

# Assessment of compliance with the Code of Practice for Official Statistics

## Statistics on Local Government Finance in Wales

*(produced by the Welsh Assembly  
Government)*

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### **About the UK Statistics Authority**

The UK Statistics Authority is an independent body operating at arm's length from government as a non-ministerial department, directly accountable to Parliament. It was established on 1 April 2008 by the *Statistics and Registration Service Act 2007*.

The Authority's overall objective is to promote and safeguard the production and publication of official statistics that serve the public good. It is also required to promote and safeguard the quality and comprehensiveness of official statistics, and good practice in relation to official statistics.

The Statistics Authority has two main functions:

1. oversight of the Office for National Statistics (ONS) – the executive office of the Authority;
2. independent scrutiny (monitoring and assessment) of all official statistics produced in the UK.

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## ASSESSMENT AND DESIGNATION

The *Statistics and Registration Service Act 2007* gives the UK Statistics Authority a statutory power to assess sets of statistics against the *Code of Practice for Official Statistics*. Assessment will determine whether it is appropriate for the statistics to be designated as National Statistics.

Designation as National Statistics means that the statistics comply with the *Code of Practice*. The *Code* is wide-ranging. Designation can be interpreted to mean that the statistics: meet identified user needs; are produced, managed and disseminated to high standards; and are explained well.

Designation as National Statistics should not be interpreted to mean that the statistics are always correct. For example, whilst the *Code* requires statistics to be produced to a level of accuracy that meets users' needs, it also recognises that errors can occur – in which case it requires them to be corrected and publicised.

Assessment Reports will not normally comment further on a set of statistics, for example on their validity as social or economic measures. However, Reports may point to such questions if the Authority believes that further research would be desirable.

Assessment Reports typically provide an overview of any noteworthy features of the methods used to produce the statistics, and will highlight substantial concerns about quality. Assessment Reports also describe aspects of the ways in which the producer addresses the 'sound methods and assured quality' principle of the *Code*, but do not themselves constitute a review of the methods used to produce the statistics. However the *Code* requires producers to "seek to achieve continuous improvement in statistical processes by, for example, undertaking regular reviews".

The Authority may grant designation on condition that the producer body takes steps, within a stated timeframe, to fully meet the *Code's* requirements. This is to avoid public confusion and does not reduce the obligation to comply with the *Code*.

The Authority grants designation on the basis of three main sources of information:

- i. factual evidence and assurances by senior statisticians in the producer body;
- ii. the views of users who we contact, or who contact us, and;
- iii. our own review activity.

Should further information come to light subsequently which changes the Authority's analysis, it may withdraw the Assessment Report and revise it as necessary.

It is a statutory requirement on the producer body to ensure that it continues to produce the set of statistics designated as National Statistics in compliance with the *Code of Practice*.

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# 1 Summary of findings

## 1.1 Introduction

1.1.1 This is one of a series of reports<sup>1</sup> prepared under the provisions of the *Statistics and Registration Service Act 2007*<sup>2</sup>. The Act requires all statistics currently designated as National Statistics to be assessed against the *Code of Practice for Official Statistics*<sup>3</sup>. The report covers the sets of statistics included in the following National Statistics publications produced by the Welsh Assembly Government:

- *Local Authority Revenue Outturn Expenditure*<sup>4</sup>;
- *Local Authority Budgeted Revenue Expenditure*<sup>5</sup>;
- *Local Authority Capital Expenditure*<sup>6</sup>;
- *Local Authority Capital Forecast*<sup>7</sup>;
- *Council Tax Collection Rates in Wales*<sup>8</sup>;
- *Council Tax Levels in Wales*<sup>9</sup>;
- *Council Tax Dwellings in Wales*<sup>10</sup>;
- *Budgeted Expenditure on Special Educational Needs (SEN) Provision*<sup>11</sup>;
- *Reserves Held by Schools in Wales*<sup>12</sup>; and
- *Welsh Local Government Financial Statistics*<sup>13</sup>.

