

# NIS Strategic Supplier Framework Prospectus

August 2007

  
Home Office  
**Identity &  
Passport Service**

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# 1. FOREWORD

## *Foreword by James Hall, Chief Executive, Identity and Passport Service*

The issue of this prospectus opens an important – and exciting - new chapter in the delivery of the National Identity Scheme (NIS). It represents a key step forward for our procurement activity for the NIS Strategic Supplier Framework. This activity will enable us to form a long-term partnering relationship with a small group of excellent suppliers to build the key components of the NIS.

For the first time in the UK there will be a single safe, secure and trusted way for everyone to be able to prove they are who they say they are. People's individual identities will be protected from those who might want to misuse or steal them. There will be independent oversight of the system and public accountability for how it is run. These safeguards protect the privacy of the individual and ensure the integrity of the NIS.

The NIS will provide a simple mechanism, backed up by Government which will, in time, mean an end to individuals having to prove who they are to public and private services in a number of confusing different ways. In time people will be able to tell the public services once when their details - for example address - change. This will save time and reduce inconvenience. It will also make it easier for public services to be sure who is receiving services. This will help them give people the services they need and help ensure our public services are not abused by those who are not entitled to use them. The NIS will also help people prove their identity securely and conveniently in a variety of everyday interactions with the private sector, for instance when opening a bank account.

The Strategic Action Plan that we published in December 2006 described a vision of how the NIS might be realised. This vision will evolve; we may need to bring some elements forward to deliver operational benefits and we may need to move others back in order to manage technology or budgetary risk.

Throughout the development of our plans for the NIS we have been talking to potential suppliers and our ideas have been shaped by the feedback we have received. This feedback has allowed us to refine our vision of how the NIS will be delivered. The review of delivery options will continue over the next few months to seek further reductions of cost and risk.

Over the past six months, we have completed the recruitment of a strong management team for the Identity and Passport Service (IPS). A summary of the team is attached to this prospectus and potential suppliers will meet members of this team during the procurement process, together with colleagues from other Agencies. The procurement process itself will be led and managed by Bill Crothers, our Executive Director, Commercial who will be your principal point of contact at Board level. Bill will also have responsibility for the continuing commercial relationships with the selected Strategic Suppliers.

There will be substantial benefits to the individual, to the business community, and to us all as a society, as a result of delivering the NIS. I look forward to engaging with the supplier community and finding the partners who will work closely with Government to make it a success.

James Hall

**by Bill Crothers, Executive Director Commercial, Identity and Passport Service**

The NIS is a large scale, long term business transformation programme involving multiple stakeholders.

To achieve its objectives, we recognise we will need a range of capabilities that will come from a combination of the private and public sectors. These capabilities include the ability to deliver large, complex, secure systems; to manage these systems to deliver reliable performance day after day; to respond flexibly as requirements and priorities evolve; to deliver a consistent, high-quality customer experience to the millions of people who will use the NIS; and to provide value for money.

We rightly seek many of these capabilities from the market. As well as capable suppliers we need committed suppliers, who are willing to bring their best ideas and people to bear on a set of challenging issues. In addition, we need suppliers who can share the responsibility for ensuring the integrity and security of the NIS, thus protecting the privacy of the data held within it.

We have a clear view of how we want to do business with our suppliers. This will be guided by an explicit set of business principles to help us achieve a positive, partnering environment with strong commercial safeguards. We will conduct the procurement process with these principles firmly in mind, seeking strategic long term suppliers who will work cooperatively, with us and with each other, to achieve our goals in the most cost effective and lowest risk manner. The process will be fair and balanced but commercially challenging. Mechanisms to achieve both cooperation and competition will be ever present.

Delivering the NIS will require many people in many different organisations to work together effectively. As part of enabling this, we will form close relationships with the suppliers with whom we choose to work. These relationships will be open, progressive and cooperative, and will require all parties, including IPS and its partners in government to meet high standards. At the heart of this procurement exercise is the search for suppliers who can demonstrate that they have both the appetite and the world class capabilities to work collaboratively with us to deliver the success of the NIS.

We have a clear vision - to have a group of talented and committed people working together, at pace and with passion, to deliver a significant platform of our national infrastructure, the NIS, of which we will all be proud.

Bill Crothers

## 2. PURPOSE OF THE DOCUMENT

The purpose of this document is to provide a high level description of the procurement activity for a range of services that are required by the NIS. It covers the background to the NIS, an overview of the NIS Strategic Supplier Framework, the procurement process, the summary business requirements, the key commercial considerations and an overview of the evaluation approach.

This document is for bidders who wish to fulfil a role in delivering the services required by the NIS. It will also be of interest to stakeholders across government who will have a role to play either in constructing the NIS or in using the new capabilities it offers.

This document represents the current thinking of IPS on the design of the NIS and the conduct of procurement activity. The document is for the guidance of bidders but nothing within it represents a formal commitment by IPS or any other agency and any action taken by bidders is at their own risk.

The document follows the publication of the OJEU notice announcing the start of procurement activity and supports the Pre-Qualification Questionnaire (PQQ) and the PQQ Guidance for Bidders that are available online to interested bidders ([www.homeoffice.bravosolution.com](http://www.homeoffice.bravosolution.com)).

### 3. BACKGROUND

IPS is working closely with partner agencies in government to develop and deliver the NIS. The partners on this procurement are the Border and Immigration Agency, UKvisas and the Foreign and Commonwealth Office (FCO). IPS and these partners are collectively referred to in this document as 'the Agencies'.

The Agencies are now ready to embark on the formal procurement process that will secure a range of services from suppliers in order to deliver components of the NIS as outlined in the Strategic Action Plan for the NIS. The objectives of the NIS, as set out in the Identity Cards Act 2006 ([www.identitycardsps.gov.uk](http://www.identitycardsps.gov.uk)) include:

- The provision of a convenient method for individuals to prove registrable facts about themselves to others who reasonably require proof; and
- The provision of a secure and reliable method for registrable facts about individuals to be ascertained or verified wherever that is in the public interest.

The NIS Strategic Supplier Framework (the Framework) will form the principal procurement vehicle for the NIS. Framework agreements will be concluded with approximately five suppliers who will form the Strategic Supplier Group (SSG) for the NIS. The majority of the components of the NIS will be bought as managed services by running mini competitions between members of the SSG.

The suppliers appointed to the Framework will be strategic partners in delivering the NIS to the required quality, on time and to budget. In particular the suppliers will support the Agencies in ensuring that the following NIS Goals identified in the Strategic Action Plan are met:

- Ensuring that the NIS provides the best return on investment for the Agencies;
- Taking an incremental and pragmatic approach in order to keep risks and costs down, re-using existing government investments;
- Providing key safeguards that protect the privacy of the individual and ensure the integrity of the NIS; and
- Delivering a positive customer experience during the implementation and operation of the NIS, thus maintaining the customer service reputation of the Agencies.

In addition, suppliers will work with the Agencies to ensure that key milestones of the Scheme are achieved, as described in the Strategic Action Plan.

The NIS will give UK citizens the ability to prove who they are quickly, easily, securely and simply. This should give benefits to the individual and to all of us, by:

*Protecting the public:*

- Protecting individuals by deterring people who might want to misuse or steal an identity;
- Making it harder to create a false identity; and
- Reducing fraud, and making it safer to transact online.

*Protecting the family:*

- Making it easier to know that people working in a position of trust (e.g. with children) are who they claim to be; and
- Making it easier to apply age restrictions to protect young people.

*Protecting the community:*

- Making it very hard for terrorists and criminals to use multiple identities;
- Making it easier for police to identify suspects;
- Making it easier to check that people are entitled to live and work in the UK; and
- Ensuring only people who are entitled to benefits and public services can access them.

*Making life easier:*

- Allowing individuals to prove who they are securely, conveniently whenever they want;
- Giving individuals freedom to travel in the EEA;
- Allowing individuals easily to prove entitlement to public services and their right to work in the UK; and
- Enabling individuals to show immediately and without question that they belong in the UK.

The aims of the Agencies are to deliver the NIS on time whilst maximising delivery of its objectives and achieving best value for money.

The costs of building and operating the NIS are set out in the cost reports laid before Parliament under the Act, most recently in May 2007. The costs will cover both in house operations and the provision of outsourced services of the Agencies in connection with the NIS. The split between outsourced services and in house operations has yet to be fully determined and will be informed through dialogue with Framework suppliers. However, it should be noted that the Agencies all currently support core operations with significant outsourced services.

In the course of building the NIS we have the intention to procure a number of contracts for managed services under this Framework, capable of running up to ten years. Our current estimate of the total value of these contracts is around £2Bn. This estimate will change over time as a result of the current review of delivery options, input from suppliers during the Framework procurement process and other influencing factors.

## **4. NIS STRATEGIC SUPPLIER FRAMEWORK – AN OVERVIEW**

The procurement activity for the NIS Strategic Supplier Framework will lead to the selection of approximately five suppliers and put them under contract for the supply of services to the NIS.

The award of this Framework will be followed by the procurement of specific projects. The Agencies have a current view of projects required to deliver the Strategic Action Plan which was issued in December 2006. The Agencies have a continuing commitment to seek ways of reducing the cost and risk of delivery. As part of this commitment we are currently involved in a further review of delivery options to consider the scope and/or structure of some of these projects, together with the delivery approach, to optimise benefits, costs and delivery risk. It will include options relating to key elements including enrolment, ways to best assure identity, delivery and evolution of identity checking services, and card design and production. We are keen for bidders to play an active role in helping define the best delivery options and, at an appropriate stage in the procurement process, we will be asking suppliers to contribute their views on these questions.

