



safeguarding your identity



## Identity and Passport Service

An Executive Agency of the Home Office

Corporate and Business plans 2006-2016

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An Executive Agency of the Home Office

The Identity and Passport Service was created through joining the UK Passport Service and the Home Office Identity Cards Programme

Corporate and Business Plans **2006–2016**



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## Foreword

This document comprises the 10-year Corporate Plan for the Identity and Passport Service (IPS) and the detailed annual Business Plan for April 2006 to March 2007.

The Corporate Plan sets out the strategies we intend to pursue over the next 10 years in response to the changing operating environment. The Business Plan identifies the top-level performance indicators and targets for the next twelve months to March 2007. These define our service delivery in this period and are necessary to support our longer-term objectives.

This is a challenging and exciting time as we establish IPS, which came into being on 1 April 2006 following Royal Assent of the Identity Cards Bill on 30 March 2006 and builds on the foundations of the UK Passport Service (UKPS). IPS will deliver the National Identity Scheme by working with our delivery partners – Home Office Immigration and Nationality Directorate (IND), UKvisas and the Foreign and Commonwealth Office (FCO). IPS is needed to meet the challenges of modern society and the expectations placed on Government. Being able to prove identity is a fundamental requirement in modern society for our citizens and lawful residents to access benefits and services, and to support their ability to travel freely. IPS will spearhead Government efforts to change the way people prove their identity by implementing and promoting policies that will make it easier to access public services and could simplify day-to-day activities such as opening a new bank account.

These needs are reflected in the mission of IPS: 'Safeguarding your identity'.

IPS will evolve from UKPS, in partnership with IND, FCO and UKvisas, building on current achievements and high customer service standards. We will continue to issue passports and, as planned, will improve both document integrity and identity authentication capabilities. Over the coming year we will complete the introduction of ePassports, where a facial biometric is stored on a chip in the passport; this will enhance both the integrity of the document and strengthen our authentication processes. From autumn 2006, we will make our issuing process more secure by seeing first-time adult applicants in person at a network of some 70 High Street centres across the country, and we will be undertaking more rigorous background checks on customers to help confirm that they are who they claim to be.

We will continue to ensure we maintain appropriate standards of customer care while we introduce these new services and processes. Last year UKPS issued a record number of passports, and we are forecasting a record demand of 6.9 million applications in 2006/07. From late 2007, we expect to pilot the recording of additional biometrics for passports (fingerprints), which will enable us to create second-generation biometric passports designed to keep us in line with developing European Union (EU) standards.

In coming years we will begin to issue identity cards (ID cards). Until 1 January 2010, people applying for or renewing a passport can choose not to get an ID card, although their details will be entered on the National Identity Register. After this date, all passport applicants will be registered and issued ID cards.

These will build on the same biometric technology that we believe is so important to our planned improvements in identity authentication and document security. Registration of individuals to issue ID cards will involve enrolment of facial biometrics and we also expect to include fingerprints and iris patterns.

During this period, IND will issue biometric residence permits, UKvisas will issue biometric visas and the FCO will continue to match



advances in passport development. IPS will provide verification services, and system and process improvements which will support increased confidence in establishing individual identity.

To counter identity fraud, where either a person's identity is stolen or a false identity created, IPS will establish a new National Identity Register (NIR). This will be a secure database holding basic information ('biographical data') linked to a unique individual record. People registered on the NIR will be able to review information from their own records through a secure online service or other channels.

Based on the NIR and ID cards, IPS will, with a card holder's consent, provide identity services to accredited organisations that need to establish their identity. These could be Government partners or business services the card holder wishes to access. The identity services will make accredited organisations confident about the authenticity of a card and the identity of its holder, since a fraudulent card will have no link to the NIR. The verification service will work on a number of different levels to suit the particular business need. We will be working with the public and private sectors to establish what verification services they need in each instance, and developing and promoting best practice in identity management across the UK. We eventually expect the ID card to replace the passport as the primary identity document, although the passport will remain the primary travel document (required for trips outside the EU). By 2017, the ID card will normally be used to facilitate day-to-day activities through these identity services.

These identity services will build on the Passport Validation Service (PVS). This is already in place and we plan to develop it in the coming years. The PVS allows passports to be checked by immigration services to make our borders more secure. We have also successfully piloted this service with selected organisations governed under the Financial Services Authority's (FSA) anti-money laundering regulations to confirm the validity of a person's passport as evidence of their identity. We will also continue to develop our current services to reduce the misuse of passports, building on the international success of our Lost, Stolen and Recovered (LSR) passport database and our 'Omnibase' service to FCO, Driver and Vehicle Licensing Agency (DVLA), Criminal Records Bureau (CRB), UK police forces and IND.

The full National Identity Scheme will also issue documentation – registration certificates, residence cards and permits – to both European Economic Area (EEA) nationals and legally resident third-country nationals intending to remain in the UK for over 3 months. Documentation issued to non-British citizens will also include all the biometric features of the ID card and holders will be entered onto the National Identity Register, enabling them to prove their identity to the same standard as a British citizen. Through this process, the National Identity Scheme will help to tackle immigration abuse and reduce illegal working by making it possible for employers to check the immigration status of potential employees and their rights to work in the UK. To deliver this aspect of the scheme, IPS is working closely with IND and UKvisas. Only by working together will we be able to achieve the scheme's full benefits.

The integrity of the scheme is crucial to its success. IPS will continue with the recruitment and selection process established by UKPS to maintain the high levels of honesty and integrity that our staff provide. In addition the entire scheme will be independently overseen by the new role of the National Identity Scheme Commissioner appointed by the Secretary of State.

In its innovative use of technology, its cross-Government collaboration and its role in developing and promoting best practice in identity management across both the public and private sectors, IPS has a key role in the 'Transforming Government

“IPS will continue with the recruitment and selection processes established by UKPS to maintain the high levels of honesty and integrity that our staff provide”

– Enabled by Technology’ agenda. Looking to the future, these aspects of IPS are reflected in our vision: ‘Leadership in identity authentication and verification’.

Both our mission and vision are underpinned by a set of valued behaviours that IPS will inherit from UKPS and will reflect in everything that it does. The behaviours that we particularly emphasise are valuing our people, customer service, working together, personal responsibility and responding to change. We will continue to seek to foster through our corporate values a culture that promotes team working and achievement.

UKPS has operated within budget in 2005/06 and, while investing for the future through the change programmes, we continue to identify and deliver efficiency savings. Continued focus on these savings will enable the Agency to deliver our services cost-effectively while providing value for money for our customers.

We cannot deliver the performance and actions outlined in these Plans without the commitment and support of our staff. We will continue to work with colleagues from the trade unions to ensure that the role staff will play in IPS is clearly represented and understood, so that employees remain committed and motivated to achieve success. Similarly, our operations are dependent on a number of working partnerships with private-sector providers.

The future for IPS is exciting and challenging. The programme of change, a continuation of the journey that UKPS and the Identity Cards Programme has embarked upon, is one of opportunity and significant challenge but one which we have continued confidence in achieving. Working with our staff, delivery partners and service providers, we will pursue the opportunities for change presented to us and at all times strive to continue to deliver excellent service to our customers.



**Alan Barnish**  
**Acting Chief Executive**

## Executive summary

Over the coming years, IPS will implement a programme of initiatives which will provide new standards in assuring the identity of individuals. These will enhance the validity and security of passports and underpin the launch of ID cards. By establishing an NIR of residents in the UK, identity verification will be simplified across the public and private sectors, benefiting the UK economy and enabling ID cards to play a valuable role in day-to-day life in the UK.

The need for the National Identity Scheme is driven by today's society where proving identity is fundamental to accessing the benefits and services available to our citizens and lawful residents. A robust, safe and convenient method of proving your identity is crucial in an environment where identity fraud, organised crime and terrorism are constant threats.

IPS will be built on the foundation of the UKPS, reflecting the capabilities that already exist there and the programme of improvements already underway. Through its collaboration with IND, UKvisas and the FCO, IPS will also draw upon the planned biometric programmes and capabilities offered by these organisations.

As well as the programmes designed to improve the assurance of an individual's identity and establish identity verification services, IPS will undertake initiatives designed to maintain appropriate levels of customer service and develop our staff to their full potential. All changes will be undertaken against a well-established business assurance regime while IPS delivers its efficiency commitments. IPS activities will be underpinned by collaboration with IPS service providers and the desire to make ever better use of technology.

The need for the National Identity Scheme is driven by today's society where proving identity is fundamental to accessing the benefits and services available to our citizens and lawful residents

### Strategic objectives

IPS will set its targets and tasks using a 'balanced scorecard', developing the elements that have underpinned the performance management of the UKPS in the past. The six elements to IPS's balanced scorecard are:

IPS strategic objectives	
<b>Customer confidence</b>	Putting the customer first in all that we do and seeking to maintain appropriate levels of customer satisfaction as new products, services and processes are introduced.
<b>Identity authentication</b>	Establishing the identity of customers with greater certainty and issuing them with secure identity documents.
<b>Transforming identity management</b>	Promoting best practice identity authentication and verification policy and procedures across government to benefit the public, business and society in the UK.
<b>Unlocking staff potential</b>	Developing, motivating and rewarding our staff in the delivery of the organisation's goals.
<b>Efficiency and business assurance</b>	Providing business assurance, ensuring a reliable service and implementing an appropriate fee strategy, while pursuing continuous improvement and efficiency gains.

IPS strategic objectives	
<b>Innovation and effectiveness</b>	Initiating new and better ways of working through our partnerships with service providers and delivery partners, and by best use of technology.

## Customer confidence

*Putting the customer first in all that we do and seeking to maintain appropriate levels of customer satisfaction as new products, services and processes are introduced*

This objective of IPS reflects our drive to be trusted by customers to protect their identity while providing services that are robust, reliable and meet our stated service level standards.

IPS will serve two distinct customer groups: individuals who currently apply for passports and, in the future, other identity documents; and accredited organisations who will use the identity services to check the identity of the holder, with the individual's consent.

IPS will remain responsive to the needs of the individual customer and will build on the foundation of the UKPS by continuing to provide a quality product and service to Charter Mark standards.

