

IDAS – Identity Authentication Service

Equality Impact Assessment Consultation Document

Publication date: 14 February 2011

Closing date for comments: 8 May 2011

Paper copies of this document or copies in alternative languages and formats may be obtained free of charge from:

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Subject of this consultation:	The consultation covers the new ID Authentication Service (IDAS) that was introduced to help reduce tax credits error and fraud. IDAS is a robust system of identity verification and strengthens the level of authentication used when tax credit customers contact HMRC by telephone. The system is designed to help reduce the level of ID fraud and safeguard the identities of legitimate customers. See Section 4 for more information.
Scope of this consultation:	The purpose of this consultation is to obtain views about the recent implementation of IDAS which replaced the previous telephone verification service (CMA Security) and to mitigate the issues identified to ensure the process is accessible and fair to all customers. The new system includes fundamental differences which are the use of Experian data and the requirement for customers that are unable to verify themselves over the telephone to attend a face to face interview at one of our enquiry centres.
Who should read this:	I would like to hear from any customer who deals with HM Revenue & Customs (HMRC) and their representatives. Representatives of specific equality groups who have relevant comments to make on the equality impacts of the changes implemented.
Duration:	This consultation will start on 14 February 2011 and will conclude on 8 May 2011. The final date for submission of responses is 8 May 2011.
Enquiries:	All enquiries regarding the content or scope of this consultation should be addressed to: Steve Maudsley Area D 1 st Floor St Marks House St Mary's Street Preston PR1 4AT Email: Steve Maudsley By telephone: 01772 232906 Text phone: 18001 01772 232906
How to respond:	Written responses can be made to Steve Maudsley at the above postal or email addresses.
Additional ways to become involved:	Large print, Braille and Welsh versions of this document can be obtained by contacting: By email: Steve Maudsley In writing: Steve Maudsley Area D 1 st Floor St Marks House St Mary's Street Preston PR1 4AT By telephone: 01772 232906

After the consultation:	At the end of this consultation period we will publish a final report which will include a summary of the responses received. The report will be published within 12 weeks of the end of the consultation period along with monitoring arrangements.
Getting to this stage:	As part of the initial EQIA we looked at the types of customers who could use our contact and enquiry centre services. We identified issues which could be causes for concern for our customers. We have also identified mitigating actions we can take.
Previous engagement:	Some initial identification of impacts involved engagement with the Trade Union, HMRC managers, HMRC Policy and Benefits and Credits Consultation Group (BCCG).

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1. Executive Summary

1.1 What is an Equality Impact Assessment (EQIA)?

An EQIA is one of the ways in which HMRC ensures that it meets its statutory obligation to provide equality of opportunity. It is a thorough and systematic process which helps HMRC to:

- identify and assess the impact of policy, process and decision making on different groups of people
- identify and implement ways in which we can promote equality and diversity in our policy, process and decision making
- improve service delivery by improving our understanding of the needs, circumstances and experience of those who are affected by our activities
- avoid costs (financial and otherwise) of discrimination complaints by identifying and addressing actual and potential inequalities including unlawful discrimination and taking action to remove or mitigate against them
- engage people in the development and assessment of activities and policies
- develop good practices which can be used to meet the needs of the customers and employees alike
- meet legislative requirements and recognise our commitment to promoting equality

1.2 Why are we consulting?

We are consulting on this EQIA to obtain the customers perspective through consultation groups to how the implementation of IDAS may affect specific groups of our customer base and to ensure we effectively mitigate against any adverse impacts and promote equality.

1.3 Who is this EQIA aimed at?

This EQIA is aimed at customers who deal with HMRC, their representatives and people who represent specific equality groups.

1.4 The change we have implemented

The change from the old CMA security used on the Tax Credits Helpline to the new IDAS system has been implemented as a result of the requirement to better protect our customer data and safeguard their payments. The tax credit system has been the target of organised criminals who have successfully diverted money away from genuine existing customers and submitted fraudulent claims using the identity details of non tax credit customers. The impacts of this criminal behaviour is wide ranging and has a profound affect on genuine customers who find that their expected income streams are interrupted and they are without money, and HM Treasury and the tax payer as large sums of money have been fraudulently removed from the tax credit system. IDAS introduces a far more robust verification system affording better protection of our customer information and their payments and safeguarding the public purse. IDAS incorporates new processes on top of the old CMA security by interacting with a third party credit referencing agency (EXPERIAN) and the requirement for customers who cannot successfully pass IDAS during a telephone interview to attend a face to face appointment in an HMRC Enquiry Centre. The consultation is required to assess the impact of these new steps on the diverse tax credit customer base.

