



COMMUNITY OVERVIEW AND SCRUTINY COMMITTEE

Committee Report

Public

Date of Meeting: 10 January 2002

Title: SMARTCARDS REVIEW

Report of: Town Clerk & Chief Executive

Report reference: TC/005/02

Summary:

This report takes forward the first stage of the agreed terms of reference for the Smartcards review. As such it gives details of the existing applications of swipe / smart cards by the City Council.

Recommendations:

- 1) Members note the report.
- 2) Members ask questions of relevant Officers on current applications.
- 3) Members retain the report and use this information as background to the remaining stages of the review.
- 4) Members agree that the next stage of the review is to consider information from "pilot" authorities and if possible receive a presentation from such an Authority.

Contact Officer: John Mallinson

Ext: 7010

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None

1. INTRODUCTION

- 1.1 At its last meeting the committee agreed terms of reference for its review of Smartcards. Those terms of reference are attached to this report as appendix 1.
- 1.2 This report takes forward the first stage of those terms of reference giving details of the existing applications of Swipe / Smartcards by the City Council.

2 EXISTING APPLICATIONS

- 2.1 There are four current or planned existing service applications of card technology within the City Council. These are as follows:
 - Leisure Access Cards
 - Tullie Cards
 - Housing Rent Payment Cards
 - Concessionary Fares Cards
- 2.2 The next parts of this report give an outline of each of these applications in turn together with supporting information from the relevant departments

3 LEISURE ACCESS CARDS

- 3.1 This is a well-established scheme providing discounts, loyalty bonuses, ease of booking, advance payment and various concessions.
- 3.2 Concessions are to benefit recipients, students and senior citizens. Some 10,000 cards have been issued with 3,500 to 4,000 being currently active.
- 3.3 As well as benefits at all Leisuretime sites the card gives entitlements to discounts and other benefits at over 30 private sector partners.
- 3.4 Leisuretime use the cards database to provide a variety of management information on facility usage and Member services.
- 3.5 Full details of the scheme are included in a technical summary and a copy of the scheme leaflet in Appendix II.

4 TULLIE CARDS

- 4.1 This is also a well-established card scheme which is being updated with the issue of new cards associated with the opening of the Millennium Gallery. Over 10,000 cards have been issued since July 2001. As Members will be aware Tullie Cards entitle cardholders to free admission to those parts of Tullie House for which other users have to pay an admission charge and these cards are available to all residents of Carlisle District.
- 4.2 The main management information provided relates to visitation patterns of card holders which is in itself very useful and it is planned to expand this to a more detailed level to give information at an individual exhibition level.
- 4.3 Details of the scheme's operation are attached as Appendix III.

5 HOUSING RENT PAYMENT CARDS

- 5.1 These cards were introduced as part of the Housing Services Review in 1999. All tenants are issued with cards, which allow payment of rent at any Post Office in the Country.
- 5.2 Processes between the Housing Department's Orchard computer system and Post Offices Counters Limited are fully automated.
- 5.3 In the last financial year 107,449 transactions took place with £4,380,100 being paid. This represents 60% of all payments.
- 5.4 A copy of the committee report which introduced the scheme and a Giro bank newsletter giving details from the Post Office perspective are attached as Appendix IV.

6 CONCESSIONARY FARES CARDS

- 6.1 The City Council is a Member of a partnership of Cumbrian and Lancashire Authorities taking forward the introduction of these cards which is planned to start during 2002 / 2003.

- 6.2 It is anticipated that between 12,000 and 15,000 such cards will be issued and will allow the recording of actual journeys taken by cardholders and thus facilitate payments to bus operators to be based on actual ridership by Pensioners and disabled users.
- 6.3 The cards, which are planned, are "smart" and the intended card has a two mega-byte chip, which would enable concessionary fares and one other service to be delivered via the card. A higher capacity card is available which would allow several services to be included. This latter card costs £10 as opposed to the £3 cost of the standard card.
- 6.4 Full details of the scheme are included in a report to the former Environment Committee, which is attached as Appendix V.

7 MEMBERS QUESTIONS

- 7.1 Relevant Officers from each of the above service areas will be in attendance at the Committee meeting to answer Members questions and provide such further background information as may be required.

8 NEXT STEPS

- 8.1 Under the agreed terms of reference (Appendix I) exploring the possibilities for Smartcards and seeking best practice from elsewhere constitute the next phases of the review.
- 8.2 Since there are two "pilot" authorities which are currently running development projects with external funding (Southampton & Aberdeen). It is proposed that the next stage of the review should be to receive information on these schemes and if possible receive a presentation from one of them. It is felt that this would bring out both the potential for wider applications and also information on emerging best practice.

9 RECOMMENDATIONS

- 9.1 Members note the report.

- 9.2 Members ask questions of relevant Officers on current applications.
- 9.3 Members retain the report and use this information as background to the remaining stages of the review.
- 9.4 Members agree that the next stage of the review is to consider information from "pilot" authorities and if possible receive a presentation from such an Authority.

