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WHITE PAPER

PUTTING DIGITAL TRUST IN YOUR LOCAL GOVERNMENT

Introduction

The pandemic and its related restrictions have resulted in unparalleled disruption in citizen's lives and businesses, and a surge in demand for online service access and delivery. Governments have accelerated their timelines to keep up; municipalities in particular have had to restrict in-person services and move as much as possible to online service delivery.

Of all levels of government, municipal governments have the greatest impact on our day-to-day lives. From granting renovation permits, licensing our pets, plowing our streets, enforcing parking restrictions, keeping our water supply clean and safe, keeping us active and fit…the list is long and wide-ranging. Municipalities have been challenged to deliver their services timely and cost-effectively before a pandemic occurred. Now, in the face of a pandemic with limited budgets and increasing populations, all citizens are more reliant on municipal infrastructure and services for their needs and the needs of their families.

While transitioning services online and minimizing in-person visits has taken the spotlight, the need for trusted transactions that minimize the risks of ransomware attack, fraud, or identity theft become even more imperative as more digital services are rolled out. Citizens expect their personal data to be protected and remain private. In this paper, we discuss how a trusted digital platform can be a critical element of delivering consolidated access to online services that enable municipalities to save money, time and migrate towards smart cities and compliance requirements of the future, resulting in an enhanced citizen experience.

The Trust Factor

Trust can be an abstract concept, whose meaning and significance depends on the context in which it is used. Trust in government has been defined as by OECD "the share of people who report having confidence in the national government;" [1] and Deloitte in their TrustID framework "assess trust by two elements - perceived competence and positive intent." [2]

The benefits of trust in government are far-ranging and well documented elsewhere, suffice to say trust in government improves citizen satisfaction and citizen engagement, and the overall ability of a government to carry out their mandates.

Recent reports [1,2] indicate that trust in government, particularly at a federal level, has eroded over the course of the pandemic. Re-establishing trust in government obviously goes well beyond digital transformation. On the good news front, these reports indicate that the two aspects are linked – if constituents are satisfied with customer experience and protection of their data, their overall trust in government is higher.

Key finding no. 3: A citizen's digital experience is a strong predictor of trust levels. In general, respondents rate state and local agencies high on trust if they think that state governments' digital services are easy to use, that governments' web-based services help them accomplish what they need, and that the state government safeguards their data well.[2]

The focus of this paper is on digital trust – trust in the usability, reliability and security of digital services delivered by municipalities. Digital trust is more tangible and arguably easier to measure. Constituents look for digital services that are convenient to use, deliver what they need, and give them confidence that their data is being protected.

In this paper, we look at trust with respect to digital transformation from two perspectives:

- Confidence that online services are protecting the data and rights of those using the services
- Improved citizen experience as a key factor in building trust for local governments

Where we are at

The pandemic has exerted influences in countless ways. The rapid increase in demand for online service delivery, and a migration from large urban centres to smaller communities have had significant impact on digital transformation for Canadian municipalities.

Unparalleled demand for online service access and service delivery

The pandemic has re-shaped how citizens interact with government at all levels, but particularly at the local level, who typically interact more frequently with constituents and deliver services essential to their daily living.

Even those who were digital hesitant pre-pandemic, have adapted to the new reality of online shopping, virtual family gatherings, and online doctor's appointments. Familiar with the easy-to-use customer interfaces from the private sector, particularly Big Tech, constituents are expecting the same from their local government. And they expect that reality of seamless access to online services to continue and improve. For municipalities, this means taking digital services beyond convenient and reliable service delivery to offering a personalized customer experience and moving towards a platform for citizen engagement.

Devon Lafleche says the Town of Cochrane learned to interact with residents in a whole new way during the pandemic, when they were forced to move services online, switching over to a mostly paperless process.[3]

More users online and accessing more digital services also means more online accounts to manage. Users struggle to manage the myriad of usernames and passwords, an overload of marketing newsletters and emails, and the need to repeatedly enter the same or similar data. Citizens are looking for simpler, more consistent access to their municipal services.

