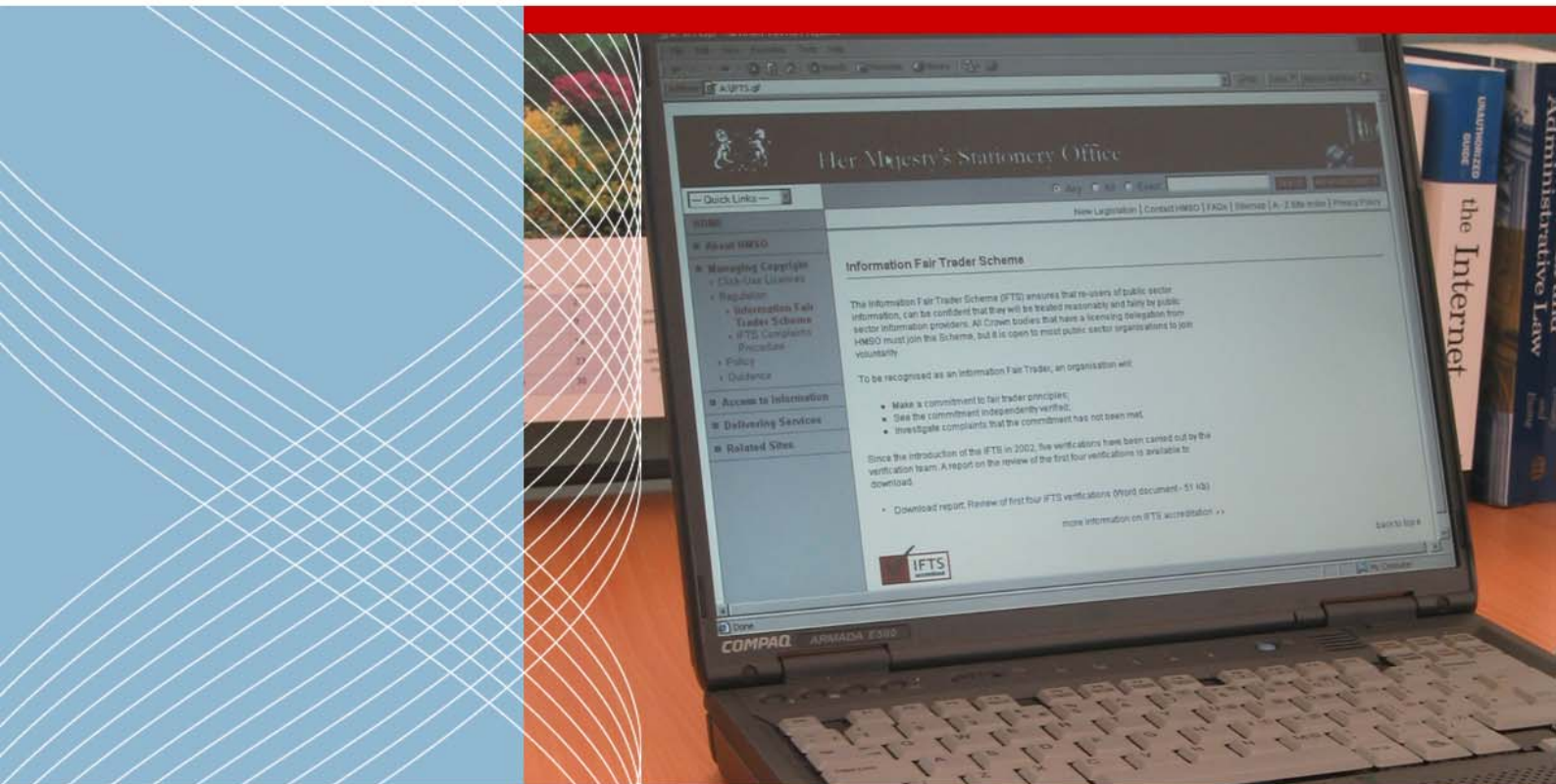


# Information Fair Trader Scheme



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## 1. Introduction

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The public sector is the largest producer of information in the United Kingdom, helping to underpin an information industry worth an estimated £18.37 billion in 2000<sup>+</sup>.

