

REPORT TO: POLICY AND RESOURCES COMMITTEE – 14 JANUARY 2002

REPORT ON: CITIZEN ACCOUNT – SMART CARD

REPORT BY: CHIEF EXECUTIVE

REPORT NO: 822-2001

1. PURPOSE OF REPORT

This report sets out a plan to introduce a single smart-card for all council services that require a card. The scheme is also designed to work in partnership with other institutions in the City to make it a city-wide scheme.

2. RECOMMENDATIONS

- 2.1 Introduce a city-wide multi application smart-card scheme, which will offer services and benefits to all its citizens.
- 2.2 Make the first applications a school, the taxicard and the bus travel concessions.
- 2.3 Adopt a rollout programme for all services between October 2002 and October 2004.
- 2.4 Make the smart-card scheme a core component of the Council's MGF 2 fund bid.
- 2.5 Form a city-wide partnership to ensure it has cross institution applications.
- 2.6 To fully participate in the European Smart Cities scheme and the Scottish Executive smart-card working group.
- 2.7 To appoint a consultant specialising in smart-cards to assist in procuring the smart-card and developing successful pilots.

3. FINANCIAL IMPLICATIONS

Allowance has been made in the 3 year capital plan for ICT investments. £100,000 will be invested to launch the smart-card. Further investments will be sought through the Modernising Government Fund and European sources.

4. LOCAL AGENDA 21 IMPLICATIONS

A multi-application smart-card specifically promotes policy integration across sectors, sustainability, participation and partnerships which are key themes in local agenda 21.

5. EQUAL OPPORTUNITIES IMPLICATIONS

Full account will be taken of the Council's equal opportunities policies in the design of the multi-application smart-card. Specific benefits for a range of different people will be explored.

6. BACKGROUND

- 6.1 The Council Plan 1999-2002 included a commitment to investigate the introduction of a smart-card. The Council's ICT Strategy (P & R Committee October 1999) confirmed

that a smart-card could be required to provide a solution to validating a persons id and enabling access to a range of information and service in one card. However, the ICT strategy indicated that the successful introduction of a smart card depended on a stable system of national standards being in place. Without this a card may only work in a limited geography and software suppliers in some key services may not support the card information. The issue of national common standards for smart-cards is now being resolved and this barrier is being removed by the government and industry.

6.2 A central part of the Modernising Government strategy is e-government. This aims to bring the benefits of the new communication technology to users of public services and close the digital divide. Key concepts in e-government are:

- the Citizens Account
- Joined up service delivery
- Electronic service delivery
- Digital Inclusion

6.3 In practical terms these concepts relate to projects that will deliver the following examples:-

- Go onto a website and get information about the whole range of Council services including your individual status on say council tax and planning accounts, concessions entitled to etc
- If a person moves house they only need to tell the Council once
- If needing a service such as community care, organising a public event or becoming unemployed there can be a joined up process for applying for the necessary services and information i.e. it only requires one form or one phone call
- People can order and pay for services on line 24 hours a day on the website or in longer opening hours of a telephone service
- Instead of lots of different cards and application processes for memberships one card combines all

6.4 The Council's ICT strategy sets out a plan to put in place the necessary infrastructure to deliver e-government. For example, the current award winning website is still developing and following the decision of the P & R Committee (September 2001) regarding e-work software online transactions will begin to come on stream by next March. Dundee.com will be publicly launched in Spring 2002 and will provide online booking for arts and leisure. Dundee schools are well ahead in the National Grid for Learning and local learning centres and neighbourhood resource centres provide free access to the internet. The achievement of full e-government will take some time. The government has set targets that require all services to have electronic service delivery by 2005. At this stage the strategy is about building up the infrastructure and the ability to manage it. The next main stage in this development as recommended by this report is a smart-card scheme. The last example in the above paragraph is obviously a smart-card but it also is a key feature in delivering many other e-government benefits.

6.5 This year a project team has been actively researching the smart-card options and liaising with COSLA and the Scottish Executive on standards for a smart-card. As part of this research the project team have joined the smart-card standards networking forum, the Integrated Transport Smart-card Organisation (ITSO) and Smart Cities. This report sets out the benefits, method and recommend approach.

