**Outturn**	**Plans**	**Plans**	**Plans**
		£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
AME Charges Arms Length Bodies (Net)	–	–	–	–	–	–	–	–
Total Capital AME	**–**	**–**	**–**	**21,048**	**-23,161**	**–**	**–**	**–**
Total Capital Budget	**823,381**	**925,366**	**1,170,706**	**1,577,003**	**1,567,007**	**1,712,906**	**1,531,400**	**1,505,700**
Total departmental spending[6]	**17,587,231**	**19,308,621**	**22,527,817**	**21,438,698**	**20,968,694**	**23,402,892**	**23,529,931**	**23,656,731**
Of which:								
Total DEL	14,939,836	17,237,874	19,603,773	19,281,248	18,925,732	21,241,351	21,267,400	21,394,200
Total AME	2,647,395	2,070,747	2,924,044	2,157,450	2,042,962	2,161,541	2,262,531	2,262,531

6 Total departmental spending is the sum of the resource budget and the capital budget less depreciation. Similarly, total DEL is the sum of the resource budget DEL and capital budget DEL less depreciation in DEL, and total AME is the sum of resource budget AME and capital budget AME less depreciation in AME.

Departmental Administration spending 2021-22 to 2028-29

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
	Outturn	Outturn	Outturn	Outturn	Outturn	Plans	Plans	Plans
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Resource DEL								
Delivery	–	20,050	–	–	–	–	–	–
Strategy	–	–	18,118	19,162	–	–	–	–
Science, Technology, Analysis, Research and Strategy	46,276	15,015	14,743	14,789	16,633	–	–	–
Homeland Security Group	48,467	53,053	58,930	64,062	66,478	61,870	60,825	59,781
Public Safety Group	47,437	49,937	52,685	56,728	61,705	50,004	49,121	48,237
Migration and Borders Group	24,471	34,491	38,815	39,636	45,068	–	–	–
Migration, Borders, International Policy and Programmes Group	–	–	–	–	–	41,979	41,224	40,521
Strategic Operations for Illegal Migration	–	–	–	–	–	–	–	–
Border Security Command	–	–	–	10,325	–	–	–	–

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
	Outturn	Outturn	Outturn	Outturn	Outturn	Plans	Plans	Plans
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Customer Services (Visas and Passports)	1,139	-22	1,265	673	–	–	–	–
Visas, Passports, Citizenship and Resettlement	–	–	–	–	–	–	–	–
Asylum and Protection	–	–	–	–	–	–	–	–
Asylum Support, Resettlement and Accommodation	–	–	–	–	–	–	–	–
Asylum Group	–	–	–	–	–	–	–	–
Immigration Enforcement	–	–	5	–	–	–	–	–
Border Force	–	–	–	1	-1	–	–	–
Borders and Enforcement	2,445	-270	–	–	–	–	–	–
Corporate Enablers	70,324	153,472	–	–	–	–	–	–
Corporate and Delivery	–	–	188,244	151,923	–	–	–	–
Chief Operating Officer	–	–	–	–	183,243	187,196	182,492	177,710

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
	Outturn	**Outturn**	**Outturn**	**Outturn**	**Outturn**	**Plans**	**Plans**	**Plans**
		£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Digital, Data and Technology	20,827	31,681	42,365	34,367	–	–	–	–
HO Digital	–	–	–	–	40,599	–	–	–
Digital and Innovation Group	–	–	–	–	–	70,625	70,485	69,898
Legal Advisors	8,312	11,131	11,649	8,395	16,921	19,000	18,532	18,532
Communications	13,244	9,139	11,358	13,223	–	–	–	–
Arms Length Bodies (Net)	–	–	–	–	–	–	–	–
DUP	–	–	–	–	–	898	–	–
Total administration budget	**282,942**	**377,677**	**438,177**	**413,284**	**430,646**	**431,572**	**422,679**	**414,679**
Of which:								
Staff costs	238,850	245,715	283,982	295,752	305,188	313,807	–	–
Purchase of goods and services	96,942	128,020	123,405	123,804	76,683	102,974	–	–
Income from sales of goods and services	-4,502	-13,140	-4,953	-5,845	-3,649	-4,881	–	–

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
	Outturn	**Outturn**	**Outturn**	**Outturn**	**Outturn**	**Plans**	**Plans**	**Plans**
		£’000	**£’000**	**£’000**	**£’000**	**£’000**	**£’000**	**£’000**
Current grants to local government (net)	–	350	-47	-13	–	–	–	–
Current grants to persons and non-profit bodies (net)	23,578	19,155	13,798	-1,066	–	–	–	–
Current grants abroad (net)	-63,179	-42,498	-26,412	859	–	–	–	–
Rentals	–	9	–	15	46	–	–	–
Depreciation	3,258	19,490	34,293	3,079	4,509	–	–	–
Other resource	-12,005	20,576	14,111	-3,301	47,869	19,672	–	–

5

Trust Statement

Introduction to the Trust Statement

Accounting Officer's Foreword to the Trust Statement

I am pleased to present the foreword to the Home Office Trust Statement.

This Statement provides an account of revenues collected which by statute or convention are due to the Consolidated Fund where the Home Office undertakes the collection acting as agent rather than principal. The legislative requirement for the Statement is set out in the Exchequer and Audit Departments Act 1921.

The department fully acknowledges its responsibility to administer these revenues efficiently and fairly, and to pursue the amounts due so as to minimise the loss of revenue to the Exchequer where debt cannot be collected.

This report relates to a period when a previous accounting officer was in post. I have therefore obtained assurance from my Directors General and Second Permanent Secretary during the reporting period, in the preparation of the Annual Report and Accounts.

Gareth Davies CB
Accounting Officer

Scope of the Trust Statement

The Home Office Trust Statement reports the revenue and other income collected by the Department that is payable into the Consolidated Fund, other than the Immigration Health Surcharge as explained below.