Peter Stybelski

Town Clerk & Chief Executive

Community Overview and Scrutiny Committee

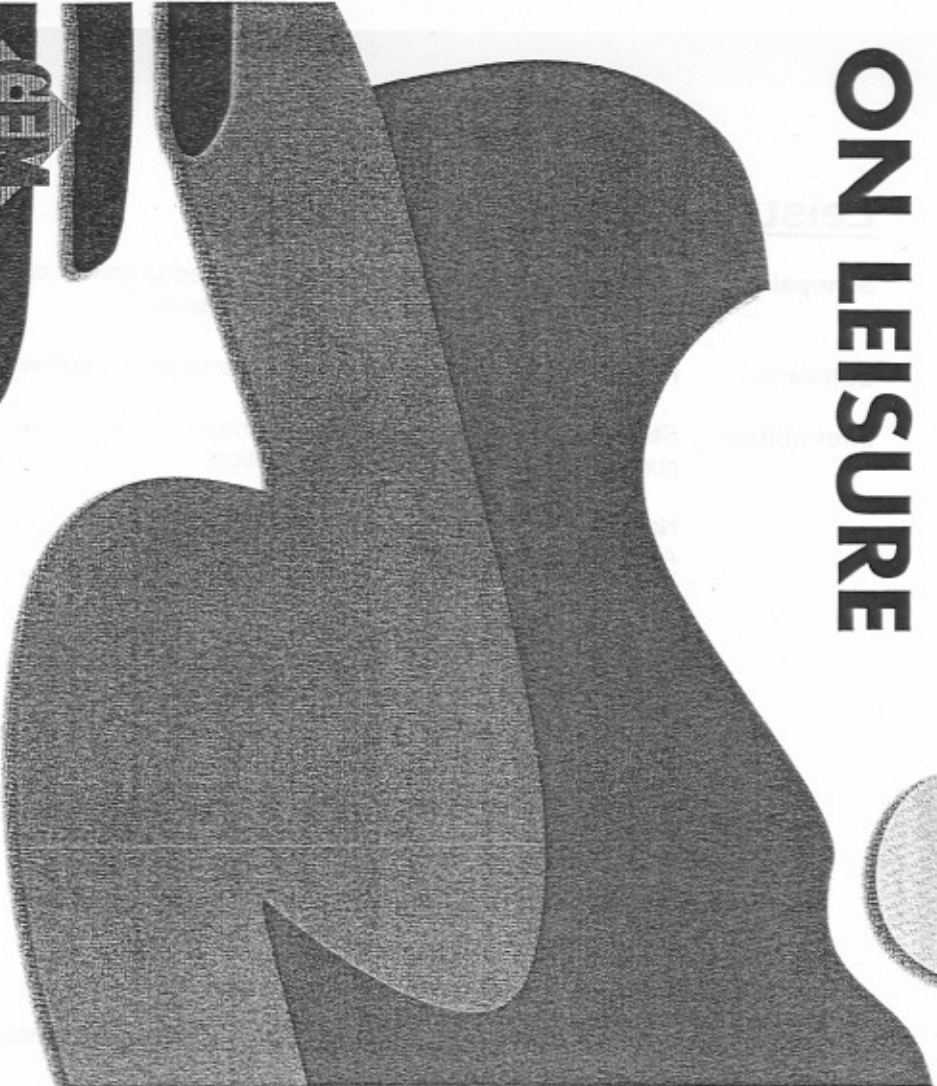
Smart Cards Review - Terms of Reference

1. To review the existing application of Swipe/Smart Cards by Carlisle City Council and the business needs which they currently meet.
2. To explore the possibilities for the wider application of this technology:
 - a. by the City Council
 - and
 - b. with other partners.
3. To seek best practise from elsewhere in the development, application and benefits of Smart Cards.
4. To make recommendations to the Executive and Council as to future policy in relation to Smart Cards.

Leisure Access Card

- Synopsis:** Plastic magnetic stripped, photo-card used to deliver concessionary and membership systems at all Leisuretime sites.
- Software:** Runs on Flex (bookings and centre management software).
- Information:** Stored on server not on cards. Information stored is user specified. We currently store the following information:
- Name
 - Address
 - Post Code
 - E-mail
 - Home and Work Phone
 - Date of Birth
 - Sex
 - Member Type (Combination of adult, junior, employee, standard, resident, non-resident, student, benefit, senior citizen).
 - Membership (Sands Gym, Pools Season Ticket, Golf Season Ticket).
 - Photo
 - Bookings Made
 - Activity History
 - Interests
 - Restrictions – bookings etc
 - Analysis codes for activity tracking and research
- Input Method:** Via swipe or by card number. Each user has a combination of member type (Three-letter code) and unique member number.
- Hardware:** PC server based with membership details collated and forwarded automatically to satellite sites. Requires licence for each user/point of sale and swipes if possible. Card production currently at Sands only via video camera and bespoke plastic card printer.
- Cards Issued:** 10,000 with 3,500-4,000 live cards.
- Card Cost:** Approximately 50p per card (Full colour double sided magnetic stripped Card). Ribbons for printer £50 per 500 B&W photos – Colour £100 for 150 photos. Card printer £3-4,000. Camera £300-800. Maintenance £750 p.a. Print/Literature around £3,000 p.a. Cards cost customer £4.00 on issue and £2.00 to renew.
- Turnaround:** Around 5 minutes, including information input, photo and card printing.
- Reliability:** Very good – very few card or swipe problems.
- Security:** Photo displayed to operator on booking. Time sensitive.
- Services:** Output of information to Excel and Word. Streaming and sorting by any combination of user defined fields. Member services including mail merge, reminder letters, cards about to expire, cards expired, renewal reminders, auto renewal, card blocking, service blocking, tidy memberships facility, door access.
- Other:** Accepted by over thirty private sector partners who provide services and discounts to users.

BIG DISCOUNTS ON LEISURE



leisuretime

get a great deal with the Card





Get Carlisle's new Leisure Access Card (The CarlisleCARD) which is available for a small annual fee and you'll soon be able to enjoy the following fantastic benefits!

Discounts at our participating partners on real goods and services. Partners include MacDonalds, The Body Shop, James Thin Books, Freetime Climb and Ski, The Lonsdale Cinema, Hollywood Bowl, Laserquest, Wilkinsons Cameras, Corkscrew Wines, Scotby Cycles and there are many more partners to be added over the coming months giving cardholders discount on a huge range of products and services. The card will pay for itself in no time with regular use!

