
Chair of the UK Statistics Authority, Sir Andrew Dilnot CBE

Bernard Jenkin MP
Chair, Public Administration Select Committee
House of Commons
LONDON
SW1A 0AA

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Dear Bernard

STATISTICS AND THE REGIONS AND NATIONS OF THE UK

Thank you for your letter dated 3 September 2013 inviting the UK Statistics Authority to respond to the Committee's questions about statistics and the regions and nations of the UK. I apologise for the delay in responding but I wanted to check carefully the current position on a couple of substantive points before doing so.

I enclose a detailed note prepared by the Office for National Statistics (ONS) which sets out in detail ONS's response to the issues raised in the Committee's eight questions. I would also like to make some general observations about some particular themes in your letter.

In your letter, you suggest that statistics are not always available at the geography that the user requires and that local level data cannot always be aggregated to UK totals. That is indeed the case, but in some respects it is inevitable and will always be. Most official statistics are based on administrative records and where administrative procedures vary – between devolved administrations, between local authorities, between government agencies and institutions – then the statistics are likely to differ.

Where there is a Great Britain or UK basis for statistics – such as those on social security benefits or from major surveys like the Labour Force Survey, then these problems can largely be avoided. The Statistics Authority is committed to ensuring the greatest possible comparability and cohesion within this diverse framework. A measure of the scale of the challenge is that we understand there to be some 200 public bodies producing at least some official statistics, and our formal Assessment regime has now reported on statistics from some 50 producers of National Statistics.

The Committee asked about responsibility for setting strategy. As I set out in my recent written evidence to the Committee on budgeting for statistics, spending by government departments and agencies on statistical services is largely at the discretion of departmental Ministers and their senior officials. This has both advantages and disadvantages. The main

disadvantage is the loss of the opportunity to set statistical priorities centrally. That position is tempered by an elaborate system of interdepartmental committees and agreements through which statisticians from different government organisations – across the whole of the UK – work to achieve as much coherence as they can in the statistical service they collectively provide to the user. That service is not a single organisation in any conventional sense but it is a close-knit community of professionals who are committed to developing and observing common standards.

If we take a long term perspective, it is my view that we have come a long way from the mid 1980s when the then Central Statistical Office was a small (around 150 people) component of the Cabinet Office. More of the work of the statistical service has now been brought together in ONS, most recently the transfer of crime statistics from the Home Office. Our judgement is that interdepartmental (and inter-administration) co-operation is the only way to achieve a broader cohesion. The Statistics Authority, the National Statistician, and ONS all have a role to play in promoting and facilitating that co-operation, but ultimately it is Ministers who decide whether they will allow their own departmental statisticians to modify existing departmental plans to offer a more joined up, UK-wide statistical service to users. As I have suggested above, ministerial good will is not enough. If administrative practice varies, then it may be difficult – though sometimes not impossible – to join up the data. However, there have been some valuable initiatives to produce a core of consistent data from differing administrative systems, including those outlined in the attached note.

On the question of comparability across the four UK administrations, your letter suggests that, in relation to the population census, comparability ought to be easy to achieve. Neither the Statistics Authority nor ONS has operational control over the censuses in Scotland or Northern Ireland. In each case, the arrangements and the content of the census questionnaires are decided by the relevant legislature; and in the case of Wales, the National Assembly for Wales has a significant say in the questionnaire for England and Wales. That is why there are some differences. However, we contend that significant harmonisation has, nonetheless, been achieved across the four administrations, and this is set out in further detail in the attached note prepared by ONS officials.

Finally, your letter also draws attention to whether sufficient transparency is being achieved in relation to enabling users to understand developments and to influence decision-making. I am sure there is scope for further progress. The attached note sets out the current position and plans. The Statistics Authority will carry out an independent review of whether enough information of the kind the Committee identifies is readily accessible, and to the extent that is not we will report to the Committee on what will be done to put that right. My office will keep the Committee clerk updated on progress with this review.

