



House of Commons

Committee of Public Accounts

e-Borders and successor programmes

Twenty-seventh Report of Session 2015–16



House of Commons
Committee of Public Accounts

e-Borders and successor programmes

Twenty-seventh Report of Session 2015–16

Report, together with formal minutes relating to the report

Ordered by the House of Commons to be printed 25 February 2016

The Committee of Public Accounts

The Committee of Public Accounts is appointed by the House of Commons to examine “the accounts showing the appropriation of the sums granted by Parliament to meet the public expenditure, and of such other accounts laid before Parliament as the committee may think fit” (Standing Order No. 148).

Current membership

[Meg Hillier](#) (*Labour (Co-op), Hackney South and Shoreditch*) (Chair)

[Mr Richard Bacon](#) (*Conservative, South Norfolk*)

[Harriett Baldwin](#) (*Conservative, West Worcestershire*)

[Deidre Brock](#) (*Scottish National Party, Edinburgh North and Leith*)

[Chris Evans](#) (*Labour (Co-op), Islwyn*)

[Rt Hon Caroline Flint](#) (*Labour, Don Valley*)

[Kevin Foster](#) (*Conservative, Torbay*)

[Mr Stewart Jackson](#) (*Conservative, Peterborough*)

[Nigel Mills](#) (*Conservative, Amber Valley*)

[David Mowat](#) (*Conservative, Warrington South*)

[Stephen Phillips](#) (*Conservative, Sleaford and North Hykeham*)

[Bridget Phillipson](#) (*Labour, Houghton and Sunderland South*)

[John Pugh](#) (*Liberal Democrat, Southport*)

[Karin Smyth](#) (*Labour, Bristol South*)

[Mrs Anne-Marie Trevelyan](#) (*Conservative, Berwick-upon-Tweed*)

Powers

Powers of the Committee of Public Accounts are set out in House of Commons Standing Orders, principally in SO No. 148. These are available on the Internet via www.parliament.uk.

Publication

Committee reports are published on the Committee’s website at www.parliament.uk/pac and by The Stationery Office by Order of the House. Evidence relating to this report is published on the [inquiry page](#) of the Committee’s website.

Committee staff

The current staff of the Committee are Stephen McGinness (Clerk), Dr Mark Ewbank (Second Clerk), George James (Senior Committee Assistant), Sue Alexander and Ruby Radley (Committee Assistants) and Tim Bowden (Media Officer).

Contacts

All correspondence should be addressed to the Clerk of the Committee of Public Accounts, House of Commons, London SW1A 0AA. The telephone number for general enquiries is 020 7219 4099; the Committee’s email address is pubaccom@parliament.uk.

Contents

Summary	3
Introduction	4
Conclusions and recommendations	5
1 Progress to date	8
The UK Border	8
What has been delivered so far	9
Information and performance management	10
2 Barriers to delivery	12
Staffing and skills	12
Commercial arrangements	12
Stakeholder management	13
Formal Minutes	15
Witnesses	16
Published written evidence	16
List of Reports from the Committee during the current Parliament	17

Summary

On current projections the Home Office's (the Department's) e-Borders programme and its successors will cost over a billion pounds, be delivered 8 years late and not provide the benefits expected for transport carriers and passengers. A major reason for this delay was the termination by the Department in 2010 of its e-Borders contract with Raytheon. This had required Raytheon to deliver its own solution to meet the Department's objectives to a fixed price and timescale which turned out to be unrealistic as government had detailed and evolving requirements, and wanted high assurance that the proposed solution would work. The Department was emphatic that our borders are secure. However, the Department needs to accept that its assertion that it checks 100% of passports is both imprecise and unrealistic due to the complexity of our border. It is now five years since the e-Borders contract was cancelled yet the capabilities delivered so far still fall short of what was originally envisaged. Since 2010 the Major Projects Authority has issued seven warnings about these programmes. The Department's complacency about progress to date increases our concerns about whether the programme will be completed by 2019 as the Department now promises, and whether tangible benefits for border security, transport carriers and passengers will result.

