

of Press

Prime Minister

1.



PRIME MINISTER

The hon President proposes a White Paper, and arranged PP, to substitute the reductions in statistical staff. Timing will need to be considered alongside that of the Efficiency White Paper, which may be kept back until the Civil Service dispute is settled.

Yes not is settled. Agree in principle to White Paper? in folder MA

REVIEW OF THE GOVERNMENT'S STATISTICAL SERVICES

Last December, Sir Derek Rayner sent you his report on the review of the Government's statistical services. You asked me, with the help of the Director of the Central Statistical Office, Sir John Boreham, to follow Sir Derek Rayner's review through to implementation with a view to publishing a statement of results around Easter.

The Rayner reviews identified annual savings of £20 million (1730 staff). £17 million (1530 staff) of the recommended savings have now been confirmed by departmental colleagues. Some of them have been modified, others accepted in principle, subject to further work or consultation. This leaves £2½ million (100 staff) relating to savings in the Office of Population Censuses and Surveys (OPCS) identified in Sir Derek's final report, which Ministers have not yet finally decided. £½ million (100 staff) is unlikely to be confirmed.

Taking into account these and other exercises to reduce Civil Service costs, there is the prospect by April 1984 of reducing the annual costs of the statistical services by over £25 million (2500 staff) - a reduction of about a quarter compared with the position in May 1979.

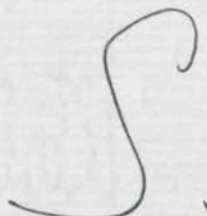
The decisions taken by Ministers confirm the success of the review in laying the foundations for an economical service which meets the Government's essential needs, and there is a good story to tell which will help to illustrate concretely the kinds of achievements which, on a wider scale, the White Paper on Efficiency and the Elimination of Waste will be about. I suggest the most effective way of doing this would be to answer a Question in Parliament and issue a White Paper. I attach a draft of the White Paper which - if you and our colleagues are content - could be published just after Parliament resumes after the Easter Recess. Sir Derek Rayner is content with the draft.

At the same time, the various Rayner reports and statements of Ministers' decisions would be made available. I see advantage in publishing all the background material and I am glad to say that nearly all colleagues agree (confirmation from one or two is still outstanding). There will no doubt be some protest when the White Paper is published from those who have grown accustomed to Government providing figures largely for their uses - be they academic or lobby groups. To counter such protests, I think Ministers will find it helpful to be able to point to all the detailed scrutiny which has underlain the changes they are making in their departments.

I believe that colleagues have in fact taken firm but informed decisions on the recommendations put to them, and that the majority of users of Government statistics will see the changes as reasonable. We all acknowledge the importance of objective, reliable and timely statistics and value the statistical support we receive. But the general taxpayer should only be asked to foot the bill for what is genuinely essential for Government's purposes, and he should not be asked to pay for systems which are more complex than they need be.

As for OPCS, I shall, with the help of Barney Hayhoe and Sir John Boreham, continue to monitor the implementation of the changes proposed by Sir Derek Rayner. The recommendations concerned (29 and 30 in his report to you) are opposed by the trade union side, and have aroused, after leaks, some opposition from academic and other users who fear a reduction in standards. There are some practical difficulties, but as there are prospects of saving 100 staff and £2½ million a year, I have asked Sir John Boreham to work out detailed proposals for Ministers to consider on the future commissioning of ad hoc social surveys and on the future scale and role of multi-purpose surveys. Meanwhile, we can accept in principle that private contractors should have greater opportunities to bid for Government survey work.

I am copying this minute to all members of Cabinet and Sir Robert Armstrong. I would be grateful for any comments by Thursday, 16 April so that publication can be set in hand immediately after Easter. I am also sending copies for information to Sir Derek Rayner, Sir John Boreham and the Chairmen of the Manpower Services Commission and the Health and Safety Executive.

A large, stylized handwritten signature, possibly 'S', is written in the center of the page.

SOAMES

10 April 1981

COMMUNICATIONS

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GOVERNMENT STATISTICAL SERVICES

1. The statistical services required by governments change over time. Adjustments are made in day to day management, but there is also a need for wider scrutiny. During 1980 all Ministers reviewed their statistical services. This White Paper reports on the results.

The need

2. Modern government must have objective, reliable and timely statistical information for the efficient conduct of business. Over the past 15 years Government statistical services have expanded in response to the demands made by Ministers and their officials, Parliament and the public. But data do not come free of charge. The Government wishes to ensure that the burdens it imposes on the taxpayer and the form filler are no more than is essential for the efficient discharge of its functions.