Our commitment to customer service means safeguarding the individual's identity by ensuring the right person receives a secure document – in the short term a passport, but within the lifetime of this plan, also an ID card – within service standards. Given the need to assure the identity of our customers with ever greater rigour, in future our services may become less convenient for customers, particularly first-time adult applicants, because they will need to attend an interview and to allow more time for the document to be issued. IPS believe the benefits of improved confidence in individual identity far outweigh the reduction of convenience in accessing our services.

However, IPS will have a much broader customer spectrum than that of the UKPS. IPS will serve all UK residents – either directly, such as those eligible to hold a passport and/or an ID card or indirectly (through shared services with IND and UKvisas), for foreign nationals. It will also offer more services to other government departments and private businesses as these organisations seek accreditation to use identity services.

IPS targets for customer service in the coming financial year will be similar to the high customer satisfaction targets that the UKPS has achieved. Targets will be developed to reflect process changes such as the 'Authentication by Interview' (AbI) application route for first-time adult applicants, once that is established in autumn 2006. IPS shall continue to use market research to test the responsiveness of our services and 'mystery shopping' to check their quality, reviewing the findings to look for improvements. IPS recently launched an improved online application route and we will actively promote this customer-friendly service over the coming year.

Currently the only organisations that are accredited to use PVS to check the authenticity of a passport are other government departments (such as DVLA) and some businesses (such as banks). Over the life of this plan will develop our identity services and establish service standards designed to meet the needs of other accredited organisations.



**Aims:**

- to ensure that entitled customers are able to travel freely through the continuous development of the UK passport to meet international requirements
- to create a secure and convenient form of identification for individuals in their day-to-day dealings with public and private organisations
- to ensure that customers are satisfied with the standard of our service
- to ensure robust identity services fulfil the needs of organisations accredited to use them.

**Customer confidence**

**Key tasks and performance indicators for 2006/07**

- to meet demand for 6.9 million passports
- to achieve a customer satisfaction rating of at least 95%.

**Partner, postal and online services:**

- to turn around 99.5% of straightforward online, partner and postal applications within 10 working days.

**Counter services:**

- to turn around 99.5% of straightforward premium and fast-track applications within service standards
- to offer 90% of customers an appointment slot at 1 or more of the IPS regional passport centres within 3 working days of calling to book
- to see 92% of callers within 20 minutes of their appointment times.

**Abi services:**

- to send a letter to 99.5% of straightforward first-time adult applicants within 8 days of receipt of their application inviting them to call to arrange an appointment for interview
- to offer 90% of first-time adult applicants a personal appointment slot at their location of choice within 4 working days of calling to book
- to dispatch the passport for 99.5% of successful, first-time adult applicants within 3 working days of their appointment.

**In general:**

- to respond to 90% of telephone enquiries within 20 seconds
- to achieve an accuracy rate of 99.75% on passport books issued.

**Accredited organisations: business customers and government partners:**

- to establish a commercial Passport Validation Service underpinned by defined service level agreements by the end of the third quarter of 2006.

## Identity authentication

*Establishing the identity of customers with greater certainty and issuing them with secure identity documents*

Preventing fraudulent applications through improved identity authentication processes is central to the activities and purpose of IPS. IPS will set new standards in identity authentication by developing the use of biometrics (e.g. facial image, fingerprint, iris pattern), 'biographical footprint' checks (e.g. place and date of birth, parents' details and address history) and seeing customers in person – initially only first-time adult applicants, but eventually all adult customers if necessary.

Being able to record and match biometrics adds to IPS's ability to ensure that the passport and identity documents are secure and hard to forge. Biometrics will be stored for future verification within electronic chips in passports and identity documents, which will provide assurance that the document has not been tampered with and that the holder is the original individual to whom the document was issued.

IPS will continue to investigate and take action against those seeking to obtain passports (and in the future ID cards) illegally, and have established initiatives that provide staff training to improve the ability of staff to prevent and detect fraud.

Our end-to-end fraud strategy is being developed to introduce, support and maintain effective countermeasures. The principles in the strategy include a fraud deterrence model underpinned by a robust system of investigation and detection. The strategy ensures that IPS introduces an effective and efficient approach to reduce fraud and it will be underpinned by our monitoring and sampling processes to ensure that the absolute level of fraud can be identified. IPS will also implement fraud performance measures at all levels of the organisation that will reinforce identity authentication as a primary consideration for all staff and service providers.

### Aims:

- to prevent identity fraud
  - help disrupt the activities of organised crime and terrorism, which depend in part on an ability to create false identities
  - prevent unauthorised access to public services
- to safeguard document integrity
  - provide unique biometric identifiers which confirm that the holder of the card is the owner of the identity
- to prevent internal fraud.

“Being able to record and match biometrics adds to IPS's ability to ensure that the passport and identity documents are secure and hard to forge”

### Identity authentication

#### Key tasks and performance indicators for 2006/07

- to complete roll-out of a newly designed ePassport with additional security features and containing a biometric chip during the third quarter of 2006
- to require all first-time adult applicants to attend a personal appointment at a new network of offices from the fourth quarter of 2006
- to embed the robust management information, monitoring and sampling processes implemented in 2005/06 to enable appropriate fraud reduction and identity authentication targets and objectives to be established from 2007/08 onwards



### Identity authentication

#### Key tasks and performance indicators for 2006/07

- to roll out the Personal Identity Process (PIP) biographic footprint checks to all offices for first-time adult applicants by end of the third quarter 2006
- to extend our 'proof of concept' facial recognition system to all IPS Regional Fraud Intelligence Units by the end of 2006.

### Transforming identity management

*Promoting best practice identity authentication and verification policy and procedures across Government to benefit the public, business and society in the UK*

The 'Transforming Government – Enabled by Technology' agenda commits the Government to creating 'an holistic approach to identity management, based on a suite of identity management solutions that enable the public and private sectors to manage risk and provide cost-effective services trusted by customers and stakeholders'. This is the role that IPS is designed to fulfil.

IPS will take the policy lead on identity management for the Secretary of State, supporting the development and promotion of cross-Government initiatives on identity management. IPS will support efforts across both the public and private sectors that will deliver significant identity management benefits to the UK. For example, IPS will support current and future strategic Government projects such as improving border control, e-Government and assisting in the development of recommendations from the Bichard enquiry.

IPS will develop our activities to reduce the misuse of passports by building on our LSR passport database and our growing PVS:

- **LSR passport database** – IPS have been successful in preventing the misuse of lost and stolen passports by rapidly sharing information through our global LSR passport database with the FCO, UK Police forces, IND and internationally through Interpol. We are developing ways to accelerate the notification process
- **PVS** – improves national security by providing a service that enables other government departments to carry out checks efficiently against all British passports used to leave and gain access to the UK. PVS is an extension of our successful Omnibase service that allows other government departments such as the FCO, DVLA and CRB to check passport details to detect and prevent fraudulent applications. IPS also accredit select organisations governed under the FSA's anti-money laundering regulations to confirm the validity of a passport being presented as evidence of identity.

In the future, identity services within the National Identity Scheme will provide further reassurance that the individuals registered on the NIR are indeed who they say they are. With the consent of the individual, accredited organisations will be able to check the authenticity of the ID card and confirm the identity of the holder. Any individual will also be able to review who has checked their card.

To ensure that identity services remain secure, the service will only be offered to organisations that are accredited, have the requisite security clearances and robust internal processes and controls.

“In the future, identity services within the National Identity Scheme will provide further reassurance that the individuals registered on the NIR are indeed who they say they are”

## Aims:

- to determine and promote best practice in identity management across the public and private sectors
- to help tackle immigration abuse by providing the ability to check an individual's immigration status
- to help reduce illegal working by enabling employers to check easily whether a potential employee has the right to work in the UK.

### Transforming identity management

#### Key tasks and performance indicators for 2006/07

- to create a marketing plan for the PVS during the third quarter of 2006 to publicise the availability of the service and how it can transform identity management
- to provide Interpol/IND with the details of passports reported lost or stolen within 2 working days of the issue of a replacement passport or within 2 working days of the receipt of a straightforward independent report
- to devise benefit realisation plans, at milestone level, for all major benefit contributors to the forward plan, by the end of 2006.

## Unlocking staff potential

*Developing, motivating and rewarding our staff in the delivery of the organisation's goals*

IPS will only achieve our business objectives by ensuring that we have an appropriately developed, managed, motivated and rewarded workforce in place to meet our current and future organisational needs.

IPS will build upon the existing UKPS people strategy to ensure that we:

- create an empowered and diverse workforce with a common understanding of shared goals
- work together to remove the barriers which prevent all staff from achieving their true potential
- value and build upon our partnership with our trade unions to ensure that our staff are represented, informed and involved
- build and maintain a safe, balanced and healthy working environment
- manage performance and ensure a fair reward for a job well done
- deliver a quality learning, development and accreditation programme to meet individual and business needs.

IPS will also build upon the existing UKPS values which underpin our mission and vision. IPS will review the valued behaviours in the autumn of 2006 as part of our continual reassessment process. IPS will seek recognition by Investors in People (IIP) in its own right, as the UKPS has achieved in the past, and to maintain this recognition in the coming years. As IPS, we will continue to work with colleagues in the trade unions, building on the partnership agreement reached within the UKPS in 2002.



IPS will monitor staff resources and review resource plans to ensure there is adequate staff both to deliver our service and, at the same time, implement the significant change and growth outlined in this plan. IPS will ensure the delivery of effective and efficient services.

IPS remains committed to effective internal communications to help manage the change process, keep staff informed of business developments, provide an opportunity to raise questions and ensure clarity of purpose. IPS will continue regular staff surveys to verify that arrangements are working.

### **Aims:**

- to embed the appropriate culture and values
- to ensure adequate staff resources to meet demands from operations and the change programme
- to provide excellent internal communications and celebrate achievements of IPS staff.

### **Unlocking staff potential**

#### **Key tasks and performance indicators for 2006/07**

- to ensure a sick absence rate of no more than 9.5 days per person per year
- to achieve black and minority ethnic (BME) employment targets: at least
  - 11% at Higher Executive Officer (HEO) level
  - 3.5% for Senior Executive Officer (SEO) and Grade 7 combined
- to invest 6.5% of payroll into training and development including staff time opportunity costs
- to issue the staff survey questionnaires by the end of quarter one 2007 and to seek a 5% improvement on positive returns relating to the management of change.



