

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

## Statistics on Trade and Business in Northern Ireland

*(produced by the Northern Ireland Statistics and Research  
Agency)*

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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 of compliance with the Code of Practice for Official Statistics**

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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 set of statistics reported in the following publications, produced by the Northern Ireland Statistics and Research Agency (NISRA):

- *Northern Ireland Annual Business Inquiry*<sup>4</sup> (ABI);
- *Northern Ireland Manufacturing Sales and Exports Survey*<sup>5</sup> (MSES);
- *Northern Ireland Research and Development Statistics*<sup>6</sup> (R&D);
- *Facts and Figures from the Inter-Departmental Business Register*<sup>7</sup> (Facts and Figures);
- *Northern Ireland Ports Traffic*<sup>8</sup> (Ports); and
- *Northern Ireland Business Register Employment Survey*<sup>9</sup> (BRES).

1.1.2 Section 3 of this report adopts an ‘exception reporting’ approach – it includes text only to support the Requirements made to strengthen compliance with the *Code* and Suggestions made to improve confidence in the production, management and dissemination of these statistics. This abbreviated style of report reflects the Head of Assessment’s consideration of aspects of risk and materiality<sup>10</sup>. The Assessment team nonetheless assessed compliance with all parts of the *Code of Practice* and has commented on all those in respect of which some remedial action is recommended.

1.1.3 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.

## 1.2 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 published in *Northern Ireland Business Register Employment Survey* are designated as

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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://www.detini.gov.uk/deti-stats-index/stats-surveys/stats-annual-business-inquiry.htm>

<sup>5</sup> <http://www.detini.gov.uk/deti-stats-index/stats-surveys/stats-manufacturing-sales-exports.htm>

<sup>6</sup> <http://www.detini.gov.uk/deti-stats-index/stats-surveys/stats-research-development.htm>

<sup>7</sup> <http://www.detini.gov.uk/deti-stats-index/stats-surveys/stats-inter-dept-bus-register.htm>

<sup>8</sup> <http://www.detini.gov.uk/deti-stats-index/stats-surveys/stats-ports-traffic.htm>

<sup>9</sup> <http://www.detini.gov.uk/deti-stats-index/stats-surveys/stats-census-of-employment-2.htm>

<sup>10</sup> <http://www.statisticsauthority.gov.uk/assessment/assessment/guidance-about-assessment/criteria-for-deciding-upon-the-format-of-an-assessment-report.pdf>

National Statistics. The Statistics Authority also confirms that the remaining statistics listed in paragraph 1.1.1 are designated as National Statistics, subject to NISRA implementing the enhancements listed in section 1.5 and reporting them to the Authority by September 2012.

1.2.2 NISRA has informed the Assessment team that it has 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 NISRA is developing a new Integrated Business Survey System (IBSS) to manage its range of business surveys and improve the efficiency of the data processing. The system has also been designed to reduce the amount of contact with businesses – and therefore the burden imposed on them – and will in future allow businesses to return survey data electronically.

1.3.2 The trade and business publications do not contain information about the uses of the statistics, either within government or elsewhere. NISRA told us about the broad uses made of these statistics but it has not documented these.

1.3.3 NISRA has published some further information about the quality of BRES, ABI and MSES statistics in separate *Quality Reports*<sup>11</sup>; however, these include little information about the sample design and errors. NISRA has not published any information about the quality of the statistics for *R&D* or *Ports*.

### 1.4 Detailed recommendations

1.4.1 The Assessment team identified some areas where it felt that NISRA could strengthen its compliance with the *Code*. Those which the Assessment team considers essential to enable 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 formally required for their designation, are listed at annex 1.

### 1.5 Requirements for designation as National Statistics

<b>Requirement 1</b>	Document the range of uses, and use this information to support the development of the statistics (para 3.2).
<b>Requirement 2</b>	Provide more information about the nature and extent of revisions to the trade and business statistics at same time that they are released (para 3.4).
<b>Requirement 3</b>	Provide more information about the quality and reliability of the trade and business statistics,

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<sup>11</sup> [http://www.detini.gov.uk/summary\\_quality\\_report\\_for\\_labour\\_market\\_data\\_releases.pdf](http://www.detini.gov.uk/summary_quality_report_for_labour_market_data_releases.pdf) , [http://www.detini.gov.uk/niabi\\_quality\\_report\\_december\\_2011.pdf](http://www.detini.gov.uk/niabi_quality_report_december_2011.pdf) and [http://www.detini.gov.uk/mses\\_quality\\_report.pdf](http://www.detini.gov.uk/mses_quality_report.pdf)

particularly in relation to the range of potential uses (para 3.5).

