

Statement

15 July 2010

The interpretation of value for money requirements in the Code of Practice for Official Statistics

The Code of Practice contains elements which, when taken together, indicate an expectation that the producers of official statistics will both seek to achieve good value for the money spent on statistical work and seek to demonstrate publicly the nature of that value. In this context, the 'value' of statistical work refers to the benefit delivered by the use of the statistics to influence decisions and actions, now and in the future. It is rarely possible to put a cash sum on that value so the requirements of the Code focus on description of the benefit.

The Code requirements that most closely bear on the need to achieve and demonstrate good value for money are these:

- Principle 1, practice 2: Investigate and document...the use made of existing statistics and the types of decisions they inform.
- Principle 1, practice 3: Adopt systematic planning arrangements, including transparent priority setting...
- Principle 6: The cost burden on data suppliers should not be excessive and should be assessed relative to the benefits arising from the use of the statistics
- Principle 7: The resources made available for statistical activities should be...used efficiently and effectively
- Principle 7, practice 4: Monitor expenditure against work programmes and demonstrate effective stewardship of resources...
- Principle 7, practice 5: Seek to balance quality...against costs...taking into account the expected uses of the statistics.

Bearing these requirements in mind, the statutory Assessment process - required under the *Statistics and Registration Service Act 2007* – will in future focus more directly on whether appropriate information and arrangements are in place to allow the producer body to make considered judgements about value for money. Assessment Reports will, as appropriate, contain comment on whether there are any aspects of the information or arrangements that need to be enhanced to enable a rational approach to resources and priorities.