Loyalty bonuses - get more active and build up bonus points as you get fitter at City Council facilities. The more active you are the quicker you can build up points which you can redeem against future activities. Get more active more often and see the benefits add up. (Loyalty bonuses not available with Priority Card which already has a built in discount.)

Easier Booking at Carlisle's premier leisure facilities including the Sands Centre, The Pools, Stony Holme and Swifts Golf Facilities and many more. All you need is the card and you can then simply pay when you turn up to play!

Convenience as you can buy Season Tickets for Stony Holme, The Pools and Gym Passes for Fitness Connection and bank them on your card - you only need one pass - just swipe and play!

One Card for Life means you don't have to buy new photos and go through the hassle of reapplying every year. Just pay £4.00 for your original card and then you can reactivate your card every year for £2.00. You don't even have to remember as we'll keep track of our card for you! (Lost cards will cost £4.00 to replace. Those on priority status must prove eligibility on annual renewal.)

Greater access for Priority Groups - access to more facilities at more times for qualifying priority card applicants means that there are more benefits and discounts than ever, for those on benefits, students and over 60's*.

*(Please see Priority Card Status Criteria)

A Card for Anyone - anyone can apply for a CarlisleCARD whether you are a resident or a visitor, however priority status is only available to City of Carlisle Council Tax payers.

Regular Card Updates on the radio from our media partner CFM on 96.4 fm and via twice yearly mailings with news of new partners, special card holder offers at City Council Leisure facilities and from our partners and much more.



1 THE CASTLE



2 THE CATHEDRAL



3 THE CITADEL



4 THE TOWN HALL

CarlisleCARD

Choose a card that suits you

Carlisle card is available in four great designs, featuring well known buildings or landmarks associated with Carlisle. Just let us know which card design you would like from the designs shown.

Which card is for you?

RESIDENT CarlisleCARD (Adult & Junior)

Available to adults and children (up to 16 yrs) living in the Carlisle area. Please note - a resident of Carlisle is defined as a person paying council tax to Carlisle City Council.

PRIORITY CarlisleCARD (Adult & Junior)

Available to adults and children (up to 16 yrs) living in the Carlisle area who fall into any of the categories listed in section 3. If you are claiming priority status you may be required to prove your residential status. A copy of your City Of Carlisle Council Tax bill is the best way to prove this. Include a copy with your application form if you apply by post.

NON RESIDENTS CarlisleCARD (Adult & Junior)

Available to adults and children (up to 16 yrs) not resident in the Carlisle area. (Priority Card not available).

How Do I Apply For The Card?

In Person

It couldn't be easier. Simply fill in the application form opposite and take it to The Sands Centre Reception where we should be able to process your card straight away. We will also have the facility to take your photo on site. If it is more convenient hand in your completed application, one passport photograph and a cheque for £4.00 payable to "Carlisle City Council" at either The Pools, Stony Holme Golf Course, Swifts Golf and Driving Range or the Tourist Information Centre at the Old Town Hall. We should then get your card to you within ten working days.

By Post

Simply post your completed application, one passport photograph and a cheque for £4.00 payable to 'Carlisle City Council' to: Leisure Access Card Applications, The Sands Centre, Carlisle CA1 1JQ.

Renewing the Card

Your card requires renewal every 12 months and you will receive a reminder just before your card expires. You can reactivate your card for another year for only £2.00 at the Sands Centre, Carlisle Pools, Stony Holme Golf Course or at the Swifts Golf Course and Driving Range.

Don't forget to include a cheque for £2.00 payable to 'Carlisle City Council' and please quote your card number. Those claiming priority status must enclose proof of status and residency with their renewal request.

New photographs are not required as renewal simply involves reactivating your original card.

Don't forget

to bring along or include proof of your priority status and residency if you are applying for a Priority Card as failure to do so will delay your application.

CarlisleCARD

1 YOUR PERSONAL DETAILS

Mr ☐ Mrs ☐ Miss ☐ Ms ☐ First Name

Surname

Address

Post Code

Tel. Number (including STD code)

CarlisleCARD Number (if renewing application)

Card Design Number ☐ 2nd Preference ☐

2 TYPE OF CarlisleCARD APPLIED FOR

2a Adult Applicant - 16 yrs+ (Please tick one box only)

Type of card	Annual Cost	What to do now
<input type="checkbox"/> Resident	£4.00	Complete sections 4,5&6
<input type="checkbox"/> Priority (See Section 3)	£4.00	Complete sections 3,4,5&6
<input type="checkbox"/> Non Resident	£4.00	Complete sections 4,5&6

2b Junior Applicant - to 16 yrs (Please tick one box only)

Type of card	Annual Cost	What to do now
<input type="checkbox"/> Resident	£4.00	Complete sections 4,5&6
<input type="checkbox"/> Priority*	£4.00	Complete sections 4,5&6
<input type="checkbox"/> Non Resident	£4.00	Complete sections 4,5&6

* You must apply accompanied by a qualifying parent.

WOULD YOU LIKE HELP WITH FILLING IN THIS FORM? RING THE CarlisleCARD HOTLINE ON 01228 625625

3 PRIORITY CarlisleCARD APPLICANTS ONLY

You are entitled to an individual priority CarlisleCARD if you fall into one of the following categories. (Please tick the appropriate box and if required please obtain the appropriate qualifying stamp or bring proof of status with you.) The Priority Card is available to City of Carlisle residents only.

- ☐ Job Seekers Allowance (stamped by the Job Centre)
- ☐ Partners if unwaged
- ☐ Those receiving Income Support
- ☐ Those receiving Family Credit
- ☐ Registered Disabled
- ☐ Incapacity Benefit
- ☐ Non Earning Dependants up to 16 (of any of the above categories)
- ☐ Senior Citizens 60 or over
- ☐ Full Time Students (16 or over) including student nurses
- ☐ Those on Government Training Schemes (stamped by employer or Job Centre)

Please get the Qualifying Stamp on the opposite page completed if you are receiving Job Seekers Allowance (Income Based or Contributory), or are a Trainee or a student, aged over 16 in full-time education. See back page for acceptable proof of qualification.