The information industry is finding new ways of utilising the diverse range of public sector information, by adding value and developing new commercial products and services, such as:

- Web portals bring together and offer postcode specific information about local council services, political representatives, maps, pollution levels, prosperity and schools.
- Days out are planned using online maps integrated with tourist and travel information.
- Local historians produce history booklets containing public records and historical maps.
- Weather data is fed into products for the aviation sector.

Public sector information is a valuable and underused resource. It can often be hard for potential re-users to know where to find the government information, how to obtain permission to **re-use** the information, and what it will cost, if anything.

The Cross Cutting Review of the Knowledge Economy, part of the Treasury Spending Review 2000, recommended that government **trading funds**, which trade information should improve their pricing and dissemination policies. The government is committed to improving access to government information, thereby stimulating those areas of the information industry which re-use public sector information. Her Majesty's Stationery Office (HMSO) was charged with implementing this policy, and does so through the Information Fair Trader Scheme. This forms part of a core Cabinet Office objective, to "ensure good governance....by promoting standards."

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<sup>+</sup> Source: Publishing in the Knowledge Economy: Competitiveness analysis of the UK publishing media sector by Pira International on behalf of the Department for Trade and Industry and the UK Publishing Media, 2002.

## 2. The Information Fair Trader Scheme

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Her Majesty's Stationery Office (HMSO) is part of the Cabinet Office. It delivers a wide range of services to the public, the information industry and government relating to the re-use of government information.

Information produced by Crown bodies is protected by **Crown copyright**, which is vested in the Controller of HMSO. When somebody wishes to re-use this information, they are usually required to apply for a **licence**. Most government departments charge for the supply of this information at marginal cost and HMSO handles the licensing process on behalf of these Departments.

However, some Government departments are trading funds. These departments have significant commercial functions that finance their operations. Given the commercial nature of trading funds, they are permitted to establish their own pricing policies in accordance with Treasury charging policy and are responsible for licensing the re-use of the material that they originate under delegations of authority granted by the Controller of HMSO.

HMSO regulates these trading funds to ensure that they trade in an open, transparent and fair manner and that government policy on the re-use of Crown copyright is implemented. The Information Fair Trader Scheme (IFTS) is the means by which this is done and all those trading funds that have a delegation to license Crown Copyright information, must gain **accreditation** to the Scheme.

Other public sector bodies may also join the IFTS on a voluntary basis. Although these bodies do not produce Crown copyright material, the principles of IFTS can still be applied to their information trading activities.

There are three elements to IFTS:

**Commitment:** Chief Executives make a commitment to Information Fair Trader principles

**Verification:** Organisations undergo a verification process to ensure this commitment can be met

**Challenge:** The Organisation investigates complaints that the commitment has not been met

These elements are explained in the following sections.

## 3. Commitment

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On joining the scheme, the Chief Executive (or equivalent) of the organisation will make a personal commitment to the following five Fair Trader principles. The Controller of HMSO has made her own commitment which can be seen on the next page.

### Openness

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- In principle, the Chief Executive expects that all information created by the organisation will be licensed for any legitimate re-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

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- Applying for a licence should be as simple as possible. Pricing, the considerations influencing pricing 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 which should be consistent with public statements and Information Fair Trader principles.

### Fairness

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- 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

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- 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 internal processes are actually followed in practice.

### Challenge

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- The organisation has a complaints process empowered to reconsider apparently incorrect licensing decisions.
- HMSO can investigate the organisation's licensing decisions, if a complaint is received and internal processes have been exhausted.

## **Information Fair Trader Commitment by the Controller of HMSO**

The Controller of HMSO has made her own Information Fair Trader commitment. All organisations making a commitment to Information Fair Trading will make a similar commitment.

I am personally committed to making sure that we trade fairly in information. To show the strength of my commitment, both in HMSO and to our customers, I have asked independent consultants to verify that the organisation and decision making of HMSO support this commitment in practice.