Introduction

In 2014–15, some 118 million people travelled to the UK, by land, sea and air. Since 2012 the Department's Border Force directorate has been responsible for operating border controls, although responsibility for border functions has previously rested with the former UK Border Agency and the Department. In the early 2000s the UK authorities received virtually no data on people travelling to the UK before they arrived at the border. The Department recognised that collecting passenger information in advance of travel would help them identify persons of interest and prevent travel where deemed necessary. Since 2003, the Department has run several programmes to collect and analyse this data. In 2007, the Department entered a contract with Raytheon to deliver an "e-Borders" solution but the Department cancelled this contract in 2010. Successor programmes, including the Border Systems Programme and Digital Services at the Border, took over where Raytheon left off. By March 2015 the Department has spent at least £830 million on all these programmes.

Conclusions and recommendations

1. **The aims of the e-Borders and successor programmes will be delivered at least 8 years late and cost significantly more than expected, but no-one has accepted responsibility for this.** In 2007 the Department estimated that, by 2011, it would have spent £600 million, built a new integrated IT system to replace the two older systems in use at that time, and be checking passport information in advance for 95% of people crossing the UK border. The Department initially tried to deliver this through a contract with Raytheon. That contract was terminated in 2010 resulting in a cost to the Department of £185 million. While the former CEO of the UK Border Agency acknowledged that the contract with Raytheon had failed she told us that she had not supported the decision to terminate the contract and believed that many of the required capabilities for border control had been delivered by 2010. Current officials claimed that the successor programmes to e-Borders had been relatively successful. However, in September 2015 the Department was only checking data in advance on 86% of those travelling to the UK, still less than the 95% originally expected by December 2010. The Department does not now expect to complete replacing its old IT systems until 2019, eight years later than planned, by which time it will have spent over £1 billion. Since 2010 the Major Projects Authority has issued seven warnings about these programmes. Former and current officials were worryingly dismissive that these warnings and concerns suggested fundamental problems and said that all recommendations had been implemented. It is difficult to understand where this confidence had come from, given the lengthy delays and continual warnings of ongoing management issues, which gives us cause for concern about the future prospects for this programme which is vital to national security.

Recommendation: *In response to this report the Department should set out what it expects to deliver in 2016, who will be responsible for delivering it, and report back to us in January 2017 on what has been achieved.*

2. **The Department does not have a clear picture of the management information it has or needs to manage the UK border which is hindering its operations.** The Department told us it checks 100% of passports at the border, but this is not the case. It does not, for example, check passports of those entering the UK via land or sea from the Republic of Ireland or all those entering via general aviation and general maritime routes. The nature of the UK border is such that we cannot expect 100% of passports to be checked, but the Department does not estimate the percentage of unchecked passports to determine what risks these pose nor does it adequately measure the quality of the data it holds on individuals travelling to the UK and on those of interest to the UK government.

Recommendation: *The Department should set out what data it needs to manage the UK border effectively and when it will be available and report back to us on progress in achieving this in January 2017.*

3. **Continual changes in senior management have hindered the successful delivery of these programmes.** A common theme in our reports and those of the previous committee has been a failure to keep people in the job long enough to take responsibility for seeing projects through, or managing them until a particular phase has been completed. This issue has been particularly acute for these programmes. The e-Borders programme and its successors have had eight programme directors including five in the critical years before signing the Raytheon contract. Turnover at junior levels has been similarly high, leading to frustration for transport carrier representatives who told us how constant staff changes meant consultations had to be started from scratch and explanations of industry concerns repeated. Senior staff turnover also makes it harder to hold individuals to account for delivering these programmes as each change inevitably leads to changes in approach. This problem looks set to continue. The current director of the border systems portfolio, identified by the National Audit Office as a key member of the programme's leadership team for his experience of delivering technical programmes, is leaving in 2016 after just 16 months in post. Neither the remaining programme director nor the Senior Responsible Officer have been with the programme for long.

