

REPORT TO: POLICY AND RESOURCES COMMITTEE - 9 DECEMBER 2002

REPORT ON: SMARTCARD – MODERNISING GOVERNMENT FUND

REPORT BY: CHIEF EXECUTIVE

REPORT NO: 842-2002

1. PURPOSE OF REPORT

This report advises the Committee of the funding sought for the Smartcard initiative from the Modernising Government Fund. It also seeks approval for the implementation plan based on the Council's submission approved by the Policy and Resources Committee in January 2002.

2. RECOMMENDATIONS

The Committee is recommended to:

- 2.1 note the funding sought from the Modernising Government Fund for the smartcard project
- 2.2 approve the project plans set out in the report
- 2.3 approve membership of the national smartcard consortium as required by the MGF fund
- 2.4 approve the invitation of tenders being issued for the supply of goods and services required to implement the project

3. FINANCIAL IMPLICATIONS

- 3.1 The City Council is seeking approval for £953,350 funding from the Scottish Executives Modernising Government Fund. This is matched by the Council's contribution of £100,000 in the Capital Plan and an allocation from additional resources from the Scottish Executive of £300,000 approved by the Policy and Resources Committee in September 2002 for the school based applications (report no 649-2002)
- 3.2 The funding is split over 2 years and adequately covers the project budget of £1.5m originally submitted that included an in kind contribution of Council officer time.
- 3.3 No additional funding from the Council is required in this report.

4. LOCAL AGENDA 21 IMPLICATIONS

The smartcard embraces the key themes of local agenda 21 of integrating policy and developing cross sector partnerships.

5. EQUAL OPPORTUNITIES

The smartcard contributes to reducing stigma and barriers to accessing services. For example income related concessions are not shown on the face of the card and you only need to register at one point for the range of services using the card.

6. BACKGROUND

- 6.1 The Council decided in January 2002 to make a bid to the MGF fund for a smartcard project. A single smartcard is to be issued to citizens that would become the only card they need for a range of public services. This meets the objectives of the Council's ICT strategy by joining up services in a customer focussed way.
- 6.2 The Council approved funding in January 2002 to enable a first suite of applications to be developed. These were:
- A pilot scheme in a school
 - The Taxi Card
 - The concessionary travel pass
- 6.3 The school pilot was launched in St Johns' High School in October. This already proves the concept that the previously separate processes for registering pupils for the cashless catering card, Young Scot membership and proof of age card have been merged into one. Travel Dundee will also be launching a pilot electronic bus ticket in the school early in the new year cutting out the need for pupils to apply for a photo id bus pass.
- 6.4 The Taxi Card system has been developed and is due to be issued. This will benefit both the customer through ease of use and the Council by eliminating a paper transaction that had approx. 200,000 pieces of paper circulating between taxi firms and the Council each year.
- 6.5 The concessionary travel pass process has begun and those entitled are receiving information in regard to obtaining their new pass. This will be issued as the smartcard so that the other applications can be added at a later date. It will also enable Travel Dundee and the Council to monitor use of the free travel concessions at a later date.
- 6.6 These projects to date proved significant in putting Dundee in a leading position to gain MGF financial support. In addition COSLA and the Scottish Executive were keen that all authorities engaged in smartcard development (eleven authorities) work together in a consortium. This maximises the lessons learned, ensures that smartcard applications can be shared quickly to a common standard, and made savings in the overall bid through agreements to act as a consortium when procuring consultancy and issuing specifications to suppliers. Dundee have been given a leading role in the consortium due to the advanced preparations made.

7. THE MGF PROJECT

- 7.1 The financial support breaks down as follows:

Application	Total	Year 1 MGF	Own	Year 2 Total	MGF	Own
Transport	£166,500	£86,500	£80,000	£122,500	£91,875	£30,625
	£10,000	£7,500	£2,500			
School Registration	£63,500	£47,625	£15,875	£170,000	£127,500	£42,500
Overarching	£20,000	£15,000	£5,000	£20,000	£15,000	£5,000
Issues	£137,900	£103,425	£34,475	£159,900	£119,925	£39,975
Libraries	£75,500	£56,625	£18,875	£59,000	£44,250	£14,750
School Catering	£34,832	£26,124	£8,708	£13,933	£10,450	£3,483
Leisure	£106,800	£80,100	£26,700	£44,500	£33,375	£11,125
Total	£615,032	£422,899	£192,133	£589,833	£442,375	£147,458
Partnership funding from Angus Council						
Transport				£59,000	£44,250	£14,750
Registration				£10,600	£7,950	£2,650
Total				£659,433	£494,575	£164,858
Dundee MGF Total		£865,274				

7.2 Angus Council are part of the Partnership created to ensure common standards and had bid jointly with Dundee. They will be focussing on the transport development to establish cross boundary transport ticketing.