I will insist that we strictly follow an open and transparent system of trading that meets the terms of the Competition Act 1998. My aim is that, in principle, we can meet all the needs of anyone who applies for a licence to re-use information for any purpose. We will publish any exceptions on our website and strictly follow them.

We set prices, and methods for setting prices (such as royalty schemes), in line with the role of information trading within central Government. We publish them on our website and strictly follow them. Any exceptions are described in full on the website and are available to anyone who qualifies for them.

I am committed to reducing as far as possible the administrative burden on people who re-use public sector information. I will make sure that we use processes for trading information that set quality standards for the rest of the public sector.

I will thoroughly investigate any complaints I receive that HMSO has broken this commitment. I will publish the complaints and the results of my investigations on our website. I will report complaints regularly to the Advisory Panel on Crown Copyright.

**CAROL TULLO**  
**Controller HMSO**  
**Queen's Printer for Scotland**

## 4. Verification

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Verification takes place once the commitment to Information Fair Trading has been made.

### ***Why do we carry out a verification exercise?***

The Chief Executive's Information Fair Trader commitment underpins the delegation of authority that the Controller of HMSO issues to the department. HMSO must satisfy itself that departments have the administrative processes in place to support their Information Fair Trader commitment in principle, and in practice.

### ***What does verification involve?***

A couple of pre-verification meetings will take place between the verification team and the organisation, at which the process will be discussed in more detail and any questions answered. The organisation will be asked to provide documentation (such as business plans, policy documents) in support of the Chief Executive's Fair Trader commitment.

The verification team visit the organisation and carry out verification exercises onsite to satisfy itself that the organisation can meet its commitment. This will generally include:

- interviews with staff; and,
- a review of case files.

We also carry out offsite activities, namely;

- a review of the organisation's website; and,
- a review of licence terms and conditions.

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. For more information about what the team are looking for, see Section 6, 'IFTS Principles'.

### ***Who does verification involve?***

The verification team is made up of members of HMSO. Typically, the Team will wish to meet members of the organisation who deal with information, copyright and pricing policy, customer services, licensing, and websites.

### ***How long will the verification visit take?***

The length of the visit will depend on several factors, including how significant licensing is to the organisation, how prepared the organisation is for the visit, and the level and complexity of procedures already in place. It is unlikely to last less than two days, or more than ten.

### ***How much will it cost?***

If you are required to join the IFTS then the costs of verification will be met by HMSO. If you are a public sector organisation wishing to join voluntarily, then you may be required to meet some costs. This would be discussed prior to the verification.

## 5. Challenge

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Information Fair Traders must have effective complaints procedures, which can deal with customer complaints and dissatisfaction about licensing practice and decisions.

However, even the best complaints processes do not always satisfy customers. If a customer believes that he or she has not had open, transparent or fair treatment from an Information Fair Trader, they can ask HMSO to investigate the complaint with reference to IFTS principles.

HMSO will investigate the complaint in an independent and impartial manner and will advise the Controller of HMSO of its findings. If it is found that the organisation has not met its commitment, HMSO will suggest a remedy or act as mediator to resolve the issue. HMSO can not order a financial remedy, though it may suggest this as a recommendation if appropriate. In the interests of openness and transparency, we will also publish summaries of our investigations on our website.

## 6. IFTS Principles

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When the verification team visits your organisation, it needs to be satisfied that internal processes and policies support the Information Fair Trader commitment. The team will be looking to see how your organisation meets certain criteria. Your organisation does not need to meet every value and it is highly unlikely that it will. Rather, the team will look at the bigger picture and decide whether overall your organisation can meet its IFTS commitment. What follows are some questions which will help your organisation focus and prepare for the verification and maintain the commitment once verified.

### *Openness*

In principle, the Chief Executive expects that all information created by the organisation will be licensed for any re-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.

Business Area	IFTS values
Access	Is your organisation committed to ensuring that the maximum amount of information is made available that can be? Is this publicised, and do you explain the reason when some information is not available for re-use?
Service Offering	Do your Terms and Conditions encourage customers to re-use the information your organisation produces?
Internal Processes	Is an individual or a department responsible for the commitment to making information available?

