

Briefing Note on the development of Spotlight on Spend and its use by Improvement and Efficiency South East

Improvement and Efficiency South East (IESE) is a partnership of the local authorities and the fire authorities in the south east of England. It is governed by a board of elected councillors who have been nominated by the authorities in south east England.

The purpose of IESE is to support south east councils in improving their services and reduce the costs of those services. In order to understand how best to save money and improve quality of services IESE has sought to understand the external spend of local government and identify where the money goes. As a result IESE, and its predecessor the South East Centre of Excellence (SECE), has from time to time commissioned the analysis of councils external spend¹.

There has been no contractual relationship between councils and IESE they have participated in these exercises as a matter of best practice. Participation is voluntary, that is councils are free to do nothing or to conduct a similar exercise on their own without reference to IESE.

With the emerging need to reduce the government funding of councils by 25% IESE identified that there was value in updating the spend analysis. It was felt that this would feed into a programme by which IESE supported councils in reducing expenditure on bought in goods and services. Once again participation was voluntary but would be subject to an agreement with IESE that would enable IESE to help reduce councils' expenditure and in doing so to use councils' data. Councils currently using Spotlight on Spend have done so as a pilot and have yet to execute an agreement with IESE but their continued use of the service will be subject to the signing of an MOU with IESE.

As a part of its support to councils' reduction in costs IESE took the opportunity to support the local government policy of reducing the burden of inspection. This to be achieved by making available information that enabled residents to understand the council's external spend and how this compared to other public bodies. As originally conceived the service was not intended to support councils fulfilling their requirement to provide data for re-use. The data provided by Spotlight on Spend is not council raw data but enhanced data created by adapting these raw data and blending them with IPR from other sources. The raw data are matched to up to 8 commercially available datasets including which enable the purpose of the spend to be inferred and then classified. This includes Dunn & Bradstreet and Thompson data. This service was offered as an optional extra to the main service of supporting the reduction of council costs.

In another IESE project, the South East Business Portal, we are attempting to make all contracts (the documents not just the descriptions) and tenders publicly available and downloadable. IESE's policy has been to make any information that could be subject to an FOI request available publicly. This has required explanation and persuasion but has proved possible with all 74 councils registered on the service. Over 16,000 businesses use the service with over 1.5 million hits last year and £2bn of tenders published. There is no need to register to access the information except if notice of upcoming opportunities is required. The service has been developed and enhanced with the support and input of the Federation of Small Businesses. IESE would welcome a discussion of this service

¹ Once for all 9 regions of England but on other occasions for the south east only

with the panel and plans to bring together similar activities in all 9 English regions. There may be other projects that are of interest to the panel in the IESE programme.

IESE contacted DCLG to ask about guidance on access to information given the landscape was changing and IESE resources were being committed. At about the same time another part of DCLG contacted IESE to raise the Local Data Panel concerns regarding the Spotlight on Spend Service and its lack of support for the re-use of councils' raw data. It is important to emphasise that the data currently on the Spotlight on Spend web site are not councils' raw data and neither IESE nor councils own the data on the Spotlight on Spend web site.

IESE recognises that some councils, Districts in particular, do not have the skills in house to publish data and will need support to do this effectively. IESE also recognises that local government can save money and improve the experience of the data re-users by having a shared process for access to councils' data. We have reviewed the Transparency Board's Principles and find them a useful basis for the publication of the data. IESE would welcome a presentation from the Local Data Panel to its Member Board to enable them to engage with the principles and consider their adoption more generally.

IESE considered the concerns of the Local Data Panel with Spikes Cavell, consulted the LGA on the support for re-use of councils' data and indicated on the 2nd of July that, subject to being able to access the councils' raw data, the technical work to provide access was likely only to take a few days. Subsequently IESE indicated to DCLG on the 12th of July that the Spotlight on Spend Service would be amended to support access to councils' raw data for re-use and the action that would be required to enable this had been commissioned, principally:

- 1) Prepare a section of the site to hold the local authority raw data
- 2) Prepare the data, principally the removal of personal data²
- 3) Seek the authorities permission to do this and arrange a simple licensing model that is a single simple agreement no matter the number of local authority datasets required

IESE also confirmed on the 12th of July that the work required to enable re-use, subject to the permission of councils, would be completed by the 23rd of July. The longer timescale being principally due to the need to remove personal data from the raw data.

A first draft licence was developed and put forward to the LGA for comment on the 12th of July. The licence was based upon the licence agreement set out on the data.gov.uk website. In essence the agreement has 2 changes from the original:

- 1) Moving the licence from Crown Copyright to general copyright under which local government operates and giving the re-user the choice of acknowledging each local authority individually or a single acknowledgement to IESE if multiple acknowledgements prove inconvenient – IESE will ensure council's enable it to do this before publishing the data
- 2) Putting in a statement that the re-user is responsible for removing all personal data but noting that we have used "reasonable endeavours" to do so.

² At the £500 level personal data can appear. For example, expenditure on personal care services such as foster carers

The draft licence is being incorporated into the agreement to be signed with councils. This will comprise an MOU, an agreement on the services and licensing between the Council, IESE and SpikesCavell and as an annex the licence to be used with re-users of information. This will be distributed to the pilot authorities for comment. The MOU will be available for comment very shortly but focuses on the support of IESE and commitment of councils to reviewing commodity pricing and reducing the councils spend on commodities. The services offered in the MOU from which the Council can select are:

Preparing the council raw data and then creating client standardised data

Uploading into a system to help the council understand its spend – what its spend locally, with SME's, in specific categories etc.

Providing access to analytical tools for the council

Producing a flash savings report to identify likely savings targets

Producing a detailed report rather like a Tesco price check for immediate and definite cash savings

Supporting the business process reengineering of procurement

Implementing IT systems for future management of the council's procurement (to ensure officers buy off the official contracts and not their own pet deals)

Publishing an analysis of the councils Spend on Spotlight on spend, and now ...

Publishing the councils raw data on Spotlight on Spend

IESE recognises the role of the Local Data Panel and wishes to engage with the Panel to ensure that it understands its requirements for the free re-use of data. It seeks to work with it in support of the Government's Public Data Principles and to ensure that, in so far as they are empowered and can afford to do so, that IESE support the requirements of the Panel.

IESE also recognises that the site for "re-users" will need work and feedback to ensure that it fits customers' requirements. IESE is happy to work with the Local Data Panel to ensure that the site delivers a high level of satisfaction to the re-use and open data community.