



House of Commons  
Committee of Public Accounts

---

# The performance of UK Security Vetting

---

**Fifty-Third Report of Session 2022–23**

*Report, together with formal minutes relating  
to the report*

*Ordered by the House of Commons  
to be printed 24 April 2023*

## 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

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

[Olivia Blake MP](#) (*Labour, Sheffield, Hallam*)

[Dan Carden MP](#) (*Labour, Liverpool, Walton*)

[James Cartlidge MP](#) (*Conservative, South Suffolk*)

[Mr Simon Clarke MP](#) (*Conservative, Middlesbrough South and East Cleveland*)

[Sir Geoffrey Clifton-Brown MP](#) (*Conservative, The Cotswolds*)

[Ashley Dalton MP](#) (*Labour, West Lancashire*)

[Mr Jonathan Djanogly MP](#) (*Conservative, Huntingdon*)

[Mrs Flick Drummond MP](#) (*Conservative, Meon Valley*)

[Rt Hon Mark Francois MP](#) (*Conservative, Rayleigh and Wickford*)

[Mr Louie French MP](#) (*Conservative, Old Bexley and Sidcup*)

[Peter Grant MP](#) (*Scottish National Party, Glenrothes*)

[Anne Marie Morris MP](#) (*Conservative, Newton Abbot*)

[Jill Mortimer MP](#) (*Conservative, Hartlepool*)

[Sarah Olney MP](#) (*Liberal Democrat, Richmond Park*)

[Nick Smith MP](#) (*Labour, Blaenau Gwent*)

### 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](http://www.parliament.uk).

### Publication

© Parliamentary Copyright House of Commons 2023. This publication may be reproduced under the terms of the Open Parliament Licence, which is published at <https://www.parliament.uk/site-information/copyright-parliament/>.

Committee reports are published on the [Committee's website](#) and in print by Order of the House.

### Committee staff

The current staff of the Committee are Jessica Bridges-Palmer (Media Officer), Ameet Chudasama (Committee Operations Manager), Vanessa Donhowe (Second Clerk), Sarah Heath (Clerk), Tom Lacy (Chair Liaison), Rose Leach (Committee Operations Officer), Ben Rayner (Second Clerk).

### 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 5776; the Committee's email address is [pubaccom@parliament.uk](mailto:pubaccom@parliament.uk).

You can follow the Committee on Twitter using [@CommonsPAC](#).

# Contents

---

<b>Summary</b>	<b>3</b>
<b>Introduction</b>	<b>4</b>
<b>Conclusions and recommendations</b>	<b>5</b>
<b>1 UK Security Vetting's poor performance and remedial actions</b>	<b>9</b>
Missed targets and the build-up of backlogs	9
Poor demand forecasting and lack of resilience	11
Risks from deferred vetting renewals	12
Staff resourcing constraints	13
<b>2 Transforming national security vetting</b>	<b>16</b>
Governance	16
Achieving transformation of security vetting	16
<b>Formal minutes</b>	<b>18</b>
<b>Witnesses</b>	<b>19</b>
<b>List of Reports from the Committee during the current Parliament</b>	<b>20</b>



## Summary

Since taking over responsibility for delivering national security vetting in April 2020, the Cabinet Office has failed to get a grip of this vital government service. United Kingdom Security Vetting (UKSV) aims to provide timely processing of clearances for staff employed across government but has failed to meet either of its main two performance targets since mid-2021. Nearly one-third of Developed Vetting (DV – the highest level) clearances in 2022–23 have taken more than 180 days to process, almost double the 95-day target UKSV’s customers expect. While there have been modest improvements in some areas over the latter half of 2022, performance is still well below the standard that UKSV promises its customers, and backlogs of cases remain to be worked through.

Part of the reason for the increase in work relates to policy changes which required additional vetting – something the Cabinet Office was aware of and should have been able to predict would have an impact on the relatively new vetting service. These unacceptable delays in processing clearances could result in departments being unable to progress the work of government. The Cabinet Office, however, does not appear to have fully assessed the potential impact across government. It also seems content to repeatedly extend DV renewals as a means of managing demand, despite the increased risk associated with individuals going many years without a full review of their security clearance. It also has a woeful record on aftercare checks, which should occur between the initial clearance and a full review to confirm someone’s circumstances have not changed. Aftercare targets have not been met once since the start of 2018–19. All this is creating a risk environment that many customers across government are uncomfortable with.

UKSV has suffered from a staffing position that has rarely been sufficient to meet customer demand. In November 2022 its full-time staff complement was 23% below estimated requirement levels. The Cabinet Office sought to prop this up with a promise of an additional 163 contingent labour and temporary staff from other government departments by March 2023, but this is not a long-term solution for an organisation which has historically been under-resourced. UKSV is also desperately struggling to recruit digital staff and internal surveys show low levels of staff engagement.

Alongside failing to deliver an acceptable current level of service, the Cabinet Office and UKSV have failed so far in attempting to modernise and transform how security vetting is delivered. The Cabinet Office has repeatedly blocked transformation business cases from UKSV citing concerns over its deliverability whilst seemingly doing little to support the programme. As such, it is not clear that the current plans for transformation are any more likely to succeed than previous failed efforts, with the governance structure seemingly more of a hinderance than a help.

## Introduction

---

United Kingdom Security Vetting (UKSV) is the business area within the Cabinet Office that delivers national vetting services for all government departments and a wide range of other public bodies, as well as some private sector industries such as the aviation industry, whose staff need clearance to work in airports. UKSV moved into the Cabinet Office from the Ministry of Defence in April 2020 and later that year launched the Vetting Transformation programme, aiming to overhaul the vetting system, through the introduction of new systems, processes and policies. Security vetting provides assurance on individuals working with government assets and classified information. There are several different types of vetting levels with the most common being Counter Terrorist Checks (CTC), Security Checks (SC) and Developed Vetting (DV). DV is the most complex and allows individuals access to more sensitive government information and assets.

