

## Response of the National Centre for Social Research to the Consultation Document “Independence for Statistics”

### Background

1. The National Centre for Social Research (NatCen) is the UK’s largest independent social research organisation, with a staff of nearly 300, of whom about 130 are professional researchers, and a nationwide fieldforce of 1300 interviewers and nurse/interviewers. We carry out a wide range of social investigations and analyses, some of which are branded as National Statistics such as The Health Survey for England and the National Travel Survey. In one case, that of the Family Resources Survey, carried out for the Department of Work and Pensions, we do the work in collaboration with the social survey element of ONS. Although most of our work is funded by government departments we also carry out work funded by research councils, universities and other public-interest funders. We have been in existence since 1969 and have worked closely with ONS over the years and there is some movement of staff between the two organisations.
2. We have a lively interest in the *performance* of ONS since, for many years, it has played an important role in maintaining and enhancing the quality of social statistics and in developing methodology for social surveys. We, too, have played a similar role through our commitment to high quality research and, through our Survey Methods Unit, we are at the forefront of methodological development. These are both aims endorsed by our Trustees.

### Comments on the Role of ONS

3. We welcome the current consultation and the aim to strengthen trust in official statistics. However, whilst moves to make ONS more “independent” are worthwhile, it would be naïve to believe that subtle changes in governance and reporting arrangements are going to make much difference to public perception. They need to be accompanied by a very clear vision of what ONS is for and how it works to improve both the quality and reliability of statistics *and how they are used*. For the principal factor contributing to public suspicion of statistics is, in our view, not a lack of faith in the way they are collected but in the way they are used. There is as much need for integrity in the analysis and presentation of statistics as in their production. **The Consultation Document does not directly discuss the scope of ONS’s role ie the tasks it should carry out, but unless this is considered it is difficult to discuss the role of the proposed Board.**
4. We support the mix of a central Office of National Statistics and a decentralised statistical service close to policy-makers. Good statistics are essential for policy-making and such statistics are far more likely to be identified and assured by statisticians in departments who are working closely with policy colleagues. In thinking about how statistics can be useful for the wider public and the policy debate it should not be forgotten that they must first and foremost be useful for formulating and monitoring policy *in government*. **Like**

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**the Consultation document we reject the notion of an all-encompassing ONS divorced from day-to-day policymaking.**

5. This, however, raises the question of what should be funded and collected centrally and what at departmental level and the rationale for this division. Traditionally, the former Central Statistical Office worked closely with the Treasury to produce “economic” statistics required by Treasury. This may be the reason why the issue of what should be collected centrally is not raised in this Treasury consultation paper and ONS’s role in social statistics is not made very explicit. Partly for these historical reasons, the current division of responsibilities between ONS and Departments lacks a clear rationale. **The criteria on which the Treasury grants funds to ONS (rather than Departments or bodies like the ESRC) to produce data for which the Treasury is not the primary customer, is particularly opaque.**
6. A key obstacle, we feel, to a more effective system for official statistics is ONS’s overlapping roles as ‘regulator’, producer of statistics and collector of data underpinning these statistics. There is considerable agreement that there is an important role for a central statistical office: to coordinate the statistical system, set and assure high standards, accredit statistical information, promote access to statistics and data, identify gaps and provide expert help where necessary, as well as to represent the UK internationally. This role needs to be carried out right across government and so it is vital that there continues to be a Government Statistical Service and that the head of ONS is seen as having a locus in ensuring quality right across government. We would argue that there is also a role for more analysis - and for accrediting analysis by Departments and promoting accurate presentation of statistical results. It would be compatible for ONS to both oversee official statistics across government and to produce a range of key statistics from data provided to it. All this calls for a high calibre of statistician in the central statistical office.
7. However, a great deal of current ONS work is not directed to these high-level ends. Only a relatively small proportion of those working at ONS are professional statisticians and much of their time is given over to managing the process of collection of data by ONS, whether economic or social. A considerable effort goes into running a quasi-commercial social research agency (one quarter of ONS employees are interviewers) which “earns” money from other government departments to support the core activities of ONS. **We would argue that this is a diversion of limited statistician resources from carrying out the role described above, which only a central statistical office can play.**
8. It is sometimes argued that unless ONS collects data itself it will not be in a position to assess the quality of data collected and statistics produced by Departments. But this argument is clearly wrong. Taken to its logical conclusion it would oblige the public sector to have a “direct works” department producing examples of everything it purchases, from paper clips to fighter aircraft. A considerable part of what is currently branded as National Statistics is already produced outside ONS by independent agencies in the private or charitable/academic sector, as is the bulk of “social research” ie government intelligence not the responsibility of statisticians. **There is no evidence that the National Statistics not produced by ONS or the wider body of social research commissioned by government is less trusted than the limited set of surveys currently carried out by ONS.**

9. Even if it is argued that there is a case for ONS to be involved in directly collecting statistics, the Consultation Paper makes it clear that “the system should carry out its functions in the most efficient way possible, ensuring value for money, and seeking to minimise the burden on business”. We strongly support this aim and the view in Government Accounting that, in general, value for money is best assured through competition. The embedding of very large data collection and processing functions within ONS, paid for directly by the taxpayer, at best inhibits and at worst undermines efficient, effective procurement of the data underpinning official statistics; and it potentially gives ONS monopolistic powers, because of ONS’s conflicting roles as an arm of government which both commissions and carries out data collection ie combines customer and contractor status, and which has considerable influence in its standard-setting and professional mentoring role over the rest of the Government Statistical Service.. **Unlike other Government Departments, ONS has not been obliged or felt obliged to put its own data collection activities out to competition. At the same time, it pursues arbitrary, if not anti-competitive, arrangements, in order to conduct new surveys.**
- 10. In conclusion, we would argue that it is vital that there should be clarity about the different and, in our view, conflicting, roles of ONS. The data collection functions of ONS should be floated off into an arms-lengths public body, with a transparent financial framework enabling it to compete fairly for work. We would also suggest Departments should regularly test the value for money in the production of statistics by ONS on their behalf. The scrutiny and regulatory roles we consider should remain as a public function with ONS, since this is a role only a central statistical office can fulfil. This view also reflects our confidence that, freed from the task of managing large data collection exercises, ONS statisticians (working with the Government Statistical Service as a whole) will perform this function well. It is vitally important that the proposed Board for ONS establishes the scope of ONS’s role and focuses the organisation on those high-level statistical roles that only ONS can play.**

#### Other Comments

11. We believe that if the ONS Board is to play a scrutiny role, similar to that currently played by the Statistics Commission then it should be a non-executive Board. We believe it is not good governance practise to mix this scrutiny role with a management role and to confuse the two by having the Head of ONS as a member of the Board. Without such a distinction we can see no case for abolishing the Statistics Commission.
12. We believe that Ministers should not decide what constitutes National Statistics but we also believe that it is vital that ONS should promote high quality not just for National Statistics but for all government statistical data.
13. Administrative data should be made available to others for statistical purposes through legislation and putting safeguards in place (e.g. the use of a national address register as a sample frame for surveys). Not to do so, whilst allowing ONS to continue to run a quasi-commercial social research organisation, would further strengthen ONS’s potential monopoly position in the collection of statistical data.

