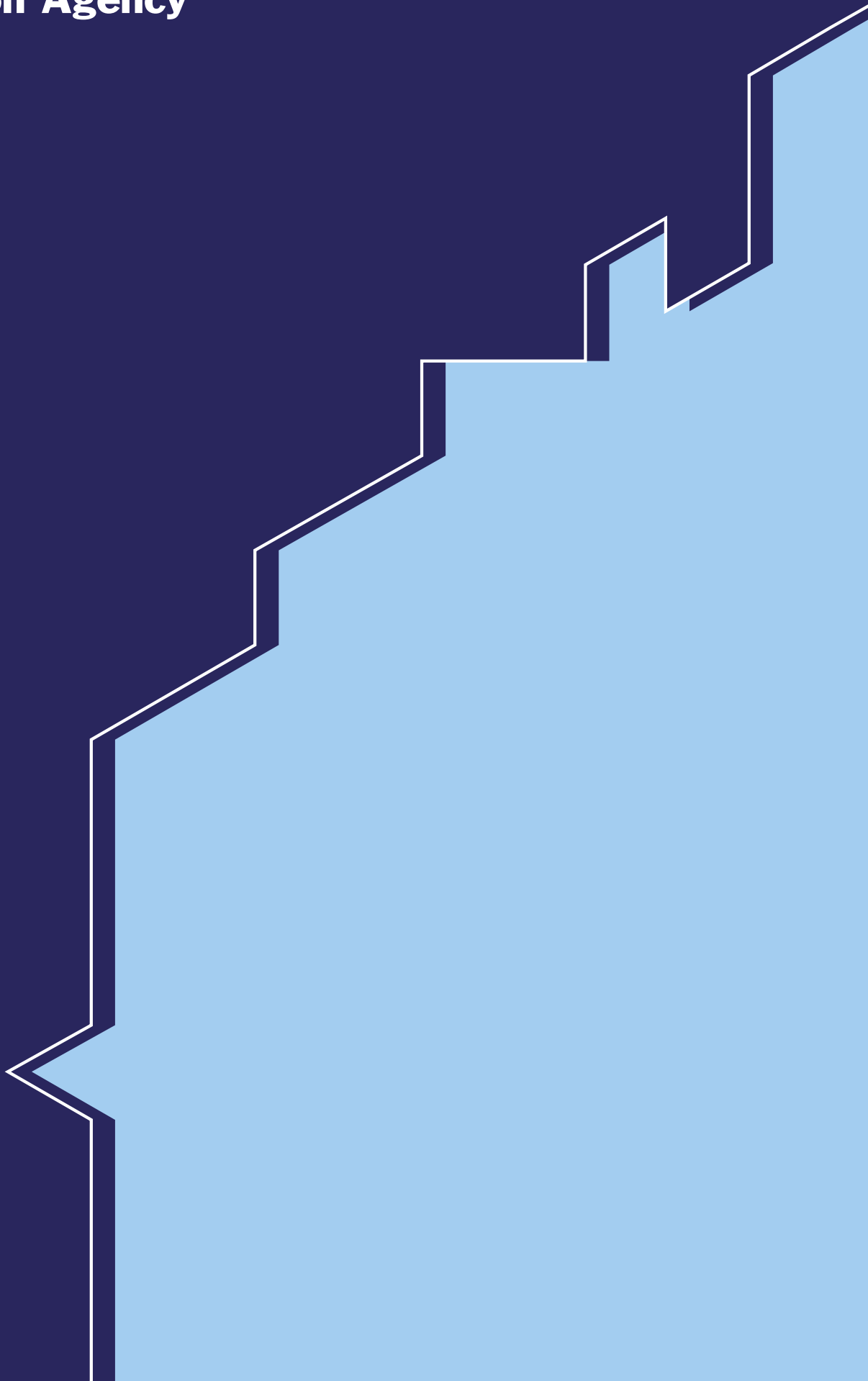




Home Office

# Border & Immigration Agency

# DRAFT FRAMEWORK AGREEMENT

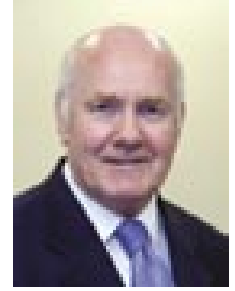




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# FOREWORD BY THE HOME SECRETARY



Securing our border and managing immigration for the benefit of the UK is one of the most challenging issues we face. Mass migration, advances in technology and the rise of a global economy bring many opportunities. But they also provide openings for those who seek to undermine our sense of society and reputation for tolerance.

This changing world was at the heart of the proposals I set out last year to reform the Home Office and, the way we operate our immigration services. Despite significant achievements, including a significant reduction in unfounded asylum applications and increased in removals, there was a clear sense from front-line staff and the public that a major transformation was necessary if we were to deliver the pace and quality of service that the public rightly expects in the 21st century.

We have already said that we will take decisive steps forward. We have published new strategies with new targets and new ideas to improve the way in which we manage immigration. We have introduced the UK Borders Bill to give immigration officers new powers to secure our borders. We have implemented new technology

to enhance our ability to identify those who enter and leave the UK. We will raise, through increased visa fees, an additional £100 million a year to spend on additional enforcement activity.

As this Framework Agreement makes clear, the Border and Immigration Agency will be a new kind of organisation with much clearer accountabilities, stronger and more consistent branding of services and greater operational freedoms to deliver. A more visible presence is already apparent at our ports with uniformed staff and better signage. Longer-term reforms to overhaul leadership, performance, processes and culture are underway and new powers to strengthen the law will be in effect to aid delivery. The Agency will begin operating initially in shadow form so we can manage the transition effectively and with the necessary assurance to parliament and the public.

This agreement reflects a new way of working – collaboration and co-operation with the wider Home Office but autonomy to drive through the operational improvements needed. It is an important step and one I believe will help transform our border and immigration operations.

A handwritten signature in black ink, reading "John Reid". The signature is written in a cursive style and is followed by a horizontal line.