For the Home Office, the Trust Statement comprises income from the following sources:

- **Immigration Skills Charge (ISC);**
- **Consular fees** associated with the issue of passports; and
- **Civil Penalties** which are fines for breaches of immigration law

The Trust Statement is prepared in accordance with all relevant accounting and disclosure requirements set out in Managing Public Money and other guidance issued by HM Treasury. This includes the Government Financial Reporting Manual (FReM) and the principles underlying it, as well as International Financial Reporting Standards as adapted or interpreted for the public sector.

Immigration Skills Charge

The Immigration Skills Charge Regulations 2017 came into force in April 2017. The Regulations require persons licensed by the Secretary of State to assign Certificates of Sponsorship to skilled workers to pay a charge, known as the Immigration Skills Charge, to the Secretary of State. The charge was introduced to encourage employers to invest in the UK workforce rather than relying on labour from abroad.

The amount of Immigration Skills Charge payable depends on the size of the sponsoring organisation. For small or charitable sponsors, the charge is levied at a lower rate, while medium and large sponsors pay a higher rate.

For Certificates of Sponsorship assigned from 16 December 2025, the charge is £480 per sponsored worker per year for small or charitable sponsors (previously £364) and £1,320 per sponsored worker per year for medium or large sponsors (previously £1,000). The applicable fee categories and rates are set out in the Immigration Skills Charge Regulations, with organisational size defined by reference to criteria in the Companies Act 2006.

The total charge payable also varies according to the period of prospective employment, with set rates applying for employment periods ranging from 12 months or less up to a maximum of 60 months. A refund of all or part of the charge may be made in certain circumstances, including where a worker leaves their employment early, is refused a visa, or withdraws their application.

The Home Office collects the Immigration Skills Charge as part of its visa application process. The charge is payable by organisations sponsoring applications for visas to work in the UK for six months or more under the Skilled Worker route. This can be either as a general visa or as an intra-company transfer visa.

Operational costs incurred by the department in the collection of this charge, as agreed with HM Treasury, are attributed to and reported in the Trust Statement.

Consular fees

Consular fees form an element of UK passport fees and relate to consular protection services provided by the Foreign, Commonwealth and Development Office (FCDO) worldwide. These fees are not retained by the Home Office and are remitted to HM Treasury as Consolidated Fund Extra Receipts.

The consular element of the UK passport fee is £18.77 per adult standard passport, £5.15 per child passport and £27.86 per jumbo passport, for passports issued both in the UK and overseas, with effect from April 2025.

Our Performance

This Trust Statement shows that gross revenues for the Consolidated Fund increased from £786.8 million in 2024-25 (restated) to £814.7 million in 2025-26. The increase is primarily due to an increased demand of Immigration Skills Charge, which increased from £559.7 million to £594.3 million. This increase was partially offset by a decrease in civil penalties revenue, which reduced from £122.9 million (restated) to £111.3 million, driven by a reduction in Hauliers Civil Penalties from £20.0 million to £9.4 million.

The reduction in Hauliers Civil Penalties is driven by a drop in frontline referrals along with a higher volume of means-based assessments, objections and appeals, many of which have resulted in a reduction of/cancellation of penalties. Passport consular fees (shown under 'Other Income') increased from £104.2 million to £109.1 million.

Expenditure offset against revenue rose to £107.4 million in 2025-26, compared to £92.8 million in 2024-25 (restated). The increase in expenditure was primarily attributable to a higher retained element, which increased from £19 million to £34.5 million following agreement with HM Treasury to raise the retention limit. This increase was sought due to rising fees associated with the collection of civil penalties. Credit losses reduced from £62.3 million in 2024-25 to £61.9 million in 2025-26.

The cash balance increased from £256.7 million in 2024-25 to £257.3 million in 2025-26. Cash balances are remitted to HM Treasury every month. The year-end cash balance includes funds which are scheduled for payment early in 2026-27.

This report relates to a period when a previous accounting officer was in post. I have therefore obtained assurance from my Directors General and Second Permanent Secretary, and a letter of assurance from the DG Corporate and Delivery during the reporting period, in the preparation of the Annual Report and Accounts.

Gareth Davies CB
Accounting Officer

9 July 2026

Our controls and governance

Statement of Accounting Officer's Responsibilities

Under the Exchequer and Audit Departments Act 1921, HM Treasury has directed the Home Office to prepare, for each financial year, a Trust Statement ('the Statement') in the form and on the basis set out in the Accounts Direction. The Statement is to be prepared on an accruals basis and must give a true and fair view of the state of affairs of the duties, fees and taxes, of the collection of fines and penalties, and of the related expenditure and cash flows for the financial year.

In preparing the Statement, the Accounting Officer is required to comply with the requirements of the FReM, and in particular to:

- Observe the Accounts Direction issued by HM Treasury, including relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis.
- Make judgements and estimates on a reasonable basis.
- Have taken all steps that ought to have been taken to make themself aware of any relevant audit information and to establish that the entity's auditors are aware of that information, and that they are not aware of any relevant information of which the entity's auditors are unaware of.
- State whether applicable accounting standards, as set out in the FReM, have been followed, and disclose and explain any material departures in the accounts.
- Prepare the Statement on a going concern basis.
- Confirm that the Statement, as a whole, is fair, balanced and understandable and take personal responsibility for the Statement and the judgments required for determining that it is fair, balanced and understandable.

HM Treasury has appointed the Permanent Secretary as Accounting Officer of the Home Office.

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 assets of the department, are set out in Managing Public Money published by HM Treasury.

Governance Statement

As the Accounting Officer, I am responsible for ensuring there is an effective process in place for monitoring and reporting governance issues during the year. I am supported by Directors General and Directors who have delegated financial and risk management authority appropriate to their responsibilities.