## Transparency

Applying for a licence should be as simple as possible. Pricing, the considerations influencing pricing 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 which should be consistent with public statements and Information Fair Trader principles.

Business Area	IFTS values
Service Offering	<p>Do you have a policy on the re-use and licensing of information and is this publicised?</p> <p>Do you publish a price list, a pricing policy and Terms and Conditions?</p> <p>Are prices in accordance with HM Treasury guidance?</p> <p>Do you distinguish between 'licensing' and 'selling' of information?</p>
Access	<p>Do you provide clear information on how users should apply for a licence and the obligations of each party?</p> <p>Does your organisation have a clear and accessible <b>Information Asset Register</b> and a <b>Publication Scheme</b>?</p> <p>Do you explain why it is important that you license information?</p>
Internal Processes	<p>Is an individual or a department responsible for the commitment to ensure that website information about licensing is up to date?</p> <p>Is there a clear policy on cost allocation?</p> <p>Is it clear how the procedures of your organisation and HMSO mesh together?</p> <p>Is it clear to applicants how to make a complaint?</p>
Standards	<p>Does your organisation publish service standards on its website and elsewhere?</p>
Strategic Management	<p>Is someone senior responsible for ensuring that standards are transparent?</p>

## **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.

<b>Business Area</b>	<b>IFTS values</b>
Service Offering	Are internal users charged fairly in comparison with external licensees? Are users of the same material for the same purposes treated in the same way? Do you have standards terms and conditions? Do prices reflect the nature/ market value of material?
Access	Do you have a statement on the standards of fairness that your organisation strives to achieve when handling licensing?
Internal Processes	Do you make exceptions to standard terms and conditions for certain users? If so, upon what bases are exceptions made? Do you consult with HMSO where you wish to make a new exception?

## 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.

Business Area	IFTS values
Service Offering	Does your business plan provide a statement on the role of licensing in the organisation? Is the application of non-standard terms and conditions reviewed at a senior level? Do you comply with the terms of your delegation?
Access	Are there regular reviews of what information is not available and why it is not available?
Internal Processes	Do personal objectives of employees involved in licensing include reference to fairness, openness and transparency? Are there clear accountabilities for dealing with compliance? Are exceptions reviewed by senior staff?
External Constraints	Is the role of HMSO understood? Is there a procedure for compliance with the <b>Competition Act</b> ? Is the public sector legislative framework clear to all employees?
Strategic Management	Are explicit objectives established in the business plan for key items related to the commitment such as improving access to information? Does compliance with IFTS retain importance when compared to other strategic objectives?
Standards	Is performance on service standards monitored and acted on?

### **Challenge**

The organisation has a complaints process empowered to reconsider apparently incorrect licensing decisions.

HMSO can investigate the organisation's licensing decisions, if a complaint is received and internal processes have been exhausted.

<b>Business Area</b>	<b>IFTS values</b>
Strategic Management	Do you have performance targets for dealing with complaints?
Access	Is there guidance for actual or potential licensees who wish to make a complaint?
Internal Processes	Are there clear procedures and accountabilities for dealing with complaints?

## 7. Good Practice

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This guide gives examples of good practice, which HMSO has seen within the government organisations verified under IFTS.

### **Fairness**

#### **Setting up a Working Group to review how the organisation deals with licensing requests from potential re-users of information**

A working group composed of Senior Management, Intellectual Property representatives and legal representatives develops and reviews the organisation's policy on providing information to third parties for re-use. It examines proposals about changing licensing Terms and Conditions, and aims to reduce the inconsistencies which have grown up over the years. It also ensures that pricing decisions are fair between different groups of users.

Establishing a working group, especially with top level involvement, is a good idea because it stops the organisation becoming complacent and slipping into bad habits once verified by HMSO. It is a useful way of ensuring consistency of policy and practice and avoiding the use of discretion, which can lead to unfairness.

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### **Transparency**

#### **Promoting the re-use of information and licensing on the organisation website**

Copyright and licensing is a prominent feature on one agency's website. The website has a direct link to a brochure with information about free copyright licences, which is clearly explained and laid out. It includes information about the criteria to be met in order to obtain a free or standard copyright licence, how to apply for the licence, applicable terms and conditions, and fees.