**Requirement 4**

Improve the commentary in the trade and business publications so that it aids user interpretation of the statistics (para 3.8).

**Requirement 5**

Ensure that access to the trade and business statistics is made as straightforward as possible by providing easy-to-use access points on the NISRA website (para 3.9).

**Requirement 6**

Publish more information about the relationship between the trade and business statistics and the distinct user needs that they address (para 3.10).



## 2 Subject of the assessment

- 2.1 *Northern Ireland Annual Business Inquiry (ABI)* presents statistics on the value of the economic activity and the associated expenditure across the main industry sectors in Northern Ireland. It provides statistics on turnover, purchases, and approximate Gross Value Added (GVA) of businesses. The data used to produce ABI statistics are collected by means of a survey that covers approximately two thirds of the NI economy; it excludes some parts of agriculture, financial services and the public sector. Data from the NI survey are sent to the Office for National Statistics (ONS) for publication in the *Annual Business Survey*<sup>12</sup> covering the UK. *ABI* is published annually in December, around eleven months after the end of the reference period to which the statistics relate. ONS subsequently publishes headline regional data for NI as a whole around six months later.
- 2.2 *Northern Ireland Manufacturing Sales and Exports Survey (MSES)* presents statistics on the sales and exports of businesses within the NI manufacturing sector<sup>13</sup>. *MSES* provides statistics for total sales, and exports and the destinations of goods. *MSES* is published in December, around eight months after the reference period to which the statistics relate. Participation in both the *ABI* and *MSES* is statutory under the *Statistics of Trade and Employment (Northern Ireland) Order 1988*<sup>14</sup>.
- 2.3 *Facts and Figures from the Inter-Departmental Business Register (Facts and Figures)* presents statistics on the number of businesses that operate in NI, broken down by categories such as broad industry group<sup>15</sup>, employment size, turnover, district council, and legal status (for example sole proprietorships, partnerships and companies). *Facts and Figures* also presents counts of foreign-owned businesses and of business births and deaths. *Facts and Figures* includes the Northern Ireland elements of ONS's publications *Business Demography*<sup>16</sup> and *UK Business Activity, Size and Location*<sup>17</sup>. Additional analyses are derived from the NI element of the Inter-Departmental Business Register<sup>18</sup> (IDBR). *Facts and Figures* is published annually in December based on data extracts for the reference year.
- 2.4 *Northern Ireland Research and Development Statistics (R&D)* presents statistics on the level of Research and Development<sup>19</sup> activity in NI including total expenditure levels, aggregated from three separate components – R&D

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<sup>12</sup> <http://www.ons.gov.uk/ons/rel/abs/annual-business-survey/2010-provisional-results/index.html>

<sup>13</sup> Manufacturing businesses are classified as Standard Industrial Classification 2007 divisions 10-33

<sup>14</sup> <http://www.legislation.gov.uk/nisi/1988/595/contents>

<sup>15</sup> <http://www.ons.gov.uk/ons/rel/bus-register/uk-business/2011/uk-business--activity--size-and-location--2011.xls>

<sup>16</sup> <http://www.ons.gov.uk/ons/rel/bus-register/business-demography/2010/index.html>

<sup>17</sup> <http://www.ons.gov.uk/ons/rel/bus-register/uk-business/2011/index.html>

<sup>18</sup> The IDBR, which is maintained by ONS, is the principal data source about registered businesses in the UK. The IDBR covers businesses in all parts of the economy, except some very small businesses (self-employed, those without employees and low turnover) and some non-profit making organisations.

<sup>19</sup> The definition of R&D adopted for the purposes of the Northern Ireland inquiry is the same as that used by ONS for the equivalent GB survey and comes from the Frascati manual

[http://www.oecd.org/document/6/0,3746,en\\_2649\\_34273\\_33828550\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/6/0,3746,en_2649_34273_33828550_1_1_1_1,00.html)

expenditure by business, higher education, and government. Expenditure statistics are broken down into proportions of expenditure by sector, turnover and by number of employees. Other business-related R&D information includes the sources of funds for R&D activity, the numbers of locally-owned as opposed to foreign-owned R&D active businesses, and employment in R&D. ONS produces these statistics for GB and publishes annually, in March combined UK statistics in its publication *Gross Expenditure on Research and Development*<sup>20</sup> (GERD). The NI data are collected from a survey of known 'R&D-active' firms in NI. The NI survey questionnaire follows the same broad structure and includes the same questions as the GB questionnaire, modified to tailor the questions asked for use in NI. NISRA publishes R&D annually in December just over eleven months after the reference date to which the statistics relate.