Recommendation: *The Department should set out what actions it will take, working with the centre of government, to minimise turnover of critical staff until programmes are complete. In the event of staff leaving, there must be clear handover of programme knowledge to prevent repetition of work and to minimise impact on timetables.*

4. **The Department adopted a commercial approach for the e-Borders contract that could not cope with the challenges it faced.** The Department's contract with Raytheon required Raytheon to deliver its own solution to meet the Department's requirements to a fixed price and timescales. Neither party recognised that this was unrealistic in a situation where government had detailed and evolving requirements and demanded high assurance that the solution would work. The contract included provisions to agree a partnering protocol for how the Department and Raytheon would work together which might have salvaged the situation, but these were never implemented. The Department's commercial approach was in line with some contemporary government contracts, but guidance from the National Audit Office and HM Treasury available by 2007, when the contract was signed with Raytheon, was clear that requirements were likely to evolve in large-scale IT projects like e-Borders and commercial structures needed to allow for this. The Department told us that its immediate priority following the termination of the contract had been to prepare for the 2012 London Olympic Games. This took focus off the wider e-Borders successor programme. In the last six months the Department says it has introduced a more incremental and modular approach to delivering the programme but concerns remain and it is not yet clear if this approach will lead to successful delivery. The Department did acknowledge that the need for flexibility was a key lesson it had learned from the e-Borders period.

Recommendation: *Departments procuring complex and challenging programmes should contract on the basis that requirements may evolve, for which a fixed-price and deadline contract is unlikely to provide value for money.*

5. **Throughout the programme the Department has underestimated the importance of securing the co-operation of other government agencies and transport carriers.** Stakeholder management was a crucial success factor for these programmes as they needed to collect information from over 600 rail, sea and air transport carriers. We were told that the Department did not fully recognise the diversity of the industry, most obviously that aviation operators fit processes to individual passengers while maritime carriers generally work with vehicles carrying multiple passengers. Carriers told us that their early feedback to the Department on how to deliver these programmes was not reflected in Raytheon's actions and that they were often made to feel as if they were being difficult. Since the e-Borders period, stakeholder relationships have improved significantly, and we heard how the Department was working with carriers to help them provide the data required. However, a clearer focus on the costs and benefits of the scheme to carriers, and the impact on their passengers, would improve this further as co-operation is currently uncosted and taken for granted. We heard, for example, that the additional costs on carriers and passengers of carrying out exit checks were not properly taken into account when implementing the change. We also heard that a clear benefit to carriers would be providing pre-departure notification that a passenger has an expired visa. Beyond transport carriers, the Department also needs to ensure the co-operation of the 30 different government agencies that supply data on persons of interest.

Recommendation: The Department should ensure all stakeholders outside the Department, such as other government agencies and carriers, are consulted at appropriate stages as programmes develop and that the issues they raise are considered carefully and responded to effectively. Departments should ensure that business cases are clear on the impact on stakeholders, such as carriers and passengers, of new requirements and monitor such programmes to ensure changes are integrated as smoothly as possible.

1 Progress to date

1. On the basis of a report by the Comptroller and Auditor General, we took evidence from the Home Office (the Department), Raytheon Systems Limited and the former Chief Executive of the UK Border Agency on e-Borders and successor programmes.¹ We also took evidence from representatives of two transport carriers, British Airways and P&O Ferries.

The UK Border

2. Managing the UK Border has been the responsibility of the Department's Border Force directorate since 2012, prior to which it was the responsibility of the former UK Border Agency. The task faced by the Department is complex and growing. Around 118 million people entered the UK in 2014–15, most of these travelling via commercial aviation, commercial maritime or rail. People can also enter the UK via general aviation and maritime (private aircraft and vessels) or over the land border with the Republic of Ireland but there are no reliable estimates for the number of people entering the UK by these means. The number of people entering the UK has been increasing by 2% per year for some time and is expected to continue increasing in the future. The Department has to balance achieving a speedy transit for the increasing volumes of legitimate passengers with detecting individuals of interest to the UK authorities.²