The Home Office operates and follows the principles of good governance in accordance with HM Treasury guidance. The Governance Statement, which covers all aspects of the Home Office, including those reported here in this Trust Statement, is provided in the Accountability Report section of this report.

This report relates to a period when a previous accounting officer was in post. I have therefore obtained assurance from my Directors General and obtaining assurance from the outgoing AO, during the reporting period, in the preparation of the Annual Report and Accounts.

An issue has been identified in relation to classification of organisation size when determining the correct fee to charge Immigration Skills Charge (ISC) customers. Fees are set in the Immigration Skills Charge Regulations 2017 (and have been subsequently amended by the Immigration Skills Charge (Amendment)). The Department has undertaken extensive work to estimate the level of mischarging present in the 2025-26 ISC income.

This governance statement sets out the nature of the issue, the current controls operating within the sponsor-led framework and their weaknesses, and the action being taken to strengthen assurance and improve the control environment going forward.

The estimated mischarging breaks down as follows:

- £25.8 million on a gross basis (with £21.3 million of over-collection and £4.5 million of under-collection)
- £16.8 million over-collection on a net basis.

Nature of the issue

The ISC is charged when a sponsor assigns a Certificate of Sponsorship (CoS) and the applicable fee depends on whether the organisation is classified as large or small. During 2025-26, analysis identified that the organisational size recorded in the sponsorship system does not always align with the sponsor's underlying status when assessed against Companies House information and other relevant data sources. This has resulted in instances of both under-collection and over-collection of ISC income.

The issue arises primarily because the current regime is sponsor-led. Sponsors are responsible for declaring their size at the time they apply for sponsorship status and for notifying the department when their circumstances change. Where a sponsor grows from small to large, or shrinks from large to small, or where its status is otherwise not updated promptly, the system will continue to apply the incorrect ISC rate until a change is notified and processed.

The department has undertaken significant additional work during Q4 of 2025-26 and in Q1 of 26-27 to better understand and quantify the issue. This work has materially improved assurance over the overall population and provided a stronger evidential basis for understanding the scale and characteristics of the control weaknesses set out below.

Current controls

The current control framework is based on sponsors determining and declaring their size and the department applying the corresponding ISC charge through the sponsorship system.

Validation activity is undertaken at the point of licence application to identify obvious discrepancies. Sponsors are required by guidance to notify the department of subsequent changes in status or size through the change of circumstances process. Where such notifications are received, caseworkers assess the request and update records so that the appropriate charge can be applied.

These controls provide an important baseline and reflect the legal and operational design of the sponsor regime. They are supplemented by casework checks in related operational processes, sponsor guidance, and manual interventions where issues are identified.

In practice, this means the control framework depends heavily on sponsor compliance with notification requirements and on the timely processing of any changes that are reported.

The issue has highlighted important limitations in both control design and operation. In particular:

- there is limited proactive validation of sponsor size following licence grant; and
- there is no routine mechanism for comprehensive reassessment of ISC fee liability across the sponsor population.

Some inaccuracies are also due to the amount of time it can take for the changes reported by sponsors to be reflected in the system.

1. **Validation checks in initial declarations**

   When an organisation applies for a sponsor licence in ISC liable routes or applies to add an ISC liable route to an existing licence, caseworkers are required to check the organisation size to ensure that the correct licence application fee has been paid. This involves checking the Companies House register, charitable organisation registers or determining whether the organisation has charitable status but is exempt from registration.

   If the licence application fee has been underpaid, the licence application is rejected as invalid and the full fee refunded. If the licence application fee has been overpaid by the customer, the caseworker sends details of the case to the ISC Admin team to refund the overpayment to the customer and arrange for the ISC fee liability indicator to be corrected on the sponsor record.

   As the process relies on the hand-off of information across three stages, it can be subject to issues and delay.

2. **Subsequent checks when organisations change their size**

   Once an organisation has been granted a licence, they are required to notify changes in their ISC fee liability no later than 20 working days after the date that they became aware of the change. When a sponsor notifies a change, there is an 18-week service standard for the consideration of the request. As above, the length of the process and reliance on the hand-off of information across three stages can lead to issues, delays and the subsequent under/over-collection of ISC fees.

   Review and revision of the ISC fee liability is almost exclusively reliant on sponsor notification of a change. Whilst there is a specific reporting category in the Sponsorship Management System (SMS) for the sponsor to use to notify a change of this type of change, the sponsor may report other changes that indicate a change in ISC fee liability e.g. moving premises due to business expansion or a merger with or acquisition of another business, which may trigger a caseworker review. There is no routine review ISC fee liability outside of these sponsor notifications.

Improving control going forward

In response to the issue, the department is strengthening the control environment through a combination of short-term mitigations and longer-term reform.

In the short term, analytical monitoring developed during Q4 of 2025-26 and Q1 of 2026-27 will be further developed and refined to support validation activity. This will enable the department to prioritise this activity based on the likelihood that the sponsor size is incorrect and to work through these methodically using a risk-based approach, rather than relying solely on sponsor notification. Where discrepancies are identified, the department will confirm the position with the sponsor before updating records, ensuring that changes are supported by an auditable evidence trail.

Alongside this, the department will strengthen sponsor communications and guidance to reinforce responsibilities for declaring changes that affect ISC liability and to reduce the risk of future misclassification. We will clearly outline the disbenefits to sponsors from failing to submit correct information, such as delays in processing if checks indicate that the declared size is incorrect. We will strengthen the change of circumstances process, and set out clear requirements that sponsors must immediately notify the department if their size changes, and the consequences of non-compliance

When a change of circumstances is received for a change of size, it will be prioritised for processing so that the risk of incorrect charging is minimised. This will be done alongside monitoring the sponsor, so that we are aware when CoS are issued before the change has been made; and can therefore address incorrect charging. We are also taking steps to speed up the technical processing.