UKSV's performance deteriorated significantly in 2021–22 as demand for vetting increased with the easing of COVID-19 restrictions. Performance against key customer service targets have not been met since July 2021 and backlogs increased significantly. In January 2022, UKSV launched a delivery stabilisation plan to try and reduce backlogs and improve turnaround times for all clearance levels. Given limited resources, it has had to effectively pause its transformation programme to focus on its recovery plan.

## Conclusions and recommendations

1. **The Cabinet Office has failed to get a grip of vetting services since it took over responsibility in 2020. It has not assessed the impact across government that delays to vetting can have when staff are unable to progress work because they do not have the appropriate level of security clearance.** UKSV has not meet either of its key performance targets for timely CTC/SC and DV clearances since July 2021 and has also missed its targets for priority clearances in 23 out of 60 months for DV and 30 out of 60 months for CTC/SC clearances. Backlogs have increased over the last two years and UKSV says that it aims to clear the CTC/SC backlog by summer 2023 and the DV renewals one by October 2023. The Cabinet Office could not provide us with information on the impact of UKSV's poor performance on government, even though ministers have complained to UKSV about delays in clearances. There are also increasing numbers of individuals cancelling their DV applications which would seem unsurprising given that 30% of DV applications in 2022–23 were taking over 180 days to process, almost double the 95-day target. The Cabinet Office, however, had only looked in detail at these numbers after the NAO report came out, arguing that these cancellations did not suggest that the vetting process was responsible for government losing good candidates for roles.

### **Recommendations 1: *The Cabinet Office should set out:***

- a) *When and how UKSV expects to clear the backlogs of CTC/SC and DV clearances, and any changes it intends to make to its working practices to avoid backlogs building up again in the future.*
  - b) *When it expects to meet its key performance indicators for CTC/SC and DV routine clearances and deliver the service government departments are paying for.*
2. **The Cabinet Office is over reliant on customer demand forecasts and failed to predict changes in demand for security vetting.** UKSV's customers provide demand forecasts each October to enable it to assess what level of resources it will need for the following financial year. UKSV relies on customers to provide accurate forecasts but these vary in quality, and it is aiming to work more closely with customers to help them improve their forecasts through better use of data. While it is unsurprising that forecasts for 2020–21 did not anticipate the reduced demand that COVID-19 lockdowns caused, UKSV and its customers failed to anticipate a resurgence of demand once COVID-19 restrictions were lifted. UKSV argues that the changing threat environment and wider societal changes in the employment market added to demand in a way that was not anticipated beforehand. This is not the first time UKSV has been impacted by a sudden increase in demand, for example it saw a similar trend following the Brexit vote in 2016.

### **Recommendation 2: *The Cabinet Office should set out what steps it is taking to help its customers improve their forecasting and to make UKSV more resilient to changes in demand.***

3. **We are concerned about the level of risk created by the Cabinet Office's decision to repeatedly defer renewals for DV clearances.** Existing DV clearances are

normally reviewed after seven years to ensure that individual's circumstances have not materially changed and that the initial clearance remains valid. Scheduled and unscheduled aftercare checks in the period between renewals should capture any changes in circumstance that might impact on the clearance. However, UKSV has failed to meet its target for aftercare checks since the start of 2018–19; and to manage demand, the Cabinet Office Government Security Board decided to extend most DV renewal clearances in 2018, 2019, and 2020. In 2021–22, the consequent backlog of renewals overwhelmed UKSV and in April 2022 the Government Security Steering Group directed UKSV to extend renewals yet again, so UKSV could focus on reducing the backlog of new DV clearances that had developed. UKSV and its customers acknowledge that continually deferring renewals creates risks that are uncomfortable. UKSV claims that, as it has always adopted a risk-based approach to deferrals, that any renewals with known red flags were still thoroughly reviewed. It also argues that prioritising new DV clearances rather than renewals was a sensible risk-based decision. Focusing on new DV clearances, however, also placed further pressure on UKSV's processing of CTC/SC clearances, which saw clearance times increase and backlogs grow even higher in 2022.

**Recommendation 3:** *The Cabinet Office should develop a plan for how it intends to avoid repeatedly extending DV renewals going forward, and set out the key elements of this plan in its Treasury Minute response. The plan should include, for example:*

- *when it expects to be able to renew all DV clearances rather than automatically extending low-risk cases*
- *how it intends to provide the additional staff resources required to renew all DV clearances*
- *what steps it will take to ensure continuity of service on other vetting service lines whilst it tackles the backlog.*

4. **UKSV cannot deliver timely security vetting across government with its current staff levels.** Despite its essential role in protecting national security, UKSV has been under-staffed to meet customer demand forecasts since its inception in 2017. In April 2021, when faced with an upsurge in demand for its services following the relaxation of COVID-19 restrictions, UKSV had a 32% shortfall in staff resources. In November 2022 it was still 23% short of estimated need, including digital staff required for the vetting transformation programme, despite securing additional contingent labour and temporary staff from other departments. UKSV says its resourcing levels meant it had to make difficult decisions as to which service areas it prioritised, with aftercare checks one area that suffered as a consequence. The Cabinet Office expects some of the slack to be addressed through higher pay for digital staff and increased automation as part of its vetting transformation programme, although it accepts that the completion of transformation is some way off. To compound matters, survey results show low levels of engagement among UKSV staff. UKSV's Chief Executive says that her staff have an immense pride in the organisation but also acknowledges they are suffering from 'change fatigue'.



**Recommendation 4: The Cabinet Office should set out:**

- *what resourcing levels UKSV needs to make progress with its transformation programme and to achieve its service level agreements for customers' forecast demand in 2023–24*
  - *what the agreed level of resourcing is for 2023–24, and*
  - *if there is a shortfall, how UKSV is expected to close that gap*
5. **The governance structure of UKSV within Cabinet Office is a barrier to transformation.** UKSV's chief executive and the government chief security officer have low levels of delegated spending authority which means they require approval from the Cabinet Office Approvals Board for any spending over £500,000. That Board has repeatedly refused to give spending approval for the £40 million vetting transformation business case. UKSV's Chief Executive cited governance around investment and the change agenda as problematic in replacing the legacy system, and three reviews of the transformation programme included governance in their array of concerns about the deliverability of the programme. The Cabinet Office acknowledges that its cautious approach is delaying the much needed and widely supported transformation programme but says that it is better to be cautious than to spend unwisely.