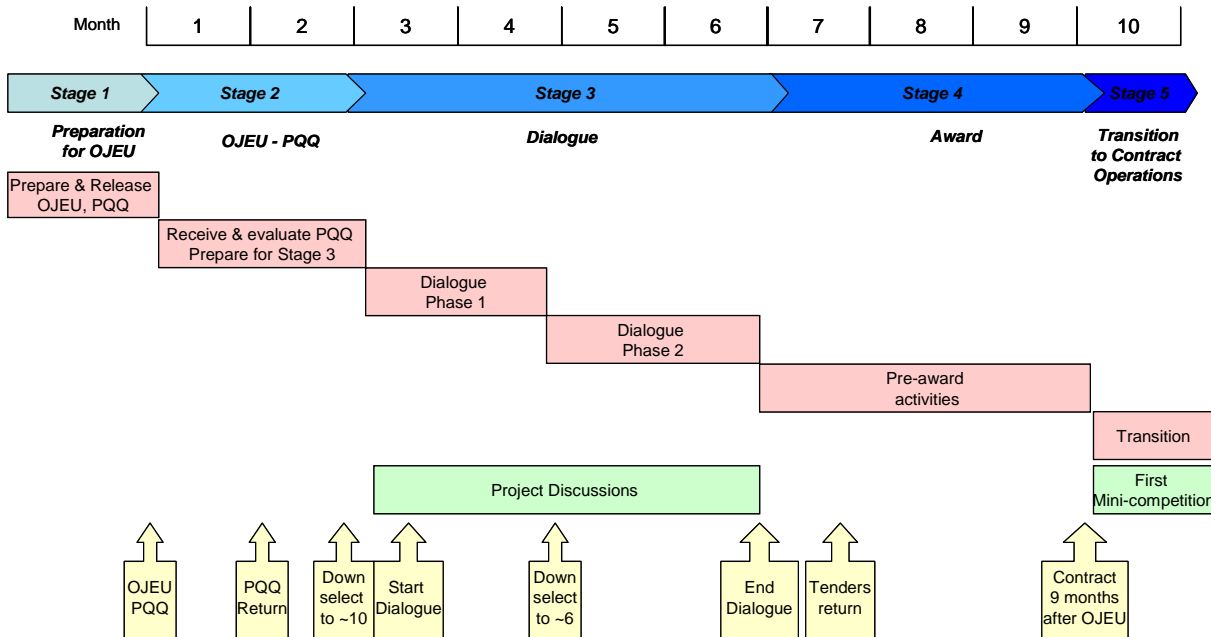
Once agreed, projects will be approved to commence procurement as mini competitions under the Framework. As described later in this document, approval has been given for two such projects to commence procurement.

The Framework procurement is designed to allow the Agencies to bring a number of high capability and committed suppliers together into a Strategic Supplier Group (SSG). It is intended that the members of the SSG will be the long-term partners of the Agencies in delivering the NIS over the next five to ten years. Each SSG supplier will bring a range of subcontractors for capabilities which they cannot provide directly. The suppliers in the SSG will each be contracted to the Agencies through a Framework Agreement and to each other through a Cooperation Agreement.

The selected SSG suppliers will be invited to compete for each project within the programme. Suppliers will need the capability to design, build and operate all the technologies required by the NIS. The capabilities needed to execute projects will include Systems/Business Integration, Business Process Outsourcing and IT Outsourcing.

## 4.1 Procurement Milestones

The activities needed to award the NIS Strategic Supplier Framework are shown in the diagram below, together with indicative timescales.



**Figure 1 - Procurement Timescales**

There will be specific discussions of project requirements (described later in this document) during the Framework dialogue to allow bidders to gain indepth understanding of potential initial projects. These discussions will also enable the Agencies to evaluate the capability of suppliers to fulfil requirements of this kind.

## 4.2 Strategy to deliver the NIS

The National Identity Scheme is a large scale, long term business transformation programme involving multiple stakeholders. It will exist in an environment of ongoing change as well as emerging technologies.

All parties will have to exhibit positive, partnering behaviours to achieve the overall NIS objectives. SSG members will be formally incentivised to work towards achieving common goals and to work cooperatively with each other. The incentivisation mechanism will follow the principle that where SSG members work together and deliver against agreed objectives, all will be rewarded with bonuses against an agreed formula. SSG suppliers will be contracted to perform in accordance with industry best practice and there will be defined bonuses to incentivise and reward better performance (such as delivering for less than the target cost for a project or phase). There will, however, also be sanctions for a supplier not delivering within a project, including ultimately their removal from the SSG.

Risks in delivering the NIS will be shared between the Agencies and the SSG, working on the principle that risk should be managed by the party most able to exercise control of that risk.

Value for money is an explicit requirement of the programme and mechanisms will be incorporated into contracts to ensure that it is achieved. For example, the Agencies may require (at mini competition stage) the supplier chosen for a project to offer for competition a prescribed percentage of subcontractor work over the life of the project.

## 5. SUMMARY OF THE PROCUREMENT STRATEGY

### 5.1 Benefits of using a Framework approach

There are a number of important benefits that will be gained by using a Framework rather than separate procurements. The Framework will enable the Agencies to procure their requirements for the NIS in a coordinated manner. The Framework will also provide time and cost efficiencies as suppliers will be pre-selected as being suitable for the SSG. A significant proportion of the contractual terms will be agreed within the Framework leaving those procuring specific projects to focus on the unique aspects of their requirements. The period of operation of the Framework agreements (which will last for four years) will enable the customers and suppliers to build relationships which will enable further procurement efficiencies. The formation of the SSG will allow the Agencies to share information about strategy and requirements with the suppliers and to explore new and innovative ways of satisfying those requirements.

### 5.2 The Framework supports the delivery of NIS goals

The diagram below summarises how the different components of the Framework contribute to the overall aim; the achievement of NIS goals.

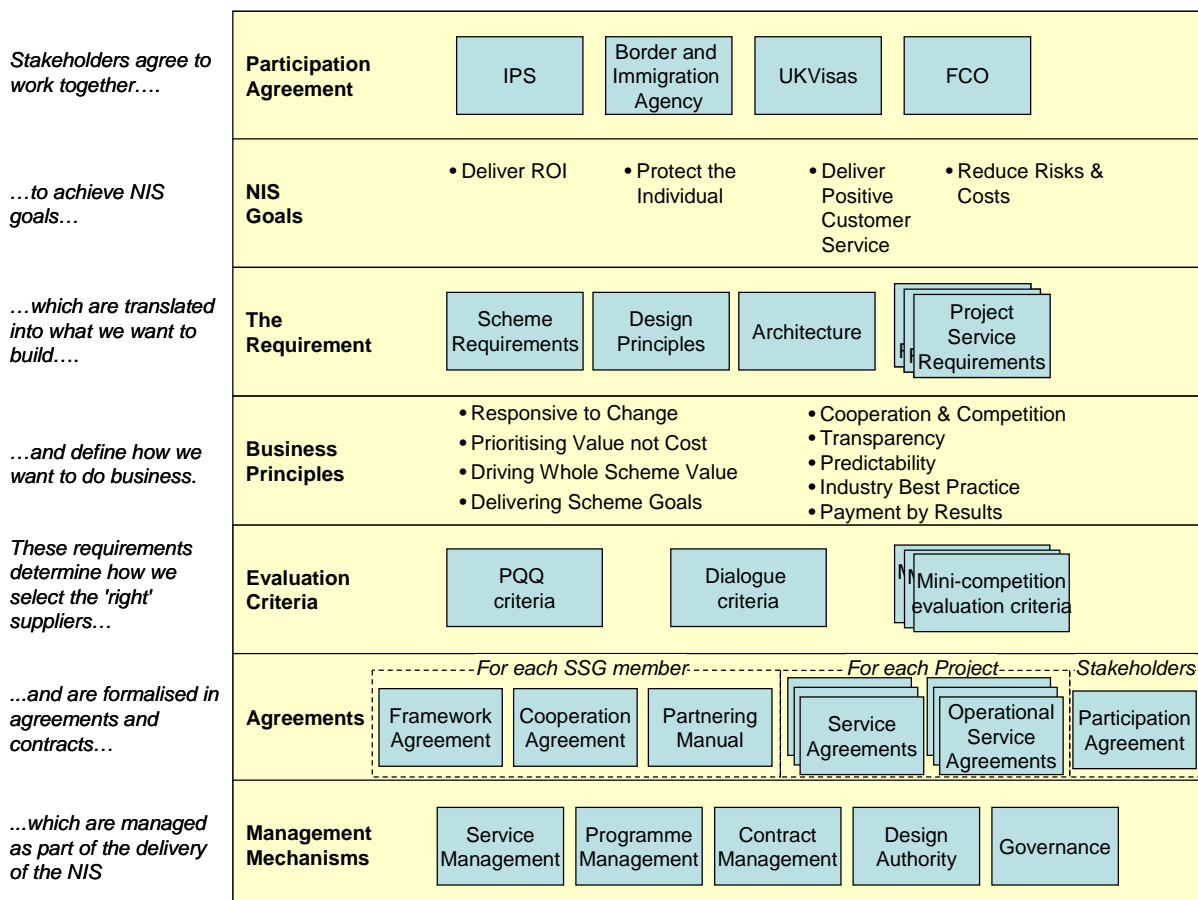


Figure 2 – NIS Strategic Supplier Framework Components

### 5.3 Key stakeholders

The NIS is a cross government initiative requiring joint working by a number of agencies and departments. This multi-agency environment will be structured with a number of mechanisms including governance and formal agreements. A Participation Agreement will be put in place between the Agencies as customers in order to facilitate effective cooperation, with IPS as “lead customer” with overall responsibility for the operation of the Framework and of the NIS.