Operationally, the department is also considering changes to improve the timeliness and visibility of updates within the existing caseworking and sponsorship systems. This includes reviewing the end-to-end process for applying sponsor changes, identifying where delays occur, and exploring opportunities to introduce clearer oversight of outstanding actions. We are delivering changes during 2026-27 to enable caseworkers to directly update the ISC fee liability indicators; improving our internal reporting to aid the identification and handling of under and over payments; and working on plans for new IT systems to handle the ISC journey in the long term.

In parallel, policy, operational and digital teams are considering wider changes to the administration of ISC liability, including options for more regular data matching and risk-based validation triggers. We are exploring an automated data feed from Companies House, which will enable quicker verification of sponsor size. Where necessary, we are also considering changes to policy or secondary legislation to support a more robust and sustainable control framework.

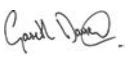
Taken together, these actions are expected to reduce reliance on self-declaration alone, improve the timeliness of corrections, and provide greater assurance over the accuracy and completeness of ISC income reported in future Trust Statements.

The Department is continuing to look at how to respond to instances of over collection, including the legislative position and operational feasibility. This work needs to be completed before a determination can be made on whether any refund action is required. As a result, it has not been possible to conclude that a liability should be recognised at this stage.

Auditors

The Statement is audited by the Comptroller and Auditor General under the Exchequer and Audit Departments Act 1921. The notional fee for this audit service is £120,000 (2024-25: £102,000), which is included in the Home Office Resource Accounts. No non-audit work was carried out by the auditors.

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



Gareth Davies CB
Accounting Officer

9 July 2026

The Certificate and Report of the Comptroller and Auditor General to the House of Commons

Opinion on financial statements

I certify that I have audited the financial statements of the Home Office Trust Statement for the year ended 31 March 2026 under the Exchequer and Audit Departments Act 1921.

The financial statements comprise: the Home Office Trust Statement's:

- Statement of Financial Position as at 31 March 2026;
- Statement of Revenue, Other Income and Expenditure, and 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 Home Office Trust Statement's affairs as at 31 March 2026 and its net revenue for the year then ended; and
- have been properly prepared in accordance with the Exchequer and Audit Departments Act 1921 and HM Treasury 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 Home Office Trust Statement 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 Home Office Trust Statement'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 Home Office Trust Statement'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 Home Office Trust Statement 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 'Scope of the Trust Statement', 'Our Performance' and 'Our Controls and Governance' sections, but does not include the financial statements and my auditor's certificate and report 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.

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, based on the work undertaken in the course of the audit:

- the information given in the 'Scope of the Trust Statement,' 'Our Performance' and 'Our Controls and Governance' 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 Home Office and its environment obtained in the course of the audit, I have not identified material misstatements in the sections titled 'Scope of the Trust Statement', 'Our Performance' and 'Our Controls and Governance.'

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 Home Office 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 are 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 Home Office 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 and are in accordance with HM Treasury directions issued under the Exchequer and Audit Departments Act 1921;
- assessing the Home Office Trust Statement'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 Home Office 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 Exchequer and Audit Departments Act 1921.

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 Home Office's accounting policies;
- inquired of management, the Home Office's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Home Office'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 Home Office's controls relating to the Home Office's compliance with the Exchequer and Audit Departments Act 1921, Managing Public Money and any relevant legislation relating to levies, fines and penalties issued by the Home Office;
- inquired of management, the Home Office'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 specialists, 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 Home Office Trust Statement for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, bias in management estimates and the significant accounting estimate on the impairment of civil and immigration penalty debts. 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 Home Office Trust Statement's framework of authority and other legal and regulatory frameworks in which the Home Office Trust Statement 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 Home Office Trust Statement. The key laws and regulations I considered in this context included the Exchequer and Audit Departments Act 1921, Managing Public Money and relevant legislation relating to levies, fines and penalties charged by the Home Office.

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 and 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 extended my substantive testing on the Immigration Skills charge as the income stream most susceptible to fraud in revenue recognition, confirming the sample had been accounted for correctly; and
- I have considered the appropriateness and reasonableness of the assumptions used in the impairment of the civil penalty debt, tested a sample of data inputs in the impairment model, and reviewed the sensitivity analysis performed by management to identify any management bias or indication of fraud.

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**. 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

13 July 2026

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

Statement of Revenue, Other Income and Expenditure

For the year ended 31 March 2026

	Note	2025-26 £'000	2024-25 (Reclassified) £'000
Levies and Similar Revenue			
Immigration Skills Charge	2.1	594,309	559,727
Total Levies and Similar Revenue		**594,309**	**559,727**
Fines and Penalties			
Illegal Workers Civil Penalties	2.2	96,594	96,758
Hauliers Civil Penalties	2.2	9,383	20,042
Carriers Civil Penalties	2.2	2,758	2,866
Landlords Civil Penalties	2.2	2,602	3,224
Total Fines and Penalties		**111,337**	**122,890**
Other Income			
Duties and Fees	2.3	109,093	104,218
Total Other Income		**109,093**	**104,218**
Total Revenue and Other Income		**814,739**	**786,835**

	Note	2025-26 £'000	2024-25 (Reclassified) £'000
Expenditure			
Credit losses – increase/(decrease) in impairment of receivables	3.2	61,941	62,288
Element retained		34,496	19,000
Costs of collection		10,832	11,362
Administration costs		151	151
Total Expenditure		**107,420**	**92,801**
Net Revenue for the Consolidated Fund	**6**	**707,319**	**694,034**

There were no recognised gains or losses accounted for outside the above Statement of Revenue, Other Income and Expenditure.

2024-25 reclassified due to a change in discounts policy outlined in Note 1.2.

The notes at pages 350 to 364 form part of this statement.