6.6 The project team has looked at and explored potential applications and identified key factors in moving these forward. The project team comprises of Paul Carroll, Corporate

Planning, Sid Bulloch, IT Department, Tom Malone, Finance Department (Audit), Ron Tinley and Iain Sherriff, Planning and Transportation Department.

- 6.7 The Scottish Executive have also stated that a smart-card scheme fitting in with emerging standards and priorities will be the focus of the next round of Modernising Government Fund grants. The letter regarding the MGF2 Fund is attached as Appendix 1.

7. THE BENEFITS OF A SMART CARD

- 7.1 A seminar on SmartCards early in 2000 was well attended by Members and Directors. The benefits of a SmartCard were:

- Many applications on one card
- Saves wallet bulge of card for citizen
- Contactless system for fast entry
- Can hold highly secure ID information
- Can hold cash value
- Transferable Credits

- 7.2 The group met with all the relevant Directors and established that the Directors would support moving their current applications to a citizen's card. In the process of this consultation the following additional benefits were established:-

- Savings in the issuing and reissuing of departmental cards as this is done once and centrally
- Savings in the administration of a card if a persons details change
- Better management information for services where the current card doesn't currently collect electronic information
- Cross service applications to automatically update records e.g. if someone registers for a valid concession in one part of the council this can automatically approve them for other benefits with the same entitlement criteria
- Better opportunities for promotions and motivational campaigns e.g. the card can store reward points for (say) good attendance at school or healthy food choices
- Reduce the costs and risks in applications that involve handling cash such as bus passes, school vending machines, parking meters etc
- an efficient way for departments to introduce new card schemes as the card is already issued a new application is easily added

- 7.3 Below is a list of the current and proposed card schemes in the Council:

Card

Rent Card (Swipe-Card)
Golf Membership (Swipe-Card)
Leisure Concession Card
Library Card
Cashless school dinner 6 schools (Swipe Card)
Taxi Card
Travel concession
Young Scot
Youth Identity Card
Council Tax Card (under consideration)
Arts membership card (DCA under consideration)

Where swipe-card systems are in operation it should be relatively straightforward to integrate them over time as systems are being upgraded

- 7.4 In researching applications for smart-cards it is clear that the higher and further education sectors are rapidly converting to smart-card schemes for registration, secure entry, library resources etc. Contact has been made with Dundee and Abertay Universities and Dundee College. They have expressed their interest in joining a partnership to develop a city smart-card scheme so that as well as cross sector applications, development issues and learning can be shared.
- 7.5 The benefits of the smart-card are therefore clear and will provide a key method for joining up a whole range of public services. Whilst this is the vision, the working group are aware that it could not be achieved overnight and a few practical projects had to be identified to begin to build the smart-card from.

8. **PRIORITY APPLICATIONS**

- 8.1 In consultation with departments and with the COSLA and Scottish Executive working group both Education and Transport applications had immediate attractions. The letter from the Scottish Executive in Appendix 1 sets out their reasons for selecting these priorities, however, in summary.

- Both the sectors have many examples across the world of successful schemes
- Council's are already planning to issue new travel passes due to the introduction of free travel for the elderly and therefore this cost can be invested in a smart-card
- The Scottish Executive has already invested in the Young Scot Card Scheme and the Aberdeen Accord card scheme which has piloted some of the school based applications
- Young people and travel card users would result in over 45,000 cards being issued in Dundee and would stimulate the demand to add other applications

- 8.2 The Planning and Transportation department also was keen to ensure the tender on the Taxi scheme was included as this requires action now.

- 8.3 Therefore, in order to establish a smart-card in Dundee the following three applications are proposed with a target launch date of October 2002:

- The Taxi Card for disabled people
- The travel concession card
- The school (pilot in one school) registration, dinner vending and security access applications

A short description of each is offered below.

8.4 **Taxi Card**

The Taxi Card scheme is available to people who are permanently resident in the Dundee City Council area. It is aimed at people who have a permanent or long term disability who cannot use ordinary bus services. The service permits eligible persons to undertake a maximum of 104 taxi journeys in any 12 month period. They receive a half fare discount on the total metered fare up to a maximum discount of £2.50 per journey.