4 ABOUT YOURSELF

Male ☐ Female ☐ Date of Birth / /

Do you consider yourself to be disabled ☐ Y ☐ N

5 ABOUT YOUR INTERESTS

How many times have you used/attended the following in the last 12 months? (Please tick)

	Never	1-5	6-10	more than 10
Health and Fitness	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sport	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Golf	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Outdoor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Arts/Events	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Swimming	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

6 HOW DID YOU FIND OUT ABOUT THE CarlisleCARD ?

Where did you pick up this application form from?

Carlisle City Council may wish to send you other related mailings, and may from time to time, pass your details to other selected organisations. If you do not wish your information to be used in this way, please tick this box. ☐

Applicant's signature Date / /

7 WHAT NEXT?

Follow the instructions on the reverse of this page. If sending by post, remember to include a cheque payable to 'Carlisle City Council' with a passport sized photo for each applicant, proof of residency and status if required.

QUALIFYING STAMP (PRIORITY CARLISLE CARD APPLICANTS ONLY)

I certify that the applicant named overleaf is either in receipt of or qualifies as:

- ☐ Job Seekers Allowance (IB)
- ☐ Job Seekers Allowance (cont)
- ☐ 16+ years olds in full time education

Official signature

Date

OFFICIAL STAMP

FOR OFFICE USE ONLY

RECIPIENT OFFICE STAFF

Establishment

Fee Paid

Receipt Number

Received by

Proof of Status

Proof of Residency

CarlisleCARD UNIT STAFF

Issued by Date

Membership Number(s)

(2)

(4)

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8 PEOPLE WHO QUALIFY

WHAT YOU WILL NEED

Job Seekers Allowance	Application form stamped by the Job Centre
Partners if unwaged	Accompanied by partner together with partner's Leisure Access Card
Income Support	Income Support Book
Family Credit	Family Credit Book
Registered Disabled	Registered Blind Disability Living Allowance Mobility Allowance Disabled Person Bus Pass Holder Invalid Care Allowance
Incapacity Benefit	Incapacity Benefit Book
Non Earning Dependants (up to 16 years old)	Child Allowance Book, Birth Certificate or qualifying stamp. Must be accompanied by a parent when applying
Senior Citizens 60 and over	Pension Book, Birth Certificate, Bus Pass
Full Time Students (16 or over) including Student Nurses	NUS Card, Letter from School, College, University or qualifying stamp
Government Training Schemes	Qualifying stamp

CHECKLIST

- ☐ Completed Application Form
- ☐ One Recent Passport Photograph
- ☐ Cheque for £4.00 payable to 'Carlisle City Council'
- ☐ Proof of priority status if applicable
- ☐ Proof of residency if applicable

The Leisure Access Card Office may often be very busy and there may be times when personal callers have to wait for their card to be issued - please be patient. If you cannot wait please bring along a photo and we'll post your card to you.

get a great deal with the Card

leisuretime



12.

Smart Cards and their use at Tullie House

The current card being used for Tullie Cards is supplied by a company called Securit who describe themselves as suppliers of ID Card Systems and Visitor Control Systems. The company is one of the nationally recognised suppliers of access control cards in this country, used by universities and the like to control people.

The cards used are supplied as white blank plastic cards, the printer then adds the artwork which is designed by using the same software package that runs the card producing system. The artwork and any text required is printed front and back along with the clients choice of a barcode and if desired a magnetic strip.

It is the magnetic strip, which can be used to access doors held by magnetic locks. They can also hold credit in terms of money, in other words they can be loaded and work in my understanding like a phone card.

For Tullie House we are intending to initially use the bar code which will be read by a bar code reader at the tills enabling the Tullie Card holders membership record on the Vista Bookings system to record the visitation pattern of the member.

In the future we are looking at installing technology which will enable Tullie Card holders to swipe their Tullie Card through specially installer readers in the galleries so that we can track the way they use the museum which will help us to understand what exhibitions and inter actives are the most popular.

We have since the end of July issued just short of 10,000 cards.

We also intend to use the same system to produce staff id cards. Future development in this area could well include the use of the magnetic strip on the reverse to access the secured areas of the museum, these would be integrated with our new security system. This is under current research with our security company.

CARLISLE CITY COUNCIL

Report to:- The Chair and Members of the Housing and Care Services Committee

Date of Meeting:- 17th June 1999

Agenda Item No:-

Private*	Policy	Delegated: Yes
* Not for publication by virtue of paragraph 8 & 9 of Part 1 of Schedule 12A of the Local Government Act 1972		

Accompanying Comments and Statements	Required	Included
Environmental Impact Statement:	No	No
Corporate Management Team Comments:	No	No
City Treasurers Comments:	Yes	Yes
City Solicitor & Secretary Comments:	No	No
Head of Personnel Services Comments:	No	No
Tenant Consultation	Yes	Yes

Title:- POST OFFICE PAYMENTS

Report of:- The Director of Housing

Report reference:- H.81/99

Summary:-

The following report advises Members on the details and associated costs in introducing a new method of rent payment, which allows tenants to pay their rent at any Post Office.

Recommendation:-

Members are requested to approve the following recommendations:-

- (i) The Scheme for the introduction of rent payments at Post Offices be implemented with effect from September 1999.
- (ii) That the Scheme is based on the "next day" transfer of information to avoid delays in arrears recovery
- (iii) Members agree to the application of Financial Regulation 49(2)(b) for the reasons stated.

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: Letter dated 9th April 1999 from Girobank

**To the Chairman and Members
of the Housing and Care Services Committee**

POST OFFICE PAYMENTS

1 Introduction

The following report advises Members on the details and associated costs in introducing a new method of rent payment at any Post Office.