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### **Openness/ Transparency**

#### **Keeping customers informed**

One department gets many requests for information it is currently unable to provide

because of Data Protection concerns. However, the organisation takes the time in its contact with customers, to explain this in detail to applicants and also explains what, as an organisation, it is doing to improve the situation.

If there is a reason an organisation is unable to provide certain information for re-use then it is good practice to explain this to your customers, on the website and when they enquire.

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### **Compliance**

#### **Learning from Others**

Some organisations do not have very developed information trading activity, and therefore they do not always have established policy and practices in place. One organisation has recognised that it can learn from the experiences of others and actively consults other government departments in an effort to learn about their information trading practices. This is a good idea because no organisation is perfect and all are unique. While one organisation's solution may not work for all, it can help influence better policy and practice.

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### **Openness**

#### **Actively encouraging the re-use of information in new ways**

One agency has a very developed licensing business. However, it recognises that some business sectors are under-represented amongst its data re-users and as such has made it clear on its website that it particularly encourages applications from these markets. It is demonstrating that it is committed to promoting the wide and diverse re-use of its information.

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Please also see the Glossary

### ***What is delegated authority?***

It covers those circumstances where the Controller of HMSO has authorised a government department or agency to license the re-use of Crown copyright material on the Controller's behalf. This takes place where there are sound policy or practical benefits in doing so. All government trading funds have been offered delegations.

### ***Why do we need IFTS if we already comply with the Freedom of Information Act?***

The Freedom of Information Act is concerned with a citizen's right to information. It does not include permission for individuals, public or private entities to re-use that information.

### ***Why are most Government departments not members of IFTS?***

Most Government departments produce information, which is licensed at marginal cost or for free, and licensing is not a significant part of their work. HMSO is therefore responsible for most of the licensing process for these departments. Trading funds are the main exception.

### ***Must all trading funds join the scheme?***

All trading funds that wish to undertake a licensing responsibility under a delegation of authority must join the Scheme by 31 March 2005.

### ***We are not a trading fund – can we join?***

HMSO is charged with extending the Scheme to other public sector bodies, so if you are interested in becoming IFTS accredited, please contact us.

### ***What if the processes in place do not support a fair trader commitment?***

The Controller of HMSO may delay accreditation until adequate administrative processes are in place to support the IFT commitment. Alternatively, if the organisation is a Crown body, the Controller may revoke the delegation and responsibility for licensing will revert to HMSO.

### ***What are the advantages of IFTS accreditation for an organisation?***

IFTS accreditation provides external validation of an organisation's information trading activity. It reassures organisations that their processes and policies are compliant and consistent with government policy on information trading and that they meet the needs of existing or potential customers.

### **Accreditation**

Recognition by the Controller of HMSO that an organisation has undergone IFTS verification and is meeting its Chief Executive's IFT commitment.

### **Competition Act**

The Competition Act 1998 is designed to ensure that business undertakings compete on a level playing field by prohibiting anti-competitive behaviour. The Office of Fair Trading can investigate alleged breaches of the Act.

### **Challenge**

Widely interpreted to mean any formal or informal expression of dissatisfaction, complaint or feedback.

### **Crown copyright**

Copyright material that is produced by employees of the Crown in the course of their duties. Therefore, most material originated by ministers and civil servants is protected by Crown copyright. It also covers works where the copyright has been assigned by the original owner to the Crown. This often occurs in the context of works commissioned by departments.

### **Exception**

A deviation from the normal practice, eg. a refusal to license certain categories of information, a refusal to license a particular party, a licence with an exclusive element, a variation of standard terms and conditions.

### **Her Majesty's Stationery Office**

Her Majesty's Stationery Office (HMSO) is headed by the Controller and operates as part of the Cabinet Office. HMSO delivers a wide range of services to the public, information industry and government relating to access and re-use of government information. In Scotland the Office of the Queen's Printer for Scotland (OQPS) provides the same service.

