



Information Fair Trader Scheme Review

The First Two Years

January 2005



Information Fair Trader Scheme Review – the First Two Years

Introduction	1
IFTS Principles and verifications.....	2
Handling complaints.....	4
IFTS members and their views of the Scheme	4
Recommendations and Progress.....	5
Benefits of the Scheme.....	7
Managing risks.....	9
Lessons learned.....	10
Future of IFTS.....	10
Appendix A - Recommendations made in September 2003	12
Appendix B - Costs	14
Appendix C - The future development of IFTS.....	15
Appendix D - Risk Matrix to Determine IFTS Visiting Programme	23

Introduction

Her Majesty's Stationery Office (HMSO) sits within the Cabinet Office, and the Information Fair Trader Scheme (IFTS) forms part of a core Cabinet Office objective: 'to promote standards that ensure good governance'.¹

The Controller of HMSO is responsible for implementing key decisions on the management of Crown copyright, including regulating the licensing decisions of trading funds. HMSO administers the licensing of Crown copyright information for most central government departments. However, because of their commercial focus, trading funds have the option of managing their own licensing systems under delegated authority from the Controller.

The Treasury's *Cross-Cutting Review of the Knowledge Economy*² in 2000 set out steps for the Government to promote the re-use of Government information in innovative products and services. Among other things, the Review recommended that government trading funds should improve their information pricing and dissemination policies.

HMSO consulted on how to implement a regulatory regime for those accepting the delegated authority and IFTS was the outcome. The outcome of the

¹ Note that in 2005 HMSO will be repositioned as the Office of Public Sector Information to reflect its extended responsibilities across the wider public sector

² HM Treasury Spending Review 2000

Licensing of Crown copyright HMSO Regulatory Framework Consultation in 2002 required that:

*“The Government will review the regulatory regime to check on its effectiveness, to ensure that the balance between costs and benefits is appropriate, and to determine longer-term arrangements, after two years”.*³

This is that review. It explains how the Scheme works and what changes have taken place over the last few years. It also discusses the benefits of as well as the lessons learned. Finally it sets out the proposed expansion of the Scheme over the next few years.

IFTS Principles and verifications

IFTS ensures that re-users of public sector information can be confident that they will be treated reasonably and fairly by public sector information providers. To become accredited to the Scheme, an organisation will:

- Make a commitment to fair trader principles (see box below);
- See the commitment independently verified; and
- Investigate complaints that the commitment has not been met.

Information Fair Trader Scheme Principles

Openness

- The Chief Executive commits that in principle, all information created by the organisation will be licensed for any use, by any customer. While there might have to be exceptions to this, whether limiting the material licensed, prohibiting uses or limiting the customer base, the Chief Executive will be reluctant to allow exceptions and will explain why they are necessary.

Transparency

- Applying for a licence, not only the process, but prices, the considerations influencing price policy, and any exceptions to the principle of openness, should be explained clearly and simply in accessible public statements. Licensees and applicants for licences should be given reasons for decisions and the reasons should be consistent with public statements and Information Fair Trader principles.

³ http://www.hmso.gov.uk/archives/policy/regulation_consultation_outcome.pdf

Fairness

- All applicants and licensees should be treated alike for the same type of licence.
- The organisation should not use its market power to compete unfairly.

Compliance

- Chief Executives agree to test their organisations by an independent verification to find out whether they have the infrastructure to deliver their commitments to openness, transparency and fairness.
- The verification tests whether the administrative processes are actually followed in practice.

Challenge

- The organisation has a complaints process empowered to reconsider incorrect licensing decisions.
- HMSO can investigate the organisation's licensing decisions if they appear to be wrong.

In order to achieve IFTS accreditation, it is necessary for an organisation to undergo verification. The Organisation must satisfy the verification team that the Chief Executive's commitment to Information Fair Trading is genuine and that the organisation is meeting the principles in practice.

Verification takes place once the commitment to Information Fair Trading has been made by the Chief Executive. The organisation will be asked to provide documentation (such as business plans, policy documents, standard licences) in support of the commitment. This allows the verification team to familiarise themselves with the business of the organisation and to highlight any issues.

