



House of Commons  
Treasury Committee

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## **Counting the population**

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**Eleventh Report of Session 2007–08**

*Volume I*





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Treasury Committee

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**Eleventh Report of Session 2007–08**

***Volume I***

*Report, together with formal minutes, oral and written evidence*

*Ordered by the House of Commons  
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## Summary

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### *Counting a highly mobile population*

We consider the problems faced by some Local Authorities in estimating their highly mobile populations. We note that there were substantial problems in generating accurate population estimates in some areas during the 2001 Census. We also consider the methods used to estimate local populations between each census and conclude that such estimates (mid-year population estimates) are not fit for purpose as they fail to properly account for internal migration. We raise concerns that the allocation of funding to Local Authorities could be based on inadequate information. We recommend that the new Statistics Authority establish as an immediate priority the provision of local population statistics that more accurately reflect the full range of information available about local populations and the effects of internal migration.

### *Short-term migration and the International Passenger Survey*

We discuss the usefulness of the mid-year population estimates, based on the 'usually resident' population. We highlight that such estimates do not include short-term migrants, and do not fully meet the needs of Local Authorities and commercial users. We call on the Statistics Authority to investigate the feasibility of producing population estimates based on different measures of population, such as estimates which include short-term migrants and estimates which include the day-time population of Local Authorities. We raise concern about use of the International Passenger Survey in estimating international migration. We conclude that the Survey is not fit for this new purpose and recommend that the Statistics Authority replace the International Passenger Survey with a new Survey that is more comprehensive and more suited to the accurate measurement of international movements affecting the size of the resident population of the United Kingdom.

### *Administrative data*

We note that the development of computerised administrative records in the UK has moved on rapidly in recent years and the Statistics and Registration Service Act 2007 has established conditions under which such information could be used for statistical purposes. We recommend that the Government work with the Statistics Authority to ensure that strong ethical safeguards are put in place to protect the personal information held by Government departments. We also call on the Statistics Authority to set out the action that the Authority will take to develop the Government's administrative databases to provide a more accurate and cost effective method of monitoring the population.

### *National address register*

We note that the accuracy of the 2011 Census is dependent on the production of a national address register. We raise concern that no progress has been made to develop such a register. We recommend that the Government consult the Statistics Authority and others to remove any outstanding obstacles to the production of a national address register.

*The future of the Census*

We assess the current challenges facing the Statistics Authority in conducting the 2011 Census and conclude that the traditional census has almost had its day. We recommend that the Statistics Authority set strategic objectives to ensure that the data currently gathered throughout the UK can be used to produce annual population statistics that are of a quality that will enable the 2011 Census to be the last census in the UK where the population is counted through the collection of census forms.



# 1 Introduction

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## The purpose of our inquiry

1. The Treasury Sub-Committee's inquiry into Counting the Population followed the work undertaken earlier in this Parliament by the Sub-Committee on *Independence for Statistics* and on *Preparations for the 2011 Census* and the work of the Treasury Sub-Committee in the last Parliament on *The 2001 Census*. The inquiry was undertaken in response to concerns expressed in the House of Commons, by Local Authorities and by others about the adequacy of current population statistics. Population estimates are the core component in statistical formulae that allocate very large sums of public money to the devolved administrations, local government, the health service and public services. The Sub-Committee therefore wished to examine the current methods used to count the population and the impact of any inaccuracies or inadequacies within population estimates.

## Conduct of the inquiry

2. The Treasury Sub-Committee announced its inquiry into Counting the Population in September 2007. It called for evidence on the collection of statistics by the Office for National Statistics (ONS) relating to the number, age, sex and distribution of people, the accuracy of such statistics and their role and value to the wider community. The Sub-Committee heard oral evidence in January and February 2008 from Demographic Decisions, the Statistics Commission, the Royal Statistical Society, the Bank of England, Local Government Association, Slough Borough Council, Islington Council, Manchester City Council, NHS Newham PCT, HM Treasury, Ms Karen Dunnell, the National Statistician, Sir Michael Scholar, Chairman of the Statistics Authority and Angela Eagle MP, the Exchequer Secretary to the Treasury. The Sub-Committee received a considerable number of written submissions, most of which were published on 15 January 2008. We are grateful for all the evidence received, both written and oral.