- 2.5 *Northern Ireland Ports Traffic (Ports)* provides statistics on freight and passenger traffic through sea ports in Northern Ireland. These statistics include total tonnage through the NI ports broken down by inward and outward traffic, by main port, and types of freight. The statistics are based on an extract of data relating to Northern Ireland held by the Department for Transport (DfT), which produces *Ports Freight Statistics*<sup>21</sup> for the ports of the UK. DfT publishes *Port Freight Statistics* in September and NISRA publish *Ports* annually in November.
- 2.6 *Northern Ireland Business Register Employment Survey (BRES)* presents statistics on the geographical and industrial characteristics of jobs in NI non-agricultural businesses with breakdowns by NI District Council, sex, sector and working pattern. The data are collected by means of a business survey. ONS publishes similar statistics for the UK in *Annual Employment Statistics from the Business Register and Employment Survey*. BRES was first published in 2010 to provide annual statistics in the years between the biennial *Census of Employment*<sup>22</sup>, published most recently in 2009. BRES statistics are produced using the same methods as the Census of Employment, but with a smaller sample – around 8,000 businesses compared with the 30,000 of the Census. NISRA intends to publish BRES and the *Census of Employment* in alternate years. BRES is published around one year after the survey reference period.
- 2.7 *Census of Employment* was designated<sup>23</sup> by the Authority on 2 August 2010 as National Statistics. The statistics in BRES have been included in the scope of this assessment in order to cover those practices that differ between BRES and the Census, with a view to ensuring that all of the Northern Ireland trade and business National Statistics have been assessed for compliance against the *Code of Practice*
- 2.8 NISRA is in the final stages of launching a new Integrated Business Survey System (IBSS) to manage its range of business surveys and improve the efficiency of the data processing. The system has also been designed to reduce the amount of contact with businesses – and therefore the burden

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<sup>20</sup> <http://www.ons.gov.uk/ons/rel/rdit1/gross-domestic-expenditure-on-research-and-development/2010/index.html>

<sup>21</sup> <http://www.dft.gov.uk/statistics/series/ports/>

<sup>22</sup> <http://www.detini.gov.uk/deti-stats-index/stats-surveys/stats-census-of-employment.htm>

<sup>23</sup> See <http://statisticsauthority.gov.uk/assessment/assessment/assessment-reports/assessment-report-29---assessment-of-labour-market-statistics-for-northern-ireland.pdf> and <http://statisticsauthority.gov.uk/assessment/assessment/assessment-reports/confirmation-of-designation-letters/letter-of-confirmation-as-national-statistics---assessment-report-29.pdf>

imposed on them – and, in future, will allow businesses to return survey data electronically. As part of the development of IBSS, the ABI and MSES surveys have been combined for businesses in the manufacturing sector and the first combined survey was run in 2012. The total sample size for the integrated survey has also been increased, compared with the aggregate of the previous survey samples. NISRA has published on its trade and business statistics webpage a short note about the rationale for the unification<sup>24</sup> of these two survey forms and the expected benefits.

## 2.9 The trade and business statistics are used by:

- the NI Assembly and government departments to monitor progress against Public Service Agreement targets<sup>25</sup> and inform decision making. For example, *R&D* provides data to measure a PSA target to determine ‘the value of investment in R&D to be delivered by new Business Expenditure on Research & Development (BERD) innovation business support programmes’ and as an indication of companies involved in R&D for the first time;
- the Department for Enterprise, Trade and Investment, Northern Ireland (DETI) to monitor macroeconomic policy and other related matters such as the recent discussion about devolved powers over corporation tax<sup>26</sup>;
- Members of Assembly (MLAs) to inform debate relating to the economic performance of Northern Ireland
- InvestNI to help evaluate the performance of business and to inform requests for European Grant bids;
- economists and economic commentators both within and outside Government – for example the banking sector, to analyse and anticipate the skills requirements of the NI workforce and comment on the economic performance of NI.
- Commercial organisations and individuals to inform investment decisions.