1.1.2 This report was prepared by the Authority's Assessment team, and approved by the Board of the Statistics Authority on the advice of the Head of Assessment.

1.1.3 *Welsh Local Government Financial Statistics* is a compendium publication. Assessments of compendium publications against the *Code of Practice* relate to the processes involved in preparing the publication, rather than in producing the statistics that are included. Those sets of statistics will normally be subject to separate assessment. Designation of a compendium publication as National Statistics therefore means that the producer body has, for example: identified and met user needs in terms of the content of the publication; considered the appropriateness of each series for inclusion; and written appropriate commentary.

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<sup>1</sup> <http://www.statisticsauthority.gov.uk/assessment/assessment-reports/index.html>

<sup>2</sup> [http://www.opsi.gov.uk/Acts/acts2007/pdf/ukpga\\_20070018\\_en.pdf](http://www.opsi.gov.uk/Acts/acts2007/pdf/ukpga_20070018_en.pdf)

<sup>3</sup> <http://www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html>

<sup>4</sup> <http://wales.gov.uk/topics/statistics/headlines/locgov2009/hdw200911051/?lang=en>

<sup>5</sup> <http://wales.gov.uk/topics/statistics/headlines/localgov2010/100610/?lang=en>

<sup>6</sup> <http://wales.gov.uk/topics/statistics/headlines/locgov2009/hdw200910152/?lang=en>

<sup>7</sup> <http://wales.gov.uk/topics/statistics/headlines/localgov2010/100603/?lang=en>

<sup>8</sup> <http://wales.gov.uk/topics/statistics/headlines/localgov2010/100617/?lang=en>

<sup>9</sup> <http://wales.gov.uk/topics/statistics/headlines/localgov2010/100325/?lang=en>

<sup>10</sup> <http://wales.gov.uk/topics/statistics/headlines/localgov2010/0112/?lang=en>

<sup>11</sup> <http://wales.gov.uk/topics/statistics/headlines/localgov2010/100615/?lang=en>

<sup>12</sup> <http://wales.gov.uk/topics/statistics/headlines/locgov2009/hdw200911121/?lang=en>

<sup>13</sup> <http://wales.gov.uk/topics/statistics/headlines/localgov2010/100928/?lang=en>

## 1.2 Decision concerning designation as National Statistics

1.2.1 The Statistics Authority judges that the statistics covered by this report are readily accessible, produced according to sound methods and managed impartially and objectively in the public interest, subject to any points for action in this report. The Statistics Authority confirms that the statistics listed in paragraph 1.1.1 are designated as National Statistics, subject to the Welsh Assembly Government implementing the enhancements listed in section 1.5 and reporting them to the Authority by May 2011. The Welsh Assembly Government has informed the Assessment team that it has already started to implement the Requirements listed in section 1.5. The Statistics Authority welcomes this.

## 1.3 Summary of strengths and weaknesses

- 1.3.1 The statistical team engages with government and non-government users both formally and informally, and is responsive to users' needs.
- 1.3.2 The statistical publications include data sources and, in some cases, definitions but there is little information about the methods used to compile the statistics. Similarly, all the releases contain a quality statement but these tend to be brief and include little information for users on the reliability of the statistics in relation to their use.
- 1.3.3 Local authorities are legally required to collect various types of financial data and supply them to the Welsh Assembly Government but there may be scope for the statistics team to facilitate this process by providing clearer guidelines to local authorities and sending them data collection forms earlier.
- 1.3.4 The statistical publications are clearly laid out and accessible but they contain little commentary – for example, about the policy context or about the Welsh local government finance system – to aid users' understanding of the statistics.

## 1.4 Detailed recommendations

1.4.1 The Assessment team identified some areas where it felt that the Welsh Assembly Government could strengthen its compliance with the *Code*. Those which the Assessment team considers essential to enable re-designation as National Statistics are listed in section 1.5. Other suggestions, which would improve the statistics and the service provided to users but which are not central to their designation, are listed at annex 1.