2 Background

One of the proposals contained in the Housing Services Review related to the withdrawal of rent payment facilities at Area Offices (both Indoor and Outdoor) and the introduction of such at Post Offices as an alternative method of rent payment.

Discussions have taken place with Girobank, who provide this service, to determine the requirements and costs as shown in the following sections.

3 Outline of the Scheme

Briefly the scheme involves all tenants being issued with a plastic payment card which can be used for rent payment purposes at any Post Office in the Country. The card is personalised for all tenants by their rent account reference number, which is both held on a magnetic strip and impregnated onto the card. It is presented with the rent payment to identify the rent account for which the payment is made. A receipt is issued to the tenant.

All rent payments received by the Post Offices will be transferred weekly into the Council's Bank account. The system is such that the total payments taken between a Thursday and the following Wednesday will be received by the Council on the Tuesday of the following week.

Details of the individual rent account payments are automatically processed to the individual rent accounts within either 2 days or the following day (if a higher rate is paid). The latter is preferred due to the need for prompt arrears recovery procedures.

Tenants will still be able to pay their rent at the Civic Centre if they so desire and will be issued with rent statements each year.

The scheme offers greater security for both Council staff and cash in that responsibility for cash collection and transportation would transfer to Girobank.

4 Evaluation of Costs

There are a number of variable costs, based on usage, which affect the overall costs of the Scheme. It is not possible at this stage to accurately predict how many tenants will use the system or their frequency of payments.

The evaluation of costs is based on the assumption that tenants who paid at the Area Offices (Indoor and Outdoor) will now pay at the Post Office. It is recognised that some tenants, who normally pay at the Area Offices, may opt to pay their rent at the Civic Centre and others, who normally pay at the Civic Centre, may prefer the Post Office.

An analysis of payment methods for 1998/99 is shown in Appendix 1(a) to assist the evaluation of costs of the Scheme.

For evaluation purposes it is assumed that all tenants now paying at the Area Offices will transfer to the Post Office payment method.

5 Costs of Scheme

For evaluation purposes it is assumed that in a full year there will be 75,000 transactions (or rent payments made) at the Post Offices. The cost details are shown in Appendix 1(b).

The costs of the scheme, based on this usage, are estimated to be £5,960 initial set up costs and £37,640 recurring costs.

An Audit Value for Money study was completed in January 1998 which identified the unit costs of rent collection as follows:-

External Rents (Outdoor)	£0.70
Area Offices (Indoor)	£1.21
Civic Centre Cashiers	£0.68

It should be recognised that these costs are more than offset by the substantial savings in staff resources, in not having to provide rent collection services, previously approved within the Housing Services Review proposals.

There are also savings to be achieved in not having to replace the Department's present Electronic Cash Receipting System in the Areas. The system is not Millennium compliant and would therefore fail to operate and be supported from January 2000. Options for replacement were evaluated, prior to the Housing Services Review. The lower of the estimated costs of replacement was £16,240.

Further savings of £6,940 will be achieved by no longer having to pay the DSO for cash transportation services.

The net Budget provision in the Housing Services Review projections for the introduction of this scheme was £40,180. Consequently the costs are within this limit due to the further savings identified (i.e. £43,600 - £16,240 - £6,940 = £20,420).

6 Financial Regulations

Members need to be made aware that estimates for the service are not being sought due to Financial Regulation 49(2)(b) which states that "If it appears to the appropriate Chief Officer that there is only one possible contractor or supplier in respect of any given contract, he may, with the approval of the appropriate Committee, invite and accept a tender from a single person, firm or company."

7 City Treasurer's Comments

The City Treasurer has been consulted in the preparation of this report and is in agreement with its conclusions and recommendations.

The use of post offices for making rent payments is widely used elsewhere in the country. The system is secure from an audit viewpoint ie. the plastic cards can be used only for the purpose of making rent payments to the City Council and there is a clear audit trail for verifying any such payments. A recent value for money system identified the costs of various methods of rent collection. In comparison with these the use of the post office will be much more cost effective than the methods being replaced.

The financial implications of introducing the new system are set out in Appendix A. While the exact take up of this option can only be estimated, the forecast rent costs of £37,640 plus £5,960 start up costs are within the estimates contained in the Housing Services Review. In addition savings will accrue from ceasing door to door collection and use of area offices as quantified in para 5 and fully reflected in the Housing Services Review.

8 Tenant Consultation

Tenants and tenant representatives have been consulted as part of the preparation for the Housing Services Review. A questionnaire with four options was issued to all tenants.

9 Access to Services

The ability to pay rents at Post Offices will increase the overall access and availability, since there are 41 Post Offices located in the District which are open from Monday to Saturday. This compares more favourably with the current 11 Area Office locations which are open Monday to Friday only (5 of which are only part time). It should also be noted that rent payments can be made in any Post Office in the Country.

10 Recommendations

Members are requested to approve the following recommendations:-

- (i) The Scheme for the introduction of rent payments at Post Offices be implemented with effect from September 1999.
- (ii) That the Scheme is based on the "next day" transfer of information to avoid delays in arrears recovery
- (iii) Members agree to the application of Financial Regulation 49(2)(b) for the reasons stated.

