



#### The value of census statistics

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#### Content

Share experience of how ONS:

- Approached valuing the benefits of the 2011
   Census, to make the case for the 2011 Census in England & Wales
- Promoted the availability & potential use of 2011
   Census statistics to users
- Evaluated the actual 2011 Census benefits

#### **Background: Why we conduct a census**

- Holds a mirror to society
- Underpins national policy making
- Used in allocating funding to local areas
- Used to plan investment & service delivery in public, private and voluntary sectors
- Base for population estimates & projections
- Gives detailed socio-demographic statistics for small areas and small population groups

#### The need for cost-benefit analysis



#### The need for cost-benefit analysis

 The House of Commons Treasury Select Committee reviewed the 2001 Census and recommended that:

"any future Census should also be justified in cost-benefit terms."

• ONS ensured that the business case for the 2011 Census provided a robust cost benefit analysis to justify the expenditure involved

#### **Quantifying census benefits: the challenge**

- The value of the census arises when users make decisions based on census information
- These decisions make peoples lives better
  - Such decisions might influence government policy, inform transport plans, or the number of school places, etc
- Whilst it is easy to describe the uses of census information, the challenge is to quantify those benefits in cash terms

# Making the case for a census: the business case

- Work on the 2011 Census business case started in 2006. It described the value of the census data arising from six main uses:
  - resource allocation;
  - targeting investment;
  - service planning;
  - policy making and monitoring;
  - academic and market research, and
  - benchmark for other National Statistics.



# Approach to quantifying 2011 Census benefits

- 800+ respondents to the 2005 census topic consultation had given information on their use of census data
  - ONS worked with a range of users to seek to agree quantified benefits
- The business case described a range of benefits but only a subset were quantified:
  - The use of census data by central government to allocate funds to local health bodies and local government in England and Wales
  - A small number of private sector uses.

#### **2007 Business Case**

- The sub-set of quantified benefits amounted £945m 2012/13 2021/22
  - £720m after discounting
- Compared to costs of £482m
- It was accepted that there were additional benefits which had not been quant



#### The importance of benefits management

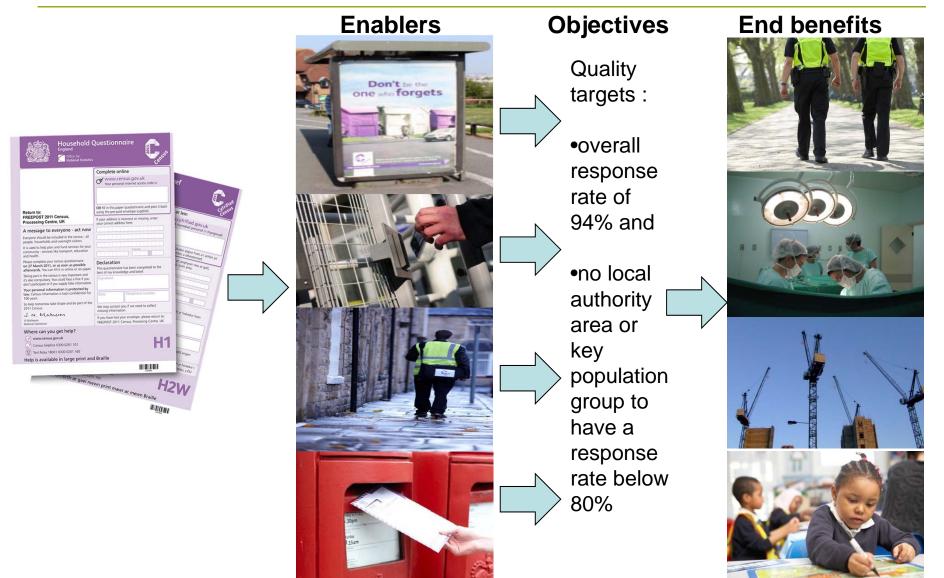
- Office of Government Commerce state:
  - 'Deficiencies in benefits capture bedevil nearly 50% of government projects and 30-40% of systems to support business change deliver no benefits whatsoever'.
- The National Audit Office state:
  - '...evidence shows that two-thirds of public sector projects are completed late, over budget or do not deliver outcomes expected'.
- ONS worked actively to ensure that the value of the 2011 Census was realised