Migration from large urban centres to smaller communities

Fueled by the ability to work remotely, and a dynamic housing market, as noted by U-Haul Growth Index 2021[4], and further supported by 2020/2021 census data[5], many Canadians have migrated from large urban centres to smaller communities since the pandemic began in early 2020.

Migration from densely populated urban areas to less crowded, more affordable outlying markets was a recurring theme last year in Canada, according to transactional data compiled for the annual U-Haul Growth Index.[4]

Small and medium-sized municipalities are being asked to accelerate their plans for digital transformation. This includes making high-speed broadband ubiquitous and offering a consolidated digital service experience to meet the rising demands and higher expectations from their now larger and more "urban" constituent base.

While the pandemic has put heightened pressure on timelines and budgets for digital transformation, non-pandemic related initiatives such as the Smart Cities Challenge[5] and Open Government[6] were already driving and continue to drive digital transformation and innovation in Canadian municipalities.

Federal and several provincial governments have introduced red tape reduction bills that aim to streamline and improve how citizens interact with government, with trickle down requirements to local governments. For example, in Ontario one area of focus has been on simplifying the process and shortening timeframes of planning application approvals[7]. Trusted digital service delivery can be a key element to reduce redundant steps, consolidate information gathering, and enable faster, easier service access and delivery.

The Challenges

The challenge for municipalities now and post pandemic is to deliver digital transformation and online services that offer an excellent customer experience, without compromising on security and privacy, and do it with less budget and less resources.

With populations booming, there is tremendous pressure to digitize existing processes, develop new citizen services, and scale IT infrastructure to meet increased demand. These pressures have only increased in the wake of COVID-19, as more citizens and staff are reliant on municipal infrastructure and services than ever before[8]

It's not news that municipalities have a few roadblocks to navigate to successfully deploy digital services. Creative and innovative solutions will be needed to overcome these challenges.

Budgetary constraints
Pandemic spending has reduced resources for an already stretched IT budget; municipalities are challenged on how prioritize infrastructure development and related spending. It is also expensive to hire and retain, or retrain, the expertise necessary to design and implement digital services, particularly around cybersecurity.

Deliver services in a timely but safe manner
Municipalities are balancing the need to deliver more digital services faster with the need to ensure security and privacy for their constituents. To maintain trust, online security and identity verification should be the same or better than an in-person interaction. Privacy policies and related processes must be compliant with privacy legislation for online service delivery, and be kept up-to-date and accurate across services.

Support workforce relocation
Municipalities will need to continue to support city staff working remotely, in the office, or hybrid, and minimize in-person requirements for constituents without sacrificing customer service. Employees who work from home need to maintain secure access to important information, and provide service to constituents when office access is limited.

Increased risk of cyber attacks
Municipalities are deemed low risk, high reward targets for cyber attacks, with access to a diverse and valuable set of data. Implementing a comprehensive cyber security strategy is expensive and requires focussed expertise that historically has not been a strength of local governments. However, the risk and impacts of not "doing it right" are far reaching – in potential costs (e.g. ransomware) and reputation, and in the willingness of constituents to interact online.

The data show that these (American local) governments are under constant or near-constant cyberattack, yet, on average, they practice cybersecurity poor10 E-government can only exist when citizens trust their municipal government. Cyber incidents can completely undermine that trust and destroy government credibility[11]

Foundations of a Trusted Digital Platform

To meet the challenges facing municipalities during and post-pandemic, Portage recommends a trusted digital platform that is founded on four architectural values.

Centred on trust

How is trust delivered in a digital service platform, and what does it mean to ensure trusted transactions?

Constituents need to know that their personal and business information is protected – protected from unauthorized access, only seen or shared when consent is given, and only accessible to those that are authorized. This trust envelope must extend when integrating services and data sharing with third-party providers or other municipal departments.