The verification team (consisting of HMSO staff and occasionally an independent consultant) then visit the organisation and carry out further verification exercises which will generally include:

- interviews with staff involved in information, copyright and pricing policy, customer services, and licensing;
- a review of licensing files;
- a review of the organisation's website (offsite); and
- a review of licence terms and conditions (offsite).

The findings are presented in a report to the Chief Executive and the Controller of HMSO makes the decision whether to accredit the organisation with an Information Fair Trader Certificate based on this report.

Handling complaints

Under IFTS, HMSO also has the authority to investigate complaints about licensing against IFTS members. Complainants are expected to exhaust the complaints procedures of the relevant IFTS member before referring their complaint to HMSO. The Controller of HMSO will make a decision as to whether to uphold the complaint. She may suggest a solution to the dispute, request a review of the body's IFTS commitment, or agree to issue a licence directly to the complainant. Although the Controller might recommend compensation if the investigation showed that an applicant had made a quantifiable loss because of a bad licensing decision, she does not have any authority to impose financial penalties. Since the Scheme began, HMSO has received and investigated one complaint about an IFTS member. The complaint was not upheld.

IFTS members and their views of the Scheme

The Controller offered all trading funds permission to make licensing decisions on Crown copyright information on her behalf. Although some preferred HMSO to administer their licensing for them, others accepted this delegation of authority. All Crown bodies that have a licensing delegation from HMSO must join the Scheme.

Although IFTS was initially aimed at trading funds with delegations, it has since opened its doors to volunteers and, in 2005 will expand further to the wider public sector. IFTS is being promoted as the best practice model for complying with the *Re-use of Public Sector Information Regulations 2005*.⁴ The future of IFTS is discussed later in this review. Volunteer members of the IFTS Scheme include the Environment Agency and British Geological Survey.

Current accredited IFTS members

HMSO (Licensing Division)
Ordnance Survey
Met Office
UK Hydrographic Office
HM Land Registry
Driving Standards Agency
Registers of Scotland
Environment Agency *
Ordnance Survey of Northern Ireland *
British Geological Survey *

⁴ The Regulations implement Directive 2003/98/EC of the European Parliament and of the Council of 17 November 2003 on the re-use of public sector information

COI Communications, Medicines and Healthcare Regulatory Authority and Fire Service College are due to be verified before March 2005.

* Non-trading Funds

HMSO asked IFTS members to give their own opinion of how IFTS has helped their organisation and how they think the Scheme can be improved. These are some of the responses:

“The IFTS has been useful in highlighting, internally, that Crown Copyright has to be managed and that we cannot just do as we like; however this does not mean that the regime is a straightjacket. There were some misunderstandings in early discussions internally and points were clarified both internally and in discussions with HMSO”.

Met Office

“Going through IFTS provided for HMSO Licensing to formally review its processes and introduce a series of service standards that we monitor rigorously, In the interests of transparency we also publish these service standards. HMSO could be more transparent in terms of publishing the results of IFTS examinations so that there is more sharing of best practice that emerges from reviews”.

HMSO Licensing Team

“At this point I am happy to say that we have found IFTS beneficial. It has helped us concentrate on improving our processes internally and increase the awareness of our staff about the importance of implementing the principles of the scheme”.

Ordnance Survey

“IFTS has made us here at Registers of Scotland more conscious of the importance of Crown copyright as a concept and of the need for licensing arrangements. It has also made us more focussed on the importance of good record-keeping as evidence of adherence to IFTS principles”.

Registers of Scotland

Recommendations and Progress

One aim of this report is to consider what benefits IFTS has brought. This should be seen in terms of benefits for public sector information re-users and for public sector organisations themselves. This report assesses benefits and successes by considering what changes public sector organisations have made to their policies and practices following their IFTS verification.

The verification report which follows verification includes recommendations as to how the organisation can strengthen the commitment to information fair trading. Where an organisation has already achieved a high level of compliance, these may be minor recommendations relating to transparency of a website or record keeping. However, sometimes recommendations are more fundamental and accreditation may be conditional on their implementation.