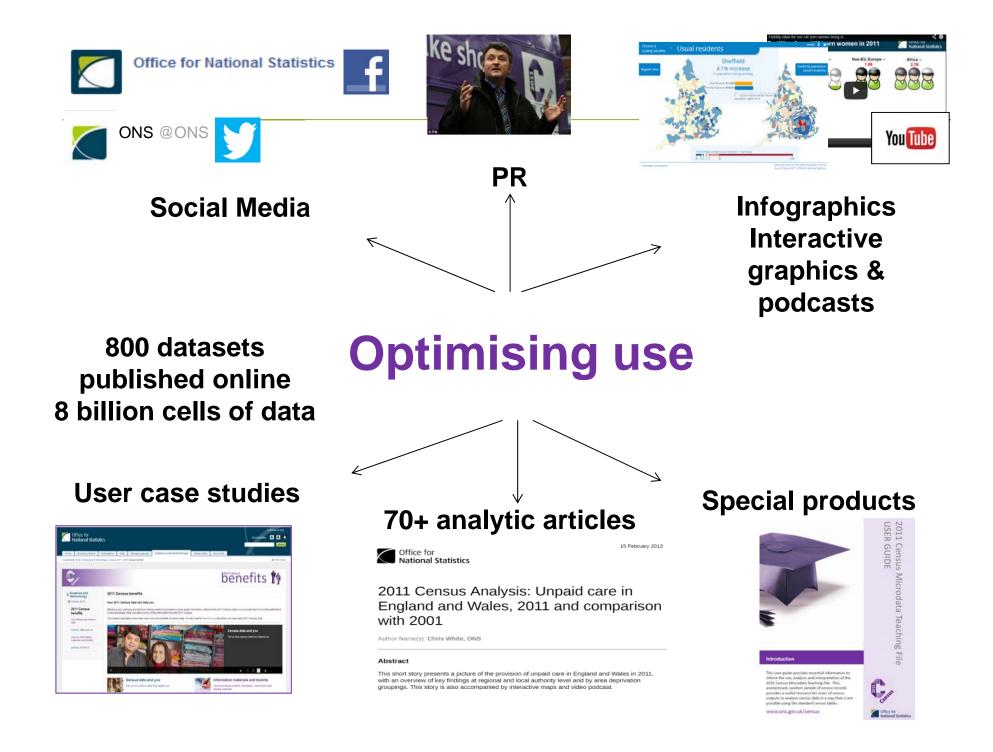
# Realising the benefits: it's all about getting users to use the data

The benefits of the census are only realised when users make use of the data. ONS therefore:

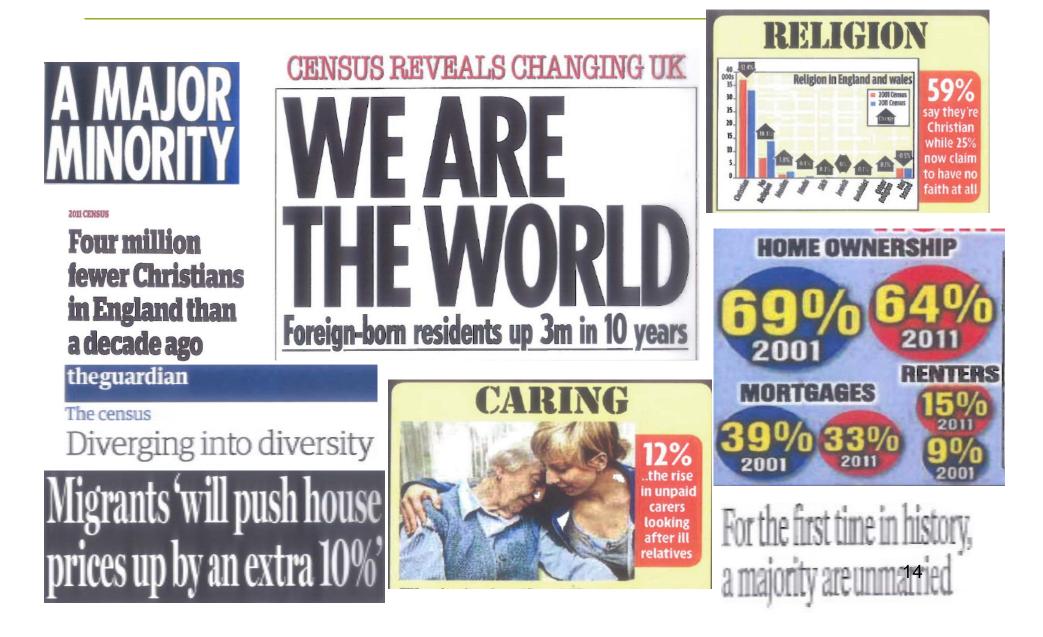
- Ensured a high quality census
- Educated users in the results
- Results available in a variety of ways
- Promoted the results to users
  - Including new and potential users, and those who had supported the census operation

