

Assessment of compliance with the Code of Practice for Official Statistics

Statistics on Poverty in Northern Ireland

*(produced by the Department for Social Development Northern
Ireland)*

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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 reports¹ prepared under the provisions of the *Statistics and Registration Service Act 2007*². The Act allows an appropriate authority³ to request an assessment of official statistics against the *Code of Practice for Official Statistics*⁴ in order for them to gain National Statistics status. This report is in response to such a request. The report covers the set of statistics reported in *Poverty in Northern Ireland*⁵, produced by the Department for Social Development Northern Ireland (DSD).
- 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 materiality⁶. 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 *Poverty in Northern Ireland* can be designated as new National Statistics, subject to the DSD implementing the enhancements listed in section 1.5 and reporting them to the Authority by September 2013.
- 1.2.2 DSD 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 <http://www.statisticsauthority.gov.uk/assessment/assessment-reports/index.html>

² http://www.opsi.gov.uk/Acts/acts2007/pdf/ukpga_20070018_en.pdf

³ Subsection 12(7) of the Act defines ‘appropriate authority’ as Ministers of the Crown, Scottish Ministers, Welsh Ministers, Northern Ireland departments or the National Statistician

⁴ <http://www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html>

⁵ http://www.dsdni.gov.uk/index/stats_and_research/stats-publications/stats-family-resource/households/poverty_bulletin.htm

⁶ <http://www.statisticsauthority.gov.uk/assessment/assessment/guidance-about-assessment/criteria-for-deciding-upon-the-format-of-an-assessment-report.pdf>

1.3.1 DSD engages with government users of these statistics through frequent informal contact and with a wider established user group – from both within and outside government. Some users told us that this group has not met for some time and DSD confirmed that recent meetings have been cancelled due to the lack of availability of some members.

1.3.2 *Poverty in Northern Ireland* is informative and includes helpful information about the different definitions and measures used in the publication. The tables and charts are clear, but the accompanying narrative does not draw out the main messages from the statistics or provide links to information about the strengths and limitations of the statistics.

1.4 Detailed recommendations

1.4.1 The Assessment team identified some areas where it felt that DSD 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

Requirement 1	Investigate additional ways to continue collecting users' views about these statistics in the event of infrequent user group meetings (para 3.1).
Requirement 2	Ensure that the publication timetable for these statistics is updated regularly, and that public attention is drawn to any change to a pre-announced release date and provide information about the reason for such changes (para 3.2).
Requirement 3	Provide information about the quality of the statistics, particularly about their strengths and limitations in relation to use (para 3.3).
Requirement 4	Confirm the availability of sufficient staff resource to produce, manage and disseminate its statistics to the standards of the <i>Code</i> (para 3.5).
Requirement 5	a) investigate whether more detailed HBAI statistics can be included in <i>Poverty in Northern Ireland</i> and b) improve the commentary in the report to aid user understanding (para 3.6).

2 Subject of the assessment

- 2.1 DSD first published *Poverty in Northern Ireland* in 2012 to report on the incidence and levels of poverty in Northern Ireland. The publication presents annual estimates of the proportion and number of children, working age adults and pensioners living in low income households.
- 2.2 The data used to produce the poverty statistics are collected from households through the Family Resources Survey (FRS). FRS is a continuous cross-sectional household survey which collects data on the income of private households across the UK; it has been conducted since October 1992. DSD is responsible for the Northern Ireland part of the survey, the results of which it publishes annually in the *Family Resources Survey Northern Ireland*⁷ (FRS) report. Survey data are also used by DSD to produce *Households Below Average Income – Northern Ireland*⁸ (HBAI-NI), and *FRS – Urban Rural Northern Ireland*⁹ (*Urban Rural*) which are also published annually. *FRS*, *HBAI-NI* and *Urban Rural* were subject to a previous assessment by the UK Statistics Authority in April 2012, the findings of which were published in *Assessment Report number 198*¹⁰.
- 2.3 *Poverty in Northern Ireland* includes trend information about poverty for specific groups in the population; namely children, pensioners and people of working age. The publication also includes an analysis of those living in poverty using two different measures: before housing costs (BHC) and after housing costs (AHC). The publication also presents statistics about dispersion around the poverty threshold and reflects the extent to which people and groups are concentrated just above or just below the relative income poverty line.
- 2.4 The publication of *Poverty in Northern Ireland* was scheduled to coincide with the Department for Work and Pension's (DWP) release of HBAI statistics¹¹ for the whole of the UK last year. More detailed coverage of poverty statistics is given in *HBAI-NI*, which is generally published around five months after DWP's UK figures. *Poverty in Northern Ireland* is published in PDF and Word formats, and the tables are also published in separate Excel spreadsheets.
- 2.5 A survey of users conducted by DSD in the autumn of 2012¹² found that the majority of respondents use the statistics for government decision making. The other main uses were found to be for voluntary sector activity, such as lobbying and funding applications (39 per cent) and for academic research (22 per cent). DSD told us that the statistics are used by government – both in Northern Ireland and the UK – to monitor progress against poverty targets and inform policies aimed at reducing poverty.