Ten very different organisations have been verified to date. Despite their different roles and activities, some recurring themes have emerged in the recommendations provided to these organisations. In particular the following recommendations were common to many organisations:

- Justification of exceptions where re-use is not permitted
- Introduction of mechanisms for periodic review of licensing decisions
- Establishment of consistency between different customers, especially between government and non-government customers
- Standardisation of terms and conditions to ensure fairness
- Minimisation of exceptions to standard policy
- Publication of more guidance including pricing and licensing policies
- Improvements to internal documentation of decision making processes
- Improvements to visibility of copyright and licensing on organisation website
- Better education of staff as to the importance of protecting copyright at the same time as encouraging re-use

The following case studies show selected recommendations which have been made and some of the changes which IFTS members have made or are implementing. It should be noted that some of these organisations have been visited recently and may not have implemented their recommendations yet in full.

United Kingdom Hydrographic Office

UKHO has introduced free licensing for certain products and it has run a promotional campaign through hobby, specialist magazines and papers about this. UKHO has also introduced monthly random reviews of licensing agreements to ensure compliance with IFTS and service standards. There were deficiencies in obtaining requested information from different branches of UKHO. UKHO has developed an interface to collect this information and a 5-person service centre has been set up to deal with information requests.

Land Registry

The Land Registry previously used the HMSO Click-Use licence. It was felt that this was not appropriate as it meant that the Land Registry had no control over re-use or licensing terms and conditions and this was restricting the opportunities available to customers. The Land Registry has now decided to develop its own

licensing regime which will be tailored to the needs of the Land Registry and its information customer base.

Ordnance Survey

Prior to verification, Ordnance Survey's customers came under a range of different licence agreements, many of which were quite old. Ordnance Survey has now carried out a customer migration programme to ensure that all customers come under the standard Framework Direct Agreement which ensures fair and consistent treatment between customers.

Met Office

The Met Office previously did not have a formal pricing or copyright policy. It has now introduced a very detailed pricing policy for staff, and a public version which is available on the Met Office website. The policy explains how different types of information are licensed and how licensing fees are determined. It also explains what factors influence licensing and pricing decision making.

Environment Agency

The Environment Agency had a policy of bartering its information with other government departments. It was recommended that there be a strong justification for this practice of distinguishing between the public sector and the private sector as it is potentially unfair, and that if it could not be justified, it should cease.

Ordnance Survey of Northern Ireland

OSNI were advised to review the OSNI website from the point of view of a customer and to consider including more guidance about copyright and licensing. The website as it stood contained a lot of useful information but was not laid out very clearly.

Benefits of the Scheme

The Cross Cutting Review⁵ recommended that:

“Government trading funds which trade information should improve their pricing and dissemination policies.” (9.1a).

It also recommended that HMSO should promote:

“dialogue with the private sector; ensuring a level playing field; help to ensure departments comply with requests to release data; and that the quality of services are the same for private and public sector customers.”

⁵ http://www.hm-treasury.gov.uk/spending_review/spending_review_2000/associated_documents/

HMSO would need:

“the ability to require minimum standards of departments, including abiding by a Fair Trading Charter”, and

“a new complaints procedure which provides real and credible remedies where departments fail to adhere to their published service standards.”

The Review’s recommendations focused primarily on openness and fairness and the introduction of a method of redress. IFTS has been successful in encouraging members to be more open with their information, to treat all customers fairly and to be transparent about licensing policies and procedures. It has been found that most departments were already fairly open in allowing the re-use of their information. What was lacking was transparent guidance about what information is actually available for re-use. IFTS has encouraged members to publish more guidance on their website and leaflets. It has also encouraged them to widen their perception of the value of their information and to appreciate that although much of the information held by the organisation may not appear very useful or interesting, someone somewhere may have an idea of how it can be re-used.