- 8.5 An eligible person is defined as:

- a person who is registered blind (with the local Society)

- a person in receipt of the High Rate Attendance Allowance
- a person who is in receipt of the High Rate Mobility Component of the Disability Living Allowance and who is a wheelchair user
- all other applicants who do not qualify automatically are referred to an independent medical advisor appointed by Dundee NHS Trust

There are currently 2,000 clients who are entitled to the Taxi Card scheme.

The current scheme is difficult to administer and presents certain difficulties for the individual clients using the scheme. Clients have difficulty signing off the transaction between themselves and the taxi drivers. The subsequent audit trail involves the taxi company submitting large quantities of receipts from each individual journey undertaken from their drivers, together with associated invoices. In addition all of the information is required to be summarised and entered into a database in order that the individual client's number of journeys can be monitored in relation to the number of authorised journeys from within the criteria of the scheme.

The proposal to implement smart-card technology in partnership with the taxi provider would be undertaken following invitation to tender which would specify required minimum technology enabling the Council's clients to record their journeys and be recognised as eligible Taxi Card clients through a swipe card process within the individual taxis.

Early investigations have shown that such technology is available within the city at present and that the tender process will allow a 12 month period of time for interested submissions to gear up with appropriate infrastructure.

8.6 **The Travel Card**

There are several types of Travel Concession Schemes administered by the Council:

- | | |
|--------------------|-------------|
| • Senior Citizens | 35p |
| • Disabled Persons | 35p |
| • Blind | free scheme |
| • Disabled Persons | free scheme |

The Senior Citizens Scheme allows those people over state retirement age to travel on bus services within the Dundee City Council boundary at a flat fare of 35p.

The Disabled Persons Scheme allows eligible people the same concession as elderly people.

The Disabled Persons Free Scheme permits those people who do not understand the value or concept of money to travel free on bus services within the city boundary.

The Blind Persons Free Scheme is now a Scottish National Scheme which allows eligible persons to travel free on bus and rail services throughout Scotland.

The Scottish Executive have announced that from October 2002 all senior citizens will be entitled to free travel and that a concession pass will have to be issued to those who apply and are eligible. There are 25,444 currently eligible for whom new passes will be required to be issued following a national style with local identifiers. Both the Disabled

Persons Free and 35p scheme passes expire on 31 May 2002 and a decision is required whether to re-issue the approximate 4,000 passes at that time or continue the passes through to October 2002.

All these passes will have to be renewed and the current costs of this process is £2.00 excluding staff time. The cost of smart/swipe cards would be only marginally higher.

8.6 **The School/Young Scot Card**

The Director of Education has proposed St Johns High School to pilot the first year. There are several applications within a school: electronic registration, security access, cashless dinners and vending machines.

Six schools are already working with a swipe card for school dinners. This has proved the following benefits:

- removes stigma of a separate system for free school dinners
- removes potential sources of bullying over carrying cash
- reduces cost of cash handling
- provides more accurate management information on actual food sold and who is using it
- enabled, as part of the Healthy Dundee Strategy, exploring reward points for selecting the healthy option

The above benefits will be expanded with cashless vending machines.

Electronic registration will potentially cut down teachers' administration and save time on entering classes. It has, in some schools where it had already been piloted, removed the need for morning registration classes and therefore allows more time for teaching.

Security in schools is a critical issue. Notwithstanding the Cullen report recommendations the growth of community use of schools means that security access systems to certain parts of a school will have to be part of the plan.

A key feature of the school card will be linking it to the Young Scot scheme. The key added value this provides the young card holder is access to a national scheme of discounts and commercial outlets that will read the card for spending any reward points.

The Young-Scot scheme is being piloted in Glasgow, Argyle & Bute and Angus Councils and is in receipt of £2m MGF funding. Young Scot's key skill is in consulting with young people and designing information systems to meet young peoples' needs. The Council has a very well developed relationship with Young Scot managed by Neighbourhood Resources and Development. Young Scot's products and services (website information, packs etc) are issued to all secondary pupils and in a range of other youth activities. Young Scot have developed a scheme whereby a card registration number allows a young card holder to access a website to view and manage reward points held in their account.

The purpose of piloting in one school is not to test the technology, which is proven, but for the Education Department to assess its policy implications regarding registration and security. The pilot will also look into the cross service applications such as library and leisure memberships, travel concessions and links with the University and Colleges.

