

**STATISTICS MATTER, BUT USERS DON'T** is the impression given by the Consultation Document. The proposal to 'build trust' through legislating for 'independence in statistics' is welcome, but without the recognition that users needs are different from those of government, and that effective support structures are required to ensure that those needs are identified, evaluated and implemented, the legislation will miss its real target, of ensuring that official statistics realise their potential as one of the essential in the information infrastructure of a democratic society.

Trust is ephemeral, a will of the wisp that is difficult to pin down. Legislation for independence is a step forward, but only the first step in rescuing official statistics from their politicisation over the last 27 years. So how should users view the consultation document as a basis for legislation? Apart from ring fencing departmental statistics and the loss of the emotionally charged title – National Statistician – does it form the basis for satisfactory legislation? The short answer is yes, but with qualifications arising from the lack of understanding of the needs of users. glaringly exposed by the narrow definition of National Statistics. Integrity and reliability are important, but it is not direct political interference that is the problem. Relevance and availability are the real issues and that is much wider than just setting a quality mark for selected statistics. Could the appropriate 21<sup>st</sup> century definition be the statistics needed:

*“for encouraging and informing debate; and allowing people to judge whether the government is delivering on its promises. High quality statistics are also a key resource for business, academia and the wider community. With **increasing emphasis on evidence based policy making and effective performance management**, statistics have a greater importance than ever before, and ever increasing scrutiny is placed on them.”*

Not my definition, but lifted from the Consultation Document [1.3]. So having set the stage and elevated the role of statistics in the democratic process why does the rest of the report continue to review National Statistics simply as a quality mark, instead of standing back and asking that most basic of questions “what market should official statistics serve?” Fighting yesterday's battles is a phrase that inevitably comes to mind. The treatment of unemployment figures under the Thatcher government was the trigger for the demand for legislation, but that was over 20 years ago. The requirement now is to consider the development of National Statistics as a service designed to meet the needs so eloquently set out in paragraph 1.3, **demand led not supply driven**. It is all about encouraging participation in the democratic process.

### **En Route to the Promised Land or By their fruits.....**

So having set out the 'aims' how does the implementation side of the consultation document unfold? We are already part of the way there. Under the heading 'Reforms so Far' [ 1.6 ]. Reference is made to “The introduction of the concept of National Statistics’, aimed at providing an accurate and, up to date, comprehensive and meaningful description of the UK economy and society”, **but it doesn't say for whom** and as the rest of the Document indicates the user outside government does not intrude very far. The discussion is restricted to the need for legislation to protect the

professional independence of official statisticians and develop public trust in statistics. Both admirable concepts, but is the legislation to be really that limited in scope? The answer as we review the rest of the Document is a resounding yes.

- **Key objectives of reform [ 1.9 ]** Six points listed, but the only reference to users is that ‘the system should have the flexibility to respond to changing needs, without harming the trust of users’
- **Progress since the Ministerial Directive in 2000 [ Section 2]** reviews wide ranging developments but has no references to Users. No mention of the failure of either the National Statistician or the Statistics Commission to set up effective mechanisms for identifying and evaluating user needs, as instructed in the Framework Document.
- **Key principles [ 4.3 ]** Quality, integrity, clear definition of roles and responsibilities, transparency, efficiency are listed. All excellent points, but there is no reference to Users.
- **The National Statistics system [4.20]** defines National Statistics only from the production side . No mention of the requirement to meet user needs.
- **Decentralised statistics collection [4.7]** presents a potential conflict of interests as departmental statistics represent over 70% of the total and include several of the most politically sensitive sectors, health ,education, crime. Paragraph 4.28 confirms that the ONS has access to the departments for National Statistics. That access should be declared ‘open’ in the legislation and its implementation by the Board, made one of its key responsibilities. If we persist with decentralised collection then the statistical teams in the Departments must be part of the statistics cadre directly responsible to the National Statistician as with the INSEE model. **The public doesn’t differentiate between ‘national’ and ‘official statistics’. They are all government outputs.**

The argument of the need for proximity to the policy makers doesn’t stand scrutiny:

- the statistics team can still be located near the Minister
- the DTI and Employment lost their statistics many years ago without a cross word been uttered.
- Over 80% of other countries have a centralised system.
- The relationship between the Departmental statistical team and the ONS is not always ‘sweetness and light’. There can be divided loyalties and resentment of ‘interference.’
- “living under the same roof as an attractive person of the opposite sex can generate impure thoughts. Cohabitation with a ministry and its policy departments can raise the problem of statistical independence” George Als review of EU Statistical Services. You can’t and won’t get away from distrust.

## **Funding**

The ‘key criteria’, listed in section 4.43, independence, transparency and flexibility are all excellent points, but given the fact that official statistics are collected for government, paid for by government, and are an essential part of managing UK Plc there is the danger that when the budget is under pressure from the periodic arbitrary % reductions that the user outputs will be squeezed. **Recommendation: separate**

**budgets for government and user requirements.** Thought for the day. How much are users worth- £1 per head annually?

## **Power Boarding**

The attempt to operate with an external guardian - the Statistics Commission - was not a success. The National Statistician resented what was seen as a confrontational rather than a co-operative relationship and the Commission lacked teeth. The positioning of the Board inside the statistical system resolves this problem, but at the expense of weakening the perceived independence of that system. An exchange, provided certain safeguards are in place, worth making for greater operational effectiveness and a unified assault on public mistrust in Statistics per se, a much wider and deeper problem than just re-branding selected official statistics as trustworthy. On their own, statistics are just numbers, they need sympathetic presentation to facilitate their use by the public in democratic debate. The ONS has regarded itself as a quarry to which you bring your own spade and shovel, that attitude has to change. The Board is in a strong position to start a product development programme to bring 'statistics into focus' [the title of an EU series], converting a valuable raw material into essential aids for decisions. The Norwegian initiative 'statistics for a general election' shows the way forward.

