



► CASE STUDY

# Home Office Payment Processing

## The client

The Home Office Payment Processing Service (HOPPS) manages some 667,379 applications per annum<sup>1</sup> from people seeking to enter or stay in the country each year, with associated payments worth more than £382m per annum<sup>1</sup>. Immigration applications receive intense scrutiny from MPs, the press, and the public, and the service requires high standards of efficiency and delivery to retain confidence.

<sup>1</sup> 1 April 2016 – 31 March 2017

## The challenge

The Home Office faces three major operating challenges:

### Wide range and complexity

Managing applications, according to different immigration categories, requires a wide range of supporting documents, payment amounts and payment methods, through online and manual processing.

### Number of applications

HOPPS receives on average 1,379 postal applications per working day. In addition it receives an average of 717 online payments per day with the associated processes, although these figures fluctuate throughout the year.

### Manual processes

Each application package has to be opened by hand, documents checked, information entered on an administration system, and payments processed. All applications then have to be manually repackaged and sent to the Home Office for assessment.

The Home Office dealt with these challenges, until it outsourced payments processing in 2003.



## The solution

### 2013

The Home Office selected NS&I Government Payment Services (NS&I GPS) to provide a new management approach that addressed these challenges together with a streamlined procurement route and the benefits of interdepartmental working.

### Before going live

The Home Office benefited from the new interdepartmental relationship before the contract had even gone live.

### Within three months

After signing a Memorandum of Understanding, handover was completed in three months, and the core NS&I GPS team was ready to 'go live' well before the Home Office was expecting.

### The work included:



NS&I GPS staff becoming involved in the entire first-line operation. The team opens application packages, captures data, checks documents, enters records on the HOPPS system, processes payments, and repackages the applications to the right workstream handlers for Home Office assessment.



The Home Office paying for the service according to the forecasted number of applications within each workstream. This was a key area for the team to address early in the new relationship. If forecasting is wrong, it can mean a massive backlog and serious delays in completing the applications process.



NS&I GPS providing extensive management information via an online portal, based on the number of processed applications that the team is handling. This helps make forecasts more accurate, avoiding any additional costs and delays.

Deploying its knowledge of the unique operational demands of central government, and its commercial experience, NS&I GPS has saved the Home Office 10% operating costs over a 2.5-year period.

Efficiency and staff productivity targets are being met or exceeded. The Home Office business targets are more accurate; and temporary staff are more cost-effectively aligned with workload.

NS&I GPS have also managed a highly successful and rapid technology refresh and digitisation.

## The results

**“NS&I are highly proactive and flexible – not being tied into a restrictive change management programme they think outside the box.”**

**Peter Mycock,**  
Service Delivery, Home Office



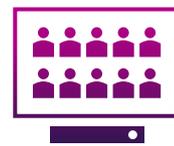
### Specialist advice

A strategic partner in banking and payments procedures, NS&I GPS are able to provide future advice about technology change in payments processing.



### Responsive and collaborative

Developing strong working relationships to enable better quality solutions to be formulated for operational issues and capabilities.



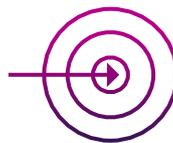
### Detailed management information

Forecasts are more accurate, saving unplanned costs for extra temporary staff, while maintaining excellent service to clients.



### Speed of deployment

Enabling the Home Office to transition to a new contract early meant real-time cost savings and a simpler contractual arrangement with a central government agency.



### Support government targets

Work towards the government's targets of encouraging interdepartmental efficiencies, and re-use of public assets.



### Savings and results

Operational costs have reduced by 10% over the contract period. Current service level agreements have been met and exceeded, reflecting efficient delivery.

**“We maintain a strong collaborative relationship with NS&I. In NS&I we have a delivery partner that continually seeks to maintain service excellence, whilst also looking to innovate and improve.”**

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**Carol Henthorn,**  
Commercial Manager, Home Office

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### About us

NS&I is known as the UK government retail savings organisation with over £147 billion<sup>2</sup> invested and over 25 million<sup>2</sup> customers. We are also known for outsourcing much of our business model, and it is estimated that this contract has saved the UK taxpayer over £500 million since 1999.

Our tried and tested modern banking engine, our people and our carefully honed processes have powered our success. It's all now available to UK government departments through NS&I Government Payment Services.

We only work with clients who would benefit from using and adapting our existing and proven payment services infrastructure and processes.

We have agreed a long-term strategy for NS&I that includes leveraging our partnership contract along with the associated skills within NS&I.

Through harnessing the experience and resources of NS&I we can create savings for you, for us – and ultimately the taxpayer.

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### Contact us

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