ipsa
Independent Parliamentary
Standards Authority

TO:	IPSA Board	**DATE:**	20 September 2010
CC:	See end of paper		
FROM:	Rick Lindeman		
	Head of Policy		
TEL:			
SUBJECT:	**Publication programme**		

Issue

1. The operational challenge

Timing

2. For discussion at 21 September Board meeting.

Recommendation

3. That the Board considers this paper and identifies its preferred option(s), below.

Overview

4. As you are aware, the Expenses Publication Programme will begin to publish expenses in the week of 11 October on the IPSA website (www.parliamentarystandards.org.uk).

5. This initial publication consists of the first 35 batches of payments, covering 353 MPs and including an estimated 5,498 images of receipts that need to be redacted. It consists of claims that have been paid together with the associated receipts that substantiate the claim.

6. As of 09 September (pre Quality Assurance) 3,881 images had been redacted and the current rate of progress indicates that the required number of images will have been redacted by the target date for publication.

7. However, looking forward to the future IPSA faces a severe operational challenge regarding the continued redaction and publication of receipts and expenses claims.

8. This paper sets out the operational challenge and puts to the Board a number of options to meet it.

Operational Challenge

9. IPSA faces a challenge around the rate of redaction versus the rate of receipts scanned into the expense system. The current rate of redaction is not sufficient to keep pace with the current rate of receipts entering the system.

10. From the outset, IPSA understood that the redaction and publication activities would lag behind the processing of receipts and the payment of claims. However, with the current volumes flowing through IPSA's systems the lag is becoming too great.

11. With the current daily deficit between images input and images redacted, IPSA will by the end of the year, at current staffing levels, have accumulated a backlog of over **1.5 years'** worth of work for the current redaction team. By April 2011 over **3 years'** work and by October 2011 well over **5 years'** work. Annex B shows the exponential rate at which the deficit between images scanned and images redacted increases over time.

12. The rate of receipts into IPSA is outstripping receipts redacted by a ratio of **6.5 : 1**. As a result, there is currently a backlog of over **100 days** of redaction work, assuming the current resources deployed and not taking into account the daily deficit between images input and images redacted (currently **993**). See Annex A.

13. This challenge has arisen because the original estimate for the Publication team's size and budget was based on the following premise:

"Based on volumes of claims received to date, and discussions with House of Commons staff, it is estimated that a <u>minimum</u> of 5 FTE's will be required to undertake redaction and quality assurance of this work ongoing. Assuming a combined cost of £20K per month this equates to an annual budgetary cost of £240K".

14. This premise no longer stands for the following reasons:
    - The volumes of claims have increased substantially since the original estimate of the number of claims expected;
    - The IPSA redaction policy was not fully defined at the time;
    - IPSA has a team of 3 redactors and a Team Leader, rather than the <u>minimum</u> 5 staff in the original estimate;
    - The House of Commons processes and policy were not the same as the processes and policy that IPSA finally produced[1]; and
    - The input from the House of Commons staff may not have been accurate and IPSA had no way of determining its accuracy.

Options to meet the operational challenge

15. There are a number of potential options to deal with the challenge, as follows:

    A. Do nothing;
    B. Continue with the current processes and increase the resource for redaction;
    C. Streamline the current redaction processes;
    D. Modify the current publication strategy in order to reduce overheads; or
    E. A composite of B, C and D.

A. <u>Do Nothing</u>

16. If nothing changes, the backlog of receipts to publish will increase exponentially and IPSA's reputation will eventually be adversely affected as the age of receipts published monthly gets progressively older.

    Not Recommended.

B. <u>Increase resources for redaction</u>

17. At present, given that the ratio of scanned images to redacted images is 6.5 to 1 and that the current redaction team consists of 3 personnel redacting (plus a Team Leader),

---

[1] E.g. House of Commons redacts much more information than IPSA does on receipts as they do not have the same "openness" Code of Conduct requirement.

a team of <u>19.5</u> people will be required in order to keep pace with the <u>current</u> daily volumes of scanned images[2].

18. The cost of employing an additional 16.5 permanent staff would be in excess of £493,350[3]. Using temporary (Office Angels) resource the cost would be in excess of £585,972[4].