3. In the early 2000s the UK authorities received virtually no advance data on people travelling to the UK, with decisions on who to admit taken by border officials after checking their passport and travel documents. In 2003, the Department identified the need to do more checks on people before they arrive in the UK so as to better identify persons of interest and prevent travel where deemed necessary. To deliver this, it set up its e-Borders programme which required a new system to collect an individual's passport and booking data (the information that travel operators hold on passenger reservations, such as addresses and method of payment). In December 2004 the Department introduced a pilot system, known as Semaphore, for this purpose. The data collected on Semaphore had to be compared to data on persons of interest to the government held on an existing system known as the Warnings Index.³

4. By 2007 the Department thought it was ready to roll out greater use of advance passenger data. It signed a contract with the US company Raytheon to deliver a single e-Borders system which would replace both Semaphore and the Warnings Index. The Department, however, cancelled this contract in 2010, citing failure to achieve milestones. Since then the Department has run several successor programmes, including the Border Systems Programme and the Digital Services at the Border programme, to attempt to produce a single integrated replacement for Semaphore and the Warnings Index.⁴

1 [C&AG's Report, *E-borders and successor programmes*, Session 2015–16, HC 608, 7 December 2015](#)

2 [C&AG's Report, paragraphs 1.2–1.5](#)

3 [C&AG's Report, paragraphs 1.7–1.9, 2.5, 3, 4](#)

4 [C&AG's Report, paragraphs 1.11, 1.12, 1.26](#)

What has been delivered so far

5. In entering into a contract with Raytheon in 2007, the Department expected to increase the amount of data collected on those travelling to the UK before they reach the border, with a target of 95% by December 2010 and 100% by March 2014. It also intended to provide, new and more efficient capabilities by replacing the Semaphore and Warnings Index systems by April 2011.⁵ The Department forecast that it would spend £600 million between April 2006 and March 2011 to achieve this.⁶

6. When the Department terminated the contract with Raytheon in 2010 the Department was collecting data on 54% of those travelling to the UK. The decision to terminate the contract with Raytheon cost the Department £150 million in an out of court settlement plus £35 million in legal costs. This came on top of expenditure by the Department between 2006 and 2011 of £342 million of which £156 million had to be written off at the time of termination. The Department does not know how much it spent before April 2006 due to changes in its accounting systems.⁷

7. The former Chief Executive of the UK Border Agency argued that the e-Borders period represented a contract not a programme failure. She accepted that elements of the e-Borders programme had not been delivered as fast as expected but considered that very significant elements of it were in place by the beginning of 2011.⁸ She also told us that she would not have terminated the e-Borders contract in 2010, but would have instead “reset” it so it would be implemented more gradually.⁹

8. Following the cancellation of the e-Borders contract, the Department focused on making improvements to existing systems, that the e-Borders programme should have replaced, and improved their resilience.¹⁰ During this time coverage rose gradually so that, by September 2015, the Department was collecting data on 86% of those travelling to the UK, still short of the target it was supposed to have delivered in 2010.¹¹ The Department was emphatic that our borders are secure, but agreed that border processes are currently inefficient.¹² The Department is still using systems that the e-Borders programme should have replaced, albeit with significant improvements to resilience and capacity, and does not now expect to replace them with a single integrated system until 2019, eight years later than planned.¹³

9. The Major Projects Authority (MPA) has consistently found problems with the successor programmes. Since 2010 the MPA has conducted eight reviews of the programme and has given an overall red or amber-red rating in seven of them, pointing to serious concerns with the deliverability of the programmes. While the Department agrees with the ratings it has received, it does not consider that the succession of bad reviews points to an underlying problem and instead told us that it had implemented all the recommendations the MPA had made.¹⁴

5 [C&AG's Report, paragraph 1.14](#)

6 [C&AG's Report, paragraph 1.26](#)

7 [Qq 55–57, C&AG's Report, figure 3, para 1.12, Home Office submission, 8 January 2016](#)

8 [Q 88](#)

9 [Qq 106, 113](#)

10 [Q 129](#)

11 [C&AG's Report, paragraph 1.15](#)