It was found that fair pricing was more of an issue for many members. In particular there has been a practice of allowing free exchange of information between different public sector bodies which may be potentially unfair to the private sector. In other cases, licensing was on an ad hoc basis with no pricing policy to speak of. IFTS has required members to refine, or in some cases to draft and publish clear pricing policies and pricing schedules.

During this time, HMSO has built up a wealth of knowledge about the trading activities of members, both positive and negative. This has enabled it to share best practice between members and to form links between members in which they too can learn from each other. This has encouraged increased consistency of approach between these public sector organisations, something which is key to the current policy on the re-use of public sector information.

One area which has not been tested is that of handling complaints. HMSO has only had one complaint referred to it. There are several possible reasons for this including:

- lack of awareness and publicity;
- lack of credibility; or
- most complainants satisfied by the organisation themselves.

A new disputes resolution process will be introduced in the *Re-use of Public Sector Information Regulations 2005* which will most likely supersede the existing process. This will be more visible and will also have the backing of legislation.

Managing risks

The main risks of the Scheme are that:

- the Scheme lacks credibility;
- the Scheme is marginalized; and
- the recommendations are not put into place by organisations.

The Scheme lacks credibility

There is a perception that HMSO will accredit all candidate organisations. This is not the case. Three candidate organisations have not been accredited based on the initial verification. In these cases accreditation was held back while improvements were made.

This perception is probably due to a misunderstanding about the IFTS verification process. Organisations are not required to achieve 100% compliance in their verification. They are expected to fulfil key criteria and where there are gaps they are expected to remedy them. It is on this the basis of this that a decision is made whether to accredit an organisation. Where there are issues or some inappropriate practices, recommendations are made and organisations are expected to meet these recommendations within a certain time period. If they do not, then accreditation is withdrawn. As stated above, where there are significant issues then accreditation is withheld until they are resolved.

The Scheme is marginalised

There was a risk that IFTS would not be embraced and that it would be marginalised. However the Scheme has been accepted by most candidate organisations as a positive process. HMSO has sought to raise the profile of the Scheme by producing a booklet and by encouraging the use of the IFTS logo on member's stationery and publications.

HMSO has encouraged voluntary membership of the scheme and there are currently two accredited members which are non Crown bodies. The *Re-use of Public Sector Information Regulations 2005* will ensure that IFTS develops and expands as it becomes a model of best practice. A paper detailing the future of IFTS is attached at Annex C.

The recommendations are not put into place by organisations

The recommendations made in the verification report are one of the most important elements of the process. All IFTS members have had areas for development or practices which needed to be revised. Once accreditation is complete, members are expected to develop an action plan to implement

recommendations. HMSO has a programme of re-visiting members within six to nine months of the verification to ensure that progress is being made, and then as required after that. The length of time taken to implement recommendations varies and depends on their nature. HMSO would expect recommendations to be implemented within one year of the verification. Thus far this approach is working, although some of those organisations most recently verified have yet to meet with HMSO.

Lessons learned

Having taken into account feedback received, IFTS has evolved over the last two years. A review was carried out of the first four verifications in September 2003. This suggested some recommendations and the table in Appendix A shows what progress has been made in meeting these.

One highlight includes the IFTS booklet⁶ which was published in March 2004. The aim of this publication is to provide more information to IFTS members and potential members about what IFTS verification involves and the values behind the Scheme. The booklet has been well received and includes sections on IFTS principles and a practical interpretation of how they are implemented, the verification process, a good practice guide and documentation checklist.

HMSO recognises that all public sector organisations are different. Although the verification does normally follow a set process, it is sometimes necessary to adapt it to the circumstances of particular organisations. This is the case where licensing is a new activity for an organisation and they do not have much in the way of licensing files, or in situations where a paperless office policy is in place and it is not practical to access files. As will be seen in the following section, HMSO plans to continue to expand and develop IFTS.

