

Submission to the Independent Review of Economic Statistics led by Sir Charles Bean, following the Interim Report and in advance of the Final Report

The Royal Statistical Society (RSS) is a learned society and professional body for statisticians and data analysts, with almost 8000 members around the world. As a charity, we advocate the key role of statistics and data in society, and have done so since we were founded in 1834. We therefore glad to provide evidence prior to the Bean Review's interim report, advised by our National Statistics Advisory Group.¹ We were glad to also facilitate further and wider expert engagement with the review team, including hosting a roundtable on the way in which emerging new data insights in data science and new types of data sources can help in improving measurement. Here we offer several points that we think of relevance in advance of the final report.

(a) User engagement in statistics

We welcome the interim recommendations 1, 2, 3 and 4, which each point to a need for ONS to engage with relevant users for expertise externally.² In our view, effective user engagement requires consistent structure for long term, deep engagement, rather than one-off exercises. We recognise that the ONS has shown goodwill toward user engagement, however too often we have seen a lack of a consistent and properly resourced effort for engaging with a wide range of users. It needs to be recognised that users often do not have the resources or have an awareness of the mechanisms to engage with ONS. A well-resourced structure needs to be put in place to foster and nurture long-term and cumulative engagement.

(b) Relationship to other actors in the field of economic statistics

We were disappointed that the interim review report did not recommend closer working with the Bank of England, which we recommended in our initial evidence submission. The recommendation for a Centre of Excellence in particular could be taken forward by ONS and the Bank of England.

(c) The international landscape

We noticed with interest the statement by Professor Sir Charlie at the Treasury Committee hearing on 7th January 2016, regarding international and EU frameworks:

¹ 'Response from the Royal Statistical Society to the Bean Review of Economic Statistics' (PDF), 25 September 2015. Available from: <http://www.rss.org.uk/Images/PDF/influencing-change/2015/RSS-written%20evidence-to-Bean-Review-Sept-2015.pdf>

² 'Independent Review of UK Economic Statistics' (PDF), 2 December 2015. Available from: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/481452/Bean_review_Interim_Report_web.pdf

“we should be at the forefront of encouraging all statistical agencies to develop statistics to keep in line with changes in the economy”

We fully agree that the UK has a critical role in influencing innovation in international frameworks to measure the economy. There is innovation taking place in measuring the UK economy which would merit inclusion in discussions around raising the UK's productivity. For example, it has been suggested that the use of big data methods can help provide a better picture of industry and occupational classifications for newer and emerging sectors of the economy, and can help to correct for cases where businesses misclassify themselves.³

(d) New data sources and data science techniques

We were delighted to host a roundtable on the way in which emerging new data insights in data science and new types of data sources can help in improving measurement. Based on the discussion, we agree there is an untapped potential to develop insights based on innovative methods and sources, but we would also advise caution. While it is clear there are potential benefits of integrating innovative approaches with current data sources and techniques, there are a number of characteristics of official statistics which are key to retaining trust and confidence in official numbers. In particular we would highlight issues around time series (where some new data sources may not be generated on a continuous basis) and accuracy of measurement (we need to ensure new insights are sufficiently robust to include them in official measures). It is important that ONS has the capacity to liaise with and take part in external research agendas in data science, and supports academic experiments while building shared understanding of the standards that should ultimately be attained.

(e) Skills and capacity

In our initial submission we argued there were a number of issues with regard to skills and capacity, including the fragmented working in silos of competence, and a lack of mechanisms for staff to become aware of wider perspectives (through closer working relations and greater interchange of expertise with partner organisations, in particular more interchange with HMT and the Bank of England). We support the interim recommended action to increase ONS London profile (3.76), but believe it is important there are strong mechanisms and incentives in place for Newport staff to work with other organisations in order to broaden their awareness and expertise.

³ See for example Bakhshi, H. & Collins, L. (2014) 'Measuring the Information Economy using Big Data' (online), 28 November 2014, Nesta > Blogs. Available at: <http://www.nesta.org.uk/blog/measuring-information-economy-using-big-data> (accessed February 2016)

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