

Assessment of compliance with the Code of Practice for Official Statistics

Statistics on UK Business Population and Demography

*(produced by the Office for National Statistics and
the Department for Business, Innovation and Skills)*

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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 AND DESIGNATION

The *Statistics and Registration Service Act 2007* gives the UK Statistics Authority a statutory power to assess sets of statistics against the *Code of Practice for Official Statistics*.

Assessment will determine whether it is appropriate for the statistics to be designated as National Statistics.

Designation as National Statistics means that the statistics comply with the *Code of Practice*. The *Code* is wide-ranging. Designation can be interpreted to mean that the statistics: meet identified user needs; are produced, managed and disseminated to high standards; and are explained well.

Designation as National Statistics should not be interpreted to mean that the statistics are always correct. For example, whilst the *Code* requires statistics to be produced to a level of accuracy that meets users' needs, it also recognises that errors can occur – in which case it requires them to be corrected and publicised.

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

Assessment reports typically provide an overview of any noteworthy features of the methods used to produce the statistics, and will highlight substantial concerns about quality. Assessment reports also describe aspects of the ways in which the producer addresses the 'sound methods and assured quality' principle of the *Code*, but do not themselves constitute a review of the methods used to produce the statistics. However the *Code* requires producers to "seek to achieve continuous improvement in statistical processes by, for example, undertaking regular reviews".

The Authority may grant designation on condition that the producer body takes steps, within a stated timeframe, to fully meet the *Code's* requirements. This is to avoid public confusion and does not reduce the obligation to comply with the *Code*.

The Authority grants designation on the basis of three main sources of information:

- i. factual evidence and assurances by senior statisticians in the producer body;
- ii. the views of users who we contact, or who contact us, and;
- iii. our own review activity.

Should further information come to light subsequently which changes the Authority's analysis, it may withdraw the Assessment report and revise it as necessary.

It is a statutory requirement on the producer body to ensure that it continues to produce the set of statistics designated as National Statistics 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 reports¹ prepared under the provisions of the *Statistics and Registration Service Act 2007*². The Act requires all statistics currently designated as National Statistics to be assessed against the *Code of Practice for Official Statistics*³. The report covers the set of statistics reported in *UK Business: Activity, Size and Location*⁴ and *Business Demography*⁵ produced by the Office for National Statistics (ONS); and *Business Population Estimates for the UK and Regions*⁶, produced by the Department for Business, Innovation and Skills (BIS).

1.1.2 Section 3 of this report 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 materiality⁷. 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 judges that the statistics covered by this report are readily accessible, produced according to sound methods and managed impartially and objectively in the public interest, subject to any points for action in this report. The Statistics Authority confirms that the statistics detailed in paragraph 1.1.1 are designated as National Statistics, subject to ONS and BIS implementing the enhancements listed in section 1.5 and reporting them to the Authority by June 2012.

1.3 Summary of strengths and weaknesses

1.3.1 ONS and BIS collaborate effectively in the production and development of these statistics. Both teams are responsive to data requests and customer enquiries with ONS producing a range of bespoke datasets to meet customer

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

² http://www.opsi.gov.uk/Acts/acts2007/pdf/ukpga_20070018_en.pdf

³ <http://www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html>

⁴ <http://www.ons.gov.uk/ons/rel/bus-register/uk-business/2011/index.html>

⁵ <http://www.ons.gov.uk/ons/rel/bus-register/business-demography/2010/index.html>

⁶ <http://www.bis.gov.uk/analysis/statistics/business-population-estimates>

⁷ <http://www.statisticsauthority.gov.uk/assessment/assessment/guidance-about-assessment/criteria-for-deciding-upon-the-format-of-an-assessment-report.pdf>

needs. BIS has recently improved the timeliness of *Business Population Estimates (BPE)*. Some users would like to see improvements to the timeliness of *Business Demography*. ONS and BIS publish a range of material on methods to support the statistical bulletins.