Digital identity plays a key role in building trust and reducing cyber threats in digital systems. Beyond simple username and password authentication, it is critical to verify a user or business' identity before they provide, view or access sensitive data, and be able to trust in that identity as strongly as you would were they in-person.

One of the first steps to limit cyber attacks is to deploy platforms that implement single sign on and offer multi-factor authentication[12]. Reducing the number of usernames and passwords that a user has to maintain, and enforcing a clear and responsible password lifecycle increases security, improves customer satisfaction, and reduces customer service calls.

Digital identity verification and digital trust solutions minimize the municipality business risk and ensure citizen information is safe and private.

Privacy focussed

Municipalities must comply, and prove compliance, with applicable privacy legislation and regulations. Maintaining up-to-date privacy policies and regulations across multiple, siloed service delivery vehicles is time consuming, and can be error prone. Consolidating service access on a shared service delivery platform where privacy policies can be easily updated, and a mechanism for users to accept it, results in simpler and more consistent privacy compliance management.

Today's users are very familiar with the now ubiquitous privacy statements. As clear, direct, and easy to understand that we make our privacy statements, users readily accept them, mostly unquestioned. Privacy considerations jump to the forefront as users engage in a service and start providing personal information and supporting data. Users then want to understand, and give consent to, how the municipality will be using and possibly sharing their data.

A digital platform that explicitly gives control over the data sharing to the user, requests consent prior to any data sharing, and allows a user to review and manage their consent is critical.

Citizen-centric experience

Expectations for customer experience (CX) have never been higher; citizen-centric translates to putting your constituent front and centre in their digital service transactions and workflows.

Improving customer experience can drive better critical outcomes for government agencies around the world. Satisfied customers are 9x more likely to trust the agency providing the service [13]

A digital service platform can kickstart a modern CX by offering built-in capabilities that give you the CX "must haves" and the tools to evolve as digital services are added and mature. "Must haves" include access to services anytime, from anywhere and from any device, through a single point of access and enrolment for frequently-used city services. Constituents can use same sign-in id for booking at a recreational facility, requesting a new water meter, or registering their pet.

A citizen-centric approach gives control and choice to the user – be it choice of which services they interact with, choice of what they see on their municipal dashboard, or choice of what data they share. Users have control to manage consent in a simple, and consistent manner.

Constituents want more digital services with their information unified across government systems so they don't have to repeatedly provide the same information. They want a seamless, efficient experience and they want their data to be secure throughout the process[14]

Constituents may access services from a mobile device, a tablet, or a web browser on their desktop; they look for a consistent sign-in experience across these services using a single username and password. Users value time savers such as data re-use and pre-population of data, which reduces data entry errors and helps to streamline work flows.

Enables rapid deployment

Municipal governments can achieve faster deployment with less resource commitment by taking advantage of cloud-based and pre-built solutions.

Cloud platforms offer flexibility and scalability to governance requirements now and in the future with the ability to quickly scale up or down to meet demand across services.

Pre-built digital solutions can provide standards-based integrations with other systems, and a selection of innovative functionality, which enables faster modernization of IT systems and architecture. Governments can benefit from pre-built modules for identity and access management, for example, that are designed and developed by experts in those areas; specific expertise that may not be available in-house.

Realizing the Benefits

According to KPMG in The Future of Local Government "Trust is key to unlocking digital identity, security and data insights"[15]. Leveraging a trusted digital solution to deliver online municipal services can yield benefits that include being cost effective, efficient, easy to administer, and risk averse.

Cost effective

Digital service delivery is less expensive that traditional methods by increasing efficiencies. A recent U.K. report suggests that by 2040 "Digital processes in the public sector will create efficiency gains and cost-savings of £75 billion"[16]. This aligns with earlier studies such as those in Norway, which reported that the average cost for in-person interaction was 80 kronor versus 3 kronor for a digital self-service interaction.[17]

Cloud-based solutions offer a practical approach to achieving scalability and flexibility without incurring large, upfront capital investments, and reducing ongoing operational costs. Standards-based interfaces facilitate interoperability with third party and internal systems. Taking advantage of prebuilt solutions eliminates the need to staff and manage large-scale development projects, and gains access to innovative technologies.