Statement of Financial Position

As at 31 March 2026

	Note	2025-26 £'000	2024-25 £'000
Current assets			
Trade and other receivables	3.1	56,341	47,534
Cash and cash equivalents	4	257,253	256,741
Total current assets		**313,594**	**304,275**
Current liabilities			
Contract Liabilities	5	(57,762)	(32,276)
Trade and other payables	5	(50,314)	(64,327)
Total current liabilities		**(108,076)**	**(96,603)**
Net Assets		**205,518**	**207,672**
Balance on the Consolidated Fund Account	**6**	**205,518**	**207,672**

The notes at pages 350 to 364 form part of this statement.

Gareth Davies CB
Accounting Officer

9 July 2026

Statement of Cash Flows

For the year ended 31 March 2026

	Note	2025-26 £'000	2024-25 £'000
Net Cash Flow from Operating Activities	A	709,985	678,946
Cash paid to the Consolidated Fund	6	(709,473)	(650,206)
Increase/ (decrease) in cash in this period	**B**	**512**	**28,740**
Notes to the Cash Flow Statement			
A: Reconciliation of Net Cash Flow to Movement in Net Funds			
Net revenue for the Consolidated Fund	6	707,319	694,034
(Increase) / decrease in receivables	3	(8,807)	(35,823)
Increase / (decrease) in payables	5	11,473	20,735
Net Cash Flows from Operating Activities		**709,985**	**678,946**
B: Analysis of Changes in Net Funds			
Increase/ (decrease) in cash in this period	4	512	28,740
Net funds at 1 April (Net cash at bank)	4	256,741	228,001
Net funds at 31 March (closing balance)		**257,253**	**256,741**
The following balances as at 31 March were held at:			
Government Banking Services	4	257,253	256,741
Total Cash Balances		**257,253**	**256,741**

The notes at pages 350 to 364 form part of this statement.

Notes to the Trust Statement

1. Statement of Accounting Policies

1.1 Basis of accounting

The Trust Statement is prepared in accordance with the:

- 2025-26 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as interpreted for the public sector
- Accounts Direction issued by HM Treasury on 18 December 2025 under Section 2 of the Exchequer and Audit Departments Act 1921, specifying the three income streams which are in scope for this Trust Statement:

Sponsoring Department	Income Stream
Home Office	i) **Immigration Skills Charge** ii) The consular element of **Passport Fees** iii) **Civil Penalties** collected in respect of four 'Profile Classes', namely: Illegal Workers, Hauliers, Carriers, and Landlords. Landlord and Illegal Worker figures are net of discounts for prompt payment. All civil penalties are also net of an allowance for uncollectible amounts measured in accordance with IFRS 9.

The income and associated expenditure contained in these statements are those flows of funds which the Home Office handles on behalf of the Consolidated Fund-that is, where it is acting as agent rather than as principal.

The financial information contained in the statements and in the notes is rounded to the nearest £'000.

1.2 Changes in accounting policies and disclosures

The department made a change in its treatment of discounts in regard to civil penalties for Landlords and Illegal Workers.

Discounts

In prior years, discounts on civil penalties were recognised as a separate line within expenditure. This treatment has been changed in 2025-26 to better align with IFRS requirements, with revenue now derecognised and recorded as a reduction to revenue rather than as a separate expenditure item.

The 2024-25 comparative figures have been reclassified to reflect this change, improving comparability between periods. Accordingly, discounts of £5.4 million previously presented as expenditure in 2024–25 have been reclassified as a reduction to revenue from Civil Penalties.

1.3 Accounting convention

The Trust Statement has been prepared under the historical cost convention.

The preparation of the accounts in conformity with IFRS requires the use of certain critical accounting estimates (see note 1.8). It also requires management to exercise its judgement in the process of applying the accounting policies.

1.4 Revenue recognition

Levies and penalties are measured in accordance with IFRS 15 Revenue from Contracts with Customers and the FReM, chapter 8.2. They are measured at the fair value of amounts received or receivable, net of repayments. Revenue is recognised at the full value when:

An event to which a levy or similar charge has occurred (i.e. the supply of a visa or passport).

A penalty is validly imposed and an obligation to pay arises.

The Home Office, in its Trust Statement, recognises revenue from three main forms of income: levies and similar revenue, fines and penalties, and duties and fees.

The following table sets out, for each income stream reported within the Trust Statement, when performance obligations are typically satisfied, the significant payment terms, and the nature of the goods or services supplied. All income streams are recognised at a point in time, and therefore the transaction price allocated to remaining performance obligations is not disclosed, applying the practical expedient in IFRS 15.121.

Contract liabilities (deferred revenue) primarily relate to the consideration received from customers in advance of transferring a good or service.

There are no contract assets held within the Trust Statement. Of the three income streams within the Trust Statement, Immigration Skills Charges and consular fees have contract liabilities. Civil penalties have no contract liabilities.

Income Stream	Description of Income Stream	Performance Obligation	Payment Terms
Immigration Skills Charges	A fee levied on businesses who are sponsors of skilled overseas workers recruited to work in the UK	On delivery of positive application decision to the customer	Payment on application
Consular Fees	Fee for the supply of passports and other services by HM Passport Office	On printing of the passport	Payment on application
Civil Penalties	Recovery of civil penalty	The powers of the Home Office to recover this income are set out in legislation. Income is recognised when a penalty is issued	Penalty payment by legislation

Refunds

The Immigration Skills Charge is subject to refund in certain circumstances. These can be full refunds, for example if the application is refused, or partial refunds, such as in the case of early termination of employment, a change of sponsor, or where a worker leaves employment before the end of the visa period. Detailed refund policies are available at GOV.UK. Refunds can be initiated either by the department through review of an application or by a sponsor notifying the department of a change of circumstances.

All refunds are recognised when a present obligation arises, which is the point at which case-level validation has been completed to confirm eligibility. At this point, the refund is recognised as a reduction to revenue (in the case of refunds where the revenue has already been recognised), or as a reversal of deferred revenue (see Note 1.6), with a corresponding liability recorded where amounts are not yet paid. In some cases, refunds may be recognised in a different financial year to that in which the initial ISC revenue is recognised. As such, the amount paid into the Consolidated Fund is net of any refunds recognised within the financial year. A breakdown is provided in Note 2.1.