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<sup>24</sup> [http://www.detini.gov.uk/notice\\_to\\_users\\_-\\_integration\\_of\\_the\\_annual\\_business\\_inquiry\\_and\\_the\\_manufacturing\\_sales\\_and\\_exports\\_survey.pdf](http://www.detini.gov.uk/notice_to_users_-_integration_of_the_annual_business_inquiry_and_the_manufacturing_sales_and_exports_survey.pdf)

<sup>25</sup> [http://www.dfpni.gov.uk/publications-foi/publications-browse/publication-scheme-what-are-our-priorities-how-are-we-doing/publication\\_what-are-our-priorities-public-service-agreements/dfp-performance-against-psa-targets.htm](http://www.dfpni.gov.uk/publications-foi/publications-browse/publication-scheme-what-are-our-priorities-how-are-we-doing/publication_what-are-our-priorities-public-service-agreements/dfp-performance-against-psa-targets.htm)

<sup>26</sup> [http://www.hm-treasury.gov.uk/consult\\_rebalancing\\_ni\\_economy.htm](http://www.hm-treasury.gov.uk/consult_rebalancing_ni_economy.htm)

### 3 Assessment findings

- 3.1 NISRA statisticians told us that they have regular discussions with colleagues within DETI who use these statistics to inform economic development and planning. NISRA also engages with a range of users of its trade and business statistics through the Economic and Labour Market Statistics group (ELMS); the group meets around twice a year, and last met in November 2011. NISRA has published information about ELMS on its website, alongside agendas and minutes of the meetings. NISRA also conducts five-yearly reviews of its ABI and MSES statistics, which explore areas such as users' views and experiences of these statistics, and the format and timing of the publications. The most recent reviews of ABI and MSES were conducted in 2011; NISRA told us that it plans to publish a summary of the findings for both surveys on its website during summer 2012.
- 3.2 The trade and business publications do not contain information about the uses of the statistics, either within government or elsewhere; some basic information about the use of the ABI and MSES statistics is included in separate quality reports, but this is not particularly detailed. NISRA told us about the broader uses made of these statistics but it has not documented these. As part of the designation as National Statistics, NISRA should document the range of uses, and use this information to support the development of the statistics<sup>27</sup> (Requirement 1). In documenting uses, we suggest that reference is made to the types of use put forward in the Authority's Monitoring Brief, *The Use Made of Official Statistics*<sup>28</sup>.
- 3.3 In 2010, NISRA reviewed the estimation methods used to produce ABI statistics – in consultation with ONS's Methodology Consultancy Service – to allow it to produce estimates with an associated measure of sampling error. NISRA changed the methods, and consequently published its most recent ABI statistics as 'experimental' to allow it to further consult with users about these developments. During the period of this assessment, NISRA has published information about the estimation changes and the impact on the statistics. NISRA has also told us that it will ensure that users are informed about future changes in advance of the publication of the statistics. We suggest that NISRA should include links to this information in *ABI*.
- 3.4 NISRA has published revisions policies for ABI statistics<sup>29</sup> and MSES statistics<sup>30</sup>, which are summarised in the publications. These policies state that the current year's statistics are provisional and subject to scheduled revision. *ABI* and *MSES* contain provisional statistics for the current year, with final statistics for the previous year; however neither publication contains any explanation of the extent of these revisions. As part of the designation as National Statistics, NISRA should provide more information about the nature and extent of revisions to its trade and business statistics at same time that they are released<sup>31</sup> (Requirement 2).

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<sup>27</sup> In relation to Principle 1, Practice 2 of the *Code of Practice*

<sup>28</sup> <http://www.statisticsauthority.gov.uk/assessment/monitoring/monitoring-briefs/monitoring-brief-6-2010---the-use-made-of-official-statistics.pdf>

<sup>29</sup> [http://www.detini.gov.uk/niabi\\_revisions\\_policy.pdf](http://www.detini.gov.uk/niabi_revisions_policy.pdf)

<sup>30</sup> [http://www.detini.gov.uk/mses\\_revisions\\_policy.pdf](http://www.detini.gov.uk/mses_revisions_policy.pdf)