**Recommendation 5: The Cabinet Office should urgently review UKSV's governance structures to assess whether they provide the correct balance of challenge and support to enable UKSV to achieve the much-needed security vetting transformation programme. It should summarise the findings of this review in its Treasury Minute response.**

6. **We are not convinced that current plans for the transformation of security vetting are any more likely to succeed than previous failed attempts.** The Cabinet Office's first attempt at modernising the IT infrastructure for national security vetting failed, after unknowingly running almost 50% over budget and resulting in a £2.5 million write off in the Cabinet Office's 2021–22 annual accounts. Despite broad consensus on the need for the transformation programme across government, which customers have already funded, subsequent attempts at vetting reform have been stymied by the lack of spending approval and the priority given to the stabilisation programme over the transformation programme. After multiple failed attempts to get Cabinet Office spending approval for the whole Vetting Transformation programme, in December 2022 UKSV changed its approach and finally got spending approval for the development of just the first of three new vetting levels. As a result of the delays, UKSV anticipates it will have to refund around £5 million to customers. UKSV's Chief Executive says she is confident that adopting a more iterative approach will be more successful. We would like to share her confidence but the track record for transformation to date does not bode well for the future. In our view, until such time as the Cabinet Office starts to take its responsibility for national security vetting more seriously, shows more confidence in UKSV and provides more support, it is unlikely that transformation will be fully achieved.

**Recommendation 6:** *The Cabinet Office should set out a clear implementation plan for vetting transformation, with interim milestones for each of the new vetting levels and a realistic completion date. It should set out the key elements of this plan in its Treasury Minute response to this report.*

# 1 UK Security Vetting's poor performance and remedial actions

1. On the basis of a report by the Comptroller and Auditor General, we took evidence from the Cabinet Office about the performance of UK Security Vetting (UKSV).<sup>1</sup> UKSV, which sits within the Cabinet Office, is the main government provider of national security vetting. Security vetting provides assurance on individuals working with government assets and classified information. There are several different types of vetting levels with the most common being Counter Terrorist Checks (CTC), Security Checks (SC) and Developed Vetting (DV). DV clearance is the most complex and allows individuals access to more sensitive government information and assets than CTC or SC clearance.<sup>2</sup>

2. UKSV provides vetting services for customers including all government departments, a wide range of other public bodies and some private sector industries such as the aviation industry, whose staff need clearance to work in airports. Since 2018–19, UKSV has received from customers an average of 164,700 CTC and SC clearance applications and 17,900 DV clearance applications per year. UKSV relies on demand forecasts from its customers ahead of each financial year to enable it to plan for the resources it will need. UKSV's funding costs are covered by its customers on a proportional basis depending on use of the service. Over the past two years, regular service costs have been £43 million on average. The Ministry of Defence (MoD) is UKSV's largest customer by a considerable margin, making up 56% of all clearance requests.<sup>3</sup>

3. UKSV was first established at the start of 2017 following a merger of previous vetting services by the then Foreign & Commonwealth Office and Ministry of Defence (MoD). In April 2020, UKSV transitioned from MoD to sit within the Government Security Group within the Cabinet Office. The Cabinet Office appointed a chief executive to run UKSV in January 2021, who reports to the government chief security officer, the head of the Government Security Group. UKSV still has some legacy dependencies on MoD including IT systems and kit, and several locations. UKSV expects to complete these remaining elements of the move in 2022–23. But completing these in parallel with attempts to recover poor performance through a stabilisation plan, and to progress its vetting transformation programme is proving challenging with its limited resources.<sup>4</sup>

## Missed targets and the build-up of backlogs

4. UKSV aims to complete 85% of routine CTC/SC clearances within 25 days, and 85% of routine DV clearances within 95 days. UKSV has failed to hit the target for either type of clearance since July 2021 and performance in 2022–23 fell to the lowest it has ever been since it started measuring these targets in 2017 for both CTC/SC (15% in September 2022) and DV (7% in April 2022) clearances.<sup>5</sup> In 2022–23, around one in three individuals were waiting more than 180 days to get their clearance processed. Customers can request UKSV to prioritise up to 3% of their clearance requests for faster turnaround times. UKSV also

1 C&AG's Report, *Investigation into the performance of UK Security Vetting, Session 2022–23*, HC 1023, 18 January 2023

2 C&AG's Report, para 1.3

3 C&AG's Report, para 1.2

4 C&AG's Report, para 3.4–3.6

5 C&AG's Report, paras 1.4, 1.5

only met its target to clear 95% of priority DV clearances within 30 days in 23 out of 60 months from April 2018 to March 2022, and its target to clear 95% of priority CTC/SC clearances within 10 days in 30 out of 60 months.<sup>6</sup> The Cabinet Office acknowledged that the first half of 2022 was a very difficult period and that performance had fallen well below intended levels but said that UKSV had turned things around in the second half of the year, “more or less doubling the total number of vet operations we have carried out” from around 800 DV clearances in December 2021 to over 2,000 in December 2022.<sup>7</sup>

5. With an increasing proportion of clearances taking significantly longer to clear, backlogs have increased over the last two years. Outstanding DV cases have doubled since the start of 2021–22, with a peak of 14,600 DV clearances in June 2022 (9,900 more clearances than UKSV might expect to hold it if it was processing cases within its 95-day target). For CTC/SC, outstanding clearances stood at a high of 27,900 in November 2022, which is 16,600 more than it might expect to hold if it was processing cases within its 25-day target.<sup>8</sup> The Cabinet Office told us that more cases were now being processed than received and that it was “eating into that historic backlog”.<sup>9</sup> On lower-level security clearances, the Cabinet Office said UKSV was aiming to clear the backlogs by summer 2023. For new DV clearances it felt it had already addressed the backlog, as “we are sitting with a holding level that would deliver us to complete within 60 days as opposed to 95”; and for the backlog of DV renewals it is aiming to address these by October 2023. The Cabinet Office emphasised that this DV renewals backlog was “low-risk renewals”.<sup>10</sup> However, UKSV’s chief executive accepted that to address the backlog, UKSV would need additional resources, probably using a contingent labour model, although this brought its own drawbacks given the time required to recruit, vet and train additional staff.<sup>11</sup>