- 1.3.2 Recent changes to the presentation of *UK Business* mean that it provides very little commentary and supporting information and does not conform to the usual statistical bulletin format. All of the outputs assessed would benefit from the display of a greater understanding of users and their needs, whilst more proactive forms of engagement would help to develop the outputs further. Changes in methods have created discontinuities in the time series available for *BPE*. BIS has partially addressed this by providing a UK headline time series of the number of private sector businesses. There is a lack of clear, definitive, information for users on coherence across the full range of these statistical outputs.

1.4 Detailed recommendations

- 1.4.1 The Assessment team identified some areas where it felt that ONS and BIS could strengthen their compliance with the *Code*. Those which the Assessment team considers essential to enable designation as National Statistics are listed in section 1.5. 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

Requirement 1	(a) Publish plans to strengthen engagement with users of these statistics outside government. (b) Publish information about users' experiences of these statistics (para 3.1) - (ONS & BIS).
Requirement 2	Publish information about the methods used to adjust business death estimates, and an analysis of the extent to which these provisional estimates are subject to revision (para 3.4) - (ONS).
Requirement 3	Provide more information in <i>UK Business</i> and <i>Business Demography</i> about the classifications and methods used to produce the statistics, and about their quality; and provide links to where more detailed information can be found (para 3.5) - (ONS).
Requirement 4	Publish more information about the quality of the statistics published in <i>Business Population Estimates</i> (para 3.6) - (BIS).
Requirement 5	Publish a paper that will explain the differences between <i>Business Population Estimates</i> , <i>UK Business</i> and <i>Business Demography</i> ; and use the

findings as a basis for reviewing whether user needs would be better met through closer integration between *UK Business* and *Business Population Estimates* (para 3.7) - (ONS & BIS).

Requirement 6

Improve the commentary in *Business Demography* and *Business Population Estimates* so that it aids user interpretation of the statistics, and develop *UK Business* to include the usual level of content in a statistical bulletin (para 3.8) - (ONS & BIS).

Requirement 7

Investigate the scope to improve the dissemination of datasets that accompany *UK Business* and publish the findings (para 3.9) - (ONS).

2 Subject of the assessment

2.1 This assessment covers statistics about businesses that are published in the following three annual statistical releases:

- *UK Business: Activity, Size and Location (UK Business)* is produced by ONS and presents headline estimates of the number of businesses registered for VAT and Pay As You Earn (PAYE) purposes in the UK. These statistics refer to the number of businesses active on a particular day in March each year.
- *Business Demography (ONS)* presents headline statistics about the number and rate of UK business births and deaths. It also presents survival rates for new businesses over the most recent five years. Like *UK Business*, these statistics are restricted to VAT and PAYE registered businesses. The release covers all registered businesses that are active at any time during the full calendar year, so presents a higher estimate of the total stock of active businesses than *UK Business*.
- *Business Population Estimates for the UK and Regions (BPE)* is produced by BIS and provides an estimate of the total number of private sector businesses in the UK at a point in time, together with information on their associated employment and turnover. *BPE* incorporates an estimate of the un-registered business population in addition to the VAT and PAYE registered businesses included in the ONS estimates. These statistics show the estimated number of businesses active on 1 January each year.

2.2 All three releases cover private sector businesses but with different exclusions applied to business in other sectors. *Business Demography* excludes central government and local government, since its primary purpose is to provide information about entrepreneurship. The following table illustrates the coverage of the releases:

	<i>UK Business</i>	<i>Business Demography</i>	<i>BPE</i>
Central government	Y	N	Y
Local government	Y	N	Y
Public corporations	Y	Y	Y
Nationalised bodies	Y	Y	Y
Private sector	Y	(excluding Agriculture)	Y
Managed service companies	N	N	N
Not for profit sector	Y	Y	Y

