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Angie of the Elder Family

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Via email to :

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25 June 2009

Dear Angie of the Elder Family

Your request for an internal review: electronic currency

Your email of 22 May requested an internal review of the Treasury's response to your request of 23 April which asked:

"Is electronic currency legal tender in the UK; and

"When electronic money is loaned, for example in the instance of on-line loan applications, is there a creation of physical paper money to correspond with the initial e-currency lent, and a physical creation of paper money that corresponds to the interest charged on e-money loaned sufficient to pay the debt back? If so, at what point does the paper money go into circulation?"

We had responded to your request on 22 May. This response is shown on the Whatdotheyknow website on this date. Your review request was sent later that day and asked:

'why does it take more than 20 days to provide a simple yes or no answer, you should be able to accomplish in less than 20 seconds. What are your reasons for not doing do?

We have reviewed that handling of your request and our conclusions are below.

Is this an FOI request?

We have considered your review request against the standards set by the Freedom of Information Act (the Act), however it has concluded that as you had asked questions where HM Treasury does not hold recorded information to provide a response, your requests should not have been handled as requests under the Act.

Nonetheless the Act sets standards for dealing with requests that it seems reasonable to comply with, so your complaint has been considered against these standards.



Response within the statutory deadline

Your request was sent at 20.07 hours on the evening of 23 April and we received it until 24 April, thus the statutory deadline for response was 26 May - taking account of the public holiday in May which counts as a non-working days for calculating the time limit under the Act. Therefore the response would have met the statutory deadline.

The Act asks public authorities to reply to requests promptly and no later than 20 working days. We receive a large number of requests and deal with them in the order we receive them. We do endeavour to give prompt replies to straightforward requests, however other pressures mean this is not always possible. However we work hard to provide responses within the statutory deadline and have a high degree of success in meeting this.

Requests for recorded information

As we indicated in relation to your earlier request of 14 April, broad questions are not generally in the province of the Act. Your request of 23 April was in the form of a question rather than a request for specific recorded information. In the spirit of the Act we try to identify information that will help answer questions asked under the Freedom of Information Act, but this is not always straightforward.

I would note that in responding to your request of 14 April, which was also a question, we referred to the Information Commissioner's guidance which states, in particular, that 'Your request can be in the form of a question, but the authority does not have to answer your question if this would mean creating new information or giving an opinion or judgement that is not already recorded'. Given that, in both instances, we did not hold specific recorded information that answered your questions we did our best to help by providing contextual information that seemed to us to be relevant.

Responding to your request

Your 23 April request repeated a question from the 14 April request that we responded to on 23 April. (The response of 23 April was sent to you, at the email address on your request, at 15.58 hours. At 20.07 hours on 23 April you made the further request, via the Whatdotheyknow website, that is the subject of this internal review). As we had already responded to your first question we focussed on and answered your second question about the creation of paper money to match electronic debt. Our review found that the initial reply to your request should have pointed out that one of your requests had been repeated.

Our response of 22 May confirmed that we did not hold recorded information about the theoretical basis of money and commented that the Bank of England was better placed to advise on the mechanics of the monetary system because of their executive responsibility for monetary policy and

financial stability. In order to be helpful the response also provided further information about the impact on the money supply on new borrowing.

We recognise that this did not explicitly answer your question, however requests considered under the Act are part of a legal process and we are bound to answer only insofar as we hold recorded information that provides a specific response.

I am sorry that you were dissatisfied with the service we provided, but I hope that this explanation will satisfy you that we have responded to your requests / correspondence in a timely manner, and in the spirit of the Act.

Rosemary Banner
Head of Information Rights Unit
For HM Treasury