Future of IFTS

Wider public sector

Since 2002, the focus of IFTS has shifted from concentrating on Crown copyright licensing within government trading funds, to the licensing of Crown and non-Crown copyright information throughout the wider public sector. The IFTS principles are not particular to Crown copyright organisations and can be applied to any public sector organisation. The purpose of IFTS is to ensure that re-users of public sector information, whether in the voluntary, professional or commercial sectors, can be confident that they will be treated reasonably, consistently and fairly by public sector information providers.

⁶ <http://www.hmso.gov.uk/copyright/standards/ifts-booklet.pdf>

HMSO's view is that extending the scope of IFTS involves the recognition that one size does not necessarily fit all. It is, therefore, important that IFTS should be sufficiently flexible to be applied to the differing information responsibilities of a range of public sector bodies.

The time commitment and cost of undertaking a full verification for all public sector bodies would be enormous and entirely disproportionate to the benefits for most public sector bodies. Given the optional nature of IFTS for non-Crown public sector bodies, it is unlikely that they would sign up to IFTS verification unless the scheme was sufficiently flexible to reflect its activities. IFTS will be optional for most public sector bodies. Therefore any public sector body that opts to join the Scheme may be presumed to be serious about meeting its commitments.

HMSO recommends that IFTS should be developed to provide for both full verification and self-assessment. The decision as to which model is appropriate for which public sector body will be the subject of agreement between HMSO's Standards Division and the public sector body concerned. Further details on the proposals for the future of IFTS can be found in Appendix C.

Most trading funds that are required to undergo full IFTS verification have now been through the process, as have some volunteers. HMSO is now planning the programme of re-verifications which will be based on an assessment of risk. Re-verification will take place at intervals of between one and three years depending on this assessment. Further details can be found in Appendix D.

Appendix A - Recommendations made in September 2003

A review was carried out of the first four verifications in September 2003. This suggested some recommendations and this table shows what progress has been made in meeting these.

Recommendation	Action
We develop and publish widely an Information Fair Trader good practice guide, bringing out the underlying concepts that should be transferable.	IFTS booklet published in March 2004 with sections on the IFTS process, principles and what HMSO are looking for on a verification.
We provide a checklist for Trading Funds showing all the types of information we would like to see and the types of activities we recommend they carry out before the site visit.	Checklist and other information about verification included in booklet.
The Trading Fund is invited to provide us with a short, written description of its business/pricing model as it relates to licensing and information trading.	Included in checklist.
We develop pre-visit briefings for all those likely to be involved, emphasising what we expect and need from the Trading Fund the types of people we are likely to be talking to.	This is now a standard part of the IFTS process.
The verification team leader and one or two other team members meet with the Trading Fund's Board.	The IFTS Manager and the Head of Standards meet with the Chief Executive and relevant board members either before or during the verification.
Both HMSO and the Trading Fund agree the scope of the exercise and are aware of what is involved.	Ensured by above activities.
We improve communications within the verification team when on site.	Smaller teams ensure better communication. Several team meetings/ catch up sessions are held each day when on site.
The team leader provides the Chief Executive with feedback on the Trading Fund's preparation for the visit as part of their briefing before the report is published	The team meet with the Chief Executive or the key contact at the end of the on site visit to discuss how the verification has gone.

<p>We offer the Trading Fund the opportunity to see the draft report before it is formally published so they can comment on any issues of fact.</p>	<p>This is now a standard part of the IFTS process.</p>
---	---

Appendix B - Costs

The consultation on the Regulatory Framework which led to IFTS suggested that the costs of the Regulation (now Standards) team would be £124,000 per year for three staff and related costs. However, only 1.5 staff plus additional resource from other teams as necessary, is devoted to IFTS. IFTS work not only includes the verifications but also includes provision of advice and consultancy, policy and planning, mediation, and raising awareness of public sector information policy.

The following table shows the actual budget and costs of IFTS and related work since it was first implemented:

	Budget	Actual	Variance
2002/2003 *	£131,733	£167,898	£36,165
2003/2004	£124,761	£133,212	£8,452
2004/2005 **	£93,913	£80,668	-£13,245
Total	£350,408	£381,778	£31,371

* Set up costs of £25,786 and verification costs of £142,112.