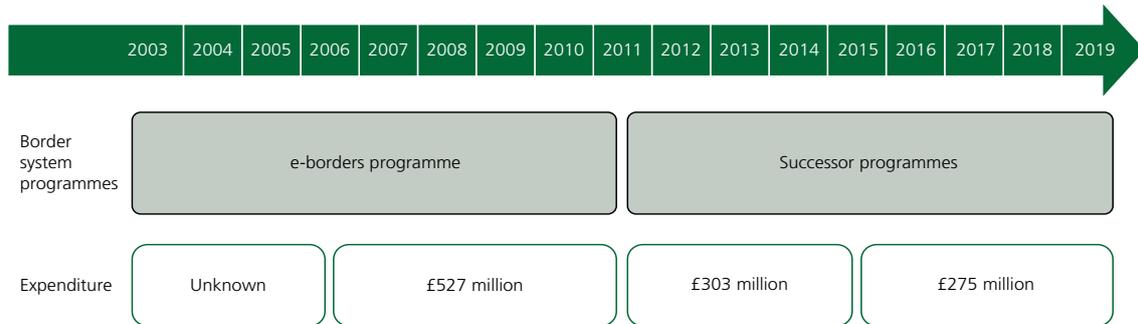
12 [Qq 170–172](#)

13 [C&AG's Report, paragraphs 1.14, 1.20–1.22](#)

14 [Qq 82, 124–125, C&AG's Report, paragraph 3.22](#)

10. Between April 2011 and March 2015 the Department spent £303 million on successor programmes. This brings the total known spend on e-Borders and its successor programmes to £830 million. The Department expects to spend a further £275 million by 2019, when the old systems are expected to have been replaced, bringing the total cost of e-Borders and successor programmes to over £1 billion (**Figure 1**).¹⁵

Figure 1: Expenditure on e-Borders and successor programmes



Source: C&AG report, Figure 5 and paragraph 1.26

Information and performance management

11. The Department claims to check the passports of 100% of individuals that come through border control points, with 86% checked in advance of arrival. However, these numbers do not take any account of those that enter the country via land from the Republic of Ireland, or full account of those that travel via smaller craft known as general aviation or general maritime.¹⁶ The Department told us that the UK has 11,000 miles of coast and some of the busiest shipping lanes in the world, and has processes for knowing about smaller craft and makes a risk-based decision on whether to check passports or not. The Department does not have an estimate of how many people enter the country unchecked via these routes as it does not know how many people have had their passports checked against the Warnings Index.¹⁷

12. The National Audit Office found that the Department also lacks robust measures on the effectiveness of new capabilities.¹⁸ The Department told us that, since 2010, over 20,000 arrests had resulted from advance checks. These individuals may have been arrested anyway when their passports were checked at the UK border, but the Department considered that advance checks added value by allowing the authorities time to prepare for their arrival.¹⁹ Between August 2014 and July 2015, 355 people were stopped from leaving their country of origin due to advance checks.²⁰ Legal changes were made in April 2015 which widened the number of people who could be stopped from travelling and the Department told us that the number stopped now stood at some 900. The Department noted that estimating the financial and economic value of preventing someone travelling was very difficult; preventing someone arriving with invalid travel documentation saves

¹⁵ [Q 52; C&AG's Report, paragraph 1.26](#)

¹⁶ The Common Travel Area is formed of the United Kingdom, the Channel Islands, the Isle of Man and the Republic of Ireland. A person who has been examined for the purpose of immigration control at the point at which he entered the area does not normally require leave to enter any other part of it.