The cost

3. All Government Departments use statistics. The largest blocks of work are those concerned with data on industry, trade, employment and the main social programmes, such as health and education. There are also two important central statistical departments. The Central Statistical Office which forms part of the Cabinet Office, is responsible for preparing the national economic accounts and its Director exercises authority over professional statisticians and those who work with them (the Government Statistical Service)

as a whole. The Office of Population Censuses and Surveys is responsible for the Census of Population, registering births, deaths and marriages and for conducting the Government's main social surveys.

4. Government statisticians collect, analyse and interpret quantitative information. In 1979 the Government employed 540 professional and about 8,500 other staff on statistical services costing £100 million.

The Review

5. In January 1980 Civil Service Department Ministers asked Sir Derek Rayner to build on work already in hand in several departments in the light of meeting the Government's manpower targets, and to oversee its extension into a general review of statistical services throughout Government. The Government's aim was to sift all existing statistical work to establish what was essential and what less so, to look for ways of improving efficiency and value for money, and to decide on the best arrangements for the efficient future management of statistical work.

6. Sir Derek Rayner reported to the Prime Minister and the Lord President of the Council in December 1980. His report, the twenty two reports of the detailed examinations which were completed for Departmental Ministers as part of the review and the Ministers' decisions on the recommendations in the reports are published separately. The full list of

reports, together with sources from which they are available, is at Annex 1. Copies of the reports have also been placed in the Library of the House of Commons and in the Public Record Office.

The results

7. Ministers are now implementing a wide range of detailed changes in their statistical services. The review identified £20 million potential savings; of this £12½ million is going ahead, £4½ million has been accepted in principle by Departmental Ministers, subject to further examination and consultation, and £2½ million remains to be decided. Taking account of other economies in prospect, the Government is aiming at savings of over £25 million by 1984 involving about 2,500 fewer posts. This would amount to a reduction of about a quarter in both staff and administrative costs. Part 2 summarises the main changes in each Department.

8. There will be a substantial and welcome reduction in the burden of forms on businesses. Some inquiries have been cut out altogether; others will be made less often. The result is that the number of statistical forms sent each year by Government Departments to businesses will be running at an average of three quarters of a million fewer than three years ago, a reduction of about a quarter.

9. This is a valuable tautening of administration. It will involve doing some things differently; there will be some changes in frequency, coverage and methodology to get used to and some items of information will cease to be collected

by Government Departments. But the Government's statistical operations will still be substantial; the large body of essential economic, industrial, social and other statistics will continue, and the Government believes that the experience gained in all departments from the detailed reviews will help bring about a new and continuing impetus towards efficiency in the work that remains. Public access to government statistics will be maintained but more cost-effectively.

The future

10. The Government is determined to build on the success of the reviews. Its questions will go on being asked and the themes applied by those in Departments who use statistics and in the day to day management of statistical services. In particular:

- What happens to the statistics collected, paying particular regard to the main uses to which they are put in government itself?
- What do they cost to provide?
- Is the value of the statistics commensurate with their costs and can it be improved?

11. Important common themes are:

- More cost effective methods of gathering and processing information.
- More efficient use of computers for statistical purposes.
- More use of sampling instead of full-scale inquiries.
- Collect the minimum amount of data necessary for the essential purposes for which they are required.
- Reduce data burdens by simplifying administrative systems.
- Reduce the costs of making statistics publicly available, and aim to recover the costs.

Organisation and management

12. Commenting on the structure of the Government Statistical Service, Sir Derek Rayner wrote:

"Although initially attracted by the possible simplicity of a centralised statistical system I have been convinced that effective control and value for money are best encouraged by continuation of the decentralised organisation. The clear managerial lines of a single central office collecting and processing statistics are attractive but I do not believe the gains would be sufficient to justify the disruption, likely duplication of effort, and almost inevitable drift into isolation of the statisticians."

The Government endorses this view. Departments will continue to be responsible for their own statistical work and will make arrangements to strengthen financial control by improving the coverage and quality of their statistical budgets.

(See Annex 2, paragraphs 21-23).

13. Sir Derek Rayner's recommendations on management of statistical services are listed in Annex 2. Ministers, senior officials and the professional leadership of the Government Statistical Service will follow these through to ensure that the new approach to efficiency and value begun by the reviews continue to influence and guide all that is done.

14. Ministers will look first to their senior professional statistician to make the most of the scope for economies in their statistical activities and the opportunities provided by statistical methods and new technologies for reducing costs and improving value for money in government more generally. The senior professional statistician will carry responsibility for the integrity and validity of the departmental statistics and for the professional competence of the department's statisticians. In all these responsibilities he will also be expected to assist the Head of the Government Statistical Service in his duties.