Rent Payment 1998/99 and Cost Evaluation Details**Appendix 1****(a) Rent Payment**

<u>Location</u>	<u>Totals for the Year</u>		<u>Weekly Average (48 weeks)</u>	
	<u>No.</u> 000's	<u>Amount</u> £000's	<u>No.</u> 000's	<u>Amount</u> £000's
Area Offices				
Indoor	50	£2,152	1.0	£ 45
Outdoor	26	£1,288	.6	£ 27
Civic	49	£2,594	1.0	£ 54
Others	14	£ 949	.3	£ 20
Totals	139	£6,983	2.9	£146

(b) Cost Evaluation Details

	<u>Unit Cost</u>	<u>Fixed Costs</u>	<u>Variable Costs</u>
<u>Set Up Costs</u>			
Plastic Cards (for 10k – 3 year life)		£1,660	
Design, personalisation, issue		£1,745	
Wallets		£1,430	
Set Up costs		£ 475	
<u>Bill Payments</u>			
Automated Bill Payments	£0.42 per transaction		£31,530
BACS Transfer	£0.50 per week (included above)		
Identification No.	£150 (one off)	£ 150	
<u>Electronic Banking</u>			
Either 2 day	£30 per Month		(£ 360)
OR			
Or next day	£95 per month		£ 1,140
Transaction	£0.0025 per transaction		£ 190
Installation and Training		£ 500	
Replacement Cards	£0.75 each		£ 750
(assume 1000 pa)			
Loss of Interest	5.25% on £70k		£4,030
(based on 8day average delay per week)			
TOTALS		£5,960	£37,640

Paul Woodbyrne

Head of Finance and Support Services

08 June 1999

The Plastic Revolution

Another council is using Girobank to process bill payments made by debit and credit card

The two busy cashiers' offices at Taunton Deane Borough Council process £29 million of payments each year, and the Council has recently introduced a facility to pay bills over the counter using debit and credit cards. This includes any bill issued by the Council including Council Tax; non-domestic rates; car park season tickets and fines; and house and garage rents.

determined

Paul Partington, Executive Councillor with responsibility for Corporate Services explains: "The use of plastic payment cards has made great inroads into the traditional method of paying by cheque. The Council is determined to offer the greatest choice and easiest methods of payment to all customers, so we conducted a survey which showed that there is substantial

demand for a facility to pay bills by plastic. On the basis of the survey, we estimate that around £2 million worth of bills could be paid over the counter using debit and credit cards each year".

Having established that there was a demand for payment by debit and credit cards, the Council's Corporate Services (incorporating the cashier's section) approached its own mainstream bank, and other merchant services providers to see how much the necessary merchant acquiring service would cost.

up and running

Girobank - with a long track record of providing revenue collection services to complement local authorities' main banking arrangements - provided the most competitive quote and was able to get the system up and running in only three months in time to go on stream for the new financial year on 1 April 2001.

"Girobank provided the most competitive quote"

At the same time, Taunton Deane residents started to enjoy another new payment facility provided by Girobank: that of paying their Council bills at a local post office, using electronically encoded plastic swipe cards to identify payer and the bills that they are paying. This benefits the rural population, who are likely to have a post office within easy reach, if they wish to pay bills by cash. It also provides the council with accurately recorded electronic payment information, rather than paper counterfoils to update their customer accounts.

easier

Paul Partington concludes "We are also researching new facilities to make bill payments easier and more convenient for the residents in Taunton Deane, including telephone payments and a 24 hour internet payment facility via Girobank's BillPay™ service"



Paul Partington from Taunton Deane Borough Council

A kiss for the dying

Nicola Carroll discusses the impact the new Local Government Act is making in its attempt to revive the nation's flagging interest in local politics.

Can the new Local Government Act breathe life into a moribund system of local democracy that has gone unchanged since Victorian times?

At its worst, traditional local government has fuelled a public image of doddering councillors sitting on endless committees and achieving little for their communities.

The Government's vision for more accountable, efficient and transparent council leadership, more in keeping with our frenetic 21st century lifestyles, was set out in its White Paper "Modern Local Government: In touch with the people".

New political structures are being introduced in tandem with new polling methods such as supermarket, internet and touch screen voting and the rapid expansion of e-government communications.

extended consultation

English councils have until this summer to consult their residents on the models for streamlining political structures contained in the Act. And by summer 2002 they must have either: a leader, cabinet and assembly; a directly elected mayor, cabinet and assembly; or a directly elected mayor, council manager and assembly. Welsh councils have an extended consultation deadline but are concerned about meeting the timetable for implementation.

So far, the vast majority of councils have opted for the leader, cabinet and assembly model.

Labour has remained committed to the idea of highly visible directly elected mayors and the Government is predicting that up to 25 local authorities will hold referendums on elected mayors in October.

The prominent New Local Government Network is supporting campaigns for directly elected mayors but the traditionalist Campaign for Open Local Government argues that elected mayors "concentrate power in the hands of the few".

"The Government's vision for more accountable, efficient and transparent council leadership"

So far there has been no evidence of councils taking up the council manager option, despite studies which show its success in USA and New Zealand.

The Act also introduces a new ethical framework. The new Standards Board for England and Ombudsman in Wales, set up to investigate breaches of ethical codes, will push councillors' private as well as their public behaviour into the spotlight.

This overhaul of political structures was certainly long overdue, with average turnout in local elections down to an abysmal thirty percent. The intention of the Act has been broadly welcomed. But, as always, the devil is in the detail and a number of issues have yet to be resolved.

Steve Leach, local government professor at De Montfort University, welcomes the introduction of new political executives. But he argues that the 1,000 amendments introduced before the Act received Royal Assent have created "significant tensions" between its principles. In his view, an over-emphasis on accountability conflicts with efficient decision-making.

One of the most controversial amendments was the introduction of a "fourth option" for authorities with less than 85,000 residents, which Opposition parties wanted to allow all councils.

"A yardstick for the Act will be whether it gets people voting"

Another bone of contention is press and public access to council meetings when "key decisions" are being taken, and councils are awaiting revised guidance. In the meantime the Society of Editors has asked its members to report any councils which bar the press from meetings.

New member/officer relationships are being played out in modernised councils. The Society of Local Authority Chief Executives has voiced fears that strong cabinets could make chief executives obsolete and that new procedures for recording decisions could allow overbearing members to bully officers.