The Agencies are:<sup>1</sup>

- IPS – The Identity and Passport Service (IPS) was established as an Executive Agency of the Home Office in 2006 to provide passport services and in the future, as part of the NIS, ID cards for British and Irish residents in the UK and associated identity services;
- Border and Immigration Agency – Established as an Executive Agency of the Home Office in 2007, the Border and Immigration Agency is responsible for the immigration status of foreign nationals and will make use of core services provided by IPS for border checks;
- UKvisas – Manages the UK’s entry clearance (visa) operation from visa offices at UK Embassies, High Commissions and Consulates abroad; and
- FCO – The Foreign and Commonwealth Office (FCO) is responsible for issuing UK passports and other travel ‘permit’ documents to British citizens overseas.

In addition, once the Framework has been set up, it will be open for the Agencies and other government departments and Agencies to procure from the Framework their own projects (which may be part of the NIS or completely outside it).

### 5.4 Achieving NIS goals

The Agencies will appoint onto the Framework those suppliers who are best qualified to support the NIS goals. SSG suppliers will be required to commit to a set of shared business principles and behaviours for working cooperatively with each other, the Agencies and other key customers of the NIS.

### 5.5 The requirement

The Agencies need to procure support for core services and to increase capability to support the incremental rollout of the NIS.

Each project will require one or more of the following:

- Operating existing capabilities (business and/or IT);
- Designing, building and testing new business capabilities; and
- Operating the new capabilities.

The actual services required by a new project will be defined before the start of each mini competition.

Suppliers appointed to the Framework must be able to offer the full range of capabilities referred to in section 5.7; each must be qualified to take part in mini competitions for the projects likely to be

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<sup>1</sup> For more information please refer to the specific organisations’ websites.

tendered under the Framework arrangements. It is not intended that any one SSG supplier will be pre-eminent (i.e. there will not be a prime of primes).

## 5.6 How the Agencies want to do business

The Agencies have defined the way that they want to do business with members of the SSG in a set of business principles. Some of these principles will be included in contracts and non-contractual agreements, whilst others will be used to derive evaluation criteria and thus help to select suppliers who are willing to adhere to these principles.

The principles are:

- *Transparency where appropriate* – sharing information and intentions so that all parties in the relationship are clear what each wants from the others and exactly where each party stands, financially and operationally;
- *Predictability* – building mutual trust by consistently meeting obligations;
- *Delivering NIS goals* – sharing responsibility for meeting the NIS objectives across the SSG and the Agencies; not optimising the financial and technical performance of individual components at the expense of whole scheme performance;
- *Driving Whole Scheme Value* – making sure that all parties are focused on the value of the NIS as a whole rather than of a particular contract;
- *Being responsive to change* – being proactive in finding new technical and business features, and responding to enhance the overall value of the NIS;
- *Prioritising Value over Cost* – focusing on the value of outputs rather than the cost of inputs;
- *Cooperation and Competition* – expecting everyone, suppliers and customers, to cooperate in order to bring about the success of the NIS, whilst enabling ongoing competition to ensure value for money for the taxpayer;
- *Industry Best Practice* – setting the minimum level of performance that the Agencies expect from suppliers as Industry Best Practice. Commercial arrangements will use this as a benchmark. In return suppliers should expect the Agencies to be clear about what they require and be consistent in their dealings; and
- *Payment by Results* – paying suppliers for pre-defined results which deliver value to the NIS.

Suppliers will need to demonstrate their ability to apply these principles and will be required to commit to contract terms that reinforce them.

## 5.7 Selecting the most appropriate suppliers

Suppliers appointed to the SSG must be able to provide a comprehensive range of capabilities and they must have sufficient scale, quality of resources and the required security facilities. Ensuring the integrity and security of the NIS is a critical responsibility, shared by the Agencies and the suppliers appointed to deliver services to them.

Bidders will also see from the PQQ Guidance for Bidders and the PQQ itself that they will be required to demonstrate capability in business process outsourcing, IT outsourcing, system integration and business integration. These terms are described in the glossary to the PQQ

Guidance for Bidders. Furthermore, suppliers will be asked to develop ideas that encourage the use of the NIS, such as for new business applications that stimulate demand for services.

It is likely that all of the prime bidders will need to appoint subcontractors to be able to offer the full range of services which may be required for the projects. With the exception of certain categories of specialist subcontractors, the Agencies will leave selection of subcontractors to the market. During the Framework selection process, prime bidders may refer to subcontractor relationships, whether committed or tentative. For each mini competition, they may do the same (though those subcontractors which will be required to deliver services, within twelve to eighteen months of starting awarded projects should be proposed as committed). In all cases, the prime contractors will have flexibility to change their proposed subcontractors (by agreement, not unreasonably withheld, with the Agencies). The Agencies have listed (in Appendix 4 of the PQQ Guidance for Bidders) certain categories of specialist subcontractors, such as those relating to biometric technology, where they will provide guidance to prevent possible distortions in competition. This guidance is referred to in section 3.3 of that document.

The following characteristics will be included in the evaluation of bidders during and after the dialogue stage:

1. Experience of working with suppliers who are also competitors and with the proposed subcontractors successfully to deliver large scale business transformation programmes;
2. Experience of working successfully with UK government;
3. Ability to offer, in conjunction with proposed subcontractors, the full range of services required to deliver the NIS;
4. Evidence of developing and operating secure UK Government environments;
5. Agreement to the required open and flexible commercial arrangements;
6. Quality, experience and behavioural style of the key people to be assigned to the programme;
7. Evidence of the required partnering behaviours on other programmes and during the procurement process;
8. Demonstrated mechanisms for bringing ongoing innovation to the programme, and in particular ways for driving down cost and risk;
9. Evidence of a commitment to the NIS and the success of the programme by the supplier executive management; and
10. Experience of identity management and associated technologies.

## **5.8 Formalising agreements**

The agreements between suppliers and the Agencies will be documented in a set of contractual and non-contractual documents. The suppliers and the Agencies will also agree a non-binding Partnering Manual (included as a schedule to the Cooperation Agreement) which makes clear how all parties will work together to deliver the goals of the NIS. In addition, to soft aspects such as required behaviours, the Manual will also be explicit about mechanisms to deliver Value for Money, address risks and deal with issues. As well as supplier obligations, the document will make clear what is expected of the Agencies.

All the suppliers on the Framework will be invited to participate in mini competitions once the Framework has been awarded. The value of contracts awarded following mini competitions will vary depending on the requirements. However, as a general guideline, we expect the lowest value of contract awards to be in the region of £50 million and the highest in the region of £500 million.

There will be more contract awards of higher value than of lower value. Where possible, lower value requirements will be incorporated into larger contracts as additional services. This range of contract values aims to achieve a balance between creating contracts of a manageable size and avoiding too many touch points between contracts.

The Framework will be non-exclusive, giving the Agencies the option to procure outside the Framework if necessary.

## **5.9 Managing supplier performance**

A governance structure will be put in place including a Scheme Management Board with senior executives representing SSG suppliers. The Framework Agreement and a Cooperation Agreement will be designed to encourage NIS-wide supplier cooperation, through shared incentives and agreements between suppliers.

Key objectives for projects and for the NIS overall will be identified for suppliers and the Agencies. Suppliers will be expected to commit to the continuous improvement of services, embracing both improved service levels and increased value.

The Agencies will have a key role in managing effective supplier performance and ensuring that suppliers deliver against the requirements of the NIS. They will coordinate with suppliers to support the overall success of the NIS, through activities such as:

- Strategy Formation;
- Programme Management of projects through the design, build and test phases;
- Design Authority;
- Contract Management (delivery, relationship management, contract administration);
- Oversight of, and support to, mini-competitions;
- Release and integration management;
- Financial Management; and
- Business Operations Management;

The Agencies will be responsible for producing service requirements based on business needs, ensuring compliance with business objectives and reviewing and approving the scheme-wide design approach.

The development and maintenance of the scheme-wide design and related interface specifications is within the Design Authority's scope and so will be an IPS responsibility. The Design Authority will be responsible for reviewing, witnessing and assuring all aspects of final testing, as well as reviewing and assuring the implementation approach and execution. For all these activities IPS will be responsible for ensuring the full participation and where appropriate approval of other stakeholders, including partner agencies.

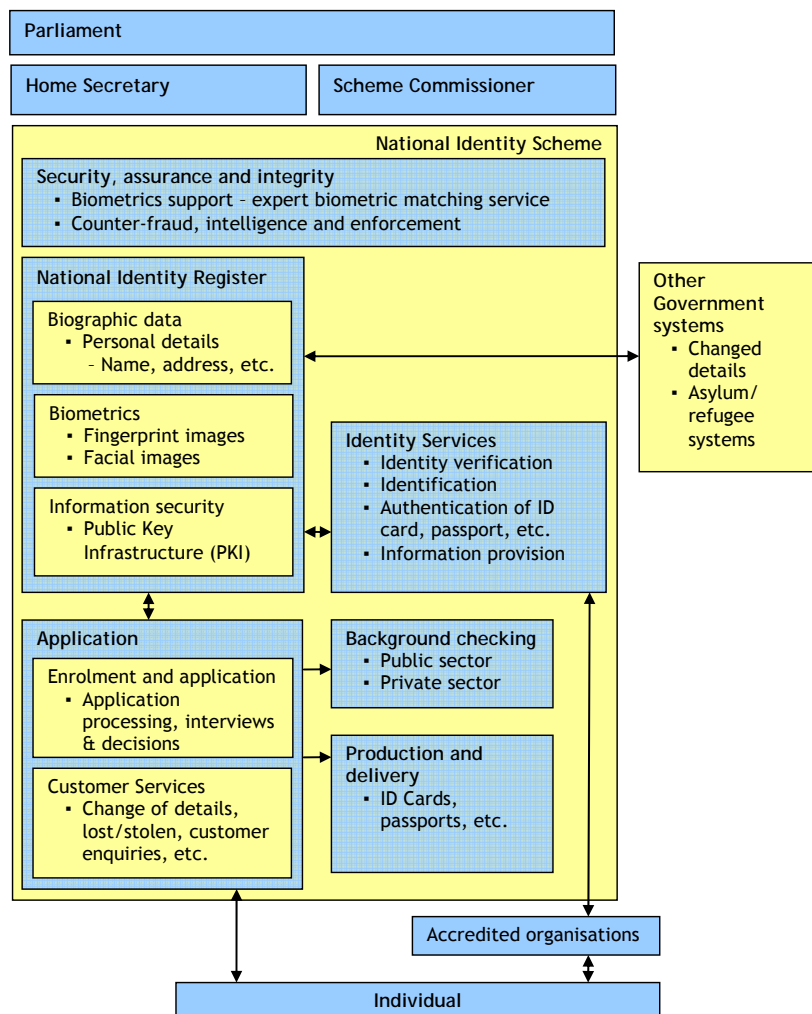
To ensure clarity of responsibilities the Agencies will use an industry accepted model for solution development, such as the 'V' model, to define what the Agencies retain and what is devolved to suppliers.

