

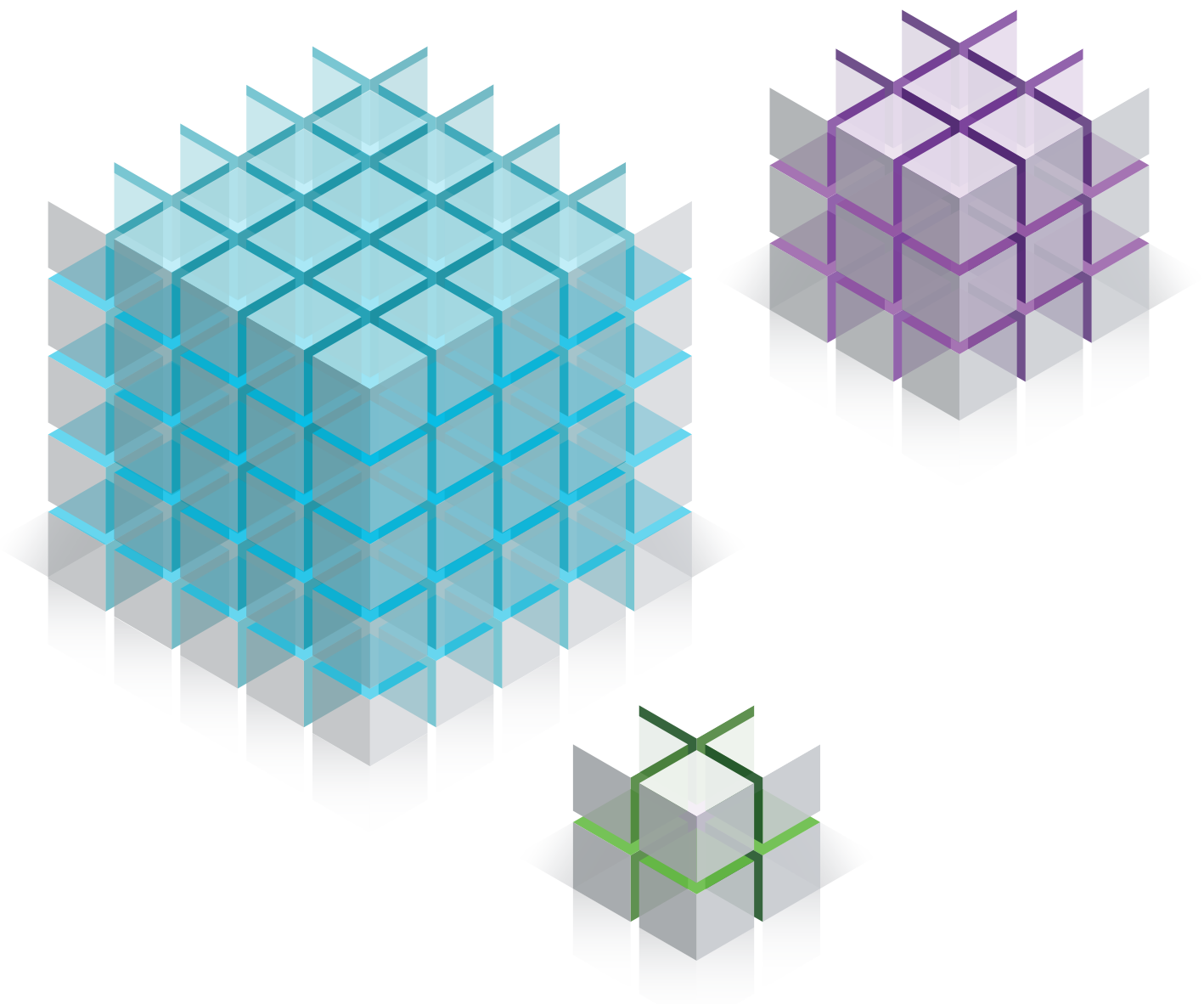


PUBLIC CHAIRS'
FORUM

INSTITUTE
FOR
GOVERNMENT

TRANSPARENCY IN ARMS LENGTH BODIES

A GUIDE TO BEST PRACTICE



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Introduction

The Public Chairs' Forum and the Institute for Government are pleased to publish this joint guide to best practice transparency in Arm's Length Bodies (ALBs).