## Benefits mapping: starting with the end in mind





#### Analytic articles – media coverage



#### **Case studies**

- Case studies illustrate how people/organisations have benefited from the 2011 Census
- Examples of case studies include:
  - Fire brigade
  - Muslim Council of Britain, Church of England
  - Sainsburys, Argos & other retailers
  - Bristol City Council
  - Diversity monitoring in the NHS



http://www.ons.gov.uk/ons/guide -method/census/2011/2011census-benefits/index.html

#### More microdata products

- Samples of Anonymised Records
  - Different SARs: detail vs access restrictions
- Teaching File
  - Freely available to download from ONS website
  - 1% sample, limited detail. Learning resource
- 'How to' guide & examples of data exploration



#### **Proactive PR**

2011 Census article in The Linguist



## 2011 Census article in Ambulance Today magazine



## 2011 Census article on use by businesses

#### What users have said about the 2011 Census

Academic users have described the 2011 Census as:
'The best census since 1981', & 'The best census ever'
"The 2011 Census revealed a treasure-trove of facts we did not know about Britain"



The census is very much part of the nation's family silver' ' 'For Muslims, as much as British society as a whole, the census outputs are an opportunity for future reflection and preparation for the future' Muslim Council of Britain

### Evaluating the <u>actual</u> 2011 Census benefits



#### 2011 Census

General report for England and Wales



#### The actual 2011 Census benefits

- After the 2011 Census, ONS evaluated the actual benefits achieved
  - validate the benefits claimed in the business case



- The benefits from resource allocation would be lower than estimated in 2007 because of
  - a reduction in funds allocated to local authorities
  - Changes in how funds were allocated
- In 2013 ONS re-did the benefits calculations, taking account of the known actual uses of 2011 Census information

#### How the information was gathered

- Survey of all 348 local authorities in England and Wales
- Surveys sent to commercial sector users, geo-demographers, resellers, and specialist consultants
- Meetings to follow up to survey responses from a range of sectors
  - government, voluntary bodies, businesses, etc
- User Satisfaction Survey sent to census users

#### Approaches used to re-quantify the 2011 Census benefits

- Utility theory e.g. in respect of the benefits of allocating government resources to local areas
- Equating the value of the benefits to the funding for an activity e.g. public policy research
- **Grossing up** Using results from some organisations who were able to quantify benefits **to** gross up for all (e.g. Local Authorities)
- **Percentage of resource/capital spend** Where respondents (Local Authorities; retailers) said they used census data, making assumptions about the benefit (eg % of resource/capital spend)
- Estimating the value of a sector- (eg housing/planning consultancy). With industry experts, estimating the percentage value attributable to data; and of which from the census

For some sectors estimates were produced using both 'top-down' and 'bottom-up' methods. The mid-point value was chosen.