15. The Government wishes to have a strong lead from the centre to keep up momentum in monitoring productivity and value for money in statistical work. The Prime Minister has given the Director of the Central Statistical Office - who is also the Head of the Government Statistical Service - a new remit as head of profession which reinforces and extends his role as the most senior officer to whom Ministers and their senior officials look for advice on how to obtain economical but effective statistical services. He will be responsible

for the performance of the Government Statistical Service as a whole within a system responsive to government needs for an objective and economical statistical service.

STATISTICAL SERVICES IN DEPARTMENTS

This part summarises the main actions being taken by departments to increase the efficiency and value for money of their statistical services. The manpower and expenditure figures relate to resources controlled by the department and devoted to the provision of statistical services. Figures for April 1984 are projections based on savings already made or scheduled and estimates of potential savings (or increased revenue) which departments will realise to the fullest possible extent, consistent with the outcome of any necessary further study or consultation. A table comparing the cost of statistical services and the staff numbers employed in May 1979 with those projected for April 1984 is given on page 18. Expenditure is at 1979 prices and includes the cost of staff, accommodation, common services and computing. Manpower figures exclude casual employees.

Central Statistical Office

	May 1979	April 1984	Reduction
Total Cost (£m/year)	4.1	2.8	1.3 (33%)
Manpower	263	196	67 (25%)

The savings come from limiting work to that essential for government, ending the subsidy on editorial costs of CSO publications and restructuring the Office to save senior posts. Resources devoted to balance of payments statistics have been reduced, reflecting the change in the United Kingdom's overseas trading position. Bench-mark analyses of economic transactions (input/output) tables will continue to be produced every five years, but will be updated for at most one intermediate year. The frequency of income distribution estimates has been reduced and CSO work

wealth distribution stopped. The Survey Control Unit will be strengthened and will periodically review existing regular surveys throughout Government Departments and Agencies.

Home Office

	May 1979	April 1984	Reduction
Total Cost (£m/year)	3.0	2.7	0.3 (11%)
Manpower	307	260	47 (15%)

Following the Rayner review, in addition to changes already agreed and being considered, the Home Office is exploring the possibility of other savings. Statistical collection systems are being reviewed and those which do not justify their cost are being reduced or stopped. Verification of computer input is being reduced, except for the most sensitive data. The need for the prison index, the central costs of which are £ $\frac{1}{2}$ million a year, are being reviewed with a view to making savings wherever possible.

Lord Chancellor's Department

	May 1979	April 1984	Reduction
Total Cost (£m/year)	0.66	0.57	0.09 (14%)
Manpower	74	62	12 (16%)

The savings will come from using a computer to process County Court returns and in the collection of Crown Court statistics.

Foreign and Commonwealth Office (Overseas Development Administration)

	May 1979	April 1984	Reduction
Total Cost (£m/year)	0.54	0.37	0.17 (31%)
Manpower	36	22	14 (39%)

Short-term technical cooperation assignments and related support, statistics of aid flows and attendance at international meetings will be reduced to the essential, saving senior and junior posts.

Inland Revenue

	May 1979	April 1984	Reduction
Total Cost (£m/year)	5.7	3.4	2.3 (41%)
Manpower	608	313	295 (49%)

Costs of compiling statistics of Corporation Tax and Schedule D Income Tax and the system of coding of orders for repayment of Income Tax will be reduced. The sample size of the annual income survey has already been substantially reduced. An investigation of the data base for company incomes and tax, seeking to realise potential savings of up to £400,000 per annum (40 man years), will be completed during 1981. A review of statistical returns (mainly from operational offices) is currently under way; and costs of processing and quality control will be reduced by restricting the size and complexity of surveys and by improving reporting standards.

Customs and Excise

	May 1979	April 1984	Reduction
Total Cost (£m/year)	9.9	7.6	2.3 (23%)
Manpower	1311	983	328 (25%)

An improved system for external trade statistics is being developed with checking and validation reduced to the essential minimum. The figures for April 1984 include additional staff required to implement the proposed new arrangements for export documentation. They also include savings which are subject to further study. In the longer term, as a result of this study and subject to the availability of replacement computers, a further reduction of some 70 staff and £460,000 per annum may be made after April 1984.

Ministry of Defence

	May 1979	April 1984	Reduction
Total Cost (£m/year)	4.1	3.6	0.5 (13%)
Manpower	292	237	55 (19%)

There will be a general reduction of statistical work to match essential needs, to be reinforced by regular reviews. There is a continuing demand for professional statistical services in the Ministry of Defence, especially in the areas of manpower, stores inventories and equipment. Statistical tasks will be examined in terms of the value of the end result to the Department compared with the cost of the work; and statisticians will be more involved in the decision-making processes of the Department.