## 1.5 Requirements for designation as National Statistics

- |                      |  |
|----------------------|--|
| <b>Requirement 1</b> | Publish details of the methods used to compile local government finance statistics (para 3.11).                                    |
| <b>Requirement 2</b> | Provide more information about the quality and reliability of local government finance statistics in relation to uses (para 3.12). |



**Requirement 3**

Publish the guidance used to assess the quality of the data in local government finance statistical publications (para 3.14).

**Requirement 4**

Provide more extensive commentary to aid users' interpretation and understanding of the statistics (para 3.25).

## 2 Subject of the assessment

- 2.1 The Welsh Assembly Government collects data on local government finance via statistical returns from each local authority in Wales, including councils, police and fire authorities and national parks. There are statutory requirements on local authorities to collect and supply these financial data to the Welsh Assembly Government.
- 2.2 The publications included in this assessment are all released annually. They cover various aspects of local government finance in Wales:
- *Local Authority Revenue Outturn Expenditure* presents statistics on the revenue expenditure recorded by Welsh local authorities in the most recent financial year. Revenue expenditure is the spending on services such as education, housing and social services, and local authorities' running costs. The publication includes details of expenditure by local authority and type of service;
  - *Local Authority Budgeted Revenue Expenditure* presents statistics on the revenue expenditure that Welsh local authorities are budgeted to spend in the next financial year. The publication includes the percentage change in each local authority's budgeted expenditure compared with the previous year;
  - *Local Authority Capital Expenditure* provides a summary of capital outturn expenditure, receipts and financing for all local authorities, police and fire authorities and national parks in Wales for the most recent financial year. Capital expenditure is investment in local authority services, mainly buying, building or improving physical assets such as buildings, land, vehicles and machinery. Capital receipts generally arise from the disposal of fixed assets, for example the sale of council houses;
  - *Local Authority Capital Forecast* provides a summary of forecast capital expenditure by Welsh local authorities for the next financial year. The publication contains breakdowns of the statistics by local authority and type of service, and includes forecast and outturn expenditure information for previous financial years;
  - *Council Tax Collection Rates in Wales* presents statistics on the amount of council tax that local authorities collected in the previous financial year. Council tax is the main source of locally-raised income for local authorities. The publication includes details of collection rates by local authority, amounts outstanding and amounts written off;
  - *Council Tax Levels in Wales* presents statistics on band D council tax<sup>14</sup> across local authorities in Wales for the next financial year. The publication uses data from the budget requirement returns supplied by county and county borough councils and police authorities. The publication contains various breakdowns of the statistics, including annual trends, comparisons with England, and local authorities' budget requirements and council tax incomes;
  - *Council Tax Dwellings in Wales* provides details of the number of dwellings liable for council tax across local authorities for the next financial

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<sup>14</sup> The band D council tax is the middle band which local authorities use to calculate the charges for the other bands as a percentage of the band D charge.

year. The publication contains breakdowns of the data by local authority, council tax band, and discounts and exemptions;

- *Budgeted Expenditure on Special Educational Needs (SEN) Provision* presents statistics on the expenditure that Welsh local authorities are budgeted to spend on SEN<sup>15</sup> for the next financial year. The publication includes details of expenditure per pupil, and spending on SEN by schools and by Welsh local authorities;
- *Reserves Held by Schools in Wales* provides details of the sums of money that schools carry forward from one year to the next. These reserves arise from the net effect of underspends and overspends against school allocations. The publication contains various breakdowns of the data, for example by school type (nursery, primary, secondary, special) and by local authority; and
- *Welsh Local Government Financial Statistics 2010* is a compendium publication which brings together statistics on various aspects of local authority finance in Wales. The publication contains details of revenue and capital spending by service and by local authority, sources of financing, general and specific grants, council tax and information on non-domestic rates.