## The Statistics Authority, the Treasury and the Cabinet Office

3. In July 2006, we reported on the Government's consultation paper, *Independence for statistics*, which set out proposals to replace the current ONS with an independent statistics office, to be established as a non-ministerial department and governed by an independent board.<sup>1</sup> Following the Government's consultation and our Report, *Independence for statistics*, Parliament passed the Statistics and Registration Services Act 2007. Prior to the commencement of the Statistics and Registration Services Act, the ONS was the central producer of statistics in the United Kingdom. The ONS was an Executive Agency accountable to the Chancellor of the Exchequer.<sup>2</sup> It was headed by the National Statistician

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1 Treasury Committee, Tenth Report of Session 2005-06, *Independence for statistics*, HC 1111

2 *Office for National Statistics: Framework Document, 1996*; Statistics Authority website, [http://www.statistics.gov.uk/about\\_ns/downloads/ons\\_framework.pdf](http://www.statistics.gov.uk/about_ns/downloads/ons_framework.pdf)

who was concurrently the Registrar General for England and Wales. Therefore, the General Register Office (GRO), which administers the system for the registration of births, deaths, marriages and civil partnerships in England and Wales, was also part of the ONS. The ONS was also responsible for the creation and maintenance of the National Health Service Central Register (NHSCR).

4. The Statistics and Registration Services Act provided for the creation of a new body, the UK Statistics Authority. The Act established the Statistics Authority as a Non-Ministerial Department, composed of a majority of non-executive members. As recommended in our Report, *Independence for statistics*, the Authority's responsibilities cover the whole UK statistical system, including England, Scotland, Wales and Northern Ireland.<sup>3</sup> However, the Authority is not responsible for the development of future censuses in Scotland or Northern Ireland.<sup>4</sup>

5. The Statistics Authority is the legal successor body to the ONS. Therefore the ONS's responsibilities other than those relating to civil registration have transferred to the new Statistics Authority. The Statistics Authority also has powers to produce statistics, provide statistical services and promote statistical research. It will undertake the statistical functions of the Registrar General, including the preparation and publication of the census. The Statistics Commission closed on 31 March 2008 as the Statistics Authority became responsible to Parliament for building trust in UK statistics. The Statistics Authority Board has a statutory role replacing Ministers as the top governance layer for the ONS, as the body to whom the National Statistician will report directly. The Statistics Authority has three main functions:

- oversight of the ONS, its executive office,
- monitoring and reporting on all official statistics, wherever produced, and
- independent assessment of official statistics.<sup>5</sup>

6. Statistics ceased to be a Treasury responsibility on 1 April 2008, when the new Statistics Authority assumed its functions and residual Ministerial responsibility passed from HM Treasury to the Cabinet Office. The new Statistics Authority was established with a "statutory objective to promote and safeguard the production and publication of official statistics that serve the public good; and the quality and comprehensiveness of, and good practice in relation to, official statistics across the UK".<sup>6</sup>

7. Following the transfer of residual Ministerial responsibility to the Cabinet Office, the Treasury Select Committee's role in the scrutiny of statistics has passed to the Public Administration Select Committee. In our Report, *Independence for statistics*, we rehearsed

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3 HC (2005–06) 1111, para 169

4 The General Register Office for Scotland (GROS) and the Northern Ireland Statistics and Research Agency (NISRA) conduct censuses in Scotland and Northern Ireland respectively.

5 *About the Authority*, Statistics Authority website, <http://www.statisticsauthority.gov.uk/about-the-authority/index.html>

6 Statistics and Registration Services Act 2007, section 7

the arguments for the transfer to the Cabinet Office.<sup>7</sup> **Therefore this Report presents our final consideration of the work of the Office for National Statistics and its effectiveness in counting the population, except insofar as they relate to our scrutiny of economic indicators.**

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7 HC (2005–06) 1111, para 89

## 2 How the population is counted

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### What is being counted and how it is counted

8. The Statistics Authority (and previously the ONS) produces population estimates at national and local level. The most authoritative population estimates for the United Kingdom are derived from the Census of Population, which takes place every 10 years; the most recent one was held in April 2001. Population estimates from the Census are updated each year by the ONS to produce mid-year population estimates for the years between each Census.<sup>8</sup>