The guide builds on recent developments: the Institute for Government's report 'Read Before Burning' which recommended ALBs to publish information on their status and operations in a standardised format online, in turn improving the transparency of their organisations; the Public Chairs' Forum's desire for ALBs to be at the cutting edge of transparency best practice; and the Government's ambitious transparency agenda, with a commitment to extend transparency to "every area of public life".¹ This guide also builds on the [Information Commissioner's Office \(ICO\) detailed guidance](#) on the type of information that it expects non-departmental public bodies (NDPBs) to provide in order to meet their [Freedom of Information commitments](#) and the [Cabinet Office Principles of Good Corporate Governance in Executive NDPBs](#), released in June 2011 which makes an 'explicit commitment to openness in all activities'.

Transparency

We have used as a starting point Transparency International's definition of transparency:

“ *A principle that allows those affected... to know not only the basic facts and figures but also the mechanisms and processes. It is the duty of civil servants, managers and trustees to act visibly, predictably and understandably.*”²

This means looking not just at facts and figures and required the release of datasets but also wider issues of what the ALB is there for; how it is governed; how it makes decisions; how well it performs and how to access or complain about its activities. These are the issues that lie at the heart of what we might call "useful" transparency for citizens and are important for improving public confidence in ALBs. This approach was endorsed by people we interviewed and who attended our workshop.³ It also accords with what people are looking for from ALBs⁴ – where our analysis showed that most people are looking for information about ALB services and functions.

¹ Programme for Government (available [here](#))

² Transparency International FAQs What is transparency? http://www.transparency.org/news_room/faq/corruption_faq#faqcorr2

³ We interviewed 25 people in ALBs, consumer groups and government departments; looked at Guidelines in Scotland, Wales and Canada and developed the guide in a workshop involving people in these groups.

⁴ During a three month period, one public body reported almost 13,000 page views on its 'About us' page, whereas its organogram had 143 page views, the senior staff salary spreadsheet had 30 page views and the data sets on spending above £500 did not have any views.

Principles

The guide is based on five principles: information should be:

- **readily accessible and useable**
Information needs to be accessible and in a format that is easy to understand and work with. Information must be well signposted and easy to find.
- **relevant to the needs of different audiences**
ALBs should know their audiences and reflect this in the information they provide. [The Electoral Commission](#) breaks down information according to customer type, e.g. electoral administrators, candidates and campaigners, police officers, journalists, voters.
- **timely**
The general principle should be to make information available as soon as possible after production – so data for instance could be made available quarterly – rather than simply through annual reports which can be up to 18 months out of date.
- **put in context and explained**
Information without context is at best unhelpful and at worst can be misleading.. This means including trends, benchmarks, and giving the reasons behind information.
- **proportionate**
This guide is principally directed at public bodies performing significant public functions with their own staff and budgets. All public bodies are bound by the Information Commissioner's publication scheme, but small advisory bodies, will need to consider which parts of the guide are most relevant to their audiences.⁵ Key information for advisory committees, which should appear on Department websites, is the basis on which members are appointed; any restrictions on their activity as a result of their appointment and how the department deals with their advice.

None of this should create new data requirements. ALBs should have this information already available, and should be candid in the disclosure and interpretation of that information. There should be a presumption in favour of routine disclosure of the sorts of information that the Board sees and uses, subject to commercial and security concerns.

