



Local Identity

The role of local entitlement cards in public service delivery

An NLGN White Paper by **Dr Victoria Barbary**

1 Introduction

Identity management is firmly at the centre of political debate. Existing policy to address the issue has been contained in the 2006 Identity Cards Act, which requires each UK resident over the age of 16 to be issued with an identity card, but also provides for the construction of a National Identity Register (NIR), or identity metasystem. The Act has, however, been the subject of criticism, from its cost – projected in one study to be up to £19.2 billion¹ – to its impacts on community cohesion.²

Since the legislation received Royal Assent, the Government has had to scale back plans for the construction of a new architecture for the NIR due to budgetary constraints, and is exploring alternative systems. Nevertheless, it may be that the Register will not be fully populated before 2020.³ We believe that, in order to create a valuable identity-management framework, it is important to take a citizen-centred approach. A central question should not be why government needs a universal form of identification, but what benefits it would give to citizens. Since 80 per cent of the public's contact with the State is through local authorities, individuals benefit from a single form of identification not when information is shared effectively between *central* government departments, but within the *local* government family.⁴

Given the estimated cost of a national identity card project it is, therefore, crucial that any scheme delivers maximum benefit to citizens. We believe

¹ London School of Economics (2005), *The identity project: final report executive summary*, 5

² A Beck and K Broadhurst (1998) Policing the community: the impact of national identity cards in the European Union, *Journal of Ethnic and Migration Studies*, 24 (3), 413-431; Commission for Racial Equality (2006), *Identity Cards Bill, House of Lords*, 3, http://www.cre.gov.uk/downloads/idcardsbriefing_hol.pdf

³ General Register Office (2005), *Citizen Information Project Final report: Annex 1: Overview of the Citizen Information Project*, 5

⁴ General Register Office (2004), *CIP and Local Government* (CIPPB(O4)31), Citizens' Information Project, Board Paper, <http://www.gro.gov.uk/cip/Definition/ProjectBoardPapers/index.asp>

that a local, council-administered scheme could be more practical, possibly cheaper, and quicker, could better safeguard identity, and maximise the quality and value of council services. Local government has been struggling with the question of information disclosure between different departments under the terms of the 1998 Data Protection Act. Lord Laming's Victoria Climbié Inquiry highlighted the possible consequences of inefficient communication between local government bodies, and argued that 'Improvements to the way information is exchanged within and between agencies are imperative' for improving public service delivery.⁵ Enhancing local data sharing would encourage councils to apply a more sophisticated approach to the Data Protection Act to improve cross-departmental communication and better manage and safeguard information. More accurate data would allow local authorities to construct a clearer image of communities, improve their capability to build public services around neighbourhoods and individuals, as well as addressing fears about public security and benefit fraud.

Here, it is suggested that local data sharing and service delivery could be improved by issuing a multi-functional 'entitlement card' to every local service user, which would hold authentication and eligibility-level information for services supplied across traditional local authority or public-agency boundaries. First, the card would be a widely-accepted proof of identity, showing the bearers' photograph and biographical data. Second, this would allow it to act as a key to public services, allowing council departments to retrieve information held by any sister agency, thus facilitating a joined-up system of service delivery. Last, it could encourage local partnership working by extending the functionality of existing council smartcards. Currently, these give access to local leisure facilities, and can provide a method of paying for public transport, discounts at participating commercial outlets, payments for school meals and for other small purchases at council facilities. By using Local Area Agreements (LAAs), local authorities could work more closely with members of Local Strategic Partnerships (LSPs), to extend these utilities to services provided by other LSP partners. Such a scheme would benefit

⁵ H Laming (2003), *The Victoria Climbié Inquiry: Final Report*, 9

councils, businesses and residents: it offers a practical solution to improving local public-service delivery with a low investment risk; provides a medium for businesses to claim a greater stake in local communities; and aids social inclusion and community participation by making access to local services cheaper and easier.

2 *The Delivery Platform*

By emphasising localisation and choice in public services, the Government has sought to empower communities to take more control of their lives, increase political engagement and ensure that local residents get the best deal for their area.

