



Report of the EURIM Personal Identity Group meeting held on 10 August 2006, 1000-1200 hours in Room 'O', Portcullis House, Westminster

Chairman: Stephen Darvill (LogicaCMG)

Rapporteur: Dave Wright (EURIM)

SUMMARY OF MAIN POINTS

- 1 The Service Transformation Experience Programme (STEP), based at Leeds City Council, evolved from the CRM national project allowing a degree of experimentation into traditionally risk-averse Local Authority (LA) thinking.
- 2 The STEP objective is to share best practice and avoid costly repetition of mistakes by building a community of practice around CRM, and the related issues of transformation and benefits realisation, change management and integration, as an information exchange and face-to-face support unit for all LAs.
- 3 Using CRM-based collaborative filtering, Newham Council was able to increase benefit take-up by ~£500,000/annum, and at the same time reduce fraud.
- 4 LAs are increasingly using CRM for shared services and internal processes, including security and access. Where a group of LAs invest jointly in a system, operating costs can be very significantly reduced while full functionality is still available.
- 5 The Office of the Information Commissioner encourages common codes of practice but lacks the resources to provide effective support to LAs who wish to rationalise the many information sharing protocols they operate. It was agreed that this was something EURIM might call for, including who should be involved. Codes need to be application specific.
- 6 The cost to Government of e-fraud is running into £billions and this topic should be addressed by the EURIM E-Crime Group.
- 7 Meetings between EURIM, eGU and Treasury officials have led to requests for examples of operational data-sharing and shared service case studies to be made available to the various Treasury, Home Office and other reviews and consultations now underway. Members are requested to provide any digital copies of case studies they have to Dave Wright (davywright2@ntlworld.com) using the appropriate template attached to the email carrying this report.
- 8 Plans have been agreed for the EURIM Personal Identity and Transformational Government groups to meet with Sir David Varney (senior advisor on the Transformational Government Strategy) in late September, in order to input directly into his review of public service delivery channels.
- 9 Treasury is interested to know how information systems can support joined-up Government. The issue is not about implementing new IT, but about business processes and design, and identifying what information needs to be shared before considering what IT is needed to implement this. Again, operational examples are needed.

1. Introduction

1.1 The meeting welcomed Danny Budzak as Project Co-ordinator of the Service Transformation Experience Programme (STEP) based at Leeds City Council. STEP fosters information sharing between local authorities (LAs), and with some central government departments, agencies, private sector and outsourcing organisations.

1.2 The purpose of the meeting was to show how STEP is embracing and helping to implement the Transformational Government strategy and vision through integration, data sharing, and acting as a knowledge and best practice hub.

2. The STEP programme – Danny Budzak

2.1 This section of the minutes should be read in conjunction with the pdf version of the Powerpoint slide presentation sent by email with this document.

2.2 DB has been working on information and knowledge management projects since before the Internet, starting his career with research into housing issues and then building community information and advice databases using videotext systems across a London library network. He then became one of the first London local authority web managers and produced an award winning local democracy online resource. He explained that as an independent consultant, he had worked for the last 3 years with a London e-Government standards body, creating an information governance toolkit

2.3 Over the past 3 years DB has worked on a number of national e-government projects, including APLAWS (accessible websites), IEDISS (online local democracy), 'Working with Business', CRM (Customer Relationship Management) and the Local e-Government Standards Body. He has built user-centred taxonomies and information architectures which have been adopted at a national level. He has also created metadata standards, information management standards and an information governance toolkit that covers information security, records management, quality assurance and compliance issues. A copy is available to EURIM members on request.

2.4 DB used an image of buildings in Norwich, juxtaposing the medieval castle and church with the modern library with broadband internet terminals as a metaphor for social engagement with technology, sustainability and change – the castle is still in use, but will the library still be fit for purpose in 1000 years?

2.5 DB explained that STEP had evolved from the CRM national project launched by the then ODPM as part of the e-Government programme. This initiative had introduced an element of risk into IT projects, allowing a degree of experimentation into traditionally risk-averse LA thinking.

2.6 When the CRM project ended in 2005, DB approached Leeds and Newham councils with a view to building on and sharing what had been achieved, and learnt, across the range of LAs that had made varying degrees of progress with the CRM scheme. The aim was to prevent costly repetition of mistakes and share best practice, because no blueprint for success was in place. This entailed creating a community of practice around CRM, and the related issues of transformation and benefits realisation, change management and integration, as an information exchange and face to face support unit for all LAs.