## 6. SUMMARY SERVICE REQUIREMENTS

### 6.1 Introduction

This section, together with sections A1 and A2, summarise the current view of the projects that the Agencies intend to let under the Framework Agreement. Over the next few months the Agencies will continue to review delivery options for the NIS, seeking further reductions in risk and cost. Consultations will take place internally within Government and also feedback will be sought from the market as part of this procurement process. The list of projects to be procured under the Framework will also be refined as part of this exercise.

The overall business requirement is to deliver the NIS in accordance with the Identity Cards Act 2006 and relevant Immigration legislation whilst meeting NIS goals, as referred to in the previous section. The diagram below, taken from the Strategic Action Plan, gives an overview of the key elements of the NIS.



**Figure 3 Key elements to be delivered**

The Agencies have the responsibility to implement in-house and outsourced services that deliver the required outputs and meet the goals of the NIS. Service requirements will be grouped into identified projects, to reflect specific business needs. When the scope and packaging of projects to be let under the Framework are agreed the Agencies will secure approval to procure against these requirements through the normal mechanisms.

There are areas where service requirements (and resulting supplier solutions) need to have a common or linked basis, specifically:

- Service boundaries, linking two or more components together (i.e. interfaces to the National Identity Register (NIR), which is the hub at the centre of the NIS). The service boundary definition needs to cover both the respective scope of the two linked services in relation to the boundary and the interfaces that go across the boundary. To support this, there is a NIS component model that identifies and structures the required service boundaries; and
- Cross-scheme standards and policies, including those, for example, relating to legislation, data standards, biometric standards and technical standards.

Projects will be approved incrementally over the life of the NIS as requirements are developed and agreed with stakeholders. The first two projects that have approval to proceed with the procurement process under the Framework are:

- The replacement of core Application and Enrolment processes for passports and the provision of desktop infrastructure for IPS; and
- The replacement and upgrading of the existing systems for fingerprint matching and storage in connection with immigration and visa requirements and transition to the replacement service.

Other projects (the structure of which may change) to be let under the Framework (subject to approvals) may include, but are not limited to:

- Biometric recording, storage and matching needs, including the systems integration of new and existing services;
- Biometric support;
- Further development of Application and Enrolment solutions to meet future needs (which may include business process, people, systems and premises);
- Data sharing services;
- Biographical Background Checking Services (for the purposes of confirming identity);
- Identity Checking Services;
- Production, Management and Distribution of passports, ID Cards and other products;
- Biometric Enrolment Services; and
- Other capabilities including entitlement checking services and associated case management services.

The Agencies also require other capabilities in order to complete the delivery of the NIS, including Security enabling services (e.g. PKI) and support to business transformation projects, including training and change management.

Requirements will primarily be expressed as outputs rather than inputs to enable suppliers to deliver innovative, efficient and value for money services. A key aim is to ensure that innovation is not inadvertently lost during the procurement process. For example, there is no intention to force technical alignment of supplier solutions simply to support ease of evaluation. The Agencies will need to balance the extent to which specific solutions are contracted for at the outset against the

degree to which suppliers can evolve their solutions based on lessons learned during trialling and piloting.

## **6.2 Service Architecture**

IPS will, as Design Authority, retain responsibility for the overall architecture of the NIS. This will describe the top level picture of NIS components. It will express the construction of the NIS in a number of dimensions:

- Aspect: how the NIS fits together from different viewpoints such as: business, data, application and technology;
- Scope: what is encompassed by the NIS;
- Granularity: the level of detail at which the picture of how the NIS works will be held by IPS, and where design responsibility passes to the supplier, and
- Time: how the NIS evolves, release by release, to deliver the full set of NIS goals.

## **6.3 NIS components**

The term 'component' is used below to mean the set of people, processes and technologies that are needed to carry out a specific business function. Given the significant role of technology in the NIS, some of the components are predominantly technical with less reliance on people, for example the National Identity Register (NIR). Other components have very significant people elements, for example the Application and Enrolment components.

Although there can be no single 'end-to-end' process for the National Identity Scheme (as it will be used in many different ways by many organisations), it is possible to divide the NIS into three groups of components:

*Those required to provide a product, such as an ID card, to a person:*

- Application & Enrolment;
- Background Checking; and
- Production & Delivery.

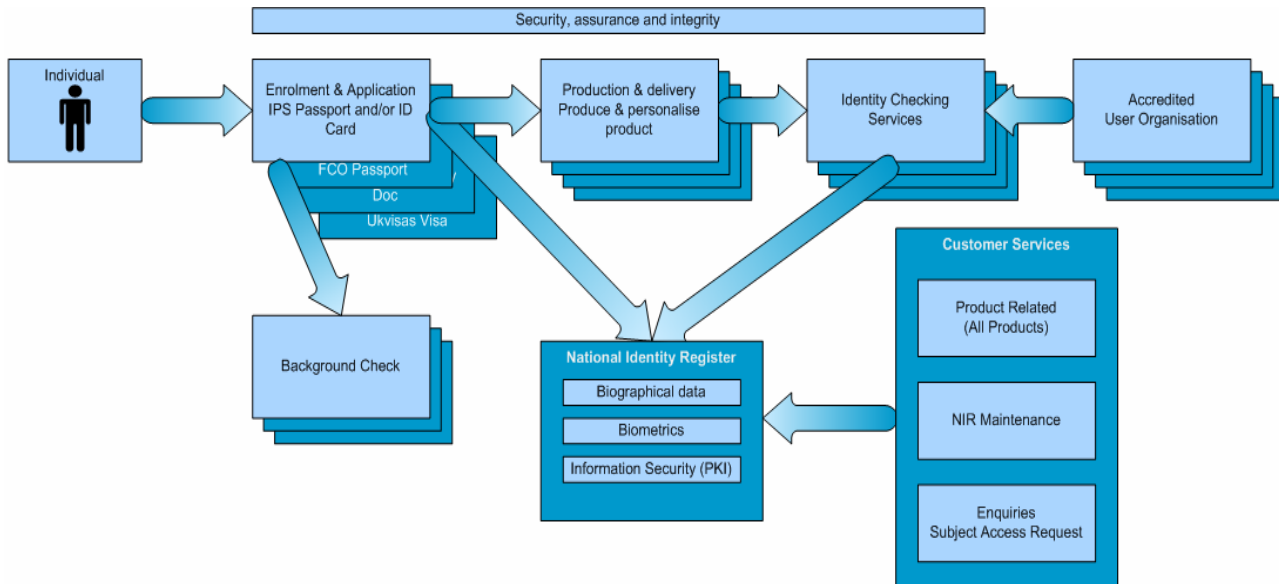
*Those to do with the National Identity Register, being relevant only where a person has applied for an ID card or for an official document that has been designated under the Identity Cards Act 2006:*

- The National Identity Register;
- Biometric Support; and
- Counter Fraud, Intelligence and Enforcement.

*Those needed to use the card or maintain a person's enrolment:*

- Customer Services;
- Identity Checking Services; and
- Accredited Organisations.

These components are summarised in the diagram below:



**Figure 4 NIS Components**

## 6.4 Design principles

The NIS will not be built on a ‘green field’ site. It will interact with and use systems, data and processes which already exist, and change as the world around it changes. The NIS must be designed for flexibility and adaptability. Suppliers will be required to comply with the following design principles when developing services to deliver the NIS:

- *Re-use* – existing assets should be used where this reduces cost, delivery risk or delivery time scales;
- *Federation* – there are many different organisations that need to be able to use the National Identity ‘utility’ (the NIR plus NIS products). These organisations, spanning the public and private sectors, need to be able to use the utility in whatever ways best fit their business need;
- *Loose coupling* - the most challenging parts of the NIS are those where two or more projects need to link together to deliver to a customer. To maximise flexibility and minimise delivery risks, the number of such links between projects should be minimised and the necessary links should not require ‘tight coupling’ (e.g. the end customer service should be little impacted by temporary failure on a back end system);
- *Modularity* – changes delivered by projects will be broken down into small parts, where there are minimised dependencies between the parts (e.g. so that one part can be brought into operation independently of others);
- *Incremental* - in line with best practice, ‘Big Bang’ change will be avoided;
- *Abstraction/encapsulation* – the projects within the NIS (especially those delivering the NIR) must be designed and delivered in a way that shields changes in how one part of the NIS operates from other parts;
- *Integrity, resilience & security* – services must comply with government and the Agencies’ policies on the protection of information. This a key prerequisite for success, as the Strategic Action Plan makes clear; and

- *Legal compliance* – not just with the requirements of the Identity Cards Act 2006 but with all the other legislation that will shape the NIS.