¹⁷ [Qq 66–71, 154–155, Q 160; C&AG's report, paragraph 3.20](#)

¹⁸ [C&AG's report, paragraph 3.20](#)

¹⁹ [Qq 129, 130](#)

²⁰ [C&AG's report, paragraph 1.22](#)

around £15,000 in removal costs, but the value of stopping a person who may pose a threat to national security was impossible to estimate. The Department explained that this complexity was the reason why the original business case for e-Borders had a negative net present value.²¹

13. The Department accepted that the systems it has do not provide all the management information it would like and noted that the new system it is developing will improve this situation.²² However, improvements could be up to three years away and it is not clear that they will address problems with the quality of raw data the Department receives, both on those planning to travel to this country and on those persons of interest to the UK authorities, for which the Department has very limited measures. The National Audit Office found that anecdotal evidence raises particular concerns about the quality of data on people of interest on the Warnings Index system.²³

21 [Qq 74–76, 80–81](#)

22 [Qq 76, 163](#)

23 [C&AG’s report, paragraphs 3.20, 4.19.](#)

2 Barriers to delivery

Staffing and skills

14. A common theme in our reports and those of the previous committee has been a failure to keep people in the job long enough to take responsibility for seeing projects through, or managing them until a particular phase has been completed.²⁴ e-Borders and its successor programmes continue this trend. There have been eight programme directors in the e-Borders and successor programmes, including five in the critical years before signing the contract with Raytheon. Since 2010 there have also been five different senior responsible owners for the programme. The National Audit Office found that the turnover in senior management has been mirrored at junior level.²⁵

15. The Department admitted that it had struggled to get the right leadership and governance in place, but told us it had now done so.²⁶ In 2014 the Department reformed the previous single-programme structure for the successor programmes to a portfolio of programmes, each with its own leadership and programme board but under one overarching governance board.²⁷ In October 2014, a new programme director for the main successor programme was appointed with a background in stakeholder management. At the same time a new portfolio director with technical expertise was appointed. In May 2015 the chief operating officer for the Border Force directorate became Senior Responsible Officer for the main e-border successor programme.²⁸ While this senior management team provides greater confidence that these programmes would be delivered, problems with staff turnover seem set to continue as the director of the portfolio left in January 2016 after only 16 months in the post.²⁹

16. Carrier representatives told us that changes in the e-Borders team meant they had to repeat consultation exercises to explain their requirements and concerns to programme staff. Carriers also said promises the Department had made to industry had not been kept. Staff turnover makes it difficult to hold individuals to account for progress delivering these programmes as changes in leadership inevitably lead to changes in strategy and scope.³⁰

Commercial arrangements

17. The e-Borders contract was a fixed-price contract, designed to incentivise Raytheon to deliver a working system by ensuring payments were made only when progress milestones had been achieved.³¹ Such an arrangement is similar to other contracts being operated across government at the time.³² However, 2003 HM Treasury guidance on PFI in IT—a broadly comparable financial arrangement—was clear that fixed-price contracts

24 [Committee of Public Accounts, *Overseeing financial sustainability in the further education sector*, 13th Report of Session 2015–16, HC 414, December 2015.](#) [Committee of Public Accounts, *Major Projects Report 2014 and the Equipment Plan 2014 to 2024 and reforming defence acquisition*, 47th Report of Session 2014–15, HC 1045, March 2015.](#)

25 [C&AG's report, paragraphs 2.21, 3.4, 3.6 and Figures 9, 10](#)

26 [Q 82](#)

27 [Q 153; C&AG's report, paragraph 3.3](#)

28 [C&AG's report, paragraph 4.12](#)

29 [Qq 147–148, C&AG's report, paragraph 4.12](#)

30 [Qq 14–15, 50, 102, 137; C&AG's report, paragraph 3.7–3.15](#)

31 [Q 108; C&AG's report, paragraph 2.18–20](#)

32 [Q 99](#)

were not suitable for large-scale IT projects and that better outputs were being achieved where contracts had been renegotiated to provide more flexibility.³³ National Audit Office guidance on IT procurement from the time corroborates the need to break development and implementation into manageable steps which a fixed, milestone-based, payment arrangement cannot do.³⁴

