Cross-government review

Implementing transparency

Summary

Introduction and purpose of report

1   Successive governments have promoted transparency by developing legislation and routinely releasing more information to the public. The transparency agenda is a pledge by the Coalition Government to make government more open. The policy commitment has been taken forward through three major announcements. The first two were communicated through prime ministerial letters to government departments in May 2010 and Secretaries of State in July 2011. Additional commitments were announced as part of the Chancellor's *Autumn Statement 2011*, in November 2011. Initial data releases related primarily to accountability for use of resources, with later announcements designed to support service improvement and economic growth. The Government's objectives for transparency are to:

●   strengthen public accountability;

●   support public service improvement by generating more comparative data and increasing user choice; and

●   stimulate wider economic growth by helping third parties to develop products and services based on public sector information.

2   Good quality information is crucial to effective management. Public disclosure of that information has the potential to improve accountability and support public service improvement and economic growth. Gaining value from information, however, requires its scope, quality and presentation to be matched to the purposes and circumstances of its use. This report reviews early implementation of the transparency initiatives set out in the prime ministerial letters, and considers arrangements in place to judge value for money, to establish key lessons that the Government should address:

●   Part One introduces the background and sets out how transparency is governed.

●   Part Two considers the progress of implementation to date.

●   Part Three reviews how transparency aligns with choice and accountability.

●   Part Four considers the economic growth potential of transparency.

Key findings

Governance

3   The Cabinet Office plays the lead role in promoting transparency across government. It is responsible for coordinating and monitoring implementation, secretariat support to a Public Sector Transparency Board, bringing together officials to embed transparency across government, and providing guidance on some of the releases required of all government departments. Many other bodies also play significant roles in implementing transparency, including other departments who are responsible for their own data releases, The National Archives, the Information Commissioner's Office and bodies in the wider public sector.

4   Governance arrangements have secured coordinated action, but have not yet focused on achieving value for money. The transparency agenda under this Government began as a coalition pledge with associated actions required of all departments to implement the policy: the Cabinet Office did not prepare an overall policy impact assessment at the outset. As the scope of the transparency agenda has developed, the Cabinet Office has published examples of the benefits of public data initiatives to support the strategic case for transparency, for example on its Open for Business website, but has not yet systematically assessed the costs and benefits of the Government's specific transparency initiatives. The Government announced in the *Autumn Statement 2011* the creation of an Open Data Institute. Early plans for the Institute include a role to develop a fuller evidence base on the economic and public service benefits of open data.

Progress of implementation

5   The Cabinet Office, in partnership with departments, has significantly increased the amount and type of public sector information released and met a high proportion of its commitments. Twenty-three out of twenty-five commitments for central government in the Prime Minister's letters due by December 2011 had been met. The www.data.gov.uk website, launched by the previous Government in January 2010, indexes public data releases. The number of data sets catalogued within www.data.gov.uk has grown from 2,500 in January 2010 to 7,865 in December 2011.

6   To date, compliance with transparency good practices has been mixed. The advisory Transparency Board developed a draft set of public data principles, which outline good practice for releasing and presenting information. Compliance with some principles is strong. Most of the data releases on www.data.gov.uk are openly available for re-use, with 86 per cent published under the Open Government Licence and three-quarters in formats whereby data can easily be reprocessed. However, in other areas there has been less progress. For example, the Cabinet Office has not yet defined how departments should prepare and disclose data inventories to facilitate wider use.

7   **The transparency agenda itself does not define requirements concerning data quality disclosure. The Cabinet Office has deferred the commitment for departments to produce data quality action plans from November 2011 to May 2012, to incorporate them in the next versions of departmental Business Plans.** Data released under the transparency agenda ranges from audited figures and National Statistics data, subject to data protocols and reviews, through to administrative sources of varying status. In some cases, there are judgements to be made between speed of release and data quality. For example, the Treasury's guidance on spending data publication states that to produce timely data, information should be released as it was originally recorded in financial systems, unless there are material changes to the data. While the Treasury has urged departments to improve the quality of the spend data, and has required all main departments to produce data quality improvement plans, it has not required them to disclose the level of data quality to the public. The lack of common categorisation of spending, and late publication of data by many departments, hinder comparability.

Supporting choice and accountability

8   **If transparency is to better inform choice and accountability, appropriate data must be available in the first place. There is variation in the scope and completeness of information currently available. In some areas this limits the potential benefits.**

a   With respect to information supporting individual choice, in education the department collects and reports appropriate information to support parents in choosing schools. In social care, by contrast, neither the Department of Health nor its funded bodies collect and publish appropriate information on the comparative costs and performance of providers of community based care services for adults. This data could help to support users in choosing how to spend personalised budgets. While much of the data in this sector is held by private providers, the Government's *Open Public Services 2012* White Paper commits to publishing "key data about public services, user satisfaction and the performance of all providers from all sectors".

b   With regards to community accountability, the police crime map provides much more detailed recorded crime information than was previously available. However, additional information is still needed, for example on police activity and resourcing locally, for residents to hold neighbourhood police services to account more fully. In local government, the Government has discontinued established performance frameworks. The local government sector is leading a new approach to defining key indicators. It is not currently clear whether this approach will yield sufficient comparable performance information to support meaningful public accountability.