Civil Service Department/Government Actuary's Department

	May 1979	April 1984	Reduction
Total Cost (£m/year)	1.24	0.79	0.45 (36%)
Manpower	114	61	53 (46%)

The central personnel record information system PRISM is to be closed down and replaced by a more cost-effective system. Further savings will be achieved by restricting central manpower planning to meet specific demands only. The value to government of the Occupational Pensions Survey is to be scrutinised this year.

Department of Employment/Manpower Services Commission

	May 1979	April 1984	Reduction
Total Cost (£m/year)	15.4	10.0	5.4 (35%)
Manpower	1430	960	470 (33%)

The Census of Employment will normally be triennial instead of annual, saving employers 400,000 returns annually, on average; operational improvements include increased centralisation and mechanisation and some sampling. Unemployment statistics will be mainly compiled from Unemployment Benefit Offices where operations are now computerised; if registration at Jobcentres becomes voluntary, further savings will accrue, with the main statistics relating to claimants, and data from Jobcentres not being transferred. Other changes include smaller samples, operational improvements and discontinuing some earnings surveys and analyses, saving employers a further 70,000 forms annually. Consultations with outside users, including the CBI and TUC, are in progress.

Health and Safety Executive

	May 1979	April 1984	Reduction
Total Cost (£m/year)	0.77	0.63	0.14 (18%)
Manpower	54	43	11 (20%)

The main savings will be achieved with the introduction of a new computer system which will serve as a source for statistics as well as an operational record and a management information system. Unnecessary clerical and computing work will be curtailed. Epidemiological work will continue at the present level, but computing costs will be reduced.

Ministry of Agriculture, Fisheries and Food,
Intervention Board for Agricultural Produce and Forestry Commission

	May 1979	April 1984	Reduction
Total Cost (£m/year)	5.7	4.6	1.1 (19%)
Manpower	324	245	79 (24%)

The number of forms sent out each year is being reduced by more than 100,000, mainly through stopping the March and September Agricultural Surveys, and exempting most smaller holdings from the annual Agricultural Censuses. Many forms are also being simplified. Development of a new computer system has been temporarily halted while resources are directed towards more immediate matters, with better use being made of existing facilities and expertise. Cost effectiveness is being increased by reducing the frequency and coverage of surveys to the minimum. More will be conducted by post and the greater use of mini-computers will reduce processing times.

The Forestry Commission will make savings by simplifying the Census of Private Woodlands in Wales and Scotland.

Departments of the Environment and Transport

	May 1979	April 1984	Reduction
Total Cost (£m/year)	14.20	11.25	2.95 (21%)
Manpower	527	360	167 (32%)

The collection of housing data has been rationalised by reducing frequency where appropriate and cutting out detail no longer required. Individual case returns on homelessness from many local authorities have been replaced by a more suitable aggregate return. In construction, the reduction of the size of samples, the trimming of questions, the reorganisation of collection and register work and the general maturing of development work will reduce costs to the Department and the burden on industry. Much of the detailed data obtained from local authorities on planning has been eliminated. The data bank for the Regional Highway Traffic Model will retain only data of direct value in traffic appraisal. Improved arrangements for conducting national traffic censuses will be phased in over the next five years. Large savings will be achieved from better organisation of computing and use of computer bureaux.

Scottish Office

	May 1979	April 1984	Reduction
Total Cost (£m/year)	2.00	1.75	0.25 (12%)
Manpower	158	140	18 (11%)

Local authorities are being consulted with a view to phasing out central government's routine collection of social work and homelessness case returns and replacing them with more appropriate aggregate returns. Further education statistical forms have been rationalised and simplified. There has been a reduction in the collection of agricultural statistics. Although some of the manpower savings will be part-posts, and difficult to obtain, the Scottish Office aims to achieve the overall reduction shown in its statistical services by 1984.

General Register Office (Scotland)

	May 1979	April 1984	Reduction
Total Cost (£m/year)	1.3	1.1	0.2 (15%)
Manpower	184	159	25 (14%)

Savings will arise from curtailment of statistical work, from simplification, reduced checking and charging for certain publications.

Welsh Office

	May 1979	April 1984	Reduction
Total Cost (£m/year)	0.86	0.68	0.18 (21%)
Manpower	90	69	21 (23%)

Savings have been achieved by the reduction of the amount of detail collected on local authority staff of social services departments, the curtailment of data on maintained schools and ^{on} tuberculosis and the use of cheaper methods for the publication of statistics.

Department of Health and Social Security

	May 1979	April 1984	Reduction
Total (£m/year)	5.56	3.43	2.13 (38%)
Manpower	517	322	195 (38%)

There will be substantial changes, in particular to health and personal social services statistics. Central needs for information in these areas cannot be considered in isolation from NHS and local authority needs, and they are among the organisations being consulted before proposals are implemented. Statistics collected centrally will be limited to the essential, will have more regard to the needs and information systems of local management, and will make improved use of computers.