2.7 LA auditors need to identify benefits and ROI from the huge amount of money spent on public sector IT, especially in view of the rising expectations and lower tolerances shown by the LA customer base, and increased scrutiny together with continuous performance assessments. Moreover, technology is being employed increasingly by the public to communicate with LAs, who therefore have to develop systems to accept e.g. SMS messages, photographs etc from mobile 'phones.

2.8 An example of how this is being developed is the 'Love Lewisham' website:
<http://www.lovelewisham.org/Public/Images.aspx>

This gives residents in Lewisham the ability to take photographs of graffiti, fly-tipping and other problems, and post it to the Council website. The Council's response is then posted, with time and date, so that the public can monitor progress – an example of real public accountability.

2.9 LAs are increasingly service driven, and focused on customer satisfaction. However, customers have increasing expectations, e.g. most expect to have a reply to their emails to the LA within 1 hour!

There is a need therefore to manage customer expectation, responding with rapidity but also dealing with issues of trust and confidence.

2.10 CRM obviously has an impact on work and work processes, and there are a number of important issues around business processes, re-engineering, and information management. Too much focus on customer service is a mistake, and may lead to new silos emerging. LAs must also develop a records management strategy and organise data around the citizen, not least because of the increased demand to share records with other public service agencies, especially in the fields of health and social care.

2.11 There is far too much duplication in the public sector, and in many offices there is no control over the management or publication of emails. Many LAs lack even basic business intelligence about the number of contacts they have, the channels used or the categories (e.g. what proportion of contacts relate to council tax, refuse collection etc.). CRM can help with the organisation of information, but only if people understand the need for related policies, procedures and standards.

2.12 The collaborative filtering used by Amazon.com provides an excellent example of CRM, and provides a possible model for LAs. This involves making automatic predictions about the interests of a user by collecting information from many users. The underlying assumption is that those who agreed in the past tend to agree again in the future. Thus a collaborative filtering system for music tastes could make predictions about which music a user would like given a partial list of that user's tastes.

Collaborative filtering can also be based on observations of behaviour, or circumstance. Here personalized data is collected on user behaviour or customer circumstance, and compared with what others have done or experienced, in order to predict the users behaviour in the future, or to predict if a citizen is eligible for certain benefits and services. These predictions then have to be filtered through business logic to determine how these predictions might affect what a business system ought to do.

Using CRM-based collaborative filtering, Newham was able to increase benefit take-up by ~£500,000/annum, and at the same time reduce fraud by e.g. limiting the opportunities to make multiple applications for housing benefit.

2.13 LAs are increasingly using CRM for internal processes, especially HR – which includes managing information about staff, including security and access. LAs are also increasingly using CRM for shared services, where a group of LAs invest in a system, thereby cutting operating costs while still providing full functionality. Consequently, information is moved between districts and counties, according to their responsibilities.

2.14 Another area affecting LAs is the operation of the new 24-hour 101 number, provided by police and LAs to deal with community safety issues, including non-emergency crime, policing and anti-social behaviour. Calls to the service cost 10p from landlines and mobiles and will be recorded for training, quality monitoring and public safety purposes. 101 will be available across England and Wales from 2008 (<http://www.101.gov.uk>) but is launched in five areas during Summer 2006, for reporting:

- Vandalism, graffiti and other deliberate damage to property
- Noisy neighbours
- Threatening and abusive behaviour
- Abandoned vehicles
- Rubbish and litter, including fly tipping
- People being drunk or rowdy in public places
- Drug-related anti-social behaviour
- Problems with street lighting

2.15 This will have important new challenges for information management and sharing. The accumulated data held by an LA represents a huge knowledge database, embracing a wide range of services and responsibilities which requires the information to be organised and managed efficiently.

2.16 CRM can also be applied to regeneration, e.g. Rotherham Council used CRM very successfully to provide accommodation to a visiting commercial delegation, who were sufficiently impressed to bring in new investment to the town.

2.17 However, LAs experience of using CRM is very variable, and at different stages of development – some have not even started. STEP has organised a number of workshops around building a community of practice; encouragingly, a popular topic with LAs is CRM and information management. This involves the Information Toolkit, and also a set of publicly-available information sharing protocols, including on data quality, information sharing, information assurance and compliance, from the perspective of access. LAs must also audit their information application systems, databases etc. and acquire data on their information flows and volumes, before they can use CRM effectively.