By so doing, it aims to ensure that public services and democratic institutions remained relevant to citizens and their rapidly-rising expectations. This was central to *Strong and Prosperous Communities*, the white paper issued by the Department for Communities and Local Government in October 2006. The current Local Government and Public Involvement in Health Bill also pursues this agenda, seeking to increase collaboration and integration of local government, public bodies, businesses and third-sector organisations by making LSPs and LAAs statutory requirements.

To improve public service delivery, increase levels of access and participation in community life, promote socio-economic development, as well as supporting neighbourhood regeneration and social inclusion, local government has started adapting its institutional structures, procedure, and interactions with its citizens. The Local e-Government Programme was central to implementing these changes; it aimed to improve the effectiveness and efficiency of local government in leading and supplying services to all communities by 2008, in line with the 2004 Spending Review Public Service Agreement. By December 2005, local authorities in England, Scotland and Wales had e-enabled over 97 per cent of their services, and spent £3.3 billion on ICT solutions for creating online service frameworks within their

existing management and accountability structures in that year alone.⁶ The drive to put citizens in control of their access to public services has resulted in the increasing use of smartcards. One of the key benefits of these interoperable cards is that they enable users to obtain the various benefits and discounts from public-sector agencies easily and securely, without any stigma being attached to their situation. Bracknell Forest Council has developed an 'e+ card' that can be used as a library card, for small purchases at council leisure sites and libraries, access to leisure facilities, cashless payment for school meals, proof of age, and discounts at participating commercial outlets.⁷ Bolton Metropolitan Borough Council is another local authority that has developed this technology; their smartcards can now be used to access library and leisure facilities, pay for public transport, and obtain discounts from a range of stores.⁸

Both Bracknell Forest and Bolton are looking to expand the functionality of these cards. In the future, Bracknell Forest Council plans to use the e+ card to pay for bus fares and car parking. It also hopes that they will be able to use it as a key to an online citizen's account, which would enable the council to invoice service users accurately for work undertaken by the council on their behalf, such as housing repairs. This would also facilitate the formation of information links to other public service suppliers within LSPs, such as NHS Trusts and the police, for whom the card could be used to provide accurate information and efficient services.⁹ In Bolton, the council is extending the commercial functionality of smartcards. In June 2007, council chiefs gave the go-ahead for a new 'tap and go' method of payment to be incorporated into the town's existing system. The card could be loaded with up to £50

⁶ In 2006, this fell to £2.7 billion (2004 levels) after five years of healthy growth. Socitm (2006), *IT Trends in local government 2006/7: the modernisation of public services: executive summary*, 4-5

⁷ *Bracknell Forest Council Website*, 'What does the e+ card do?' <http://www.bracknell-forest.gov.uk/do-it-online/online-smartcard/online-what-does-the-bracknell-forest-smartcard-do.htm>

⁸ *Bolton Council Website*: http://www.bolton.gov.uk/portal/page?_pageid=367,129939&_dad=portal92&_schema=PORTAL92 'ITSO News' April 2007, <http://www.itso.org.uk/content/Specification/April%2007%20newsletter.pdf>

⁹ *Bracknell Forest Council Website*, 'What does the e+ card do?'

that could be used for purchases at participating outlets.¹⁰ In May, a similar system was piloted by Oyster card and Barclaycard in London. This allowed bearers of a combined card not only to travel on public transport, but also to use secure contactless technology for purchases of under £10, using a separate Barclaycard facility held on the same unit.¹¹

In order to achieve full functionality, however, the card needs to be registered and have card-enabled data capture for leisure-service use. Using a proof of address – a council tax or utility bill – and a photographic ID – such as a passport – a ‘biographical footprint’ is taken, including a photograph, which is stored on the card’s microchip and the council’s database. In Bolton, cards are registered to allow the user to book leisure services, renew library books online, or report it missing. Card-enabled data capture permits the issuer to gather information on leisure-service use and predict the behaviour of potential future customers; this allows them to tailor services more effectively to local needs.