<sup>31</sup> In relation to Principle 2, Practice 6 of the *Code of Practice*

- 3.5 *ABI* and *MSES* contain some high level information about the methods used to produce the statistics and the quality of them. NISRA provides coefficients of variation<sup>32</sup> of the *ABI* estimates, within the detailed tables published alongside the releases. However, NISRA has not provided any context or guidance about the quality and reliability of the statistics in relation to potential uses, nor specifically about other non-sampling errors that may exist in the statistics. Furthermore, the use of these coefficients may be confusing for users who are more accustomed to using confidence intervals. Some coefficients of variation, along with other information about quality, are included within the release but the information is not comprehensive. NISRA has published some further information about quality for *ABI* and *MSES* in separate *Quality Reports*<sup>33</sup>; but these include little information about the sample design and errors associated with these statistics. *Facts and Figures* includes some summary quality information, such as coverage of the administrative data and the impact of comparing different reporting levels; however, little information is provided about the perceived accuracy of the administrative data. NISRA has not described the quality of the statistics presented in *R&D* or *Ports*. As part of the designation as National Statistics, NISRA should provide more information about the quality and reliability of its trade and business statistics, particularly in relation to the range of potential uses<sup>34</sup> (Requirement 3). In meeting this Requirement, we suggest that NISRA includes an explanation of ‘coefficients of variation’ and their relationship with confidence intervals in *ABI*.
- 3.6 NISRA’s trade and business statistics are generally consistent with other related statistics produced by other UK countries. For example, *ABI* is comparable with the UK figures released by ONS, and *Ports* is comparable with those figures released by DfT. There are no comparable UK figures for *MSES*; however, NISRA provides users with links to similar statistics produced by HM Revenue & Customs and the Scottish Government. NISRA includes links to similar UK statistics in its publications, but provides no information about how the NI statistics compare with them. We suggest that NISRA provides more information about the comparability of the trade and business statistics with other similar statistics produced across the UK.
- 3.7 NISRA informs businesses how it will protect the security of the survey information they provide, in a document<sup>35</sup> published on its website. NISRA includes a link to the web address for this document on the paper questionnaires that it sends out to the businesses that are sampled for the trade and business surveys; however, we consider that this information is not easily accessible. It is also not clear on the questionnaire that certain businesses are now responding to the new combined survey for *ABI* and *MSES*. In addition, the questionnaires do not clearly explain why the data are being collected. We suggest that NISRA provides sampled businesses with more information about the uses of the *ABI* and *MSES* statistics, and include a summary of the measures it takes to protect the security of its survey data, on the paper questionnaires.

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<sup>32</sup> [http://epp.eurostat.ec.europa.eu/statistics\\_explained/index.php/Glossary:Coefficient\\_of\\_variation](http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Glossary:Coefficient_of_variation)

<sup>33</sup> [http://www.detini.gov.uk/niabi\\_quality\\_report\\_december\\_2011.pdf](http://www.detini.gov.uk/niabi_quality_report_december_2011.pdf) and [http://www.detini.gov.uk/mses\\_quality\\_report.pdf](http://www.detini.gov.uk/mses_quality_report.pdf)

<sup>34</sup> In relation to Principle 4, Practice 2 and Principle 8, Practice 1 of the *Code of Practice*

<sup>35</sup> <http://www.detini.gov.uk/deti-stats-index/stats-national-statistics/data-security.htm>

- 3.8 NISRA provides some factual commentary within the releases, which comprises bulleted summaries for the accompanying tables and charts. The releases do not contain contextual information about likely reasons for changes and the potential impact of factors such as changes in the economy and the labour market. As part of the designation as National Statistics, NISRA should improve the commentary in the trade and business publications so that it aids user interpretation of the statistics<sup>36</sup> (Requirement 4). We suggest that in meeting this requirement NISRA should consider the points detailed in annex 2.
- 3.9 The responsibility for producing the trade and business statistics transferred from DETI to NISRA in 2011; DETI has published information about this transfer<sup>37</sup> on its website. However, the statistics are still published on DETI's website due to technical restrictions that do not allow NISRA to place the statistics on its own website. NISRA intends to make the trade and business statistics available on its website in early 2013. The Assessment team considers that the publication of the statistics on the DETI website could cause confusion for some users, and that clearer links should be available on NISRA's website. As part of the designation as National Statistics, NISRA should ensure that access to the trade and business statistics is made as straightforward as possible by providing easy-to-use access points on its website<sup>38</sup> (Requirement 5).
- 3.10 The trade and business publications contain a range of similar statistics, but NISRA provides no information about how the statistics relate to each other, or which statistics are most suited to particular uses. For example, both *ABI* and *Facts and Figures* include different types of turnover figures, but the differences between these statistics are not well explained in either release. *ABI* also states that preferred estimates of the changes in employment are provided by the *Labour Force Survey*<sup>39</sup> and *Quarterly Employment Survey*<sup>40</sup>, but no further explanation is provided as to why this is the case or about the implications for users. As part of the designation as National Statistics, NISRA should publish more information about the relationship between the trade and business statistics and the distinct user needs that they address<sup>41</sup> (Requirement 6).
- 3.11 During the period of this assessment, NISRA released an updated publication schedule<sup>42</sup> on the trade and business statistics pages. The most recent *ABI* was published on 21 December 2011 and *Facts and Figures* on 29 December 2011. The Assessment team considers that these publication dates are unlikely to improve user accessibility during the usual holiday period. We suggest that NISRA should review the publication dates for *NIABI* and *Facts and Figures*.