Provided certain safeguards are in place is an important qualification.

The problem of the **invisible user** still remains. The Board High Level Objectives - paragraph 4.17 - repeats the production bias and introduces a disturbing concept, meeting user needs is mentioned, but in Freudian tones they are described as 'key users.' ie., the Bank of England .

**Recommendation: replace 'key' by 'agreed'.**

Under the Board structure there is an assessment function [ 4.33 ] which will assess National Statistics and the output of the ONS against the code through a unit that although located in the ONS will report directly to the Board.

**Another recommendation, Add a user needs identification and evaluation function to the Board structure.** There needs to be a rapid response mechanism, that ensures that all the relevant statistics are accessible when issues arise. The debate on immigration is a good example. It requires more than just the bald figures of immigrants entering or leaving the country, we also need to know their impact on the economy and on society. The emerging issues are much more challenging, Ivan Fellegi has his Policy Group that identifies specific policy challenges, such as environmental and demographic pressures. We need something similar here - an 'Issues for Public Policy' committee.

**Hail Caesar** is the thought that crosses the mind when reading the brief for the chair, more a Lord King or a Tiny Rowlands than a figurehead and arguably a full time rather than a part time job. It is a crucial appointment, the top job in National Statistics and a very powerful national figure. The selection process for the chair we are told in several places in the 'consultation document, will be by 'open and fair competition, but paragraph 4.34 on the 'Independent Selection Process', is confusing. The first part confirms this view, but the second part states baldly that "the Government proposes that **the Chair should be appointed by the Crown on the advice of Ministers. The Government expects that Ministers will appoint the**

**other non- executive members of the Board.** This apparent contradiction presumably arises from a subtle distinction between appointment and selection, but the omens from the first selection/appointment process for the Statistics Commission are not good - over 1000 applications, leading after Treasury sifting [what an expressive term] to a single interview session with nine candidates for seven places.

### **The force be with you**

Jokes about ‘fog in the channel, Europe cut off’ apart, the UK is in the slow stream when we discuss the role of official statistics in advancing democratic debate. The UK is one of only a handful of developed countries without a Statistics Law and many have been busy revising their laws to bring them in line with current democratic ideals summarised by the motto of ISTAT the Italian Statistical Office, ‘Statisticum Reipublicae Fundamentum’. [Statistics are the Foundation of the State] One paragraph from the 1994 UN Principles is worth repeating ‘official statistics that meet the test of practical utility are to be compiled and made available on an impartial basis by official statistical agencies to honour the citizens entitlement to public information. The UN Declaration has to date inspired some 20 countries to pass or upgrade their statistics law. In 2005 the UN Economic Commission for Europe organised a work session on Statistical Dissemination and Communication. With the underlying themes of availability, relevance and ‘Making Data Meaningful’ the title of one of the sessions.’

The European Union through its various channels has, for several years, been actively advancing the role of official statistics. The integrity of official statistics was guaranteed as long ago as 1997 by clause 285 of the Amsterdam Treaty . A report on the proposal for an EU Citizens Charter in October 2002 listed the key issues for discussion as:

- the feeling that more must be done to encourage the EU citizen or voter to engage in the democratic process at all levels
- the acceptance that, if citizens are to be in a position to judge the performance of those they elect, they have a right to access reliable and up to date statistics that make this possible.
- The concept of **an Information Society** for all, based on access to statistics held by public sector bodies.

Then early in 2006 a White paper on an EU Communication policy stressed the need for institutions and governments to pay more attention to consulting the public and feeding their views into the policy making processes. The White paper is a complement to the Commission’s Plan D - Democracy, Dialogue and Debate. The DGINS Conference, Copenhagen , May 2005, also discussed the challenge of communicating statistics,.

The EU code of practice for National Statistical Offices is essential reading. Principle 11 [of the 15 listed ] states strongly and unambiguously “**European Statistics must meet the needs of users**” [ [http\\europa.eu.int](http://europa.eu.int) ]

A proposal for an upgraded EU Statistics Advisory Council has just been prepared for ratification by the European Parliament:

**“The Statistics Advisory Committee shall deliver opinions and present reports on user requirements in the production and dissemination of Community Statistics to the European Parliament, the Council and the Commission and the Commission shall report to the Committee on a yearly basis on how it has taken account of the Committees opinions “**

So the EU statistics law will explicitly recognise the need to service users outside Government. Are we going to be left behind again? There are two main options A Statistics Advisory Council separate from the Board but reporting to it, or build on paragraph 4.31 which states the Board Chair is responsible for ”determining the structure of its committees”. If the former, **the Advisory Council should be recognised and authorised by the legislation.** If the latter the legislation should include a clause that **one of the committees should be responsible for identifying and evaluating user needs**

The greatest prize from statistics legislation that fully meets the needs of users is an enlightened electorate, enthusiastically participating in evidence based democratic debate, giving the ‘lie’ to Disraeli.

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