2.3 The Welsh Assembly Government's local government finance statistics are mainly used to inform the calculation and distribution of the annual revenue settlement<sup>16</sup> – currently worth over £3 billion a year – for local authorities and police authorities in Wales. The statistics are also used for other purposes, including:

- monitoring and benchmarking the finances of local authorities in Wales;
- developing Welsh local government policy;
- informing Welsh Ministers and Welsh Assembly Government policy officials of relevant trends and developments in Welsh local government finance; and
- providing the Wales Audit Office with a single, consistent source of statistics to inform its performance reporting of Welsh local authorities.

2.4 The Welsh Assembly Government told the Assessment team that it currently costs around £90,000 a year to collect, validate and publish its local government finance statistics.

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<sup>15</sup> Children with special educational needs have learning difficulties or disabilities that make it more difficult for them to learn or access education than most children of the same age.

<sup>16</sup> <http://wales.gov.uk/topics/localgovernment/finandfunding/publications/settle0708background/?lang=en>

### 3 Assessment findings

#### Principle 1: Meeting user needs

**The production, management and dissemination of official statistics should meet the requirements of informed decision-making by government, public services, business, researchers and the public.**

- 3.1 The Welsh Assembly Government maintains a list of both government and non-government users of its local government finance statistics and documents the type of use made of the statistics. The Welsh Assembly Government publishes summary information<sup>17</sup> about the main users and uses of the statistics on its website. The statistics team engages with the Welsh Statistical Liaison Committee<sup>18</sup> which includes representatives from the Welsh Assembly Government, local authorities, police services and the Welsh Language Board. The Welsh Assembly Government publishes the minutes of Committee meetings<sup>19</sup> on its website.
- 3.2 The statistics team holds quarterly meetings with government colleagues to discuss local government finance statistics and whether the team is meeting their needs. The team consults non-government users at meetings of the Welsh Local Government Finance Forms Group<sup>20</sup> which the Welsh Assembly Government established in October 2010 to advise on the format and content of the forms which are used to collect financial information from local authorities. The group, which comprises Welsh Assembly Government officials and statisticians, and local authority representatives, aims to ensure that: the forms are fit for purpose; users and suppliers have a common understanding of the data; and that the quality of the statistics (in terms of relevance, accuracy, and timeliness) is sufficient to meet users' needs. The Welsh Assembly Government plans to publish information about this group, including the membership and the agendas, papers and minutes from meetings of the group. The statistics team told us that it also plans to create a new user forum to encourage discussion among users between formal group meetings and to allow non-government users to share their views.
- 3.3 Where appropriate, members of the statistics team also attend meetings of local government finance groups to ensure that the statistics are fit for purpose and meet users' needs. These include:
- the Distribution Sub Group<sup>21</sup> of the Welsh Assembly Government's Consultative Forum on Finance<sup>22</sup> which consults with local authority associations on all aspects of local government finance in Wales; and
  - the Finance subgroup of the Central and Local Information Partnership (CLIP)<sup>23</sup> which considers the collection, presentation and analysis of statistics on local government finance.

<sup>17</sup> <http://wales.gov.uk/topics/statistics/theme/loc-gov/?lang=en>

<sup>18</sup> <http://wales.gov.uk/topics/statistics/about/liaison/?lang=en>

<sup>19</sup> <http://wales.gov.uk/topics/statistics/about/liaison/meetings/?lang=en>

<sup>20</sup> <http://wales.gov.uk/docs/dsjlg/meetings/100721dsg201031aen.doc>

<sup>21</sup> <http://wales.gov.uk/topics/localgovernment/finandfunding/consultativeforumonfinance/dsg/?lang=en>

<sup>22</sup> <http://wales.gov.uk/topics/localgovernment/finandfunding/consultativeforumonfinance/?lang=en>