19. An additional capital cost for 15 PCs (cost £7,285[5]) and redaction software (cost £23,500[6]) would also be required.

20. The total cost of increasing the redaction resources is an additional **£524,135** per annum assuming permanent staff were recruited. The cost increases to an additional **£616,757** per annum if temporary staff were utilised. This is in addition to the current base costs per annum of £**186,762[7]**, which is £53,238 below the £240,000 annual cost originally advertised to the IPSA Board.

An Option, but with a substantial and continuing Operational Overhead.

NB1: This assumes current daily volumes of scanned images.

NB2: Costs stated are indicative approximations and not full and final.

C. <u>Streamline the Current Redaction Process</u>

21. The following are potential changes that could be made to the process:

   i. <u>Publication team cease pre-redaction checks</u>

      The limitations of the integration of the software between Folding Spaces (the publication software) and Expense@Work mean that redactors curnelty carry out a number of up-front checks to confirm all images are present for each claim, and of a sufficiently high quality, and that Expense@Work data matches the amounts paid to MPs. Moreover, the limitations mean that redaction of receipts happens outside of

---

[2] This would not reduce the 100+ day backlog which would have to resolved by additional temporary staff and overtime working.

[3] Assumes a starting salary of £23,000 and includes Employer's NI and Pension contributions.

[4] This assumes a £15.50 per hour charge rate. Assuming a 37.5 hour week, it would cost IPSA £581.25 per week per staff member. Inc VAT.

[5] Inc. VAT.

[6] Inc. VAT and does not include installation or maintenance cost.

[7] Current gross rates for 3 redactors and one team leader. Inc VAT.

the context of the claim data. A key issue has been around missing or poor quality images. This issue is likely to reduce as the early batches currently being redacted relate to a time when IPSA had an insufficiently robust scanning solution. Nevertheless, this is time-consuming work and the team has spent much of its time resolving these issues.

If quality issues were dealt with at the front end, the redaction team would be spared the time it currently spends carrying out this work. However, it would shift the burden. The advantage in doing this would lies in the fact that it is easier to append/re-scan missing or poor images in Expense@Work than in Folding Spaces.

Recommended. Missing images identified by members of the public could be provided by an on-demand service.

ii. Technological Fix

It is possible that the scanning technology could be assessed with the view to auto-redacting certain receipts against a set of rules when scanning images. This could substantially reduce the workload of the Publication Team, but will take time to investigate and implement.

Recommended for further investigation with IPSA suppliers.

D. Modify the Current Publication Strategy to Reduce Workload

i. Export more Transactional Information

At present almost all field information held within the Expense@Work system is exported to the FoldingSpace facility for publication, apart from the "to" and "from" detail relating to train tickets.

Serious consideration should be given to providing the "to" and "from" data as this could obviate the need to redact and publish individual train tickets.

A decision was made not to export free text information. However, this often contains useful information about the claim, which again could lead to the public needing to rely on redacted images. It is easier and quicker to review and amend free text data than to redact receipts. We could export some or all of the free text and notes fields.

The above is a relatively straightforward change for IPSA involving a redesigned Expense@Work export file and FoldingSpace's import.

Recommended for further investigation. Exporting more transactional information provides a migration path through to not publishing any images on the website

(see next section) and providing an on demand service (see below) which will remove the cumulative image deficit problem.

ii. <u>Export more transactional information and do not publish receipts</u>

As per i., but receipts are not published on the website: IPSA instead provides an on-demand service (see below). Not publishing receipts would help to control an expected increase in volume of telephone and email traffic, which is likely to occur when publication commences.

It could be argued that the data on the receipts is already available via the transactional data on the website.

The Scottish Executive and Welsh Assembly have pursued this path.

Recommended for further investigation as removes the cumulative image deficit problem.

iii. <u>Do not publish receipts relating to claims worth £30 and below</u>

Using finance data available for batches 1-35, we can estimate that the percentage of claims that are £30 and below is 28.5%. Assuming that the Publication team does not receive documents of this value in their programme of work, this will lead to a 28.5% reduction in the number of images that need redacting.