Yours sincerely



Sir Andrew Dilnot CBE

ANNEX: NOTE PREPARED BY THE OFFICE FOR NATIONAL STATISTICS

The national and sub-national statistics produced across the Government Statistical Service (GSS) are critically important to a wide range of users, including central and local government, business and academia. They also underpin reporting by the media and help inform the public about important social and economic issues. In recent years, producers of these statistics have been required to respond both to the changing landscape of Government regional policy, and to financial pressures that have affected departmental budgets.

The Inter-Administration Working Agreement (IAWA) on Statistics sets out an agreed framework for co-operation between the Devolved Administrations and UK Government departments and agencies in relation to the production of official statistics¹. The UK Statistics Authority oversees the quality and comprehensiveness of official statistics across the four nations, as set out in the Authority's Statement of Strategy published in February 2013².

An important recent development has been the abolition of a number of key regional organisations and the increased importance of local organisations through the development of the wider 'localism' agenda. These changes have seen the closure of the Regional Development Agencies (RDAs) and Government Offices for the Regions (GORs) and the introduction of Local Enterprise Partnerships (LEPs) which were established to take forward economic development.

The question of statistical comparability has been given additional emphasis in recent months in the context of next year's referendum on Scottish independence. The UK Statistics Authority has recently published a report which seeks to explain the pitfalls of making comparisons where comparable official statistics are not available.³ Work is ongoing across the GSS theme groups⁴ to provide users with a formal assessment of the comparability of statistics across the UK. This work will feed into a compendium of UK official statistics that ONS will publish over the next six months, bringing together in one place published statistical outputs that are comparable across the four nations of the UK.

How are responsibilities for setting strategy on UK and sub-national statistics set between the various bodies? What is the rationale for that division and does it serve the interest of users?

Working within the scope of the IAWA, there are several mechanisms for setting strategy on UK and sub-national-statistics. The Inter-Administration Committee (IAC) promotes policies, strategies and standards to facilitate the production of coherent and harmonised statistics across the administrations.

¹ Included in the scope of this Agreement are National Records of Scotland (part of Scottish Government), Northern Ireland Departments, who are represented by the Northern Ireland Statistics and Research Agency, and the arm's length bodies of the devolved administrations specified in Official Statistics Orders. At www.statisticsauthority.gov.uk/about-the-authority/uk-statistical-system/history/key-historical-documents/inter-administration-working-agreement-on-statistics---revised-may-2012.doc

² www.statisticsauthority.gov.uk/news/statistics-authority-statement-of-strategy.pdf

³ www.statisticsauthority.gov.uk/assessment/monitoring/monitoring-reports/monitoring-report-6-2013---official-statistics-in-the-context-of-the-referendum-on-scottish-independence.pdf

⁴ All official statistics are allocated to one of 12 themes, each of which is lead by a senior statistician, who is appointed and accountable to the National Statistician.

The GSS Regional and Geography Committee (RGC) develops, maintains, reviews and monitors the application of statistical policies, practices and standards across the GSS and the devolved administrations.

Through the GSS theme groups, the GSS RGC takes account of the views of users of regional statistics. ONS also engages with users through high-level meetings with relevant government departments, and through online forums (such as StatsUserNet and the Local Government Association's Knowledge Hub) and ONS's own public consultations.

ONS plays a lead role in regional and local statistics, both as a producer and in its coordination activities. It has developed a National Statistics Geography policy⁵, which seeks to provide a geographic referencing framework across the GSS, to ensure the production of accurate and consistent statistics.

These arrangements seek to provide coherence in sub-national statistics, while respecting the existence of different administrations across the four nations. They also take account of legislative requirements for the European Union and compliance against the Code of Practice for Official Statistics.

ONS's 2006 Strategic Framework for Regional Statistics said that "a system for assessing priorities and progress across the GSS in pursuit of the vision for regional [i.e. sub-UK] statistics, as set out in the framework, should be developed". What progress has been made with this system for assessing priorities?

The system for assessing priorities for regional statistics and progress across the GSS is embedded in the governance arrangements of the UK statistical system.

