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**Chair of the UK Statistics Authority, Sir Michael Scholar KCB**

Rt. Hon. Andrew Lansley CBE MP  
Secretary of State for Health  
Department of Health  
Richmond House  
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7 July 2011

Dear Secretary of State

**WITHDRAWAL OF FUNDING FOR HEALTH STATISTICS**

Further to my letter to you of 23 March, the Authority has looked into the background to, and impact of, the proposal by the NHS Information Centre to withdraw funding for established statistical time series on smoking, drinking and other health related issues.

The enclosed Statistical Expenditure Report, prepared by the Authority's staff, concludes that, in view of the value of the statistical data to users, the withdrawal of funding for these time series should to be reconsidered by NHS IC and the Department of Health, taking into account the full implications for the making and monitoring of government policy and other uses of the statistics.

I am copying this letter to the Minister for the Cabinet Office and to the National Statistician.

Yours sincerely



**Sir Michael Scholar KCB**

## UK STATISTICS AUTHORITY

### ***Statistical Expenditure Report 4: Statistics on smoking, drinking and health***

*Statistical Expenditure Reports review substantive cuts and changes to UK official statistics.  
This report has been prepared and issued independently by the UK Statistics Authority.*

**Statistics on smoking, drinking and health** are currently produced from the General Lifestyle Survey (GLF) – a cross-government, national survey that has been carried out by the Office for National Statistics (ONS) since 1971. The NHS Information Centre (NHS IC) has contributed around £300,000 a year to the survey in recognition of the importance of the data to health policy, but has proposed to cease its contribution with immediate effect, pending approval of its business plan. Without this contribution, ONS will not be able to cover the costs, resulting in the immediate discontinuation of long-established National Statistics on smoking, drinking, health conditions and the use of health services.

The GLF (formerly the General Household Survey) interviews a sample of approximately 13,000 households across Great Britain each year. The survey adopted a longitudinal design in 2005 in response to the EU-wide regulation for all member states to collect Statistics on Income and Living Conditions (EU-SILC). As well as smoking and drinking, the GLF covers a wide range of topics, including pensions, employment, income, social exclusion, material deprivation, poverty, health (including use of health services), family information (relationships such as cohabitations and marriages) and fertility.

The total cost of the GLF is approximately £1.8 million, to which the NHS IC was expected to contribute £314,000 for 2011-12. It has made corresponding payments to ONS for several years. These funds contribute to the production of health related statistics and associated publications on smoking and drinking, elements of the GLF overview report which cover general health and the use of health services, and providing the NHS IC with early access to the data set for the purposes of producing analysis for NHS IC statistical publications.

On 21 March 2011, the Head of Profession for Statistics at the NHS IC wrote to the National Statistician to inform her that the NHS IC had proposed that its contribution to the GLF would cease with immediate effect, subject to the approval of the NHS IC business plan by the Department of Health. The proposal was not informed by consultation with users, and the proposal was made before ONS had completed its consultation on the future of the GLF.

The Chair of the UK Statistics Authority wrote to the Secretary of State for Health on 23 March to express concern about the abrupt discontinuation of a time series on topics as central to public policy as smoking prevalence and alcohol consumption, and to urge the Secretary of State to reject the NHS IC's proposal<sup>1</sup>. The Authority has not yet been informed whether the NHS IC business plan has been approved.

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<sup>1</sup> <http://www.statisticsauthority.gov.uk/reports---correspondence/correspondence/letter-from-sir-michael-scholar-to-rt-hon-andrew-lansley---23032011.pdf>

The NHS IC's proposal to withdraw funding prompted some negative reactions. While it is difficult to gauge the full impact on users without a full consultation, the Authority notes the following:

- The proposal was the subject of recent Parliamentary debate. The Chair's letter to the Secretary of State for Health was cited during a Westminster Hall debate on NHS public satisfaction, in relation to the importance of information for holding Ministers to account. John Cryer MP said:  
    "[the GLF] produces figures, information and statistics for testing Government policy and holding Governments to account; it is important that the information be available for holding Ministers to account. If the decision to withhold funding for the general lifestyle survey stands, the information will not be available to us in future."
- Further concerns about the proposal were raised by Members of Parliament at the Committee stage consideration of the Health and Social Care bill.
- The Economic and Social Data Service (ESDS) has compiled responses from users of GLF statistics on smoking, drinking and health<sup>2</sup>. It notes that the GLF is considered the principal source of data on smoking and drinking habits in Great Britain and for analysis of trends over time.
- The ESDS notes that annual trends, for instance weekly alcohol consumption, can only be produced from the GLF. ESDS considers that if the survey is cancelled or replaced with another non-comparable survey, then the ability to analyse trends over time, and the underlying socio-economic factors related to smoking and drinking in Great Britain, will be lost.
- The Health Surveys for England, Scotland and Wales collect some information on smoking and drinking, but they are separate surveys within each country and are not directly comparable as they use different methodologies. GLF covers Great Britain as a whole and collects different information, with more detailed socio-economic information than the Health Surveys.

As part of its post-budget cuts business plan, ONS recently consulted users about proposals to collect the information required for EU-SILC via the Family Resources Survey and to explore the ways in which non EU-SILC information currently collected on the GLF could be collected in other ways<sup>3</sup>. ONS's response to the consultation was published on 30 June<sup>4</sup>, which announced that the GLF will discontinue in its current form from January 2012, and that non EU-SILC questions will be collected on a separate new survey, subject to continued funding for non EU-SILC variables. The exact format of this new survey will be developed to best meet users' needs. ONS told us that whatever the outcome of its consultation, and as long as funding had continued, it would have ensured that the NHS IC's need for information on smoking, drinking and health would have been met. The position now is that those needs can only be met where funding streams continue as before.