⁷ http://www.dsdni.gov.uk/index/stats_and_research/stats-publications/stats-family-resource/family_resources.htm

⁸ http://www.dsdni.gov.uk/index/stats_and_research/stats-publications/stats-family-resource/households.htm

⁹ http://www.dsdni.gov.uk/index/stats_and_research/stats-publications/stats-family-resource/urban_rural_reports.htm

¹⁰ <http://www.statisticsauthority.gov.uk/assessment/assessment-reports/index.html>

¹¹ <http://statistics.dwp.gov.uk/asd/index.php?page=hbai>

¹² http://www.dsdni.gov.uk/frs_hbai_user_consultation_summary.doc

2.6 DSD told us that it costs around £4,000 to produce the *Poverty in Northern Ireland* publication each year. The statistics team in DSD are also responsible for the production of *FRS*, *HBAI-NI* and *Urban Rural NI* and *Pensioners' Incomes Series*, as well as other ad hoc work required by the department to carry out its business functions.

3 Assessment findings

- 3.1 The statistics team engages formally with users through an FRS and HBAI user group that includes representatives from government in Northern Ireland, the Office for National Statistics (ONS), DWP, academia and the voluntary sector. These meetings allow for discussion of *FRS*, *HBAI-NI* and *Poverty in Northern Ireland* and to receive more in-depth feedback than can be collected from short online surveys. The group is scheduled to meet twice a year; however, due to staff resource and the lack of availability of some group members it has not met since February 2012. DSD told us that it has frequent contact with colleagues responsible for poverty policy across the Northern Ireland Executive and the government in the UK, and is seeking additional means to engage effectively with other users of these statistics. As part of the designation as National Statistics DSD should investigate additional ways to continue collecting users' views about these statistics in the event of infrequent user group meetings¹³ (Requirement 1).
- 3.2 DSD publishes a forward schedule of release dates for the release of its statistics¹⁴, alongside other information about how it complies with the *Code of Practice*. However, the forward schedule it is not always updated when changes are made to a pre-announced release date and the reasons for these changes are not always made clear. For example, the most recent *HBAI-NI* was published in February 2013 after originally being scheduled for publication in late 2012. In addition, *Urban Rural* has not been published since December 2010, and the next edition will not be published until sometime during 2013; DSD provides no information to explain why this is the case. The Assessment team considers that more effective action could have been taken to draw public attention to the changes to *HBAI-NI* and *Urban Rural* and to explain the reasons for the changes. As part of the designation as National Statistics, DSD should ensure that the publication timetable for these statistics is updated regularly, and that public attention is drawn to any change to a pre-announced release date and provide information about the reason for such changes¹⁵ (Requirement 2).
- 3.3 *Poverty in Northern Ireland* includes helpful information about the data sources and definitions used to produce these statistics in an annex; it also includes links to *FRS* and *HBAI-NI* which include more detailed statistics. However, *Poverty in Northern Ireland* does not include quality measures – such as confidence intervals – for the statistics, and therefore it is not clear whether the reported changes are significant. As part of the designation as National Statistics, DSD should provide information about the quality of the statistics, particularly about their strengths and limitations in relation to use¹⁶ (Requirement 3).
- 3.4 *Poverty in Northern Ireland* includes links to similar statistics produced across the UK in an annex but does not provide any comparison with those statistics, urging caution in comparing the Northern Ireland statistics with those in GB. The annex also includes links to information about the methods and definitions

¹³ In relation to Principle 1, Practices 1 and 2 of the *Code of Practice*

¹⁴ http://www.dsdni.gov.uk/index/stats_and_research/about-national-statistics-protocols-compliance.htm

¹⁵ In relation to Principle 2, Practice 1 and Protocol 2, Practices 2 and 5 of the *Code of Practice*

¹⁶ In relation to Principle 4, Practice 2 and Principle 8, Practice 1 of the *Code of Practice*

used but does not discuss how these relate to European Union (EU) or other international concepts and classifications. We suggest that DSD provide more information about differences in methods and classifications used to produce *Poverty in Northern Ireland* compared with those adopted by the EU or any other relevant international concepts or classifications.