### **Efficiency and business assurance**

*Providing business assurance and ensuring a reliable service, implementing an appropriate fee strategy, while pursuing continuous improvement and efficiency gains*

IPS needs to deliver value for money and sound finances through efficient and effective processes that minimise the cost of the service to the public. This will be achieved by:

- measures to improve operational efficiency
- annual review of fees and funding
- effective contract and supplier management
- improving internal control framework, risk management and audit.

IPS will need to deliver its services within the constraints of recovering costs from a combination of charges for issuing passports, identity documents, providing identity services and Home Office funding. With the launch of IPS, a new financial management regime will be put in place to ensure that the treatment of finances represents the accountabilities of IPS in relation to the Home Office and other delivery partners. IPS will establish a transparent and clear framework of

individual responsibilities, financial and commercial performance controls and risk management throughout the organisation.

At 6 monthly intervals, a report will be laid before Parliament setting out the estimate of public expenditure likely to be incurred on the ID Cards Scheme looking ahead over a 10-year period. This is a statutory obligation established by the Identity Cards Act 2006 and reflects the Government's commitment to be open about the cost estimates, subject to the need to secure value for money in procurement activity. Expenditure incurred on the scheme will be included in the IPS Annual Report & Accounts.

Our strategy for the financial operations of IPS will involve the following principles:

- a strong focus on investment appraisal and long-term financial and efficiency planning
- development and implementation of an effective charging strategy
- a comprehensive financial assurance framework
- functional efficiency plans to deliver efficiency savings
- increased automation of financial controls and provision of self-service access to financial management across the business
- improvement of financial skills among staff, financial management information and analytical modelling capability to add value to decision-making across the organisation.

IPS is mindful of its obligations to ensure that robust risk management, internal control and business assurance systems are in place to ensure that the objectives detailed within this plan are achieved with a high degree of efficiency and propriety. IPS is implementing a risk management strategy that:

- clearly links risks to business objectives, outcomes and key performance indicators
- defines risk tolerances at all levels (which are in turn aligned with business objectives)
- develops risk measurement metrics to support decision-making
- integrates risk management processes with regular business management systems, including performance management, business planning and budget setting.

**Aims:**

- to ensure the organisation as a whole demonstrates value for money to its customers and stakeholders
- to ensure sound finances are in place to secure the affordability of the organisation's business continuity and change plans
- to provide effective contract, supplier and estate management
- to lay unqualified annual accruals accounts before Parliament to timescale
- to identify and proactively manage financial risks with regularity and demonstrable propriety
- to provide business assurance, internal controls and risk management capabilities to ensure business continuity.



## Efficiency and business assurance

### Key tasks and performance indicators for 2006/07

- to ensure a deficit of no more than £15 million against the passport-fee related activity in 2006/07 after payment of the FCO consular premium, due to the number of investments in the period and as agreed with HM Treasury
- to achieve a budgeted unit cost target (based on internal costs including external charges, e.g. FCO premium) of £58.32 per passport
- to deliver a 3% efficiency improvement to 'business as usual' operations, excluding costs attributed to the change programme, including a procurement saving of 1% on total spend excluding payroll
- to achieve an annual variance between actual and forecast demand of no more than +/- 5%
- to ensure that 97% of invoices are paid within 30 days
- to assess the Sustainable Development in Government targets for their relevance and commence measurement of the necessary targets before the end of 2006
- to keep within the agreed budget funded by the Home Office for the work on the development and procurement of the National Identity Scheme.

## Innovation and effectiveness

*Initiating new and better ways of working, through our partnerships with service providers and delivery partners and best use of technology*

The implementation of appropriate, cost-effective technology is central to IPS achieving its overarching mission and vision. To deliver the new and expanding capabilities of IPS within an acceptable fee, and on time, will require working in close partnership with our service providers to continually seek to optimise processes and technologies.

Over the next few years IPS existing partnership arrangements with service providers will continue. However, over the life of this plan, contracts with service providers will be subject to re-tender before planned contract expiry dates. The change programme will involve large-scale procurements from 2006 to obtain support to help build the infrastructure and deliver the services required to operate the National Identity Scheme. Any changes to existing contracts as a result of these procurements will be negotiated separately as necessary.

IPS expect service delivery partnerships to be used to manage several support functions, such as provision of facilities, IT infrastructure and identity document production, allowing it to concentrate on its core activities.

The robustness of our technological solutions, whether for the capture of biometrics, the NIR itself, secure passports and identity documents, or an 'always available' verification service, will be critical to IPS success. Consequently we will work with service partners to design and implement detailed testing strategies.

### Aims:

- to implement secure document solutions
- to maintain reliable, high-performance systems
- to use technology to achieve business efficiency.

The implementation of appropriate, cost-effective technology is central to IPS achieving its overarching mission and vision

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## **Innovation and effectiveness**

### ***Key tasks and performance indicators for 2006/07***

- to maintain a high level of operational systems availability (99.9%) and corporate systems availability (99.5%) in line with agreed service levels, and to meet quarterly with service providers to review performance
- to progress future releases of operational passport systems to support electronic checking of birth, marriage and death information (from the fourth quarter 2006) and the wider use of facial recognition technology (from late 2006)
- to maintain and embed the National Identity Scheme IS Strategy to ensure alignment with UKPS change projects and the National Identity Scheme Programme
- to ensure interoperability of the new biometric passport with passport readers installed in other nations' ports of entry. This work will be carried out during the second quarter of 2006 and an independent test centre will also be established by the end of the third quarter of 2006 to provide ongoing interoperability testing for emerging technology and standards.

# 1 Introduction

The IPS Corporate and Business Plans 2006–17 provide an overview of the strategic direction of the organisation, the rationale for the choice of that direction and how this will be achieved, together with detailed objectives to be achieved next year.

The Corporate Plan describes the strategies that IPS intends to pursue over the next 10 years to achieve its aims and objectives, while the Business Plan outlines the key tasks and targets to be pursued in 2006/07, building on projected outcomes for UKPS in 2005/06.

The Corporate Plan, Section 2 of this document, sets out:

- the organisation's purpose, its mission, values and vision, the operating environment and the background societal and political needs that make the creation of IPS necessary and the challenges it will face
- the basis of IPS, building on UKPS and shared services with IND and UKvisas
- the short-, medium- and longer-term plans that will deliver the capabilities of IPS.

Section 3 details the Business Plan for 2006/07, including the key tasks and targets, financial viability of this undertaking, the organisational structure of IPS and corporate governance arrangements.

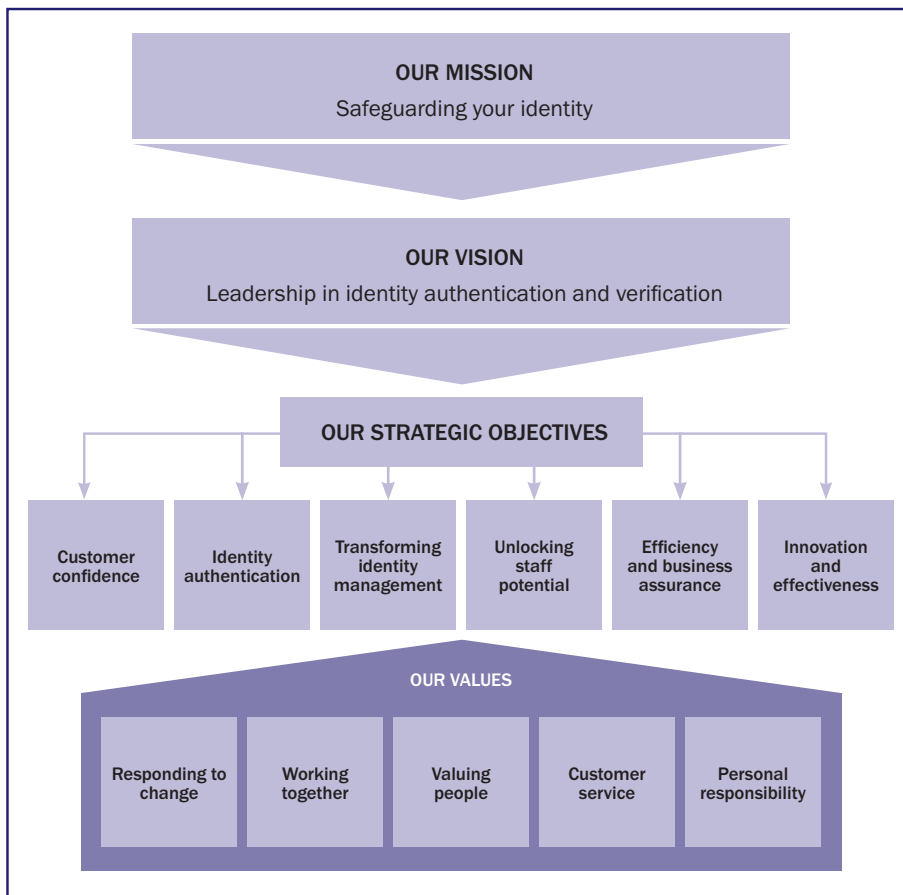
## 2 Corporate Plan

### 2.1 Purpose and values: mission and vision

The Identity Cards Act 2006 establishes the National Identity Scheme and provides the statutory framework for the issue of ID cards on behalf of the Secretary of State for the Home Department.

The Director General for Identity Services and Chief Executive of IPS (referred to in this document as the 'Chief Executive') is responsible for delivering the National Identity Scheme on behalf of the Secretary of State, which includes establishment of a National Identity Register (NIR), enrolment and issue of identity documents to legal residents in the UK and verification for third-party organisations, and the provision of passport facilities to British nationals in the UK.

The diagram below indicates how our mission and vision drive the strategic objectives of our balanced scorecard and are underpinned by our values.



#### Why this mission of 'Safeguarding your identity'?

The primary objectives of IPS that will be achieved over the 10-year life of this Corporate Plan are:

- **Improve services and customer convenience**
  - to facilitate fast and efficient access to public services for those entitled to receive them



- to determine and promote best practice in identity management across the public and private sectors
- to create a secure and convenient form of identification for individuals in their day-to-day dealings with public and private organisations.

● **Enable travel and increase international security**

- to enable legitimate travel
- to contribute to international border control.

● **Assist in the prevention of crime**

- to help tackle immigration abuse by providing the ability to check an individual's immigration status
- to help reduce illegal working by enabling employers to check easily whether a potential employee has the right to work in the UK
- to help disrupt the activities of organised crime and terrorism, which depend in part on an ability to create false identities
- to reduce identity fraud by providing unique biometric identifiers to confirm that the holder of the card is the owner of the identity
- to assist in the prevention of unauthorised access to public services.

