

### Public Service Identity Management Cost-Benefit Analysis

### **Questions and Answers**

Investment Analysis Unit

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#### 1 What is the report about?

This Spending Review is a Cost-Benefit Analysis (CBA) of the Public Service Identity management framework. The framework was introduced in 2010, and is administered by the Department of Social Protection (DSP) on behalf of the whole Public Service. It has three components: the Standard Authentication Framework Environment (SAFE), the Public Services Card (PSC), and the MyGovID online identity platform.

The quantitative Cost-Benefit Analysis aims two answer two key questions:

- How do the costs and benefits of the framework compare with the costs of public service identity verification in the counterfactual scenario where the framework was not introduced?
- > What wider financial impacts of the framework are likely to exist?

Alongside this, the report also includes a qualitative analysis of the impact of the framework, across three key dimensions: implementation, impact on public service design and delivery, and wider impacts.

#### 2 Who produced the report?

The report has been prepared as a Spending Review by the DSP Investment Analysis Unit (Ciaran Judge, senior statistician, and Ita McGennis, actuarial analyst).

The Investment Analysis Unit is part of the Irish Government Statistical Service, and the report has been compiled in compliance with the principles of the Irish Statistical System Code of Practice – in particular, the principle of statistical independence – along with the Cost-Benefit Analysis principles laid down in the Public Spending Code. The report has been peer-reviewed by the Spending Review Steering Group, chaired by the Department of Public Expenditure and Reform.

#### 3 What are the key findings of the report?

The SAFE-PSC-MyGovID Public Service Identity management framework was a major strategic investment in a key element of public infrastructure, and the report finds that this investment has been successful in both financial and qualitative terms.

If the Public Service Identity management framework did not exist, then delivering the same level of public services would require over one million extra identity checks every year. This is the main driver of significant savings that have resulted from investing in the framework:

- > The investment paid for itself in less than five years.
- ➤ The discounted Net Present Value (NPV) of the investment in other words, the total savings from the entire project from its inception out to 2030, adjusted for the time value of money is highly positive at +€206 million.
- Over the rollout period from 2010 to 2019, the total cost of the investment was €98 million, but it generated benefits of €218 million over the same period.
- Now, as a mature project with annual costs of about €10 million and annual benefits of about €30 million, the framework yields savings of over €20 million every year.

The report also identifies further positive financial impacts beyond those captured in the main financial results. These are, principally, further efficiency gains to the Department and other Public Service bodies; further control and customer contact savings accruing to the Department of Social Protection; and especially the value of time and cost savings for people using public services. Broadening the scope of the financial model to include these impacts would increase the estimated Net Present Value of the investment in the Public Service Identity management framework by between  $+\in300$  million and  $+\in1$  billion.

In qualitative terms, the report finds that the Public Service Identity management framework

- has been successfully implemented, with clear institutional responsibility, secure and welldesigned systems;
- has enabled both greater efficiency in the delivery of existing public services, and innovation in the design and delivery of new and reformed public services, including better crisis response capacity as well as minimisation of the use of personal data by public service bodies;
- has enhanced trust in Ireland's public services, while the availability of a free, trusted public service identity and easier access to services has had a positive social inclusion impact.

## 4 What are the differences between the actual costs shown in this report and previously published cost estimates?

The total actual costs of the Public Service Identity Management framework over the rollout period from 2010 to 2019 were €98.4 million in current prices. These costs have been compiled in accordance with Public Spending Code guidance, and may be taken as definitive.

The differences between this total and the provisional €68 million cost estimate previously published in 2019 are as follows:

- 1. Inclusion of PSC and SAFE costs for the remainder of 2019.
- 2. Addition of VAT on PSC and SAFE equipment and IT costs.
- 3. Addition of 25% to all direct staff costs, in order to represent indirect staff costs such as corporate support services, office premises and IT equipment.
- 4. Addition of the costs of MyGovID to end-2019 (the 2019 estimate only related to PSC and SAFE costs).

# 5 What is the Public Service Identity management framework?

The Public Service Identity management framework was introduced in 2010, and is administered by the Department of Social Protection (DSP) on behalf of the whole Public Service. It has three components: the Standard Authentication Framework Environment (SAFE), the Public Services Card (PSC), and the MyGovID online identity platform.

- The SAFE registration process is the method used by the Department of Social Protection to authenticate a person's identity, as provided for in social welfare legislation. It is an in-person face-to-face process carried out across the Department's nationwide network of offices.
- 2. When a person has authenticated their identity through SAFE registration, they are issued with a Public Services Card, which can be used as proof of identity when accessing public services. To date, 3.5 million people have authenticated their identity through the SAFE registration process and have been issued with a PSC.
- In addition, a person can use their SAFE-registered identity to set up a verified MyGovID account which can be used to access a growing range of online Government services in a safe and secure manner.

