

LOCAL GOVERNMENT AND HOUSING COMMITTEE

LOCAL GOVERNMENT STATISTICS UNIT

Purpose

1. To inform the Committee about arrangements for setting up a Local Government Statistics Unit; and to invite views on those arrangements.

Summary/ Recommendations

2. Following wide consultation with unitary authorities and other partner organisations, it has been agreed that a Local Government Statistical Unit should be established early next year. Recent work has been carried out to determine the Unit's work programme, funding requirements, organisational setting and ground rules it will need to operate in order to ensure regularity, propriety and appropriate accountability.

3. The Committee's views are therefore invited.

Timing

4. The paper is being presented to the Committee in line with the commitment that I gave to the Committee on 28 June.

5. As I mentioned to the Committee in June, plans are under way for a Head of Unit to be recruited; and to be in post by 1 January 2001 (or preferably earlier) so that the Unit can be up and running by 1 April 2001. The work of the Unit will be evaluated in 2003.

Consideration

6. In taking forward the arrangements for setting up the Unit, recommendations have been made by a Steering Group, comprising officials from local government, the National Assembly and other bodies, on the Unit's role and work programme, its funding and its organisational setting. The recommendations, summarised below, were endorsed by the WLGA's Co-ordinating Committee on 28 July.

The Unit's role

7. The prime purpose of the Unit will be to develop and manage a range of statistical services to meet the information needs and requirements of Welsh local government and the National Assembly. It will tackle some general and specific issues raised by respondents in the consultation exercise.

8. Overall, respondents in the exercise had indicated strong support for:

- reliable, comprehensive and timely statistical data being an essential requirement for sound governance at local and national level;
- the need to improve on what are perceived to be unsatisfactory data collection and management arrangements; and
- the need to enhance the current arrangements to meet expected future demands.

9. More specifically, respondents agreed that there was substantial scope for:

- rationalising the demands placed upon local authorities by national data-gathering organisations;
- improving the performance data management skills of local authorities;
- local authorities working together to fill important information gaps; and
- greater sharing of data and best practice data management within local government and between local government and other organisations.

10. There was also a wide measure of agreement arising from the consultation exercise that a Unit, set up within the local government framework, would provide an effective means for collating performance indicators; small area statistics; and collating data emerging from benchmarking exercises. A fuller description of the Unit's anticipated role and responsibilities is given in the extracts from the draft management statement and the corporate plan at **Annex 1**, from which the 'Twenty key action points' for the Unit, given in **Annex 2**, have been drawn.

11. As a brand new, unique organisation, the Unit will need to focus in its very early stages from inception on:

- establishing contacts in each local authority; finding out about statistical work in each and identifying strengths and weaknesses;
- assessing customers' needs and requirements; identifying and understanding the data

sets - and the methodologies which underpin them - that will need to come in-house;

- developing and implementing internal management systems, in terms of staff and equipment requirements, and establishing internal protocols and procedures;
- drawing up formal plans which look 3 years ahead for each of the key tasks identified; and to consult on those plans; and
- agreeing a Service Level Agreement with local authorities and with the National Assembly covering the requirements of, and the Unit's services to, local government and central government respectively.

The Unit's funding

12. The existence and success of the Local Government Statistical Unit will depend on the amount of funding it attracts by way of grant. The Unit will need to rely heavily on two principal sources, Revenue Support Grant (under Section 76 of the Local Government Finance Act 1988) and direct financial assistance from the National Assembly for Wales (under Section 85 of the Government of Wales Act 1998).

13. Assuming the Head of Unit will be in post by January 2001 and the rest of his/her team will start in April, the "start up costs" during 2000-01 for accommodation, adaptations, furniture, recruitment and salaries are estimated to be about £150 thousand. In addition ICT equipment will be obtained during this financial year, estimated at about £250 thousand, to be funded separately from the National Assembly's Capital Modernisation Fund. Annual running costs for 2001-02 and 2002-03 are estimated to be around £800 thousand.

14. The Finance Secretary of the National Assembly has agreed to make a financial contribution during 2000-01 to cover the set up costs of the Unit and to contribute up to £400,000 of the subsequent annual running costs. Similarly, the WLGA's Co-ordinating Committee has also agreed that local government should contribute to the running costs, through Revenue Support Grant. A balance will need to be struck later in the year (when detailed Service Level Agreements with local government and with the National Assembly have been compiled) as to the relative 'shares' of funding drawn down from the National Assembly and Revenue Support Grant so that they broadly reflect the Unit's "services for local authorities" (under the 1988 Act) and the Unit's activities that will "secure or help to secure the attainment" of the Assembly's objective(s) (under the 1998 Act).