Priorities are regularly considered by the GSS RGC and by GSS theme groups who assess priorities against legal requirements, policy developments and the need to produce official statistics which serve the public good, as well as against affordability considerations. For legal requirements, numerous datasets are produced at NUTS (nomenclature of territorial units for statistics) level as they are included in European Union legislation. For policy developments, priorities have included the production of statistics for new geographies that have been introduced to support policy (such as LEPs for economic growth, and Clinical Commissioning Groups for NHS reform).

In particular, affordability has become a more important consideration in recent years and the Code of Practice for Official Statistics requires producers of official statistics to consult users before making changes that might adversely impact on statistical outputs. This mechanism is crucial for assessing the strength of user demand for outputs (and therefore helping to prioritise) when producers are considering ceasing particular outputs. In recent years, this has become particularly important as departments have responded to a climate of reducing budgets. ONS is currently undertaking a public consultation on how best to prioritise its statistical outputs in response to significant funding pressures. The consultation, which includes some regional and local-area economic statistics, will help ONS understand public views on the potential impact of reduced outputs.

⁵ www.ons.gov.uk/ons/guide-method/geography/geographic-policy/index.html

The effectiveness of the strategic documents of course depends on how they are implemented. What difference do the agreements make? Please provide some examples of decisions, or of ways of working, which have improved or got worse in the last five years since the passage of the 2007 Statistics and Registration Service Act.

ONS's view is that there have been improvements in the production and dissemination of sub-national statistics since the passage of the *Statistics and Registration Service Act 2007*, and some examples are set out below:

- i. Based on feedback from GSS theme groups about definitional issues, the IAC worked with relevant parties to agree on a common definition of not in employment, education or training (NEET) data across all four nations. Estimates based on the new common definition were first published in May 2013.⁶
- ii. A cross-government working group, reporting to the GSS RGC, led the successful delivery of 2011 rural/urban classifications of small area geographies in England and Wales, in line with a commitment contained in the 2006 Strategic Framework. 2011 classifications were released in August 2013, one year earlier than the comparable release after the 2001 census, alongside summary outputs of 2011 Census data for local authorities and regions.
- iii. Access to Open Geography is a framework that provides the definitive source of geographic products, tools and services, and is now available via the INSPIRE⁷ compliant geo-portal. In addition, an ONS Linked Data portal has been created as an access point for information on statistical geographies that are required to support the use of official statistics. It is designed to allow users to discover, view and use geospatial data. This development was made possible as a result of the introduction of standard GSS coding for all statistical geographies, which was overseen by the GSS RGC as part of the National Statistics Geography Policy, and is now in use across the GSS.
- iv. The Regional Statistician service, established in 2007, was also an example of an improved way of working. Two ONS staff were posted to each of the nine regions in England, strengthening the link between ONS and regional/sub-regional stakeholders and increasing ONS's understanding of regional statistics user requirements. This programme ended in March 2011 as a result of changes to the regional administrative structure and funding pressures.

Although regional statistical co-ordination and decision-making have been strengthened over time, it should be acknowledged that there have also been some substantial reductions in sub-national statistics. For example:

- i. In September 2012, the Department for Communities and Local Government announced that it would cease the production of regional statistics (outputs for the nine former GORs in England).

⁶ www.ons.gov.uk/ons/rel/lms/young-people-not-in-education--employment-or-training--neets-/may-2013/index.html

⁷ European Directive 2007/2/EC is known as 'INSPIRE'. INSPIRE establishes an infrastructure for spatial information in the European Union and it was transposed into UK law in December 2009.

- ii. ONS used to publish an annual printed compendium called Regional Trends which included articles and reference tables. Since 2010, the number of tables was reduced from about 150 to 60 following a public consultation. Analytical articles continue to be published on the ONS website.