- 2.3 *UK Business* and *Business Demography* are both produced by taking extracts from the Inter-Departmental Business Register⁸ (IDBR). This is a list of UK businesses, managed by ONS, which is populated from administrative data. The main sources are VAT and PAYE records from HM Revenue & Customs (HMRC), which are supplemented by Company Registration data supplied by Companies House. *BPE* combines information from the IDBR with an estimate of the number of very small unregistered enterprises derived from the Labour Force Survey (LFS) and HMRC self-assessment tax returns data to produce an estimate of the total UK business population.
- 2.4 *UK Business* is a longstanding statistical release, published annually since the early 1970s. Its scope has been extended several times during this period. The most notable recent change was the extension from VAT only, to VAT and PAYE businesses in 2008. The release is accompanied by an extensive set of reference tables that present business counts by industry and geography, with industry detail down to Standard Industrial Classification (SIC)⁹ 4 digit class level and geographies including county, district and parliamentary constituency. ONS also produces a suite of tables at a lower geographic level which can be downloaded free of charge from the Neighbourhood Statistics website¹⁰.
- 2.5 *Business Demography* was first published in 2008, in response to a new European Commission Regulation¹¹ requiring Member States to produce statistics about business births, deaths and survival rates using common definitions and methodologies. It replaced the previous statistical release, *Business start-ups and closures: VAT registrations and de-registrations*¹² (*Business start-ups etc*), which covered only VAT-registered businesses. The release is accompanied by a set of reference tables that provide greater geographical and industrial detail.
- 2.6 *BPE* was first published in May 2011, presenting statistics for 2010. The main focus of *BPE* is the UK private sector, although it presents high level information about the whole economy. It replaced the annual statistical release *Small and Medium-sized Enterprise Statistics for the UK and Regions*¹³ (*SME*) which had been produced from 1994 to 2009. *BPE* was introduced following a public consultation about the methods used to produce *SME*¹⁴. BIS published an article¹⁵ in *Economic and Labour Market Review* that described the changes and the impact that they had on the estimates. The name of the statistical release was changed to alert users to the significant differences in the methods used to produce the two series. BIS provided a UK headline time series of the number of private sector businesses, produced on a consistent basis using the

⁸ <http://www.ons.gov.uk/ons/about-ons/who-we-are/services/unpublished-data/business-data/idbr/index.html>

⁹ <http://www.ons.gov.uk/ons/guide-method/classifications/current-standard-classifications/standard-industrial-classification/index.html>

¹⁰ <http://neighbourhood.statistics.gov.uk/dissemination/>

¹¹ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2008:097:0013:0059:EN:PDF>

¹² <http://webarchive.nationalarchives.gov.uk/+http://stats.berr.gov.uk/ed/vat/>

¹³ <http://webarchive.nationalarchives.gov.uk/+http://stats.bis.gov.uk/ed/sme/>

¹⁴ <http://webarchive.nationalarchives.gov.uk/20100216092443/http://www.berr.gov.uk/files/file49351.pdf>

¹⁵ <http://www.ons.gov.uk/ons/rel/elmr/economic-and-labour-market-review/april-2011/economic-and-labour-market-review.pdf>

latest methodology. *BPE* provides information about business numbers by number of employees, legal status, industry, country and region. It also provides associated information about business employment and turnover. The publication is accompanied by a methodology note and a detailed data set.

- 2.7 These statistics are used extensively by central and local government for planning purposes. Central government uses these statistics to understand developments in the size, geographical spread and growth of businesses in different industry sectors in the UK. Local authorities are interested in the number of businesses starting and closing in their area, and use these statistics to monitor the impact of economic policies and to inform economic impact assessments. The statistics are used by private businesses for business planning and marketing activities. Business births and deaths are extensively reported by the media as an indicator of the state of the economy. The OECD uses statistics on business births and deaths to develop international indicators of entrepreneurship, and to make comparisons about entrepreneurial activity across different countries.
- 2.8 ONS estimates the cost of producing *UK Business* and *Business Demography* to be around £17,000 a year. This covers the costs of extracting the data from the IDBR, producing the tables, quality assuring the data, preparing the publication and responding to queries about the publication. BIS estimates the cost of planning, producing, quality assuring and publishing *BPE 2011* to have been around £23,000. BIS incurs an additional cost of £20,000 to purchase the IDBR data from ONS.