6. The National Audit Office reported that customers have aired their frustrations with UKSV’s performance in various governance settings, as it can directly impact on their ability to place individuals into important jobs with national security implications. Ministers have also written to UKSV to complain about the service their departments are getting, with over half of vetting related ministerial correspondences in the two years from October 2020 relating to delayed clearances or the impact of delays to employment opportunities and recruitment for national security roles.<sup>12</sup> The NAO’s 2018 report on national security vetting said that the Cabinet Office had previously estimated inefficiencies in the vetting IT system used was costing government £17 million per year in relation to recruiting and vetting for government projects.<sup>13</sup> When challenged by us, the Cabinet Office was unable to say why it had failed to do an impact assessment of the delays on the work of other government departments, offering only that it held data on the number of cases it was receiving and processing, that it discussed the impact of this on waiting times with customers and that this had led to the introduction of the stabilisation programme.<sup>14</sup>

---

6 C&AG’s Report, para 1.8, Figure 5

7 Qq 2, 5

8 C&AG’s Report, paras 1.6, 1.7, Figure 4

9 Q 8

10 Q 36

11 Q 43

12 C&AG’s Report, paras 1.10, 1.11

13 C&AG’s Report, *Investigation into national security vetting*, Session 2017–2019, HC 1500, 7 September 2018

14 Q 20

UKSV's chief executive also said that allowing customers to prioritise more than the contracted 3% of cases allowed UKSV to determine where it was potentially impacting employability or programmes.<sup>15</sup>

7. The Cabinet Office could not provide us with any information on how many people were abandoning jobs due to vetting delays. The NAO reported that cancellations of clearance requests were 19% higher from April to November 2022 compared with the same period in 2021–22, and that requests were most likely cancelled because the individual being vetted secured an alternative job. The Cabinet Office said at our February session that it had done further research following the NAO report and expanded on the list of reasons why individuals may no longer need a clearance, such as retirement, moving to a job with lower security status or simply failing to provide the information in time and therefore being timed out. It claimed that “the cancellations are not people pulling out of the process” and that “for the moment at least, there does not seem to be any evidence that, even in a very competitive job market, the vetting process is losing good candidates”. The Cabinet Office also considered that the increase in cancellations was proportionate to the overall increase in the number of cases received.<sup>16</sup>

### Poor demand forecasting and lack of resilience

8. UKSV relies on customer demand forecasts in October ahead of each financial year, to enable it to plan for the resources it will need. For 2020–21, customers over-forecast how many clearances they were likely to need, unaware of the coming COVID-19 pandemic, which caused a drop in demand for clearances. Conversely, during 2021–22 customers under-forecast their demand in 11 out of 12 months as the employment market changed as COVID-19 restrictions eased. Overall, in 2021–22, demand for DV clearances increased by 57% and demand for CTC/SC clearances increased by 60%.<sup>17</sup> UKSV struggled to cope with this increased demand, in much the same way that it did when there was an increase in demand after the Brexit referendum which required increased resources to plan the UK's exit from the EU.<sup>18</sup>

9. The Cabinet Office told us that while some departments are very good at forecasting, others struggle. UKSV has therefore put a lot of effort into improving its management information to help it work with customers on predictive analytics, to improve the accuracy of their forecasts. The Cabinet Office said UKSV now has a better understanding of the policies and programmes that drive customer demand.<sup>19</sup> The government chief security officer attributed the significant level of customers' under-forecasts in 2021–22 to three factors: underestimating the suppressed demand post-COVID; a failure to take account of the changing threat environment; and underestimating societal and employment changes in 2021–22, such as the doubling of moves within the Civil Service after COVID-19.<sup>20</sup>

10. When we asked what was being done to make UKSV more resilient and better able to deal with future upsurges in demand, the Cabinet Office offered us three solutions:

---

15 Q 26

16 Qq 22, 23; C&AG's 2023 Report, Figures 10 and 11

17 C&AG's 2023 Report, paras 2.3, 2.4 and Figure 7

18 C&AG's Report, *Investigation into national security vetting*, Session 2017–2019, HC 1500, 7 September 2018, para 3.4

19 Q 27

20 Q 28

- i) improvements in forecasting (see above).
- ii) increased automation: it said around 20% of the overall operation is currently digitised, and there are plans to increase that up to 30% and then 40% “over the next few years”, although the Cabinet Office expressed disappointment that its progress on this front was slower than hoped.<sup>21</sup> To date the focus has been on automating the lower-level, more transactional, security clearances including the new accreditation checks for the aviation industry.<sup>22</sup>
- iii) a more flexible resourcing model which offers extra capacity through the use of temporary contractors.<sup>23</sup> The Cabinet Office referred to its use of staff from other departments including HMRC and military police as well as contractors (see below).<sup>24</sup> It explained that it had also secured increases in productivity through changes to process and policy and by setting staff individual targets.<sup>25</sup>

### Risks from deferred vetting renewals

11. Each DV clearance is normally reviewed after seven years to ensure that individuals’ circumstances have not materially changed and that the initial clearance remains valid. In 2018 the Cabinet Office Government Security Board first took the decision to implement a 12-month extension to some renewals to help UKSV recover performance at that time. It repeated the decision in 2019, and then again in April 2020 to help cope with the impact of the COVID-19 pandemic on operations. In 2021–22, however, all DV renewals that had previously been extended came back up for renewal and were not extended again, meaning that a backlog of cases needed processing.<sup>26</sup> In April 2022, the Government Security Steering Group directed UKSV to extend renewals again to focus on reducing the backlog of new DV clearances that had developed. The NAO reported that both UKSV and its customers acknowledge that another extension of renewals carries security risks that are uncomfortable.<sup>27</sup>