The 2006 Strategic Framework stated that the document should be reviewed in 2007. The Strategic Framework also referred to outcomes to be achieved by 2011. However, no review or update is visible online. On the 2006 Strategic Framework:

- a) Have any reviews been undertaken? If so, what were the outcomes from these?***
- b) What overall progress has been made against the target outcomes?***
- c) What, if any, plans are there to update the strategy, and to produce a new set of target outcomes?***

The 2006 Strategic Framework was not formally reviewed in 2007 but its strategic goals have shaped the content of successive work plans in the years since. Plans have also been updated to reflect the significant changes in government policy over that time. Progress against these plans has been monitored by the GSS statistical governance arrangements that are in place. An internal review in 2011 concluded that ONS should continue to play the lead role in coordinating regional and local statistics across the GSS.

ONS continues to play that lead role despite significant reductions in the budget for regional and local statistics since 2006. The focus has remained aligned to the six strategic goals set out in the 2006 Strategic Framework document. In particular, ONS:

- plays a key role in GSS RGC and IAC, and seeks to deliver user requirements for regional and local statistics among producers in both ONS and the GSS;
- disseminates datasets and analysis relevant to emerging public policy, for example the localism agenda (through the continuation of the Neighbourhood Statistics service, 2011 Census data for built-up areas, and local authority profiles and other analytical tools), economic development (through the creation of LEP profiles, regional economic indicators, and other sub-national economic analysis) and measuring well-being;
- continues to support the development of rural-urban statistics through the recent release of the 2011 rural-urban classification and associated 2011 Census data in August 2013;
- routinely supplies regional statistics required by the European Union and other international bodies, according to agreed standards and regulations;
- seeks to ensure the timely production of sub-national statistics; and,
- maintains a range of dissemination mechanisms for regional statistics, including a dedicated landing page on the ONS website⁸, the Neighbourhood Statistics website, the Publication Hub and data.gov.uk.

Given the significant changes in regional policy and continued funding pressures, now is an appropriate time to revise the Strategic Framework. ONS is currently running a public consultation which could lead to further reductions in regional and local statistics outputs. ONS will want to take account of the outcome of that consultation and so the revision of the Strategic Framework will be taken forward, with input from GSS RGC, over the next year.

⁸ www.ons.gov.uk/ons/regional-statistics/index.html

The revised document will be published on the ONS website, and a copy will be sent to the Committee.

Even on a topic where comparability ought to be easy to achieve, such as the population census, there are key differences in questions asked and the results are published on different websites. What more could have been done to ensure better co-ordination and therefore more comparable results?

The censuses in England and Wales, Scotland, and Northern Ireland are conducted by three separate statistical bodies under different administrations and in accordance with different (although broadly similar) legislation. ONS is the census office for England and Wales, National Records of Scotland is the census office for Scotland, and the Northern Ireland Statistics and Research Agency is the census office for Northern Ireland.

As the Committee observes, there are some small differences in content, reflecting these separate legislative arrangements and differing user needs. The production and dissemination of census results is, for example, the separate responsibility of each census office and each office has, and will, publish statistics from its own census on its own website.

However, the vast majority of content and outputs from the 2011 censuses are comparable. For example:

- The censuses were held on the same date and a common population base of usual residents and visitors was agreed;
- Most of the topics, questions and definitions covered on the three census questionnaires are identical and are based on requirements for information from a wide range of UK users;
- Common methodology has been applied for the collection, protection and processing of census information;
- Common publicity messages were agreed;
- Output products were designed to be comparable and meet user needs across the UK first, and subsequently were prepared for individual nations to reflect differences in need and content; and
- Census outputs achieve a high degree of harmonisation with the rest of Europe.

ONS also publishes UK-wide census data on the ONS website.⁹

Such efforts at harmonisation reflect extensive cooperation across the four nations of the UK since 2004. In 2005, the National Statistician, the Registrar General for Scotland, and Registrar General for Northern Ireland signed a formal harmonisation agreement.¹⁰ The principle of the agreement was that the three census offices would, as far as possible, work together to ensure that the censuses were successful in providing high quality population and housing statistics that meet the needs of their users, and reflected UN and European requirements. The agreement also sets out that the three census offices and the Welsh Government will work together to reach mutual agreement to maximise harmonisation.