The Tax Credits Helpline previously verified a customer's identity at the point of contact by asking them certain questions where the answer is held on HMRC systems. If a customer could not pass the security questions HMRC would not allow them to transact. Although customers may be required to prove their

identity face to face in an Enquiry Centre under the IDAS process it is a more satisfactory outcome than the previous security procedure where the customer would simply not be able to transact with the department.

1.5 Equality impacts we have identified

Main equality impacts identified are for those with agents and intermediaries that have not been authorised previously, who are contacting us for the first time on behalf of their client. There is a possibility that they may encounter difficulties as their client is still required to authenticate themselves using the IDAS process. This may prove difficult for customers with a speech and/ or hearing impairment or with a learning difficulty. Analysis of the customers' that have been referred to an enquiry centre shows that of those that had claims registered on National Tax Credits (NTC), 0% had an agent registered to act on their behalf, which would indicate that customers who choose to use agents and intermediaries are not disproportionately failing telephone authentication.

It was anticipated that some of our disabled customers may have difficulties in attending a face to face interview. However a recent analysis of customers that had been referred to an enquiry centre indicates that less than 2% are registered as disabled which would indicate that disabled customers are not disproportionately failing telephone authentication.

Younger customers and people new to the country may have difficulty in authenticating themselves for the first time due to having a small credit footprint.

1.6 Mitigating actions we will take

- We will look to communicate better to customers and their representatives where they require an agent/ intermediary to act on their behalf so they are aware that they must complete the authentication process in IDAS first prior to their agent/intermediary contacting HMRC. The agent or intermediary can complete the security process on behalf of the customer where the relevant authority to act has been received in HMRC. Where the correct authority to act is not held the caller is directed to where it can be obtained and instructed to return it to HMRC. General advice will be given to agents/intermediaries if their client is absent or unable to verify their identity by telephone.
- Customers that are speech or hearing impaired or deaf can use our Text phone service as it enables them to communicate with the department by sending and receiving messages rather than speaking into the mouthpiece. They can also use a text relay (formerly type talk) service, where an operator acts as the interface between the two parties, enabling someone using a telephone and a person using a minicom to communicate.
- Customers will be able to transact with the Department in writing as previously. Benefits and Credits has measures in place to assess timeliness of payment for tax credits and will use any negative customer feedback received regarding delays through transacting in writing due to IDAS issues to inform our approach to improving customer service.
- Home visits will be considered for people with mobility issues and/ or caring responsibilities.
- The use of Experian data is consensual. Customers will still have the option of being authenticated manually using the National Tax Credits and Taxpayer Business Service systems if they do not want to partake in the attended authentication step of IDAS.
- Big Word translation service is in place for those who require an interpreter.
- British Sign Language interpreters can be arranged at enquiry centres.
- Younger and newer customers who do not have the necessary credit footprint to pass attended authentication and subsequently fail the manual part and the face to face interview stages of the process still have the option to transact with the Department in writing.

1.7 How this consultation will work

The consultation will take place from 14 Feb 2011. The final report will be published following the consultation period.

At key points you will find questions which we think are particularly important. However, we welcome comments on any related topic. Please note that you should only use the email address provided for comments relating to this consultation and not for any other business, including requests for information. Comments should be contained in the body of the email; we cannot accept emails with attachments. At the end of the consultation period we will publish a summary of the comments we have received and will produce a final EQIA report which will contain our final decisions, recommendations and mitigations.

2. The Consultation Process

How to respond

The consultation period will last for 12 weeks. The last date for responses should be sent by 8 May 2011.

Written responses can be sent to:

Steve Maudsley
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A summary of the questions in this consultation is included at appendix D.

Paper copies of this document or copies in alternative languages and formats may be obtained free of charge from the above address. This document can also be accessed from the HMRC internet site at [HMRC Equality Impact Assessments](#). All responses will be acknowledged, but it will not be possible to give substantive replies to individual representations.