<sup>23</sup> <http://www.clip.local.gov.uk/lgv/core/page.do?pageId=31626>

- 3.4 The Welsh Assembly Government publishes an annual statistical work plan<sup>24</sup> which contains its overall user engagement plan and the Statistical Directorate's priorities for the year ahead. The plan sets out the work programme for local government finance statistics and includes the publication timetable for all statistical outputs for the forthcoming year. The Welsh Assembly Government invites users to comment on its statistical work plan.
- 3.5 The Welsh Assembly Government publishes its local government finance statistical outputs as soon as possible after receiving data from local authorities – for example, statistics on council tax levels are prepared for pre-release access within one day of receiving the last local authority's data. The Welsh Local Government Finance Forms Group has asked the statistics team to review the timetable of statistical publications to identify where the Welsh Assembly Government can publish its outputs earlier. This work will be carried out over the next 6 to 12 months and will involve both users and suppliers.
- 3.6 The statistics team has regular informal engagement with both Welsh Assembly Government and other users. Government users told us they were adequately consulted by the statistics team.

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<sup>24</sup> <http://wales.gov.uk/topics/statistics/publications/statsplan1011/?lang=en>

## Principle 2: Impartiality and objectivity

**Official statistics, and information about statistical processes, should be managed impartially and objectively.**

- 3.7 The Welsh Assembly Government releases local government finance statistics according to a published timetable and makes the statistics available free of charge on its website. It presents the statistics impartially and objectively.
- 3.8 The Welsh Assembly Government has published a statement<sup>25</sup> to explain how it presents revisions to its statistical outputs. We were told that there have been no revisions to published historical data in any Welsh local government finance statistics publications since 2005.
- 3.9 The statistics team told us that it provides written guidance to suppliers about any changes in definitions and alerts users to these changes in the preceding publications. It informs users in the commentary about breaks in time series and highlights these changes in the published tables. The statistics team told us that, where appropriate, they will also announce changes to classifications in advance of the release of the changed statistics.

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<sup>25</sup> <http://wales.gov.uk/topics/statistics/about/compliance/revisions/?lang=en>

### **Principle 3: Integrity**

**At all stages in the production, management and dissemination of official statistics, the public interest should prevail over organisational, political or personal interests.**

- 3.10 No incidents of political pressure, abuses of trust or complaints relating to professional integrity, quality or standards were reported to or identified by the Assessment team. The Welsh Assembly Government issues guidance to its staff detailing individuals' responsibilities regarding the use of statistics.

## Principle 4: Sound methods and assured quality

**Statistical methods should be consistent with scientific principles and internationally recognised best practices, and be fully documented. Quality should be monitored and assured taking account of internationally agreed practices.**

- 3.11 All the data used to produce statistics in the Welsh Assembly Government's statistical reports on local government finance are provided by local authorities, including councils, police and fire authorities and national parks. The Welsh Assembly Government includes information about these data sources – and, in some cases, definitions – in its publications but provides little information about the methods it uses to compile the statistics. As part of the designation as National Statistics, the Welsh Assembly Government should publish details of the methods it uses to compile its local government finance statistics<sup>26</sup> (Requirement 1).
- 3.12 All local authorities in Wales use a Statement of Recommended Practice for financial accounting procedures, and follow guidance<sup>27</sup> from the Chartered Institute of Public Finance and Accountancy (CIPFA) on how to report revenue spending. The Welsh Assembly Government's statistical publications on local government finance contain information about the quality of the statistics – for example, the difficulty in obtaining consistent data from local authorities. However, there is scope to provide more details about these consistency issues – for example, that they only occur at a very detailed or disaggregated level, depending on how local authorities categorise their spending – so that users have a clear picture of the reliability of the statistics. As part of the designation as National Statistics, the Welsh Assembly Government should provide more information about the quality and reliability of its local government finance statistics in relation to uses<sup>28</sup> (Requirement 2).
- 3.13 The compendium publication, *Welsh Local Government Financial Statistics*, mainly comprises National Statistics but it also contains some non-National Statistics on standard spending assessments and central government support. The Welsh Assembly Government provided us with evidence of how it plans to explain the distinction between National Statistics and non-National Statistics data in the 2011 compendium publication.
- 3.14 The Welsh Assembly Government has developed an internal quality framework but it has not published any quality guidelines. As part of the designation as National Statistics, the Welsh Assembly Government should publish the guidance it uses to assess the quality of the data in its local government finance statistical publications<sup>29</sup> (Requirement 3).
- 3.15 The statistics team's quality assurance procedures involve validation checks for data suppliers as they submit the data. The statistics team carries out further extensive data validation when it receives the data, and the Head of the

