

# Assessment of compliance with the Code of Practice for Official Statistics

## Statistics on Collection rates for Council Tax and non-domestic rates in England

*(produced by the Department for  
Communities and Local Government)*

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### **About the UK Statistics Authority**

The UK Statistics Authority is an independent body operating at arm's length from government as a non-ministerial department, directly accountable to Parliament. It was established on 1 April 2008 by the *Statistics and Registration Service Act 2007*.

The Authority's overall objective is to promote and safeguard the production and publication of official statistics that serve the public good. It is also required to promote and safeguard the quality and comprehensiveness of official statistics, and good practice in relation to official statistics.

The Statistics Authority has two main functions:

1. oversight of the Office for National Statistics (ONS) – the executive office of the Authority;
2. independent scrutiny (monitoring and assessment) of all official statistics produced in the UK.

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# **Assessment of compliance with the Code of Practice for Official Statistics**

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Government)*

## **ASSESSMENT AND DESIGNATION**

Under the provisions of the *Statistics and Registration Service Act 2007*, the UK Statistics Authority has a statutory function to assess sets of statistics against the Code of Practice for Official Statistics, with a view to determining whether it is appropriate for the statistics to be designated, or to retain their designation, as National Statistics.

Designation as National Statistics means that the statistics are deemed to be compliant with the Code of Practice. Whilst the Code is wide-ranging, designation may be broadly interpreted to mean that the statistics meet identified user needs; are produced, managed and disseminated to high standards; and are well explained.

Designation also signifies that, subject to any caveats in this report, the Statistics Authority judges that the statistics are readily accessible, produced according to sound methods and managed impartially and objectively in the public interest.

Assessment reports will not normally comment further, for example on the validity of the statistics as a social or economic measure; though reports may point to such questions if the Authority believes that further research would be desirable.

Designation as National Statistics will sometimes be granted in cases where some changes still need to be made to meet fully the requirements of the Code, on condition that steps are taken by the producer body, within a stated timeframe, to address the weaknesses. This is to avoid public confusion and does not reduce the obligation to comply with the Code.

Designation is granted on the basis of the information provided to the Statistics Authority, primarily by the organisation that produces the statistics. The information includes a range of factual evidence and also assurances by the producer organisation. The views of users are also sought. Should further information come to light subsequently which changes the Authority's analysis, the Assessment report may be withdrawn and revised as necessary.

Once designated as National Statistics, it is a statutory requirement on the producer organisation to ensure that the set of statistics continues to be produced, managed and disseminated in compliance with the Code of Practice.

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# 1 Summary of findings

## 1.1 Introduction

- 1.1.1 This is one of a series of reports<sup>1</sup> prepared under the provisions of the *Statistics and Registration Service Act 2007*<sup>2</sup>. The Act requires all statistics currently designated as National Statistics to be assessed against the Code of Practice for Official Statistics. The Act also allows Ministers or the National Statistician to request an assessment of, respectively, other official statistics or statistics produced by the Office for National Statistics in order for them to gain National Statistics status. This report is in response to such a request. The report covers *Collection rates for Council Tax and non-domestic rates in England* Statistics produced by the Department for Communities and Local Government (DCLG)<sup>3</sup>.
- 1.1.2 This report is shorter than normal. In particular, section 3 adopts an ‘exception reporting’ approach - it includes text only to support the Requirements made to strengthen compliance with the Code and Suggestions made to improve confidence in the production, management and dissemination of these statistics. This abbreviated style of report reflects the Head of Assessment’s consideration of aspects of risk and materiality<sup>4</sup>. The Assessment team nonetheless assessed compliance with all parts of the Code of Practice and has commented on all those in respect of which some remedial action is recommended.
- 1.1.3 This report was prepared by the Authority’s Assessment team, and approved by the Board of the Statistics Authority on the advice of the Head of Assessment.

## 1.2 Decision concerning designation as National Statistics

- 1.2.1 The Statistics Authority confirms that the statistics published in *Collection rates for Council Tax and non-domestic rates in England* can be designated as a new National Statistics product, subject to DCLG implementing the enhancements listed in section 1.5 and reporting them to the Authority by October 2010.

## 1.3 Summary of strengths and weaknesses

- 1.3.1 The statistics are collected under statute; non-response does not arise. The data are summarised into weighted averages for various types of local authority and presented alongside some historical data. The Statistical Release is well-structured with an appropriate summary and analysis with main points highlighted. Each release also contains a useful glossary and clear, helpful, background notes.