9. ROLL OUT – SCALE FAST SO NOT A CONCESSION CARD

9.1 There is a need to avoid a risk that the card is viewed as a concession card. Therefore the intention is to include as a priority membership schemes and access to the Council's leisure facilities. This coincides with the acquisition of a new leisure management system by April 2002 and the smart card requirement is included in the functional requirement for this system.

9.2 Other Council applications have been identified and agreed in principle by the relevant Director. These include:

- Migrating the current bar code based library system on to the smart-card
- Other service associated with libraries and neighbourhood centres
- Migrating the existing magnetic stripe tenant's card on to the smart-card
- On/off street parking to coincide with the decentralisation of parking in 2003
- Access to arts and heritage facilities/events
- Converting the magnetic stripe based school meals system and extending the card's use to other school activities following the pilot set out in 8.6

A separate group is current investigating the feasibility of including Council Tax details on the card.

9.3 The project is also committed to the citizens' account concept and recognises the potential of the card to join up legacy systems and facilitate authentication for access to information. As an integral part of the single citizen view, the project is also considering the card application and authentication process as a vehicle for introducing a "one-stop" approach to concession/benefit applications.

9.4 The card will be designed to include e-purse and loyalty point facilities to enable some of the above and provide a "cross-over" mechanism between applications, e.g. loyalty points gained in one area can be redeemed for a discount elsewhere.

9.5 In addition to addressing Council services the project has embraced a partnership approach. It is envisaged that partner organisations will bring multi-authority, national and local applications to the scheme. This aspect of the project is described in more detail below.

10. PROCURING A SMART-CARD SCHEME

10.1 The Core Operations of a smart-card scheme are:-

- a central point for issuing and reissuing the card
- the design of the security information and application zone of the chip on the card
- a method of producing and issuing the card
- a system of card readers
- software to communicate between the reader and the specific service application databases
- a method of updating users' cards without having to issue new cards
- branding the card

10.2 The working group visited smart-card seminars and heard presentations from a range of providers. There are three basic options for setting up a smart-card scheme:

1. The Council owns and operates the card administration and owns a card production facility (or outsources the production)

2. The Council outsources the administration and supply of the cards to citizens to a partnership joint-venture company of which the Council would have an equity stake
 3. The Council offers a concession to a private consortium to set up and administer the card scheme but under Council regulation
- 10.3 The project team considered the pros and cons of each and heard presentations on each from leading firms in this field. In light of the need to form partnerships with other agencies and the Scottish Executive's desire that local authorities co-operate on cross boundary applications that to introduce either of Option 2 or 3 at this stage would complicate matters. However, the best option would be somewhere between Option 1 and Option 2.
- 10.4 The Council should consider a scheme in which eventually the Council would not be the sole owner. As major service providers the Council should use its position to enable other organisations to work in partnership in the identification of further applications and development of the Scheme. To this end contacts have been made with Dundee Universities and College, Travel Dundee, a neighbouring Council and other possible interested parties.
- 10.5 Southampton City Council are the pathfinder Council for smart-card schemes in England and also the head body for the European funded Smart Cities project. The Smart City charter is set out in Appendix 2. The project team recommends that Dundee City Council also adopts these principles and participates in Smart Cities
- 10.6 Therefore it is proposed that in the first instance the City Council procures a smart-card solution that will initially be owned by the Council but can be adopted by a city-wide partnership company. The central administration of the scheme would be handled by the Customer Services Team on Floor 2 Tayside House. Whether the Council at this stage needs its own production facility would depend on the costs submitted by tender. A cost per card and a 48 hour response from a supplier would be the key test, Aberdeen City Council have set up a joint venture company to produce cards and this could be a potential source of supply.
- 10.7 To assist in the technical administrative specification of the scheme it is recommended that a consultant be appointed. To launch in October 2002 it would be desirable to have an agreed equipment supplier in place by March-April 2002 and an experienced consultant and advice from Smart Cities will help the Council achieve this.

11. FINANCING THE CARD

- 11.1 The project team will prepare a detailed business plan. This will set out the cost and source of funds at each stage. However, an initial capital investment of up to £100,000 is contained in the Capital Plan over the next three years for ICT development. Detailed budgets will be submitted for external funding set out below in paragraphs 11.5 and 11.6.
- 11.2 The first source should be to consider the costs already incurred by the City Council in operating existing Council services. Each of the ten cards listed in paragraph 7.3 incur a cost at present. This expenditure can be converted to operating the smart-card and savings on this total monitored.