## **6.5 Links to existing components**

The NIS will be built incrementally and rely on re-use of components from other government departments. As an example the NIS will re-use the DWP's Customer Information System (CIS) technology. This technology will host the biographical repository for the National Identity Register. CIS remains a core DWP asset and will continue to be managed by the DWP. Where relevant, SSG suppliers will cooperate with the DWP and the DWP's suppliers in order to integrate with CIS and to operate the NIS. Joint governance arrangements will allow visibility of each party's responsibilities and escalation if necessary. SSG suppliers will have similar responsibilities to cooperate with existing suppliers to the Agencies.

## **6.6 Non-Functional Requirements**

There will be a number of common non-functional requirements for the NIS which will complement project specific requirements. These include but are not limited to:

- Information Assurance;
- Programme, project, quality and risk management;
- Standards;
- Audit requirements;
- Documentation;
- Operability (e.g. Backup, Systems Management, Event Management);
- Performance;
- Scalability;
- Resilience and availability, including Disaster Recovery; and
- Security.

The standards and policies that the Agencies expect suppliers to adhere to will be described later in the procurement process.

## **6.7 Approved projects**

The Agencies rely on services delivered by private sector partners under outsourcing agreements, some of which expire in the near term. It is the current intention to run competitions for two of these services and award service agreements under the Framework.

These projects are:

- Replacement of core support to Application & Enrolment (A&E) processes for passports and provision of desktop infrastructure for IPS; and
- Replacement and upgrading of the Immigration and Asylum Fingerprint System (IAFS). This system is currently used by the Border and Immigration Agency for immigration, enforcement and asylum purposes and UKvisas for biometric visas.

Together these two initial projects have a value, over ten years, in the order of £600m. Outlines of these projects are given in Appendix A1 to this document. Subject to the outcome of the review of

delivery options, these requirements may be packaged in different ways, for example as part of larger projects.

Future projects will address new capabilities needed to support the NIS. These projects are likely to incorporate design, build/customise, operate (both IT and business process) and maintain components of the new capability to be provided. In some cases, the projects also include transition of legacy operations (business process and IT), management of those operations and their migration to the new service capability. An indicative view of potential projects is included in Appendix A2 to this document. In addition to these there may be other projects that the Agencies or other public sector bodies involved in the NIS award through the Framework.

As well as the ability to develop and deliver new services, the Agencies may require additional services to support and develop their current services and to transition to full operation of the NIS. These services may include the ability to take on existing services that support current business operations and maintain or improve service levels, and the delivery of operational improvements to meet the needs of the medium term plan (i.e. before new capabilities are delivered as part of the NIS).

Suppliers should note that their staffing approach will need to be flexible to enable them to deal with fluctuating seasonal levels of demand experienced by the Agencies. Some staff will need to be security cleared, or be prepared to undergo clearance, to the levels stipulated by the Agencies. Suppliers may be required to accept a transfer of appropriate personnel from outgoing suppliers to ensure that the TUPE regulations are observed. Likewise, they may be asked to transfer appropriate personnel to an incoming supplier at the end of the awarded contract.

## 7. COMMERCIAL CONSIDERATIONS

### 7.1 Relationships

The commercial relationship between the Agencies and a Framework Agreement supplier will be based upon the principle of managed partnering, i.e. an open, mutually beneficial, cooperative approach, managed by the Agencies, with financial incentives for the supplier. Bidders will be expected to disclose comprehensive business, project and financial information to the Agencies, and agree cost models, resource plans, subcontracting plans, technical solutions and business processes.

### 7.2 Agreements

There will be a number of related agreements that contain the obligations of the suppliers and the Agencies. A schematic representation of these agreements is shown in the diagram below.

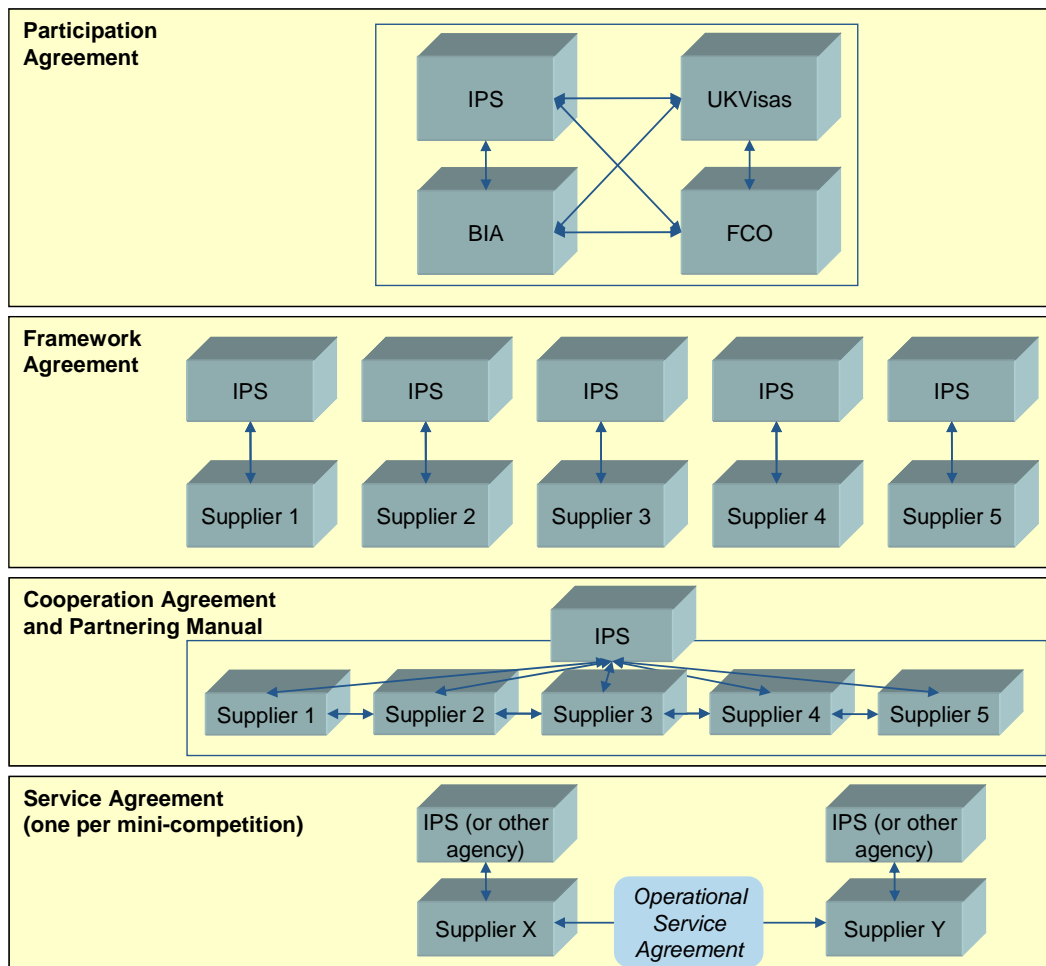


Figure 5 Agreements

IPS, acting as the lead agency on behalf of itself and the other Agencies will enter into a Framework Agreement with each supplier following a competitive dialogue procedure. It is intended that the Framework Agreements will be subject to identical terms.

IPS or other Agencies will have the right to sign Service Agreements on their own behalf or on the behalf of other Agencies under the Framework Agreement. This means that each Agency can be a principal in a Service Agreement with a supplier, and can also buy services that are for the benefit of themselves and other Agencies.

A schedule to the Framework Agreement will contain core terms for each Service Agreement. These terms will be mandatory and will apply to each Service Agreement. Another schedule will contain optional terms for each Service Agreement. These terms will be available for inclusion in each Service Agreement, depending on the particular requirements of the Agencies for that Service Agreement. Some detailed commercial and technical terms (special terms) will be subject to further discussion during mini competitions.

Suppliers will be required to enter into a Cooperation Agreement (which will include a non-binding Partnering Manual) which will oblige the suppliers to cooperate with each other. They will also be obliged through undertakings in the Service Agreement to cooperate fully with third parties providing related services. Where services have direct interfaces to other services the mutual obligations will be captured in bilateral Operating Service Agreements.

There will be no commitment to let projects under the Framework Agreements. The Agencies will however publish a schedule of current expiring contracts that underpin the Services to be procured.

Each Service Agreement will be non-exclusive. This will allow the Agencies to perform any part of the Services themselves and/or procure outside the Framework Agreements, if necessary, although the latter might be subject to a new OJEU notice and procurement process.

Framework Agreements are expected to be for a term of four years. However, Service Agreements let under the Framework may be for up to ten years.

The Authority may have the right to terminate a Service Agreement at any time for convenience.

### **7.3 Requirements**

The requirements of the Agencies for services from suppliers which are awarded projects have been referred to earlier in this prospectus. Other requirements are set out below.

- Suppliers will be required to deliver Services which fully meet the Agencies' requirements.
- Service charges will be paid under a Service Agreement for delivery of Services in accordance with Service Levels, which shall be abated by Service Credits to reflect Services actually received. Service Credits will not erode the limitations of liability. Repeated failures or a material failure by a supplier to meet Service Levels will be a trigger for the Agency to exercise rights such as liquidated damages, escalation, pre-step in and step in rights and termination.
- A supplier will not, unless otherwise required or agreed, conduct any activities under a Service Agreement outside UK territory.
- The Agencies will acquire appropriate rights in intellectual property developed under any Service Agreement, including the right in perpetuity to use any IPR required to provide the Services if it takes over the Services or employs/procures a third party to perform the Services.