- 3.5 The statistics team has analytical responsibilities in addition to the production and dissemination of these statistics. DSD has allocated additional resources to allow the new publication of *Poverty in Northern Ireland* in 2012; although some other statistical publications have ceased in the last two years. DSD told us that it has been under additional resource pressure, partly in response to providing additional briefing as part of the introduction of Universal Credit¹⁷ and other changes to the benefit system in Northern Ireland. It also told us that these pressures have required revisions to the publication timetable for some of its National Statistics (see paragraph 3.2). It anticipates increasing demands on the analytical capability of this team and that it is currently reviewing its future staff resource requirements. It is not clear to the Assessment team whether the current resources are sufficient to address the Requirements identified in this report. As part of the designation as National Statistics, DSD should confirm the availability of sufficient staff resource to produce, manage and disseminate its statistics to the standards of the *Code*¹⁸ (Requirement 4).
- 3.6 *Poverty in Northern Ireland* is well-structured and the technical terms used are clearly explained. The publication also includes charts that are easy to read accompanied by useful narrative. However, *Poverty in Northern Ireland* does not contain information about the wider economic or social context, or provide explanations for some of the observed differences in the poverty trends (for instance between trends in relative and absolute poverty). The publication presents two measures of poverty, but does not provide information about other measures that users might find useful – such as material deprivation. Some respondents to the user consultation – conducted as part of this Assessment – told us that more detailed information about poverty would improve the utility of *Poverty in Northern Ireland*. The Assessment team considers that a better statistical narrative would help the reader to understand the meaning of the patterns and trends, and build on any information already known about poverty and low income households in Northern Ireland. As part of the designation as National Statistics, DSD should a) investigate whether more detailed HBAI statistics can be included in *Poverty in Northern Ireland* and b) improve the commentary in the report to aid user understanding¹⁹ (Requirement 5). In meeting this Requirement, we suggest that DSD consider the points detailed in annex 2.

¹⁷ <http://www.nidirect.gov.uk/introduction-to-universal-credit>

¹⁸ In relation to Principle 7, Practice 1 of the *Code of Practice*

¹⁹ In relation to Principle 8, Practices 2 and 3; and Principle 1, Practice 2 of the *Code of Practice*

Annex 1: Suggestions for improvement

A1.1 This annex includes some suggestions for improvement to DSD's *Poverty in Northern Ireland*, 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 | Provide more information about differences in methods and classifications used to produce <i>Poverty in Northern Ireland</i> compared with those adopted by the EU or any other relevant international concepts or classifications (para 3.4), |
| Suggestion 2 | In meeting Requirement 5, consider the points detailed in annex 2, in seeking to improve the statistical report (para 3.6). |

Annex 2: Compliance with Standards for Statistical Reports

- A2.1 In November 2012, the Statistics Authority issued a statement on *Standards for Statistical Reports*²⁰. 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 reports associated with the poverty in Northern Ireland statistics, 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 reports, we encourage the producer body to apply the standards as fully as possible.

Include an impartial narrative in plain English that draws out the main messages from the statistics

- A2.3 Five bullet points identify the main messages of the report in a summary on the cover page. These highlight not just year-on-year changes but discuss longer term trends. The report identifies changes in proportions of the total population for those in households in relative and absolute poverty.
- A2.4 Commentary is informative, for example signposting to the additional statistics which are presented in *HBAI-NI* published later in the year. However, the report does not include commentary about possible reasons to explain what the statistics show. For example, possible reasons for a five percentage points decrease in relative pensioner poverty (Before Housing Costs) between 2008/09 and 2010/11 are not given.

Include information about the context and likely uses of the statistics

- A2.5 The report includes no information about the Northern Ireland economic or social context in which these statistics have been collected and are used; for example about relative changes in worklessness, homelessness, home repossessions, and housing waiting lists in Northern Ireland compared to other parts of the UK.
- A2.6 The report refers to the policy uses for the statistics, for example, the Northern Ireland Child Poverty Strategy²¹; and that measures of Relative Poverty and Absolute Poverty are two of the four measures upon which the 2010 Child Poverty Act requires the UK Parliament to report. The report also includes information about another measure of poverty – the additional child poverty measure combining low income with material deprivation. Statistics using this measure were not presented in *Poverty in Northern Ireland*. The most recent *HBAI-NI* – published in February 2013 – included some material deprivation analysis for children in chapter seven of that report.