- 11.3 Consideration to the offset costs of introducing future cards. For example, the Revenues Manager has been considering the introduction of a Council Tax card. A group are looking at integrating this with the smart-card.
- 11.4 In addition to the Capital Plan the Planning and Transportation Department have a sum of £40,000 from the Scottish Executive for the cost of introducing the new travel concession scheme. The Scottish Executive have also indicated that they may meet consultancy costs up to £10,000 to prove any innovative concepts.
- 11.5 The remainder of investment in establishing the scheme will come from a bid to the Modernising Government Fund (see Appendix 1). Whilst the full details of the fund are not yet available, it is anticipated that this will go a long way to ensuring all the applications listed in the report can be brought on stream. It will also enable funding of projects to integrate the smart-card with joining up the data to improve the Citizen Account process.
- 11.6 The project team also researched possible European funding. The Sixth Framework for Information Services has been launched and bids are invited by February 2002. The Smart Cities network is already in receipt of European funding. As a result of the project team's research and contact, Dundee has been invited to become the second demonstrator city in the UK of the Smart Cities standard. This will significantly increase the Council's chances of receiving EU funding for any innovative elements; for example, developing an e-purse on the card.
- 11.7 It is also hoped that as the scheme develops potential partners will either invest cash or in kind, through their own investment, contribute to the scheme.
- 11.8 In summary the funding sources for the smart-card scheme will be:
- Capital Plan £100k
 - Planning and Transportation £40k
 - Scottish Executive proof of concept £10k
 - MGF2 – requires bid
 - EU 6th framework – requires bid
 - Partners contributions – to be developed
- 11.9 It is clear from the research that we will only succeed in accessing external funding by demonstrating that we are actively introducing smart-cards.

12. **IMPLEMENTATION TEAM**

The various strands of the project will require sufficient resources within a defined project management and reporting structure.

Executive Support/Project Owner

Mike Galloway (Director of P&T)

Steering Group

Sid Bulloch (IT Division)
 Ron Tinley (P&T Department)
 Paul Carroll (Corporate Planning)
 Tom Malone (Finance Department)
 Iain Sherriff (P & T)

SmartCities Consultant

Implementation Team

Brenda Robb (IT Department)
 Richard Atkinson (IT Division)

Bill Findlay (Corporate Planning)
Appointee from NRDD re Social Inclusion
and Equalities issues
Relevant departmental officers as required

Application Project Teams (full membership to be finalised)

Taxi Card Scheme	Ron Tinley (P & T) Iain Sherriff (P & T)
Travel Concessions	Iain Sherriff (P & T) Ron Tinley (P & T)
School Pilot Project	Brenda Robb (IT) Jim Collins (Education) Lynn Moy (NRDD – Young Scot) School Appointees
Leisure & Arts	Richard Atkinson L&A Appointees
Advisory Group	Pete Bonar (Design Services) Ham Sayeed (Economic Development) Margaret Allan (Legal Services) Tony Boffey (NRDD)

The project will be underpinned by the support and advice available from the SmartCities Special Interest Group.

13 **CONSULTATIONS**

All Directors have been consulted on the smart-card scheme.

14. **BACKGROUND PAPERS**

Information and Communications Strategy - Dundee City Council
Council Plan 1999-2000, Dundee City Council

21st Century Government Unit

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Victoria Quay
Edinburgh EH6 6QQ

Local Authority Chief Executives

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29 Nov 2001

Dear Chief Executive

Following our round of meetings in May I promised to keep you up to date with some of the developments across the Executive, particularly in relation to the second round of the Modernising Government Fund (MGF2).