Office of Population Censuses and Surveys (OPCS)

	May 1979	April 1984	Reduction
Total Cost (£m/year)	12.8	9.5	3.3 (26%)
Manpower ⁽¹⁾	1100	791	309 (28%)

(1) excludes extra staff required for 1981 population census

Reviews of the multi-purpose social surveys have suggested that overall cost savings of about one-quarter could be made without impairing their essential functions. The sample size of the General Household Survey will be reduced and field and clerical procedures will be considerably slimmed down. Subject to a final check of feasibility, the National Food Survey will be merged with the Family Expenditure Survey. Three options for matching the International Passenger Survey to essential government needs are being considered. Departments will aim to make maximum use of the multi-purpose surveys as an alternative to ad hoc data collection. Arrangements for commissioning ad hoc surveys will be

reviewed, to make use of the private sector when this can do the work as effectively ^{as} and at lower cost than the public service. In addition, once-off savings of £1½ million in processing the 1981 Census and of £500,000 in computing accommodation will be made.

Department of Education and Science

	May 1979	April 1984	Reduction
Total (£m/year)	1.7	1.5	0.2 (12%)
Manpower	140	111	29 (21%)

The publication of the annual volumes - "Statistics of Education" - will cease and alternative and more effective ways of meeting the demand for essential, particularly historical, data will be developed. Statistical Bulletins will continue to be published. Data handling procedures are being streamlined. To this end, for example, the development of the further education statistical record has been frozen and a range of improvements are being introduced in data preparation methods. Consideration will be given to rationalising statistics on university libraries.

Departments of Industry and Trade

	May 1979	April 1984	Reduction
Total Cost (£m/year)	13.9	10.9	3.0 (22%)
Manpower	1399	1054	345 (25%)

Reductions will come about partly from increased efficiency and partly from reducing the amount of work done.

Major savings will result from restructuring the quarterly manufacturers' sales inquiries from a wider use of sampling in the annual census of production, from slimming down the inquiries which contribute to the monthly Index of Industrial Production and from cutting out or reducing the frequency of other inquiries.

There will be corresponding reductions of over 100,000 forms per year sent to businesses. Further savings are being made by increased efficiency in the use of support staff, including those employed on data processing and on maintaining registers.

Department of Energy

	May 1979	April 1984	Reduction
Total Cost (£m/year)	0.99	0.83	0.16 (16%)
Manpower	73	63	10 (14%)

The work of the Economics and Statistics Division is being tailored more closely to Departmental needs with improvements in efficiency and an emphasis on value for money. The collection of certain statistics will cease, some returns will be sought less frequently, and the collation and analysis of those that remain are being increasingly computerised. Costing systems will be introduced to indicate the resources employed to produce statistical series. A policy of charging for the additional costs incurred in publishing statistics will be introduced. The statistical needs of international organisations are the subject of current reviews, consultation and negotiation.

Northern Ireland Departments

	Spring 1980	April 1984	Reduction
Total Cost (£m/year)	3.3	3.0	0.3 (9%)
Manpower	245	219	26 (11%)

Cost effectiveness will be increased by greater use of computers, introduction of sampling and simplifying some surveys.

ESTIMATED AND PROJECTED EXPENDITURE AND MANPOWER⁽¹⁾
ALL STATISTICAL SERVICES

DEPARTMENT	May 1979		April 1984		Reduction May 1979 to April 1984	
	Expenditure £million pa	Manpower nos	Expenditure £million pa	Manpower nos	Expenditure £million pa	Manpower nos
Central Statistical Office	4.10	263	2.80	196	1.30	67
Home Office	3.00	307	2.70	260	0.30	47
Lord Chancellor's Department	0.66	74	0.57	62	0.09	12
Overseas Development Administration	0.54	36	0.37	22	0.17	14
Inland Revenue	5.70	608	3.40	313	2.30	295
Customs and Excise	9.90	1311	7.60	983	2.30 (2)	328 (2)
Defence	4.10	292	3.60	237	0.50	55
Civil Service Department and Government Actuary	1.24	114	0.79	61	0.45	53
Employment Group (inc MSC)	15.40	1430	10.00	960	5.40	470
Health and Safety Executive	0.77		0.63	43	0.14	11
MAFF inc IBAP and Forestry Commission	5.70	324	4.60	245	1.10	79
Environment and Transport	14.20	527	11.25	360	2.95	167
Scottish Office	2.00	158	1.75	140	0.25	18
GRO(S)	1.30	184	1.10	159	0.20	25
Wales	0.86	90	0.68	69	0.18	21
Health and Social Security	5.56	517	3.43	322	2.13	195
OPCS(3)	12.80	1100	9.50	791	3.30	309
Education and Science	1.70	140	1.50	111	0.20	29
Industry and Trade	13.90	1399	10.90	1054	3.00	345
Energy	0.99	73	0.83	63	0.16	10
TOTAL	104.42	9001	78.00	6451	26.42	2550
Northern Ireland Departments:	3.30 ⁽⁴⁾	245 ⁽⁴⁾	3.00	219	0.30 ⁽⁵⁾	26 ⁽⁵⁾