3 Assessment findings

- 3.1 ONS and BIS engage with central government users of these statistics through the Business Registers Group (BRG) of the Government Statistical Service (GSS). ONS used to carry out an annual survey of users of the IDBR. The survey attracted few responses and was discontinued around three years ago. BIS invites users to provide feedback on *BPE*, either directly or through completing an online questionnaire. BIS has considered establishing a user group for business statistics although it has only found limited interest amongst users for such a group. Users told us that ONS and BIS are responsive to queries, but suggested that they could be more pro-active in contacting users; for example, ahead of changes to the scheduling of releases or methods. As part of the designation as National Statistics, ONS and BIS should (a) publish plans to strengthen engagement with users of these statistics outside government; and (b) publish information about users' experiences of these statistics¹⁶ (Requirement 1).
- 3.2 ONS has documented the uses made of *UK Business* and *Business Demography*, but has not published this information. BIS has published some information about the uses of *BPE* by government, public bodies, businesses and the public, although the information about use by government is not very specific. We suggest that ONS and BIS publish more complete information about the use made of these statistics, and in doing so refer to the generic classes of use put forward in the Authority's Monitoring Brief, *The Use Made of Official Statistics*¹⁷.
- 3.3 The timeliness of *BPE* has recently improved. BIS has reduced the period between publication and the reference period for *BPE 2011* to 10 months, compared with 21 months for *SME*, and expects to sustain this improved timeliness for future publications. ONS publishes *Business Demography* in December, almost a year after the end of the reference period. Some users told us that they would welcome a more timely release of these statistics. ONS told us that it would be technically feasible to publish these estimates as early as July each year, but this would require additional resources. We suggest that ONS investigate options to bring forward the publication of *Business Demography* and publish its findings.
- 3.4 The Eurostat/OECD manual on Business Demography¹⁸ recommends that producers wait for two years after the reference period to allow for business reactivations¹⁹ before calculating business deaths. In order to publish estimates within a year of the reference period, ONS makes an adjustment to the deaths figures in *Business Demography* to allow for reactivations, and publishes the figures as provisional estimates. The Assessment team considers the publication of these provisional estimates to be an example of good practice, as it allows the statistics to be published sooner than would otherwise be possible. However, although *Business Demography* presents the adjustments that have been made to the business death estimates, it does not describe the method

¹⁶ In relation to Principle 1, Practices 1 and 5 of the *Code of Practice*

¹⁷ <http://www.statisticsauthority.gov.uk/assessment/monitoring/monitoring-briefs/monitoring-brief-6-2010---the-use-made-of-official-statistics.pdf>

¹⁸ http://www.oecd.org/document/34/0,3343,en_2649_34233_39913698_1_1_1_1,00.html

¹⁹ . Business reactivations occur due to lags in the administrative sources (VAT/PAYE), where a business that is continuing to trade can appear to cease on the IDBR

that has been used to allow for business reactivations. Nor does the release present any information about the extent of subsequent revisions to these provisional estimates. As part of the designation as National Statistics, ONS should publish information about the methods used to adjust business death estimates, and an analysis of the extent to which these provisional estimates are subject to revision²⁰ (Requirement 2).