** Pro rata for 7 months

Notes:

- Costs consist of staff, consultancy, travel, publicity, hospitality and overheads.
- The decision was taken in 2002/03 to inject extra funding into contracting an external consultancy firm to help develop the Scheme. This was not reflected in the original budget. Staff turnover also led to increased consultancy costs in 2003/2004.

The average cost of a five day verification (excluding related IFTS work) is approximately £8,666.

Appendix C - The future development of IFTS

Background

1. In September 2004 a workshop was held by HMSO on the EU Directive on the Re-use of Public Sector Information. It was agreed at the workshop that HMSO would issue a paper that would explore how IFTS can be utilised as a tool to ensure compliance with the *Re-use of Public Sector Information Regulations 2005*. This appendix is an updated version of that paper. The aim is for IFTS to become a recognised benchmark to show that public sector bodies (PSBs) have attained certain standards relating to the re-use of their information. IFTS verification will also serve to demonstrate that a PSB is serious in meeting its obligations under the Regulations.
2. HMSO has legal and policy responsibility for the management of Crown copyright. Although most licensing of Crown copyright information is undertaken by HMSO, the Controller of HMSO has formally delegated authority to government trading funds and other Crown bodies to license the material that they originate. Departments that operate under a delegation are subject to verification under IFTS. Other bodies, such as the Environment Agency, have joined the Scheme on a voluntary basis.
3. HMSO does not have legal authority for the information created by non-Crown PSBs. Under the Regulations there will not be a legal requirement for PSBs to obtain IFTS accreditation. It follows that the decision as to whether to apply for IFTS accreditation will be optional for these PSBs. However, PSBs will be required to show commitment to the standards set out in the Regulations. Although it would be possible to do this in a number of ways, IFTS should be promoted as best practice in meeting requirements. IFTS would be marketed as the recognised benchmark to encourage these organisations to join.

Potential Verification Models

4. The focus of IFTS since it was introduced has been on verifying major information traders such as Ordnance Survey and the Met Office. Therefore, verification has involved site visits and detailed audits. This process represents a substantial investment in time and effort both for HMSO and the PSB involved. The scope of the Directive is very wide. It ranges from significant producers and traders of information including those mentioned earlier, to parish councils and doctors surgeries. HMSO has, therefore, developed two IFTS verification models that reflect this diversity. These are:

Model A – Full verification of the Chief Executive’s commitment to the principles of IFTS undertaken, largely on site, by an independent verifier. This is based on the current IFTS model and will be aimed at PSBs that are important information traders. It is also the most expensive of the models, costing something in the order of £6,000 per verification.

Model B – This model will be aimed at those PSBs that produce some information but whose licensing and trading activities are not significant. This would cover, for example, local government. It may also apply to Crown bodies that produce material that is licensed by HMSO.⁷ Under this model PSBs will undertake a verification of their licensing processes using an online assessment system managed by HMSO. Much of this system would provide automated results but HMSO staff would also review documents and other backup information provided by the organisation via the system. Where there were significant issues, HMSO would offer advisory services to the organisation.

The Way Forward

5. The general view of the participants at the workshop (see paragraph 1) was that all PSBs should be subject to a full verification based on Model A and that self-verification would do little to allay the concerns of re-users of public sector information. We therefore need to address these concerns.
6. Extending the scope of IFTS involves the recognition that one size does not necessarily fit all. It is important that IFTS should be flexible in order to reflect the different information responsibilities of the range of PSBs. Our thinking has been influenced by the following factors:
 - The time and cost of undertaking a full verification for all under Model A would be enormous and entirely disproportionate to the benefits for most public sector bodies. By the same token, Model B would not be appropriate in each case;
 - Given the optional nature of IFTS for those non-Crown PSBs, it is unlikely that a PSB would sign up to IFTS verification unless the scheme was sufficiently flexible to reflect its activities;
 - The fact that IFTS will be optional for most PSBs means that any PSB that opts to join the scheme, albeit under Model B, is serious about meeting its commitments under the Regulations.

⁷ The HMSO Licensing Division is itself IFTS accredited.