Our review of the available 21st Century Government Action Plans and our feedback from our various consultations with local authorities has identified a number of key priority areas for MGF2. These are the development of:

- **The Citizen Account / Citizens smartcard – developing services and information systems around the needs of the citizen - which is at the heart of many of the local authority 21st Century Government plans.**
- **Data Sharing, including the integration of front office / back office systems which can facilitate joined up working across the public sector both within councils and across the wider public sector.**
- **Common Data Standards which can ensure interoperability, in particular addressing the land & property issues raised by councils.**
- **E-Procurement, including economies of scale through the aggregation of public sector demand and improving the efficiency and effectiveness of the purchasing cycle.**

Our thinking around MGF2 has therefore been to provide a project based approach to funding which can support these 4 areas and at the same time:

- identify projects which offer significant benefits for as many people as possible;
- provide a platform for the wider roll out of projects across the public sector; and
- help to provide a template for managing the culture change in public service delivery.

There will, however, also be a challenge fund element to MGF2 (similar to MGF1) that can provide the necessary support to suitable smaller projects designed to tackle unique operational problems.

To take all of the above forward we have established core funding for the second round of MGF and prepared some Bidding Guidance. The Guidance provides a pro forma for interested bidders to the Fund to put their project proposals to the Executive. This details will be distributed to all councils, hopefully over the next week.

On the specific topic of the Citizens Account / smartcard we want to take early steps to develop a partnership with local authorities and to that end we have already established a Steering Group with representatives of the Chief Executives. I will act as Chair for the Group and a draft Terms of Reference is attached in **Annex A**, along with the current list of members and individuals who will support the Group.

The first meeting of the Group identified some key strategic priorities, namely the roll out of the smartcard for:

- Youth Services (based upon the Young Scot model and the smartcard standards established through the Aberdeen City AccordCard)
- Concessionary Fares

There are two clear advantages to treating these as priorities. First, concentrating on the youth dimension to the card means 1.2 million citizens in the 5-26 age group would be eligible; early targeting of secondary schoolchildren alone could provide 500,000 potential cardholders. Second, targeting concessionary fares has the potential for a further 1 million cardholders.

These two initial applications provide a platform that can deliver the critical mass (up to 40% of the population) to establish usage and bring early success to the citizen account / smartcard project. For schoolchildren this could be school registration, school meals (incorporating free school meals), school transport, library and leisure services.

Councils may also want to consider further extension of the smartcard to replace their existing card schemes. Some informal sounding has identified that the majority of councils each already run a number of different card schemes to support schools, leisure, libraries, council tax payment, housing rent payments etc

Jim Kinney has set out in more detail in **Annex B** why the Steering Group want to proceed with these two project priorities and why councils would benefit from tackling this in partnership. At this stage I would welcome expressions of interest in participating in a project from those of you interested in developing this aspect of the citizen account / smartcard. Based upon this feedback, the Steering Group will then be in a position to begin to quantify what is involved in rolling out the projects across the interested councils, the likely project timescales and more importantly, the likely costs.

I would also like to continue to get feedback from all Chief Executives on the role that the Executive is playing in helping to lead the modernising agenda. I would find another round of meetings useful, particularly to talk through (1) the concept of the citizens account / smartcard and how it ties into local authority 21st Century Government Action Plans, and (2) our proposals for the second round of the MGF. I will be in touch shortly to arrange this.

Finally a common view emerged from our previous meetings that a 'modernising local government' conference in Scotland would be an opportunity both for further exchanges of experience and to celebrate some of the successes which have already been achieved. This "Transforming Scotland" conference will take place at the SECC on 25 January 2002 and hopefully by now you will have received the details.

If you have any questions on any of the above please do not hesitate to get in touch either with me or with Jim.

Yours sincerely,
Alan Fraser

ALAN FRASER

DRAFT TERMS OF REFERENCE FOR CITIZENS ACCOUNT / SMART CARD STEERING GROUP

1. Objectives

- 1.1 The Citizens Account / Smartcard Steering Group will provide the high level direction on behalf of the Scottish Executive and Scottish local authorities for the development of, (1) a policy framework and, (2) the project roll out, of a Citizens Account, underpinned by a voluntary Citizens Smartcard, for the public sector in Scotland.
- 1.2 The aim is to achieve common national standards and a single architecture for the card and the associated systems, within which a number of projects will be eligible for support from the Executive. While the specific timing of local projects and the priority applications may vary, they will be to common standards. The conditions attaching to support from the Executive will require that applicants should comply with the framework and requirements set by the Steering Group.
- 1.3 As part of this process, the Steering Group will:
- Identify the main issues to be addressed in any Citizens Account / Smartcard Policy
 - Take soundings of colleagues in their area of responsibility or interest, for example across the Scottish Executive, local authorities, community planning partners, the e-Envoys Office, the European Commission, or other appropriate bodies
 - Contribute to the development and communication of advice on common issues including data standards, data security and authentication
 - Prepare a consultation framework document with which individual Citizens' Account/Smartcard projects will be required to comply
 - Establish a Project Team to support implementation of the Citizens Account / Smartcard and act as a Steering Group for the project
 - Resolve issues of interpretation of the framework and any guidance offered.