- 3.5 ONS and BIS produced an article *Introducing the new Business Demography statistics*²¹ in November 2008. This explains the differences between the new statistics, and those previously published in *Business start-ups etc.* ONS has published a Summary Quality Report for *UK Business*²² which provides some information about the classifications and methods used to produce these statistics and about the quality of the statistics. ONS provides very little of this type of information in the statistical releases. As part of the designation as National Statistics, ONS should provide more information in *UK Business* and *Business Demography* about the classifications and methods used to produce the statistics, and about their quality; and provide links to where more detailed information can be found²³ (Requirement 3). The Summary Quality Report for *UK Business*²⁴ provides little information about the arrangements for quality assuring these statistics. We suggest that ONS publish more information about the arrangements for quality assuring the statistics published in *UK Business* and *Business Demography*.
- 3.6 BIS publishes a methodology note²⁵ that explains how the statistics in *BPE* have been produced. Neither *BPE* nor the accompanying methodology note provide much information about the quality of these statistics. As part of the designation as National Statistics, BIS should publish more information about the quality of the statistics published in *BPE*²⁶ (Requirement 4).
- 3.7 *BPE* includes some information about the similarities and differences between the statistics in the release and those in related statistical outputs. BIS provides more detailed information of this nature in the methodology note that it publishes alongside *BPE*. ONS published some information about the relationship between *Business Demography* and *UK Business* in *Introducing the new Business Demography statistics*, but has published little information about how these statistics cohere with other, related statistical products, including *BPE*. It can be difficult for users to find information about the different definitions of business that are used by BIS and ONS. Given the overlap between *UK Business* and *BPE*, and the close links between these releases and *Business Demography*, it is not clear whether user needs are best met by having these statistics presented in separate publications produced by different organisations. BIS and ONS told us that they have agreed to develop and publish a paper that will explain the differences between *BPE*, *UK Business*

²⁰ In relation to Principle 2, Practice 6 and Principle 4, Practice 1 of the *Code of Practice*

²¹ <http://www.ons.gov.uk/ons/rel/elmr/economic-and-labour-market-review/no--12--december-2008/index.html>

²² <http://www.ons.gov.uk/ons/guide-method/method-quality/quality/quality-information/business-statistics/summary-quality-report-for-the-uk-business--activity--size-and-location-survey.pdf>

²³ In relation to Principle 4, Practice 1 and Principle 8, Practice 1 of the *Code of Practice*

²⁴ <http://www.ons.gov.uk/ons/guide-method/method-quality/quality/quality-information/business-statistics/summary-quality-report-for-the-uk-business--activity--size-and-location-survey.pdf>

²⁵ <http://www.bis.gov.uk/analysis/statistics/business-population-estimates>

²⁶ In relation to Principle 4, Practice 2 and Principle 8, Practice 1 of the *Code of Practice*

- and *Business Demography*. As part of the designation as National Statistics, ONS and BIS should publish a paper that will explain the differences between *BPE*, *UK Business* and *Business Demography*; and use the findings as a basis for reviewing whether user needs would be better met through closer integration between *UK Business* and *BPE*²⁷ (Requirement 5).
- 3.8 *Business Demography* and *BPE* both include a summary of the key points. They both have a background notes section which provides additional information, including some explanation about the methods that have been used to produce these statistics. These releases provide little commentary and contextual information about the statistics. *UK Business* is published only as a summary of key points, with very little commentary. As part of the designation as National Statistics, ONS and BIS should improve the commentary in *Business Demography* and *BPE* so that it aids user interpretation of the statistics, and develop *UK Business* to include the usual level of content in a statistical bulletin²⁸ (Requirement 6). We suggest that ONS and BIS should consider the points detailed in annex 2 in meeting this Requirement.
- 3.9 ONS publishes a detailed set of spreadsheet tables to accompany *UK Business*, although this only includes statistics for the most recent year. Some users told us that they had experienced difficulty in compiling time series using ONS spreadsheets. Many users have very specific data requirements which are not met by the pre-specified tables that ONS produces. One user suggested that industry data by region should be made available free of charge. ONS charges users for more detailed datasets to recover its costs, in accordance with its charging policy²⁹. ONS publishes some of the more detailed data that underlie *UK Business* statistics on the Neighbourhood Statistics website³⁰ with users able to define their own datasets. As part of the designation as National Statistics, ONS should investigate the scope to improve the dissemination of datasets that accompany *UK Business* and publish the findings³¹ (Requirement 7).
- 3.10 ONS does not provide pre-release access to *UK Business*. It provided eight people with access to *Business Demography 2010* for 24 hours prior to publication. BIS provided 11 people with pre-release access to *BPE*. Of these, 9 people had access 24 hours prior to publication; and 2 people in Scottish Government had access 48 hours prior to publication. This was to allow the Scottish Government to include relevant information in a methodological note about Scottish corporate sector statistics that was due to be published at the same time. This access was permitted by Section 15 of the *Pre-release Access to Official Statistics Order 2008*.
- 3.11 BIS publishes³² a single document that presents lists of those granted pre-release access to all its National Statistics outputs. BIS does not provide clear links from the business statistics pages on its website to where this information can be found. The lists in the document itself do not make clear which particular