When responding please say if you are a business, individual or representative body. In the case of representative bodies please provide information on the number and nature of people you represent.

Confidentiality

Information provided in response to this consultation, including personal information, may be published or disclosed in accordance with the access to information regimes. These are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004.

If you want the information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals with, amongst other things, obligations of confidence. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on HMRC.

HMRC will process your personal data in accordance with the DPA and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties.

The Government's Consultation Code of Practice

This consultation is being conducted in accordance with the Government's Code of Practice on Consultation. A copy of the Code of Practice criteria and a contact for any comments on the consultation process can be found in Appendix A.

3. Introduction

3.1 Introducing HMRC

HMRC was formed on the 18 April 2005, following the merger of Inland Revenue and HM Customs and Excise Departments. We are here to ensure the correct tax is paid at the right time, whether this relates to payment of taxes received by the department or entitlement to benefits paid.

We collect and administer:

Direct taxes - paid by you or your business on money you earn or capital you gain.

- Capital Gains Tax.
- Corporation Tax.
- Income Tax.
- Inheritance Tax.
- National Insurance Contributions.

Indirect taxes - paid by you or your business on money spent on goods or services.

- Excise duties.
- Insurance Premium Tax.
- Petroleum Revenue Tax.
- Stamp Duty.
- Stamp Duty Land Tax.
- Stamp Duty Reserve Tax.
- VAT.

We pay and administer:

- Child Benefit
- Child Trust Fund
- Tax Credits

We protect you by enforcing and administering:

- Environmental taxes
- National Minimum Wage enforcement
- Recovery of student loans

3.2 Border responsibilities

Until the UK Border Agency (UKBA) was launched on 1 April 2008, HMRC held responsibility for protecting the UK's borders against illicit and harmful trade, including protecting against the illegal import or export of drugs, counterfeit or illicit alcohol and tobacco, and other illicit goods. Some of these responsibilities will pass to the UKBA, but HMRC will retain responsibility for the policy associated with collecting duties due at the frontier and protecting UK tax revenues, working with the new Agency to achieve this.

3.3 Statutory obligations

Under the Northern Ireland Act 1998 all public bodies in carrying out their functions relating to Northern Ireland are required to have due regard to the need to promote equality of opportunity between:-

- Persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation;
- Men and women generally;
- Disabled and non disabled people; and

- Persons with dependants and persons without.

In addition public authorities are required to have due regard to the desirability of promoting good relations between persons of different religious belief, political opinion or racial group.

In addition in GB under separate Race, Disability and Gender duties public authorities need to have due regard to the need to:

- promote equality of opportunity between people of different racial groups, disabled and non disabled people and men and women generally
- eliminate unlawful discrimination between different racial groups, disabled people and men and women generally (including transsexual people)
- promote good relations for people of different racial groups
- encourage participation in public life by disabled people
- promote positive attitudes towards disabled people
- eliminate harassment which is related to disability or gender (including transsexual people)

HMRC's approach to Equality Impact Assessment meets the statutory requirements set out above.

4. What will the impact of IDAS be?

4.1 IDAS

The Identity Authentication Service (IDAS) was introduced in November 2009 and rolled out to all Tax Credit Contact Centres in January 2010. An overview of the IDAS call procedure can be found in appendix E. It is designed to strengthen the level of authentication used when tax credit customers contact HMRC by:

- identifying our customers and ensure we are dealing with the correct person
- protecting our customers' information
- reducing the instances of identity fraud committed on Benefits and Credits (B&C) claims, contributing significantly to Benefits and Credits Error and Fraud (E&F) target

IDAS uses information about customers held by a company called Experian, combined with HMRC data to verify their identity. The new authentication process is split into two distinct stages on the Helpline both using the Challenge & Response mechanism:

- The first being an initial verification of the customer's identity asking questions using the combined HMRC and Experian provided data followed, if successful, by the set up of shared secrets unique to the customer.
- The second used on subsequent calls, where a customer already has shared secrets established. Here the customer will be questioned using their shared secrets providing a much quicker and more secure process.