2. Logistics

There is no fixed timetable for meetings. The Group will meet as appropriate. The Scottish Executive will supply the Chair and Secretariat.

CITIZENS ACCOUNT / SMART CARD STEERING GROUP

Scottish Executive Members

Alan Fraser	SE Head of 21 st Century Government Unit (Chair)
Jim Kinney	SE 21 st CG Unit, Head of Local Government Team
Julie Kane	SE 21 st CG Unit Local Government Team (Secretariat)

Chief Executive Members

Sandy Watson	SOLACE Secretary, Chief Executive Angus Council
Alex Linkston	SOLACE, Chief Executive, West Lothian Council
Douglas Patterson	SOLACE, Chief Executive, Aberdeen City Council
Keith Yates	SOLACE, Chief Executive, Stirling Council

Advisory members

Andy Greenhill	SOCITM, Angus Council
Elma Murray	SOCITM, Glasgow City Council
Ivan Condon	SOCITM, Stirling Council
Kay Brown	SOCITM, South Lanarkshire Council
Tom Burns	SOCITM, Renfrewshire Council
Albert Tait	Chief Executive, COSLA
Marc Liddle	Chief Executive, Young Scot
Andy Ronie	Accordlink Project Manager, Aberdeen City Council
Charlie Knox	SE Health Department, Director of Computing & IT Strategy
Willie Cowan	SE Transport Division
Jane McMinn	COSLA Task Group, Fife Council
Syd Bulloch	COSLA Task Group, Dundee City Council
Lynda McLaughlin	COSLA Task Group, West Dunbartonshire

YOUNG SCOT & ABERDEEN ACCORD SMARTCARD / CONCESSIONARY FARES

1. Young Scot / Aberdeen Accordcard

1.1 These two projects can provide a platform upon which the wider Citizens Account / Citizens Smartcard can be built. Some of the key early lessons from the projects have identified the need to establish mandatory standards and an infrastructure that can support ALL councils. Work on the Aberdeen smartcard can already provide information that councils can use. For example, in relation to smartcards, the project has examined such things as:

- the functional specifications for the majority of business areas in the Council (Education, Libraries, Leisure, Transport)
- technical problems relating to host systems, message formats, transaction types, transaction clearing rules, individual application suppliers
- defining the hardware requirement for the central management of the smartcard and associated individual site requirements
- the most suitable e-pos software and ensuring that price look up facilities and equipment can be standardised throughout all services
- working with TALIS, suppliers of the libraries system, to complete the process of changing the library bar code number to the Accord card number within the TALIS system
- identifying problems with card support and card services equipment, e.g. "hot" (lost or stolen) cards, use of vending machines
- identifying costs associated with the complex area of managing and delivering concessions

1.2 Clearly the Steering Group would want to promote these lessons thus avoiding the need for other councils to go through the same learning process.

1.3 The synergy between Accord and Young Scot is recognised and the lessons from the two initiatives can provide a template from which all Councils could benefit as well as significantly increasing the value to young people. For example:

- to provide all secondary school students in Scotland with access to the Young Scot smartcard package, supported by a fully comprehensive youth information service
- to deliver services that are fully integrated with education and youth work services, enhancing citizenship and personal and social development
- **to provide joined-up national and local government services, such as leisure, libraries and school meals. The smartcard could offer local authorities the opportunity to develop common applications and services towards young people in a strategic and inclusive way**
- to offer young people access to universal – all Scottish - initiatives in areas such as transport, healthy living, community safety etc.
- to expose all young people to information technology in a relevant and positive way, through access to smartcard services and engagement with the national youth information

portal, helping to develop their IT skills at a practical level and building a future dynamic workforce for Scotland

- to create a new generation of young “e-champions” who can play a pivotal role in encouraging family and friends to engage with new technology in a positive way
- to engage directly and immediately with young people through online voting, forums and bulletin boards on the portal, creating a unique opportunity to inform and set priorities for a youth services strategy
- smartcards will also have the capability to act as a voluntary proof of age card for young people and retailers, benefiting young people by enabling them to access services they are entitled to

1.4 Questions need to be answered around, (1) the need for any centrally co-ordinated allocation and distribution of a Citizen Account number for the smartcard, and (2) procurement and contractual issues over the manufacture and distribution of a standardised smartcard.

