

**CABINET – 6 JANUARY 2003**

## **GOVERNMENT CONSULTATION ON ENTITLEMENT CARDS AND IDENTITY FRAUD**

### **1. INTRODUCTION**

- 1.1 The Government has issued a Consultation Paper on whether it should introduce an entitlement card scheme in order to:
- (a) provide those lawfully resident in the UK with a means of confirming their identity;
  - (b) establish a person's identity for official purposes, so there is one definitive record all Government departments can use;
  - (c) help people gain entitlement to products and services, particularly those who find it difficult to do so at present;
  - (d) help organisations validate a person's identity, entitlement to services etc.
- 1.2 The Government stresses it does **not** wish to consult on a compulsory scheme (ie a card everyone would have and be required to carry at all times).
- 1.3 Responses are required by 10 January 2003.
- 1.4 The Consultation Paper is lengthy (146 pages), and includes a great deal of technical information about how a scheme might work. This report therefore deals only with the general principles.
- 1.5 A full copy of the Consultation Paper is placed in the Members' Room. A copy is also available on the Home Office website [homeoffice.gov.uk/dob/ecu.htm](http://homeoffice.gov.uk/dob/ecu.htm).

### **2. SPECIFIC BENEFITS OF AN ENTITLEMENT CARD**

- 2.1 The Government suggests these might be as follows:
- (a) It could combat illegal immigration, and would help employers confirm the immigration status of potential employees by virtue of a simple, easily understood card.
  - (b) It could provide a more efficient basis of administering public services by avoiding the need for people to provide the same personal information time and again to a range of service providers.

- (c) It could provide savings to service providers, as there would be a definitive source of information about people's identity and possibly a unique person number for everyone registered on the system.
- (d) It could prevent people becoming victims of "identity theft" or "identity fraud".

### **3. POSSIBLE DISADVANTAGES**

3.1 The Government suggests these might be as follows:

- (a) People may be concerned the Government might link all the information it had on an individual. The Government therefore does not propose that the central register would become the depository for a wide range of information held about an individual by different agencies.
- (b) An insecure scheme could itself be the source of increased fraud if cards could be forged. The importance of the scheme being secure is therefore stressed.
- (c) The benefits would take years to be realized because of the time it would take for cards to be held widely. The Government is therefore also consulting on possible measures that could be implemented in advance of, or instead of, an entitlement card scheme.

### **4. HOW A SCHEME MIGHT WORK**

4.1 The suggested scheme is for a "smartcard" with a simple memory chip based around the existing passport and photocard driving licence systems. It would look like a photocard driving licence without the information about vehicles. At the same time, the checks currently undertaken when someone applies for a passport or driving licence would be strengthened, as both documents could count as acceptable entitlement cards.

4.2 An entitlement card scheme would comprise:

- (a) a central database capable of covering the whole UK population;
- (b) secure procedures for establishing entries and keeping them up to date;
- (c) secure links between the central register and information held on other systems by service providers etc;
- (d) a plastic card with an embedded microchip issued to everyone on the register.

- 4.3 Although costs will depend on the type of information recorded and the level of fees charged for passports, driving licences and entitlement cards, the Government estimates they might be as high as £1.5 billion over a three year period of development if cards are valid for ten years.

## **5. ISSUES ADDRESSED IN THE CONSULTATION**

- 5.1 As previously stated, many of the questions posed by the Government are technical, or not relevant to local authorities. As a guide to assist the Cabinet in formulating a response, the main issues of principle on which the Government is seeking views have been extracted and are attached at Appendix 1.

## **6. FINANCIAL IMPLICATIONS**

- 6.1 None relating directly to this report. However, if an entitlement card scheme were to be introduced at some time in the future, and if the Council was then to consider linking provision of some of its services to the scheme, there would be the potential for both costs in introducing the scheme, and for savings once it became fully operational. These would need to be addressed at the time.

## **7. ENVIRONMENTAL/CRIME AND DISORDER IMPLICATIONS**

- 7.1 The Government has identified a reduction in “identity fraud”, and a means of combating illegal immigration, as likely advantages of the scheme.

## **8. PORTFOLIO HOLDER COMMENTS**

- 8.1 The Policy and Strategy Portfolio Holder is broadly supportive of the Government’s proposals.

## **9. RECOMMENDATION**

- 9.1 That the Cabinet formulates a response to the Home Office, using the questions at Appendix 1 as a guide to the issues on which responses are invited.

### **Further information**

Dave Yates  
Chief Executive  
023 8028 5478  
[dave.yates@nfdc.gov.uk](mailto:dave.yates@nfdc.gov.uk)

### **Background Papers**

“Entitlement Cards and Identity Fraud – A Consultation Paper”  
(Home Office)

## APPENDIX 1

1. Is the principle of establishing an entitlement card scheme [along the lines set out in paragraph 4.2 of this report] a more efficient and convenient way of providing services, and tackling illegal immigration, illegal working and identity fraud?
2. Should a voluntary entitlement card scheme be implemented?
3. Should a scheme include:
  - (a) a requirement that all lawful UK residents over a certain age should register and obtain a card?
  - (b) provisions where a service provider (eg local authorities) should be free to decide whether or not to use the card scheme as the means of access to their services?
4. Should the Government consider one or more “targeted” schemes, and if so, what sort?

(A targeted scheme is one where specific services, regions or parts of the population are focused on, for example because there is a need to establish identity to a particularly high degree of confidence. One possible example quoted in the consultation paper is benefit claims).
5. What powers should the Government have, and what incentives and sanctions should there be, to help ensure universal coverage?
6. Should a national population register be developed which could be used in a sophisticated way across the public sector with the aim of improving customer service and efficiency?
7. What services would you most like to see linked to a card scheme?
8. Would you like to link your Council's services to a card scheme, and if so, what features would you want to see in the scheme that would most benefit those services?
9. What information should the Government hold out of the following (apart from name)?

Date and place of birth, residential address, other personal numbers (NI number, passport and driving licence number), nationality, sex, photograph, digital image of signature, employment status, biometric information (eg iris image, fingerprint), personal PIN or password.
10. Should a card contain emergency medical information, and/or act as an organ donor card?