The Unit's organisational setting

15. The new Unit will be established as a discrete entity within Syniad (the improvement, development and employers agency for local government in Wales). A number of other options for the Unit's organisational setting have been considered, but there are compelling reasons for setting up the Unit within Syniad:

- in reporting to Syniad , which is owned and controlled by local government, with a Board of elected councillors supplemented by co-optees, the Unit would be *democratically accountable*;
- organisational arrangements can be made so as to allow for appropriate protections for the Unit's *impartiality and professional integrity* to ensure the quality of its data responsibilities;
- the need for the Unit to establish its own *identity and status* would benefit from Syniad's established relationship with local government and other partners;
- the incorporation of the Unit into Syniad would support the aim of developing local authority '*ownership*' of the Unit's activities;
- the potential *synergy* which could be built on between the aims of the Unit and those of Syniad;
- the *efficient use of resources* that can be achieved through the Unit acquiring immediate management arrangements and internal protocols of Syniad, thus avoiding the time, effort and cost of setting these up from scratch.

Compliance

16. The Unit will be funded by Revenue Support Grant (under Section 76 of the Local Government Finance Act 1988) and direct financial assistance from the National Assembly for Wales (under Section 85 of the Government of Wales Act 1998). Both of these powers have been delegated to the Assembly Secretary for Local Government and Housing. There are no issues of regularity or propriety.

Cross-cutting themes

17. The Unit is expected to make inroads into specific issues affecting statistical data on education, housing, local government finance and personal social services, as well as on statistical information relating to social exclusion, sustainable development and equality of opportunity. More generally, better data and better co-ordination can also be expected.

Action for the Committee

18. The Committee is invited:

- to note the latest developments in establishing the Local Government Statistics Unit; and
- to express views on the practical arrangements underway for setting up the Unit.

Contact point:

Peter Fullerton, Head of the Statistical Directorate (Ext. 5092).

August 2000

ANNEX 1

EXTRACTS FROM THE LOCAL GOVERNMENT STATISTICS UNIT

DRAFT CORPORATE PLAN (as at 11/7/00)

The Unit is a direct product of decisions by the Partnership Council – which comprises elected leaders of local government and the National Assembly for Wales – following a consultation exercise on local government data which was carried out in spring 2000. Responses to the consultation revealed widespread agreement on three major issues.

Statistics count

- Firstly, that reliable, comprehensive and timely statistical data are an essential requirement for sound governance at a local and national level. Their availability impact upon local and central government and the wider community in Wales in many ways, including:
 - (i) assessments of the need for public expenditure and the allocation of grants and financial support;
 - (ii) provision of services in fundamental areas such as education, housing, personal social services, transport and the environment;
 - (iii) formulating responses to issues such as social exclusion, sustainable development and equal opportunities; and

(iv) general strategy and policy development and performance management.

- Secondly, that there is a need to improve current data collection and management arrangements. The present adequacy of data varies, and it is vitally important to secure better, more detailed, more consistent data across these fields, together with a more coherent approach underpinning the collection, analysis and use of such data.
- Thirdly, there is also a need to enhance the arrangements to meet future demands. Some of the factors driving the future development of statistical work in Wales - in the contexts of both data collection *from* local authorities and statistical services *to* local authorities include:

(i) a greater emphasis on evidence-based approach to formulating policies;

(ii) more joint working between different organisations on cross-cutting issues, such as health or crime and disorder. It is characteristic of these issues that they generate a need for a lot of detailed comparable datasets;

(iii) greater development and use of data for local and national planning and monitoring, such as that associated with European structural funds;

(iv) further refinements in resource allocation systems and formulae. For example, refinements to the derivation of indicators in the Standard Spending Assessment formula, indicators of deprivation, or those on sustainability, carry with them major data requirements;

(v) a stronger emphasis on the development and use of quantified indicators of organisational performance in both central and local government. The Best Value policy is central to this in local government but is not the only such requirement;

- vi. new developments in information technology which assist access to large on-line datasets are increasingly influencing both the level of demand and the technical requirements - particularly the need for consistent definitions, geographies and standards across different fields of information.

Functions, aims and principles

Against the background outlined above, the purpose of the Unit is:

"To meet the needs of its customers by ensuring that they are better informed about the characteristics of the services and activities of local authorities in Wales and of the environment in which they operate."

The remit of the Unit is to conduct its business consistently within (a) its general functions; (b) the aims underpinning those functions and (c) the operational principles guiding its day-to-day work. Each of these three aspects are described below.