9. Current population statistics relate to the *usually resident* population; those statistics record people where they usually live.<sup>9</sup> The *usually resident* population does not always coincide with the number of persons to be found in an area at a particular time of the day or year. For example the day-time populations of city centres, such as London or Manchester, and the summertime populations of holiday resorts would normally be larger than their *usually resident* populations. The definition of the *usually resident* given in the 2001 Census was as follows:

The 2001 Census has been conducted on a resident basis. This means the statistics relate to where people usually live, as opposed to where they are on Census night. Students and schoolchildren studying away from home are counted as resident at their term-time address. As in 1981 and 1991, residents absent from home on Census night were required to be included on the Census form at their usual/resident address. Wholly absent households were legally required to complete a Census form on their return. No information is provided on people present but not usually resident.<sup>10</sup>

10. The ONS noted that “for most people, defining where they ‘usually’ live for the purposes of the Census is quite straightforward. However for a minority of people the concept of usual residence is more difficult and it may be difficult to apply a general rule as to where they should be assigned as ‘usually’ living”.<sup>11</sup>

### The role of the Census

#### Overview

11. The Census is a complete count of the population of the United Kingdom. It has been conducted every ten years<sup>12</sup> since 1801, with the exception of 1941 during the Second

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8 *A short guide to population estimates*, November 2004; National Statistics, [www.statistics.gov.uk](http://www.statistics.gov.uk)

9 Ev 201

10 *A short guide to population estimates*, November 2004; National Statistics, [www.statistics.gov.uk](http://www.statistics.gov.uk)

11 *Ibid.*

12 This is in line with guidance issued by the United Nations Statistics Division, *Principles and Recommendations for Population and Housing Censuses*, Rev.2 2008

World War.<sup>13</sup> The 2001 Census cost approximately £255 million for the UK as a whole. The law requires every household to complete and return a Census form.<sup>14</sup> Professor David Martin, Chair of the Royal Statistical Society's Census Study Group, noted that:

The census continues to be essential to the creation of baseline population statistics and forms a foundation and reference point for alternative sources of population estimates. Due to its high population coverage, it is however unrivalled as a source of socio-economic population detail at small area level. While some of these topics are covered in greater detail by survey datasets, none offers any small area geography.<sup>15</sup>

### **History of censuses**

12. The first known census was taken by the Babylonians, over 5000 years ago, in 3800 BC. Records suggest that it was taken every six or seven years and counted the number of people and livestock, as well as quantities of butter, honey, milk, wool and vegetables.<sup>16</sup> Censuses in Egypt are said to have been taken already during the early Pharaonic period, in 3340 BC and in 3050 BC. One of the earliest documented censuses was taken in 500-499 BC by the Persian Empire's army for issuing land grants, and for taxation purposes.<sup>17</sup> The Bible also relates accounts of several censuses. The Book of Numbers describes a divinely-mandated census that occurred when Moses led the Israelites from Egypt. A later census called by King David of Israel is referred to as the "numbering of the people". A Roman census is also mentioned in one of the best-known passages of the Bible in the Gospel of Luke.<sup>18</sup>

13. The best-known historical estimate of the British population was made in 1695 by Gregory King. It concluded that the population of England and Wales was 5.5 million.<sup>19</sup> In the 18th century there were widespread fears that a census could be used for taxation purposes. A Bill proposing "taking and registering an annual Account of the total Number of People, and of the total Number of Marriages, Births and Deaths; and also of the total Number of Poor receiving Alms from every Parish and extra-parochial Place in Great Britain" was passed by the House of Commons on the 8th May 1753. However, Mr Thornton, MP for York, did not accept that

that there was any set of men, or indeed, any individual of the human species so presumptuous and so abandoned as to make the proposal we have just heard ... I hold this project to be totally subversive of the last remains of English liberty.<sup>20</sup>

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13 *200 years of the Census*, Office for National Statistics, [www.statistics.gov.uk](http://www.statistics.gov.uk)

14 *Why do we have a Census*, National Statistics, [www.statistics.gov.uk](http://www.statistics.gov.uk)

15 Ev 25

16 *History of the census*, Statistics Canada, <http://www.statcan.ca/>

17 A. Kuhrt, *The Ancient Near East c. 3000–330BC* Vol 2 Routledge, (London 1995), p 695

18 Raymond E. Brown, *The Birth of the Messiah: A Commentary on the Infancy Narratives in Matthew and Luke*, Anchor Bible; Updated edition (1999), p 413