(1) Costs are at 1979 prices and include basic staff cost, accommodation and common services. Manpower numbers include aggregates of part units of staff in some cases; and exclude casual staff.

(2) Further annual savings of £0.46 million (70 staff) may be made after April 1984.

(3) excludes extra staff required for 1981 population census

(4) Spring 1980

(5) reduction from Spring 1980 to April 1984

REVIEW REPORTS

Copies of Sir Derek Rayner's report and reports of the examinations which were completed for Departmental Ministers, with a note of the decisions which have been taken, may be obtained from the addresses shown below. A full set of reports may be obtained (price [£ 7]) on application to the first address. Prices include postage. Cheques should be made payable to the Department concerned.

<u>Report</u>	<u>Price</u>	<u>Address</u>
Sir Derek Rayner's report	£2.90	[Mr A N Other] Cabinet Office 70 Whitehall London SW1A 2AS
Central Statistical Office	£3.50	as above
Home Office	£5.00	Home Office Statistical Dept Room 1617 Tolworth Tower Surbiton, Surrey KT6 7DS
Lord Chancellor's Office		to follow
Foreign and Commonwealth Office (Overseas Development Administration)	£2.25	Overseas Development Administration Library Room 102 Eland House, Stag Place London SW1E 5DH
Inland Revenue	£5.00	The Reference Room Inland Revenue Library Room 8 New Wing, Somerset House London WC2 1LB
HM Customs and Excise	£5.00	General Information Branch Room 0024 King's Beam House Mark Lane, London EC3R 7HE
Ministry of Defence	£3.00	Management Services (Organisation Division) Northumberland House Northumberland Avenue London WC2N 5BP
Civil Service Department	£1.00	CSD Library Old Admiralty Building Whitehall, London SW1A 2AZ

Government Actuary's Department	£1.75	22 Kingsway London WC2B 6LE
Department of Employment	[to follow]	
Health and Safety Executive	£2.75	Director of Information Room 158 Baynard's House 1 Chepstow Place London W2 4TF
Ministry of Agriculture	[to follow]	
Departments of the Environment and Transport	[to follow]	
Scottish Office	£5.00	The Librarian New St Andrew's House St James Centre Edinburgh EH1 3SX
General Register Office (Scotland)	£2.00	New Register House Edinburgh EH1 3YT
Welsh Office	£3.50	Economics and Statistics Services Division Cathays Park Cardiff CF1 3NQ
Department of Health and Social Security	£6.00	Information Division Block 4 Government Buildings Honey Pot Lane Stanmore HA7 1AR
Office of Population Censuses and Surveys		
Department of Education and Science	£3.50	Information Division Elizabeth House York Road London SE1 7PH
Departments of Industry and Trade	£4.00	Miss M Hitchcock Room 280 1 Victoria Street London SW1H 0ET
Department of Energy	£4.00	Mrs Goonasend Library Thames House South Millbank London SW1P 4QJ
Northern Ireland Departments	£2.50	Policy Planning and Research Unit Room 249A Department of Finance Stormont Belfast BT4 3SW

SIR DEREK RAYNER'S RECOMMENDATIONS

Sir Derek Rayner's report to the Prime Minister on the Government Statistical Services contained the following thirty recommendations:

Improvements in methods and processes

1. Departmental management should ensure that, with the help of the Head of the Government Statistical Service, a greater proportion of statistical talent is deployed at the "sharp end" of data collection, than has up to now been the practice in many areas. It should work closely with computer experts. Periodic reports on productivity improvements achieved should be asked for and discussed by senior management.

2. The Head of the Government Statistical Service should have a specific responsibility for keeping up the pressure for technical improvement and for disseminating knowledge about cost-effective techniques. He should work closely with departmental management and statisticians. I suggest you might ask him too to make a brief annual report on improvements made in methods and processes across government, and savings achieved thereby.

3. Where departments have not already reviewed their external records they should do so to see whether they are all needed, can be kept more efficiently, and whether the burdens imposed on citizens can be simplified and reduced.