In delivering these objectives, the National Identity Scheme offers benefits for individuals, private organisations and Government.

**For individuals**

**It simplifies proving your identity and makes your identity secure** – no need to keep many different identity documents; instead just one convenient card that can be used only by you since only you have the biometrics associated with the card.

**It makes travel documents even more secure** – overseas visits by UK residents have risen from 41.3 million in 1995 to over 65 million in 2005. This is driven by globalisation, higher disposable incomes and lower relative costs of international travel. Where the ID card indicates nationality, it will be a travel document within European countries, allowing you to travel without your passport.

**It will protect your identity from theft** – thieves will not be able to impersonate you, because only you can be matched to your biometrics.

**It helps protect the vulnerable** – people with a criminal record who apply for positions of trust with children, the sick or the elderly will not be able to pretend to be someone else during the recruitment process.

**For private organisations**

**It provides a high level of identity verification assurance** – financial product purchases and high-value transactions can be protected better. For example, retailers of mobile phones could check the identities of those entering into contracts more easily.

“Where the ID card indicates nationality, it will be a travel document within European countries, allowing you to travel without your passport”

**It helps employers to establish the identity and working status of job applicants** – the scheme will help employers generally in vetting of new employees. Also, foreign nationals staying in this country for more than 3 months will need to register, allowing their employment status in the UK to be checked easily by potential employers.

**It provides a range of verification methods to suit the need** – organisations may select the right verification method to fit the level of security required for the transaction. For example, an organisation may check that the individual matches the photograph on the card, or check a range of other biometrics or known information by phone or online.

## **For Government**

**It facilitates more efficient, faster identification and generates savings** – organisations that need to verify identity, such as the CRB and DVLA, will be able to do so more cost-effectively, and will save time, enabling their customers to obtain their services more quickly.

**It protects our public services** – providers of public services will be able to identify individuals who are entitled to free services, and those who will have to pay for those services. In addition, certain types of fraud involving false identity will be reduced, such as VAT fraud, smuggling and false claims for housing and other benefits.

**It will help protect our borders** – growing international travel and the free movement of people across borders pose additional identity challenges to the immigration services and employers.

**The scheme helps in the fight against organised crime and terrorism** – organised criminal gangs and terrorists use false and multiple identities to hide and disguise their activities, avoid detection and move financial assets around. Whilst the National ID Cards Scheme cannot prevent acts of terrorism, it can prevent individuals from registering multiple identities since their biometrics can only be registered to one identity. It therefore has an important contribution to make in the fight against crime and terrorism.

As an Executive Agency of the Home Office, IPS will deliver outcomes consistent with Home Office strategic aims. IPS incorporates the functions of the UKPS. It will work closely with IND and UKvisas to operate the scheme and deliver ID cards to legal residents in the UK. The FCO will continue to issue passports to British citizens living abroad.

IPS will inherit the UKPS remit to issue and revoke UK passports as empowered by Royal Prerogative while the National Identity Scheme will be covered by statutory powers as proposed in the Identity Cards Act 2006.

## **Why this vision of ‘Leadership in identity authentication and verification’?**

IPS is necessary to meet the challenges of modern society and the expectations that we as citizens rightfully place on Government. Being able to prove who we are is a fundamental requirement in modern society: whether applying for a job, opening a bank account, applying for state benefits, or crossing borders we need to be able to prove our identity unequivocally.

## **Modernising Government**

### ● **Identity management**

The growth of electronic services, the rise in identity fraud and the need to share data within acceptable privacy limits means Government needs a holistic approach to identity management, converging towards biometric ID cards and passports, electronic gateways and a rationalisation of citizen and business record numbers.

IPS will undertake this role of defining and promoting best practice identity management across the private and public sectors. Consequently IPS will actively work in partnership with other government departments as well as the private sector to deliver modern services which meet customer expectations using the latest proven technologies and application channels.

Through PIP we are already succeeding in working with the private sector and other government departments to strengthen identity authentication of passport customers. Our current PVS has already demonstrated the benefits of joined-up working by the successful launch of the Omnibase process for accessing UK passport application-related data from abroad by the FCO.

### ● **Transformational Government – Enabled by Technology agenda**

Between 2007 and 2010 the priority for technology investment and business change must be to transform silo-based delivery into public services which are centred around citizens and businesses, and to transform from silo-based support into a shared services framework. The goal is to have made the key changes, to have embedded the new cultures, and to have made the process irreversible, by 2010.

### ● **Efficiency drivers**

In addition to the IPS commitment to provide value for money in delivering its services, Sir Peter Gershon's review of public sector efficiency sets out clear guidance for reducing costs and improving efficiencies. From the period of the SR04 (Spending Round), the UKPS agreed an efficiency savings target of a 3% saving year-on-year on business as usual unit cost and IPS will meet this or similar efficiency targets.

### ● **Benchmarking**

IPS remains a committed member of the Passport Five Nations group of countries and will benchmark our passport issuing activities with others in this group and across the EU. In doing this, and working with the rest of the Home Office, we will seek to ensure that UK interests are effectively represented in the EU's development of standards for travel documents. We are also active members of the International Civil Aviation Organisation (ICAO) and will continue to drive forward and support the development of international passport standards worldwide.

In designing identity services IPS have already established links with other nations and will continue to benchmark our activities in the future.

## **Compliance with international standards**

IPS will also continue UKPS's role as a key stakeholder in the international community that sets standards for travel documents and related processes. These bodies, like the ICAO and the European Commission's Justice and Home Affairs Council (JHA), set policy on travel documents that IPS may be

subject to. Individual countries, such as the United States (US), also set policy that affects UK passport holders and may necessitate changes to the UK passport and/or processes. These stakeholders continue to drive changes to the UK passport and will influence the design of the ID card, including:

- US visa waiver scheme requirements for passports to contain a facial biometric from October 2006
- EU mandate of both facial biometrics (August 2008) and fingerprints (2009) for Member States' passports within the Schengen area
- introduction of fingerprint and facial biometrics for residence permits and visas issued to third-country nationals from 2008.

## Why our values?

Our mission and vision are underpinned by a set of powerful valued behaviours that IPS aspires to reflect in everything it does. Our valued behaviours are those that drive effective performance, support corporate values and help staff respond to the changing work environment. The behaviours that we particularly emphasise as reflecting the philosophy of the Agency are indicated below:

	<b>Working together</b> <ul style="list-style-type: none"><li>● working co-operatively and willingly with others to achieve a common objective – sharing information, expertise and skills.</li></ul>
	<b>Customer service</b> <ul style="list-style-type: none"><li>● providing quality, consistent, efficient and responsive customer service</li><li>● continuously striving for excellence.</li></ul>
	<b>Responding to change</b> <ul style="list-style-type: none"><li>● embracing and supporting change, maintaining an open mind and learning from experience.</li></ul>
	<b>Valuing people</b> <ul style="list-style-type: none"><li>● accepting and respecting others for their knowledge, expertise and difference, recognising and acknowledging their potential and achievements, and enabling them to perform.</li></ul>
	<b>Personal responsibility</b> <ul style="list-style-type: none"><li>● taking responsibility for individual and organisational actions and decisions</li><li>● acting with integrity and commitment.</li></ul>

## 2.2 IPS and our delivery partners

IPS will incorporate the functions of the UKPS and work closely with our key delivery

partners – IND, UKvisas and the FCO – to deliver the National Identity Scheme. IPS will also continue its successful partnerships with service providers in the public and private sectors to deliver its services.

### 2.2.1 UKPS becomes IPS

IPS, which is responsible for issuing passports to eligible British citizens in the UK, is forecast to issue approximately 6.9 million passports in 2006/07. The UKPS already had a change programme underway to improve its identity authentication capability and the security of the UK passport. By building on the foundation of these capabilities, the cost of delivering the National Identity Scheme is reduced and the process de-risked.

#### Identity and Passport Service

IPS became operational on 1 April 2006 following Royal Assent of the Identity Cards Bill on 30 March 2006. IPS builds upon the foundation of the UKPS and works closely with the Home Office's Immigration and Nationality Directorate.

For the 2005/06 financial year, the UKPS had a budget of £292 million, and was not only a self-financed business within Government, but also provided funding for the FCO consular services overseas.

There are currently 3,250 staff (with another 700 outsourced) located in seven offices throughout the UK.



IPS is proud of UKPS's achievements over the last 12 months, several of which will provide a platform to launch new initiatives and service improvements during the life of this Plan

IPS is proud of UKPS's achievements over the last 12 months, several of which will provide a platform to launch new initiatives and service improvements during the life of this Plan. Key achievements during 2005/06 included:

- maintaining a high degree of customer focus. Customer satisfaction levels have been maintained at above our target of 95%, despite the introduction of significant change
- record numbers of passports issued: IPS forecast that in 2005/06, we will have issued 6.6 million passports while achieving most of the very challenging performance targets, and those not achieved were just under target
- improved customer service through the implementation of our integrated call handling project which gives our call centre partner greater access to our records and consequently enables more enquiries to be resolved straight away
- rated highest for customer service by CompariSat®<sup>1</sup>, which includes leading private-sector companies
- success in fraud prevention operations that involve working jointly with the law enforcement agencies and other government departments
- developed and implemented a facial recognition system that has successfully identified attempted fraudulent applications in duplicate identities

<sup>1</sup> CompariSat is an independent service run by FDS International Ltd that benchmark key business performance indicators, such as Range and Quality of Services and Products, Value for Money, Innovation, Trust, Overall Experience and Satisfaction with Employees, across over 35 major private and public sector organisations.

- successful pilot of the first phase of PIP
- growth of PVS to support the Government's e-borders agenda, FCO, DVLA and CRB while also successfully piloting the process with selected financial institutions
- successful technical upgrades of our passport application system and general IT infrastructure
- held first annual Celebrating Success Awards for staff who have greatly contributed to the success of the UKPS
- outstanding staff survey results showing job satisfaction rates above the public-sector norm and significant improvements in staff opinion on almost all fronts, including confidence in senior management and willingness to embrace change
- continued good relations with our trade union partnership
- provided e-mail and the internet to staff improving internal communications and efficiency
- embedded our valued behaviours and implemented a new performance management framework
- achieved our financial targets.