As a result of the e-Government Programme, the technology architecture for expanding these schemes is widely available, and already in place in many areas. Although the drive concluded in April 2006, the Improvement and Development Agency continues to work with local councils to expand the use of smartcards for access to local services. Moreover, the expansion of ICT in public services has ensured that its administration has been incorporated into existing local accountability and management structures. Consequently, councils have extensive experience of running new ICT systems for which they have required clear responsibility hierarchies for existing users of online and mobile technology.¹² Many local authorities are thus well-placed to expand their schemes to improve local service delivery further without a large financial investment in new technology.

¹⁰ TüV website: <http://www.tuvps.co.uk/news/articles/bolton-lines-up-squid-card-scheme-18179237.asp>

¹¹ Transport for London Website, ‘Oyster and Barclaycard complete successful technical trial of combined card – next phase of trial now underway’, <http://www.tfl.gov.uk/corporate/media/newscentre/5048.aspx>

¹² M Cross and J MacGregor (2006), *Cutting the wires: mobile IT and the transformation of local services and governance*, London: NLGN

3 *Developing the platform*

There is, therefore, already a framework for local entitlement cards containing authentication and eligibility-level information for public services.

This card could act as a proof of identity for local authority facilities, and could also be extended to services supplied by other LSP partners, for example NHS Trusts and police forces. Individuals with mental health problems, for instance, have service requirements that cut across the LSP; if they were to come into contact with the police, with an entitlement card they could be identified, and their needs met more quickly, thus preventing unnecessary distress.

To be successful, however, the card's verification procedures have to create a trusted record that is acceptable to all bodies, so citizens will not be required to repeat authentication processes at highly-sensitive occasions, such as reporting a crime, attending an accident and emergency department or claiming benefits. This would ensure privacy of information and, therefore, reduce the stigma attached to certain transactions or entitlements. For example, students entitled to free school meals could automatically have their meal allowance credited to their entitlement card. All cards would look and work the same way thus sparing children from embarrassment at mealtimes.

Successfully undertaking such a project, however, requires collaboration between local government departments. In many cases, this is curbed by concerns over information exchange under the Data Protection Act. This requires a more sophisticated and less risk-averse attitude towards information management. A model for this are Customer Relationship Management (CRM) practices and software used by many private-sector businesses to manage their relationships with clients, including the capture, storage and analysis of customer information. On the whole, however, fears over data sharing, as well as the complexity and number of databases for

which local authorities are responsible, have resulted in CRM having a slow uptake amongst English councils.

By making LAAs statutory requirements, the new Local Government Bill takes an important step towards improving communication between local authorities and other public- and private-sector organisations. To reap the maximum benefits, this interaction needs to be exploited by LSP members. By working with local businesses and third-sector organisations, councils need to learn from CRM practices and shift their outlook from being 'product [or service] centric' to being 'customer [or citizen] centric'. In short, local authorities need to be better at identifying, anticipating and satisfying citizens' requirements. To optimise the effectiveness of this process, an holistic approach needs to be taken. Information needs to be communicated effectively between different arms of local government to enable local services to be tailored to individual and community needs.

This also has benefits for the commercial organisations involved in LSPs. When LAAs become legally binding later this year, they will have greater influence over the form and trajectory of local development. In light of the current emphasis on Corporate Social Responsibility (CSR), this should be an attractive prospect for businesses, as they will be able to claim a greater stake in the neighbourhoods in which they operate. Involvement in LSPs should be particularly appealing to banks, since they play a fundamental role in citizens' lives. What is more, they often have extensive CSR programmes, which could be harnessed usefully by local authorities: Barclays alone has a 'community investment programme' worth £46.5 million a year.

They also have technological expertise to aid local councils develop the necessary systems for an entitlement card scheme. Internet banking has forced financial institutions to create tight online security systems; as a result of the range of financial products and services they offer, they also have highly-developed CRM, from which local authorities could benefit. Moreover, by involving themselves in the development of entitlement cards through membership of the LSP, banks would have a method of identifying customers that they knew to be secure. They may also have a commercial opportunity

in extending the financial functionality of entitlement cards – an interest already demonstrated by Barclaycard’s co-operation with Oyster card in London this year.