19 *Why take a census*, National Archives, [www.nationalarchives.gov.uk](http://www.nationalarchives.gov.uk)

20 *Ibid.*

14. After the second reading in the Lords the Bill was referred to a committee, but the session ended before it was considered and so the Bill lapsed. The first census was held 48 years later, on 10 March 1801 by a house-to-house enquiry together with returns of baptisms and burials between 1700 and 1800, and marriages between 1754 and 1800 as supplied by the clergy.<sup>21</sup>

### **Census data**

15. The Census gathers information on a wide range of subjects relating to the population such as age, sex, ethnic composition, education, socio-economic class, religion, housing, families, transport and work. It is designed to provide a complete picture of the nation, counting the numbers of people living in each city, town and country area. It provides data about each area and its population, including the proportion of young and old people, what jobs people do, and the type of housing they live in.<sup>22</sup>

16. Population estimates are available to the public and provide various estimates of the resident population for:

- The UK as a whole and England, Wales, Scotland and Northern Ireland separately by sex and single year of age.
- Government Office regions, counties, unitary authorities and local government districts in England and unitary authorities in Wales by sex and five-year age group or broad age group (children, working age and older people).
- Health areas in England and Wales (strategic health authorities in England and local health boards in Wales) by sex and five-year age group or broad age group.
- Legal marital status for England and Wales as a whole.<sup>23</sup>
- Experimental population estimates for the very elderly, ethnic groups, parliamentary constituencies and Super Output Areas.

### **Methods used**

17. The United Nations Statistics Division issues standards and methods approved by the Statistical Commission to assist national statistical authorities and other producers of official statistics in planning and carrying out successful population and housing censuses.<sup>24</sup> The Census in the UK is a national count of the population through the completion of Census forms delivered door to door.<sup>25</sup>

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21 Key dates in Census, statistics and registration, Great Britain 1000–1899, see <http://www.thepotteries.org/dates/census.htm>

22 *Census background*, National Statistics, [www.statistics.gov.uk](http://www.statistics.gov.uk)

23 *Population Estimates for UK, England and Wales, Scotland and Northern Ireland*, National Statistics, [www.statistics.gov.uk](http://www.statistics.gov.uk)

24 *Principles and Recommendations for Population and Housing Censuses*, United Nations Statistics Division Rev.2 2008

25 *2010 World Population and Housing Census Programme*, United Nations Statistics Division, <http://unstats.un.org/>

18. In 2001, the ONS employed enumerators (a person used to perform door-to-door delivery and collection of Census papers during the Census period). The enumeration of the 2001 Census was organised largely in the traditional way, with the delivery of the self-completion forms by enumerators to households and communal establishments prior to Census Day (29 April 2001). However, for the first time in a census in the UK, provision was made for these forms to be mailed back to local census management teams as the prime means of collection; only those households who had failed to return a form in this way were followed up by field staff.<sup>26</sup>

19. The Census in the United Kingdom consists of a complete enumeration of the population. Enumeration is not the only method used to take a national census. The Treasury Committee visited Sweden in November 2007 to discuss their method of calculating national statistics. Sweden uses a population register, which replaces a census and provides a snapshot of the population at any point in time and at any level of geographic detail.

20. Statistics Sweden has full access to administrative records maintained in government. Legislation allows these administrative records to be linked together for statistical purposes. Four linked registers have been developed from the sources available, namely registers of population, jobs, real estate and businesses. The population register holds only core details (name, address, sex, date and place of birth and a personal reference number) of every resident and provides the base for all public agencies' personal records. Its key feature is that a person's data held in separate administrative registers are assembled using the personal reference number in the population register for linking.

