

### **BIS STRUCTURAL REFORMS**

Transparency Consultation

DECEMBER 2010

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## 1. Introduction

The Department for Business, Innovation and Skills (BIS) published a Departmental Business Plan on 8 November 2010, alongside the plans of the other major Departments.

These plans set out how we will deliver the structural reforms set out in the Coalition's Programme for Government. The plans detail what we will achieve by when. Progress against the specific actions included in the plan is <u>reported</u> monthly, enabling the public to track our progress on meeting the commitments we set out.

The plan also includes a section on 'Transparency'. This section has been published in a draft form to enable BIS stakeholders and the wider public to have their say on what information they need to judge how well BIS is performing. When he launched the business plans, the Prime Minister characterised this as 'power shift'. The structural reforms we are introducing involve a transfer of power from Government to the public. One of the ways in which this is happening is by removing central targets; instead we will publish information on those issues that are most important to the public, making it clear how public money is being spent and what impact it is having.

The purpose of this consultation is to get the views of the public and stakeholders on the 'input' and 'impact' indicators against which BIS should regularly report and what other information of value should be made available as a matter of priority.

# 2. Scope of the Consultation

The Business Plans contains five sections: a) the vision of the Department; b) our priorities; c) our Structural Reform Plan; d) departmental expenditure; and e) Transparency.

Progress reports are already published on a monthly basis on the Structural Reform Plan and the whole plan will be updated annually.

The information currently provided in the 'departmental expenditure' section will be expanded in the Spring of next year to provide a more detailed breakdown of expenditure.

This consultation relates to the transparency section of the plan, provided in the Annex to this document. This contains:

### Annex B: Draft Information Strategy

This provides a statement on BIS's commitment to behave transparently and to use transparency to improve accountability, efficiency and effectiveness.

### Annex C: Draft Indicators

These are a small number of key indicators on how BIS spends public money (the inputs) and what difference BIS's structural reforms are making (the impacts).

### Annex D: Draft 'Other Data'

The Input and Impact indicators cannot cover the whole range of BIS's activities or all the data that is collected. This section identifies other key data that BIS will provide to judge progress on the structural reforms, enable people to make informed choices, or may be of value to the public or business.

We are particularly interested in comments in response to the following questions:

- 1. Are the draft indicators the right ones to let you judge the performance of the BIS? What indicators would you propose?
- 2. Are there unpublished datasets or datasets not published in a format that you wish to access to reuse the data?
- 3. Have you sufficient information about the services that BIS supports to allow you to make informed choices or judge the performance of these services?\*
- 4. Can we do more to engage you in helping us to meet our commitment to transparency and to make data available in the most helpful format?
- 5. Should we be mandating or encouraging the publication of extra data, or data broken down in a different way (see <a href="www.opsi.gov.uk">www.opsi.gov.uk</a> for more on Public Sector Information Unlocking Service)?
  - \* Please note that if your comment relates to providing information that helps students make the right higher education choices, the Higher Education Funding Council launched a <u>full</u>

consultation on this issue on the 29 November 2010.

This is not a formal written consultation. However we want the information we publish to be useful, both to specialists and the general public. We will therefore consider all contributions received before the closing date and publish a summary of responses on our website. Please note that we will not provide individual replies to all responses and it may not be possible to incorporate all the ideas into the final indicators or wider transparency information strategy.

When providing your response please bear in mind that there is a cost associated with the creation of new data and we want to avoid creating unnecessary new collection burdens. Therefore please consider in the first instance, if existing data sources could be utilised in a different way. For example some data may already exist but may be difficult for the public to access. The Office for Public Sector Information website (<a href="www.opsi.gov.uk">www.opsi.gov.uk</a>) contains more information on this Public Sector Information Unlocking Service.

# 3. Draft Indicators

A small number of high level input and impact indicators have been proposed following discussion with HM Treasury, Cabinet Office and the National Audit Office.

These draft indicators are not comprehensive. They are intended to draw out the most salient information to assess BIS's performance. The indicators should relate back to the priorities described in the business plan, but there is not a 'one-to-one' relationship between the indicators and the priorities. This approach has been adopted because expenditure is not evenly distributed across the priorities: expenditure is concentrated on Priorities 4 and 5 (Further Education, Higher Education, and Science).