### **Information Asset Register (IAR)**

The IAR lists information resources held by the UK Government, concentrating on unpublished resources. Each department

has their own IAR, which is linked to a central portal, *inforoute*. In doing so it enables users to identify, through *inforoute*, the information held in a wide variety of government departments, agencies and other organisations.

### **Licence**

If a person wishes to re-use or reproduce copyright information, they must obtain permission from the owner of the copyright. Permission is usually granted in the form of a licence.

### **Publication Scheme**

The Freedom of Information Act 2000/ Freedom of Information (Scotland) Act 2002, gives a general right of access to information held by public authorities subject to certain exemptions. This right of access will be brought into force for all public authorities in January 2005. Under the Acts all public authorities are required to produce a Publication Scheme.

### **Use**

The handling of information in a way that it was intended. It does not include copying, adapting, developing, and commercially exploiting.

### **Re-use**

The handling of information in a way that it was not originally intended for. It does include copying, adapting, developing, adding value, broadcasting, commercially exploiting.

### **Trading fund**

Part of government which has been established as a trading fund by means of a Trading Fund Order under the Government Trading Fund Act 1973. Typically, trading funds operate in very specialised fields and rely on their ability to derive income from their activities in order to cover their costs.

### **Verification**

The process whereby HMSO satisfies itself that an organisation is an Information Fair Trader.

## 10. Pre-verification Document Checklist

The purpose of the verification is to examine the commitment to Information Fair Trading given by the Chief Executive of the organisation. It is therefore for the Chief Executive to provide such information as he or she considers necessary to provide support for that commitment. We would normally expect to see some or all of the following, although of course further information can be given.

		✓
•	A brief written summary of the business and of its licensing activity	<input type="checkbox"/>
•	Current version of the Commitment to Information Fair Trading given by the Chief Executive	<input type="checkbox"/>
•	Supporting papers for that commitment, such as:	
	- Analysis papers	<input type="checkbox"/>
	- Impact assessments	<input type="checkbox"/>
	- Board briefing and review papers	<input type="checkbox"/>
•	Delegation by the Controller of HMSO to the Chief Executive (if trading fund)	<input type="checkbox"/>
•	Policy statements and internal guidance on:	
	- Information Fair Trading	<input type="checkbox"/>
	- Licensing for copyright material	<input type="checkbox"/>
	- Dealing with Intellectual Property infringement	<input type="checkbox"/>
	- Service Standards	<input type="checkbox"/>
	- Complaints handling	<input type="checkbox"/>
	- Competition Act 1998	<input type="checkbox"/>
•	Organisation structure showing:	
	- Where licensing responsibilities lie	<input type="checkbox"/>
	- Detailed structure for licensing department	<input type="checkbox"/>
	- Delegated responsibilities for staff in relation to licensing	<input type="checkbox"/>
•	Published guidance on copyright, licensing and royalties for applicants and licensees	<input type="checkbox"/>

- Summary of offered licence types
- Standard terms and conditions for use of information
- Supporting papers for pricing including:
  - Policy statements
  - Pricing Schedule
  - Supporting schedules of calculations
  - Income from licensing
- Business Objectives, especially with regard to licensing
  - Business Plan
  - Monthly management reports
  - Framework Document
- Annual Report and Accounts for most recent financial year
- List of Licensing Case Files and corresponding work allocation

## 11. Style Guide

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### *IFTS accredited logos*

Once an organisation is accredited to Information Fair Trader Scheme it is are entitled to use the IFTS logo on letterheads, websites and literature. We will offer guidance on the use of the logo and electronic versions.

The colour / black and white IFTS accredited logos for header/footer use are:



## 12. Contacts

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For further information about the Information Fair Trader Scheme contact us:

Her Majesty's Stationery Office  
Admiralty Arch  
North Side  
The Mall  
London  
SW1A 2WH

Phone: 020 7276 5217

Fax: 020 7276 5207

e-mail: [hmsostandards@cabinet-office.x.gsi.gov.uk](mailto:hmsostandards@cabinet-office.x.gsi.gov.uk)

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