Recommended.

iv. <u>Do not publish Receipts relating to Train Tickets, Phone and Utility Bills</u>

If train tickets were removed, the number of documents to be redacted would fall by approximately 20%

Removing telephone bills would reduce the number of documents redacted by 9%.

If we do not publish utility bills, then the number of documents redacted would reduce by 2%.

Overall the above measures would reduce the number of documents redacted by 31%.

Recommended.

v. <u>On-demand image service</u>

We could meet the publication requirement through the transaction information, and offer images to the public on an on-demand basis. This would require perhaps two or three people to service requests in steady state.

Instead of redacting all images, redactors could retrieve and redact images as requested by the public. Images could be requested through the website through a simple utility. A limit could be placed on the numbers requested at any one time.

A variant of this could be to offer to provide large numbers of images (the sorts of numbers that a newspaper might request) on a charging basis, meaning that the cost of redaction could be recouped in part.

It would be reasonably straightforward to design and set up an image request utility on website. The redaction role would become an on-demand servicing of public requests.

In order to avoid major operational expense concerning Freedom of Information (FOI) requests for redacted receipts in "bulk" (e.g. providing all receipts for a particular MP for a year's period), IPSA can refuse requests that exceed the £450 Appropriate Limit on costs associated with complying with an FOI request. Requests can be aggregated against this limit where appropriate. In addition where the limit is not exceeded, charges that can be passed to the requestor are those associated with providing the information, for example redaction, photocopying and postage.

With regard to the option of not publishing receipts, the argument may be taken that any FOI requests to see them could be refused as the organisation was exempt on the basis that the information is already made available in accordance with the authority's publication scheme, i.e. the published transaction data on our website contains the figures.

Recommended for further investigation.

E. **Composite Option**

22. Finally there is a Composite Option that would make use of a number of the previous options. This would involve all of the following:

   a) **Export more Transactional Information.**

   Further investigation required. But this option removes some of the interest in images of receipts as more detail is in the core data. It also provides a start point for invoking the option of not publishing receipts.

   b) **Do not publish Receipts relating to Claims worth £30 and below.**

Further work required but potential to reduce the number of images to redact by 28.5%.

c) Do not publish receipts relating to train tickets, phones and utility bills

This will reduce the number of images that need to be redacted by 31%.

d) Increasing the Publication Team Size.

Expand the Publication team size to the original estimate of a minimum of 5 people, expanding the current base cost from £165,500 and <u>keeping within the original £240,000 budget estimated</u>. Assuming that two additional redactors are recruited as staff members, this will provide a 66% improvement in productivity.

e) Publication Team Cease Pre-Redaction Checks.

f) Investigate Technological Fix.

Further work to be conducted with IPSA's suppliers to investigate auto redacting against a set of rules when scanning images. Potentially a longer term solution.

23. Part of the further investigative work for the composite option will be to estimate the whole cost to IPSA of publication, including possible extra resource requirements for validation and the resource implications of increased telephone and email traffic.

24. ***The above is the <u>Overall Recommended Option</u> to be implemented forthwith and the redaction rates monitored to measure improvement in the ratio of scanned images to redacted images.***

25. ***With b), d), e) and f) implemented it is estimated that it will reduce the daily deficit between scanned images and redacted images from 993 to 73.***

ANNEX A – SCANNING/REDACTION STATS

Scanning/Redaction Baseline 9th September 2010

No. of Validated Images System (Batches 1-75)		22171.00
No. of Images Redacted		3881.00
No. of Days Redaction To Date		22.00
Residual Images Left to Redact		18290.00
No. of Days Required to Redact Residual Images (Assuming Current Redaction Team Size)		103.68
Average Images Redacted Per Day		176.41
Forms Received 09/09/10	(Indicative Example)	156.00
Average No. Lines Per Form		5.00
Average No. Images Per Line		1.50
Average Images No. Input Per Day		1170.00
Scanned - Redacted Images Deficit Per Day		993.59
Scanned - Redacted Images Ratio		6.63 to 1
Redaction Team Size		3.00

ANNEX B - CUMULATIVE IMAGE DEFICIT SCANNED RECEIPTS v REDACTED RECEIPTS

Cumulative Image Deficit - Scanned Receipts v Redacted Receipts