7.3 The funding allows the followings targets to be set

- ⇒ All over 60's issued with smartcard based on the existing need to issue a new travel pass by April 2003
- ⇒ Develop commercial bus ticketing with Travel Dundee as a partner
- ⇒ All secondary school pupils issued with the smartcard (and school staff) for the following applications by end of 2004
 - School catering and vending
 - Class room registration
 - Young Scot membership (discount scheme)
 - Proof of Age
 - School library
- ⇒ All neighbourhood libraries and central library using the smartcards as library membership in 2003
- ⇒ All libraries able to provide smartcard registration facilities in 2003
- ⇒ Leisure memberships on the smartcard by April 2003
- ⇒ Development of automatic entry to leisure facilities based on membership and prepayment
- ⇒ Develop a onestop contact centre for all smartcard customer care and management issues in 2003

8. MANAGING THE PROJECT

The project to date has been developed by the Smartcard Steering Group with small groups set up to specify the specific applications. The Group seek to use best practice in project management

8.2 To develop the project fully once sufficient funding has been secured. It is proposed that the following structure be adopted:

Overall Project Owner (Director level)	Mike Galloway
Project Manager	Sid Bulloch – ICT Strategy Leader
Smartcard Steering Group	Corporate Planning, IT, Planning and Transportation, Education, Finance
Technical Support Application Project Managers	IT ICT Strategy Team Each application provider will appoint a project manager to implement their smartcard service e.g. Education, Transport, Libraries, Young Scot (Dialogue Youth), Leisure

8.3 The Project Manager and Steering Group will oversee the following

- ⇒ Overall project co-ordination and financial control
- ⇒ Procurement
- ⇒ Development of the Card Management Contact Centre services and registration for the card through libraries
- ⇒ Reporting to national funding bodies
- ⇒ Developing a long term sustainable financial plan for running the smartcard
- ⇒ Develop the partnership in other sectors such as higher education, health and local commerce

8.4 The application project managers will be nominated by the application department. The initial implementation of these applications will be labour intensive. Due to the range of applications and logistics involved in the school rollout the Director of Education will be seconding a project implementation manager for up to one year with costs met from the project. Once in place however only new applications for a smartcard need to be registered.

8.5 In addition the Council is requested to formally join the national smartcard consortium. The fees for this are set at £20,000 per annum for which an allowance has been made in the MGF grant. This will cover the costs of a national project co-ordinator to ensure common technical standards are achieved. It also includes shared costs between consortium members for consultancy advice. Joining the consortium is implicit in receiving the MGF grant.

8.6 Contracts were entered into for the supply of cards, readers, bulk printing of cards and technical consultancy. These were limited to the budget available from the Council's own resources. New contracts will need to be tendered and negotiated covering the full MGF funded project. The Committee is asked to approve the issue of tenders for this. Additional consultancy and advice is available through participating in the consortium and the European Union funded smartcard projects such as Smartcities.

9. **OTHER ISSUES**

Although the funding and need to control the project have focussed on the above applications it is still planned to develop other applications for the smartcard. These will meet the Council's own targets of putting all Council card applications on the smartcard as part of its ICT Strategy. The wider partnership involving the full Dundee Partnership will also be pursued to establish shared ownership of the core card management system.

10. **CONSULTATION**

The Director of Finance, Director of Planning and Transportation, Director of Corporate Planning, Director of Education, Director of Neighbourhood Resources and Development and Travel Dundee (National Express Group) have been consulted in drafting this report.

A key part of the MGF project will be consulting all stakeholders on the future of the citizen's account smartcard.

11. **BACKGROUND PAPERS**

Report No	822-2001	Policy and Resources Committee	January 2002
Report No	222-2002	Policy and Resources Committee	March 2002
Report No	649-2002	Policy and Resources Committee	September 2002

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Chief Executive

28 November 2002