The Home Secretary  
The Rt Hon John Reid MP

# SECTION 1

## INTRODUCTION

### 1.1

In July 2006, the Home Office published 'Fair, effective, transparent and trusted – Rebuilding confidence in our immigration system'. Alongside new objectives and powers, this set out seven programmes for fundamental change to ensure that those who operate our immigration system work in a service fit for the future. The seven programmes are:

- Strengthening and simplifying immigration laws to speed up decisions, increase removals and give the workforce effective powers to do their job;
- Making a more powerful agency more clearly accountable to Parliament and the public with the operational freedoms to deliver its business;
- Strengthened leadership and management at all levels;
- Excellence in the basics, simplifying existing processes and driving continuous improvement;
- Being a leader in Government in exploiting new technologies;
- Demonstrating excellence in strategic partnership and collaborative working; and
- Inspiring a culture of public service, passion and pride.

This Framework Agreement relates to the second of these programmes.

### 1.2 THE NEW BORDER AND IMMIGRATION AGENCY

The new Agency succeeds the Immigration and Nationality Directorate and is operating in 'shadow' form as an Executive Agency of the Home Office from 1 April 2007.

This forms part of an overall programme to create a strong framework for delivery and accountability. The other key elements are a new independent Inspectorate to provide a transparent assessment of the Agency and its services; and a new regional structure to deliver more joined-up immigration services and better local accountability.

Agency status has proved a successful catalyst for change in a number of organisations. The aim is to create greater clarity on overall objectives and more accountability through a clear framework for delivery and performance management. In addition,

greater freedom to manage people and resources and a more logical branding of services will help improve delivery and understanding of the organisation and the way it works. Agency status is part of an overall transformation to produce:

- greater clarity on overall objectives for the organisation and the public;
- more accountability and trust through a clear framework for delivery and performance management;
- empowerment of front-line staff, giving them the autonomy to resolve operational issues more readily;
- better delivery through a variety of service mechanisms;
- tailor-made structures and systems, more aligned to the way the organisation will work in the future;
- more freedom to manage its people and resources; and
- clearer and more logical branding of services.

### 1.3 WHAT WILL BE DIFFERENT?

More detail on some of the key changes is set out below:

- **Greater freedom to manage staff.** The Agency will have greater freedoms to develop performance management and reward systems to meet its operational needs. It will also have clearer freedoms to establish distinct occupational groups.
- **Clearer responsibilities on finance, planning and performance.** Agency status brings a requirement to publish a Business Plan which will include the Agency's key targets, resource allocation and overall vision for the new Agency. The Chief Executive will be the Agency Accounting Officer with accountability to Parliament for the Agency's expenditure.
- **A new relationship with Ministers.** A new Compact has been produced for the Home Office and all its Agencies setting out the respective responsibilities of Ministers and civil servants. The objective is to develop a relationship between Ministers and the Agency which allows for quicker decisions, makes the Agency clearly responsible for the necessary operational judgements and enables Ministers to spend more time on strategic issues.

- **A revised policy function within the Agency.** Unlike many Executive Agencies the Border and Immigration Agency will remain responsible for providing policy advice to Ministers. This will ensure that the policy function remains close to the front-line using operational expertise to inform policy development. At the same time, this policy function will be strongly linked in to a Home Office wide strategic policy network. This will ensure that Ministers receive coherent policy advice which takes account of their responsibilities across the Department. The Agency's policy function will also advise Ministers in relation to recommendations and advice they receive from the new Migration Advisory Committee and Migration Impacts Forum (see Section 4).
- **More direct communications with the public.** One of the key objectives of Agency status is to improve public accountability. As part of this the Chief Executive and other senior managers will have greater visibility in explaining the achievements and challenges that the Agency faces.
- **A new name and clearer branding.** From April 2007, the Agency has begun operating under a new name – the Border and Immigration Agency. The name will appear on uniforms, on signs at ports and other buildings and on communications issued by the Agency. Consistent branding will help the Agency to convey a clear sense of what the organisation does and ensure that the work undertaken across the range of its operations is recognised as being the responsibility of the Agency as a whole.

#### 1.4 THE FRAMEWORK AGREEMENT

This document sets out the roles and responsibilities of the Agency Chief Executive, the Secretary of State, the Permanent Secretary and the Home Office Board; and the governance relationship between the Department and the Agency.

The document outlines the operational freedoms the Agency has, but it also sets out the underlying principles that bind the Agency to the Department. These cover key corporate processes and functions, including strategy, planning, performance management, human resources and other support services. The Agency Framework Agreement is consistent with the Home Office Departmental Framework, which sets out the general operating principles for the wider organisation and the duties that the Department has to the Agency.

The Framework Agreement is published initially in draft form and will be reviewed by the Department, in consultation with the Agency, during the shadow period. Thereafter, the Framework will be reviewed at three-year intervals to ensure that it best supports the aims and objectives of the Agency and the wider Home Office. Amendments may be proposed by the Agency or the Department at any time. Any variations to the Framework Agreement will be made by written agreement between the Agency and the Department, involving HM Treasury and Cabinet Office as appropriate.

Copies of the final Framework Agreement and any subsequent amendments will be published and placed in the libraries of both Houses of Parliament.

# SECTION 2

## PURPOSE, STRATEGIC OBJECTIVES AND VALUES

### 2.1 PURPOSE

The Border and Immigration Agency is one of the main delivery arms of the Home Office and it plays a vital role in the Department's primary aim of protecting the public by maintaining secure borders and ensuring that those who do not comply with our immigration rules are removed. The Agency works within a policy framework set by Ministers which covers the following areas:

- **Immigration:** the Agency considers applications from people who want to come to the UK to work, do business, visit relatives, take a holiday or settle permanently. It manages routes into the UK labour market for people who want to work here, deciding applications for work permits and entry under other work related schemes.
- **Nationality:** the Agency approves applications from people who want to become British citizens.
- **Border control and entry clearance:** the Agency facilitates the arrival of nearly 90 million passengers in the UK, around 12 million of whom are subject to immigration control. The Agency shares responsibility with the Foreign and Commonwealth Office for UKvisas which decides applications from people who need to get permission to enter the UK before they travel.
- **Law enforcement:** as well as advising Ministers on our immigration laws, the Agency enforces them. It is the Agency's job to detect and deter illegal workers and illegal entrants, and Immigration Officers have legal powers to detain them and remove them from the country. The Agency also works closely with the authorities in other countries to prevent organised people trafficking.
- **Asylum:** the Agency is responsible for determining all claims for asylum and asylum support made in the United Kingdom in line with our humanitarian obligations. It grants leave to remain to those whose fears of persecution are founded, provides accommodation and subsistence support to destitute asylum seekers while considering their claims, and removes people from the UK if their claims fail.
- **Appeals:** the Agency shares responsibility with the Department for Constitutional Affairs for the fast and efficient processing of appeals against immigration and asylum decisions.