7. HMSO recommends that IFTS should be developed to provide the range of models described earlier in this paper. The decision as to which model is appropriate for each PSB will be the subject of agreement between HMSO's Standards Division and the PSB concerned.

Model A - Full verification

Audience

All major information traders.

Award

Full IFTS accreditation

The Scheme

This would be based on the current IFTS model. To be recognised as an Information Fair Trader, the Chief Executive of an organisation makes a commitment to five fair trader principles of openness, transparency, fairness, compliance and challenge.

Organisations undergo a verification exercise, which assesses whether the organisation complies with this commitment in practice. This consists of four elements:

- Interviews with staff;
- Licensing file reviews;
- Website audit; and
- Review of standard or generic licensing terms and conditions.

An established methodology underpins this verification exercise, details of which can be found in the IFTS booklet.⁸

A report is produced, showing the findings of the verification team and confirming whether accreditation has been successful. It recommends changes needed to improve compliance and HMSO works with the organisation to ensure that these recommendations are achieved.

If the organisation is not successfully accredited, HMSO will make recommendations as to what changes are needed in order to meet the necessary standards.

Re-verification takes place at intervals of between one and three years. The length of time between verifications is determined by a risk.

HMSO also has the ability to investigate complaints against an accredited Information Fair Trader referred to it by people who have exhausted the complaints procedure of the organisation.

⁸ <http://www.hmso.gov.uk/copyright/standards/ifts-booklet.pdf>

Could be administered by:

HMSO or accreditation body such as those that carry out Charter Mark assessments.

Costs

Based on current staff costs and overheads, the cost of IFTS verification carried out by HMSO is from £4,000 to £10,000, depending on the size and complexity of the licensing activity.

In addition to this, there is a cost to the organisation preparing for verification.

Currently HMSO meets the cost of verification for those organisations that are required to join, such as Trading Funds. Organisations who volunteer are required to meet some of the costs of verification.

Any expansion of the Scheme would require participating organisations to meet the cost of verification as HMSO does not have the resources to meet these costs. These costs would differ from those above if an external accreditation body were used.

Benefits

- Customers can be sure that the public sector body they are dealing with has reached a certain standard, consistent with other public bodies and has undergone a rigorous assessment.
- Public sector bodies can be confident that their practices and policies are in line with government policy.
- Public sector bodies can receive advice from HMSO on information policy, licensing and copyright matters.

Possible risks

- High costs involved.
- Currently there is a lack of resources to expand full IFTS to the whole public sector.

Model B - Online assessment

Audience

- Those PSBs that produce some information but whose licensing and trading activities are not significant.
- Those PSBs which do not produce or hold much public sector information and / or have a limited licensing responsibility. Aimed at smaller NDPBs, local authorities and central government departments with limited licensing responsibilities.

- Other PSBs (less likely to wish to join)

Award

IFTS Online assessed/ registered

The Scheme

This would be based on the desk audit model currently carried out by HMSO for certain departments with limited delegations. The desk audit consists of a questionnaire completed by the organisation which is reviewed (along with relevant supporting documentation) by HMSO. Online verification would be based on the existing IFTS principles of Openness, Fairness and Transparency. Public bodies would complete an online 'workbook' which would include questions about the following:

- existing information policy;
- information asset lists;
- charges and royalties;
- type of information licensed;
- licensing arrangements;
- attitude towards allowing re-use; and
- complaints procedures.

There could be some capacity to attach documents or links to the online 'workbook' as further backup. For example:

- standard licences;
- specific website pages which offer guidance on licensing; and
- policy documents.

Once these 'workbooks' were submitted, HMSO would review them, providing feedback and following up on any substantial concerns. As the information could be retained online, regular 'health checks' could take place without too much need for repetition.

The online system could also be tailored towards different organisations' activities. A parish council that opted to join would answer the bare minimum of questions with automated results and would probably not require any HMSO input. A larger body could answer a larger range of questions and provide backup documentation requiring feedback and assessment from HMSO

An online system could have a dual purpose by also being a source of guidance and advice on information re-use, licensing and copyright. The system could also be used as a health check prior to full verification.