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<sup>1</sup> <http://www.statisticsauthority.gov.uk/assessment/assessment-reports/index.html>

<sup>2</sup> [http://www.opsi.gov.uk/Acts/acts2007/pdf/ukpga\\_20070018\\_en.pdf](http://www.opsi.gov.uk/Acts/acts2007/pdf/ukpga_20070018_en.pdf)

<sup>3</sup> <http://www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/counciltax/collectionrates>

<sup>4</sup> <http://www.statisticsauthority.gov.uk/assessment/principles---procedures/criteria-for-deciding-upon-the-format-of-an-assessment-report.pdf>

1.3.2 Users are satisfied with the output and the analytical service received. User engagement is limited to specific audiences and should be broadened.

## **1.4 Detailed recommendations**

- 1.4.1 The Assessment team identified some areas where it felt that DCLG could strengthen its compliance with the Code. Those which the Assessment team considers essential to enable designation as National Statistics are listed in section 1.5 below. Other suggestions, which would improve the statistics and the service provided to users but which are not formally required for their designation, are listed at annex 1.

## **1.5 Requirements for designation as National Statistics**

- |                      |                                                                                                                                                      |
|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Requirement 1</b> | Take steps to engage more effectively with users, make those steps known, and publish information about users' experiences (para 3.2).               |
| <b>Requirement 2</b> | Adopt systematic statistical planning arrangements (para 3.3).                                                                                       |
| <b>Requirement 3</b> | Include the name and contact details of the responsible statistician, or the statistical Head of Profession, in all statistical releases (para 3.5). |

## 2 Subject of the assessment

- 2.1 The statistical release provides information about the amount of Council Tax and non-domestic rates collected in the financial year to which it relates. The release focuses on the in-year collection rate - the amount received by 31 March in respect of that financial year's Council Tax (or non-domestic rates) shown as a percentage of the net collectable debt. Comparable information is provided for the earlier years and is available on DCLG's website at a local authority level back to 1998-99. This output was first published as a statistical release in 1991, when it referred to Community Charge and non-domestic rates. The statistics are also included in the annual compendia publication *Local Government Financial Statistics England*.
- 2.2 The statistics are derived from information provided on the Quarterly Return of Council Tax and Non-domestic Rates form (QRC4). These are submitted by all local authorities that collect Council Tax and non-domestic rates. Local authorities extract the information from their own administration systems. The data are collected from local authorities under Regulations<sup>5</sup> which are published each year in a Statutory Instrument laid before Parliament.
- 2.3 The statistics are used by local authorities, their associations and regional bodies as part of the range of information on local authority financial systems. The data also contribute towards producing a profile of payments for formula grant, which forms part of the local authority revenue budget distributed from Central Government. Estimates for England are provided to the Office for National Statistics for use in the compilation of National Accounts and public sector finance statistics.
- 2.4 The media and public use the information to compare rates of collection of Council Tax and non-domestic rates between authorities – to this extent the statistics can be interpreted as indicators of performance.

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<sup>5</sup> Statutory Instrument No 204 at <http://www.opsi.gov.uk/si/si200902>

### 3 Assessment findings

- 3.1 Engagement with users is primarily through the Finance sub group of the Central and Local Information Partnership (CLIP-F<sup>6</sup>). The group meets three times a year; it includes representatives from local and central government, the Local Government Association (LGA), Chartered Institute of Public Finance and Accountancy and other stakeholders. The LGA circulates papers to all Chief Financial Officers in local authorities. This group is an effective mechanism for consulting users about issues relating to changes in the statistics and has recently been consulted on changes to the timetable for the production of the statistics.
- 3.2 For DCLG as a whole, several other CLIP groups serve as the primary focus for consultation. Wider engagement with users is limited to CLIP, the British Urban and Regional Information Systems Association annual conferences and the newly formed Housing Statistics Network (established under the auspices of the Statistics User Forum and the Royal Statistical Society). The Assessment team would expect to have seen evidence of other user identification and engagement. As part of the designation as National Statistics, DCLG should take steps to engage more effectively with users, make those steps known, and publish information about users' experiences<sup>7</sup> (Requirement 1).
- 3.3 The planning of statistical activities in DCLG is currently decentralised to business areas. The absence of co-ordinated statistical planning arrangements limits the extent to which the views of the potential wider user-base are taken into account. As part of the designation as National Statistics, DCLG should adopt systematic statistical planning arrangements as the basis for consultation with users<sup>8</sup> (Requirement 2). This could be achieved through the preparation of, and consultation about, a department-wide plan of statistical activities. A summary of comments received should be published.
- 3.4 Tables 1 and 2 of the release show information by class of authority<sup>9</sup>. The classification of authorities to these different classes can be deduced from Table 3, but we suggest that earlier attention is drawn to information about the class of authority.
- 3.5 The 2008-09 *Collection rates for Council Tax and non-domestic rates in England* statistics does not include the contact details of the responsible statistician. As part of the designation as National Statistics, DCLG should include the name and contact details of the responsible statistician in all statistical releases<sup>10</sup> (Requirement 3).
- 3.6 The arrangements for protecting the confidentiality of all data collected by DCLG are published in the Office of the Deputy Prime Minister's (ODPM) Statement of Compliance with the National Statistics Code of Practice. We