- Suppliers will be required to meet obligations for the security and integrity of data being handled as appropriate for a programme of this nature. Such security arrangements must be robust and the Agencies will take action to preserve the integrity of the Services if the supplier fails in this respect.
- Service Agreements will include appropriate mechanisms to provide ongoing assurance of value for money during its term including for the purchase of further services during its term. These shall include provision for profit share, gain share, benchmarking, open book accounting and financial reporting and audits.
- The Agencies will require the suppliers to agree to certain financial distress provisions, and to provide a Parent Company Guarantee.

## **7.4 Risk**

Suppliers will bear completion risk under a Service Agreement, notwithstanding the completion of implementation testing, until a period of satisfactory operation has been demonstrated at various contract performance points following each major operational delivery. Achievement of these points will indicate that the Services are operating to the agreed performance levels and are scaleable.

Suppliers may be required to participate in proof of solution and/or testing pilots prior to award of any Service Agreement. Suppliers will be expected to bear the financial cost of developing and implementing the solution between award of a Service Agreement and successful completion of testing. Suppliers will be responsible for and own the risk in their technical solutions.

## **7.5 Phasing of Projects**

Project requirements will be divided into phases at the outset of each mini competition. A phase might be defined as part of the lifecycle of a development, or the take on of an existing service.

Typically, the successful supplier will be selected with the intention that it will provide all of the phases within that project and will thus be the chosen long term supplier for that project.

Contract terms and pricing will be agreed (i.e. bid during the mini competition) as if a contract was being awarded for all of the phases within a project. However, the Agencies will only contract for those phases which need to start immediately or in the very near term. There will be explicit criteria included in these contracts which, if satisfied, will mean that the chosen supplier moves by default into the next sequential phase. For phases involving the delivery of operational services these criteria will include the option to benchmark tests approximately every two years. While suppliers are performing to acceptable standards and cooperating to achieve overall NIS goals, they will continue to be contracted to deliver successive phases. However, those who do not perform may be replaced by other suppliers. This will act as a sanction to encourage the correct behaviours and a good standard of performance.

## **7.6 Open Book**

Contracts will specify open book financial arrangements. There will be an agreed margin for performance in line with industry best practice. There will be mechanisms for increasing or decreasing the margin for better or worse performance. The Agencies may work to the principle of the less they pay, the more margin the supplier will earn. Similarly, the more they pay, the less margin the supplier will earn. The Agencies will seek to build in financial incentives for the achievement of shared goals, which could be at NIS, project or phase level.

## 8. FRAMEWORK EVALUATION APPROACH

The objective of the Framework procurement evaluation strategy is to complete an entirely fair, robust, defensible and fully auditable evaluation exercise that ultimately identifies the most suitable suppliers to meet the requirements of the Agencies for the NIS.

### 8.1 Framework procurement plan

The Framework procurement will consist of three stages:

Stage	Activities	Completion month (from OJEU release)
<i>PQQ Stage</i>	Publication of an OJEU notice, prospectus and completion of a Prequalification exercise, leading to a long list of no more than ten bidders	2
<i>Competitive Dialogue Stage</i>	Discussion of NIS requirements with long listed bidders and down selection to no more than six. Detailed discussion with remaining bidders and preparation of final business and commercial requirements	6
<i>Contract Award</i>	Submission and evaluation of final tenders, clarification, placing approximately five winning suppliers under contract and making the contract available for mini competition use	9

**Table 1 Framework Procurement Plan**

The activities identified will lead to an award of contract nine months after the issue of the OJEU notice.

### 8.2 PQQ Stage

A questionnaire (PQQ) and the PQQ Guidance for Bidders are being issued to the market with the issue of the OJEU notice. This document (the Prospectus) accompanies the PQQ to summarise the NIS, the procurement, and planned commercial arrangements. The PQQ will reflect the general requirements of the NIS and also specific requirements from potential projects.

The completed questionnaires will be used to downselect to no more than ten bidders. The evaluation at PQQ stage will focus on three areas - eligibility, financial strength and track record of delivering similar services and solutions to those required.

The financial evaluation checks that the bidder has the financial strength (based on turnover) to support the development and delivery of the services. The evaluation of track record will check that the bidder has successfully delivered similar services before (measured by size, complexity and scope). It will also check that the bidder has the capacity to deliver for the NIS. An explanation of the evaluation approach and criteria is contained in the PQQ Guidance for Bidders.

### **8.3 Competitive Dialogue Stage**

The dialogue stage will be split into two phases. During the first phase the Agencies will meet with up to ten bidders to discuss commercial, operational and relationship issues, and then downselect to a maximum of six bidders.

The draft contract, high level business requirements for the first two projects and general NIS requirements will be issued to bidders. The bidders will then be invited to participate in dialogue with the Agencies. A range of different approaches to the dialogue will include:

- Workshops on solutions;
- Explicit requirements workshops; and
- Formal dialogue meetings.

Evaluation will be based upon bidders' responses, references and assessment of their partnering capability as evidenced by behaviour during the negotiations.

Evaluation criteria will include partnering ability, commercial flexibility, commitment to innovation, specific delivery skills appropriate to the NIS and where necessary, passing more detailed financial scrutiny.

Bidders will also be asked to put forward innovative ideas that optimise the balance between benefit delivery, costs and delivery risk, and these will be evaluated.

### **8.4 Contract Award**

After the invitation to tender bidders will submit a tender for a Framework Agreement. Before evaluations are complete, bidders will be asked to clarify any issues arising from their tenders.

Subject to approval approximately five bidders will be awarded Framework Agreements.

## 9. GLOSSARY AND REFERENCES

### 9.1 Glossary

Abbreviation / Term	Description / Definition
A&E	Application and Enrolment Service
Agencies	IPS, Border and Immigration Agency, FCO and UKVisas
ARC	Application Registration Card
ASCAD	Asylum Support Caseworking Appeals Directorate
BIA	Border and Immigration Agency (previously IND)
BID	Biometric Immigration Document
BRP	Biometric Residence Permit
Chip&PIN	Verification method for debit and credit cards
CIS	Customer Information System
DWP	Department for Work and Pensions
eBorders	eBorders Programme; a key component of the Government's border transformation programme
EMV	A standard for interoperation of IC cards ("Chip cards") and IC capable Point of Sale terminals
Eurodac	A European fingerprint database for asylum applicants and certain categories of immigration offenders
FCO	Foreign and Commonwealth Office
HMG	Her Majesty's Government
IAFS	Immigration and Asylum Fingerprint System
ID	Identity
IND	Immigration and Nationality Directorate (now BIA)
IPS	Identity and Passport Service
IRSP	Immigration Stateless Refugee Project
Mini-competition	'Call off' procurement for project under Framework, resulting in Service Agreement
NBIS	National Biometric Identity Scheme
NIR	National Identity Register
NIS	National Identity Scheme
NISAM	National Identity Scheme Access Manager
NPIA	National Policing Improvement Agency
OGDs	Other Government Departments
Phase	Discrete element of a project that can be the subject of contractual commitment
PIFE	Police Immigration Fingerprint Exchange
PQQ	Pre-qualification Questionnaire
Programme project	The Programme to deliver the NIS; grouping of projects Discrete organisation to deliver specific component of the NIS or other outcome
RepARC	Reporting and Application Registration Card
SLAs	Service Level Agreement(s)
SRIE	Senior Responsible Industry Executive
SSG	Strategic Supplier Group

Abbreviation / Term	Description / Definition
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006
VIAFS	Visa Immigration and Asylum Fingerprint System
V model	A uniform procedure for product and software development. It is the standard for German federal administration and defence projects

## 9.2 References

References		
Reference	Description / Title	Location
	Strategic Action Plan	Available on <a href="http://www.ips.gov.uk">www.ips.gov.uk</a>

## **A1. APPROVED PROJECTS – POTENTIAL SCOPE**

### **A1.1 Replacement and upgrading of IAFS and transition to new service**

The current Immigration and Asylum Fingerprint System (IAFS) is business critical and plays a pivotal role in Border Immigration Agency's Asylum and UKvisas consideration process. It is currently supported by SAGEM.

IAFS provides core services to BIA and UKvisas including:

- Recording of fingerprints;
- Capability for managing identity;
- A minimal biographical service ; and
- A biometric matching and storage system.

As well as the above the IAFS service includes:

- Production of the Application Registration Card (ARC). This biometrically enabled ID card is provided to Asylum Seekers;
- Interface to and automated exchange with the Police National Fingerprint System (Ident1);
- Interface to and automated exchange with the Eurodac System;
- Support to the Visa application process;
- Reporting with ARC (RepARC);
- Data feeds to other Data Handling Systems;
- The ISRP Project For 1951 Convention Document Holders on entry to the UK; and
- Mobile hand held biometric checking capability.

Additional services are required to support the core services. These include Transaction, Record and Business Rules Management, Access Control, Matching, Storage and a range of interfaces. Interfaces are required to systems which are internal and external to BIA and UKvisas. The IAFS system enables delivery of comprehensive services to satisfy the business requirements of BIA and UKvisas business areas as follows:

- Asylum Screening Units;
- Third Country Unit;
- Immigration Controls at Ports of Entry;
- Reporting centres;
- UKIS Enforcement and Removals;
- National Asylum Support Service;
- UKvisas;
- Immigration Fingerprint Bureau (IFB);
- UK Police/NPIA;

- Managed Migration, supporting the issue of Biometric Residence Permits (BRPs) to Third Country Nationals granted permissions to remain in the UK and the issue of Biometric Travel Documents<sup>2</sup>; and
- ASCAD, supporting the issue of ARC to Asylum Seekers and the issue of BRPs to those granted refugee status or discretionary leave to remain.

## **A1.2 Replacement of current IPS Application and Enrolment capability**

The Identity and Passport Service (IPS) is responsible for issuing passports to eligible British citizens in the UK and is forecast to issue approximately six million passports in 2007/08.