### 6 Why is the Department of Social Protection responsible for the Public Service Identity management framework?

By developing the SAFE-PSC-MyGovID framework, the Department of Social Protection is fulfilling its legal obligations under the Social Welfare Consolidation Act 2005, as amended, in respect of the authentication of identity, the issuing of PSCs and the sharing of public service identity data with specified public bodies for the purpose of authenticating the identity of a person transacting with that body.

DSP has been given these obligations by Government due to the pervasiveness of its services both geographically and demographically – delivery of a comprehensive range of Social Welfare benefits; administration of PRSI; operation of the General Register Office (from 2007); and operation of the Public Employment Service (from 2011) – and its need for data sharing with other Public Service bodies like Revenue and SOLAS. DSP thus not only holds clear institutional responsibility for developing and managing the Public Service Identity framework, but also has a clear functional alignment with achieving this goal on its own behalf and on behalf of the wider Public Service. The SAFE registration process, the issuance of PSCs and the MyGovID service are now integrated into the structure, functions and processes of DSP, and the Department is the data controller of the personal data processed when a person engages with these services.

#### 7 In what circumstances is SAFE registration required?

In respect of transactions with the Department of Social Protection, a person must have satisfied the Minister as to their identity:

- i. Before they can be allocated and issued a Personal Public Service Number (PPSN);
- ii. Before they can be issued a Public Services Card (PSC);
- iii. As one of the conditions of their right to receive a social welfare payment;
- iv. To continue to receive a social welfare payment, once they have been requested to satisfy the Minister as to their identity.

The Minister for Social Protection also has a role to issue a PSC to a person in a form fit for the purpose of carrying out a transaction with another specified body (i,e. another public body specified in the Social Welfare Consolidation Act 2005 (as amended)) but only if the Minister is satisfied as to the identity of the person concerned.

In respect of transactions with other specified bodies where one of those bodies accepts the PSC as proof of identity from a person, it is important to note that, since its inception in the late 1990s, the PSC has always been intended to be used as a physical token of identity to be used in transactions between the citizens and the State, not just between citizens and the Department of Social Protection.

The matter of when, or for what reason, another specified body, other than the Department of Social Protection, seeks production of a PSC is a matter for those bodies.

## 8 How does a person get a Public Services Card and what can it be used for?

Once a person has successfully completed their SAFE registration, they are issued with a Public Services Card (PSC) which can be used as proof of identity when transacting with certain public bodies.

They can also, if they wish, use that PSC to collect a social welfare payment at a Post Office of their choice. Alternatively, they may choose instead not to use their PSC as a payment method and instead have their benefit paid into a bank account of their choice.

In addition, a person who is entitled to Free Travel can use their PSC as a travel pass on public transport. If a person who has not already been SAFE registered qualifies for Free Travel, they are invited by the Department to attend for SAFE registration at an office of the Department. If a person who already has been SAFE registered qualifies for Free Travel, a new Free Travel PSC issues automatically to that person.

Finally, a person can use their PSC to set up a verified MyGovID account which can be used to access a growing range of online Government services in a safe and secure manner.

#### 9 What is MyGovID and what can it be used for?

MyGovID is the secure online identity authentication service provided by the Department of Social Protection. A person can choose to set up a basic MyGovID account or a verified MyGovID account.

A basic account, which can be set up with just an email address and a password, can be used for some basic activities, such as requesting that a statement of PRSI contributions be sent to you in the post, or checking eligibility to some benefits.

A verified MyGovID account can be used to access online services provided by various public service bodies and it provides a strong security infrastructure to protect these services. This includes being underpinned by the SAFE registration process and its deployment of two-factor authentication.

Online services of the public bodies listed below can be accessed by way of a verified MyGovID account:

- 1. Department of Social Protection;
- 2. Revenue Commissioners;
- 3. SUSI;
- 4. Road Safety Authority (National Driver Licence Service);
- 5. Department of Agriculture, Food and the Marine;
- 6. The four Dublin Local Authorities (voter registration);
- 7. Department of Children, Equality, Disability, Integration and Youth (National Childcare Scheme).

The number of people who have registered for a MyGovID account has grown enormously during the pandemic period. Before the pandemic started, half a million people had already registered for a SAFE-verified MyGovID account. Since then, more than three quarters of a million extra people have registered for SAFE-verified MyGovID accounts.

| End of year | Basic MyGovID | Verified MyGovID | Total MyGovID |
|-------------|---------------|------------------|---------------|
| 2016        | 130,149       | 8,316            | 138,465       |
| 2017        | 392,955       | 76,689           | 469,644       |
| 2018        | 605,644       | 208,503          | 814,147       |
| 2019        | 843,701       | 447,557          | 1,291,258     |
| 2020        | 1,455,364     | 929,168          | 2,384,532     |
| @15/11/2021 | 1,685,401     | 1,315,780        | 3,011,027     |