Strengthening collaboration between the public and commercial sectors will not only benefit the parties involved, but also those they serve; a single gateway to public services can encourage citizens to manage the services they use. A number of councils have established systems for service management akin to those of internet banking, which allow service users to update their biographical footprint easily online using an account number PIN, password and/or other identifiers. Citizens thus retain ownership of their identity and ensure that it is not altered without their consent. Individuals are, therefore, able to monitor their own service-use profile and have a single login for their current online accounts for local public services. Grafting an entitlement card onto such systems would be simple and add another layer of security: as recipients of benefits and services are often known by sight to frontline staff, they can check the accuracy of the card’s information through personal contact. An individually-managed local system can thus protect vulnerable individuals, such as the elderly or those with mental health problems, against benefit cheats.

Entitlement cards can, therefore, play an important role in protecting identity, empowering citizens and encouraging community cohesion. However, the card should only act as an access point – a key – to information; it should not store the data explaining an individual’s entitlement to particular benefits or services. Card-enabled data capture should be limited to the use of leisure, transport and other peripheral services, which require usage information to run effectively. Core information on health, benefits or welfare should remain on the existing local service databases to avoid seepage of sensitive personal information. That way, the opportunities for identity fraud are reduced and the card bearer retains the ownership of their own identity.

4 *Conclusion: 'I've got a computer that works. Let's use it!'*

Local entitlement cards have a number of benefits to citizens. They would help protect against identity fraud not only by giving local service users an accepted form of identification, but also by ensuring individuals retain ownership of their identity through a citizen's account.

Through this, each account holder will also have access to, and responsibility for, their service profile; they will thus be able to monitor interactions with local authority services made in their name. Moreover, by adapting a pre-installed system, there is no need for citizens to impart any further information to the council and local authorities will be able to take advantage of existing familiarity with the scheme. Entitlement cards' additional functions would also encourage citizens to apply for them. Discounts for using public leisure and transport services, the possibility of avoiding embarrassment or stress at a wide range of public service delivery points, and an 'e-purse' for commercial purchases, are benefits that have everyday convenience.

There are also advantages for councils and their LSP partners. It would encourage a more joined-up attitude towards data sharing and public service delivery, which would allow local authorities to improve their services and link them to those supplied by other LSP organisations. The newly-statutory LAAs, made through LSPs, will also provide a rich environment for local authorities. They will be able to learn from the techniques employed by their private-sector partners and may also be able to harness their expertise in developing their service-delivery strategy. As legally-binding agreements, LAAs will also become more attractive as business opportunities for private-sector bodies, which will be able to make more substantial contributions to place shaping in their local area.

Transcending these local benefits, however, is the possibility that these cards could eventually form the basis for a bigger vision and become interoperable

to the extent that a Bolton resident could go on holiday to Brighton and use their card there to access local services. In short, the benefits and uses of a local card could be extended nationwide. However, the principal issues are the complex technological environment and meeting technical security and operational standards. The aim, possibly with central government guidance and in conjunction with private-sector partners, would be to create an interoperable benchmark for entitlement cards so they represent a low investment risk for councils and reassure them that all local cards would meet their smartcard working-environment criteria.

Given the investment local authorities have devoted to improving ICT and expanding e-Government, local entitlement cards could prove more cost-effective than a national identity card scheme, and offer a sustainable standard of identification for local public service providers who access an organically-generated user service profile. The model for card data and security would, therefore, be tailored to the frontline staff, who will be using the card as a means of identifying their customers on a daily basis. Proof of identity would thus be constructed locally, much like identity itself, which is shaped by interactions within one's neighbourhood, hometown and with local services. As such, local entitlement cards would align more accurately with the fragmentary and localised nature of identity, giving citizens a universally-accepted form of identification that reflects their own self awareness and individuality.

Local government has, therefore, already successfully built a platform for identity management and delivering public services, while recognising the benefits of expanding the functionality of existing smartcards. This presents an opportunity to deliver the government's goals for identity security through a pre-existing technology architecture, which could be rolled out quickly, perhaps at reasonable cost. The National Identity Card scheme would do well to build on the benefits already on offer from local authorities, whose advanced groundwork and practical thinking should supplement the plans now being implemented by Whitehall.