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<sup>26</sup> In relation to Principle 4 Practice 1 of the *Code of Practice*

<sup>27</sup> <http://www.cipfa.org.uk/panels/laap/publications.cfm>

<sup>28</sup> In relation to Principle 4 Practice 2 of the *Code of Practice*

<sup>29</sup> In relation to Principle 4 Practice 4 of the *Code of Practice*



Economic, Finance and Transport Statistics Unit approves all the statistical outputs before allowing pre-release access and publication.

- 3.16 In 2006 a review carried out by the Welsh Assembly Government's IT supplier found that the local government finance statistical system was an example of 'best practice' in the way that data were collected, validated, stored and published. The Statistical Directorate has since sought to replicate this system across the Directorate and the local government finance statistics team has provided informal training for the rest of the Directorate on its processes.
- 3.17 The Welsh Assembly Government ensures that its local government finance statistics are comparable with equivalent English statistics where practical and appropriate, and *Council Tax Levels in Wales* includes comparable data for England. The publications do not include Scottish data – although Scotland and Wales are broadly similar in how local authorities report financial information. Statistics for Northern Ireland are not included because local authority financial arrangements are not comparable with Wales. The statistics team informed us that it had not identified any user need for further comparisons with other UK countries.

## Principle 5: Confidentiality

**Private information about individual persons (including bodies corporate) compiled in the production of official statistics is confidential, and should be used for statistical purposes only.**

- 3.18 The Welsh Assembly Government compiles its local government finance statistics from aggregate data which local authorities are legally required to make publicly available. Therefore, there are no confidentiality issues for the statistics team to address.
- 3.19 The standard terms and conditions for all of the Welsh Assembly Government's staff include confidentiality arrangements, and the Welsh Assembly Government has published its arrangements for confidentiality protection<sup>30</sup>. These include the Statistical Directorate's current information security project, staff training and organisational protocols such as statistical disclosure control techniques.

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<sup>30</sup> <http://wales.gov.uk/topics/statistics/about/compliance/confidential/?lang=en>

## **Principle 6: Proportionate burden**

**The cost burden on data suppliers should not be excessive and should be assessed relative to the benefits arising from the use of the statistics.**

- 3.20 Local authorities are legally required to collect and provide the data which the Welsh Assembly Government includes in its local government finance statistical publications. The statistics team has revised the data collection forms – for example, by introducing some validation checks to be carried out by local authorities – to improve the quality of the returned data. This may also reduce the burden on suppliers by reducing the likelihood of them returning inaccurate or incorrect data and having to provide revised data at a later date. Some suppliers told us that providing the data in the format required by the Welsh Assembly Government imposed an additional burden to their regular administrative activities. The Welsh Assembly Government provided us with evidence of how it plans to measure and report annually the estimated costs to local authorities of providing the data it requires to compile its local government finance statistics.
- 3.21 Some suppliers also commented that they would be better able to provide the required data if they received clearer guidance from the Welsh Assembly Government and received the data collection forms earlier. We suggest that the Welsh Assembly Government review the guidance it provides to local authorities and the timing of providing data collection forms to suppliers.

## Principle 7: Resources

**The resources made available for statistical activities should be sufficient to meet the requirements of this Code and should be used efficiently and effectively.**

- 3.22 A statistics team of four full-time staff produces the Welsh Assembly Government's local government finance statistics. We were told that since 2001 the statistics team has decreased from eight to four staff due to the increased use of technology. The Head of the Economic, Finance and Transport Statistics Unit and the Head of Performance Measurement and Finance Statistics provide guidance and advice to the statistics team and sign off the statistical publications before they are published. The statistics team informed us that it is adequately resourced to produce and publish Welsh local government finance statistics at the current level of quality.
- 3.23 The Welsh Assembly Government participates in the Government Statistical Service's recruitment schemes and uses a competency-based framework to manage staff performance. This involves assessments of continuing professional development, and six-month performance reviews.