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<sup>2</sup> <http://www.esds.ac.uk/government/ghs/consultation/>

<sup>3</sup> <http://www.ons.gov.uk/about/consultations/open-consultations/eusilc-integration-into-frs/the-future-of-the-glf-survey.pdf>

<sup>4</sup> <http://www.ons.gov.uk/about/consultations/closed-consultations/the-future-of-the-glf-survey/response-to-the-future-of-the-glf-survey-consultation.pdf>

The NHS IC told us that its proposal to withdraw funding was made in the context of:

- i. a grant in aid funding reduction for the NHS IC of 30 per cent over three years, and
- ii. uncertainty about the future of the GLF, including the possibility that the NHS IC may have needed to increase its contribution (to cover the full costs of the questioning of approximately £660,000) or reduce the scale of questioning.

In light of the points raised above, and the more detailed ones in the annex, the Statistics Authority concludes that the proposal to withdraw funding for these time series should be reconsidered, taking into account the full implications for the user community. While there may have been some uncertainty about the long-term future of the GLF, the NHS IC's proposal is premature and takes insufficient account of the consequences in relation to:

- the Government's own requirement for statistical data with which to monitor its policies;
- Parliament's requirement for statistical data to hold government to account; and
- the data requirements of other bodies that cannot meet their own needs by conducting major surveys themselves.

In our view the decision about funding the production of consistent statistics on smoking, drinking, health conditions and the use of health services should be reconsidered by the NHS IC in discussion with the Department of Health, ONS, and with the wider user community.

## **ANNEX – FURTHER DETAILS**

The GLF is a cross-government, national survey that has been commissioned and carried out since 1971, with various breaks and changes. While the majority of GLF costs are centrally-funded by ONS, contributions are provided the NHS IC, the Department for Work and Pensions (DWP), the Scottish Government and HM Revenue and Customs. Eurostat, the official statistical office of the European Union, funded the first four years of EU-SILC, but no longer provides a contribution. The NHS IC proposes to withdraw its contribution to the survey's funding for 2011 and subsequent years.

Without the NHS IC's financial contribution in 2011-12, ONS have also indicated they will be unlikely to be able to provide:

- access to the full micro datasets (to DH and the NHS IC) before they are available via the UK Data Archive in February,
- National Statistics on smoking and drinking, and the full overview reports, that provide a comprehensive picture of smoking and drinking, and health across Great Britain, and
- any bespoke analysis on request, unless separately funded, following publication.

### **Cost**

The total cost of the GLF is approximately £1.8 million, to which the NHS IC was set to contribute £314,000 in 2011-12. These costs contribute to early access to the micro dataset; the costs of producing National Statistics, and an annual smoking and drinking report and elements of the overview report, which includes information on general health and use of health services.

In previous years there have been formal Service Level Agreements (SLAs) between ONS and NHS IC covering the transfer of funds for the GLF. However, NHS IC declined to sign an SLA for 2010-11 or 2011-12 due to uncertainties about the department's financial situation.

In 2008, the NHS IC was advised by ONS that their contribution accounted for around 17 per cent of the overall costs, whilst the health topic content accounted for around 26 per cent of all questions.

### **The decision making process**

We were told that the proposal was made in the context of two factors:

- Firstly, the grant in aid funding of the NHS IC is due to fall by 30 per cent over the next three years which, combined with an anticipated significantly greater reduction in other central funding (in 2011-12 and beyond), meant that the NHS IC work programme needed to be reprioritised. The level of funding available to the NHS IC for 2011-12 is however still under discussion and has not yet been confirmed.
- Secondly, ONS announced proposals, subject to consultation, to discontinue the survey in its current form after 2011. ONS indicated that the total cost for the work done, mostly considered to be outside of their 'core', is approximately £660,000. It was possible that the NHS IC contribution would need to increase significantly, or the scale of questioning would need to reduce. (The Authority will continue to monitor decisions relating to the

funding of national surveys and may follow up the wider changes to the GLF with a further Statistical Expenditure Report.)

The proposal forms part of a package of proposals to stop or scale back work set out in the draft NHS IC business plan submitted to the Department of Health on 28 January. The NHS IC executive team discussed the business plan with the NHS IC Board but it has not yet been put formally to the Board for approval pending Department of Health confirmation of the budget allocation for the NHS IC for 2011-12.

### **Uses of the statistics**

The statistics have a wide range of policy, service, research and public information uses. In addition to the points raised by users above, some other uses of the statistics include the following:

- HM Revenue and Customs uses smoking data for its estimates of the illicit tobacco market, for which it has an associated performance target.
- The NHS IC uses smoking data in order to carry out its own analysis at an England level for inclusion in its suite of annual statistical reports. The NHS IC also use data to answer parliamentary questions.
- The Department of Health makes wide use of the smoking and drinking data, specifically to measure the effectiveness of various Government policies aimed at reducing smoking and drinking.
- The Scottish Government uses the data to compare smoking and drinking estimates across countries.
- ONS uses the data for its health expectancy series. DWP and the Department of Health use these indicators as target measures within their national indicator programme.
- The Department of Health and other health bodies make use of the data on health, and use of health services (i.e. GPs, nurses, hospital visits and use of NHS direct)

GLF data is regularly used in other publications, including Social Trends, Regional Trends, Pensions Trends, Health Statistics Quarterly and "Focus on..." publications. The survey results are also used by local Government; academic researchers; and charities and other non-governmental organisations.

A report on the use of GLF data is available from the Economic and Social Data Service website at: <http://www.esds.ac.uk/government/ghs/usage/>