

Report into the Triennial/Quinquennial Reviews 2005/06

Dr. H.J.B Rees
(University of Bristol)

Independent Observer

Executive Summary

The review process seems to be working well in general, despite some problems this year, and is an important control on the conduct of ONS surveys. However, I would make the following recommendations for change:

1. Recommendations for 'Options for change' should include long term objectives which do not necessarily have the expectation of being achieved before the next review.
2. As part of the review process each question in the survey should be assessed to ensure that it is still needed. Procedures should be put in place to prune redundant questions from the data collection.
3. The review process should involve Methodology to ensure that the optimal sample size is being used and that outcomes are delivered to a required accuracy.
4. The method of calculation of compliance cost needs to be decided as a matter of urgency.
5. The choice of 'users' should be put on a more formal footing.
6. On some occasions reviews are not being completed according to the timetable because of resource constraints. I would like to propose that review teams should be supported with additional resource while the review is under way.

1 Introduction

(i) The Independent Observer.

My background is that of a statistician/econometrician teaching econometrics at Bristol University for over 25 years. During that period I have been extensively involved with official statistics as a user. I was appointed as the independent observer in January 2001 for a three year period and re-appointed in January 2004 for a further three years. Since my initial appointment I have been closely involved with over 20 reviews from their early stages until their publication. Throughout this time I have worked closely with the Survey Control Unit (SCU) and have seen the review process in some detail.

The independent observer has two main tasks in the review process. Firstly to ensure that the interests of contributors are protected in that the data collection burden is kept to a minimum, either by ensuring that all avenues for alternative sources of data are considered or by questioning the necessity of the data collection questions asked of the contributors. Secondly to ensure that the requirements of users are considered in the review process, although these are subject to budgetary constraints outside the scope of the review process. Other issues which also have to be considered such as the implementation of the Osmotherley recommendations on the burden of data collection on small businesses, the correct sample sizes for compliance questionnaires and the wording of questionnaires.

(ii) Background.

The review process nominally starts in April when a first project board is assembled to discuss the objectives of the review, the timetable of the review process until the review is signed off the following March and the personnel who should be involved in the review process. The correct timing of the stages are important because parts of the review process often involve other departments of the ONS who have many other commitments besides the review process. The scheduling of these different stages is an important aspect of the review.

At an early stage it is important to fix the design of the contributor questionnaire, the time when it is to be despatched and the sample size. The contributor questionnaire is concerned with the time taking to complete the data collection form and the difficulties encountered with completing the data collection tasks. The size of the sample at this stage is particularly significant because an accurate estimate of the compliance cost is important and the review needs useful feedback on the survey from the contributors.

The user questionnaire is designed to investigate the data requirements and possible future requirements of the main users of the ONS published data and is sent to a list of interested parties. The questionnaire must also be despatched in good time to allow the results to be properly digested and to give users sufficient time to consider their answers.

Once the review process is underway the subsequent work centres on writing up the report, analysing the questionnaire results and considering the requirements of the users to produce a list of options for change. This list of options is an important feature of the review process since it serves as a guide for future development of the survey.

2. The review process.

The notes of guidance on Triennial/Quinquennial Reviews of ONS Statistical Surveys note that "A full review is, in essence, a rigorous examination of the survey including a thorough consideration of the uses of the survey and the options for change".

The major tasks of the review as a result are:

1. To calculate compliance costs for contributors
2. To note and consider complaints by contributors
3. To note and consider requirements of users.
4. To ensure that there are no other sources of the information collected.
5. To ensure that all the questions on the contributor forms are necessary.
6. To ensure that Osmotherly rules for reducing the burden of forms on small firms are being followed.
7. To calculate the ONS costs of running the survey

The guidance notes specify that the review should incorporate details of direct and indirect ONS staff costs. It should also include details of any steps taken to reduce these costs.

In general contributors have ample opportunity to comment on the data collection process by the use of the contributor questionnaire. The questionnaire is sent to as large a sample from the total list of contributors as is consistent with collection of data and the control of compliance. The contributor questionnaire allows comment on many aspects of the data collection process and how it impinges on the contributor of data. In the main contributors seem to be satisfied with the explanations and notes of guidance to filling in the forms and this is born out by the responses to the contributor questionnaire although a common complaint is that they feel they have too many forms to complete.