### 2.2 STRATEGIC OBJECTIVES

The strategic objectives of the Agency are set out in the document 'Fair, effective, transparent and trusted – Rebuilding confidence in our immigration system' which was published in July 2006. The strategic objectives are to:

- **Strengthen our borders; use tougher checks abroad** so that only those with permission can travel to the UK; and ensure that we know who leaves so that we can take action against those who break the rules.
- **Fast-track asylum decisions**, remove those whose claims fail and integrate those who need our protection.
- **Ensure and enforce compliance with our immigration laws**, removing the most harmful people first and denying the privileges of Britain to those here illegally.
- **Boost Britain's economy** by bringing the right skills here from around the world, and ensuring that this country is easy to visit legally.

Details of the Agency's targets and objectives are contained within the Agency's annual Business Plan.

### 2.3 STANDARDS AND VALUES

The Agency will carry out its functions so as to meet the standards of integrity, sustainability and public service expected of a leading government agency. The following values underpin the Agency's work:

- we deliver for the public;
- we are professional and innovative;
- we work openly and collaboratively; and
- we treat everyone with respect.

# SECTION 3

## ROLES AND RESPONSIBILITIES

### 3.1

This section sets out the responsibilities of the Secretary of State, the Permanent Secretary and the Chief Executive of the Agency. More detail on specific aspects of these responsibilities is set out in Sections 5-8 of the Framework.

### 3.2 SECRETARY OF STATE

The Secretary of State has responsibility for Government policy on border control and immigration matters. The Secretary of State may delegate the responsibilities set out below to a junior Minister.

The Secretary of State is responsible for:

- a. setting the strategic direction, objectives, key performance indicators and targets of the Agency;
- b. determining the policy framework within which the Agency operates (the relationship between Ministers and the Agency on policy issues, including the immigration rules and interpretive guidance, will be more clearly defined during the period of shadow status);
- c. approving the Agency's Business Plan and resources;
- d. holding the Chief Executive to account for the performance of the Agency and the delivery of its plans, objectives and targets; and
- e. approving revisions to the Framework Agreement, obtaining approval from HM Treasury and Cabinet Office Ministers as appropriate.

### 3.3 THE PERMANENT SECRETARY

The Permanent Secretary is the Department's Principal Accounting Officer and is accountable to Parliament for the Department's overall effectiveness and delivery. In this capacity, the Permanent Secretary holds the Chief Executive to account for the efficiency and effectiveness of the Agency's management and operations. The Permanent Secretary is the principal advisor to the Secretary of State on matters affecting the Department as a whole, including questions relating to the allocation of resources, expenditure and finance.

The Permanent Secretary acts as the Departmental Sponsor of the Agency and as such is responsible for:

- a. advising Ministers on the strategic direction of the Agency in the context of wider departmental or cross-governmental objectives;
- b. advising Ministers on the allocation of resources to the Agency, its key performance indicators and targets, and its Business Plan;
- c. setting the framework for strategic performance management and regularly reviewing the Agency's performance and delivery;
- d. advising Ministers on their response to strategic performance information; and
- e. ensuring that the Agency has the delegations and authorities necessary for effective delivery and continuous improvement.

### 3.4 THE CHIEF EXECUTIVE

The Chief Executive is responsible for the day-to-day management of the Agency and is accountable to the Secretary of State for the performance of the Agency. The Chief Executive is also accountable to the Permanent Secretary for the effective and efficient delivery of the objectives and responsibilities assigned to the Agency.

The Chief Executive is responsible for:

- a. advising the Secretary of State on current and future policy on border control and immigration (as noted under 3.2b above, the relationship between Ministers and the Agency on policy issues will be more clearly defined during the period of shadow status);
- b. producing a Business Plan to implement agreed objectives and targets in line with allocated resources for consideration by the Home Office Board and the Secretary of State;
- c. ensuring sound finances as the Agency Accounting Officer;
- d. alerting Ministers and the Home Office Board promptly to performance matters that may have a wider impact on the policy, operation or reputation of the Department; and
- e. building and improving the capability of the Agency to perform effectively and efficiently against its objectives and targets, including ensuring robust processes and supporting performance management systems are in place.

In addition, the Chief Executive will:

- f. attend hearings of Parliamentary Committees and represent the Agency in the media, as required, on matters concerning the Agency; and
- g. establish an Agency Management Board which will include the Director of UKvisas and a minimum of two non-executive Directors, appointed by the Chief Executive with the approval of the Permanent Secretary.

### 3.5 HOME OFFICE BOARD

The Home Office Board is the executive decision-making body for the Department. It supports the Permanent Secretary in carrying out his responsibilities, including his role as Agency Sponsor. The Chief Executive of the Agency is a member of the Home Office Board. The Board's responsibilities are set out in the Home Office Departmental Framework.

The Home Office Board has particular responsibilities in respect of:

- a. ensuring the alignment of the Agency's strategies and policies with the wider Departmental and Whitehall context;
- b. ensuring that the allocation of resources is in line with overall Departmental priorities, including endorsing the Agency's Business Plan;
- c. holding shared accountability for the overall performance of the Department;
- d. ensuring that major operational and reputational risks are dealt with appropriately;
- e. the development of capability across the Department;
- f. maintaining an effective framework of internal controls and corporate standards; and
- g. ensuring effective joint working between the Agency and key staff across the Department.

The Board is supported by the Department's Strategic Centre, which is responsible for the efficient and effective co-ordination of objectives across individual business areas, including the Agencies.