## Principle 8: Frankness and accessibility

**Official statistics, accompanied by full and frank commentary, should be readily accessible to all users.**

- 3.24 The Welsh Assembly Government publishes its local government finance statistics on its website, and users can also request hard copies of the publications from the statistics team. The Welsh Assembly Government also makes all its local government finance statistics available on the StatsWales<sup>31</sup> website to allow users to download the information for further analysis and re-use. Regular users of the statistics told us that they find the publications well explained and accessible, but less frequent users felt that the StatsWales tables were difficult to use. The statistics team provided details of how it has trained users to use the StatsWales website but we suggest that the Welsh Assembly Government investigate further opportunities to make its StatsWales tables more user-friendly.
- 3.25 The statistical reports include key points such as: the local authorities that have the highest and lowest council tax levels; the local authority services that have the highest expenditure and forecast expenditure; and comparisons with corresponding English statistics. However, there is scope to provide more commentary in the publications – for example, by providing information about the policy context of the statistics or about the Welsh local government finance system. As part of the designation as National Statistics, the Welsh Assembly Government should provide more extensive commentary to aid users' interpretation and understanding of the statistics<sup>32</sup> (Requirement 4).
- 3.26 The Welsh Assembly Government invites feedback from users on its statistical publications. The statistics team reviews the format of its publications annually and revises the presentation of the statistics following discussions with government users. In 2009 the team changed the compendium publication *Welsh Local Government Financial Statistics* from a printed copy to a web-based version. The Welsh Assembly Government carried out a web-based consultation on this proposed change, and users who responded expressed a preference for an electronic version only. The statistics team informed us that the recently formed Welsh Local Government Finance Forms Group, which includes non-government users of the statistics, may have a role in reviewing the format of statistical publications.
- 3.27 The statistics team emails users when it publishes reports. The team also publicises the statistical publications via Really Simple Syndication<sup>33</sup> feeds and via links from relevant policy sections of the Welsh Assembly Government's website.
- 3.28 The Welsh Assembly Government's website adheres to accessibility guidelines. Where appropriate, the statistics team ensures that its statistical outputs are available in Welsh.

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<sup>31</sup> <http://www.statswales.wales.gov.uk/ReportFolders/reportFolders.aspx>

<sup>32</sup> In relation to Principle 8 Practice 2 of the *Code of Practice*

<sup>33</sup> Really Simple Syndication is a family of web feed formats used to update frequently published material.

## **Protocol 1: User engagement**

**Effective user engagement is fundamental both to trust in statistics and securing maximum public value. This Protocol draws together the relevant practices set out elsewhere in the Code and expands on the requirements in relation to consultation.**

3.29 The requirements for this Protocol are covered elsewhere in this report.

## Protocol 2: Release practices

**Statistical reports should be released into the public domain in an orderly manner that promotes public confidence and gives equal access to all, subject to relevant legislation.**

- 3.30 The statistics team publishes a timetable<sup>34</sup> for its local government finance statistical reports for the next 12 months on its website. It publishes local government finance statistics on its website and on the National Statistics Publication Hub.
- 3.31 The statistics team provided us with details of its system for monitoring progress against milestones for producing and publishing local government finance statistical outputs. There have been no delays in production or publication.
- 3.32 In compliance with the *Pre-release Access to Official Statistics (Wales) Order 2009*<sup>35</sup>, the Welsh Assembly Government publishes lists of people who have pre-release access<sup>36</sup> to individual statistical publications on its website. In 2010 the number of people who had pre-release access to the publications ranged from 14 to 21. The Welsh Assembly Government includes the names and contact details of responsible statisticians in recent statistical reports on local government finance.