²⁷ In relation to Principle 4, Practice 3 of the *Code of Practice*

²⁸ In relation to Principle 8, Practices 2 and 4 of the *Code of Practice*

²⁹ <http://www.ons.gov.uk/ons/about-ons/who-we-are/services/idbr/standard-analysis-from-the-idbr/non-disclosive-data/index.html>

³⁰ <http://www.neighbourhood.statistics.gov.uk/dissemination/>

³¹ In relation to Principle 8, Practice 5 and 6 of the *Code of Practice*

³² <http://www.bis.gov.uk/analysis/statistics/about-national-statistics>

edition of each release is being referred to, and where lists for previous editions can be found. We suggest that BIS improve the accessibility of the information that it publishes about pre-release access to its National Statistics outputs; and review the arrangements for publishing records of those who have access prior to release, to ensure that it is clear who has been given access to which specific statistical release.

Annex 1: Suggestions for improvement

A1.1 This annex includes some suggestions for improvement to these statistics on UK business population and demography, 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.

- | | |
|---------------------|---|
| Suggestion 1 | Publish more complete information about the use made of these statistics, and in doing so refer to the types of use put forward in the Statistics Authority's Monitoring Brief, <i>The Use Made of Official Statistics</i> (para 3.2) - (ONS & BIS). |
| Suggestion 2 | Investigate options to bring forward the publication of <i>Business Demography</i> and publish the findings (para 3.3) - (ONS). |
| Suggestion 3 | Publish more information about the arrangements for quality assuring the statistics published in <i>UK Business</i> and <i>Business Demography</i> (para 3.5) - (ONS). |
| Suggestion 4 | Consider the points detailed in annex 2, in seeking to improve the statistical releases (para 3.8) - (ONS & BIS). |
| Suggestion 5 | Improve the accessibility of the information about pre-release access to its National Statistics outputs; and review the arrangements for publishing records of those who have access prior to release, to ensure that it is clear who has been given access to which specific statistical release (para 3.11) - (BIS). |

Annex 2: Compliance with Standards for Statistical Releases

- A2.1 In October 2010, the Statistics Authority issued a statement on *Standards for Statistical Releases*³³. Whilst this is not part of the *Code of Practice for Official Statistics*, the Authority regards it as advice that will promote both understanding and compliance with the *Code*. In relation to *UK Business*, *Business Demography*, and *Business Population Estimates for the UK and Regions*, this annex comments on compliance with the statement on standards.
- A2.2 In implementing any Requirements of this report (at paragraph 1.5) which relate to the content of statistical releases, we encourage the producer bodies to apply the standards as fully as possible.

Appropriate identification of the statistics being released

- A2.3 The titles of the ONS releases describe the period to which the statistics relate but do not make clear the coverage of the releases. The ONS releases do not make clear the frequency of the release or the frequency with which data are compiled.
- A2.4 The name of the originating department is clearly stated and the *Business Population* release provides contact details for the responsible statisticians. The two ONS releases include a named publication contact, but do not make it clear that this is the name of the responsible statistician. The releases include the standard logo and provide links to accompanying Excel tables.

Include commentary that is helpful to the non-expert and presents the main messages in plain English

- A2.5 The commentary in *Business Demography* and *BPE* provides a summary of the key points, and *BPE* also sets out the scope of the release. *UK Business* provides a little information about the headline figures, but these are not clearly related to the information published in the accompanying tables. *UK Business* does not include context about the statistics published, nor background notes on the sources and methods used in the creation of the statistics. It is not presented as a full statistical bulletin.
- A2.6 The different releases present statistics that are related and largely drawn from the same source but with different methods applied in their production. It is not completely clear from the releases how the statistics relate to one another and the extent of coherence between them.
- A2.7 BIS and ONS use a range of charts and tables to illustrate the data. Some of the charts in *BPE* are not labelled on a consistent basis. The tables in *Business Demography* do not have a clear layout.