IPS values its relationship with the Public and Commercial Services Union (PCS) and First Division Association (FDA). A formal partnership agreement was signed with PCS by UKPS in May 2002 and continues under IPS. The agreement was a significant step, and its continuation reflects the importance IPS places on employee relations. The Agency Chief Executive will seek to enter into a similar partnership agreement with FDA.

## 2.2.2 Delivery Partners – IND, UKvisas and the FCO

### Immigration and Nationality Directorate

IND, which is responsible for immigration control, applications for permission to stay in the UK, UK citizenship and asylum in the UK, has also implemented measures to reduce the numbers of those staying illegally and those with bogus claims to asylum. More than 90 million people pass through IND immigration controls every year.

As IND delivers its objective of managing migration to the benefit of the UK while preventing abuse of immigration laws and of the asylum system, it plays a key role in the fight against identity fraud.

IND will remain responsible for the immigration status of foreign nationals under the National Identity Scheme and in cases where customers require consideration of their immigration status, IND will complete all aspects of decision-making for their application including registration in the scheme. IND will make use of core services provided by IPS during the application process such as the production and delivery of cards. In other cases, where the main business of the transaction is concerned only with the authentication of identity, IPS will provide services directly to foreign national customers.

### UKvisas

In 2000, the FCO and the Home Office established UKvisas to manage the UK's entry clearance (visa) operation. Over 2,000 staff at approximately 160 FCO posts process around 2 million visa applications each year.



The role of UKvisas is to welcome legitimate travellers to the UK, while preventing the entry of those who do not qualify under the immigration rules; consequently UKvisas has a central role in combating identity fraud in the UK.

UKvisas is implementing changes that will increase identity authentication, particularly through biometric capture, and at the same time is streamlining its processes to deal with an increasing number of visa applications.

**Foreign and Commonwealth Office**

The FCO is responsible for issuing UK passports to British citizens overseas, typically issuing over 450,000 each year. The FCO has 153 embassies and high commissions and 70 consulates or deputy high commissions in major cities around the world.

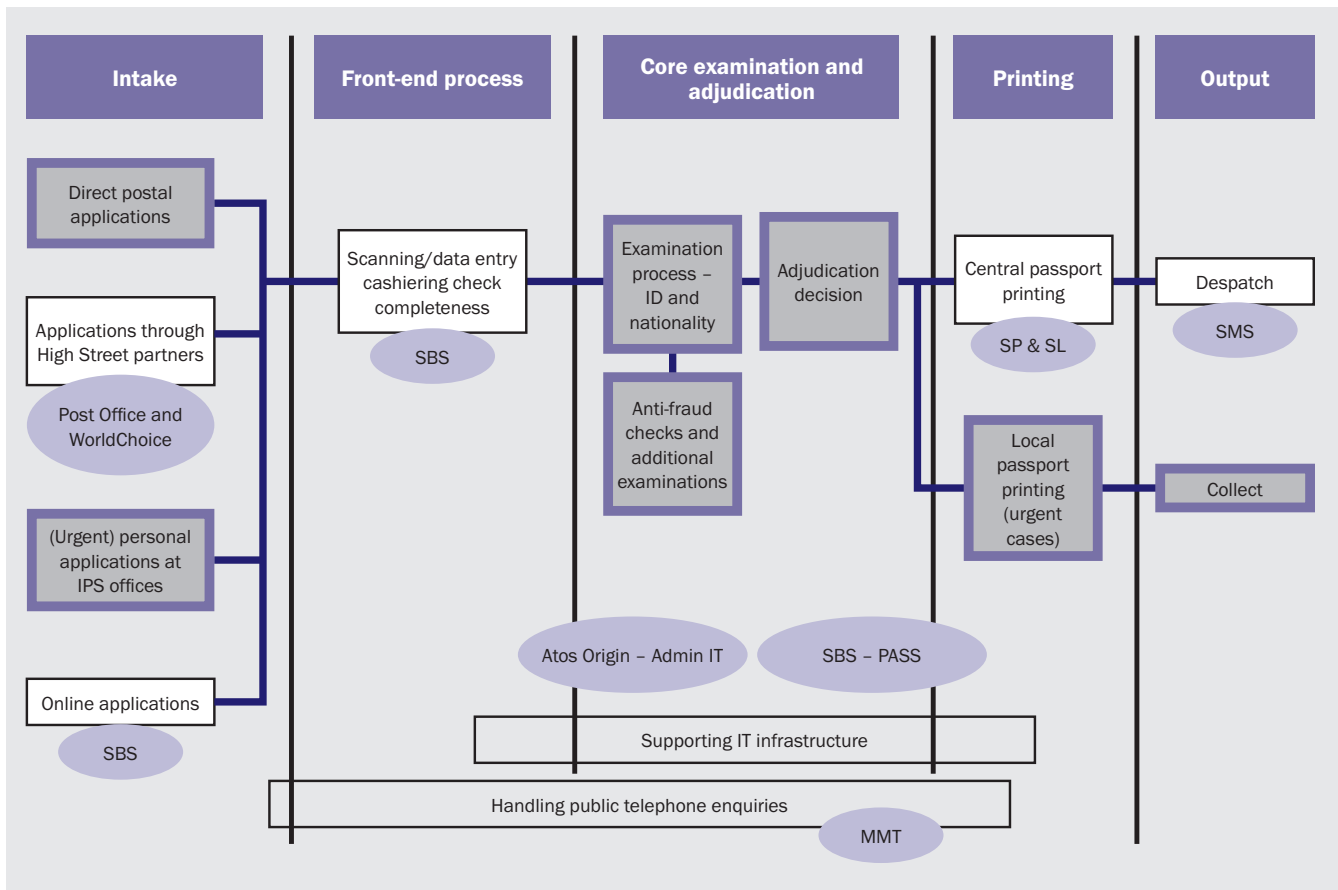
As the passports issued by the FCO facilitate travel to and from the UK, the FCO has a key role in the efforts to combat identity fraud in the UK and beyond.

The FCO adopts a risk-based approach in issuing passports in its various posts. The FCO and IPS are working together to ensure a consistent level of confidence in the identity of passport holders with both organisations sharing information in support of authenticating the identity of customers for UK passports around the world.

The FCO and IPS are implementing the biometric ePassport as a joint project.

**2.2.3 Current partnerships with service providers**

IPS delivers its current activities through number of partnerships with the private sector:



We will strive to achieve value for money from our partnerships and will be working with them to deliver our aims and objectives:

### **Siemens Business Services and Security Printing and Systems Ltd**

Siemens Business Services (SBS) provides services at the front end of the passport production process. It is responsible for providing mail room services, scanning application forms, cashiering fees and initial query handling with the customer. SBS also provides the IT infrastructure to support all IPS's passport applications operations and is continuing to develop this.

Security Printing and Systems Ltd (SP&SL) is responsible for printing over 94% of all passports produced in the UK.

The operation of current public-private partnership contracts and implementation of changes to deliver the IPS change agenda will be the main focus of activity. We will continue to maintain our relationships with SBS and SP&SL through regular bilateral meetings.

### **ATOS Origin**

ATOS Origin provides the office computer network 'Admin IT' which supports internal e-mail and intranet, external e-mail and internet access, and a variety of business and management information applications across the organisation. This service was subject to a major upgrade during 2005.

ATOS Origin also provides, jointly with MM Teleperformance (MMT) and Q-Matic UK Limited, our appointments and booking system which allows MMT to make customer appointments at IPS offices for passport applications via the counter service.

### **MM Teleperformance**

MMT is responsible for dealing with over 90% of all telephone enquiries. It also handles appointment bookings and e-mail queries together with electronic application support on behalf of IPS.

MMT's activities are judged on the basis of the speed and quality of their response to customers' telephone calls, the quality being determined primarily via a monthly 'mystery shopping' exercise. Through access to our passport issuing system and training of their agents, MMT has handled an increasing number of calls year on year.

### **High Street partners**

Our High Street partners, Worldchoice UK Ltd and the Post Office Ltd, are recognised as the first port of call for those seeking application forms. These partners also provide an optional 'check and send' service to ensure that the application form has been properly completed before submission. Currently we receive approximately 45% of all our applications via these High Street partners.

### **Special Mail Services Ltd**

Special Mail Services Ltd (SMS) ensures the secure delivery of all passports issued through the PASS system via SP&SL. In addition, SMS also provides the same service for passports issued at regional offices on our local production systems, and for the return of all valid passports submitted as supporting documents with new applications.

### Equifax

Equifax provides the systems support and access to private-sector data for our pilot biographical footprint checks. We are currently transitioning these checks into full-scale operation.

## 2.3 Short-, medium- and longer-term plans

Over the next 10 years, IPS embraces the challenge of continuing to issue passports to British citizens while evolving to deliver the National Identity Scheme. Employee numbers will increase, the number of product types will increase five-fold, application volumes will almost double and services to other government departments and business will expand rapidly from the current PVS to a full suite of identity management-related services.

Our programme of change builds on the existing projects initiated through the UKPS and the Identity Cards Programme.

The new and improved capabilities that we are developing as part of the change programme include:

- application and enrolment processes that enable us to meet the customer and ensure they are the person that they are claiming to be in their application
- use of biometrics to uniquely identify an individual and detect attempts at multiple registration
- developing a background check ('biographical footprint') for an identity to show that it exists and has been lived according to the customer's claims, by checking and verifying the data provided with other government departments and private-sector databases that we access
- identity verification services that authenticate the identity documents that we have issued and verify that the holder is the rightful owner of that identity document.

This section is divided into the following three subsections:

- **enhancing current services** – covers progress on ongoing and short-term initiatives to improve current processes and services associated with passports
- **evolving capability** – outlines how IPS and delivery partners will evolve to support the delivery of the National Identity Scheme. This broadly covers a five-year period concentrating on developing new capabilities in IPS, UKvisas and IND
- **vision of the future: 10 years on** – presents a picture of what individuals and organisations can expect once the National Identity Scheme has been in operation for a number of years.

### 2.3.1 Enhancing current services

In this period, IPS will continue the delivery of the key changes that are already underway to improve the passport document and the issuing process. These changes will strengthen the passport's capability as an identity document ahead of full roll-out of the National Identity Scheme and ensure that we keep pace with international requirements.

These changes aim to:

- improve the application and enrolment process



- meet international passport security requirements
- extend verification services to more accredited organisations.