Computing

4. I commend to Ministers and their staff managers the probability that a valuable number of these scarce resources [computer systems designers and programmers] could be transferred to other duties if there were a stronger presumption that statistics should use generalised systems in place of the tailor-made.

5. The Central Statistical Office and the Central Computer and Telecommunications Agency should keep an eye on regular cross-service comparisons of [computing] costs and productivity. Departments should require computer management to cost computer work consistently and to provide customers with the costs of their various jobs.

6. Computing at the Office of Population Censuses and Surveys (OPCS) would be suitable for inclusion in the "scrutiny programme".

Taking a sharper view of government's real needs for data

7. Departmental rules should require all divisions to consult the senior statistician before proposals with a statistical implication are put to Ministers, so that data costs can be properly brought out.

8. When reviewing statistical work (see recommendations 10 and 22) generalised arguments for preserving the status quo need to be challenged. Particular attention needs to be paid to all information collected or costs incurred primarily to meet demands outside central government. There will be exceptions (for example due to confidentiality of data sources), but in general there is no more reason for Government to act as universal provider in the statistical field than in any other.

9. Big data bases should be regularly reassessed. They are often associated with ambitious information systems or mathematical modelling and can be very costly. If they are not serving specific purposes or coming up to expectation, they may well deserve to be cut back (like, for example, the reductions planned in the Civil Service Department's database and manpower model). Here, as elsewhere, the presumption should be that information should use reduced resources.

10. Ministers and senior officials can set a useful lead by showing that they too are aware that data is not a free resource, by probing, for example, any cases where they are given more information than they need and generally encouraging their departments not to over-insure by collecting too many statistics.

Control of forms

11. Nine out of ten statistical forms sent to businesses belong to regular inquiries. A great number are compulsory under statutory powers. I believe very strongly that Ministers should know how their powers are being used. The need for each statistical return should be scrutinised from top to bottom at least once every five years and options for simplification set out for the Minister concerned. The Survey Control Unit in the Central Statistical Office should draw up and agree with Departments a rolling programme of scrutinies. The Unit should be involved in each scrutiny and should ensure that the interests of the form-filler are properly represented. Authorisation and re-authorisation of surveys should require Ministerial approval. When it is sought the submission to Ministers should contain the views of the Survey Control Unit.

12. Once a year, each Minister responsible should be provided with a report comprising a list of all statistics collected using his statutory powers, the timeliness of the results, when each was last approved by him, a summary of any complaints from the public, and when the next scrutiny is planned.

13. Ministers should ensure that all Agencies for which they are ultimately responsible conform to the new arrangements.

14. Too little is known about the burden that business inquiries impose on respondents. The total number of forms may not be a good measure. The statistical services should devote a modest effort to improving estimates of the burdens forms impose (without adding appreciably to the burden on firms), to understanding the simplifications and improvements to particular inquiries that business respondents would find most useful and should ensure the scrutiny of forms takes them into account.

Sampling

15. The Central Statistical Office should monitor the availability of registers for improving sampling and should stimulate development of techniques for more efficient estimation of grossed-up values and samples that avoid concentration on individual small firms period after period. Ministers should consider on their merits proposals to amend administrative systems to improve their usefulness for sampling and for statistics generally, bearing in mind any savings in form-filling as well as possible administrative costs.

Analysis and interpretation

16. The impression I have from the departmental reports is that most departments value very highly the interpretative service which they receive. But there may sometimes be too many advisers in the quantitative field: not only 540 statisticians, but 370 economists, 225 operational researchers and other groups of specialists with quantitative skills as well. I recommend that in implementing their reports Departments look closely not only at the implications for their statistical manpower but, at the same time review the overlaps which may exist with the other quantitative specialisms and ensure other relevant specialisms are no less firmly controlled than the statistics.

Dissemination of statistics

17. I endorse the more rigorous approach to the cost of dissemination of statistics which most of the reports clearly thought would be justified, and suggest the following general principles -

17.1 Information should not be collected primarily for publication. It should be collected primarily because government needs it for its own business.

17.2 Topical information is often of more use than compendia of descriptive statistics. Press notices should be used extensively, as they already are in many areas.

17.3 Information of value to business should be made available with a timeliness which maximises its value and should be charged for commercially. (Business bulletins financed by subscription are a case in point.)

17.4 I do not believe that general subsidy is necessary. By this I mean not covering costs incurred in checking, tabulating, editing,

printing and distributing figures for publication, ie any costs which the government would not incur for its own purposes. Subsidy of statistical publications should be quickly curtailed. This is not just a question of pricing, but also concerns better distribution and marketing of the finished product.