12. The Cabinet Office defended the repeated policy decision to defer renewals on the grounds that it was “risk-based and a decision taken with our customers”. It acknowledged that the cumulative impact of deferring renewals for several years created additional challenges but also said that “if you have a choice between waiting nine months for someone to come in and do a critical job, or extending a renewal that has been in place for seven years and no risks have been identified with the individual, all the customers around the table agreed that that was the preferable way to go”. It said the decision to defer renewals and to prioritise new clearance applications meant that it was able to reduce the processing time for new applications to 177 days at its worst, to the current 98 days.<sup>28</sup> However, with limited resources, prioritising one area has inevitably led to deteriorating

---

21 Qq 6, 35

22 Qq 36, 37

23 Q 37

24 Qq 40,41; C&AG’s 2023 Report, paras 2.9, 2.10 and Figure 9

25 Qq 43, 44, 45

26 Q 29; C&AG’s 2023 Report, para 2.5

27 C&AG’s 2023 Report, paras 2.6, 2.7

28 Qq 9, 10, 29

service levels in other areas; as new DV clearances were prioritised at the start of 2022, the percentage of CTC/SC clearances that were being processed within target times slipped further.<sup>29</sup>

13. The Cabinet Office sought to reassure us that UKSV did not stop processing renewals altogether, but that it had continued to process renewals at a lower rate, adopting a risk-based, data-driven approach. “Should an adverse indicator arise [from newly introduced automated data checks], we absolutely then moved forward with the full process”.<sup>30</sup> One such means of detecting such an indicator is an aftercare check, which should occur between the initial clearance and a full renewal with the aim of capturing any changes in circumstances that might impact on the clearance. UKSV aims to complete 85% of scheduled aftercare checks within 95 days but has failed to meet that target once since the start of 2018–19.<sup>31</sup> The Cabinet Office defended this risk-based approach saying that UKSV would rather take time to work with individuals to mitigate risks and achieve the right outcome even if it meant failing to achieve a KPI,<sup>32</sup> and that it had introduced a triage approach across national security vetting to ensure a focus on high-risk cases.<sup>33</sup>

### Staff resourcing constraints

14. UKSV has been under-staffed to meet customer demand forecasts since its inception in 2017, which has had negative impacts on its performance. In April 2021, when demand surged following the relaxation of COVID-19 restrictions, UKSV had 669 full-time equivalent (FTE) staff against the 985 FTE it expected to need to meet forecast demand during 2021–22, a shortfall of 316 FTE (32%). Despite seeking to recruit throughout the financial year, by March 2022 UKSV still had a 237 FTE shortfall against its requirement for that year. Based on customer demand forecasts for 2022–23, UKSV estimated it would require 1,145 staff for that year but by November 2022, UKSV had increased its FTE headcount number to only 877 (23% short of estimated need).<sup>34</sup> The gap between actual staff and the forecast need for staff is shown at Figure 1.

---

29 C&AG’s Report, Figure 2

30 Q 12

31 C&AG’s Report, para 1.9 and Figure 6

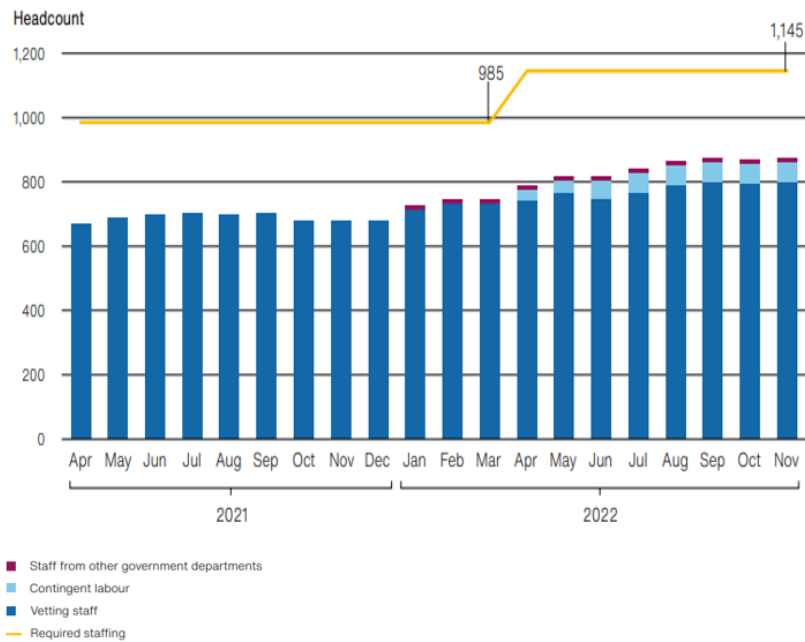
32 Q 30

33 Q 34

34 C&AG’s Report, paras 2.9, 2.10 and Figure 9



**Figure 1 – UK Security Vetting’s actual headcount (FTEs) vs forecast required headcount, April 2021 to November 2022**



Source: C&AG’s Report, Figure 9 on Page 32

15. Under-staffing has led UKSV to make trade-offs in what service areas it focuses on. For example, the UKSV chief executive told us that by focusing on new DV clearances it was unable to resource aftercare checks to the levels needed.<sup>35</sup> Likewise, the focus on new DV clearances saw average clearance times drop for those cases but for DV renewals, average clearance times increased from 190 days in April 2022 to 255 days in November 2022.<sup>36</sup>

16. The Cabinet Office was keen to point to UKSV’s use of surge staff from other departments,<sup>37</sup> although there were just 13 such staff between January and November 2022 alongside about 50 contingent labour staff (see also Figure 1).<sup>38</sup> It said the use of more contingent labour solved the need to fit within wider Civil Service aspirations around headcount numbers, although “by the time you recruit, you vet and you train, it takes a long time.”<sup>39</sup> The Cabinet Office expects UKSV to maintain its own headcount number at no higher than 832 FTEs at March 2023. It has, however, authorised an additional 163 contingent labour and temporary staff from other government departments, bringing the total to 995, still 160 short of the estimated requirement of 1,145. UKSV aims to bridge that gap through efficiencies and automation of processes coming out of its delivery stabilisation plan.<sup>40</sup> As well as internal changes to increase productivity, the Cabinet Office told us UKSV was working with departments to improve the accuracy and completeness of applications, to reduce the amount of remedial action required from UKSV staff, which restricts their productivity.<sup>41</sup>