Efficient

Municipalities deliver a diverse set of services, however many of the services when delivered online share a similar high-level workflow: fill in an application, provide supporting documentation, authenticate and/or identify yourself (to a level commensurate with the service requirements), and sometimes make a payment. Once the application is submitted, users may check back regularly to get status, or email updates. An integration-ready platform enables delivery of streamlined services with consistent and transparent workflows. Data sharing, with user consent, among services eliminates duplicate data collection.

Automated workflows for repetitive tasks such as case handling, application submissions free up value city staff to focus on other priorities. Service delivery timeframes are improved by eliminating email and/or phone call chains and status queries. The demands on customer service are reduced when you have satisfied constituents.

Easy to administer

With a cloud-based solution, services can be managed easily and securely from the office or from remote home office. Employees have the same access to their work files and operations, as they do citizen access to services which reduces service disruption.

Management utilities offer a straightforward process to add new services, and makes it easier to define and maintain access and privacy policies, and have them consistent across services.

Service data when shared can result in predictive analytics for trends analysis for the city, better management, effective budgeting and policy planning, and support to open government initiatives for municipalities across Canada.

Mitigates security risks

Digital identity verification and digital trust solutions minimize the municipality business risk and ensure citizen information is safe and private.

Many aspects factor into a comprehensive cyber security strategy, but relying on digital service platform that has proven security and privacy features such as single sign on, responsible password lifecycle management, and trusted identity verification is integral to that strategy.

Facilitate trust compliance

Trusted transactions often involve multiple parties, who may exchange identity, personal, business, or service related information to complete the transaction. The security and integrity of the transaction depends on each party behaving and processing this data responsibly. Emerging frameworks, such as the Pan-Canadian Trust Framework™ (PCTF), serve to establish trust relationships among private and public sector organizations in a Canadian digital identity ecosystem.

Choosing solutions and service providers who are focussed on compliance with these frameworks provides additional assurance for secure and trusted transactions, and provides municipalities an easier path to future compliance.

Citizen satisfaction and engagement

Digital service delivery is typically quicker, less error-prone, and more convenient that traditional phone, email or in-person methods. Applications are submitted directly online and can be processed in shorter timeframes. With built-in reminders and consistent notification options, residents are more likely to register and pay for services such as pet licenses or permits on a regular basis. More satisfied and more engaged citizens are less likely to directly call or email customer service or individual city departments.

From a citizen's perspective the convenience and reliability of accessing city services from a personalized dashboard from any device and anytime, knowing what they are sharing and with whom, and having the control to manage that sharing, builds confidence and trust in their local government.

Summary

Municipalities are unique in the impact they have on their constituents' daily lives. Today's local governments have the opportunity to deliver better-connected, trusted, and personalized digital services, while remaining operationally effective. A digital service platform with strong identity management and transparent data sharing can expediate this outcome with lower risk.

An investment now in a digital service platform can help municipalities recover from the impacts of the pandemic, but it is also an investment with an eye to the future. As governments head toward the future of participatory governance with citizens, a trusted digital platform can become a springboard for trusted collaboration – a community platform for citizen engagement and dialogue, sharing ideas and even grievance management, in a reshaped local government.

About Portage CyberTech™

Portage CyberTech powers trusted digital transactions between individuals, businesses, and government organizations. Driven by some of the most ambitious digital projects and our desire to raise the visibility of our clients at home and abroad, our committed team of experts in all things digital – identity, access management, services, portal development, CRM, CMS and electronic signature tools, have created the solutions designed to reach your customers.

For more information, visit **www.portagecybertech.com** or email us at **gov@portagecybertech.com**

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