3. The role of the Survey Control Unit.

As I said in my report last year “Over recent years there has been a deliberate move towards standardisation of the review process. The SCU has mounted training days for project leaders and provided templates for many of the tasks involved with the review process. This has raised standards of the completed reports and, more importantly, the review process itself has become more competent and professional. In the past review teams perceived difficulties with the review process because they did not know what a review entailed – this problem has now been circumvented by the SCU. As in collection of data, any process by which the completion of the task can be made easier is of great benefit.”

The SCU has provided a much-needed discipline to the review system and this is an ongoing process. The review process is, unfortunately, a task which upsets the day-to-day operation of the individual departments for obvious reasons – the process is time-consuming and takes resources from the normal work of the unit. Many units, in my experience, also suffer from staff turnover and staff shortages and this makes the review process doubly burdensome.

My report last year detailed the role of the SCU and the systems that it had put in place to monitor and guide the production of the triennial/quinquennial reviews. My impression is the same as last year – the SCU has greatly improved the review process and has made it a more coherent procedure.

4. The Reviews 2005/06

The following full reviews (over £250k compliance cost) were undertaken in 2005/06

ASHE	Postponed until 2006/07 due to problems with the sample size on the questionnaire review.
MWSS	Not yet complete
PRODCOM	Postponed until 2006/07 due to amalgamation of the quarterly and annual PRODCOM surveys.

Pensions	Completed and published on the web.
ITIS	Postponed until 2006/07 due to a forms review.
MIDSS	Not yet complete
PPI	Not yet complete

There have been a substantial number of postponements this year. Also the completion rate of those not postponed has been poor. This has apparently been caused by resource problems.

5. Review Issues.

There are a number of issues facing the review process where the procedures do not reflect the stated objectives of the review process.

1. Reviewers are encouraged to propose changes to the data collection and reporting procedures of the data collection unit to satisfy the requirements of users, to ease the data collection burden on contributors and to reduce costs for the ONS. These 'options for change' are not, of course, under the control of the reviewers since there are budgetary implications for many of the recommendations so that there is a temptation for reviewers to try to 'second-guess' the likely feasibility of the option for change and, because they know they will have to report back in three/five years time they feel constrained by what is suggested. Perhaps a 'blue-sky' section could be included where ideas for improvements could be aired even though they have little chance of being implemented at the moment because of budgetary restrictions.

2. One of the key objects of the review process is to ensure that all questions asked by the survey are necessary. Currently there is no mechanism in place which will lead this to happen, although current proposals for a draft User questionnaire do contain a question which seeks to establish what information is actually required. This step is to be commended.

In some recent reviews the project board has included an ONS accountant and his presence has certainly enabled reviewers to address some of the issues with the scope and phrasing of the questions on the survey. I feel input from this quarter is very important for the development of the survey.

3. One of the methods by which the burden on contributors could possibly be reduced is if the review was to undertake work on the optimal sample size. This ties in with the required accuracy of the data delivered. As far as I can gather there is no review of the required accuracy of delivered data and the optimal sample size undertaken at the review stage.

4. I understand work is proceeding on the compliance cost calculation. This would be very helpful to the review process since there seems to be some confusion as to the exact method to be used. The proposals for the compliance cost calculation should address the problem that many surveys are collected on a stratified sample basis and review teams do not regard a straight summation of the compliance cost across all firms who took part in the compliance cost survey as being representative of their survey.

5. As my report last year pointed out the consultation with users is done on an 'ad hoc' basis. A list of potential users are drawn up at a project board meeting (there is no apparent overall register of users as there is for the contributor surveys) and questionnaires are sent to the identified personnel. The SCU has made good progress in this area by preparing a standardised questionnaire to be sent to users and the reviews this year have benefited from this but it still seems to me that the choice of the users to consult is a fairly random one.

6. Staff turnover and shortages impinge directly on the ability of the unit to manage the everyday work of the unit and the completion of the review. It is important to ensure that units undergoing a review have adequate resources for the task. This problem has had a major impact on the reviews scheduled for the year 2005/06.

6. Conclusion.

The review process seems to be working well in general, despite some problems this year, and is an important control on the conduct of ONS surveys. The recent introduction of the publication of reviews on the web is an important step in showing the world that the ONS takes the impact of its data collection duties seriously and is making an effort to control the burden on participating firms.

Hedley Rees
Independent Observer
Aug 2006