35 Q30  
 36 C&AG Report, Figure 8  
 37 Qq 40, 41  
 38 C&AG’s Report, Figure 9  
 39 Q 43  
 40 C&AG’s Report, para 2.10  
 41 Q 50



17. When asked about the mismatch between UKSV's claims of increased productivity and staff survey results showing a high level of disengagement, UKSV's chief executive pointed to the innate pride of its staff in the work they do to protect national security but admitted that many are suffering from change fatigue. Staff have had to contend with the move of vetting services from the former Foreign & Commonwealth Office and MOD to the Cabinet Office, changing systems, processes and policies and most recently, changes to some of the skills and tools staff use for vetting because of digitisation and automation.<sup>42</sup> UKSV's chief executive suggested that staff "would like a bit of stability and some investment" as "they have not had a period of stability for a very long time".<sup>43</sup>

18. Recruitment challenges have also hampered progress on the vetting transformation programme. In November 2021, UKSV only managed to fill five out of 44 digital roles despite multiple costly, labour-intensive campaigns, with uncompetitive salaries seen as a key factor. In September 2022, despite a partial exemption for digital roles from the Cabinet Office recruitment freeze, UKSV's resource modelling still showed a shortfall of 68 full-time equivalents (FTE) for digital roles against a total requirement of 108.<sup>44</sup> The Cabinet Office downplayed the issue saying "trying to get the right number of permanent and temporary staff and then to train those up, took a bit longer, so we were a bit below our optimum resourcing level".<sup>45</sup> It told us it had recently moved to strengthen the pay scales across digital, data and technology across the Civil Service, but accepted that progress with the vetting transformation programme had been slower than it would have liked and that transformation was still some way off.<sup>46</sup>

---

42 Qq 52, 53; C&AG's Report, para 2.12, Figure 12

43 Q 55

44 C&AG's Report, para 3.13

45 Q 72

46 Qq 35, 89

## 2 Transforming national security vetting

### Governance

19. The Cabinet Office took on responsibility for both security vetting policy and operational delivery in April 2020, when UKSV transitioned from the Ministry of Defence to the Government Security Group within the Cabinet Office.<sup>47</sup> The Cabinet Office controls UKSV's headcount, and while UKSV's funding costs (around £43 million per year) are covered by its customers, it nonetheless requires spending approval from the Cabinet Office Approvals Board (COAB) for any programme spend over £500,000.<sup>48</sup> In January 2021, the Cabinet Office appointed a chief executive to run UKSV, who reports to the government chief security officer. Other than COAB, UKSV is also accountable to the Government Security Board, the Vetting Board, and the Vetting Modernisation Portfolio Board for its operations and programmes.<sup>49</sup>

20. UKSV has been trying, largely unsuccessfully, to modernise the vetting system since it launched a Vetting Reform programme in 2019.<sup>50</sup> UKSV's Chief Executive said, "if we had a magic wand and we could build a new system tomorrow, we absolutely would".<sup>51</sup> Whenever it has taken full business cases for its £40 million transformation programme to COAB, however, these have been rejected. Three reviews of the programme in 2022 raised concerns across multiple areas of programme management, including the governance arrangements with one noting the need for greater support within the Cabinet Office.<sup>52</sup> The Cabinet Office defended its cautious approach to the transformation programme, which it attributed to concerns around its deliverability and the need to prioritise performance recovery over transformation, saying it was better to be cautious than to spend unwisely.<sup>53</sup>

21. When asked about her past experiences, UKSV's chief executive cited governance as the main difference between her experience of running a government change programme compared with running a private sector change programme.<sup>54</sup> She said that there was a lot of governance around investment and the change agenda, as UKSV had to ensure that "every customer is comfortable with everything we are planning to change".<sup>55</sup> This was endorsed by the government chief security officer who said the transformation programme had been "agreed at every step with customers in the security world, through the government security board, but also with chief operating officers and Perm Secs".<sup>56</sup>

### Achieving transformation of security vetting

22. As part of the Vetting Reform programme, the Cabinet Office planned to replace UKSV's legacy IT system, the National Security Vetting System, through the Future Vetting System programme, by February 2020 at a cost of £19 million. Failures in project management meant that the programme ran £9 million over budget and resulted in a

47 C&AG's Report, para 3.5

48 C&AG's Report, paras 1.2, 2.10 and Footnote 8

49 C&AG's Report, para 3.15

50 C&AG's Report, para 3.3 and paras 3.7 to 3.12

51 Q 62

52 C&AG's Report, para 3.11 and Figure 15

53 Qq 74, 80; C&AG's Report, paras 3.11 and 3.12

54 Q 78

55 Q 63

56 Q 82

£2.5 million write off in the Cabinet Office’s 2021–22 accounts.<sup>57</sup> The IT modernisation programme was subsequently rolled into the wider Vetting Transformation programme. After several failed attempts to get business case approval for the whole transformation programme, in December 2022 UKSV successfully submitted a less ambitious business case for the development of just the first of three new levels of vetting.<sup>58</sup> UKSV is expecting to seek approval for the next level of transformation in summer 2023 and agreed that it is unlikely to be completed until 2025.<sup>59</sup> When asked what had gone wrong previously and what she would do differently next time, UKSV’s chief executive said that they would replace the previous “big bang approach” with a “very agile, iterative and low-risk rollout approach” and that she had high expectations that the next version of the business case would be approved.<sup>60</sup>

23. The Cabinet Office told us that following its bad experience with its first attempt to modernise IT, it was now adopting a more cautious approach to transformation, and that it rejected the business plan for the Vetting Transformation programme on a few occasions because it was “not totally happy with the plan” and wanted to “be sure that this one was going to work”. It accepted that it had been a little optimistic about the achievable rate of transformation, but also pointed out that the need to focus on catching up with the level of demand for the day-to-day business, meant that it had had to push the transformation programme to the right, with customers’ agreement.<sup>61</sup>