18. The former Chief Executive of the UK Border Agency told us that, in making the decision to contract on this basis, she took comfort from the fact the arrangements went through the former Office of Government Commerce's standard procedures at the time and from the detailed negotiations held with Raytheon and the losing bidder. Raytheon said that while it thought the deadlines in the contract were relatively tight, it had proposed a solution it was confident it could deliver as long as the Department's requirements did not change. However it became clear afterwards that the requirements were not fixed. This became particularly acute as the programme entered its second phase as the Department then wanted much more assurance about the proposed solution than Raytheon had expected in setting its price. This slowed progress and reduced the Department's confidence in Raytheon. The e-Borders contract included a provision for a partnering protocol between the Department and Raytheon which might have helped the relationship, but it was never agreed.³⁵

19. The Department explained that following the cancellation of the e-Borders contract its immediate priority had been to prepare for the London 2012 Olympic Games. This meant ensuring that the basic capabilities to secure the border without long queues forming had to be delivered but the focus on the wider e-Borders successor programme was lost. After the Olympics, the Department wanted to improve the resilience of the existing Semaphore and Warnings Index systems, which should have been replaced and were now vulnerable in the face of a changing security threat.³⁶ It was only in 2015 that the Department adopted an incremental and modular approach to delivery. This should provide the flexibility needed to match the changing requirements of the border environment but it is not yet clear that this approach will lead to successful delivery as there are early signs of slippage.³⁷ The Department told us that one of the key lessons it had learnt from e-Borders was the need to be flexible in managing a programme, de-risking it by taking it in a modular fashion and taking each module at a sensible pace.³⁸

Stakeholder management

20. For the e-Borders and successor programmes to work the Department needed to collect data on passengers from over 600 different air, ferry and rail carriers in order to collect advance passport data on their passengers. This is a challenging task: carriers have to make changes to their business in order to collect this information, which they have to fund. The amount of change depends on the industry and carrier representatives told us that maritime, rail and aviation are not equivalent to each other and that this was

33 [HM Treasury, PFI: meeting the investment challenge, July 2003, paragraph 1.28 and 7.39.](#)

34 [Comptroller and Auditor General, Improving IT procurement, Session 2003–04, HC 877, November 2004, Figure 1.](#)

35 [Qq 98, 108–114, 142, 165–166](#)

36 [Qq 123, 127, 129, 150–152](#)

37 [C&AG's report, paragraph 4.3](#)

38 [Q 127](#)

not always recognised by the Department. Individual air travellers have to provide their passport information when booking their flights, however coaches with 50 people can turn up to travel on a ferry without giving advance notice.³⁹

21. We heard that during the e-Borders period relations between carriers and the Department had been difficult. Carrier representatives told us that early during the e-Borders period there seemed good consultation with the Department regarding their concerns, however when Raytheon arrived to begin work they were not aware of these issues and explanations had had to be repeated. Raytheon for their part told us that they did not own this strategic relationship and it was up to the Department to negotiate with stakeholders to ensure they would make the necessary changes to their business. Carrier representatives said that their perception was the Department had felt that they were “stonewalling” in order to avoid changing their businesses. The former Chief Executive of the UK Border Agency accepted that maybe the Department could have spent more time with stakeholders. Since 2010 the Department’s relationships with carriers have improved. For example, we were told that the Home Office worked well with ferry operators in order to implement exit checks in April 2015.⁴⁰

22. Carriers are expected to meet their own costs associated with the programme. British Airways, for example, told us that they had spent £1.4 million on implementing their requirements under the programme plus indirect business change costs.⁴¹ P&O had spent around £500,000 making system changes which did not include the, much higher, operational costs. Carrier representatives told us, however, that implementing exit checks had meant queues for passengers have become longer. They also told us that they do not benefit from, or get feedback on the benefit to the Department, of collecting advance passenger information. For example, carriers are not informed when a passenger has an expired or cancelled visa. If such an individual enters the country then the carrier is responsible for returning them and bears the cost. In addition, automated processing of coach passengers could reduce ferry operator costs substantially.⁴²

23. Carriers are only one of the stakeholder groups involved at the UK border. Once passport data has been received, this is matched to data on persons of interest held on the Warnings Index system that are provided by 30 different government agencies.⁴³ Any Warnings Index replacement will have to be integrated with IT systems at those departments.