There are also concerns that a schism is emerging between executive and non-executive members.

There is a dire need to encourage residents to become councillors, as members are predominantly male, middle aged and white. A more dynamic milieu could make the tag "executive member" a potentially exciting role.

excluded

But the leader of one London council has warned a Government select committee that there will be an exodus of non-executive councillors if they feel they are excluded from power.

Many councils already had nascent executives before the Act became law. But, by and large, local authorities are still grappling with how to get the most out of the overview and scrutiny roles which backbench members must fulfil.

The success of the Act will be measured in terms of the extent to which people become interested in local politics. A yardstick for the Act will therefore be whether it gets people out voting in local elections.

NICOLA CARROLL IS FEATURES EDITOR AT MUNICIPAL JOURNAL. Any views or opinions expressed in this article are solely those of the author and do not necessarily represent those of Girobank plc or Alliance & Leicester plc.

Doing it for yourself

Paying tax bills via the internet is now available to the UK's nine million self assessment tax payers - thanks to Girobank's BillPay™ facility.

January 2001 marked the first occasion where self-assessment tax payers could use the latest internet technology to pay their half-yearly income tax bills online.

Self assessment for income tax applies to nine million tax payers. One category is the self employed (currently estimated at five million) - for example, taxi drivers, builders, and hairdressers. The balance is made up of people who have PAYE arrangements for their job but also have income from another source: for example, they may have more than one job, or own a property from which they receive a rental income.

via the internet

The filing of self assessment forms via the internet was available for the first time at the end of 2000, and a natural progression from this was to give these tax payers the facility to pay their tax bills via the internet.

Nigel Robson, Requirements Manager at the Inland Revenue, explains how Girobank's BillPay™ system was selected as the best solution to provide this internet payment facility.

"The Inland Revenue was investigating how to set up a facility in house, to provide the infrastructure necessary to allow debit card internet payments. However, as an alternative in the short term, the BillPay™ system has two advantages: first, it offers the benefit of being already developed and up and running. This meant implementation

⚡ Girobank BillPay™

could be effected very quickly in order to meet any demand. Secondly, it allows us to 'test the market' to see just how large or small the demand for internet payments by debit card is likely to be."

The Inland Revenue offers tax payers all the usual ways to pay their tax bills: by cheque, BACS and CHAPS; and debit cards over the phone. Payment by debit card via the internet is seen as offering tax payers a better alternative to paying by cheques sent through the post. With internet payment by debit card, the tax payer has control over the transaction and knows that the payment will normally reach its destination within four working days.

accurate cash flow

This gives peace of mind to those who are making payments right up to the deadlines, as they don't have to worry about cheques being lost in the post or mislaid in any other way. It also enables businesses to make more accurate cash flow predictions around the half yearly payment deadlines, as internet payers know when the money will be taken from their bank accounts.



Kirklees
METROPOLITAN COUNCIL

BETTER THAN EVER

Kirklees MBC is a local authority which combines densely populated areas such as Huddersfield, Dewsbury, Batley and Cleckheaton with the classic 'Last of the Summer Wine' landscapes of Holmfirth, Denby Dale and Marsden. However, no matter which part of the Borough its 28,000 housing tenants live in, Kirklees is determined to make rent payment as easy and convenient as possible for them.

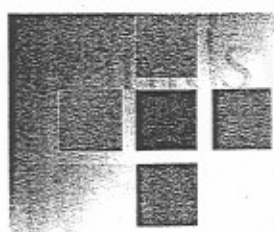
option to pay

Principal Housing Manager, Robert Stocks, explains: "Kirklees has been in partnership with the Post Office and Girobank since 1987, offering housing tenants the option to pay their rents at post offices. Until April 2000, the 3,000 tenants who regularly used the post office option needed to take their rent books to be receipted with the amount paid. However, in April 2000 - to simplify payment over the counter at post offices - tenants were issued with a plastic card encoded with their account details for each housing service they used - as well as an option to pay Council Tax the same way."

Tenants may use a number of services to be paid for in addition to their basic rent, including garage rental, repairs and home contents insurance. Up to now, tenants opting to pay at the Council's 18 payment offices still retained the receipt card method. Robert Stocks continues: "The dual system was not ideal as it restricted freedom of choice because, once a tenant had opted for either the post office or the council payment office option, he or she could not easily switch to another payment method."

more convenient

However, from Autumn 2001 onwards, all Council payment offices will be equipped with swipe card technology which means that tenants are free to use either post offices or Council payment offices - whichever is more convenient at any time. Only those tenants who pay by direct debit will not be issued with a card as their payments are automatically transferred to the Council's bank."



Girobank's Accountability Promise

As a commercial bank, Girobank's portfolio encompasses a comprehensive range of services designed to meet all the major requirements of business people.

Girobank's 'Accountability Promise' means each service is tailored to customers' unique needs to deliver significant benefits.

Merchant Acquiring

Every aspect of Girobank's acquiring service is geared towards a partnership approach, providing completely tailored solutions. A service driven by a state-of-the-art processing facility and endorsed by the major credit and debit card schemes.

Electronic Banking

Girobank AccountManager has been developed to provide customers with fast and accurate information on their accounts at any time, resulting in improved cash management and control of their businesses.

Asset Finance

Flexible finance packages for all types of capital expenditure from just £3,000 to over £10 million, all tailored to customers' precise needs and available through Sovereign Finance, a wholly owned subsidiary of Girobank.

Treasury Services

Alliance & Leicester Group Treasury plc provides Girobank customers with money market foreign exchange services.

Revenue Collection

For the collection of bill payments from the general public, Girobank, in conjunction with Post Office Counters Ltd, can

provide customers with the most extensive and efficient facility in the UK. BillPay™ is a new payment method developed by Girobank, which allows business or personal customers of any UK bank or building society who hold a debit card to make regular or one off payments on-line.