2.18 Effective and appropriate sharing is vital to reduce risk, and comprehensive information management is essential here. Work on council tax data being incorporated within CRM is being coordinated with Lynne Shackley of the Office of the Information Commissioner (OIC), who is issuing new guidance on this from within STEP. Lynne can be contacted at lynne.shackley@ico.gsi.gov.uk

3. Discussion

3.1 Is there space for a stakeholder management system? If so, how would it differ from CRM, and what about deferred areas such as civil contingencies?

There is no single blueprint, and some LAs, e.g. Islington, are thinking about building a CRM in relation to emergency planning. A problem is that none of the CRMs have definitive data on people in their area, because they generally capture content from people contacting them. Extending this to a full population database would raise issues of data cleansing and quality. Regarding stakeholders, some LAs are using single instance CRM to manage their relationship with businesses and other stakeholders because the processes involved are the same.

3.2 There appear to be many LA examples of information sharing protocols, while the OIC is supporting common codes of practice. Are there any ongoing exercises with OIC?

None are known; the difficulty is the lack of an obvious single focus, or lead organisation, for information sharing protocols. Informal talks are planned with SOCITM and London Connects to explore various issues, but any progress would require funding. It was agreed that **this was something EURIM might call for, including who should be involved. Codes need to be application specific.**

3.3 To what extent are financial institutions involved with STEP?

STEP is developing relationships with suppliers, including under the umbrella of the Local Government Integration Practice (LGIP). (DW: LGIP encourages LAs and their partners (and where applicable central government) to develop shared requirements and employ a common integration discipline, enabling suppliers to:

- Ensure systems interoperability
- Reduce duplication
- Support joined up service delivery
- Promote best practice

STEP is also developing a relationship with the Institute of Revenue Rating and Valuation.

3.4 What does the Toolkit consist of?

The Information Governance Toolkit currently resides with Tameside Council, who are happy for STEP to distribute it, though it is an *ad hoc* document. Funding is required for further progress, and it is hoped that a consortium of LAs will take ownership in due course. Although originating from the NHSIA, STEP has modified the language.

3.5 There are ~100 codes of practice that CRM can interface with, but LAs have only a set number of interfaces, raising issues of integration. Many codes are evolving, and all have to comply with business processes and standards, while trusted contacts are also needed for data management and changes to records. There was always a lack of clarity in the National Project about business objectives, and how the LA would benefit. Citizen centric services involve a new set of often conflicting requirements, which can cause confusion about what the LA should be doing. Is there a common view of what is needed for CRM?

Some LAs do have a vision for CRM, others do not. A prime requirement is for the LA to create a shared vision internally that defines CRM, and how it will be employed to achieve the LAs objectives. Some LAs have spent months enumerating and determining what services they provide and what processes supported those services; they have then used this data to successfully implement their CRM. Other LAs have not done this, and are consequently struggling because they have no business intelligence, and no data on information flows and volumes. The solution lies in managing information, analysing and monitoring services and processes, and specifying objectives to precisely define procurements. STEP exists to share best practice in this, so that LAs develop the necessary expertise.

3.6 Should STEP not advise about sharing tenders where there is a common requirement?

Yes; sharing and standardisation should also extend across the borders of LAs. Reporting an abandoned vehicle should be the same process for every resident, but historical reasons often exist for why it is done differently, and why there is no willingness to change. Some LAs are prepared to cooperate, and one of the drivers for change might be the introduction of the 101 number, forcing LAs consider standardising their processes in order to feed information into the 101 system.

4. Update from EURIM Council meeting

4.1 One of the main issues discussed under Transformational Government was the possibility of a select committee-style enquiry. Immediately after the Council meeting on 20 July, EURIM officials met the relevant minister and officials in E-Government Unit and Treasury, to determine how EURIM could best help with implementing the TG agenda.

4.2 It was agreed at Council that EURIM should organize an exercise to provide inputs to the Comprehensive Spending Review, and that a meeting with Sir David Varney at an early stage might be useful to identify which areas EURIM should focus on to be most helpful.

4.3 The Rt Hon. Alun Michael MP has agreed to chair the EURIM e-Crime Group, which will focus on Internet safety, with a view to major rationalization of the issues. The e-Crime agenda also overlaps with identity management, including ID cards. The OIC is enthusiastic about trying to produce application-specific codes of practice, but shortage of staff means that others have to take responsibility for drafting the codes, which in the case of joint codes would involve a formal consultation process.