These two stages of IDAS fit into the basic process followed by our Helpline advisors as follows:

- 1) **Stage 1 and 2** - As was previously the case, all callers are asked to provide their National Insurance number as this is needed to locate their HMRC records and generate the security questions. Where a caller cannot provide their National Insurance number, they are advised where to find it and asked to ring back. Evidence from our Helpline advisors suggests that the majority of customers are aware of this and have their National Insurance number to hand.
- 2) **Stage 1 and 2** - To ensure the correct record has been retrieved, we request basic designatory details from the customer like address and date of birth and check these relate to the National Insurance number provided.
- 3) **Stage 1** The first time a customer contacts HMRC following the introduction of IDAS, they will then be asked to consent to HMRC utilising the Experian provided information to verify their identity. If they agree, they will be asked a number of randomly selected security questions generated from a combination of Tax Credits and Experian data for example, 'Who is your mobile phone contract with?'
- 4) **Stage 1** - If a customer does not have enough data available to conduct this part of the process, or if they do not answer sufficient questions correctly, the next step is to ask randomly selected questions from a combination of HMRC information drawn from different sources in order to establish the same level of confidence in the customer's identity.
- 5) **Stage 1** - If the customer answers sufficient questions correctly in either of the two previous steps, we will request their consent to set up a number of shared secrets. If the customer agrees, we will ask questions designed to be easy to recall and unique to the individual for use on subsequent calls to the Helpline.

- 6) **Stage 1** - Once their identity has been authenticated and the shared secrets have been established, the customer can transact with HMRC as normal.

If the customer refuses consent for use of Experian provided data they will move to step 4 in the process. If a customer refuses consent to set up shared secrets following successful authentication, the next time they call they will be presented with this same 6 step process.

On subsequent contact where shared secrets have been established, the customer will be asked one of the relevant shared secret questions in place of bullets 3, 4 and 5. If a customer cannot remember their shared secrets, they will go back to the basic process at either bullet 3 or bullet 4 depending on their circumstances.

Where a caller has been unable to satisfactorily demonstrate proof of their identity as part of this process, the Helpline advisor will:

- inform the caller that they have not been able to prove their identity and therefore cannot transact at present
- inform the customer that if they do not report any changes to their circumstances, they may end up getting paid too much tax credits which they will have to pay back
- advise the caller that they are required to take prescribed documentary evidence of their identity to an Enquiry Centre
- establish the appropriate Enquiry Centre with the caller and take appropriate contact details advising that a member of the Enquiry Centre staff will be in touch within 48 hours to arrange an appointment

Enquiry Centre staff will:

- Contact the caller to make a mutually convenient appointment advising what documentary evidence is required.
- When the caller visits the Enquiry Centre for the appointment, an advisor will examine the prescribed documents to ensure they relate to the individual.
- If successful, the advisor will then set up shared secrets in a similar fashion to that outlined in step 5 above.
- The customer can then transact, either with the Enquiry Centre advisor, or by using the telephones provided in Enquiry Centres to contact the Helpline, depending on individual circumstances.

Whilst every effort is made to keep the inconvenience to our customers to a minimum, HMRC does not offer any reimbursement of costs incurred by customers visiting an Enquiry Centre.

4.2 Consideration of evidence

In carrying out this EQIA, HMRC has taken into account a wide range of data and research findings including the following:

- issues raised at benefits and credits consultation group (BCCG) meeting by representatives of external groups such as Low Income Tax Reform, local government and citizens advice.
- complaints registered by contact centre directorate (CCD)
- analysis of customers that have been referred to enquiry centres
- number of customers who have undergone authentication
- number of customers with shared secrets
- overall pass rate
- number of customers referred to enquiry centres
- number of customer refusing the use of Experian data

4.3 Assessment of impact

This section of the EQIA shows the impacts of the IDAS system on some of the equality groups.

No impacts have been identified in relation to:

- political opinion (for Northern Ireland only)
- marital status
- religion or belief
- gender
- transgender
- race
- sexual orientation

Question:

Do you consider that we have correctly identified no impacts for these groups?

4.3.1 Disability

Our statistics on customer use of our contact centres are not broken down by disability. Our decisions will be based on the disability data held for our tax credit customers which indicates that 3% of live awards have at least one adult declaring a disability. It is vital that we identify the individual impacts that the implementation of IDAS has on our disabled customers.