1.5 Financial assets

For the purposes of this Trust Statement, the Home Office holds financial assets (see note 7) in the following categories:

- Receivables held at amortised cost
- Cash and cash equivalents

Both receivables and cash and cash equivalents are held at amortised cost in accordance with IFRS 9 Financial Instruments. Amortised costs entail valuing Statement of Financial Position items based on expected cash flows, adjusted for impairment in accordance with the requirements of the FReM and IFRS 9.

IFRS 9 allows a practical expedient called a provision matrix to be used to measure impairment losses (see note 1.8).

Receivables held at amortised cost comprise:

- Illegal workers' civil penalties levied against individuals and companies in breach of section 15 of the Immigration, Asylum and Nationality Act 2006, amounts for which payments have not been received at the financial year end
- Right to Rent civil penalties levied against landlords in breach of section 22 of the Immigration Act 2014, amounts for which payments have not been received at the financial year end
- Civil penalties levied against individuals and companies for the carriage of clandestine entrants, or failure to secure a goods vehicle, in breach of the Immigration and Asylum Act 1999, amounts for which payments have not been received at the financial year end
- Civil penalties levied against carriers in breach of the Immigration and Asylum Act 1999, amounts for which payments have not been received at the financial year end

The present value of receivables is calculated by estimating the future cash flows expected to be recovered and adjusting the carrying amount accordingly. This assessment reflects management's judgement of anticipated debt-collection rates and applies HM Treasury's discount rate, which is currently 2.45% (2024-25: 2.15%). IFRS 9, as applied in the public sector (in accordance with the FReM), requires that the higher of the effective interest rate (0% in this case) and 2.45% be used for 2025-26 for non-indexed linked financial instruments.

Cash and cash equivalents comprise current balances with banks.

1.6 Financial liabilities

For the purposes of this Trust Statement, the Home Office holds financial liabilities (see note 7) in the following categories: payables and contract liabilities.

Payables

Payables in the Statement of Financial Position are amounts established as due at the reporting date, but where payment is made subsequently. Payables are amounts relating to Immigration Skills Charges refunds which have not yet been processed at the reporting date. Since these balances are expected to be settled within 12 months of the reporting date, there is no material difference between fair value, amortised cost, and historical cost.

Contract liabilities

Contract liabilities, as presented in the Statement of Financial Position, represent amounts received in advance in respect of Immigration Skills Charges and consular fees. These amounts are recognised as deferred income until the performance obligations under the respective arrangements have been satisfied.

In the case of Immigration Skills Charges, revenue is deferred until a decision has been made on the associated visa application. At the point of a positive decision, the deferred income is recognised as revenue. Where a refund is applicable and identified at the point of an application decision, the corresponding amount is removed from deferred income and refunded to the applicant in accordance with published eligibility criteria.

For consular fees, revenue is deferred until the passport has been printed, at which point the related income is recognised. Where a refund is applicable, the corresponding amount is removed from deferred income and repaid to the applicant in line with the refund policy.

Visa and immigration fees and passport fees are refundable under certain circumstances. Detailed refund policies are set out on GOV.UK.

1.7 Receivables

Receivables are shown net of impairments in accordance with the requirements of IFRS 9.

Each class of debt has been assessed separately using performance reports to provide data concerning recoverability and the time for debt to be repaid.

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted on any market. Receivables are derecognised when the rights to receive cash flows from the assets have expired.

1.8 Critical accounting judgements and estimates

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. When preparing the Trust Statement, the Home Office makes estimates and assumptions concerning the future. The resulting accounting estimates will rarely equal the actual results. The only significant estimate in the Trust Statement is the impairment of immigration civil penalty debt addressed below.

Impairment of debt and credit losses

Receivables are shown net of impairments in accordance with the requirements of the FReM and IFRS 9.

Under IFRS 9, allowances are made for credit losses on an 'expected loss' basis. The amortised cost of receivables is determined by making an impairment to reduce the carrying value of receivables to the estimated future flow of repayments, which is dependent on ongoing collection rates over the previous six years.
The current year's impairment has been calculated based on a provision matrix which uses 'lifetime expected credit losses' to measure impairment losses for each class of civil penalty debt. The lifetime of a civil penalty is expected to be six years, after which recovery of the debt is deemed as statute-barred and no longer legally enforceable due to the prescribed limitation period of six years having lapsed.[1]

1.9 Cash

Cash relating to Immigration Skills Charges and Consular Fees is received upfront, with income subsequently recognised as the performance obligations are satisfied. For civil penalties, the determination of cash received is calculated by the increase or decrease in the receivables balance, adjusted by the in-year income. Expenses incurred in the production of the Trust Statement are deemed paid in cash. Consolidated Fund Receipts are surrendered to HM Treasury in cash at regular intervals throughout the year.

1 Limitation Act 1980: **www.legislation.gov.uk/ukpga/1980/58**

1.10 Trust Statement Expenses

Credit Losses

Credit losses and debts written off as uncollectible are shown as expenditure, in accordance with the FReM and IFRS 9 (see note 3.3).

Retained Income

£34.5 million has been retained from the total civil penalty income (2024-25: £19.0 million) by agreement with HM Treasury. Retained income is calculated as civil penalty income less discounts, credit losses, and administration costs up to the maximum of £34,496,000.

Costs of Collection

Costs of collection include bank charges relating to the payment handling charges associated with collecting the Immigration Skills Charge, including the recharge of the cost of staff involved.

Payment handling charges associated with the Immigration Skills Charge are estimated based on the proportional split between the visa sponsorship fee and the Immigration Skills Charge, alongside recent scheme data on average application lengths.