17.5 Less costly (to government) and more flexible means of enabling the public, in the form of interested bodies, researchers, historians and so on to have access to figures held in government should be exploited. I have in my mind here the use of camera ready copy, public use tapes, computer printouts, microfiche and so on. If necessary, departments should be allowed more freedom from HMSO to pursue promising innovation - using information technology as appropriate. The costs of providing such facilities should be covered by appropriate charges to the individuals or bodies concerned.

17.6 Where departments wish exceptionally to continue to subsidise reference publications, for instance as an important part of the task of keeping Parliament informed, I suggest that this should require Ministerial authorisation in each instance. The Civil Service Department should carry out a review of all such cases in 2 years time.

17.7 Clear rules about the use of data for statistical purposes should be published to combat public mistrust and to enable more statistical research to be undertaken in the universities and institutes instead of in the civil service. The draft code of conduct on the use of data for statistical purposes should be submitted for approval to Ministers and published as soon as possible.

International obligations

18. Without shirking the obligations of membership, we should apply the same standards of value for money to European Community work as we do domestically. If necessary, changes to United Kingdom procedures for compiling Community statistics should be discussed with the Commission and implemented - for example when existing costs seem to our statisticians to be greater than necessary.

19. It can be difficult to obtain information about the precise uses for which European Community statistics are needed. Nevertheless, obligations to provide the Community with statistics should only be accepted in knowledge of the likely costs and uses of the proposed data and after consultation with those who will do the work.

20. I have not found persuasive evidence of widespread heavy additional costs of providing statistics to international organisations such as would suggest that there is an urgent need to curtail the statistical effort of the European Community or other international institution in general terms. I am also aware there are counter-instances where essential Community statistics are not good enough. Nevertheless, Departments will wish to follow up individual cases where there are well founded suggestions that existing work is excessive. I recommend that the policy towards international statistics should be that the United Kingdom should not, in general, undertake work it does not need - always bearing in mind specific United Kingdom interests in the work of international or Community agencies. The statistical services should always seek to meet international statistical needs from work already carried out and where that is not possible should seek to meet domestic needs using the international standard.

Management of statistical services

The departmental aspect

21. Those responsible for managing the Department's resources of money and man-power under the Minister should know about the work that is being done in the statistical branches; they should exercise fully their responsibility to ask probing questions about this work on behalf of the Minister.

22. For their part, professional statisticians in charge of the Department's statistical services should accept that they have not only the clear responsibility to provide an effective and cost conscious service to users in the Department and elsewhere, but also for accounting to central departmental management for the resources that they command.

23. Ministers and their senior officials need a regular statement - annually seems about right - of how much has been spent in providing which statistical activities, with what result, what productivity gains there have been, and how much it is planned to spend next year. A good start has been made, for example, with the Central Statistical Office "statistics budget". With this kind of information senior managers can watch how the costs of a service develop, ask whether the value added by the service is commensurate with the costs, and restrain any tendencies for empires to grow.

The inter-departmental aspect

24. The professional head of the statistical services should give a strong lead towards value for money and economy. I recommend that you give him a new remit which will emphasise his role as the officer Ministers and their Permanent Secretaries can look to for advice on efficiency in statistics.

25. For the purpose of implementing this report there should be a presumption for the centrally managed Statistician Group that the Head of the Government Statistical Service may look with confidence to individual Departments to release statisticians for service elsewhere. If, having taken into account local staffing issues, the Head of the Government Statistical Service makes such a request to the Permanent Secretary concerned I hope that he will receive ready cooperation.

26. The Central Statistical Office (CSO) is best left as part of the Cabinet Office. The Head of the CSO should report in the first instance to the Secretary of the Cabinet on the work of the CSO, particularly on all questions of cost and management. On matters concerning the validity and integrity of Government statistics and the professional competence and standing of the Government Statistical Service, the Director of CSO, as Head of the Government Statistical Service, should have the right of direct access to the Prime Minister.

Payment

27. In following up their reports I recommend Departments consider putting work they undertake for others on a payment basis where that does not make bureaucratic nonsense. I recommend that full transfer of financial provision should not be automatic, particularly where there may be opportunities for taking a tauter view of the service to be provided.

Interdepartmental statistics

28. The introduction of payment between departments is one mechanism for improving the allocation of responsibilities. In addition, and especially where a customer - contractor relationship based on payment is impracticable, the Head of the Government Statistical Service should ensure there is adequate articulation between the parties concerned. He should take the lead in resolving uncertainties and obtaining specific understandings between the producer and user departments.

29. The aim should be to contract out all ad hoc social surveys where private sector costs are less than those of the Office of Population

Censuses and Surveys (OPCS) and surveys by OPCS's Social Survey Division should be on payment terms from existing departmental budgets.

30. Modifications should be made to key multi-purpose social surveys to increase value for money.