Area of Impact	Impact	Mitigation/ further comment
Agents/intermediaries	Unauthorised agents or intermediaries may encounter difficulties when contacting HMRC for the first time on behalf of their client. This is because the customer is still required to authenticate themselves using IDAS. This may prove difficult for people with speech and/ or hearing impairments and with learning difficulties.	<p>General advice will be given to the agent or intermediary if their client is either absent or unable to verify their identity on the telephone.</p> <p>HMRC will communicate with agents/ intermediary groups on how best to balance the need to transact with the department and protect customer security.</p> <p>Customers with speech or hearing impairments or deaf customers can use our Text phone service as it enables them to communicate with the department by sending and receiving messages rather than speaking into the mouthpiece. They can also use a text relay (formerly type talk) service, where an operator acts as the interface between the two parties, enabling someone using a telephone and a person using a minicom to communicate.</p>

<p>Mobility</p>	<p>Due to limited mobility, some of our customers may have difficulty in travelling to attend an interview at the enquiry centre.</p>	<p>Customers will be able to transact with the Department in writing as previously. Benefits and Credits has measures in place to assess timeliness of payment for tax credits and will use any negative customer feedback received regarding delays through transacting in writing due to IDAS issues to inform our approach to improving customer service.</p> <p>Home visits will be considered for those with mobility limitations.</p>
<p>Learning difficulties</p>	<p>Customers with learning difficulties may not fully understand the security questions.</p>	<p>If an agent/intermediary has the relevant authority to act they can act on their clients' behalf.</p> <p>Customers will be able to transact with the Department in writing as previously. Benefits and Credits has measures in place to assess timeliness of payment for tax credits and will use any negative customer feedback received regarding delays through transacting in writing due to IDAS issues to inform our approach to improving customer service.</p> <p>The use of Experian data is consensual; therefore customers still have the option of being authenticated manually using the National Tax Credits (NTC) and Taxpayer Business Service systems. Customers also have the option of attending an Enquiry Centre.</p>

Questions:

1. Do you consider that we have identified all of the relevant impacts on disability adequately?
2. Are there any other mitigating actions relevant to this process that we should consider?

4.3.2 Age

HMRC Age data ¹					
18-24	5.61%	25-39	42.53%	40-49	37.08%
50-59	12.53%	60-69	2.01%	70+	0.24%

Our statistics on the use of contact centres are not broken down by age group. Our decisions will be based on contact centre usage and are expected to impact proportionality across equality groups.

A recent analysis of customers that were referred to an enquiry centre for a face to face interview indicated that:

- 1% were aged over 70
- 15% were aged under 25
- 94% of the under 25 failed attended authentication due to small credit footprint
- of the 94% that failed 45% had address and employment details held on Taxpayers Business Service

Area of Impact	Impact	Mitigation/further comment
Younger customers.	HMRC recognises that younger people are more likely to have small credit footprints, which may make it more difficult for them to complete authentication for the first time over the telephone.	<p>Customers who cannot pass the attended authentication step of the process (mixture of Experian and National Tax Credits (NTC)/Taxpayer Business Service (TBS) questions) will pass through to the next stages of the process and have the opportunity to pass security and transact with HMRC</p> <p>The use of Experian data is consensual; therefore customers still have the option of being authenticated manually using the National Tax Credits (NTC) and Taxpayer Business Service systems.</p> <p>Customers will be able to transact with the Department in writing as previously. Benefits and Credits has measures in place to assess timeliness of payment for tax credits and will use any negative customer feedback received regarding delays through transacting in writing due to IDAS issues to inform our approach to improving customer service.</p>

Questions:

1. Do you consider that we have identified all of the relevant impacts on age adequately?

¹ KAI analysis of HMRC tax credit customers as at 4/10/10 can be found in appendix F

2. Are there any other mitigating actions relevant to this process that we should consider?

4.3.3 People who use different languages

HMRC understands that some of their customers do not use English or Welsh as their first language. However any disproportionate impacts to customers using a different language should be fully mitigated.