# SECTION 4

## RELATIONSHIPS WITH KEY DELIVERY PARTNERS AND OTHER BODIES

### 4.1

The Chief Executive of the Agency will ensure that effective relationships are developed across the Department and with other organisations in the public, private or the third sector in order to further the objectives of the Agency and the wider Department.

### 4.2 UKVISAS

The Agency, the Foreign and Commonwealth Office and UKvisas will develop a partnership agreement setting out the principles that underpin their working relationship and their respective responsibilities for management, financial and staffing arrangements in respect of UKvisas.

### 4.3 IDENTITY AND PASSPORT SERVICE

The Chief Executive will ensure that a close working relationship is maintained with the Identity and Passport Service (IPS) in pursuit of its shared objectives and interests. A Partnership Agreement between IPS, the Agency and UKvisas will be developed on the delivery of the National Identity Scheme and appropriate governance structures or relationships to ensure that the scheme is delivered.

### 4.4 MINISTRY OF JUSTICE

The Chief Executive will ensure that a close working relationship is maintained with the Ministry of Justice.

The main relationship will be with the Tribunals Service in respect of the administration of appeals. The Tribunals Service will play a full part in the joint delivery arrangements with the Agency and UKvisas to ensure the timely and effective disposal of immigration and asylum appeals and by doing so, it will contribute to an effective asylum and immigration system. This relationship will also be reflected in the performance management framework set at departmental level.

Another key relationship will be with National Offender Management Service given the need to maintain close ties on issues surrounding foreign national prisoners, immigration removal centres managed on our behalf by the Prison Service and the need for operational support in those circumstances where there is a disturbance at an immigration detention facility.

There will also be a broader relationship between the Agency and Her Majesty's Courts Service, particularly with regards to Judicial Review applications and appeals to the Court of Appeal and the House of Lords.

### 4.5 PARLIAMENT

The Secretary of State is ultimately accountable to Parliament on all matters that relate to the Agency. The Chief Executive will give advice and support to Ministers in replying to Parliamentary Questions, Member of Parliaments' (MPs) correspondence and debates.

MPs are encouraged to write directly to the Chief Executive about day-to-day operational matters.

Official correspondence and other enquiries will be dealt with according to procedures set out in the Cabinet Office guidance: "Ministerial Correspondence with Members of Parliament".

#### **4.6 MIGRATION ADVISORY COMMITTEE**

The Migration Advisory Committee (MAC) will advise the Government (primarily the Home Office, Department for Work and Pensions, Department for Trade and Industry, HM Treasury and the Department for Education and Skills as the departments with the lead interest) on the specific sectors and occupations in the labour market where shortages can sensibly be filled by migration, and on other migration-related questions put to it by Government from time to time.

The Chief Executive of the Agency will establish and maintain a good working relationship with the MAC and where appropriate, the Agency will provide advice to Ministers on how to respond to the MAC's recommendations.

#### **4.7 MIGRATION IMPACTS FORUM**

The Migration Impacts Forum will discuss the wider impacts of migration. It will be jointly chaired by Ministers from the Home Office and Communities and Local Government, and will bring together interested parties from across the UK.

#### **4.8 INSPECTION ARRANGEMENTS**

The Secretary of State will, subject to Parliamentary approval, appoint a Chief Inspector to monitor and report on the efficiency and effectiveness of the Agency. The Chief Inspector will report in writing to the Secretary of State and a copy of any report will be laid before Parliament by the Secretary of State.

#### **4.9 OFFICE OF THE IMMIGRATION SERVICE COMMISSIONER**

The Secretary of State is responsible for appointing the Commissioner to provide an effective system of regulation of those who provide immigration advice and immigration services in a manner which promotes good practice by those who provide such advice or services.

The Agency will act as the sponsor for the Office of the Immigration Service Commissioner (OISC) and is the primary point of contact for the OISC.

The Agency and the OISC have developed a management statement setting out their respective roles and responsibilities.

#### **4.10 OFFICE OF THE NATIONAL IDENTITY SCHEME COMMISSIONER**

The Chief Executive will ensure that the Agency complies with arrangements set up to allow the National Identity Scheme Commissioner to fulfil his obligations to assure the integrity of the scheme.

#### **4.11 CONTACT WITH HM TREASURY AND NATIONAL AUDIT OFFICE**

The Agency will ensure that its contact with HM Treasury and the National Audit Office is in accordance with the terms of a framework agreed with the Department which is responsible for the overall relationship with these bodies.

# SECTION 5

## POLICY AND WORKING WITH MINISTERS

### 5.1

The Secretary of State is responsible for setting the overall policy framework within which the Agency operates. The Chief Executive is the Secretary of State's principal advisor on matters concerning borders and immigration.

### 5.2

Ministers and the Chief Executive will work closely together, involving the Home Office Board as appropriate, to achieve the best balance of the following aims:

- providing a clear and stable policy framework within which the Chief Executive can exercise operational freedom to develop and deliver improved services; and
- ensuring that the policies underpinning the work of the Agency reflect changing circumstances abroad and in the UK.

They will work during the period of shadow status to define this relationship more clearly, including in respect of the immigration rules and interpretive guidance.

### 5.3

The key principles underlying the relationship between Ministers and officials are set out in the Departmental 'Compact' between Ministers and Home Office officials. Key aspects of this in relation to policy include the expectation that Ministers will:

- take and communicate clear and timely decisions based on evidence and accurate, or best available, data;
- ensure that decisions take account of resource constraints;
- focus on policy and outcomes, knowing that weaknesses in performance will be tackled effectively; and
- allow managers the freedom to deploy resources to achieve the policy objectives.

And the expectation that officials will:

- provide timely, accurate and clear advice, including on any resource implications, based on evidence and accurate or best available data;
- understand the political and wider context in which the Agency works;
- ensure that Ministers are informed about risks and operational issues which might affect the strategy or reputation of the Department; and
- ensure that accountabilities for decisions are clear.