Structure

Useability would be improved by adopting a more standard approach to enable people to find information more easily. We propose organising information around four key themes:

- **customers and citizens**
- **performance**
- **governance and**
- **data**

⁵ The Cabinet Office plans to develop a similar set of corporate governance principles for advisory NDPBs

The latter reflects the government's emphasis on improving access to the data the public sector holds. data.gov.uk is Government's central repository of links to data that have been published.

To improve accessibility and visibility of information, we recommend that websites should be structured in a way that is clear and easy to navigate around. Core measures should be no more than a couple of clicks away, with clear signposts to them. We suggest that a standardised "About Us" page around these four themes would help people find their way easily to the information they need.

Additional measures

ALBs who are responsible for very significant amounts of public spending – either on their own operations or in administering grants to third parties – or who perform an important regulatory or watchdog function (the group classified as "independent public interest bodies" in Read Before Burning), there is a strong case for going beyond the basics of information openness and transparency. We have included additional possible transparency measures based on existing practice in the UK or abroad which these bodies should consider as further ways of increasing public confidence and legitimacy. We have used a colour code to distinguish additional measures from core measures – see the guide for a key.

Future development

The guide we have developed is intended to be a living document. It can be updated as further examples of best practice emerge and as information requirements change. The guide is intended to open up ALBs to better public understanding and scrutiny and make them leaders in the public sector in making transparency work for citizens. Please contact [Amy Noonan](#) with any examples of best practice that are not yet included in this guide.

Next steps

We believe greater transparency about what ALBs do and how they do it will help improve their effectiveness and accountability. That is why the Public Chairs' Forum is so keen to support Chairs as they look to increase transparency in their public bodies. We are keen to encourage members of the Public Chairs' Forum to take the lead in following the recommendations in the guide. And whilst neither the Public Chairs' Forum nor the Institute for Government can mandate what bodies do, the public will be better served if core information is provided in as standard form as possible, allowing comparisons to be made between similar organisations. We see an important role for ALB Boards in making sure this happens.



Lord Adonis, Director
Institute for Government



Christopher N. Banks CBE, Chair
Public Chairs' Forum

Transparency in Arms Length Bodies

- A guide to best practice

This section contains the transparency guide itself, beginning with a suggested template for an 'about us' page for ALB websites.

About us

- **Our role and responsibilities** (a description of the purpose of the organisation and what it is mandated to deliver)
- **Our organisation** (an overview of how the body is structured, pay and grading structures, the names, biographies and responsibilities of senior staff members and a link to an organogram)
- **Where to find us and how to get in touch** (contact details for the body including postal and e-mail addresses and telephone and fax numbers. The physical location of any office that is open to the public should be provided).
- **How to find out more...**

Customers and citizens

the services we offer, how to get involved and how to give feedback

Performance

how we are doing

Governance

how we are run and make decisions

Data

the data we hold

To see a live version of this 'about us' page, visit the **Public Chairs' Forum website** 

Customers and citizens

Item	Rationale
Our roles and responsibilities to stakeholders	<p>In line with guidance from the Information Commissioner’s Office, ALBs should clearly outline their roles and responsibilities toward, and the services they might offer to, different stakeholder groups. This might include the private sector, general public, the media and other public sector organisations.</p>
The standards you can expect	<p>Interviews with consumer groups during the course of our research revealed that the publication of customer service standards by ALBs was a critical element of “useful” transparency for users.</p> <p>These standards should be listed prominently on ALB websites and include timelines for processing applications, handling complaints and answering correspondence. Where possible there should be a link to performance data that indicates whether the body is meeting these standards.</p>
How we set our charges	<p>Any charges for services provided by an ALB should be accompanied by an explanation of how these fees are set and data on how these fees have changed over time.</p>
How to get in touch with us and how we will get in touch with you <ul style="list-style-type: none"> • How to complain • How to provide us with feedback 	<p>Our interviews revealed that stakeholders often evaluated ALB effectiveness according to the body’s communications strategy. ALBs should set out a clear complaints procedure: how to submit complaints and how they will be dealt with.</p> <p>ALBs should also seek to capture general feedback. Consumers should be made aware of the channels through which they can provide feedback - such as surveys, web forms or social media - and how any response will be given.</p>
How to get involved	<p>ALBs should consider clearly outlining the different ways that citizens can actively engage with them.</p> <p>Good practice: The United States Federal Energy Regulatory Commission lists all the ways in which citizens can interact with the organisation on a single webpage.</p>