These improvements will ensure that IPS can assist passport holders to verify their identity to accredited organisations. This will be underpinned by delivering a secure UK passport that conforms to international biometric standards, based upon rigorous background and application checks.

The following key projects deliver these improvements:

- Abl
- PIP
- ePassports
- PVS.

### **Improving the application and enrolment process**

#### ● **Authentication by Interview**

Almost all developed countries require personal attendance as part of the passport application process. The UK is a notable exception to this. The Abl project is a pivotal project for improving passport processes, systems and procedures and introduces meetings for all first-time adult applicants (approximately 600,000 this year). This will strengthen the authentication of personal identity and will eliminate the ability to obtain a passport in someone else's identity with minimal risk of arrest.

These meetings will be carried out in approximately 70 offices around the UK to be launched in the autumn of 2006. These offices, dispersed across the UK so as to make them accessible for the customer population, will provide a controlled environment to record biometrics. Arrangements will also be considered for customers in remote communities using mobile, portable enrolment equipment or video links to conduct interviews.

#### ● **Personal Identity Process**

The first phase of PIP was rolled out in early 2006 and introduces checks for all first-time adult passport applicants against independent sources such as the electoral roll or address histories. These checks verify a 'biographical footprint' of an individual's personal identity.

PIP will be continuously developed over the coming years as new data sources become available and our processes are streamlined to deliver a more comprehensive biographical footprint check.

Information from PIP improves the identity authentication process as a source of questions to be used during the personal attendance required by Abl.

### **Meeting international passport security requirements**

#### ● **ePassports**

IPS has just begun to issue low volumes of passports with an electronic chip, and will complete the roll-out of this programme during the third quarter of 2006. The electronic chip will contain a facial image created from photos submitted with application forms.

The timing of this capability meets international travel requirements, ensuring that UK passport holders continue to benefit from free movement by having a passport on a par with other leading

The facial biometric will improve security for lost and stolen passports and support for an electronic image 'watch list' to deter and detect multiple identities

industrial nations. The ePassport is intrinsically harder to forge, but will also include a number of new security features.

The facial biometric will improve security for lost and stolen passports and support for an electronic image 'watch list' to deter and detect multiple identities. The electronic chip design and development also serves as a 'proof of concept' for future identity documents

- **Piloting recording additional biometrics**

We anticipate piloting the recording of fingerprints as a second biometric from volunteers in late 2007. This prepares the UK to match mandated EU standards for both fingerprint and facial biometrics for Schengen area passports.

#### **Extending verification services**

- **Passport Validation Service**

PVS will provide a validation service that enables other government departments and some accredited private-sector organisations, such as banks, to check the validity and authenticity of a passport.

PVS allows the DVLA to be sure they are issuing a driving licence based on a valid passport, helps the Department for Work and Pensions to reduce benefit fraud and helps the CRB be certain they are checking the right person. PVS also supports border control agencies in the fight against illegal immigration and people-smuggling. It also helps financial institutions to comply with anti-money laundering legislation and to substantially reduce their fraud risk.

PVS is provided to accredited organisations via a call centre. The call centre uses managed access to passport records to verify the identity of passport holders.

PVS helps passport holders and organisations which they interact with to confirm their identity and provides a basis for streamlining identity management in accredited organisations.

### **2.3.2 Evolution to the National Identity Scheme**

This section outlines new capabilities to be introduced incrementally as we develop our current activities and collaborate with IND, UKvisas and the FCO to deliver the National Identity Scheme.

The changes we plan will enable us to verify the identity of people who hold our identity documents and issue more secure documents which are increasingly difficult to forge and contain the highest quality, checked information, linked exclusively to an individual through a record of their personal biometric data.

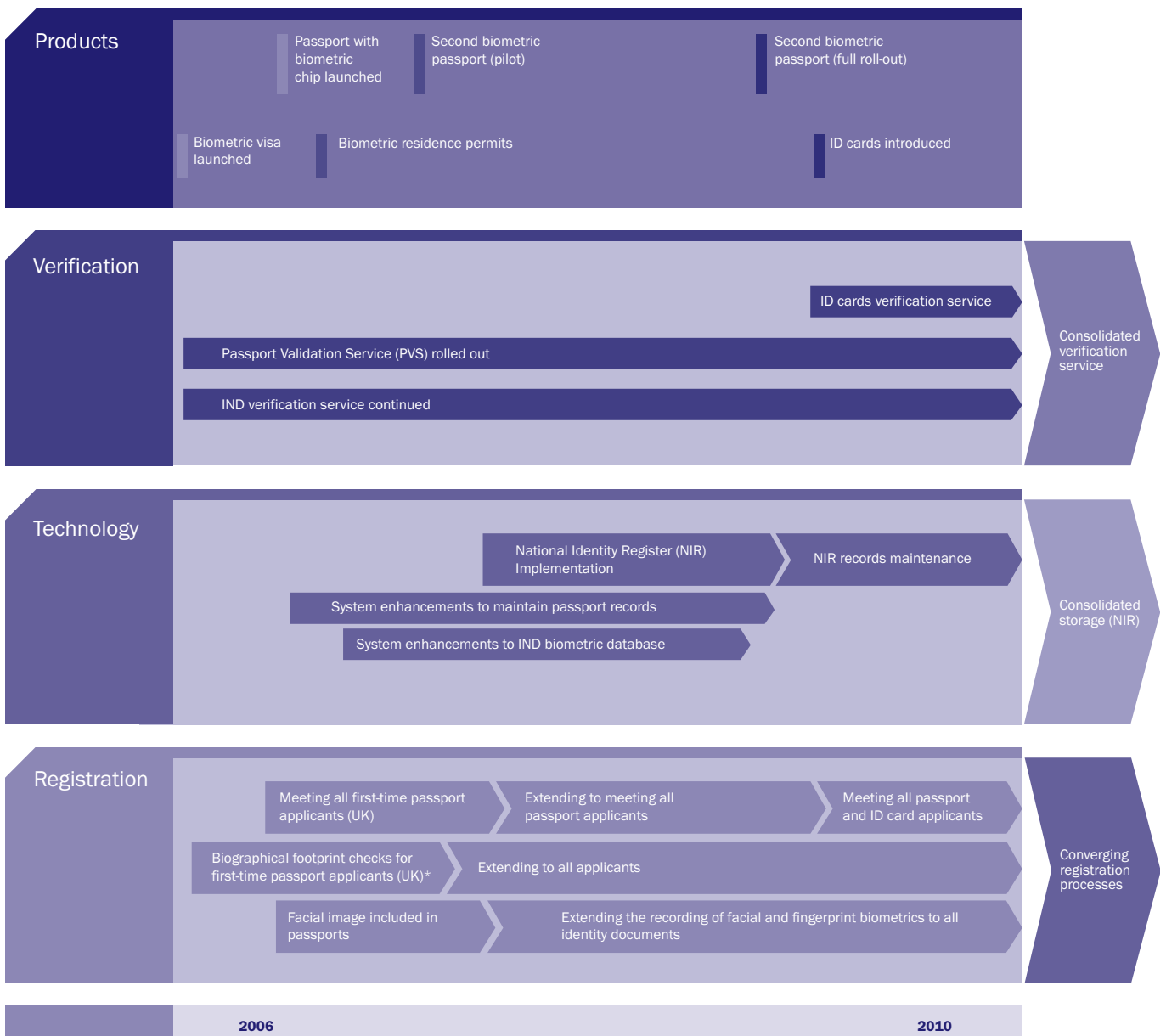
Rather than offering services only to British citizens who wish to travel, IPS will receive applications from all British and Irish citizens resident in the UK and those adult foreign nationals who wish to remain in the UK for more than three months, and whose application does not need to be considered by IND. IPS services will be underpinned by an infrastructure which will enable biometric identity and document verification, and is supported by a database of information linked to an individual via the allocation of a unique identity reference number.

We will introduce the following key changes in the way we do business:

- provide best practice registration processes, including:
  - meeting all customers registering for an identity product (first-time applicants and renewals)

- recording up to three biometric types (fingerprints, irises and facial image) for all applicants
- providing an automated identity authentication and verification process
- provide a secure end-to-end process for all products and services so that fraud and misuse of products is limited
- produce a unique identity number for registered ID card and passport holders
- provide an online service to allow accredited organisations to verify the identity of individuals
- develop the NIR, including the required data storage and applications processing technology
- develop policy on behalf of the Home Secretary to support the development of cross-Governmental best practice in identity management.

The diagram below shows how the National Identity Scheme capability will evolve:



\* extended to public sector data including birth, death, marriage and naturalisation data

IPS will be responsible for issuing and maintaining the following identity products:

Identity product	Description
British passport	Current British passport and then biometric passports issued to British citizens resident in the UK to enable travel and to demonstrate identity
National ID card	Biometric national ID cards issued to resident British citizens over 16 to enable travel in EEA countries and prove identity in the UK in order to access services
Plain national ID card	Biometric national ID card issued to resident British and Irish citizens over 16, which allows the individual to demonstrate identity to support access to services but does not enable travel.

IPS will work closely with its key delivery partners – IND, UKvisas and the FCO – to build on the programmes of biometric products currently being implemented, develop common standards for identity management and ensure joint planning and development across the organisations.

IPS will work closely with its delivery partners to deliver the following biometric products to non-British or Irish legal residents in the UK.

Identity product	Description
Residence permit	Biometric document issued to third-country nationals that confirms ‘leave to remain’ status for the individual
Registration certificate	Biometric document issued to EEA nationals that confirms holder is resident within the UK and is exercising EU treaty rights
Residence card	Biometric document for third-country nationals who are spouses/dependants of EEA nationals, confirming eligibility for ‘leave to remain’ status.