### 5.4

In addition, this Framework Agreement makes it clear that:

- the Chief Executive will work jointly with others on the Home Office Board to ensure advice to Ministers on potential changes to border and immigration policy is consistent with wider Departmental, and where appropriate, wider Governmental objectives;
- policy or operational issues within the Agency which affect policy in other parts of the Department and/or which raise wider cross-Government policy issues will be developed through close working with staff across the Department, including the Strategic Centre;
- there will be a lead individual in the Agency with accountability for policy both to the Chief Executive and to the Home Office Board;
- key policy staff within the Agency will participate in the cross-Departmental 'Strategic Policy Network' which aims to ensure that business area strategies are aligned with the Department's overall strategy;
- the Chief Executive will ensure that arrangements are in place to ensure a consistent approach to policy across the Agency's regions; and
- if there is any doubt about whether a policy issue is of sufficient importance to refer to Ministers, then policy staff in the Agency will consider whether the matter concerned has significant resource, strategic, reputational, cross-Governmental, cross-Home Office and international implications.

# SECTION 6

## GUIDING PRINCIPLES

### 6.1

This section sets out some guiding principles that govern decisions about the degree of autonomy that the Agency should have and how staff in the Agency and the Department should work together.

### 6.2 FREEDOMS AND DELEGATIONS

The relationship between the Agency and the Department on freedoms and delegations is underpinned by the following key principles:

- the Agency should have sufficient autonomy to deliver its objectives efficiently and effectively;
- in exercising its freedoms, the Agency will give full regard to any implications for the wider Home Office, particularly in relation to efficiency, risk or reputation; and
- limits on the Agency's freedom are only imposed where necessary to comply with wider corporate and Government interests and to ensure accountability.

The Department and the Agency will work together in a spirit of openness and collaboration to ensure that these principles are optimised in practice and are mutually understood.

Both parties shall keep the arrangements under review in the light of changing circumstances. The Department will consult the Agency prior to any changes in freedoms and delegations.

The Department will represent to HM Treasury, the Cabinet Office and the Civil Service Commissioners the impact of their requirements on the operations of the Agency

### 6.3 WORKING TOGETHER

The Agency and the Department will maintain strong working relationships through regular contact. Staff will:

- engage with each other in a spirit of openness and collaboration;
- work towards a mutual understanding of the key issues;
- be supportive of each other's objectives; and
- identify and work towards shared goals and objectives.

The Agency and the Department will jointly consider the most effective way to develop and deliver new corporate policies and procedures to meet the operational needs of the Agency and wider corporate requirements. Work on individual projects may be led by the Agency or the Department in collaboration with the other.

# SECTION 7

## PLANNING AND PERFORMANCE

### 7.1

This Section provides further detail on the roles and responsibilities in respect of planning and performance that are outlined in Section 3. The guiding principles outlined in Section 6 apply.

### 7.2 GENERAL

The Agency's planning and performance management arrangements should:

- identify at a high level how the Agency's objectives will be achieved and the estimated cost of efficiently delivering them;
- contain performance targets and milestones that provide sufficient challenge to promote continuous improvement;
- support delivery of the Department's overall objectives to protect the public and raise service standards;
- adhere to delegated budgets and indicative allocations by the Department and be consistent with the resources allocated to the Agency;
- ensure that senior officials within the Agency are held to account for the delivery of particular objectives;
- ensure that consistent, accurate and timely information is available to Ministers and the Home Office Board to support effective planning, performance and risk management; and
- comply with the Department's policies and practices for the appraisal and approval of investments.

### 7.3 PLANNING

Each year the Agency will produce a Business Plan to a timetable agreed with the Department. The Business Plan will integrate both the operational outputs and the supporting resources required to deliver the Plan. The Agency will work with the teams supporting the Home Office Board to ensure consistency with the Department's overall objectives, planning process and timetable.

The Business Plan will focus on the forthcoming financial year, and will also indicate provisional plans for the ensuing years, consistent with the Department's planning cycle and the Government's Spending Review process. The Business Plan will include:

- the Agency's contribution to delivering PSA targets, agreed performance indicators and other relevant high level targets, or milestones, showing how these contribute to delivery of the Department's objectives;
- the resource requirements for each main area of activity, explaining how those activities link to the meeting of the Agency's objectives and targets;
- the Agency's performance management framework including the governance and reporting arrangements;
- the Agency's approach to risk management and mitigation;
- the Agency's enabling objectives and values, including plans to improve the efficiency and effectiveness with which it discharges its responsibilities;
- information on the trends and assumptions on which the plan is based.; and
- how the Agency will interact with its stakeholders.

The Business Plan will be presented by the Chief Executive for agreement by the Secretary of State. The Permanent Secretary, supported by the Home Office Board, will advise the Secretary of State on the strategic fit and deliverability of the Business Plan.

The Business Plan may be changed during the period of its operation at the request of the Chief Executive, the Permanent Secretary or the Secretary of State and any such changes will be agreed by the Home Office Board and the Secretary of State.

#### **7.4 PERFORMANCE**

The Chief Executive is accountable to Ministers and the Permanent Secretary for the performance of the Agency and is responsible for ensuring that:

- the Agency complies with the Department's performance management framework, including participation in the Department's Operating Reviews;
- Ministers, the Permanent Secretary and the Home Office Board have access to consistent, timely and accurate information on the Agency's performance, including any issues that raise significant risks for the Agency or the Department.
- the Agency has a robust and comprehensive internal performance management framework and supporting governance structure in place; and
- the Agency reports its outturn performance against its Plan targets and budget in its Annual Report and Accounts and in the Home Office Departmental and Autumn Performance Reports as required.

# SECTION 8

## FINANCIAL ARRANGEMENTS

### 8.1

This Section provides further detail on the roles and responsibilities in respect of financial matters that are outlined in Section 3. The guiding principles outlined in Section 6 apply.

### 8.2 FINANCIAL REGIME

The Permanent Secretary as Principal Accounting Officer for the Home Office will delegate day-to-day financial responsibility for the Agency to the Chief Executive, who will in turn provide annual assurance to the Principal Accounting Officer as required by HM Treasury.

The Agency will have autonomy in its budget delegations and financial management arrangements, subject to the need to keep within the terms of its overall budget delegations and to obtain Group Investment Board and HM Treasury approval where needed.