³³ <http://www.statisticsauthority.gov.uk/news/standards-for-statistical-releases.html>

Use language that is impartial, objective and professionally sound

A2.8 The statistics are described in an impartial way and descriptive statements are consistent with the statistics.

A2.9 Where LFS data are used in the creation of *Business Population*, it is noted that these are subject to sampling variability - but this is not explained further, and the scale of the variability is not quantified.

Include information about the context and likely uses

A2.10 *BPE* includes information about the purpose and use of the publication, and its limitations in scope and comparability. The publication does not include broader information about the context or economic significance of the statistics. The approach to revisions is documented but includes little detail, and it is not clear which data and tables are provisional and the scale of the revisions.

A2.11 The ONS releases do not include information about the uses and potential uses of these statistics.

Include, or link to, appropriate metadata

A2.12 The ONS releases do not provide sufficient information about the sources and methods used to compile these statistics. *Business Demography* refers to tables that provide greater geographical and industrial detail, but does not provide a link. *UK Business* does not cross-refer to other relevant statistical sources; for example, to *BPE* or to the more detailed Neighbourhood Statistics tables that are available. *BPE* includes source information within the background notes along with a link to further documentation about methods.

A2.13 *Business Demography* sets out the differences from the Eurostat and OECD approach to estimating business deaths, and includes tables showing the scale of the adjustments made. The release provides a link to the Eurostat and OECD guidelines, but users are not provided with shorter, summary information about how the statistics have been produced. Users are not shown where to find the Eurostat estimates or comparable estimates for other European countries.

Annex 3: Summary of assessment process and users' views

- A3.1 This assessment was conducted from October 2011 to January 2012.
- A3.2 The Assessment team – Neil Jackson and Neil Wilson – agreed the scope of and timetable for this assessment with representatives of BIS and ONS in October. The Written Evidence for Assessment was provided by BIS and ONS on 5 December. The Assessment team subsequently met BIS and ONS during December to review compliance with the *Code of Practice*, taking account of the written evidence provided and other relevant sources of evidence.
- A3.3 Although produced by separate departments, due to the closely related nature of these statistics the Assessment team agreed with BIS and ONS that the Assessments would be documented in a single joint report.

Summary of users contacted, and issues raised

- A3.4 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.
- A3.5 The Assessment team received 19 responses from the user consultation. These respondents were grouped as follows:
- | | |
|--------------------------|---|
| BIS | 4 |
| Other central government | 7 |
| Commercial | 4 |
| Academic | 4 |
- A3.6 Over half of those responding used a mixture of statistics produced by both departments; 11 provided a response covering both, 5 provided a response on the statistics produced by BIS and 4 provided a response on those produced by ONS. Users across all of the outputs generally felt that the statistics met their needs and they were happy with the level of engagement with the producers, and found them to be responsive to queries. However, some noted that they did not feel well informed of changes to the outputs and that the departments were not proactive in involving users.
- A3.7 Some users noted the improvements made to the timeliness of the publication of statistics but would welcome further improvements if possible. The majority of users find the statistics suitable for their requirements and are happy with the level of detail published but some did not feel clear about the level of comparability between the different statistics. Some users would like to have easier access to data to enable comparisons over time and greater clarity on the changes made to the datasets. Some users indicated that they had experienced difficulties accessing statistics on ONS's new website. A few users

noted specific requirements they had which would benefit from a greater level of detail being available or alternate aggregations of the data being produced. One user noted that ONS only publishes industry data for the UK and suggested that industry data by region and, ideally, by local authority, should be made available free of charge.

Key documents/links provided

Written Evidence for Assessment documents