5. Report from meeting with eGU

5.1 Philip Virgo and Dave Wright met with eGU officials on 3 August to follow up Council actions. The Select Committee-style enquiry approach was discussed in the context of the work of other committees and the TG annual report is expected shortly, audited by the NAO/Audit Commission and subject to scrutiny by the Public Accounts Committee.

5.2 A more helpful short-term option would therefore be for EURIM to focus on feeding material, especially in the form of case studies, directly into the reviews that are either ongoing or running through September and October, before the return of Parliament. The select committee-style enquiry might be postponed and used later to educate a cadre of MPs to help monitor the subsequent implementation process.

5.3 Other points considered included:

- Close cooperation exists between eGU, DCA and Treasury. eGU is working closely with Sir David Varney's team; it was agreed that EURIM could help on implementing TG, especially with the provision of operational case studies.
- DCA is still driving policy on data sharing; eGU will talk to DCA officials about codes of practice.
- MISC 31 has met twice under Hilary Armstrong as chair, and will consult with the CIO and other parties. Where power to share derives already from legislation, that department will set its own code of practice, but in consultation with DCA/CIO Council.
- It was agreed that it is important to gain feedback so that industry can be reassured that their inputs will be evaluated and used.

- It was also agreed that is important for Government to understand how to run secure systems, and to engage trained practitioners using best practice and codes, not mandated form above. Examples are needed; a workshop would be useful on codes of practice, and on those who should be involved to work together to produce them.
- An impact assessment on the consequences of dropping vetting procedures for staff and contractors running public sector information systems, including those handling personal data, could provide valuable information.

5.4 There is a need for better security of Government's own systems, as highlighted by the extent of fraud. Government is by far the largest victim of e-crime, computer-assisted fraud and identity fraud in the UK, with sums running into £billions.

5.5 CSIA has the role within TG of providing guidance on security but the scale of losses in those departments which have failed to follow guidance is likely to be reflected in a much more robust attitude to security.

6. Report from meeting with Treasury

6.1 Dave Wright visited HM Treasury on 9 August, to discuss how EURIM might help Sir David Varney (senior advisor to the Chancellor on the TG Strategy) with his review of public service delivery channels. The data sharing case studies from EURIM members were considered most helpful, and more were requested.

6.2 The main outcomes of the meeting were:

- TG will not be limited to departments or sectors, but must operate proactively across departments and agencies. While there cannot be a single Government 'mega-department', identity management, data sharing, shared services etc. must operate across Government.
- Examples of data sharing and shared service case studies were welcomed, but more are needed, with quantified savings, efficiencies, benefits etc. as well as best practice, protocols, lessons learnt etc.
- Sir David is interested to know how information systems can support joined-up Government: the issue is not about implementing new IT, but about business processes and design, how to achieve objectives with everyone pulling in the same direction, what information needs to be shared, and what CRM is in place – and then ask what IT is needed to implement this. Again, operational examples are needed.
- Data quality is recognised to be part of process design. It is necessary to change the perception of data inputters from 'menial' to a valued position that reflects the importance of data quality and its role in customer contact.
- There is a lack of data coming from Departments as to the benefits acquired from data sharing and shared services, in terms of cash savings, improved service delivery etc. This is necessary in order to make a convincing case to ministers. Treasury needs a list of benefits, quantified where possible.
- Budgets will be very tight in 2007, efficient citizen-centric services are required to engage and educate the public; the value of involvement by the 3rd sector should not be underestimated.
- It was agreed that a talk by Sir David to the Group would be most useful. A meeting is planned in late September – a date will be confirmed later. Sir David is likely to give a short talk, and then invite Group to say what they are doing/have done to meet the challenge of implementing TG, and to say what is working, what is not and why. It is hoped that the meeting will enable each party to discover how they can help the other to progress implementation of TG.
- Dave Wright will draft an invitation to Sir David to meet with the PI Group.
- Sir James Crosby's public private forum, tasked with co-ordinating government policy and strategy on IM, identifying best practice, is operated from the Home Office. It will consider how public and private sectors can work together, and there is a possible EURIM meeting here.

6.3 The EURIM recommendation that financial services sector routines on identity management be evaluated for application to the public sector appears to have been quietly accepted. Similarly, inputs now from members to the ongoing reviews provide a genuine opportunity to change views and practices, and influence policy.

7. Date of next meeting

7.1 The next meeting of the Group will be held some time after 18 September with Sir David Varney.