As the Agency Accounting Officer, the Chief Executive is responsible for Agency expenditure, and for ensuring that effective financial management systems are in place and maintained. In particular the Chief Executive will ensure that the Agency:

- manages its finances in accordance with the Departmental Framework (which ensures that the Department as a whole can allocate its finances to achieve the best outcomes overall), and to ensure propriety, regularity and efficiency in public spending;
- maintains sound finances across both operational and programme functions within its allocated expenditure;
- maintains a sound system of internal control that supports achieving the Agency's policies, aims and objectives, whilst safeguarding public funds and assets;
- optimises 'value for money' of spending through rigorous challenge to new and existing policies and programmes; and

- acts in support of all Government-wide programmes for the improvement of public spending, and complies with various governance and regulatory requirements set out in HM Treasury's budgeting, propriety and accounting related guidance.

The Agency has responsibility for financial and management accounting and will provide information to the Department for consolidation in the Departmental Resource Accounts, and for planning, monitoring financial performance, and budgeting purposes. The Agency should also share information with its delivery partners where appropriate.

In its relationship with the Agency the Department will:

- work to support the delivery of the Agency's objectives;
- take full account of the operational implications for the Agency of any changes in financial delegations and processes;
- ensure that it represents to HM Treasury the impact of proposed HM Treasury requirements on the operations of the Agency;
- consult the Agency prior to any changes in financial delegations; and
- provide all relevant information to enable the Agency to comply with its financial responsibilities.

The Chief Executive will be granted end of financial year flexibility (EYF) to carry forward capital underspends into the next financial year, where the Department itself has EYF, subject to normal scrutiny of need. If resource EYF becomes available to the Department, systems for allocating it will be discussed collectively.

### 8.3 FINANCIAL DELEGATIONS

The Permanent Secretary will issue annual financial allocations to the Agency covering the forthcoming year and future years consistent with Spending Reviews. Within the overall Agency delegation, the Chief Executive may re-deploy resources between programmes.

The Chief Executive has the freedom to delegate powers in writing to any named Agency staff.

Any new capital and policy programmes which will have a significant impact on the Agency's financial position should be included within the Agency's Business Plan and discussed with the Department in line with its overall priorities and affordability. Likewise, where tasks additional to those contained in the Agency Business Plan are identified in-year, the Agency will advise and consult the Department as soon as possible about the resource implications of these additional tasks.

In accordance with the delegation levels set by the Permanent Secretary, Agency policies, projects and programmes will be subject to the Office of Government Commerce (OGC) Gateway Review process and/or the Home Office Board and HM Treasury processes.

### 8.4 CONSULTATION

Finance staff throughout the Department, including the Agencies, are part of a single finance community. The commitment to work together on finance applies also to managers in policy, operations and corporate services.

Where new policies or projects with significant financial implications are being developed within the Agency or the Department, engagement with finance staff should begin at an early stage. The Agency should also consult its delivery partners where they may bear a financial impact.

### 8.5 CONTRACTUAL DELEGATIONS

The Agency's procurement policies shall reflect Departmental policies, the Home Office Procurement and Procedures Manual, and the Home Office Departmental Commercial and Procurement Framework. The Agency shall also ensure that it complies with its legal obligations including those under the European Communities' Procurement rules and other international agreements.

The Agency and the Home Office Commercial Directorate will agree a suitable procurement delegation annually. This will be based on business needs, taking into account seniority, skills, experience and competence of procurement staff. The delegation will constitute a written Operating Level Agreement signed by both parties.

The Agency will ensure that a robust commercial framework is in place to manage the Agency's procurement structure through consultation with the Department, and it will work collaboratively with the Home Office Commercial Directorate.

The Home Office Group Commercial Directorate has the right to carry out procurement audits and inspections. The Agency will advise the Commercial Directorate of any novel or contentious procurement issues.

### 8.6 FEES AND CHARGES

The Agency will continue to charge for immigration and nationality services where it has the statutory powers to do so and agreement from HM Treasury. The Agency will do this in accordance with the following principles:

- the Agency will work within the Department's overall corporate framework for charging services;
- the full and relevant costs of the immigration system will be recovered in fees for applications in line with HM Treasury's Fees and Charges Guidance;
- any divergence from the Fees and Charges Guidance will only be with the agreement of HM Treasury;
- the Agency will seek to ensure that damage is not done to the UK's international competitiveness and attractiveness through setting fees for immigration services at levels that cannot be borne;
- changes to the Agency's charging regime will retain HM Treasury oversight of, and agreement to, the costs and fee levels; and
- income from fees will be retained by the Border and Immigration Agency, except where other agreement has been reached with HM Treasury, the Home Office or other bodies.

The Agency will work with other agencies and Departments, including the Identity and Passport Service, Foreign and Commonwealth Office and UKvisas, to support the delivery of a coherent fees strategy across Government.

### 8.7 RISK MANAGEMENT

The Agency is responsible for its risk management strategy. This will be consistent with the Department's risk management policies and will involve maintaining robust contingency and business continuity plans for the Agency which are reviewed and tested regularly.

### 8.8 INTERNAL AUDIT ARRANGEMENTS

The Chief Executive is responsible for internal audit, consultancy, inspection and review arrangements within the Agency. The Chief Executive will ensure that all audit arrangements comply with the standards and guidelines of the 'Government Internal Audit Standards'. Each year the Annual Audit Plan will be discussed and agreed in advance with the Agency's Audit Committee and management.

Any major changes to the Agency Internal Audit arrangements will be agreed with the Department's Director of Finance.

### 8.9 ANNUAL REPORT AND ACCOUNTS

The Chief Executive will prepare and publish each year an Annual Report and Accounts in accordance with the guidance and accounting policy set out by the Cabinet Office and HM Treasury. That report will be agreed with the Permanent Secretary before Ministerial clearance.

The report and accounts will set out the Agency's performance related to the objectives, forecasts and targets published in that year's Business Plan. The accounts will be audited by the Comptroller and Auditor General, and will be published and laid before both Houses of Parliament.

# SECTION 9

## HUMAN RESOURCES

### 9.1

This Section provides detail on the roles and responsibilities of the Agency and the Department in respect of human resources. The guiding principles outlined in Section 6 apply.