Administration Costs

Administration costs relate to the costs incurred in producing and preparing the Trust Statement and supporting the associated audit, such as staff costs and publication costs.

1.11 Macroeconomic overlay

The Home Office Central Economics Unit produces a macroeconomic overlay annually, assessing macroeconomic relationships and the potential impact of future macroeconomic conditions on the likelihood of settling unpaid fines. The latest analysis found no significant correlation between macroeconomic indicators and civil penalty repayments. Consequently, no macroeconomic overlay has been applied to the ECL (Expected Credit Loss).

1.12 International Financial Reporting Standards (IFRS) that have been issued but are not yet effective

IFRS 18 Presentation and disclosure in financial statements

IFRS 18 will replace IAS 1 Presentation of Financial Statements and is effective for annual reporting periods beginning on or after the 1 January 2027 in the private sector. The impact of IFRS 18 on the Public Sector is still being assessed, and a decision has not yet been taken on an implementation date.

IFRS 18 has not yet been endorsed for use in the UK by the UK Endorsement Board.

IFRS 19 Subsidiaries without public accountability: disclosures

IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements and is effective for annual reporting periods beginning on or after the 1 January 2027 in the private sector. The impact of IFRS 19 on the Public Sector is still being assessed, and a decision has not yet been taken on an implementation date.

IFRS 19 has not yet been endorsed for use in the UK by the UK Endorsement Board.

2. Revenue and other income

2.1 Levies and similar revenues

The Immigration Skills Charge was introduced in April 2017 as a result of changes under the Immigration Act 2016. The Immigration Skills Charge levies employers who employ migrants in skilled areas and is collected as part of the Skilled Worker visa applications. This income is not retained by the Home Office and is instead remitted to HM Treasury as Consolidated Fund Extra Receipts, other than amounts equal to expenditure, meaning the Home Office is able to fund operations using this income but not profit from it.

	2025-26	2024-25
	£'000	£'000
2.1 Levies and Similar Revenue		
Immigration Skills Charge	615,709	575,066
Less: refunds relating to prior year revenue	(21,400)	(15,339)
Total levies and similar revenues	**594,309**	**559,727**

The Immigration Skills Charge is levied as part of the process to apply for Skilled Worker visas and accounted for as deferred income until the visa application has been properly considered by the Home Office. If that consideration determines that the visa application is declined, the Immigration Skills Charge levy is refunded and removed from deferred income. If the consideration approves the visa application, the income is recognised as earned.

In some cases, the department may issue refunds to sponsors after the initial Immigration Skills Charge (ISC) revenue has been recognised (see Note 1.4). These refunds primarily relate to income that was recognised as earned in prior financial years and arise from subsequent changes in circumstances (for example, early termination of employment or a change in sponsor) that give rise to eligibility for a refund. In line with the department's accounting policy, refunds are recognised once case-level validation has confirmed a present obligation to refund. Refunds recognised in-year that relate to prior-year income are presented as a deduction from gross ISC revenue in Note 2.1.

2.2 Fines and penalties

Immigration civil penalties are levied on individuals and businesses for a range of reasons, such as: working or employing individuals working without permission to enter or remain in the UK; carrying clandestine entrants or failure to secure vehicles to prevent unauthorised access by clandestine entrants; failure to comply with aviation information requirements; and renting to individuals without the right to rent in the UK. In 2025-26, the department retained £34.5 million of this income (see also note 1.10).

	2025-26	2024-25 (Reclassified)
	£'000	£'000
2.2 Fines and Penalties		
Illegal Workers Civil Penalties	96,594	96,758
Hauliers Civil Penalties	9,383	20,042
Carriers Civil Penalties	2,758	2,866
Landlords Civil Penalties	2,602	3,224
Total fines and penalties	**111,337**	**122,890**

Prior year reclassified due to change in discounts policy as outlined in note 1.2.

2.3 Other Income

Consular Fees are an element of passport fees relating to consular protection services provided by the Foreign, Commonwealth and Development Office (FCDO) worldwide. These fees are not retained by the Home Office and are remitted to HM Treasury as Consolidated Fund Extra Receipts.

	2025-26	2024-25
	£'000	£'000
2.3 Other Income		
Passport Consular Fees	109,093	104,218
Total other income	**109,093**	**104,218**

The amount of the consular services element of the passport fee is set within the Passport (Fees) Regulations. The consular services element is recognised in the same way and as part of the same process as the passport fee income – when the passport is printed. The monies collected for consular services are paid over periodically to the Consolidated Fund, but not at the time of collecting each fee.

3. Receivables

3.1 Amounts due at 31 March 2026

	2025-26	2024-25
	£'000	£'000
3.1 Amounts falling due within one year:		
Receivables before impairment	201,064	164,596
Estimated impairments	(144,723)	(117,062)
Receivables net book value at 31 March	**56,341**	**47,534**

Receivables represent the amounts due from individuals and businesses on whom financial penalties have been imposed prior to, and remain unpaid as at, 31 March 2026.

Receivables on the Statement of Financial Position are reported after the deduction of the estimated value of impairments, using an expected credit loss (ECL) model (see Note 3.3).

Receivables are only in respect of Civil Penalties.

3.2 Credit losses

	2025-26	2024-25
	£'000	£'000
3.2 Credit Losses		
Debts Written off	–	–
Increase / (decrease) in the value of impairment (see 3.3 below)	61,941	62,288
Total Credit Losses / (Gains)	**61,941**	**62,288**

3.3 Change to impairment of receivables

	2025-26	2024-25
	£'000	£'000
3.3 Change to Impairment of Receivables		
Balance at 1 April	117,062	67,114
Debts written-off, offset against Provision	(34,280)	(12,340)
Net remeasurement	61,941	62,288
Balance at 31 March	**144,723**	**117,062**

4. Cash and cash equivalents

	2025-26	2024-25
	£'000	£'000
Balance at 1 April	256,741	228,001
Net change in cash and cash equivalent balances	512	28,740
Balance at 31 March	**257,253**	**256,741**
The following balances at 31 March were held at:		
Government Banking Service	257,253	256,741
Total	**257,253**	**256,741**

5. Payables and contract liabilities

	2025-26	2024-25
	£'000	£'000
Contract Liabilities	57,762	32,276
Payables	50,314	64,327
Total Payables and Contract Liabilities at 31 March	**108,076**	**96,603**

Payables represent Immigration Skills Charge refunds which are due but not yet paid, and payments that have not yet been matched against a live application by the Performance Reporting and Analysis Unit (PRAU).