²⁰ <http://www.statisticsauthority.gov.uk/news/standards-for-statistical-reports.html>

²¹ <http://www.northernireland.gov.uk/index/media-centre/executive-publications/child-poverty-strategy-march-2011.htm>

A2.7 Some information is given about why the statistics are important, focusing on the use by the Northern Ireland Executive. Other uses of statistics from the Family Resources Survey (which are cited by, amongst others, the Economic and Social Data Service²² and DWP²³) are not discussed.

Include information about the strengths and limitations of the statistics in relation to their potential use

A2.8 The report includes little information, or links to information, about the quality and reliability of the statistics in relation to the range of potential uses. The report states that more detailed information about definitions and methodology can be found in appendices to *HBAI-NI*²⁴. The website reference for this information links to DSD's general *HBAI-NI* landing page and requires further navigation to find this information.

A2.9 Links are given to a quality and methodology information paper²⁵ about the quality of the Family Resources Survey, issued in 2011 by ONS and to a Robustness Assessment Report²⁶ published by DWP. These documents advise on the strengths and limitations of the data on incomes; however *Poverty in Northern Ireland* does not summarise what can be found in these documents.

A2.10 Other official statistics on child poverty in Northern Ireland are now available from HM Revenue and Customs²⁷ and DSD intends to provide a link to this administrative data in future *Poverty in Northern Ireland* reports.

Be professionally sound

A2.11 The text used is impartial and avoids statements of opinion. Descriptive statements are consistent with the statistics and descriptions of proportions, changes, trends are professionally sound. The report makes good use of graphs and tables.

Include, or link to, appropriate metadata

A2.12 Information is provided about sources, method, and definitions, particularly the descriptions of Housing Costs and the measurement of poverty. Information about how the definitions and methods used correspond with those used to compile EU poverty statistics could be improved. For example there is no comment that the definition of poverty used is not consistent with EU definitions.

²² <http://www.esds.ac.uk/government/frs/usage/> .

²³ http://research.dwp.gov.uk/asd/index.php?page=hbai_arc#usage_survey

²⁴ http://www.dsdni.gov.uk/appendix_2_-_methodology__2010-11_.doc

²⁵ <http://www.ons.gov.uk/ons/guide-method/method-quality/quality/quality-information/social-statistics/quality-and-methodology-information-for-the-family-resources-survey.pdf>

²⁶ http://research.dwp.gov.uk/asd/index.php?page=hbai_arc

²⁷ <http://www.hmrc.gov.uk/statistics/child-poverty-stats.htm#1>

Annex 3: Summary of assessment process and users' views

A3.1 This assessment was conducted from January to April 2013.

A3.2 The Assessment team – Iain Russell and David Duncan-Fraser – agreed the scope of and timetable for this assessment with representatives of DSD in January. The Assessment team subsequently met DSD during March to review compliance with the *Code of Practice*, taking account of the 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 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's request for user feedback received 5 responses. The respondents were grouped as follows:

Government	2
Academia	1
Voluntary sector	2

A3.5 Users told us that they were satisfied with the statistics in *Poverty in Northern Ireland*, and consider that they provide an informative overview of poverty in Northern Ireland. Two users to our consultation told us that the early release of more detailed statistics – such as those presented in the later *HBAI-NI* – would be useful. One government user told us that this would allow them to help monitor changes in poverty against particular policy decisions and government targets. DSD told us that *Poverty in Northern Ireland* is published as a response to meeting users' needs in a more timely fashion.

DSD User Consultation

A3.6 DSD conducted a user consultation²⁸ in 2012 that elicited 69 responses – of which 22 specifically related to the HBAI statistics, from which *Poverty in Northern Ireland* is produced. 75 per cent of respondents to DSD's feedback request found the range of information as 'good' and between 60 and 65 per cent of respondents also rated the commentary, presentation and methods/technical notes as 'good'. Many respondents also told DSD that they would like to see more detailed analysis on low income groups as well as on how disability, ethnicity and other group status affect income. They would also like the statistics to be more up to date.

²⁸ See footnote 12

Key documents/links provided

Written Evidence for Assessment document