International

A complete range of services available to UK businesses, designed to look after international payments and receipts. Girobank's unique membership of Eurogiro means access to the international payment network, offering significant cost savings.

Factoring



Thanks to factoring from Alliance & Leicester Invoice Finance there is now a fast and flexible funding solution. One that will ensure prompt payment of invoices raised and release valuable cash flow that your business needs for future development and growth.

Commercial Lending

Girobank commercial lending services are designed with convenience in mind. Our experienced commercial lending specialists will visit you, at your premises, to discuss your particular business borrowing needs. We can provide commercially competitive term loans and overdrafts.

Business Insurance

A range of business cover to accommodate all commercial insurance needs. This includes compulsory cover such as Employer's Liability, and other essential insurance such as Public and/or Products liability, asset insurance (stock, machinery etc); and goods in transit insurance.

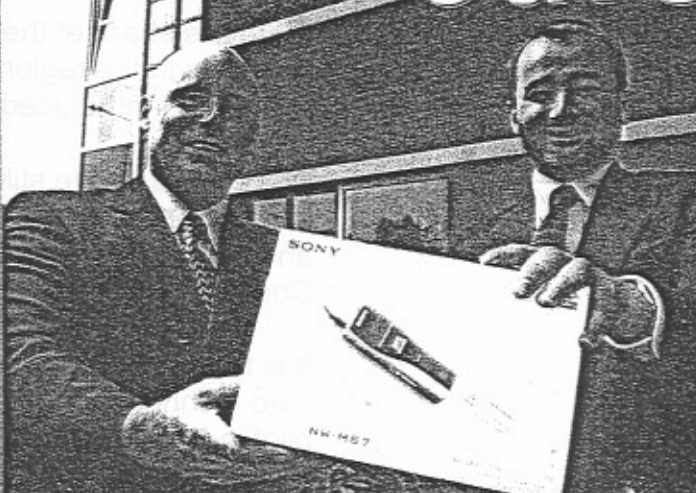
 **Girobank**  **BillPay™**

Award Winning BillPay™!

BillPay™ has been a great success since its launch last year. It has also picked up a number of accolades along the way.

- Woman's Own "Website of the week"™
- Ideal Home "Website of the month"
- BillPay™ was voted among the Top 10 corporate ventures launched in 2001

Music to his ears



Bernie Keenan (right), Director of Housing at New Progress House receives a snazzy Sony Net Personal Stereo from Girobank's St Maloney following a prize draw at the CIH exhibition

For further information about Girobank's revenue collection services, please write to Sales support, Ground Floor Admin, Girobank plc, Bootle, Merseyside L34 5JF. Alternatively, telephone 0800 0566046 quoting reference code RC0103 or visit the Girobank web site at www.girobank.co.uk
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CITY OF CARLISLE

To: The Chairman and Members of
The Environment Committee
15 June 2001

Financial Memo
2001/02 No 38

CONCESSIONARY FARES SWIPE CARDS

1. As Members will be aware the Council has introduced a scheme of remuneration for paying bus operators for operating the Concessionary Fares Scheme based on actual pension ridership (as recorded by upgraded Wayfarer ticketing machines) rather than surveys of pensioner ridership as in the past.
2. To accurately record ridership by Carlisle passholders as opposed to, say, Eden passholders, Members agreed in principle that the infrastructure be put in place to introduce smart card technology. This will enable each concessionary pass to incorporate smart card technology and when cards are swiped through readers on the bus it will record that a Carlisle passholder has undertaken the journey and details of the bus journey undertaken.
3. The cost of introducing smart card technology is significant and it would not be financially viable for an Authority the size of Carlisle to go it alone. Software, sophisticated smart card readers on buses, training and infrastructure would cost well over £150,000 for Carlisle acting alone even if the bus operators contributed towards the ticketing equipment on the buses.
4. Carlisle is therefore part of a partnership of Lancashire and Cumbria Authorities with the terms of reference to introduce smart card technology into Concessionary Fares administration throughout Cumbria and Lancashire. Noted at Appendix 1 are details of progress to date on the initiative covering the proposed scheme, estimated costs, sharing formula and way forward.
5. Carlisle's share of the overall cost currently estimated at £2.324m would be in the region of £30,000-£50,000 depending on the size of smart card introduced.
6. Many issues have still to be addressed by the Council's partners including bus operators finding £730,000 to fund ticketing equipment and the County Council in funding their share of the costs (currently the County Council do not fund concessionary fares in any way).
7. It is therefore likely to be at least 18 months before any bus pass smart card technology is introduced. The next step being to try to organise a pilot in the South Lakeland/North Lancashire area.

8. In earmarking a budget on the assumption that the smart card initiative eventually comes to fruition it is suggested that a renewals fund reserve is set up for the purpose. Also that the underspend on Concessionary fares in 2000/01 amounting to £19,500 be transferred to this reserve to go some way to meeting the current estimates of the Council's contribution to the initiative of £30,000-£50,000.
9. Members will be kept informed on progress on the Concessionary fares smart card initiative. Also a fully costed report (including introduction timetable) will be submitted to Members before any final decision is required on introducing smart cards to Carlisle Concessionary Fares Scheme passholders.
10. Recommendation
Members are asked to consider supporting a request to Policy and Resources Committee for the setting up of a renewals fund reserve to fund the likely costs of introducing smart card technology into Concessionary Fares Administration of £30,000-£50,000. Also the transferring of the underspend on Concessionary Fares in 2000/01 amounting to £19,500 to the renewals fund reserve in meeting some of the costs of the smart card initiative.

D THOMAS
City Treasurer

Contact Officer: P Mason Ext: 7270

City Treasury
Carlisle
08 June 2001
PM/CH/f380102