Functions

The Unit's main functions will be:

- to collect, process, interpret and disseminate statistical data on local government services and activities ('data services');
- to participate in and promote local government capacity-building on statistical data matters ('advisory services'); and
- to be an effective ambassador for local government on statistical issues ('consultative and representational services')

Aims

In developing its general agenda for improving the use and availability of local government data, the Unit has a number of aims underpinning each of its three core functions:

i. ***on data services:***

- identifying the local government sector's information needs;
- collating, analysing or disseminating the data necessary to meet those needs;
- developing and maintaining a resource centre of statistical data on local government services and activities;
- initiating and supporting statistical projects of collective benefit;
- ensuring that, where relevant, local government policy making is informed by appropriate statistical data;

(ii) ***on advisory services:***

- developing a centre of local government expertise on statistical issues and advising and informing local authorities on data matters;
- advising on good practice on appropriate statistical issues;
- ensuring that data provided by local authorities, to the Unit or to others, is of the highest quality;
 - anticipating emerging statistical-related issues and recommending good data management practice;
- benefiting the community generally and the local government sector particularly by providing a timely information service and monitoring and reporting on the process of change in local government;
- keeping local authorities informed about policy or legislative developments that may affect their statistical operations;
- working with national data gatherers and users in the process of data quality enhancement;

(iii) on consultative and representational services:

- promoting the statistical data interests of local government with National Assembly and other key stakeholders;
- liaising with and influencing national data gathering organisations and other bodies in order to promote the interests of Welsh local government;
- representing local authorities in their capacity as data users and data providers;
- developing and maintaining a wide range of partnerships to underpin the overall mission and further the objects of the Unit.

Guiding principles

To fulfil its functions and aims, the Unit's work will be guided by the following operational principles:

- minimising demands on local government as data suppliers and maximising the value of data - to help make information appropriate, reliable and fit for purpose;

- developing statistical outputs in accordance with the evolving needs and priorities of local government and of the wider community – to improve coherence of, and access to, information;
- developing a ‘pooling approach’ to statistical data management whereby local authorities, on a collective basis, combine together to pool their energies – to help ensure wide and cost-effective applicability of outputs for the common good;
- disseminating statistical data widely, quickly and in accessible manner – to make it available and usable as early as possible;
- adhering to the Official Statistics Code of Practice and other guidance issued by the National Statistician - to help ensure high professional standards.
- making the best use of information technology in order to provide its services as efficiently and cost-effectively as possible;
- ensuring that the Unit’s staff remain committed to the overall aims of the Unit.

ANNEX 2

Local Government Statistics Unit:

Twenty key action points

1. Integrating statistical work emerging for and from **benchmarking** exercises
2. Playing an active role in the development of **Best Value** performance indicators
3. Taking over the maintenance and refinement of the **Dawning database** from District Audit
4. Drawing up proposals for a **common dataset** to be maintained by all local authorities, feeding Geographic Information Systems, and promoting its use over the internet; and to consult on those proposals
5. Taking over the maintenance and development of the new **Index of Multiple Deprivation** for Wales
6. Working with the Office for National Statistics and the National Assembly on agreeing ways which statistical developments and data associated with the National **Strategy for Neighbourhood Renewal** in England should be extended to Wales
7. Developing and consulting on proposals for using **2001 Census data** to improve small area statistics and taking a central role in helping to analyse and disseminate other finding from the Census
8. Taking an active role in the development of plans for individual **pupil records** in schools in Wales

9. Taking a central role in planning for the next **Welsh House Condition Survey**.
10. Working with local authorities and the National Assembly on collaborative arrangements for driving forward the Performance Management Project for developing performance indicators and **management information for personal social services**
11. Collaborating with local authorities, the National Assembly and other partners in developing plans for a **national land use database** for monitoring the supply and reuse of previously developed land
12. **Increasing technical competence** of local authorities in statistical data management, to better articulate their data requirements and raise their levels of skills to interpret data
13. **Setting common standards**, definitions and methodologies in data collection
14. **Issuing guidance** on technical issues (such as data rationalisation; data sourcing; and survey management) in order to promote local government collaboration and coherence
15. Taking a central role in any future development of the proposed **Local Voices Survey** on satisfaction with local government services
16. **Commissioning research** or studies on behalf of local authorities collectively on topics of general interest or for individual (or consortia of) authorities on topics of specific interest
17. Providing assistance to local authorities on social, economic and environmental information and good practice for developing and monitoring their **community plans and strategies**
18. Exploring the scope for working with partner organisations to **fill gaps in data**, not least, for example, on socio-economic issues
19. Exploring the scope for working with partner organisations to generate improvements in data availability by **addressing data quality weaknesses**, not least, for example, in financial data
20. Initiating or promoting co-ordination to establish **inter-sector datasets** (for joint use by local government, health authorities, police forces, the voluntary sector and others)