



Mr Ed Humpherson  
Director General  
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UK Statistics Authority  
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Dear Ed,

## **Tourism Statistics**

I am writing formally to ask whether the Office for Statistics Regulation has or is intending to make a statement on the current fitness for purpose of tourism statistics.

### ***Background***

Our International and domestic tourism statistics are used widely (nationally, regionally and locally) - for example, for planning and monitoring, directing resources, measuring and rewarding performance, as well as for investment decisions. Both volumes and change are important.

Two key questions following the EU referendum in 2016, and given the “weaker” pound afterwards, have been (1) whether there has been a significant and sustainable increase in the number of visits and spend by overseas residents in the UK, and (2) whether more UK residents have taken domestic holidays and/or day visits in the UK.

### ***International Tourism***

I was asked at the beginning of the year for advice about the current overseas travel and tourism figures from the International Passenger Survey by a serious tourism investor.

You can see the latest ONS bulletin here:-

<https://www.ons.gov.uk/peoplepopulationandcommunity/leisureandtourism/bulletins/overseastravelandtourism/novemberanddecember2017provisionalresults>

If you look at the seasonally adjusted figures for visits by overseas residents through 2017 in this and previous bulletins, they look much in line with expectations (positive for the tourism industry in the UK) until they change in direction in September. Year-on-year increases were +5% for both July and August but have been negative from September (-1%) to December (-10%).

While we don't know why these changes have happened since September, plausible assumptions might be things like:-

1. We're seeing a delayed reaction to the terrorist atrocities or to the Brexit vote;
2. We're seeing an economic reaction (eg. as the pound strengthens);
3. There's an adjustment after good 2016 figures (December 2016 was a good month for visits, for example). So we haven't been able to sustain the 2016 levels.

However, in this latest National Statistics bulletin (above), this has been stated:-

**“Things you need to know about this release**

The International Passenger Survey (IPS) is in the process of transferring data collection from paper forms to an improved method using tablet computers. Tablet data collections are being phased in gradually from September 2017, and will complete in April 2018.

Initial analysis of the new data suggests there may be discontinuities arising from the change in mode of collection, with evidence that different expenditure amounts are being collected from overseas residents visiting the UK. There may also be an impact on the level of expenditure of UK residents overseas.

We are working to understand the data discontinuities arising from the change in collection method and assess any impact on other ONS estimates. However, in the meantime we caution against overly interpreting changes in our data on spending by overseas visitors to the UK. These new data will not be used in headline trade or other national accounts estimates until we have produced a consistent time series on the new basis.”

I have checked previous monthly releases and this does not appear to have been trawled in advance, say at the time of implementation. Nor could I see any indication of the size of the discontinuity, its direction or indeed anything that would allow a user to have confidence to use the data or interpret changes. The implementation period is over 8 months and there is no mention of whether this means that there will be numerous discontinuities over that period, depending on the pace of implementation.

The text says the discontinuities may affect expenditure data but also says that you will assess “Any impact on other ONS estimates” which for IPS data could presumably be tourism visits, migration and balance of payments data. I have checked the quality report for reassurance, where changes in methods would normally be highlighted. It is here:-

<https://www.ons.gov.uk/peoplepopulationandcommunity/leisureandtourism/methodologies/internationalpassengersurveyqmi>

The quality report was last revised in May 2015 and says:

“Improvements to the survey may have introduced discontinuity in the estimates. For example, in 2009 a revised design relating to sampling, weighting and imputation methodology was introduced, which required a change in the way data are processed. This resulted in some discontinuity with a downward impact of approximately 2% in visits to the UK and 3% in visits overseas.”

I have also checked the Authority website for information and it appears that you are due to look at tourism statistics shortly. I also found a letter saying that the overseas travel and tourism data had received its National Statistics re-designation in 2011.

### ***Domestic Tourism***

In April 2017, I wrote to the National Statistician to alert him to the suspension of domestic tourism outputs from the **GB Tourism Survey** (overnight stays). At that point, there had been no data since May 2016 - before the EU referendum vote.

You can find the current monthly outputs here:

<https://www.visitbritain.org/great-britain-tourism-survey-latest-monthly-overnight-data>

You’ll note the September 2017 update which helps to alert users and quantify discontinuities that were introduced in 2016:

“Update 29<sup>th</sup> September 2017

In 2016, a new data processing platform was introduced to deliver the GBTS survey, and with this new platform, some changes were made to the way that results were calculated for a small number of respondents. This has resulted in a break in the time series reporting for the project.

To enable users to understand the impact of the changes made, we have now re-processed 2015 data using the new 2016 data processing platform. In summary, the effect of these changes at GB level was to increase the estimated number of 2015 trips by 0.6%, the estimated number of bed nights by 0.2% and to reduce expenditure by -2.9% compared to the published data.”

The data in the December update show a relatively flat picture for all trips from 2012 to 2017 (126 million in 2012 to 121 million in 2017) but there is an increase, which may well be significant, in holiday trips with an overnight stay from 2016 to 2017.

The **GB Day Visits Survey** (no overnight stay) has attracted much attention since the EU referendum. For example:

<http://www.ukinbound.org/news/n/2017/jan/17/great-britain-day-visits-survey-shows-2016-a-boom>

Data for 2016 suggested initially a 15% increase in day visits year-on-year so a big surge post-EU referendum, after several years of falling volumes.

However, at end March 2017, a briefing note came out about a change in data collection methodology, as well as further information about a processing error (that created a 5% discontinuity, in the opposite direction):

*"In 2016, a number of changes to the survey and questionnaire were made to improve survey usability and aid respondent understanding of the survey questions. These revisions together led to an increase in reported levels of trip taking. Further analysis of the data, including a parallel survey exercise, suggests that the revisions together accounted for 15 percentage points of the year on year increase recorded in 2016. On this basis all estimates in the [topline survey report](#) of visits for 2011 to 2015 have been increased by a factor of 15% to allow a meaningful comparison of year on year trends.*

You'll notice that a decision was taken to uplift the data for earlier years by 15% to account for the discontinuity.

The revised data in the latest December 2017 update show a relatively flat picture for all day visits since 2013 (1826 million in 2013, 1823 million in 2014, 1754 million in 2015, 1834 million in 2016 and 1793 million in 2017). The only year-on-year increase was between 2015 and 2016 when the discontinuity was introduced.

The changes leave a long list of unanswered questions. Have the various discontinuities been measured correctly (no seasonality, for example)? Are they "even" by different variables, by region and time of the year? Is it reasonable to assume that the old data collection methodology was simply wrong and the new data are the right ones?

There are I'm sure plenty of learning points from the various discontinuities introduced to tourism data over the recent period. Key questions seem to be:-

- The extent to which the various methodological changes, which resulted in the discontinuities, were trawled with users in advance of being made;
- Why discontinuities weren't anticipated, planned for, estimated and published in advance or, or as part, of implementation.

Over the next decade, there are likely to be many organisations, including here at the National Centre for Social Research, which will make important changes to survey data collection methods. I wondered whether the Authority might consider identifying and publishing best practice in implementing such changes to help commissioners and suppliers of surveys.

In the meantime, it would be helpful to know whether the Authority feels that the current tourism data are fit for purpose.

I am assuming you will make this letter and your reply public as per usual practice. As always, I'm happy to be told I've missed published documents explaining some or all of these changes.

Kind regards,

Guy Goodwin

Sent by: Guy Goodwin,  
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