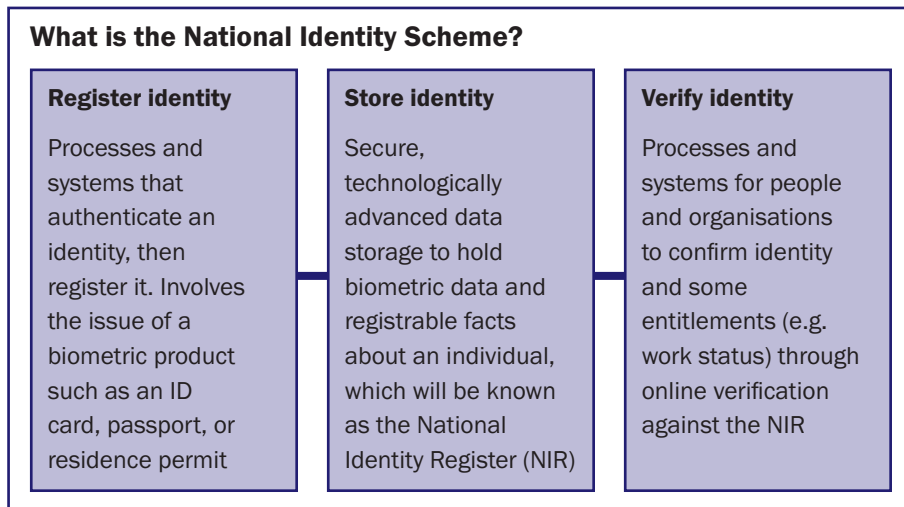
“Improvements will make use of additional biometrics such as fingerprints and will make identity documents more secure”

In the medium term, identity documents such as the passport and residence permits will be further improved. These improvements will make use of additional biometrics such as fingerprints and will make identity documents more secure, to the benefit of holders, organisations and society as a whole.

- **second-generation biometric passports** – following pilots to test the benefits of recording biometrics, we anticipate introducing a UK passport with both facial and fingerprint biometrics. This will meet existing and likely ICAO and EU standards
- **biometric residence permits** – similarly, IND is developing a biometric residence permit in line with EU standards. This will secure the identity of people visiting or immigrating to the UK. It will involve the recording of 10 fingerprints with a facial biometric
- **ID cards** – ID cards will begin to be issued in low volumes from launch, then in increasing volumes. Over the coming years, biometric EU travel documents and plain ID cards will be issued.

IPS will contribute to delivering the wider benefits of the National Identity Scheme by working with other government departments to develop common standards in identity management across the UK. The National Identity Scheme comprises three

core processes: register identity, store identity and verify identity. These are explained below.



### 2.3.3 Vision of the future: 10 years on

This section presents a potential picture of how the National Identity Scheme could look in 10 years, how people would interact with it in their day-to-day lives, and some of the benefits of the Scheme.

#### Case study

IPS has been operating effectively for over 10 years since its creation in 2006. The success of the National Identity Scheme means that the majority of all UK residents have applied for an ID card and are now registered on the NIR.

All ID cards provide the same level of security for their holder and can be checked via a PIN or more rigorously by validating biometric information. The cards carry a range of information such as name, date of birth, expiry date and photograph to enable visual verification of identity. All major public services and government departments are now accredited organisations that use the National Identity Scheme, with many private-sector organisations, such as banks, building societies and airlines also accredited to use the identity services offered by the Scheme.

The NIR is now supporting over 400 million verification checks a year against identity records. Over a quarter of these are from UK border controls and airlines. A range of verification services is provided to accredited organisations, including a helpline to enable stolen and lost cards to be reported and disabled.

#### What is it like for customers?

*The ID card has become an established way to prove identity and reduce fraud*

For individuals registered in the scheme, the ID card is now an accepted part of accessing many public- and private-sector services. It is seen as a simple yet highly valued form of verifying their identity. Most UK residents using these services are now able to prove their identity via the scheme through the online verification services.

Many British ID card holders now use their card as a travel document in EEA countries. For most people, passing through immigration controls in major UK airports is straightforward as they satisfy embarkation and

immigration controls by simply inserting their ID card in a card reader and providing a biometric upon leaving or entering the country.

The ID card is the same size as a credit card and is convenient, although not compulsory, to carry and use as an everyday proof of identity. The identity number is now an established unique identifier for all UK residents.

#### *Application and enrolment in the National Identity Scheme is simple*

At the start of the scheme, British citizens made applications to join the National Identity Scheme when their passport was nearing expiry, or they were nearing the age of 16. The form (online or paper) was used to record key information that was needed to start the process.

Once the initial checks have been completed, the customer is invited to attend an enrolment centre where a short interview is performed and biometrics recorded.

The customer receives their passport and/or identity card via secure mail delivery within a few days of their application.

ID card holders are able to change the address registered to them on the NIR and to arrange for replacement cards and report lost or found cards via the internet and a telephone helpline. Customers of the ID card can feel more confident that they are protecting themselves from identity fraud.

#### **What is it like for organisations using identity services?**

##### *Major public services can deal with applications and queries more quickly*

Anyone now undertaking an interview as part of a Jobcentre Plus benefit application, immigration interview, registering with a general practitioner or applying for a mortgage can expect to have their case handled more reliably as a result of the implementation of the National Identity Scheme. Back-office checks on individuals are now more efficient. For example, prospective employers now check references and suitability rather than eligibility to work and identification.

#### **Is the National Identity Scheme working?**

##### *Reduced illegal working and immigration leading to better community relations*

Introduction of the National Identity Scheme has helped the UK to manage migration, having reduced the pull factors that attracted illegal immigration. It has also helped genuine migrants integrate into society and enabled them to access public- and private-sector services more quickly and easily. Access to services, other than emergency services, now involves straightforward registration using the ID card as part of verifying an individual's identity.

##### *Protecting individuals' privacy*

The National Identity Scheme Commissioner continues to represent individuals' rights and concerns to the Home Secretary and to Parliament. The Commissioner is a well-known public figure who oversees the operation and use of the National Identity Scheme, ensuring data is used for lawful purposes and only prescribed data is stored on the National Identity Register.

Additionally, individuals are reassured their data is accurate and know who has checked it as they can request a personal copy of their record at any time.

“ Anyone now undertaking an interview as part of a Jobcentre Plus benefit application, immigration interview, registering with a general practitioner or applying for a mortgage can expect to have their case handled more reliably ”

## 3 Business Plan

This section of the Plan outlines the financial plans, key tasks and performance targets IPS will be pursuing in 2006/07. Targets are determined by IPS with reference to our mission and vision and represent a balanced set of performance indicators and task outputs on which we will focus in the coming year.

### 3.1 2006/07 financial plans

IPS has two distinct and separate funding streams. The resource costs of passport issuing activity are recovered from passport fees in line with HM Treasury fees and charges guidance or HM Treasury/legally approved variations. The fees also contain an element for non-fee bearing consular services overseas. Passport capital investment is funded through the Home Office and recovered through capital charges over the useful life of the assets.

Resource and capital expenditure for the set-up of the National Identity Scheme are funded from central Home Office funds and are to be reported separately in the Agency's accounts.

The table below outlines the forecast financial outturn for both passport production and ID card development for 2005/06, the transition year, and 2006/07, the first year of operation as IPS.

There is a significant increase in the average unit cost of a passport across the two years. This arises from the critical improvements to the application and enrolment processes (PIP and Abl) and the security of the document (ePassports) that we will be implementing (these improvements are detailed in Section 2.3.1 of the Corporate Plan). To minimise the impact of this significant unit cost increase we have smoothed the fee increases over two years, establishing a surplus in 2005/06 and an equal deficit in 2006/07.

	2005/06 £m	2006/07 £m
<b>Income</b>		
From Passport fees	307	388
From Home Office funding	25	56
Total Agency income	332	444
<b>Expenditure</b>		
Passports	240	350
Identity cards set-up	25	56
FCO consular services	52	53
Total Agency expenditure	317	459
Surplus/deficit*	15	-15
Output (000)	6,918	6,910
Average unit cost	£42.21	£58.32

\*against passport-fee related activity only





### 3.2 2006/07 Key tasks and performance indicators for IPS

The following tables detail the key tasks and performance indicators that IPS will be pursuing in 2006/07. The targets and performance measures provide a coherent framework of action that will ensure we continue to provide the best possible service to customers, tackle fraudulent applications and develop our staff in line with business requirements.

**Table 3.1. Key tasks and performance indicators 2006/07**

#### **Customer confidence**

##### **Key tasks and performance indicators**

- to meet demand for 6.9 million passports
- to achieve a customer satisfaction rating of at least 95%.

##### **Partner, postal and online services:**

- to turn around 99.5% of straightforward online, partner and postal applications within 10 working days.

##### **Counter services:**

- to turn around 99.5% of straightforward premium and fast-track applications within service standards
- to offer 90% of customers an appointment slot at 1 or more of the IPS regional passport centres within 3 working days of calling to book
- to see 92% of callers within 20 minutes of their appointment times.

##### **Abl services:**

- to send a letter to 99.5% of straightforward first-time adult applicants within 8 days of receipt of their application inviting them to call and arrange an appointment for interview
- to offer 90% of first-time adult applicants a personal appointment slot at their location of choice within 4 working days of calling to book
- to dispatch the passport for 99.5% of successful, first-time adult applicants within 3 working days of their appointment.

##### **In general:**

- to respond to 90% of telephone enquiries within 20 seconds
- to achieve an accuracy rate of 99.75% on passport books issued.

##### **Accredited business customers and Government partners:**

- to establish a commercial Passport Validation Service underpinned by defined service level agreements by end of the third quarter 2006.

## Identity authentication

### *Key tasks and performance indicators*

- to complete roll-out of a newly designed ePassport with additional security features and containing a biometric chip, during the third quarter of 2006
- to require all first-time adult applicants to attend for a personal appointment at a new network of offices from the fourth quarter of 2006
- to embed the robust management information, monitoring and sampling processes implemented in 2005/06 to enable the establishment of appropriate fraud reduction and identity authentication targets and objectives from 2007/08 onwards
- to roll out the Personal Identity Process biographic footprint checks to all offices for first-time adult applicants by the end of the third quarter 2006
- to extend our 'proof of concept' facial recognition system to all New Agency Regional Fraud Intelligence Units by the end of 2006.

## Transforming identity management

### *Key tasks and performance indicators*

- to create a marketing plan for PVS during the third quarter of 2006 to publicise the availability of the service and how it can transform identity management
- to provide Interpol/IND with the details of passports reported lost or stolen within 2 working days of the issue of a replacement passport or within 2 working days of the receipt of a straightforward independent report
- to devise benefit realisation plans, at milestone level, for all major benefit contributors to the forward plan, by the end of 2006.