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<sup>6</sup> [www.clip.local.gov.uk](http://www.clip.local.gov.uk)

<sup>7</sup> In relation to Principle 1 Practices 1, 2 and 5 of the Code of Practice

<sup>8</sup> In relation to Principle 1 Practices 2 and 3 of the Code of Practice

<sup>9</sup> Inner London Borough, Outer London Borough, Metropolitan districts, Unitary authorities, Shire districts.

<sup>10</sup> In relation to Protocol 2 Practice 6 of the Code of Practice

suggest this be updated to reflect the Code of Practice for Official Statistics, and the fact that the ODPM no longer exists.

- 3.7 The resources for statistics within DCLG are handled separately by each policy division and, consequently, an overall statistical budget and work plan is not produced. The Assessment team noted that, for new collections or outputs, the Head of Profession has a procedure in place which allows resource issues to be raised through an Evidence Strategy Group. We suggest that the total resources allocated to statistics in the Department be reviewed and confirmation given that they are sufficient to meet the standards of the Code of Practice.
- 3.8 The release provides a list of users but is less clear about the uses of the data. The Assessment teams suggest that this section of the release be expanded to include other known and potential uses.

## Annex 1: Suggestions for improvement

A1.1 This annex includes some suggestions for improvement to the *Collection rates for Council Tax and non-domestic rates in England* produced by the Department for Communities and Local Government, in the interest of the public good. These are not formally required for designation, but the Assessment team considers that their implementation will improve public confidence in the production, management and dissemination of official statistics.

- |                     |                                                                                                                                                                                                                                           |
|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Suggestion 1</b> | Draw earlier attention to information about the class of authority in the release (para 3.4).                                                                                                                                             |
| <b>Suggestion 2</b> | Update the Office of the Deputy Prime Minister's (ODPM) Statement of Compliance with the National Statistics Code of Practice to reflect the Code of Practice for Official Statistics and the fact that ODPM no longer exists. (para 3.6) |
| <b>Suggestion 3</b> | Review the total resources allocated to statistics in the Department and confirm that they are sufficient to meet the standards of the Code of Practice. (para 3.7)                                                                       |
| <b>Suggestion 4</b> | Expand the note on the uses of the data to include other known and potential uses. (para 3.8)                                                                                                                                             |

## **Annex 2: Summary of assessment process and users' views**

A2.1 This assessment was conducted from March to May 2010.

A2.2 The Assessment team – Catherine Barham and Ed Swires-Hennessy – agreed the scope of and timetable for this assessment with representatives of the DCLG in March. The Written Evidence for Assessment was provided in draft on 15 March. The Assessment team subsequently met with the DCLG during March to review compliance with the Code of Practice, taking account of the written evidence provided and other relevant sources of evidence. A final version of the Written Evidence for Assessment was provided on 24 March.

### **Summary of users contacted, and issues raised**

A2.3 Part of the assessment process involves our consideration of the views of users. We approach some known and potential users of the set of statistics, and we invite comments via an open note on the Authority's website. This process is not a statistical survey, but it enables us to gain some insights about the extent to which the statistics meet users' needs and the extent to which users feel that the producers of those statistics engage with them. We are aware that responses from users may not be representative of wider views, and we take account of this in the way that we prepare assessment reports.

A2.4 The Assessment team received 3 responses from the user consultation. The respondents were grouped as follows:

Policy user	1
Local authority representatives	2

Users were generally satisfied with the presentation and quality of the statistics.

### **Key documents/links provided**

Written Evidence for Assessment documents

Assessed publication:

<http://www.communities.gov.uk/documents/statistics/pdf/1264176.pdf>