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<sup>36</sup> In relation to Principle 8, Practices 1 and 2 of the *Code of Practice*

<sup>37</sup> <http://www.detini.gov.uk/deti-stats-index.htm>

<sup>38</sup> In relation to Principle 8, Practice 4 of the *Code of Practice*

<sup>39</sup> <http://www.detini.gov.uk/deti-stats-index/stats-surveys.htm>

<sup>40</sup> <http://www.detini.gov.uk/deti-stats-index/stats-surveys/stats-qes.htm>

<sup>41</sup> In relation to Principle 8, Practice 4 and Protocol 1, Practice 2 of the *Code of Practice*

<sup>42</sup> <http://www.detini.gov.uk/deti-stats-index.htm>

## Annex 1: Suggestions for improvement

A1.1 This annex includes some suggestions for improvement to NISRA's trade and business statistics, 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.

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| <b>Suggestion 1</b> | Refer to the types of use put forward in the Statistics Authority's Monitoring Brief, <i>The Use Made of Official Statistics</i> when documenting use (para 3.2).  |
| <b>Suggestion 2</b> | Include links to this information about changes to the ABI estimation within the release (para 3.3).   |
| <b>Suggestion 3</b> | Include an explanation of coefficient of variation and its relationship with confidence intervals in <i>ABI</i> (para 3.5).  |
| <b>Suggestion 4</b> | Provide more information about the comparability of the trade and business statistics with other similar statistics produced across the UK (para 3.6).   |
| <b>Suggestion 5</b> | Provides respondents with more information about the uses of the ABI and MSES statistics, and include a summary of the measures NISRA takes to protect the security of its survey data, on the paper forms (para 3.7). |
| <b>Suggestion 6</b> | Consider the points detailed in annex 2, in seeking to improve the statistical releases (para 3.8).  |
| <b>Suggestion 7</b> | Review the publication dates for <i>ABI</i> and <i>Facts and Figures</i> to improve accessibility (para 3.11).   |

## Annex 2: Compliance with Standards for Statistical Releases

- A2.1 In October 2010, the Statistics Authority issued a statement on *Standards for Statistical Releases*<sup>43</sup>. While this is not part of the *Code of Practice for Official Statistics*, the Authority regards it as advice that will promote both understanding and compliance with the *Code*. In relation to the statistical publications associated with trade and business in Northern Ireland, this annex comments on compliance with the statement on standards.
- A2.2 In implementing any Requirements of this report (at paragraph 1.5) which relate to the content of statistical releases, we encourage the producer body to apply the standards as fully as possible.

### Appropriate identification of the statistics being released

- A2.3 Each publication has a title that describes the coverage of the statistics and the point in time or period to which the statistics relate. The *Facts and Figures* title *Facts and Figures from the IDBR* does not clearly convey either the nature of statistics or the geography that it covers. *ABI* uses the name of the survey as its title; however, it would be more accurate to label it as a report presenting statistics from the survey. There is little explanation on the relevant web page or in the releases about the differences in coverage between the different business statistics. The frequency of the publications is not always explicit within the publications. *ABI*, *MSES* and *R&D* provide next release dates for the publication but *Ports* and *Facts and Figures* do not. Identification of the new statistics in the publications is not always specified but may be inferred from the dates of release.