## Unlocking staff potential

### *Key tasks and performance indicators*

- to ensure a sick absence rate of no more than 9.5 days per person per year
- to achieve BME employment targets: at least
  - 11% at Higher Executive Officer (HEO) level
  - 3.5% for Senior Executive Officer (SEO) and Grade 7 combined
- to invest 6.5% of payroll into training and development including staff time opportunity costs
- to issue the staff survey questionnaires by the end of quarter one 2007 and seek a 5% improvement on positive returns relating to the management of

### **Efficiency and business assurance**

#### ***Key tasks and performance indicators***

- to ensure a deficit of no more than £15 million on against passport-fee related activity in 2006/07 after payment of the FCO consular premium, due to the number of investments in the period and as agreed with HM Treasury
- to achieve a budgeted unit cost target (based on internal costs including external charges, e.g. FCO premium) of £58.32 per passport
- to deliver a 3% efficiency improvement to 'business as usual' operations, excluding costs attributed to the change programme, including a procurement saving of 1% on total spend excluding payroll
- to achieve an annual variance between actual and forecast demand of no more than +/- 5%
- to ensure that 97% of invoices are paid within 30 days
- to assess the Sustainable Development in Government targets for their relevance and commence measurement of the necessary targets before the end of 2006
- to keep within the agreed budget funded by the Home Office for the work on the development and procurement of the National Identity Scheme.

### **Innovation and effectiveness**

#### ***Key tasks and performance indicators***

- to maintain a high level of operational systems availability (99.9%) and corporate systems availability (99.5%) in line with agreed service levels and to meet quarterly with service providers to review performance
- to progress future releases of operational passport systems to support electronic checking of birth, marriage and death information (from late 2006) and the wider use of facial recognition technology (from the fourth quarter 2006)
- to maintain and embed the National Identity Scheme IS strategy to ensure alignment with UKPS change projects and the National Identity Scheme Programme
- to ensure interoperability of the new biometric passport with passport readers installed in other nations' ports of entry. This work will be carried out during the second quarter of 2006 and an independent test centre will also be established by the end of the third quarter of 2006 to provide ongoing interoperability testing for emerging technology and standards.

### **'Vital Signs' and financial reporting**

IPS will continue to produce 'Vital Signs' information for Ministers, Home Office and IPS management. Produced on a weekly and monthly basis, 'Vital Signs' provides information on all aspects of IPS performance. Reports show the performance of each office on a weekly basis and are used to highlight not only areas of concern but also areas of performance above expectation.

Every six months a report will be laid before Parliament setting out the estimate of public expenditure likely to be incurred on the ID Cards Scheme looking ahead over a 10-year period.

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## **Risk management and business assurance**

IPS will continue to concentrate on twelve fundamental areas of risk management and business assurance activity. These are:

1. to provide confidence that current and future business and quality objectives will be achieved with a level of risk that is acceptable to IPS
2. to deliver and maintain cost-effective control
3. to effectively present relevant and reliable information on key risks
4. to provide the means for key stakeholders to evaluate business performance in identifying, measuring, prioritising and mitigating risks against key business objectives and outcomes
5. to integrate all IPS assurance functions, in particular risk management, internal audit and management assurance activity, to optimise the outcomes of assurance work whilst minimising the bureaucracy required of business units
6. to support business managers and their teams to assess, respond, improve and report on risk and control to enable management to fulfil their obligations in this respect
7. to adopt a risk-based approach in all risk and assurance activity and to build quality into the control and risk management aspects of all business processes
8. to establish continual management assessment of risk and control
9. to increase integration of risk management into business planning and performance management activities
10. to achieve clarity and agreement on which areas all Agency stakeholders need assurance on and the level of assurance needed
11. to develop and regularly test robust business continuity, disaster recovery and contingency plans
12. to increase value added through risk transfer activities and integrate all Agency partners in the control processes, to achieve robust assurance on partner control mechanisms and practices.

## **3.3 Corporate governance and organisational structure**

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IPS was created as an Executive Agency of the Home Office on 1 April 2006. The responsibilities of the Agency extend beyond those normally associated with an executive delivery agency. The Agency, on behalf of the Secretary of State, is charged with promoting best practice in identity management and influencing business decisions to enable the realisation of benefits from better identity management in the UK. Through the Permanent Secretary, IPS will be the primary source of advice to the Secretary of State for the Home Office on policy issues relating to the National Identity Scheme. It will directly represent the Home Office on identity management policy in all dealings with other government departments and private sector organisations. IPS will therefore maintain close strategic, tactical and operational links with the Home Office, particularly in relation to identity management policy.

IPS governance arrangements, accountabilities and relationship with its parent department, the Home Office, are set out in the Agency Framework Agreement.

IPS will have the following corporate governance arrangements in place:

- **the Chief Executive** will have day-to-day responsibility for running the Agency. As Agency Accounting Officer, the Chief Executive reports to the Permanent Secretary for the effective management of the Agency and is accountable to the Secretary of State. The Chief Executive's additional title is Director General for Identity Services. As such, he/she will also be a member of the Home Office's Group Executive Board
- **the Agency Strategy Board**, chaired by the Chief Executive. The Agency Strategy Board will be an advisory board constituted of a balance of Executive and non-Executive Directors. It will provide effective, independent advice and challenge to the Chief Executive on matters of Agency strategy and management.

IPS will be organised in four Directorates headed by four Executive Directors who report to the Agency Chief Executive and sit on the Agency Strategy Board and the Executive Directors' Meeting.

The roles of each of the Executive Directors are:

- **Executive Director of Service Delivery:** responsible for delivery of all operational services, regional offices, call centres and operational supplier management
- **Chief Information Officer:** responsible for IS/IT strategy and its delivery, the NIR, development of identity services, systems integration, office systems and the development programme
- **Executive Director for Business Development and External Affairs:** responsible for developing and marketing identity services and communication. This Director would also take responsibility for managing the Agency's relationships with private-sector customers and other stakeholders
- **Executive Director of Corporate Services:** responsible for finance, human resources, estates, commercial services, corporate strategy and risk management.

The Chief Executive may vary the allocation of responsibilities to meet the needs of the Agency. The Chief Executive is responsible for ensuring appropriate mechanisms are in place for the day-to-day operational management of the agency.

IPS will also have an important relationship with the National Identity Scheme Commissioner who will oversee the scheme, including how ID cards are used by public- and private-sector organisations. The Chief Executive will have responsibility for responding to the requirements of the National Identity Scheme Commissioner.

## Glossary

<b>Abbreviation</b>	<b>Term</b>
AbI	Authentication by Interview
BME	Black and minority ethnic
Passport	British passport
CBP	Corporate and Business Plan
CRB	Criminal Records Bureau
DVLA	Driver and Vehicle Licensing Agency
EEA	European Economic Area
EU	European Union
FCO	Foreign and Commonwealth Office
FDA	First Division Association
FR	Facial recognition
FSA	Financial Services Authority
HASC	Home Affairs Select Committee
HMT	HM Treasury
HR	Human resources
ICAO	International Civil Aviation Organisation
ID card	Identity card
ID Cards Act 2006	Identity Cards Act 2006
iiP	Investors in People
IND	Immigration and Nationality Directorate
IPS	Identity and Passport Service
IT	Information Technology
JHA	Justice and Home Affairs Council
KPI	Key performance indicator
LSR	Lost, Stolen and Recovered
MMT	MM Teleperformance
NIR	National Identity Register
NISC	National Identity Scheme Commissioner
OGC	Office of Government Commerce
PVS	Passport Validation Service
PCS	Public and Commercial Services Union
PIN	Personal Identification Number
PIP	Personal Identity Process
SBS	Siemens Business Services
SMS	Special Mail Services Ltd
SP&SL	Security Printing and Systems Ltd
UKPS	UK Passport Service

<b>Term</b>	<b>Description</b>
Authentication	The use of credentials to establish a claim to a valid identity and the right to use that identity. Normally this word should be 'qualified' so the reader can understand the type of authentication being referred to. An example is 'product authentication'.
Authorisation	The process of determining which types of activities are permitted by a previously authenticated user of the scheme. Once authenticated, a user of the scheme may be authorised (or entitled) for different types of identity enquiries based on who they are, job function or other aspects of the security policy.
Biometric	A measurable, physical characteristic or personal behavioural trait used to recognise the identity or verify the claimed identity.
Customer	An individual who has been successfully registered with an identity provider.
Delivery Partners	The partners organisations in the National Identity Scheme, which are IND, UK visas and FCO
Footprint	The profile owned by an individual following their historical interactions in society which have generated records on a number of public- and private-sector systems.
Identification	'Who are you?' A service offered to users of the scheme organisations to ascertain the identity of an enrollee by matching their biometrics to biometrics held on the NIR, hence carrying out a one-to-many match.
Identification document	A document that purports to be issued by an authority or identity provider that has established an identity.
Identity authentication	The process of establishing an applicant's identity beyond reasonable doubt, in order to increase confidence in product issue and negate identity fraud.
Identity management	A unified framework for managing individual and user information.
Identity product	The products of IPS, including various types of ID card and biometric passports.
Identity provider	A type of service provider that creates, maintains, and manages identity information for principals and provides user authentication to other service providers.

<b>Term</b>	<b>Description</b>
Identity services	This covers all identification services offered to the market (verification, authentication, identification and information provision with consent). This also includes services to allow customers to check their own identity information held on the NIR and to see the names of accredited organisations that have sought to verify their identity using the scheme.
National Identity Register	Databases kept under high levels of security containing information about applicants.
Product authentication	A process for verifying the authenticity of an ID product when presented for either visual or electronic verification.
Product holder	A customer issued with at least one ID product.
Registration	The complete applicant registration process, from application form to product issue (application and enrolment).
Registration certificate	A biometric document that confirms an EU/EEA national is resident within the UK and exercising Treaty rights (this document does not confer rights on the holder).
Residence card	A biometric document issued to a third-country national (TCN) spouse or dependant of an EU/EEA national confirming their eligibility for the equivalent rights conferred to a EU national.
Residence permit	A biometric document that confirms leave to remain status for TCNs residing in the UK. It will also identify the terms and conditions of their stay in the UK.
Verification	'Are you who you claim to be?' This is normally a one-to-one verification against a record in the NIR (where that record has been found using an identifier, such as a reference number). The person claiming the identity provides credentials to check against the record in order to establish they are the claimed identity. Verification occurs after identity registration. The scheme will provide a range of verification methods including the checking of biometric records held on the NIR with those of the customer at the point of use.



If you wish to receive further information on any of the issues in this document or have any questions relating to the services provided by the IPS, please contact:

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