1.5 For example, to maintain control over the Aberdeen project the Council has set up **Aberdeen Accord Ltd**, the Operating Company (Opco) which will administer the card scheme. How this might be extended to cover all councils requires further investigation.

1.6 However, this need not hold up the development of the citizens account and the smartcard. Starting work now with all 32 councils across Scotland the project will offer economies of scale and the potential for all councils / clusters of councils and public services to work together on a common, standardised, development.

2. Concessionary Fares

2.1 The Executive is keen to explore with local authorities the potential for the widespread introduction of smartcards to support the enhancement to the concessionary fare arrangements which will:

- **provide free local bus travel by October 2002 for all pensioners and eligible disabled people**
- equalise age entitlement for concessionary fares at age 60 for men and women

2.2 Together, this amounts to potentially one million people across Scotland. For that reason the introduction of smartcards purely for concessionary fares purposes seems justifiable on its own accord given the expenditure involved (probably in excess of £100m per annum by 2003-04).

2.3 Both local authorities and operators are keen to embrace smartcard technology for a number of purposes and there is an opportunity to make progress on a wider front by focussing on concessionary travel:

- It would provide interested parties with accurate information about travel behaviour and associated costs. For example, transport operators are concerned about capacity implications for existing bus fleets, and whether free travel will require them to invest in more buses (a cost which falls back on authorities and ultimately the Executive).
- It would permit better planning of bus services and an accurate basis for reimbursement of revenue and other additional costs incurred as a result of the policy. Both local authorities and transport operators would benefit from such an arrangement.

- It would provide an audit trail. Local authorities and operators are concerned about the revenue implications for them, and the difficulties inherent in monitoring a travel scheme with no cash contribution from the concessionary passenger.
- Local authorities will have an opportunity to develop the partnership opportunities of working towards joint developments. This will already be necessary for those authorities who have joint concessionary travel schemes but provides further opportunities to develop a closer synergy between the 16 existing schemes.

2.4 Although smartcards would immediately benefit concessionary fare administration once the infrastructure is in place then the development of joint ticketing initiatives (a major part of the recently passed Transport (Scotland) Act 2001) becomes much easier to progress; and ticketing / multimodal ticketing should also be easier to develop. Once the technology is in place operators could also roll out new ticketing initiatives including the introduction of joint ticketing schemes.

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SmartCities Model: Emerging Principles

The User

1. The card is for anyone and everyone
2. The card is free to the card holder for core applications. The card is paid for by the card issuer and subsidised by application providers. Non core additional applications may be 'purchased' by the card holder
3. The card has been created for the benefit of the public which will be reflected in scheme management

Confidentiality and Data Protection

4. We are not interested in tracking people – we are interested in improved services

The Scheme

5. The card is provided as a tool to deliver applications to the public from a wide range of application areas and organisations
6. SmartCities is a members organisation. It will set standards and rules for governance of the scheme, providing card and customer management and help desk facilities
7. It is not a "Council" Card - it is a card managed on behalf of SmartCities members that provide services to the public within an urban/ regional environment. Due to the key role of city and regional councils, it is expected that councils will be key members of successful SmartCities schemes
8. Members are free to buy best value services (cards, terminals and applications) that meet the standards
9. SmartCities can source and supply and manage on behalf of its members
10. It is an open card (with an open operating system) not tied to individual supplier(s)

Interoperability

11. The scheme will disseminate best practice and foster further implementations throughout UK and Europe
12. The Scheme will actively promote and facilitate interoperability between schemes throughout UK and Europe

Scheme Management

13. The general scheme business model will be economically sustainable
14. Application Scheme management rules will enable public sector partners' social and managerial objectives to be respected, whilst providing economic and marketing advantages to all application providers, including those from the public sector