core measures

optional measures

(ICO) Information Commissioner’s Office Publication Scheme Guidance

(CO) Cabinet Office’s Code of Good Governance

Performance

Item	Rationale
<p>What our priorities are</p>	<p>ALBs should set out their strategic objectives, enabling stakeholders to put any performance information into context.</p>
<p>Financial information</p> <ul style="list-style-type: none"> • Revenue (grant-in-aid, other income) • Spending (government grants, operations, capital) 	<p>The Government transparency agenda is indelibly associated with financial transparency in the public mind. It is important that ALBs are seen to comply with this requirement.</p> <p>ALBs should publish detailed information relating to revenues and spending for the past 3 years as well as forward projections (ICO).</p> <p>ALBS should also publish a list of contracts, financial statements for projects and events and procurement and tendering procedures.</p> <p>Financial audit reports should also be published online (ICO).</p>
<p>Key performance data</p>	<p>ALBs should publish timely data (precise frequency will depend on the organisation and the data, but where possible this should be quarterly). Performance information should be carefully selected and include targets set by sponsor departments and, if available, customer satisfaction surveys. Findings of triennial reviews should also be published (CO).</p> <p>Data should be published on activity and spend for all major areas of responsibility, including finance and performance breakdowns.</p> <p>To ensure this information is both accessible and useful, ALBS should:</p> <ul style="list-style-type: none"> • provide data going back at least three years to allow trend analysis, • provide an explanation of the choice of metric and appropriate benchmarks and other contextual information e.g. targets, • provide information in a spreadsheet format
<p>How to get in touch with us and how we will get in touch with you</p> <ul style="list-style-type: none"> • How to complain • How to provide us with feedback 	<p>Our interviews revealed that stakeholders often evaluated ALB effectiveness according to the body's communications strategy. ALBs should set out a clear complaints procedure: how to submit complaints and how they will be dealt with.</p> <p>ALBs should also seek to capture general feedback. Consumers should be made aware of the channels through which they can provide feedback - such as surveys, web forms or social media - and how any response will be given.</p>

Performance

<p>Annual reports for the past three years</p>	<p>In line with Cabinet Office guidance, ALBs should publish easy to understand annual reports that include information ‘on the effectiveness of the body’s systems of internal control’ (CO).</p> <p>To this we would add a further requirement that ALBs provide online access to reports for at least the past three years. Our interviews revealed the importance stakeholders attached to being able to check and make comparisons across successive annual reports.</p> <p>Annual reports should be published in different technical formats - e.g. PDF and html – which helps make them more useful for cutting, pasting and searching. Some bodies may also want to consider ‘easy read’ versions for people with learning difficulties (especially appropriate for health and social services and some others as well).</p>
<p>Risk registers</p>	<p>ALBs are required to have robust risk management systems (CO). Where risk registers can be made public, they should be published online to demonstrate compliance and help contextualise decision-making and performance information, redacted as necessary.</p>

- core measures
- optional measures
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Governance