24. The Cabinet Office was keen to confirm that it has full customer support for vetting transformation.<sup>62</sup> For example, centralised decision making is an important component of the transformation plan whereby UKSV takes the whole decision on clearance rather than allowing departments to make the final decision based on UKSV’s advice.<sup>63</sup> The Cabinet Office told us that 70% of all decision are now centralised with customers signed up to this approach.<sup>64</sup> It did, however, acknowledge that UKSV may have to offer additional checks to all customers to assuage the concerns of others who consider their business has special requirements and to drive transferability of checks between departments.<sup>65</sup> UKSV’s customers are frustrated with the lack of progress on the transformation programme. They fund the programme but have no say in how that funding is used. UKSV was forecasting an underspend of £6.5 million on the programme in 2022–23 due to delays in getting Cabinet Office approval for the business case, delays to progress on the plan and delays in resourcing. With an overspend of £1.5 million elsewhere across the business it was anticipating refunding around £5 million to customers in 2022–23.<sup>66</sup>

---

57 C&AG’s Report, para 3.7

58 C&AG’s Report, para 3.10 and Figure 14

59 Q63; C&AG’s Report, para 3.10 and Figure 14

60 Q 75

61 Qq 74, 80, 82

62 Q 82

63 C&AG’s Report, para 3.8

64 Qq 35, 66

65 Q 67

66 Q 72; C&AG’s Report, paras 3.14 and 3.15

# Formal minutes

---

## Monday 24 April 2023

Members present:

Dame Meg Hillier

Mr Jonathan Djanogly

Mr Louie French

Peter Grant

Anne Marie Morris

Sarah Olney

Nick Smith

## The performance of UK Security Vetting

Draft Report (*The performance of UK Security Vetting*), proposed by the Chair, brought up and read.

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

Paragraphs 1 to 24 read and agreed to.

Summary agreed to.

Introduction agreed to.

Conclusions and recommendations agreed to.

*Resolved*, That the Report be the Fifty-third of the Committee to the House.

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

## Adjournment

Adjourned till Wednesday 26 April at 9.30am.

# Witnesses

---

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

## Monday 6 February 2023

**Alex Chisholm**, Chief Operating Officer for the Civil Service and Permanent Secretary, Cabinet Office; **Patricia Dreghorn**, Chief Executive, UK Security Vetting Service; **Vincent Devine**, Government Chief Security Officer, Cabinet Office [Q1-90](#)

## List of Reports from the Committee during the current Parliament

---

All publications from the Committee are available on the [publications page](#) of the Committee's website.

### Session 2022–23

Number	Title	Reference
1st	Department for Business, Energy & Industrial Strategy Annual Report and Accounts 2020–21	HC 59
2nd	Lessons from implementing IR35 reforms	HC 60
3rd	The future of the Advanced Gas-cooled Reactors	HC 118
4th	Use of evaluation and modelling in government	HC 254
5th	Local economic growth	HC 252
6th	Department of Health and Social Care 2020–21 Annual Report and Accounts	HC 253
7th	Armoured Vehicles: the Ajax programme	HC 259
8th	Financial sustainability of the higher education sector in England	HC 257
9th	Child Maintenance	HC 255
10th	Restoration and Renewal of Parliament	HC 49
11th	The rollout of the COVID-19 vaccine programme in England	HC 258
12th	Management of PPE contracts	HC 260
13th	Secure training centres and secure schools	HC 30
14th	Investigation into the British Steel Pension Scheme	HC 251
15th	The Police Uplift Programme	HC 261
16th	Managing cross-border travel during the COVID-19 pandemic	HC 29
17th	Government's contracts with Radox Laboratories Ltd	HC 28
18th	Government actions to combat waste crime	HC 33
19th	Regulating after EU Exit	HC 32
20th	Whole of Government Accounts 2019–20	HC 31
21st	Transforming electronic monitoring services	HC 34
22nd	Tackling local air quality breaches	HC 37
23rd	Measuring and reporting public sector greenhouse gas emissions	HC 39
24th	Redevelopment of Defra's animal health infrastructure	HC 42
25th	Regulation of energy suppliers	HC 41
26th	The Department for Work and Pensions' Accounts 2021–22 – Fraud and error in the benefits system	HC 44
27th	Evaluating innovation projects in children's social care	HC 38

<b>Number</b>	<b>Title</b>	<b>Reference</b>
28th	Improving the Accounting Officer Assessment process	HC 43
29th	The Affordable Homes Programme since 2015	HC 684
30th	Developing workforce skills for a strong economy	HC 685
31st	Managing central government property	HC 48
32nd	Grassroots participation in sport and physical activity	HC 46
33rd	HMRC performance in 2021–22	HC 686
34th	The Creation of the UK Infrastructure Bank	HC 45
35th	Introducing Integrated Care Systems	HC 47
36th	The Defence digital strategy	HC 727
37th	Support for vulnerable adolescents	HC 730
38th	Managing NHS backlogs and waiting times in England	HC 729
39th	Excess Votes 2021–22	HC 1132
40th	COVID employment support schemes	HC 810
41st	Driving licence backlogs at the DVLA	HC 735
42nd	The Restart Scheme for long-term unemployed people	HC 733
43rd	Progress combatting fraud	HC 40
44th	The Digital Services Tax	HC 732
45th	Department for Business, Energy & Industrial Strategy Annual Report and Accounts 2021–22	HC 1254
46th	BBC Digital	HC 736
47th	Investigation into the UK Passport Office	HC 738
48th	MoD Equipment Plan 2022–2032	HC 731
49th	Managing tax compliance following the pandemic	HC 739
50th	Government Shared Services	HC 734
51st	Tackling Defra’s ageing digital services	HC 737
1st Special Report	Sixth Annual Report of the Chair of the Committee of Public Accounts	HC 50

### Session 2021–22

<b>Number</b>	<b>Title</b>	<b>Reference</b>
1st	Low emission cars	HC 186
2nd	BBC strategic financial management	HC 187
3rd	COVID-19: Support for children’s education	HC 240
4th	COVID-19: Local government finance	HC 239
5th	COVID-19: Government Support for Charities	HC 250
6th	Public Sector Pensions	HC 289