The main contracts that support the application and enrolment service are:

- Provision of 'front end' business process outsourcing services and the supply of core IT services for the application and enrolment service (currently held by Siemens IT Solutions and Services); and
- Provision of desktop and IT infrastructure (currently held by Atos Origin UK).

The application and enrolment service is responsible for the processing of applications for Passports and subsequent decision making. In the future, the service may also support other ID products. A number of key contracts that support application and enrolment are soon to expire and IPS is tendering for capabilities to support the continuation of the service. The scope of capabilities includes:

- Business Process Outsourcing of key elements of the process;
- IT Outsourcing of infrastructure, applications and maintenance;
- Systems Integration for future systems enhancements; and
- Business Integration of deliverables into the IPS.

The scope currently under consideration, and for which IPS may invite potential suppliers to tender, is the continuation of the current service (including the implementation of service enhancements) and potentially the design and operation of a new system. This may include:

- Providing services to operate the manual processes within scope;
- Managing the provision of services to IPS using the existing systems available;
- Designing and delivering enhancements to the existing processes and systems to offer IPS benefits in line with its strategic drivers:
  - Customer Satisfaction – enhance the systems and processes to give a better customer experience and enable continued improvements in customer service;
  - Identity Fraud – enhance the existing systems and processes to give the IPS the ability to identify and manage fraudulent applications; and
  - Value for Money – enhance the existing systems and processes to enable IPS to realise efficiencies in its operation and increase value for money.

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<sup>2</sup> A Travel Document is a form of passport issued by the Home Office to people who do not possess any nationality or are unable to obtain a passport from the authorities of the country of which they are citizens.

- Designing and delivering new systems and processes which will offer IPS greater benefits in line with its strategic drivers detailed above; and
- The potential provision of related telecommunications services.

## A2. INDICATIVE FRAMEWORK PACKAGING STRATEGY

### Introduction

This section reflects the Agencies' current view, as set down in the Strategic Action Plan, about the projects necessary to deliver the NIS. This view will be informed by the results of the review of delivery options and by engagement with suppliers during the Framework procurement. As a consequence the approach, and the nature and scope of projects will change. When these changes have been made the market will be informed, potentially by updating the Strategic Action Plan.

A list of projects is shown in the table below. The dates of award are indicative, and subject to approvals and the completion of successful competitions.

Potential Project	Acronym	Indicative award date
National Biometric Identification Service	NBIS	Late 2008
Application and Enrolment Service	A&E	Early 2009
Biographical Background Checking Service	BBCS	tbc
Product Management Service	PMS	2009
Identity Checking Service	ICS	Progressively from 2009
Biometric Enrolment Service	BES	tbc

A summary scope of services is provided for each project in the sections below, including indicative business volumes.

The projects will incorporate some or all of the design, build/customisation, operation (both IT and business process) and maintenance components of the new capability to be provided. In some cases, the projects will also include the transition and management of legacy operations (business process and IT), and their migration to the new service capability.

Parts of the above services would be expected to have elements protectively marked at levels above RESTRICTED and would need to interface to domains at lower levels. This would require the relevant physical and technical measures being implemented as an integral part of the service.

### A2.1 National Biometric Identity Service

The creation of a National Identity Register (NIR) is central to the delivery of the NIS. The National Biometric Identity Service (NBIS) would provide the biometric element of the NIR and support the introduction of 2<sup>nd</sup> generation biometric passports and identity cards.

As well as delivering this shared service, the scope of the NBIS would also address the more immediate requirement to ensure the continuity of services provided to BIA and UKvisas by the current Immigration and Asylum Fingerprint System (IAFS), including providing additional biometric services to a number of new projects across BIA and UKvisas and to IPS and FCO.

## **Transition and operation of existing services**

The BIA operates an existing biometric storage and matching service, as part of the Immigration and Asylum Fingerprint System (IAFS). IAFS also includes wider technology services (e.g. related to case management, IT infrastructure). The NBIS would include the take on and operation of the IAFS service as a whole. The Agencies expect suppliers to put forward solutions that would see the biometric storage and matching parts of the IAFS service being migrated to the new biometric storage and matching service. This expectation is based on grounds of value for money and NIS delivery risk.

As well as maintaining the current services provided by IAFS, the IAFS successor may provide:

- A biometric matching and storage system, capable of enabling other services to submit biometric references and metadata for storage and comparison, and returning the results of making biometric comparisons;
- A biographical service; and
- The necessary security infrastructure.

The core service will include:

- Transaction Management Services - multiple workflow processes will be required to meet specific needs of each user group. It must be possible to easily and quickly implement new processes and modify existing processes;
- Storage and Reference Services for biographic and demographic data, and fingerprint images and templates;
- Management Information Services to fulfil full and flexible auditing and reporting requirements;
- Information Assurance Services to ensure with confidence that information systems will protect the information they handle and will function as and when required;
- Integration Services to interface with IDENT1, Eurodac, UKvisas, and Dublinet, as well as the EU VIS system for the Schengen visa, the Prison Service System (NOMS), and BIA business systems such as CID, ASYS, PIDP, and CRS, in the future; and
- Recording Services including workstations provided under the NBIS contract, expert workstations and appropriate mobile technology and devices. It may also be necessary to integrate biometric recording units and functionality onto existing business workstations.

Furthermore, by December 2009 a number of additional users/applications will be defined and may already be implemented on IAFS. These may include supporting managed migration for the issue of Biometric Immigration Documents (BIDs) (including Biometric Travel Documents (BTDs) and Biometric Residence Permits (BRPs)) for third country nationals, additional services for Border Controls providing biometric checks and verification, and introduction of facial matching services.

Longer term requirements are likely to include wider integration with other BIA systems and the integration of other biometrics and tools.

## **Newly provided services capabilities**

The NBIS would provide biometric storage and matching services to UK civil government (excluding police biometric services) as part of the National Identity Scheme and would cover the following population groups:

- Those applying to enrol or maintain their biometric registration on the National Identity Register (NIR), and hence applying for a standalone ID card or a designated official UK document;

- Those applying for non-designated documents which require the use of biometrics including 2<sup>nd</sup> biometric passports for 11-15 year olds; and
- Those applying for foreign national products, such as the visa and Biometric Immigration Document, where they are not designated.

The scope of biometric matching includes 1:1 matching and 1:n matching, both at the point of enrolment and subsequently in relation to identity checking, including without consent checks (e.g. for national security reasons).

There is a set of closely related services within this package including:

- The operation of the Information Security component of the NIR (and equivalent services for non-designated products). This specifically relates to EMV and ICAO based PKI services to support the issuance and use of NIS products that contain a chip;
- The provision of related PKI services to support end user device authentication and encryption (the design and development of the initial PKI services will be based on existing provision outside the Framework); and
- The design, build and operation of the National Identity Scheme Access Manager (NISAM), the integration layer around the three technology components that will host the NIR dataset (CIS, the biometric storage and matching capability, and the Information Security component). The NISAM will be used both for NIR purposes and for analogous services for non-designated NIS products.

With the use of probabilistic biometric matching technologies, there may also be associated biometric support services within this package (i.e. those services requiring expert human intervention).

The NBIS would provide biometric services to the rest of the NIS including:

- The capability to undertake Application & Enrolment transactions for the NIS, including Passports, Identity Cards and other Designated Documents;
- The capability to carry out manual editing, designation, verification of biometrics and performance monitoring of the biometric matching system;
- The capability to carry out Counter-Fraud and Intelligence searches against the biometric data held on the NBIS;
- The capability to authenticate Passports, ID Cards and Designated Documents; and
- The capability to provide to the Document Production Service all documents that the Application and Enrolment service passes for issuance to correctly personalise a Passport, ID card and other Designated Documents.

In addition to these services to other elements of the NIS, core services of the NBIS would include:

- The capability to ensure that all data relating to the operation of all systems and related infrastructure is collected, stored and retained for audit;
- The capability to integrate the data and processes between the elements of the NIS;
- The capability to enable other services to submit biometric references and metadata for storage and comparison and return the results from the biometric comparisons; and
- The capability to analyse information across the NIS to produce reports.

Information Assurance is absolutely critical to the NBIS. In addition to the standard Information Assurance requirements suppliers will need to deliver the following four services:

- Protective Monitoring and Auditing Service (PMAS);

- Secure Authentication and Authorisation Service (SAAS);
- Security Management Service (SMS); and
- Security Enabling Technologies Service (SETS).

Suppliers will be expected to work with the Agencies to identify an agreed approach and plan for the transition of the service. Transition plans will need to be agreed with the Agencies prior to implementation.

### **Indicative business volumes**

- By the end of 2009, Biometric Immigration Documents and biometric visas will be biometrically enrolling up to four million people per annum (ten fingerprint scans plus facial image and signature). The dataset of already enrolled people will be of the order of ten million by that point.
- At that time, IPS will hold facial images for around 40 million passport holders.
- The advent of 2<sup>nd</sup> Biometric Passports and ID cards for British Citizens will add approx. five million enrolments per annum, where rollout is based on passport renewals, leading to biometric images growing at the order of ten million sets per annum in total, with corresponding implications in terms of transaction and matching volumes.
- It may be that enrolment of biometrics is more rapid than the figures above suggest (e.g. due to high customer demand for ID cards).
- At the point that biometric enrolment is extended to other customer groups (e.g. EEA nationals), the volumes would rise further.

Given the significant matching load of enrolment, the Agencies expect the figures above to be dominant in determining the required scale of the NBIS (e.g. 1:1 biometric matching for identity checks would not materially impact scale of service provision).

## **A2.2 Application and Enrolment Service**

The introduction of 2<sup>nd</sup> biometric passports and ID cards transforms IPS's application and enrolment customer service proposition, not least in moving from a model where IPS services only a small percentage of customers in person to one where all customers will need to be serviced in person. In bringing this new model of operation into service, IPS intends to increase efficiency, reduce fraud and maintain its very high levels of customer satisfaction.