Area of Impact	Impact	Mitigation/further comment
Use of different languages.	Customers that do not use English or Welsh as their first language may have difficulties in understanding the security questions. This may increase the likelihood of them being referred to an enquiry centre.	<p>Customers will be able to transact with the Department in writing as previously. Benefits and Credits has measures in place to assess timeliness of payment for tax credits and will use any negative customer feedback received regarding delays through transacting in writing due to IDAS issues to inform our approach to improving customer service.</p> <p>The Big Word translation service is available for those customers that require an interpreter.</p> <p>Arrangements can be made for a British sign language interpreter to be present at the enquiry centre should the customer be referred for interview. Deaf customers can also use a textphone.</p>

Questions:

1. Do you consider that we have identified all of the relevant impacts on people who use different languages adequately?
2. Are there any other mitigating actions relevant to this process that we should consider?

4.3.4 People with or without dependants

Our statistics on customers who use our contact centres are not broken down by people with dependants or caring responsibilities. However, we acknowledge the link with gender as women are likely to be the primary carers for child or adult care. There is also a link between people with dependants and those who claim Child benefit and Child tax credits.

Area of Impact	Impact	Mitigation/further comment
Carers	People with caring responsibilities may have difficulties in attending a face to face interview should they fail telephone authentication.	<p>Home visits will be considered for those with caring responsibilities.</p> <p>Customers will be able to transact with the Department in writing as previously. Benefits and Credits has measures in place to assess timeliness of payment for tax</p>

		<p>credits and will use any negative customer feedback received regarding delays through transacting in writing due to IDAS issues to inform our approach to improving customer service.</p> <p>We are flexible with our opening times.</p>
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Questions:

1. Do you consider that we have identified all of the relevant impacts on people with or without dependants adequately?
2. Are there any other mitigating actions relevant to this process that we should consider?

4.4 Consultation

HMRC wishes to consult as widely as possible on the preliminary findings and recommendations contained in this draft EQIA and the following actions are proposed;

- This report will be issued to relevant/all consultees listed in our Equality Scheme and to any member of the public on request.
- A copy will be posted on HMRC’s website and on the intranet
- The report will be made available on request in alternative formats.
- Feedback will be provided following the consultation

The closing date for responses is 8 May 2011.

Responses should be sent to:

Steve Maudsley

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1st Floor

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PR1 4AT

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Telephone: 01772 232906

4.5 Monitoring arrangements

The impact of the policy will be reviewed on a quarterly basis and will continue to be monitored regularly. Benefits and Credits will continue to liaise with the membership of the Benefits and Credits Consultation Group (BCCG) and monitor any issues that are identified through the existing complaints procedure for tax credit customers.

For the period 1 April 2009 – 16 November 2010 IDAS has:

- an overall pass rate of 98.77%
- 98.49% of customers consent to the use of Experian data.
- 3.36% of customers failing due to a small credit footprint (only 0-1 questions available from Experian's initial search for data)
- 1.64% of customers failing due to there being insufficient questions available (only 2-5 questions available from Experian's initial search for data)
- 1.70% of customers referred to an enquiry centre to verify their identity

7,087,446 calls were received by Contact Centre Directorate (CCD) between 17 December 2009 and 31 August 2010. Details of complaints received are from all customer groups (as our statistics on customers who use our contact centres are not broken down by diversity group) and third parties (which could include intermediaries) regarding security were 453 (0.006%) between 1 November 2009 and 31 August 2010

Type of complaint

- 34.22% were from the customer regarding failed security
- 28.92% were from the customer regarding the security process
- 7.73% were from the customer regarding failed security and the security process
- 7.73% were from a third party regarding failed security
- 1.32% were from a third party regarding the security process
- 0.82% were from a third party regarding failed security and the security process

Appendix A: The Code of Practice on Consultation

About the consultation process

This consultation is being conducted in accordance with the Code of Practice on Consultation.

The consultation criteria

1. When to consult - Formal consultation should take place at a stage when there is scope to influence the policy outcome.
2. Duration of consultation exercises - Consultations should normally last for at least 12 weeks with consideration given to longer timescales where feasible and sensible.
3. Clarity of scope and impact - Consultation documents should be clear about the consultation process, what is being proposed, the scope to influence and the expected costs and benefits of the proposals.
4. Accessibility of consultation exercise - Consultation exercises should be designed to be accessible to, and clearly targeted at, those people the exercise is intended to reach.
5. The burden of consultation - Keeping the burden of consultation to a minimum is essential if consultations are to be effective and if consultees' buy-in to the process is to be obtained.
6. Responsiveness of consultation exercises - Consultation responses should be analysed carefully and clear feedback should be provided to participants following the consultation.
7. Capacity to consult - Officials running consultations should seek guidance in how to run an effective consultation exercise and share what they have learned from the experience.