Item	Rationale
<p>Status of body and accountability arrangements</p>	<p>Arm's Length Bodies have a wide range of forms, which do not necessarily correspond with the functions they perform. Listing their formal status is a starting point for understanding how independent they are of government and how they operate.</p> <p>Arm's Length Bodies need to demonstrate their accountability. In order to do this, they should outline their accountability arrangements, their relationship to Parliament, their sponsoring department(s) as well as the responsible minister and senior sponsor official within the department (if applicable).</p>
<p>Basis for operations</p> <ul style="list-style-type: none"> • Foundational and supplementary legislation • Framework document and memorandum of understanding (if any) • How we are funded • Partner organisations 	<p>It is often unclear what relationship different ALBs have with government, including whether they are publically funded, the level of ministerial oversight they are subject to, and the legislative basis of their authority. As a result, ALBS should:</p> <ul style="list-style-type: none"> • identify the legislation that is relevant to their functions (ICO), • publish their framework documents (CO) and memorandum of understanding (if any) • identify their sources of funding • identify those organisations with which they work closely e.g. those which they have regular contact with, those who they have contracts with. (ICO)
<p>Appointments process</p> <ul style="list-style-type: none"> • Current vacancies • Recruitment policy 	<p>Opaque recruitment practices can prevent Arm's Length Bodies attracting high calibre recruits and foster an image of exclusion.</p> <p>ALBs should have a section of their website dedicated to current vacancies. They should also provide a statement or policy document outlining their recruitment procedures.</p> <p>Good practice: Arts Council England</p>
<p>Board composition</p> <ul style="list-style-type: none"> • Board members • Appointment dates • Biographies • Responsibilities • Terms and conditions • Register of interests 	<p>In order to demonstrate the effectiveness of non-executive boards and their ability to challenge, each ALB should publish the names of board members (CO, ICO), their dates of appointment, their biographies, any specific responsibilities (ICO), their terms and conditions (ICO) and a register of interests (CO).</p>

Governance

<p>Board operations</p> <ul style="list-style-type: none"> • Attendance • Meeting agendas and minutes 	<p>Publishing the attendance record of board members encourages transparency over which members are actively contributing to decision-making and meeting the conditions of their appointment. As stated in the Cabinet Office's Corporate Governance Code, ALBs are encouraged to publish an 'accompanying narrative' where appropriate.</p> <p>ALBs should also publish the agenda and minutes of meetings (CO), redacted as necessary but with a presumption of openness.</p> <p>Good practice: Food Standards Agency</p>
<p>Policies and procedures</p>	<p>ALBs should outline their policies and procedures on board openness, public engagement and data availability. Where activities need to be restricted - for reasons such as market confidentiality or data protection - this should be clearly indicated. ALBs should also publish internal financial regulations (ICO).</p>
<p>How we make decisions that affect you</p>	<p>ALBs should provide an overview of their decision-making procedures in their main areas of activity. Rules of procedure documents should be published if available. Details and results of public consultations should also be published, offering access to the consultation papers or information about where the papers can be obtained.</p> <p>Good practice: The United States Federal Energy Regulatory Commission , Ofwat, Information Commissioner's Office</p>
<p>Expenses policy and claims</p>	<p>Publishing the expenses claims of board members and senior officials will assure the public that money is being spent appropriately and in a transparent manner. ALBs should put this information into context by publishing the expenses policy used (through disclosure logs – ICO) by the organisation (CO).</p>
<p>Open board meetings or an annual general meetings</p>	<p>Open board meetings or annual general meetings provide an opportunity for the public to engage with senior management, providing feedback and asking questions. These events should be publicised in advance and reflect the nature of the organisation's mandate, business and stakeholders. ALBs should be explicit on what is appropriate to include on the agenda and what issues need to be discussed in private.</p> <p>ALBs may also consider publishing reports and papers provided for consideration at senior level meetings.</p>

Governance

	<p>Good practice: The Food Standards Agency successfully holds regular open board meetings. These meetings are streamed live over the internet and feature a Q&A session that allows the public and other stakeholders to raise issues of concern.</p>
<p>Our history</p>	<p>Public bodies have often been through many different reorganisations before reaching their present form. Both staff and consumers can find it difficult to make sense of the complex institutional histories of many ALBs. Bodies should consider providing a potted history of their evolution on their websites.</p> <p>Good practice: The Advertising Standards Authority and Arts Council England.</p>