### 9.2 GENERAL

All permanent Agency employees are civil servants and members of the Home Office. All employees will be members of the Principal Civil Service Pension Scheme (PCSPS) unless they decide otherwise on a personal basis.

The Chief Executive is a civil servant, subject to the civil service code, and is responsible for ensuring that the Agency can effectively deliver its business through its most valuable resource; its people.

The Chief Executive is responsible for all aspects of the management of all employees at all levels (including Senior Civil Servants) in the Agency, and has the power to delegate responsibility (as appropriate) to relevant levels of management.

### 9.3 APPOINTMENT OF THE CHIEF EXECUTIVE

The Permanent Secretary appoints the Chief Executive, after open competition and in consultation with Ministers. Details of the Chief Executive's remuneration will be published in the Agency's Annual Report and Accounts.

### 9.4 SENIOR CIVIL SERVANTS (SCS)

The Permanent Secretary will agree, with the Chief Executive, a maximum number of full time equivalent posts at pay band 1 and pay band 2 SCS level each year. Within that overall limit, the Chief Executive is free to add or delete posts according to the business needs of the Agency. All pay band 2 posts will be approved by the Permanent Secretary.

The Chief Executive has the freedom to organise recruitment and selection campaigns for all SCS pay band 1 and pay band 2 posts and to select prospective candidates to fill them in accordance with Civil Service Commissioners rules, Cabinet Office guidance, requirements of the law and Professional Skills for Government.

The Chief Executive has the freedom to personally approve all appointments at SCS pay band 1. For SCS pay band 2 posts, the normal arrangement will be for the Chief Executive to organise the recruitment process but the HR Director General will be consulted on the composition of the selection panel to ensure appropriate specialist or functional input. The Permanent Secretary will approve the final appointment of a successful candidate to an SCS pay band 2 post.

Performance pay for the SCS in the Agency will be decided by a Pay Committee for the Home Office. A performance assessment of each SCS employee and the Chief Executive's recommendations will be submitted for approval to the Home Office Pay Committee. An Agency Director, nominated by the Chief Executive, will be a member of the Home Office Pay Committee.

The SCS remain a corporate resource for the Department and there will be joint working on the overall development of the SCS cadre. In order that any return on investment can be realised the Chief Executive will normally follow the Cabinet Office's four-year service guidelines for postings, subject to the overriding needs of the broader Department or Civil Service. Agency SCS employees will also have access to Departmental leadership programmes.

### 9.5 PAY

The Agency and the Home Office Headquarters will form a single pay bargaining unit. Both parties will collaborate effectively to ensure that the setting of all elements of pay and grading, for non-SCS employees reflects the relative size and operational needs of the Agency. These arrangements may be reviewed at the prompting of either party in respect of the key principles set out in at the beginning of this section.

The Chief Executive and Directors General will ensure that terms and conditions of employment, including pay and grading, are consistent with supporting Departmental corporate aims and any wider civil service wide pay strategy.

The Agency, in conjunction with the non-Agency Home Office, will deal with all negotiations with its recognised trade unions.

Within the pay bargaining unit, it is recognised that different areas of the business have different needs, therefore the Agency is free to define occupational groups of employees and set pay and grading systems in place that meet the needs of the business. Such arrangements must have due regard for any legal risks and broader implications across the Department that may emerge.

The Department and the Agency will work together during the period of shadow status to consider the appropriate level of delegation of pay and grading arrangements, taking account of its business needs and the wider pay and funding developments across the Home Office and wider Civil Service.

### 9.6 HUMAN RESOURCES POLICIES AND PROCEDURES

The Chief Executive is responsible for establishing Human Resources policies and procedures that reflect the business needs of the Agency within a Strategic framework set for the entire Department, including but not limited to discipline, performance management, attendance management and grievance. Such arrangements must have due regard for any legal risks and broader implications across the Department that may emerge and should be referred to the Departmental pay lead.

### 9.7 EMPLOYEE RESOURCING

The Home Office is committed to ensuring that staff in its Headquarters and Agencies have the right to apply for jobs anywhere in the Home Office and that barriers to movements are minimised. Suitably qualified Agency employees are eligible for promotion and transfer within the Department and other government departments; and Agency employees remain eligible to apply for internally advertised Departmental vacancies.

The Chief Executive will maintain (through recruitment and the management of workforce redeployment and reduction) the establishment of employees, including casual and fixed term employees that are necessary to meet the business needs of the Agency. Recruitment of all permanent employees will be undertaken in an open and fair manner, in accordance with Cabinet Office guidance and Civil Service Commissioners' Rules.

### 9.8 AGENCY STRUCTURE

The Chief Executive is responsible for the distribution and allocation of employees at all levels between duties, offices, ports and other locations.

### 9.9 EMPLOYMENT TRIBUNALS AND OTHER LEGAL PROCEEDINGS

The Chief Executive or their nominee will be responsible for responding to any appeals by employees to the Civil Service Appeals Board, claims made to an Employment Tribunal and employment related claims to other courts.

### 9.10 PERFORMANCE MANAGEMENT AND REWARD

The Agency will operate within a common performance management and appraisal framework with the Department. However it will have freedom to design and implement reward and motivation systems that support it according to its business needs.

**9.11 EMPLOYEE RELATIONS**

The Agency will operate a consultation and information regime which ensures that employees and their representatives play a positive part in the life of the Agency.

The Chief Executive will introduce and maintain recognition agreements with trade unions as appropriate.

**9.12 LEARNING AND DEVELOPMENT**

The Agency and its constituent businesses and managers will be responsible for planning, organising and evaluating learning and development for all its employees so that they are equipped to do their jobs to a high standard and so that they develop their skills and ways of working for the future. The Agency will be responsible for resourcing this learning and development except where corporate programmes are resourced under separate arrangements. The Agency will contribute fully to the work of the Home Office Virtual Academy, which will be set up to undertake joint projects in areas of common interest and need

**9.13 DIVERSITY**

The Agency will create a working environment in which diversity is recognised, valued and celebrated. The Agency will engage with the full spectrum of society in delivering its business. The Agency will comply with the requirements placed upon it by the law.

The Agency will develop Equality and Diversity policies which will comply with the overall Departmental policy but will specifically support the Agency's business needs and objectives.