If you feel that this consultation does not satisfy these criteria, or if you have any complaints or comments about the process, please contact:

Richard Bowyer, Consultation Coordinator, HMRC Better Regulation and Policy Team
020 7147 0062 or e-mail hmrc-consultation.co-ordinator@hmrc.gsi.gov.uk

Appendix B: List of stakeholders consulted

Stakeholders invited to provide feedback
1. BCCG Secretariat
2. TUS

Appendix C: Glossary

Key Terms

Term	Definition
IDAS	Identity authentication service – A robust method of identity authentication which helps to ensure that an individual is who they way they are.
NTC	National Tax Credits
BCCG	Benefits and Credits Consultation Group
EQIA	Equality Impact Assessment – EQIA is the process that HMRC uses to assess the potential adverse impacts on equality groups and identify ways to promote equality.
CCD	Customer Contact Directorate
Policy or Activity	Within this document the term policy is used to describe any policy, activity or change that may be considered relevant to equality. This will incorporate smaller changes or day to day decision-making that may be taken at a relatively low level but still have the potential to impact positively or negatively on groups of people
Guidance	The term guidance can refer to our online guidance, other HR guidance (such as DDA etc.), supporting documents, help sheets etc.
Typetalk	Typetalk is a service run by the Royal National Institute for deaf people and funded by BT. It is a telephone relay service which enables, deaf, deafblind, deafened, hard of hearing and speech impaired people to communicate with hearing people by telephone
Textphone	A Textphone is a type of telephone used by people with hearing impairments. HMRC uses the Text Relay service which can be used by anyone to contact any telephone number within HMRC. Dial the prefix 18001 before the HMRC number to access this service.
Equality Groups	<p>The equality groups are the groups of people that are protected by various pieces of equality legislation. In Great Britain these are:</p> <ul style="list-style-type: none"> • race • disability • gender (including transsexual people in respect of their gender reassignment) <p>As HMRC has a presence in Northern Ireland (NI) we also consider the equality groups covered by NI legislation in all of our EQIA work. The additional NI groups are:</p> <ul style="list-style-type: none"> • age • marital status

	<ul style="list-style-type: none">• sexual orientation• religion or belief• political opinion (consider in relation to Northern Ireland only).• People with or without dependants
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Appendix D: list of questions

The following questions are asked in this consultation document:

No impacts identified in relation to; Political Opinion (for NI only), Marital Status, Religion or Belief, Gender, Transgender, Race and Sexual Orientation.

1. Do you consider that we have correctly identified no impacts for these groups?

Disability

1. Do you consider that we have identified all of the relevant impacts on disability adequately?
2. Are there any other mitigating actions relevant to this process that we should consider?

Age

1. Do you consider that we have identified all of the relevant impacts on age adequately?
2. Are there any other mitigating actions relevant to this process that we should consider?