Stimulating economic growth

9   The Government estimates that public data currently contributes £16 billion annually to the UK economy. While this is the highest of the few estimates available of the scale of the public data market, all suggest that public data holds economic value. The *Autumn Statement 2011* announced new transparency commitments designed to extract additional economic growth from public data, including open data releases, arrangements for licensing specific large data sets and commitments to consult. Commitments include releases of data not previously available, and opening access to data previously traded. The *Autumn Statement 2011* also made a commitment to establish the Open Data Institute which aims to help businesses exploit opportunities created by public data release.

10   The Government's ability to maximise economic growth from traded data is constrained by current charging and licensing arrangements, and limited understanding of potential benefits. Recent academic research indicates that making all public information that is currently traded available without charge could potentially add economic value in the region of £1.6 billion to £6.0 billion a year. The Government has identified certain trading funds, such as the Met Office and Ordnance Survey, as having data that could stimulate additional economic growth if it was released as open data. The business case for the releases of free data announced in the *Autumn Statement 2011* estimates net benefits of £49 million over 20 years – a small proportion of the value estimated to be available across the public sector. Estimates of additional value are based on highly uncertain assumptions about usage, demand and impacts on the wider economy.

Elements needed to assess value for money

11   Departments have not monitored the costs of implementing transparency, and have estimated costs only where associated with investment requiring a business case. Estimates provided for this review suggest that the additional staff costs of providing standard disclosures of pre-existing data range from £53,000 to £500,000 annually by department. Examples, such as the police crime map, where departments have repackaged information to promote greater accessibility and use has led to further costs: in this case set-up costs of £300,000 and annual running costs of more than £150,000. However, there are also cases such as the releases of public weather service data where the costs are minimal. While these costs are relatively modest, they would be more substantial if additional information were collected to secure purposeful, standardised information to fill the gaps noted in paragraph 8. Pursuit of transparency objectives is therefore likely to increase cost pressures.

12 **Few departments are tracking benefits of transparency – a key requirement in monitoring success and learning what works.** Public interest in different types of data release has varied widely. The website www.data.gov.uk has had more than 1.75 million visits since it was launched in January 2010. However, more than four-fifths of its visitors leave from either the home page or the data page on the website. This suggests that they are not accessing data during their visit, although it does not take account of other potential access points for the data, for example, linked third party websites or applications. While many departments told us that there had been limited interest in the standard releases, there has been much greater interest in releases related to the operation of public services. The police crime map website has had an estimated 47 million visits between February and December 2011. The Department for Education has reported an 84 per cent increase in the use of its comparative data on schools, compared with the same period last year, since it was consolidated in one location and data were made more accessible.

13 **Alongside potential benefits from transparency, departments face risks, including:**

● **risks to privacy** when information is provided at more granular levels. Departments have conducted privacy risk assessments where they saw privacy as an issue. More generally, the Government commissioned an independent review to consider how transparency can proceed while privacy is protected. The Cabinet Office intends to respond to its recommendations in a forthcoming White Paper;

● **fraud risks** with increased transparency around contracts and payment details – fraud attempts to a value of £7 million directly related to transparency releases have been found in local government, highlighting the need for effective anti-fraud measures; and

● **other potential unintended consequences** of transparency. Given the breadth of information released as part of the transparency agenda, it is likely that wider unintended consequences might result, but the Government has done little to identify or assess the nature and scale of any such effects, either benign or adverse.

Conclusion

14 The strategic case for greater transparency is strong. If it is to do more than satisfy public rights to public information, however, and contribute fully to objectives set for it including accountability, service improvement, and growth, then the Government needs a firmer grip on measuring the success of the initiative. While it has begun to gather evidence of usage and benefits arising from the use of open data, it has not yet positioned this within a wider, systematic evaluative framework. Evidence on benefits should be considered alongside information on costs and risks to secure best value from the large stock of public data, match the range and presentation of data purposefully to fulfil specific objectives, ensure that risks are identified and mitigated, and secure value for money.

Recommendations

a **The Government cannot maximise the net benefits of transparency without an evaluative framework for measuring the success and value for money of its transparency initiatives.** It should build on its plans to identify economic and public service benefits and develop:

- a better understanding of the drivers and scale of additional costs of implementing different types of public sector information release;

- clearer means of determining demand to support objectives of greater accountability, service improvement and economic growth, to prioritise the programme of data release; and

- a structured, objective evaluation of the emerging effects of transparent public data, so that efforts are focused on high-value activities, with unintended consequences mitigated.

b **The Government will not maximise the benefits of transparency if it does not further embed good practice principles.** While the draft public data principles set a useful direction for public bodies, the Government should now define its operational requirements more clearly. Areas such as developing data inventories require clear direction so that they lead to benefits for developers and the public.

c **Many data releases have no accompanying statement as to their quality or reliability – running the risk of misleading potential users.** The Government should develop a simple protocol for describing data sources, control procedures and known limitations.

d   Public service users cannot exercise their choice and hold service providers to account if the Government fails to align transparency with choice and accountability. It should:

- review whether current data for choice and accountability purposes are adequate, identifying gaps and ensuring that there is a clear strategy to make necessary information available.

- in developing and operating markets for public services, build requirements for greater transparency of financial and performance information in future contractual arrangements.

e   The Government cannot extract best value from public sector information, if it does not improve on current estimates of the information's value. These estimates vary widely, hindering precise assessment of the various financial and economic factors associated with further data releases, especially where the Government currently charges for information. The Government should pursue its plans for the development of a research base on the economic and public service benefits of public data, and use that to target the nature and form of data releases.

f   The Government has identified that protecting personal data is a key risk for transparency, commissioning a review to consider the issue. In responding to the review's recommendations, it should set out governance structures and processes required to manage this risk effectively.