In considering alternative indicators you may wish to refer to the other statistics currently produced by BIS. The full range of statistics produced can be viewed on the BIS website: <a href="http://stats.bis.gov.uk/index.asp">http://stats.bis.gov.uk/index.asp</a>. Links to some of the key statistical publications are provided below:

### **Higher Education**

- Higher Education Statistical First Release
- Higher Education Statistics for United Kingdom 2008/09
- <u>Destinations of leavers from higher education in the United Kingdom for the academic year 2008/09</u>
- Student Loans for Higher Education in England, Financial Year 2009-10
- Income Contingent Repayments by Repayment Cohort and Tax Year 2000/01 to 200/09

### **Further Education**

- Further Education Statistical First Release
- Full-Time Young Participation by Socio-Economic Class 2010 Update
- Post-16 Education: Learner Participation and Outcomes in England Level of Highest Qualification Held

### **Business**

- The latest National Statistics on the small and medium-sized enterprise
- Regional Economic Performance Indicators 2010
- Trade Union Membership Statistics 2009

- Business, births and deaths; Business Demography
- Productivity and Competitiveness Indicators

### **Science and Innovation**

- SET Statistics Science, engineering and technology indicators
- The Community Innovation Survey

# 4. Timescales and how to respond

The consultation closes at 17:00hrs on 31 January 2011.

Responses should be sent to:

Email: <u>structuralreformplan@bis.gsi.gov.uk</u>

or

### Address:

Adrian Haldane Department for Business, Innovation and Skills 1 Victoria Street, London, SW1H 0ET

Comments can also be made on the BIS website: <a href="http://www.bis.gov.uk/data">http://www.bis.gov.uk/data</a>

# **Annex A: BIS Priorities**

# Secure an economy that is more dynamic and more balanced between public and private sectors and between regions

### 1. Rebalance the economy across sectors

Ensure new businesses and economic opportunities are more evenly shared, supporting growth and a low-carbon economy

### 2. Rebalance the economy across regions

Enable local authorities and businesses to determine the development strategies for their local area, in ways that support economic growth and help to rebalance the economy

### 3. Safeguard the future of Royal Mail and the Post Office

Secure the future of the universal postal service and create a sustainable future for Royal Mail and the Post Office network

# Safeguard the UK's long term growth by promoting skills and by turning knowledge to commercial use

### 4. Build an internationally competitive skills base

Create a dynamic and efficient skills system with informed, empowered learners and employers served by responsive colleges and other providers in their areas

# 5. Support universities, science and research in building a strong, innovative economy

Establish a higher education, science and research framework that promotes worldclass competitiveness in teaching and research. Ensure progression, fair access and better quality for students. Strengthen links between universities and industries and support innovation and technology development

# Stimulate enterprise and trade to drive the rebalancing and private sector growth we want to see

# 6. Boost enterprise and make this the decade of the entrepreneur

Help small and medium-sized businesses start and thrive through better business support, improved access to finance and stronger competition, with fewer market barriers to entry, creating a more entrepreneurial culture

### 7. Stimulate exports and inward investment

Promote open and fair global markets, improve UK Trade & Investment's focus on generating high-value inward investment, and strengthen the capability of UK exporters

# Remove government as an obstacle to growth while ensuring responsible corporate behaviour

### 8. Create a positive business environment

Create a business environment that supports long term investment and sustainable growth, reducing regulation, creating more flexible labour markets, reforming corporate governance and ensuring that intellectual property laws promote commercial innovation

### 9. Protect and empower consumers

Strengthen consumer protections, especially for the most vulnerable, and promote more responsible corporate and consumer behaviour through greater transparency and by harnessing insights from behavioural economics and social psychology

# Annex B: Draft Information Strategy

Transparency is a key operating principle for the department and will be championed by the BIS Ministerial lead on transparency David Willetts, Minister of State Universities and Science and at Board level by Howard Orme, Director General Finance and Commercial, (<a href="Moundaingoingoingo:Howard.Orme@bis.gsi.gov.uk">Howard.Orme@bis.gsi.gov.uk</a>, tel: 020 7215 5369) who will promote a new culture of transparency across the department and our partner organisations.

The Department will operate transparently and ensure that the requirement for transparency will be a key element of the performance requirements for our partner organisations. As the Prime Minister has made clear, "the people are the boss". In this spirit the government is publishing an unprecedented amount of data to that the public can hold us to account: who we are, what we spend and what we achieve. The Transparency agenda will help us achieve our goal of delivering better public services for less money and encourage increased competition in service provision.

The default position is that all data will be published, but we will continue to protect sensitive data. Where data is published it will be in line with the Public Data Principles and registered on <a href="mailto:data.gov.uk">data.gov.uk</a>.