39 [Qq 1–2, 110, C&AG’s report, paragraph 14.](#)

40 [Qq 1–2, 12, 14–15, 42, 60, 110](#)

41 [British Airways submission, 5 January 2016](#)

42 [Qq 31, 42–45, 51](#)

43 [C&AG’s report, paragraph 14](#)

Formal Minutes

Thursday 25 February 2016

Members present:

Meg Hillier, in the Chair

Mr Richard Bacon

Mr Stewart Jackson

Deidre Brock

David Mowat

Chris Evans

Stephen Phillips

Caroline Flint

Mrs Anne-Marie Trevelyan

Kevin Foster

Draft Report (*e-Borders and successor programmes*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 23 read and agreed to.

Introduction agreed to.

Conclusions and recommendations agreed to.

Summary agreed to.

Resolved, That the Report be the Twenty-seventh of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[Adjourned till Monday 29 February 2016 at 3.30pm]

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the Committee's [inquiry page](#).

Tuesday 16 December 2015

Question number

Michael Cavanagh, Manager Facilitation, Aviation Safety and Security, British Airways, and **Sue MacKenzie**, Operations Director, P&O Ferries

[Q1–51](#)

Mark Sedwill, Permanent Secretary, Home Office, **Sir Charles Montgomery**, Director General, Border Force, **Lin Homer**, former Chief Executive, UK Border Agency, and **Richard Daniel**, Chief Executive Officer, Raytheon UK

[Q52–172](#)

Published written evidence

The following written evidence was received and can be viewed on the Committee's [inquiry page](#). ERB numbers are generated by the evidence processing system and so may not be complete.

- 1 British Airways ([EBR0004](#))
- 2 Home Office ([EBR0005](#))
- 3 Hugo Rosemont ([EBR0001](#))
- 4 Raytheon ([EBR0003](#))

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the Committee's website at www.parliament.uk/pac.

The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

Session 2015–16

First Report	Financial sustainability of police forces in England and Wales	HC 288 (Cm 9170)
Second Report	Disposal of public land for new homes	HC 289 (Cm 9170)
Third Report	Funding for disadvantaged pupils	HC 327 (Cm 9170)
Fourth Report	Fraud and Error Stocktake	HC 394 (Cm 9190)
Fifth Report	Care leavers' transition to adulthood	HC 411 (Cm 9190)
Sixth Report	HM Revenue & Customs performance 2014–15	HC 393 (Cm 9190)
Seventh Report	Devolving responsibilities to cities in England: Wave 1 City Deals	HC 395 (Cm 9190)
Eighth Report	The Government's funding of Kids Company	HC 504 (Cm 9190)
Ninth Report	Network Rail's: 2014–2019 investment programme	HC 473
Tenth Report	Care Act first-phase reforms and local government new burdens	HC 412
Eleventh Report	Strategic financial management of the Ministry of Defence and Military flying training	HC 391
Twelfth Report	Care Quality Commission	HC 501
Thirteenth Report	Overseeing financial sustainability in the further education sector	HC 414
Fourteenth Report	General Practice Extraction Service	HC 503
Fifteenth Report	Economic regulation in the water sector	HC 505
Sixteenth Report	Sale of Eurostar	HC 564
Seventeenth Report	Management of adult diabetes services in the NHS: progress review	HC 563

Eighteenth Report	Automatic enrolment to workplace pensions	HC 581
Nineteenth Report	Universal Credit: progress update	HC 601
Twentieth Report	Cancer Drugs Fund	HC 583
Twenty-first Report	Reform of the rail franchising programme	HC 600
Twenty-second Report	Excess Votes 2014–15	HC 787
Twenty-third Report	Financial sustainability of fire and rescue services	HC 582
Twenty-fourth Report	Services to people with neurological conditions: progress review	HC 502
Twenty-fifth Report	Corporate tax settlements	HC 788
Twenty-sixth Report	The Common Agricultural Policy Delivery Programme	HC 642
First Special Report	Unauthorised disclosure of draft Report in the previous Parliament	HC 539