Language

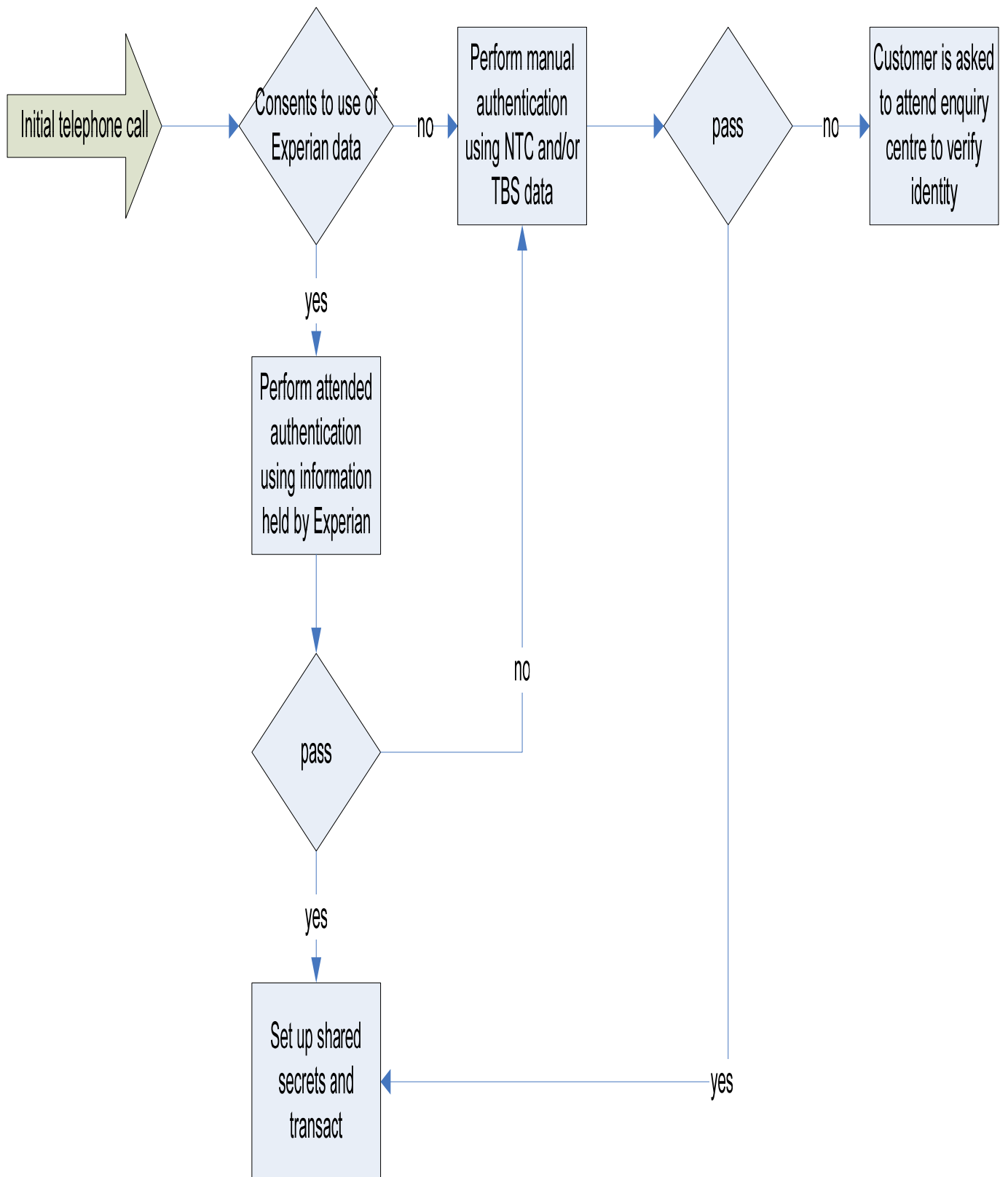
1. Do you consider that we have identified all of the relevant impacts on people who use different languages adequately?
2. Are there any other mitigating actions relevant to this process that we should consider?

With or without dependants

1. Do you consider that we have identified all of the relevant impacts on people with our without dependants adequately?
2. Are there any other mitigating actions relevant to this process that we should consider?



Appendix E IDAS call procedure



Appendix F KAI analysis of Tax credit customers

Number of families benefitting from Tax Credits as at 04 October 2010.

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Age of oldest adult	All	Out of Work	WTC and CTC	CTC only	WTC only
All	5,952.6	1,291.6	1,888.5	2,229.3	543.3
0 to 19	39.3	34.7	4.2	0.1	0.4
20 to 24	294.6	175.8	101.5	13.5	3.8
25 to 29	609.2	204.2	234.2	105.5	65.3
30 to 34	835.9	194.9	314.4	277.3	49.2
35 to 39	1087.2	209	378.8	453.7	45.7
40 to 49	2207.1	333.6	677.9	1051.9	143.8
50 to 59	745.6	102.1	163.3	298.8	181.3
60 to 64	92.7	18.5	11.1	21.6	41.5
65 to 69	26.6	10.4	2.3	5.2	8.8
70 to 74	9.7	5.5	0.5	1.3	2.3
75 and over	4.9	3.0	0.2	0.4	1.3