### **Approach – Government**

- Resource allocation
  - Impacts of misallocation to 'winners' & 'losers' from using next best source
- Public policy research
- Valued on the basis that the research was worth at least the funding devoted to it
  - Departments/ESRC spend £50m a decade on policy research using small area census data

Department for Transport

Value estimated at £10.8m a year from solution avoiding delays to major transport schemes

### Approach – Local Authorities (LAs)

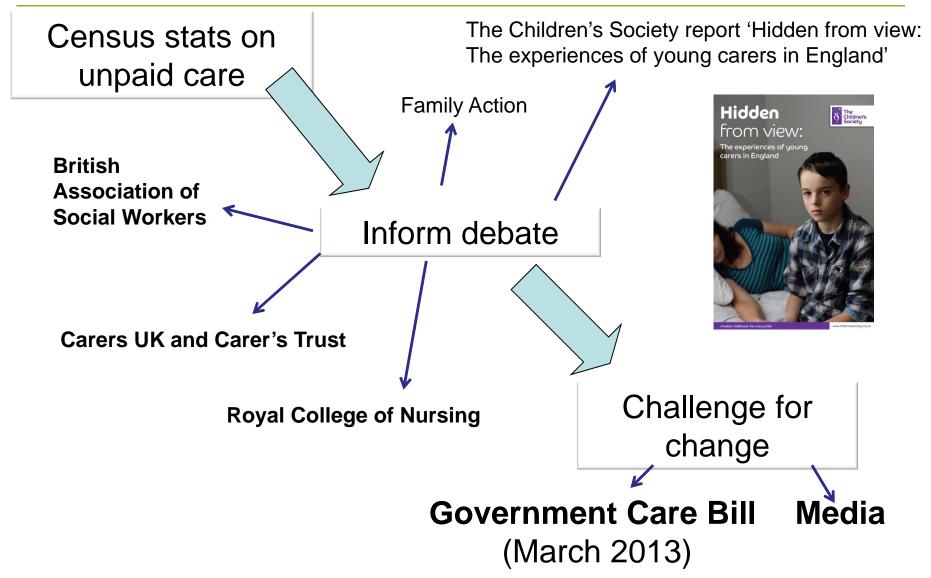
- A small number of LAs costed alternatives to census data. These grossed to £8m pa.
- Alternative approach: look at spend where the survey highlighted use of census data, eg
  - 1% of Capital Expenditure on Pre-primary and primary schools, etc
  - 0.1% of Children's social care ... 0.05% of Planning and Development Services; 0.01% Library services, etc
  - These added to £122m pa
- The mid-point of £8-122m pa was taken

#### **Approach - Retail sector**

- Oxford Institute for Retail Management & ONS estimate:
  - 2011 UK retail estate worth £227bn, turnover £311bn, investment of £8.7bn
  - Assume 1% census contribution to investment = £87m pa
- Alternative estimate derived with advice from one retail chain to give a value of £20m pa
- An estimate of £50m taken for the value of census data to the retail sector



## We were unable to quantify some important uses - inform policy debate



#### **Census delivers benefits to users**

- Compared to the 2007 business case, the quantified benefits from resource allocation to local areas was much reduced
- But a wider range of census uses were found through extensive engagement with users
  - Many of these could be valued and included in the benefits valuation for the first time
  - Still remains a challenge of how to value policy development and monitoring
    - Any ideas welcome?

#### The value of the 2011 Census

The reassessment of the 2011 Census benefits was concluded in January 2014

• Re-valued 2011 Census benefits were:

## £490million each year

- Which is significantly higher than was estimated in the 2007 business case
- The 2011 Census cost £482m in cash prices
  - Giving a payback period of just over a year

### **2021 Census consultation**

- ONS is consulting on the content of the 2021 Census
- Consultation runs until 27 August
- Please tell us about your needs for census information
  - And your uses of census data

https://consultations.ons.gov.uk/ census/2021-census-topicsconsultation



Government department/public body Local authorities.

#### Conclusion

- It is easy to describe the uses of official statistics, such as the census
  - but it is challenging to quantify in cash terms
- ONS has found we can not do this alone:
  - a variety of methods may be necessary
  - informed and validated by experts and users
- There are still challenges such as valuing the benefit to society from census data that helps government put in place policies to support social cohesion?



## THANK YOU ANY QUESTIONS?