Contract liabilities represent deferred revenue for the Immigration Skills Charge and Consular Fees.

The following table provides an analysis on changes to contract liabilities during the year.

	2025-26	2024-25
	£'000	£'000
Contract Liabilities		
Balance at 1 April	(32,276)	(37,591)
Decrease due to revenue recognised in year	594,309	559,727
Increase due to cash received in advance and not recognised as revenue in year	(619,795)	(554,412)
Balance at 31 March	**(57,762)**	**(32,276)**
Presented within:		
Current	(57,762)	(32,276)
Non-current	–	–

6. Balance on the Consolidated Fund account

	2025-26	2024-25
	£'000	£'000
Balance on the Consolidated Fund at 1 April	207,672	163,844
Net Revenue for the Consolidated Fund	707,319	694,034
Amounts Paid to the Consolidated Fund	(709,473)	(650,206)
Balance on the Consolidated Fund at 31 March	**205,518**	**207,672**

7. Financial instruments

Classification and categorisation of financial instruments

		2025-26	2024-25
	Note	£'000	£'000
Financial Assets			
Cash	4	257,253	256,741
Civil penalties receivables	3	56,341	47,534
Total financial assets		**313,594**	**304,275**
Financial Liabilities			
Payables and contract liabilities	5	(108,076)	(96,603)
Total financial liabilities		**(108,076)**	**(96,603)**

a) Carrying amount and fair values

The fair value of cash balances approximates to their carrying amount, largely owing to the short-term maturity of this financial instrument (less than three months).

The amortised cost of receivables is determined by recognising an impairment to reduce their carrying value. The impairment amount is discounted at the HM Treasury rate of 2.45% (2024-25: 2.15%), and the resulting present value is used in determining the carrying amount of receivables.

The impact of a change in the discount rate is reflected in the table below:

		2025-26	2024-25
		£'000	£'000
Change in Receivables			
Change in Discount Rate	+1%	7,202	4,963
Change in Discount Rate	-1%	(7,669)	(5,291)

The key assumption behind the impairment provision is that the estimated future flow of repayments reflects historical trends.

The table below is a sensitivity analysis showing the impact on trade receivables across alternative assumptions:

		2025-26	2024-25
		£'000	£'000
Increase / (decrease) in net receivables			
Change in Assumption			
Projected Cash Collections	+40%	12,737	12,452
Projected Cash Collections	+30%	9,553	9,339
Projected Cash Collections	+20%	6,369	6,226
Projected Cash Collections	+10%	3,184	3,113
Projected Cash Collections	+5%	1,592	1,557
Projected Cash Collections	-5%	(1,592)	(1,557)
Projected Cash Collections	-10%	(3,184)	(3,113)
Projected Cash Collections	-20%	(6,369)	(6,226)
Projected Cash Collections	-30%	(9,553)	(9,339)
Projected Cash Collections	-40%	(12,737)	(12,452)

b) Liquidity risk

Liquidity risk is the risk that the Home Office, on behalf of the Consolidated Fund and other parties, will encounter difficulty raising liquid funds to meet commitments as they fall due. The Home Office is obliged to surrender only those funds that it has collected and banked and, as such, in its capacity as agent, does not have significant liquidity risk.

c) Credit risk

Credit risk is the risk that a third party will default on its obligation to the Home Office on behalf of the Consolidated Fund and other parties, thereby causing the Consolidated Fund and other parties, for whom the Home Office acts as agent, to incur a loss. Credit risk arises from deposits with banks and receivables.

The maximum exposure to credit risk at the balance sheet date is:

	2025-26	2024-25
	£'000	£'000
Trade and other receivables	56,341	47,534
Cash and cash equivalents	257,253	256,741
Total	**313,594**	**304,275**

Cash comprises liquid bank balances held with commercial banks, which are all administered through the Government Banking Service (GBS).

The size of the risk inherent within the trade receivables balance (shown net of impairment above) is reflected in the receivables impairment which totals £163 million in 2025-26 (£117 million in 2024-25). The Home Office, through the governance and risk management structures outlined in the Governance Statement, continues to assess and implement programmes to increase collection of receivables.

d) Currency risk and interest rate risk

There is no exposure to currency risk as all fees, charges, and penalties are imposed, collected, and payable in sterling. The Home Office Trust Statement has no exposure to interest rate risk.

8. Related party transactions

In relation to this Trust Statement, the Home Office has had transactions with HM Treasury and the Exchequer relating to payments made into the Consolidated Fund.

Ministers' interests are declared and maintained through the Register of Members' Interests at the House of Commons and the Register of Lords' Interest at the House of Lords.

Board members and key senior management staff are subject to a standard annual interests' review, stating whether they, their spouses, or close family members have been in a position of influence or control in organisations with which the Home Office has transactions. Further detail is included in the Home Office Resource Accounts.

9. Events after the reporting period

There were no significant events after the reporting period that require disclosure.

In accordance with the requirements of IAS 10 Events After the Reporting Period, events are considered up to the date on which the accounts are authorised for issue.

The date the Accounts are authorised for issue is interpreted as the same date the Accounts are certified by the Comptroller and Auditor General.

E03577101
ISBN 978-1-5286-6367-0