### Include commentary that is helpful to the non-expert and presents the main messages in plain English

- A2.4 *ABI*, *R&D* and *MSES* include descriptive summaries about the statistics. *Facts and Figures* and *Ports* are short publications comprising executive summaries commenting about the statistics with accompanying tables. The language used in each of the publications is straight-forward and easily understood.
- A2.5 The publications do not provide much narrative about the policy and operational context that could help give greater meaning to the statistics, such as information about the uses made of the statistics. As a consequence, commentary in the publications does not always address the most salient points. Commentary in *ABI* is confined to increases and decreases; the absence of trend data reduces the value of the statistics (only the most recent and previous year's statistics are included). The commentary does not include any information about what movements in GVA might mean for efficiency and productivity or the overall 'health' of key economic sectors. For example, *R&D* includes no information about why the relative expenditure between manufacturing and services in one particular year appears to vary from the trend. All the publications use graphs and charts to help explain the statistics with the exception of *ABI*.

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<sup>43</sup> <http://www.statisticsauthority.gov.uk/news/standards-for-statistical-releases.html>



- A2.6 Some tables in *R&D* have no title and the titles of some of the tables accompanying the publication are not correct.
- A2.7 The statistics in *Ports* with few exceptions re-iterate the same statistics contained within the UK *Port Freight* statistics published a few months earlier by DfT. Comment about the statistics is confined to volumes of port traffic and descriptions of rises and falls.
- A2.8 The arrangement of data within tables does not always aid comparison between sectors for a particular year (for example in the principal tables of *ABI 2010*). The colour coding of the years and titles, being the same as the coefficients of variation in these tables could be confusing.

### **Use language that is impartial, objective and professionally sound**

- A2.9 The commentary in each publication is impartial and evidence-based. Descriptive statements are consistent with the statistics. Sampling and non-sampling variability is not always covered in the publications. Some publications (*ABI* and *MSES*) are accompanied by quality reports; however little information is presented about the impact of some potential errors such as non-response, and how any potential sources of processing error are addressed. There is no quality information in *R&D* and *Ports* and no accompanying quality reports. The inclusion of measures of variation in *ABI* provides helpful information about the quality and reliability of these statistics, but is limited to sampling errors only.

### **Include information about the context and likely uses**

- A2.9 Both *ABI* and *MSES* include sections entitled 'Context'; however these focus more on background information about the surveys and other related statistics. The Context sections of *ABI* and the background notes overlap. The fact that some of the statistics are used to monitor progress against key objectives in the Northern Ireland Executive Economic Strategy or PSA targets is not covered. *ABI* and *MSES* include comment about the quality and reliability of the statistics but *R&D* and *Ports* make little or no comment.

### **Include, or link to, appropriate metadata**

- A2.10 The publications include relevant information about how the methods and definitions used relate to EU or other international concepts and classifications. Where appropriate, links to comparable or similar data, particularly with other parts of the UK, are included in the publications. *R&D* provides useful links to other relevant data - for instance from the UK Innovation Survey.
- A2.11 Where data definitions or methodology have changed there are descriptions of these changes, Where data are normally subject to later revision, clear explanations are given that the data are provisional and when they are likely to be revised. No explanations about whether the data are normally subject to revision are provided in *Facts and Figures*, *R&D* and *Ports*.

## Annex 3: Summary of assessment process and users' views

A3.1 This assessment was conducted from April to June 2012.

A3.2 The Assessment team – Iain Russell and David Duncan-Fraser – agreed the scope of and timetable for this assessment with representatives of NISRA in April. The Written Evidence for Assessment was provided on 27 April. The Assessment team subsequently met NISRA during May 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

A3.3 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.

A3.4 The Assessment team received 1 response from the user consultation. The respondents were grouped as follows:

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A3.5 One user, who responded on behalf of a number of colleagues, told us that they use the statistics to provide economic commentary for ministerial briefings, answering NI Assembly questions and providing economic analyses to other colleagues responsible for economic development. The statistics are also used within the DETI to help monitor progress towards departmental targets. The user told us that colleagues considered that further improvements to make the website more accessible and easily understandable were possible. This user also reported that the presentation of tables within publications (*ABI*) could be improved, along with plain English explanations of the statistics (*MSES*). Additionally there was a desire that coverage be widened (the lack of coverage of the financial sector was seen as an issue).

### Key documents/links provided

Written Evidence for Assessment document