IPS will replace its current set of outsourced business process and IT operations with a new outsourced delivery model, to meet the above aims – this business transformation would be at the core of the A&E service. The supplier would need to:

- Design, build/customise, operate (both IT and business process) and maintain the new service; and
- Manage the move from existing operations to this new model, working closely with IPS in our implementation of a corresponding new in-house operating model.

The scope of A&E is from the point of first enquiry from a customer to the point at which a decision is made to issue a passport and/or ID card.

It is the Agencies' intention that, where it is most effective and approvals are in place, some or all of A&E services are used to support other Application & Enrolment elements of the NIS (e.g. FCO passport applications, in-country applications from foreign nationals). This is in line with HMG's move towards Shared Service Provision.

## **Transition and operation of existing services**

IPS has a number of existing outsourced business process and IT service contracts in place. Central to those services is the contract for provision of PASS (the IT system used to process passport applications today) and associated outsourced business processes. The A&E package would include taking on, managing and running the existing service and moving from the existing service model to the one described above.

There are other existing contracts (e.g. for online customer services and contact centre services) which may, subject to supplier solutions, also form part of the A&E package. IPS expects the current separate contract for IT infrastructure services outside operational areas in the seven regional centres, to be taken on by the A&E service supplier.

## **Packaging**

The core of the A&E service would be awarded as a single package. This would include a new outsourced business process and IT service to support British Citizen ID card and passport applications in the UK. It would also include take on of existing outsourced services, and the provision of services equivalent to those provided under current outsource arrangements.

The scope of the A&E service may be extended beyond this core by:

- Adding wider NIS Application & Enrolment uses (e.g. for British passport applications out of country; for foreign national applications for NIS products in the UK);
- Adding more existing outsourced IPS services in areas related to A&E; and
- Changing the in-house / outsource boundary as part of a new service delivery model.

## **Indicative business volumes**

The key business volumes are the number of applications handled per annum:

- Of the order of six million passports are issued by IPS each year. Barring changed customer behaviour, similar volumes for the passport (and slightly lower volumes for a 'combi' passport / ID card product) are projected
- Standalone ID cards will affect volumes, with the impact depending on customer demand and behaviour;
- The FCO issues approximately 0.5 million passports;
- The BIA expects to issue up to one million Biometric Immigration Documents; and
- Expanding services to other groups (e.g. EEA nationals) would be incremental on above volumes.

## **A2.3 Biographical Background Checking Service**

### **Newly provided services capabilities**

In handling NIS applications, the Agencies intend to make a number of background checks to confirm the biographical details provided by applicants, and to use these to confirm that the customer is who they claim to be.

The NIS is looking to achieve this by using an evolving range of data sources and a growing range of analytical techniques (e.g. to establish potential multiple identity fraud; to resolve transliteration

issues between alphabets; to resolve administrative and other mismatches so as to automatically resolve multiple, apparently different, but in reality the same identities).

The Biographical Background Checking Service (BBCS) would need to gather data from a range of sources, apply a range of analytical techniques to it, flag potential fraud indicators for investigation and respond to specific checks regarding NIS applicants by:

- Providing a measure as to the validity of the asserted identity, based on the background information held in the BBCS. For example, a 40 year old customer born in the UK and living in the UK would be expected to have had a range of dealings with tax, benefit and financial sectors. The absence of such a history may be an indicator that further investigation is appropriate; and
- Providing supporting information not given by the customer but related to their historical dealings with the public and private sector. This is to enable the person asserting an identity to be interviewed with the aim of checking that they are who they claim to be.

Such checks would be carried out against those applying to the NIS in the UK and, where relevant, may apply to out of country applications.

Subject to legal provisions and business needs, others across HMG organisations may also use the service for a range of purposes (e.g. improving the integrity and efficiency of identity processes for their customers who are not yet enrolled in the NIR).

The supplier of BBCS would need to:

- Design, build/customise, operate and maintain the new service; and
- Manage the move from existing point-to-point checks (see below) to the new service.

### **Indicative business volumes**

The key business volumes are the number of applications handled per annum which are described in the preceding section on Application & Enrolment.

## **A2.4 Product Management Service**

### **Scope – newly provided service capabilities**

The scope of the product management service incorporates:

- The manufacture of products, specifically passport books (and equivalent documents) and ID cards (and equivalent types of product). Both will contain embedded chips complying with ICAO standards; it is planned that the ID card will comply with EMV Chip&PIN standards;
- The personalisation of products, both at initial issue and in cases where replacement is needed (e.g. lost, damaged, stolen);
- Product delivery to the customer concerned; and
- Related IT and business process managed services, spanning both product management IT (including NIR links) and customer facing services. Note that the growing complexity of chips within the products means that product management IT and related services will need to be materially more advanced than those in use within the Agencies today.

The supplier or suppliers of PMS would need to design, build/customise, operate and maintain the new service, re-using existing assets and services as is most effective. The extent to which existing assets and services may be re-usable is discussed below.

This service would deliver a new, Schengen area compliant, 2<sup>nd</sup> biometric passport design into live operation. It would provide the strategic ID Card Management Service.

### **Transition and operation of existing services**

The Agencies (specifically FCO and BIA), have existing facilities and contracts to produce and deliver the current Biometric Passport design. The PMS package would re-use these assets and services to the extent needed to provide the most effective solution.

Initial ID Card type services are expected to be in pilot operation before the PMS service begins operation. The PMS supplier would need to manage any transition from those pilot services.

### **Packaging**

Although a number of organisations issue passport type documents today and a number of organisations will handle applications for ID cards in the future, the Agencies are exploring a Shared Service approach in terms of both ID cards and passports. Cost and delivery risk are clearly factors, but consistent customer service is also relevant.

The Agencies are considering options for the delivery of passport and card production. These options include a single production contract or more than one, and procurement through the Framework arrangements or outside the Framework. Production represents a significant portion of the current estimate of NIS expenditure. We will only include production within the Framework if this route demonstrably offers better value for the Agencies. We will be seeking input from the market during the procurement process, and bidders will be informed of the Agencies' intentions in due course.

### **Indicative business volumes**

Again, the key business volumes are the number of applications handled per annum as discussed in the Application & Enrolment section earlier.

## **A2.5 Identity Checking Services**

### **Newly provided services capabilities**

The Strategic Action Plan envisages Identity Checking Services that make extensive use of the card and existing / planned reader networks (i.e. EMV infrastructure and eBorders infrastructure) and associated PKI regimes. In addition, there are services which are centred on the datasets within the NIR.

The ICS package would encompass design, build, operate and maintain of the IT and related business processes required to deliver the above (e.g. billing and account management).

While some of the solutions will have parts that would be protectively marked at levels above RESTRICTED, others will have elements outside of HMG protective domains. All will need to be sufficiently protected to meet NIS accreditation requirements (in the sense of the ID Cards Act).

As the NIS grows, we will continue to engage with the private sector. The Identity Checking Services that will be available to prove identity will grow in scale, and the range of channels through which they will be made available will also be increased. We expect the private sector to play a key role by driving innovation in the use of these services. The first steps can be seen in current IPS work on joint ventures. A number of joint ventures are under way today which may lead to pilots. These may require some transition activity as we move to fully deployed services.

The evolution of Identity Checking Services means that the Agencies expect to commission new work continually over the life of the Framework.

## **Packaging**

The Agencies are looking at a range of options for delivering ICS. This includes using 'licensed intermediaries' where the Agencies license private sector organisations so that they can provide ICS, based on the NIS utility. These arrangements would not be made through the Framework.

There will be ICS used by the public sector for example to check entitlement to services. The Agencies would look to group similar public organisations' needs to provide cost effective services, by sharing investment in development and delivery. This may result in a number of packages being competed through the Framework.

## **Indicative business volumes**

The uptake of identity checking services cannot be forecast definitively. However, the profile of NIS enrolments, detailed previously, shows the growth in the customer base.

## **A2.6 Biometric Enrolment Service**

### **Newly provided services capabilities**

Today, most HMG related biometric enrolment is limited to collecting a scanned facial image, taken from a customer's photograph, and a scanned image of their signature.

UKvisas international rollout is rapidly changing this. It is already moving to 2<sup>nd</sup> biometric enrolment, with ten fingerprint images and a digital photograph being recorded for each customer. 2<sup>nd</sup> biometric enrolment begins in the UK in 2008 as Biometric Residence Permits are introduced for non-EEA foreign nationals already in the UK who reapply to stay here.

The capacity to handle these enrolments – in terms of high street estates, personnel and technology – does not exist today. The Biometric Enrolment Service would need to deploy a nationwide capacity capable of handling five million+ enrolments a year, in a way that is convenient for customers, efficient and of high integrity.

To achieve this, the Agencies expect that the BES would make best use of existing and planned high street capacity capable of hosting biometric enrolment.

Some of the parts of BES would be protectively marked at RESTRICTED. Other parts may have elements outside of HMG protective domains, but will need to be sufficiently protected to meet NIS objectives.

By the time of award of any package within the BES, there may already be limited biometric enrolment capacity deployed (to support pilots / initial rollout) and this may need to be migrated.

## **Packaging**

The Agencies are committed to looking at a range of options for BES provision, spanning in-house, use of OGD capacity and outsourced. It is possible that the solution chosen would have all three components. The outsourced elements, which are relevant to the Framework awards, may include estates, business process and IT. Potentially these outsourced elements could be in the back office, front office or both.

There is an option to source part of the BES within the A&E service package.

### **Indicative business volumes**

The key business volumes are the number of applications handled per annum. This is because all NIS applications are moving to a second biometric basis. These volumes are described in the Application & Enrolment section above.