We recognise that while we are trying to make the list of data we release as exhaustive as possible some gaps will continue to exist. To counter this we have agreed to publish as far as possible the data asked for in requests to the data unlocking service run by the National Archives. We also publish on our website FOI responses of wider public interest so that the public can find what we have released. We are also working with stakeholders and using 'Hack Days' to examine datasets which the Department collects, for example in relation to research and development grants, IPO data, HE and FE courses and other business data. We aim to make this data available in a format that enables others to combine the data, putting it to other business uses. BIS is already working with the Cabinet Office Data Transparency Board to ensure that all core reference data both of BIS and our Partner Organisations is available for free-use.

### Improving accountability

There are a number of programmes across the Department underway to meet the commitment to embed greater transparency as a core operating principle for the Department and its partner organisations. The public are entitled to understand how their money is being spent and whether they are getting good value.

- In November we published data on all new items of spending over £500 from April 2010 to September 2010. We will update this monthly.
   Our partner organisations will publish similar data
- In June 2010 we published the salaries of key officials and in October we published further HR datasets
- In August 2010 we published our Evaluation Strategy providing details of the major evaluations of our policies, programmes and regulations we will be undertaking over the coming years
- In September 2010 all new invitations to tender for contracts over £10,000 have been published and from January 2011 all new contracts will be published
- From April 2011 we will publish contextual and explanatory information on our business indicators to enable the public to better assess the value, quality and impact of our activity

### Improving efficiency and effectiveness

BIS is making substantial reforms to transfer power from central government to businesses and individuals. Improving the information available and enabling its reuse will help make this happen.

- Proposals for the regular publication of information to support a demand led skills and higher education system where learners and employers can make an informed choice of their course and provider will be included in forthcoming strategy papers on Further and Higher Education
- We will publish a new approach to empowering consumers, including measures to increase transparency, e.g., clearer bills, better access to personal data
- From November 2010 we will extend our initial pilot on creating linkeddatasets to include those areas of greatest interest to business. We will report on progress by April 2011

# **Annex C: Draft Indicators**

Input Indicators	How will this be broken down?
Total BIS spending on Research & Development	Nationally
2. Total number of researchers in UK universities	Nationally
Administration costs of access to finance schemes as a proportion of funds provided, guaranteed or leveraged	Nationally
4. Subsidy for the Post Office as a proportion of the Post Office's total turnover	Nationally
5. Funding per student in Further Education	By institution
6. Funding per student in Higher Education	By institution
7. Funding per Full Time Equivalent PhD student	By institution
Administrative cost of the further education system as a proportion of total funding to further education colleges	Nationally
9. Cost of supporting ACAS and other labour market bodies	Nationally
10. Cost of the Competition Commission	Nationally

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Impact Indicators	How will this be broken down?
Gross Domestic Product (GDP) per capita (adjusted for inflation)	UK National Accounts
The amount of funds that government has provided, guaranteed or leveraged to deliver finance to small and medium sized enterprises	Nationally
3. Proportion of graduates and college leavers that go into employment or further training and are still there after 6 months	By institution
4. Proportion of young people from disadvantaged backgrounds who go on to HE by age 19	By institution
5. International comparison (within the OECD) of the qualification levels of the working age population in England	Nationally
6. Number of citations of UK academic papers to show the strength of the UK's research base	Nationally
7. Change to the net regulatory burden imposed on business by Government	Nationally
8. Strength of the UK's competition regime compared with international benchmarks as measured by the Global Competition Review rating	Nationally
9. Level of consumer empowerment in the UK compared with international benchmarks as	Nationally
measured by the EU scoreboard	
10. Total UK stock of foreign direct investment, and as a proportion of GDP, ranked globally	Nationally

# Annex D: Draft 'Other Data'

We will publish a full range of datasets and our departmental organogram on our website: <a href="http://www.bis.gov.uk/data/staff">http://www.bis.gov.uk/data/staff</a>

We have highlighted key data, which will be particularly useful to help people to judge the progress of structural reforms, and help people to make informed choices, under three headings:

# 1. Data which will help people to judge the progress of structural reforms:

- Funds in and size of investments made by the Green Investment Bank, by type of investment
- Number of apprenticeship places
- Funds invested in each technology innovation centre, by public and private sources for individual centres
- Number of mentors enrolled in business support and advice, nationally
- Number of new mutuals and cooperatives created, by local authority

### 2. Data which will help people make informed choices:

- Higher education student satisfaction
- Employability of higher education graduates from specific courses
- Employability of further education graduates from specific courses
- Destination of leavers from Further Education
- Destination of leavers from Higher Education

### 3. Other key data:

- Labour market vacancies
- Number of people competing for Research Council grants
- ONS Industry data, including turnover, by company size, current regions and industries

Further details on these datasets and those used to support the indicators

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