<b>Number</b>	<b>Title</b>	<b>Reference</b>
7th	Adult Social Care Markets	HC 252
8th	COVID 19: Culture Recovery Fund	HC 340
9th	Fraud and Error	HC 253
10th	Overview of the English rail system	HC 170
11th	Local auditor reporting on local government in England	HC 171
12th	COVID 19: Cost Tracker Update	HC 173
13th	Initial lessons from the government's response to the COVID-19 pandemic	HC 175
14th	Windrush Compensation Scheme	HC 174
15th	DWP Employment support	HC 177
16th	Principles of effective regulation	HC 176
17th	High Speed 2: Progress at Summer 2021	HC 329
18th	Government's delivery through arm's-length bodies	HC 181
19th	Protecting consumers from unsafe products	HC 180
20th	Optimising the defence estate	HC 179
21st	School Funding	HC 183
22nd	Improving the performance of major defence equipment contracts	HC 185
23rd	Test and Trace update	HC 182
24th	Crossrail: A progress update	HC 184
25th	The Department for Work and Pensions' Accounts 2020–21 – Fraud and error in the benefits system	HC 633
26th	Lessons from Greensill Capital: accreditation to business support schemes	HC 169
27th	Green Homes Grant Voucher Scheme	HC 635
28th	Efficiency in government	HC 636
29th	The National Law Enforcement Data Programme	HC 638
30th	Challenges in implementing digital change	HC 637
31st	Environmental Land Management Scheme	HC 639
32nd	Delivering gigabitcapable broadband	HC 743
33rd	Underpayments of the State Pension	HC 654
34th	Local Government Finance System: Overview and Challenges	HC 646
35th	The pharmacy early payment and salary advance schemes in the NHS	HC 745
36th	EU Exit: UK Border post transition	HC 746
37th	HMRC Performance in 2020–21	HC 641
38th	COVID-19 cost tracker update	HC 640
39th	DWP Employment Support: Kickstart Scheme	HC 655



<b>Number</b>	<b>Title</b>	<b>Reference</b>
40th	Excess votes 2020–21: Serious Fraud Office	HC 1099
41st	Achieving Net Zero: Follow up	HC 642
42nd	Financial sustainability of schools in England	HC 650
43rd	Reducing the backlog in criminal courts	HC 643
44th	NHS backlogs and waiting times in England	HC 747
45th	Progress with trade negotiations	HC 993
46th	Government preparedness for the COVID-19 pandemic: lessons for government on risk	HC 952
47th	Academies Sector Annual Report and Accounts 2019/20	HC 994
48th	HMRC's management of tax debt	HC 953
49th	Regulation of private renting	HC 996
50th	Bounce Back Loans Scheme: Follow-up	HC 951
51st	Improving outcomes for women in the criminal justice system	HC 997
52nd	Ministry of Defence Equipment Plan 2021–31	HC 1164
1st Special Report	Fifth Annual Report of the Chair of the Committee of Public Accounts	HC 222

### Session 2019–21

<b>Number</b>	<b>Title</b>	<b>Reference</b>
1st	Support for children with special educational needs and disabilities	HC 85
2nd	Defence Nuclear Infrastructure	HC 86
3rd	High Speed 2: Spring 2020 Update	HC 84
4th	EU Exit: Get ready for Brexit Campaign	HC 131
5th	University technical colleges	HC 87
6th	Excess votes 2018–19	HC 243
7th	Gambling regulation: problem gambling and protecting vulnerable people	HC 134
8th	NHS capital expenditure and financial management	HC 344
9th	Water supply and demand management	HC 378
10th	Defence capability and the Equipment Plan	HC 247
11th	Local authority investment in commercial property	HC 312
12th	Management of tax reliefs	HC 379
13th	Whole of Government Response to COVID-19	HC 404
14th	Readying the NHS and social care for the COVID-19 peak	HC 405
15th	Improving the prison estate	HC 244

<b>Number</b>	<b>Title</b>	<b>Reference</b>
16th	Progress in remediating dangerous cladding	HC 406
17th	Immigration enforcement	HC 407
18th	NHS nursing workforce	HC 408
19th	Restoration and renewal of the Palace of Westminster	HC 549
20th	Tackling the tax gap	HC 650
21st	Government support for UK exporters	HC 679
22nd	Digital transformation in the NHS	HC 680
23rd	Delivering carrier strike	HC 684
24th	Selecting towns for the Towns Fund	HC 651
25th	Asylum accommodation and support transformation programme	HC 683
26th	Department of Work and Pensions Accounts 2019–20	HC 681
27th	Covid-19: Supply of ventilators	HC 685
28th	The Nuclear Decommissioning Authority's management of the Magnox contract	HC 653
29th	Whitehall preparations for EU Exit	HC 682
30th	The production and distribution of cash	HC 654
31st	Starter Homes	HC 88
32nd	Specialist Skills in the civil service	HC 686
33rd	Covid-19: Bounce Back Loan Scheme	HC 687
34th	Covid-19: Support for jobs	HC 920
35th	Improving Broadband	HC 688
36th	HMRC performance 2019–20	HC 690
37th	Whole of Government Accounts 2018–19	HC 655
38th	Managing colleges' financial sustainability	HC 692
39th	Lessons from major projects and programmes	HC 694
40th	Achieving government's long-term environmental goals	HC 927
41st	COVID 19: the free school meals voucher scheme	HC 689
42nd	COVID-19: Government procurement and supply of Personal Protective Equipment	HC 928
43rd	COVID-19: Planning for a vaccine Part 1	HC 930
44th	Excess Votes 2019–20	HC 1205
45th	Managing flood risk	HC 931
46th	Achieving Net Zero	HC 935
47th	COVID-19: Test, track and trace (part 1)	HC 932
48th	Digital Services at the Border	HC 936
49th	COVID-19: housing people sleeping rough	HC 934

<b>Number</b>	<b>Title</b>	<b>Reference</b>
50th	Defence Equipment Plan 2020–2030	HC 693
51st	Managing the expiry of PFI contracts	HC 1114
52nd	Key challenges facing the Ministry of Justice	HC 1190
53rd	Covid 19: supporting the vulnerable during lockdown	HC 938
54th	Improving single living accommodation for service personnel	HC 940
55th	Environmental tax measures	HC 937
56th	Industrial Strategy Challenge Fund	HC 941