**9.14 SECURITY**

The Permanent Secretary may agree delegated authority to the Chief Executive in areas of vetting and security

**9.15 CONDUCT, CAPABILITY AND GRIEVANCE PROCEDURES**

The Chief Executive has the power, which may be delegated, to take action in relation to the conduct and capability (including attendance management) of all employees working within the Agency, and to establish appropriate policies and procedures that comply with employment legislation.

The Chief Executive will also ensure that a grievance procedure is in place which complies with employment legislation.

**9.16 IMPLEMENTATION OF GOVERNMENT-WIDE INITIATIVES**

In co-ordination with the Department, the Agency should implement mandatory Government-wide initiatives when required to do so. The implementation should follow a jointly agreed Departmental approach or framework.

# SECTION 10

## OTHER CORPORATE STANDARDS AND SERVICES

### 10.1

The Agency works with a range of Home Office corporate functions in addition to Finance and Human Resources. The arrangements have been designed to ensure consistency across the Home Office and to promote value for money while delivering the Agency's objectives. The guiding principles outlined in Section 6 apply.

### 10.2 SHARED SERVICES

In respect of Shared Services:

- the Home Office Board will ensure as far as possible that the Departmental Shared Services business meets the needs of the Agency;
- the Agency will adhere to the principles set out in the Home Office Departmental Framework for Shared Services;
- the Agency will participate in cross-Departmental arrangements for determining customer priorities and business needs, and for managing the delivery of services. The service provision management and governance arrangements will be developed in collaboration with the Agency and sister Home Office organisations;
- the Agency and the Shared Service business will develop two-way service-level agreements for service provision, and will also set out the management of performance, escalation and the approach to dispute resolution;
- as set out in the Home Office Departmental Framework, all Home Office organisations will use the Shared Services business with any exceptions authorised by the Reform Board. The case for divergence from Home Office strategy must be well set out (including an assessment of the impact on forecast efficiencies across the Department and existing programmes) before authorisation will be given to secure appropriate alternative provision; and

- in securing any corporate services independent of the Home Office Shared Service business and the wider Home Office, the Agency will consult the Department and the Shared Service business and give full regard to wider interests of the Department and the need to ensure compatibility, standardisation, efficiency of systems, the exploiting of existing assets and collective buying opportunities.

### 10.3 COMMUNICATIONS

The Agency communications strategy will be complementary to the Departmental communications strategy and reflect its priorities. The Agency will retain and develop its own communications capability to deliver its strategy. There will be joint reporting of press officers working on immigration issues to the Department and the Agency. The Agency will continue to work in partnership with the Department to determine resource allocation and strategic priorities for marketing activity and spend on immigration. The Agency and the Department will work closely on internal and stakeholder communications strategy and activity.

### 10.4 INFORMATION TECHNOLOGY

The Agency will have its own Information, Systems and Technology (IST) strategy which will cover the breadth of its IST needs to deliver its objectives and will be aligned with the Departmental IST strategy set by the Office of the Chief Information Officer (OCIO). The Agency is responsible for:

- developing a good understanding of its business operating models and the IST capabilities that it requires to deliver against its business objectives;
- setting its own IST strategy, architecture and policies;
- ensuring the above are aligned with the overall Departmental IST strategy, architecture and policies;
- setting in place planning processes for business change programmes to deliver new IST capabilities within a coherent set of programmes;
- the specification and high-level design of the systems to implement its business; and

- making use of IT Shared Services according to the overall Shared Service agreements.

The Agency's Chief Information Officer (CIO) function or Information Systems Director will provide leadership for its IST responsibilities and will have a dotted line relationship with the Departmental CIO.

Shared Services is responsible for delivering the IT and information management services required to support business operations, within the terms of the IST strategy and high level design principles laid down by the OCIO. Through the governance process, individual businesses will steer the requirements for, and delivery of, Shared Services.

#### **10.5 INFORMATION MANAGEMENT**

The responsibilities of the Agency for Public Records, Data Protection, Freedom of Information and other information services are set out in an Information Management Framework agreed with the Department.

#### **10.6 ESTATES AND ASSET MANAGEMENT**

The Agency's existing headquarters are located in Croydon. Future location will be considered as part of a wider Property Strategy review. Legal title to the accommodation occupied by the Agency is generally held by the Secretary of State for Communities and Local Government. Some accommodation may for historic reasons be legally held by another Crown body. The Department however acts as principal for the purpose of acquisition and disposal of the Agency's accommodation. During the life of this Agreement, the Department and the Agency may jointly review the arrangements for Estates Management.

The Agency's Chief Executive has responsibility for defining the location, role and size of accommodation that is required to carry out the Agency's functions. The Agency will manage its estate efficiently, effectively and economically to meet changing business needs and to provide a healthy and safe accommodation for staff, visitors and detainees.

Decisions about the location and size of the Estate will take into consideration the Home Office Estates Strategy, the principles of the Lyons Review and government accounting guidance on coordination of the management of the civil estate. The Agency will act within the delegations given by the Department from time to time for acquiring or disposing of accommodation whether by lease, licence or purchase.

The Agency is responsible for recording and maintaining an asset register. The Agency will accurately record the value of its assets and account for them through depreciation and interest charges in its annual accounts.

#### **10.7 SECURITY**

The Agency Chief Executive is responsible for ensuring that effective arrangements are in place for the day to day security management of the Agency. Security services are currently provided to the Agency through a service level agreement with the Departmental Security Unit. During the lifetime of this Framework Agreement, the Agency will have the option to consider any alternative arrangement subject to the agreement of the Departmental Director responsible for security and the shared security service.

The Agency is required to conform to the security standards and guidance laid down in HM Government security authorities and any additional guidance issued by the Departmental Security Officer. The Agency will conduct regular audits of the security arrangements within its offices and those of its partner organisations. Copies of the reports of the audits will be given to the Departmental Security Officer, Internal Audit and the National Audit Office. The Agency will give an annual certificate of assurance for the security of its security management systems to the Departmental Security Officer.

#### **10.8 SUSTAINABILITY**

The Agency and the Department will agree appropriate mechanisms to report performance on sustainability.