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<sup>34</sup> <http://wales.gov.uk/topics/statistics/du/du-theme/loc-gov/?lang=en>

<sup>35</sup> [http://www.opsi.gov.uk/legislation/wales/wsi2009/wsi\\_20092818\\_en\\_1](http://www.opsi.gov.uk/legislation/wales/wsi2009/wsi_20092818_en_1)

<sup>36</sup> <http://wales.gov.uk/topics/statistics/about/prerelease/?lang=en>

### **Protocol 3: The use of administrative sources for statistical purposes**

**Administrative sources should be fully exploited for statistical purposes, subject to adherence to appropriate safeguards.**

- 3.33 The data which the Welsh Assembly Government uses to compile its local government finance statistical reports are derived from data that local authorities are legally required to collect.
- 3.34 The Welsh Assembly Government has published a Statement of Administrative Sources which describes the administrative and management sources<sup>37</sup> which the Statistical Directorate currently uses – or which have the potential to be used – to produce official statistics.

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<sup>37</sup> <http://wales.gov.uk/docs/statistics/2010/100330adminen.pdf>



## **Annex 1: Suggestions for improvement**

A1.1 This annex includes some suggestions for improvement to the local government financial statistics produced by the Welsh Assembly Government, in the interest of the public good. These are not formally required for designation, but the Assessment team considers that their implementation will improve public confidence in the production, management and dissemination of official statistics.

**Suggestion 1**                      Review the guidance provided to local authorities and the timing of providing data collection forms (para 3.21).

**Suggestion 2**                      Investigate further opportunities to make its StatsWales tables more user-friendly (para 3.24).

## Annex 2: Summary of assessment process and users' views

A2.1 This assessment was conducted from October to December 2010.

A2.2 The Assessment team – Phil Grigor and Cathy Kruger – agreed the scope of and timetable for this assessment with Welsh Assembly Government representatives in October. The Written Evidence for Assessment was provided on 4 November. The Assessment team subsequently met the Welsh Assembly Government during November to review compliance with the *Code of Practice*, taking account of the written evidence provided and other relevant sources of evidence.

### Summary of users contacted, and issues raised

A2.3 Part of the assessment process involves our consideration of the views of users. We approach some known and potential users of the set of statistics, and we invite comments via an open note on the Authority's website. This process is not a statistical survey, but it enables us to gain some insights about the extent to which the statistics meet users' needs and the extent to which users feel that the producers of those statistics engage with them. We are aware that responses from users may not be representative of wider views, and we take account of this in the way that we prepare assessment reports.

A2.4 The Assessment team received 34 responses from the consultation with users and suppliers. The respondents were grouped as follows:

Welsh Assembly Government	2
Local authorities	5
Other public sector organisations	3
Private sector	1
Academia	2
Suppliers	21

A2.5 We received a variety of responses from both central and local government users. These users consider the statistics to be very important and use them in a variety of ways, such as allocating funds to local authorities, for inclusion in the UK National Accounts and for comparing local authorities. Frequent users of the statistics find them well-explained and accessible. Less frequent users felt that the StatsWales tables were difficult to use. Several users mentioned the inconsistency of financial reporting from local authorities as having a significant impact on the usefulness of the statistics. Some users mentioned the poor timeliness of the statistics as being a problem, with one user suggesting it would be useful to have quarterly data in line with that published by the Department for Communities and Local Government for England. Government users felt they were consulted adequately and other users mentioned the recent development of the Welsh Local Government Finance Forms Group to discuss data collection and consistency.

A2.6 Over 20 suppliers (finance departments in local authorities and police authorities) also responded to our consultation. Some suppliers felt that they would find it easier to provide data if the guidelines were clearer and the data

collection forms were provided earlier. Some suggested that the Welsh Assembly Government should look more at using existing data, such as that provided to CIPFA. There seemed to be a lack of knowledge of how the statistics are used and their importance for policy-making and funding allocation. Several suppliers also noted the lack of consistency of data provided by different local authorities due to differences in accounting systems.

**Key documents/links provided**

Written Evidence for Assessment document