⁹ www.ons.gov.uk/ons/guide-method/census/2011/uk-census/index.html

¹⁰ www.ons.gov.uk/ons/guide-method/census/2011/the-2011-census/the-2011-census-project/national-statistician-and-registrars-general-s-agreement---august-2012.pdf

The 2006 Strategic Framework stated that “A specific work programme is ... needed to gain an agreed view on those regional statistics that are required to be consistent across the UK”. What has been achieved on this? What remains to be achieved?

Recently, the IAC commissioned a working group specifically to review the extent of comparability of statistics between the four nations of the UK and to minimise the time taken by users to obtain information on comparable statistics.

GSS theme leaders were also asked to engage with users to identify the regional statistics which they believe to be the most important across the UK. When complete, this work will provide a list of "headline statistics" that have undergone a formal assessment on a nine point scale of cross-nation comparability. This assessment will be used to determine the appropriate statement of comparability to be made each time the statistic is published, and where appropriate, further steps needed to improve comparability.

Some European Union funded project work (for example, Urban Audit, which is a Europe-wide city-level data collection) requires consistent UK-wide sub-national data to be supplied to, and published by, Eurostat.¹¹ Where data are not comparable across the four nations (for example, in policy areas where statistics are collected and published according to different definitions) there is liaison between the relevant organisations to ensure that the differences are fully explained to users.

The UK Statistics Authority recently published a short report on official statistics in the context of the referendum on Scottish independence. This explains the pitfalls of making comparisons where comparable statistics are not available. In addition, as part of work to prepare for and inform debate on the referendum, ONS is producing a UK compendium which will be released in stages, starting in January 2014. This will bring together in one place published statistical outputs that are comparable across the four nations of the UK across four themes (population and migration, economy, social indicators, and the environment).

We have not been able to find any information on what work on regional and sub-regional statistics is being planned. What plans do you have to improve transparency of decision-making about sub-UK statistics?

In its central coordinating role, ONS leads on developing the GSS RGC work plan, based on engagement with users and producers. This work plan is circulated to those who are responsible for sharing it across their departments, and with users more generally. The 2013/14 GSS RGC work plan contains various work streams in four distinct blocks of work: overseeing the development of products (statistical geographies and classifications) post-2011 Census; GSS harmonisation in relation to UK Government/European Union policy; encouraging and supporting the implementation of statistical policy; and user engagement (this includes a planned GSS seminar to promote 2011 Census products).

Following the launch of the new GSS website in early November, this work plan will be made publicly available. Committee documents (including papers, terms of reference, membership) which are currently published on the GSS intranet will also be published on the new GSS

¹¹ http://epp.eurostat.ec.europa.eu/portal/page/portal/statistics/search_database

See 'General and Regional Statistics' then 'Cities (Urban Audit)' from the data navigation tree.

website.

ONS also uses online forums (Knowledge Hub and StatsUserNet) to engage with users about forthcoming work in the area of regional statistics (for example, to highlight relevant consultations and responses) and to promote developments and statistical releases.

Is there any mechanism that ensures that the quality of England-specific statistics is not set at the lowest point of agreement between the four nations? While Wales, Scotland and Northern Ireland will publish their statistics of interest to them, who makes the case for England statistics?

Statistics that are produced sub-nationally cover the four constituent nations of the UK separately and, as a result, the quality of England data usually mirrors that for the UK as a whole. Statistics for England are required by many key users of statistics, including some government departments where the policy is devolved across the UK, and organisations and businesses who operate in England.

Rather than the case *not* being made for England statistics, it is often argued that users of England-specific statistics may be more vocal in communicating their needs to producers of statistics than other users. The current governance arrangements for regional statistics seek to mitigate this risk.

In addition to these governance arrangements, there are several mechanisms in place which serve to improve the quality of statistics across the four nations of the UK. The Code of Practice for Official Statistics sets common standards for all official statistics. The Authority, through its programme of Assessment and monitoring work, is also able to report publicly any concerns it might have regarding the quality or comprehensiveness of official statistics.