Could be administered by:

HMSO or accreditation body such as those who carry out Charter Mark assessments.

Costs

Based on current staff costs and overheads, the cost of a desk audit carried out by HMSO is currently from £200 to £500, depending on the size and complexity of the licensing activity. There will be start up costs of developing an online verification system. Once established, the cost of reviewing self-assessments would be up to £250. There would be additional charges for attending on-site meetings and workshops to help the organisation prepare for self-assessment.

In addition to this, there is a cost to the organisation preparing for verification.

Currently HMSO meets the costs of the desk audit but any expansion may require the public sector body to meet the costs

Benefits

- Customers can be confident that the public sector body they are dealing with has reached a certain standard, although to a lesser level than full IFTS.
- Public sector bodies would be confident that their practices and policies are in line with government policy.
- Public sector bodies could receive advice from HMSO on licensing and copyright matters.
- Less resource intensive for HMSO and public sector body.

Possible risks

- High initial start up cost.
- Lack of public confidence in the model.
- Lack of authority or support

Example

This illustration gives an idea of what IFTS Online will look like. It will consist of a questionnaire requiring 'yes' or 'no' answers, together with the capacity for candidates to provide further documentation. There will also be help and definition sections.

IFTS Online

Openness

1.1 Do you have an online [Information Asset Register](#)?

Yes **No**

1.1a Please attach a link to your Information Asset Register:

Submit

? Information Asset Register
An Information Asset Register provides access to data about information resources held by public sector organisations, concentrating on unpublished resources. Central government has one called inforoute which enables users to identify, from one single source, the information held in a wide variety of government departments, agencies and other organisations. Inforoute is a key part of the Government's agenda for freeing up access to official information.

Appendix D - Risk Matrix to Determine IFTS Visiting Programme

It has been agreed that the verification process is not a one-off and that organisations need to be re-accredited and assured at regular intervals. A scientific basis to determine how often organisations are verified is needed. The following risk matrix sets out criteria that will be used to determine not only how often an organisation is verified, but to what extent.

All IFTS accredited organisations will be scored under this system.

No.	Criteria	Low Risk 1 Point	Medium Risk 5 Points	High Risk 10 points
1	Income from licensing activity	£0-£100K	£101K-£350K	£351K+
2	Complexity of licensing regime	straightforward	acceptable	complex
3	How critical is the information	Insignificant	Important	Critical
4	Number of high-priority recommendations	0-3	4-5	6+
5	Complaints received	0	1-2	3+
6	Number of licensees	0-10	11-30	31+
7	Commitment of CEO	Full commitment	Qualified commitment	No commitment
8	Percentage of recommendations implemented within time-scales	100%	75-99%	Less than 75%
9	Number of exceptions	0	1-3	4+
10	Number of legacy licences	0	1-10	11+
11	Number and scale of recent changes	No change	Some changes	Major change

To Calculate Risk Factor

The criteria 1-11 will be considered and organisations scored based on the following notes:

1. As shown in the last Annual Report or other appropriate records
2. Based on the view of the IFTS verification team
3. Although the actual income may be low, information may be key to the business and there are substantial risks in getting this wrong.

4. Recommendations are graded in the verification report
5. Complaints received by HMSO
6. Number of current licensees
7. This will take into account discussions with the CEO, not just the official statement
8. Taken from the Action Plan drawn up after the verification
9. Exceptions to normal policy
10. Number of licences subject to out of date terms and conditions (ie. Conditions which are not compatible with IFTS).
11. This will take into account changes such as a new Chief Executive, change in status of the organisation or a change in pricing policy.

At the end of this exercise each organisation will have a score. The score will determine how often the organisation is verified.

Low risk: 11-27 points. Organisation will be visited every three years. Review will focus on any changes.

Medium risk: 28-51 points. Organisations will be visited every two years. Review will focus on changes and key systems.

High risk: 52 points plus. Organisations will be visited annually. A full verification will be undertaken.