



EUROPEAN CENTRAL BANK

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ECB response to the UK Consultation on independence for statistics

The ECB closely monitors the availability and quality of statistics necessary for assessing monetary and economic developments in the euro area and the European Union (EU). In that context, Member States are invited to consider the quality and integrity of their statistics as a matter of priority, to ensure that a proper system of checks and balances is in place when compiling these statistics, and to apply certain standards with respect to governance and quality in the domain of statistics. Regarding the reform of the UK statistical system as proposed by the HM Treasury, the ECB generally welcomes the decision taken by the UK Government to establish the statistics office as a non-ministerial department (NMD) and to create an independent board which will supervise the ONS. However, with regard to the detailed options for reform as presented in the Consultation, the ECB would like to make the three following observations.

1. Scope of the system

The Consultation mentions that one of the statutory high-level objectives for the Board to be set out in legislation is “*to advise Ministers of areas of widespread concern about the quality of official statistics*”. However, the Consultation also foresees that “*Ministers will decide whether these statistics should become National Statistics, subject to the board assessing and approving them against the code*”. In order to minimise the likelihood of a perception that the compilation and reporting of statistics could be vulnerable to political considerations, it may be considered to give more responsibility to the Board when it comes to deciding on the labelling of statistics as National Statistics.

2. Roles and responsibilities of the Board and the National Statistician

The role and responsibilities of the Board are clearly defined in the Consultation. However, those of the National Statistician are somewhat less specified. In fact, the Consultation suggests that some of the main current responsibilities of the National Statistician could be attributed to the Board.

Until now, the National Statistician was responsible for the “*professional statistical quality of all outputs comprising National Statistics, and for ensuring that all outputs are produced in accordance with the standards set out in the National Statistics Code of Practice*”. The Consultation proposes that “*the Board has executive responsibility for the statistics office,*

ensuring that statistics produced by the office are accurate, that they are timely, and that the office's work programme delivers statistics that are relevant".

However, as stated in Principle 1 concerning professional independence in the ESS Code of Practice, the National Statistician should *"have the sole responsibility for deciding on statistical methods, standards and procedures, and on the content and timing of statistical releases."* Against this background, it seems more appropriate to assign an oversight role to the Board and to assign the full responsibility for the statistical output (including its dissemination) by the statistics office to the National Statistician.

3. Minimising the business burden and protecting confidentiality

The Consultation recognises the importance for the system to carry out its function in the most efficient way possible, also seeking to minimise the burden on business. This is also encouraged by the ESS Code of Practice where Principle 9 states that *"administrative sources are used whenever possible to avoid duplicating requests for information; data sharing within statistical authorities is generalised in order to avoid multiplication of surveys"*. While the Consultation acknowledges that more data sharing among government departments will minimise the reporting burden for respondents, the proposal for legislation also emphasises that *"important arguments have been made against data sharing generally; in particular, that it may breach individual privacy right"*. It is indeed important that *"the privacy of data providers (households, enterprises, administrations and other respondents), the confidentiality of the information they provide and its use only for statistical purposes is absolutely guaranteed"* (ESS Code of Practice Principle 5 - statistical confidentiality). In practice, the statistical authorities should indeed be able to provide this guarantee, which may be monitored by the Board in the case of the ONS. As a consequence, fear for breaching individual privacy right does not, in itself, appear to be a valid reason for denying statistical authorities legal access to administrative sources, including the data available in government departments.

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