- core measures
- optional measures
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Data

Item	Rationale
Data we hold <ul style="list-style-type: none"> • lists and registers • data set protocol 	ALBs should be transparent as to what data they hold and what protocol they follow in determining whether data should be disclosed upon request.
What we do with personal data	ALBs should be explicit as to what steps they take to protect personal data in their possession.
Data in a reusable format	Where possible, data should be published in a reusable format to help users with copying, pasting, searching and using data in other areas.
Freedom of Information Act responses	<p>Publishing FOI requests and responses allows users to see what information has already been released, which in turn reduces the number of duplicate applications.</p> <p>Good practice: The Electoral Commission publishes all FOI requests and responses on a single page that can be searched and downloaded in PDF formats.</p>



core measures



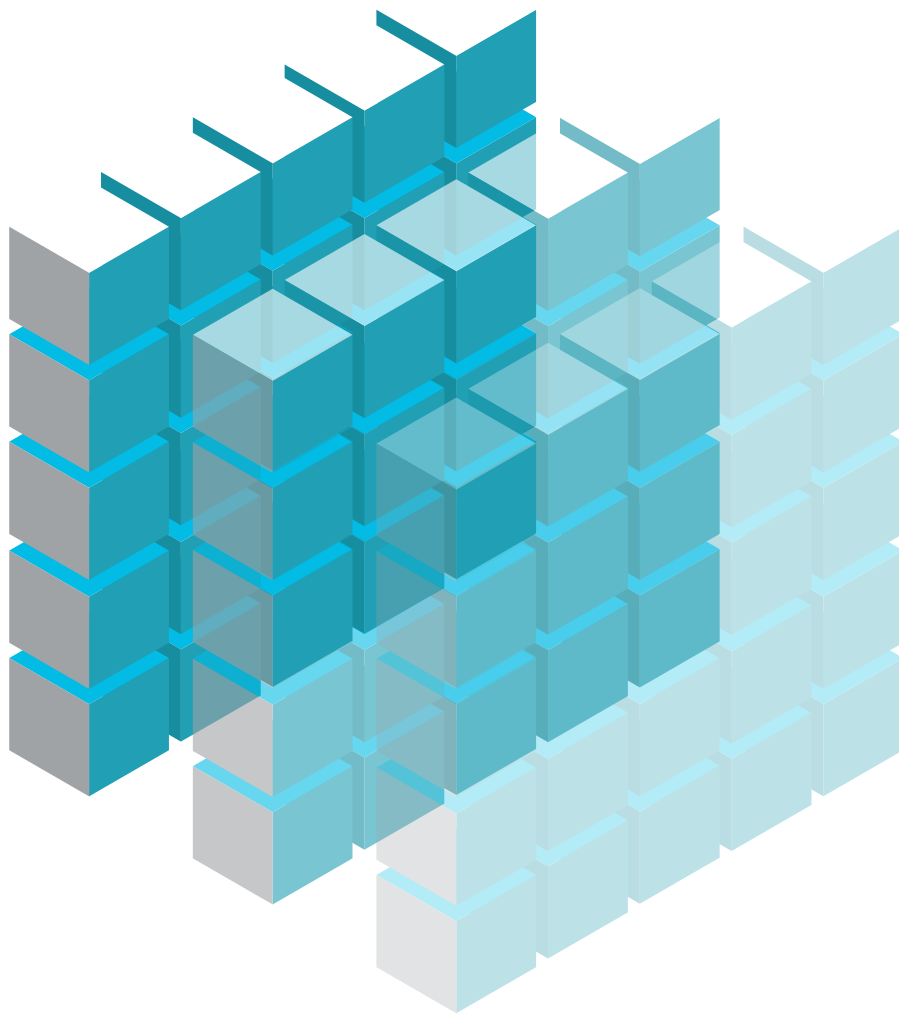
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(ICO)

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(CO)

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