21. The statistical offices in Finland, Norway and Denmark also have the authority to link administrative records together for statistical purposes and the UK Statistics Commission noted that "it seems to be regarded as self evidently the most efficient way of putting together information that both government and public need."<sup>27</sup>

### ***The frequency and importance of Censuses***

22. The Treasury Committee visited Dublin in 2007. During the visit the Committee met representatives from the Irish Central Statistics Office and discussed what lessons the UK could learn from the Irish Census. There had been a census in Ireland every five years from 1951 to 2006, with two exceptions: the 1976 census was cancelled, and the 2001 census, which was postponed until 2002 because of foot and mouth disease. There was strong support in Ireland for a five-yearly census, partly because Ireland had no population register.<sup>28</sup>

23. Professor David Martin thought that "an increased frequency of census would be useful to researchers and planners, especially with regard to population characteristics which are

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26 *2001 Census, definitions*, para 2.5, National Statistics, [www.statistics.gov.uk](http://www.statistics.gov.uk)

27 *The Nordic Contrast: a paper by the Statistics Commission*, September 2007

28 *History of Irish census records*, National Archives of Ireland, <http://www.census.nationalarchives.ie>

known to change quite rapidly, such as the ethnic composition of the population”. He commented that researchers would prefer population data more frequently but would accept the continuation of a decennial census “providing it is sufficiently resourced to produce outputs of the absolutely highest quality, allowing it to continue to be used as the key reference dataset”.<sup>29</sup>

### ***The 2001 Census and the 2011 Census***

24. The 2001 Census was completed on Sunday 29 April 2001. It covered an estimated fifty nine million people in thirty three million households, asking 41 questions.<sup>30</sup> The Census form was also produced in Welsh and there was one extra question in Wales about the use of the Welsh language. By comparison the first Census held in 1801 asked only five questions of ten million people in two million households.<sup>31</sup>

25. The next full census of England and Wales will take place in 2011. Before the Census is held, a detailed planning programme is being undertaken, the 2011 Census Project. The Project is designed to determine what information will be gathered, how it will be captured, how it will be processed and how the results will be produced and delivered. It is proposed that pre-addressed questionnaires will be posted out to most households using national address lists.

26. A test of current proposals for the 2011 Census was held in England and Wales on 13 May 2007. The 2007 Census Test aimed to assess new questions that could be incorporated into the Census as well as innovations in the design of the Census form, the effectiveness of different enumeration approaches (for example postal returns and face-to-face interviews), and methods of working with Local Authorities to improve the enumeration process (particularly in ‘hard-to-count’ areas). The Test was conducted on a voluntary basis in five Local Authority areas, namely Liverpool, Camden, Bath and North East Somerset, Carmarthenshire and Stoke-on-Trent.<sup>32</sup>

27. A full rehearsal of the systems designed for the 2011 Census will be take place in 2009. A variety of enumeration strategies will be tested to address coverage in hard-to-count groups. These will include hand-delivery of forms and increased enumeration resources in the most difficult areas.<sup>33</sup>

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29 Ev 25

30 Nine more questions than the 1991 Census.

31 *200 years of the Census*, Office for National Statistics, March 2001

32 Ev 216–217

33 *The 2011 Census*, National Statistics, [www.statistics.gov.uk](http://www.statistics.gov.uk)



## Mid-year population estimates

### Overview

28. The ONS publishes mid-year population estimates annually for England and Wales.<sup>34</sup> Mid-year population estimates establish the population *usually resident* on 30 June of each year. The national population projections are based on the estimated mid-year population and assumptions on future levels in fertility, mortality and migration.

### Generating the mid-year population estimates

29. Estimates are calculated from the population data in the previous year using the cohort-component methodology. This population is “aged on” by one year (for example all eight-year-olds become nine-year-olds one year later). Those who were born during the 12 month period are then added on to the population and all those who have died during the 12 month period are removed. Births and deaths data used in the compilation of mid-year population estimates are obtained from General Register Offices through the compulsory registrations of all births and deaths occurring in England and Wales, Scotland and Northern Ireland.<sup>35</sup>

30. The other factor to be taken into account in estimating the national population is the movement of people in and out of the UK (international migration). An international migrant is defined as a person who changes his or her country of residence for a period of at least a year. When estimating the population of different areas of the UK, movements within the UK (internal migration) also need to be taken into consideration. Internal migration includes both cross-border moves between the four constituent countries of the UK and moves between local areas within each part of the UK.

31. ONS reported that it is continually researching ways of ensuring and improving the quality of the population estimates.<sup>36</sup> Mid-2006 population estimates for the UK were published by ONS on 22 August 2007. The 2006 estimates incorporate improvements in the estimation of international migration and, as a result, population estimates for 2002 to 2005 have also been revised.<sup>37</sup>

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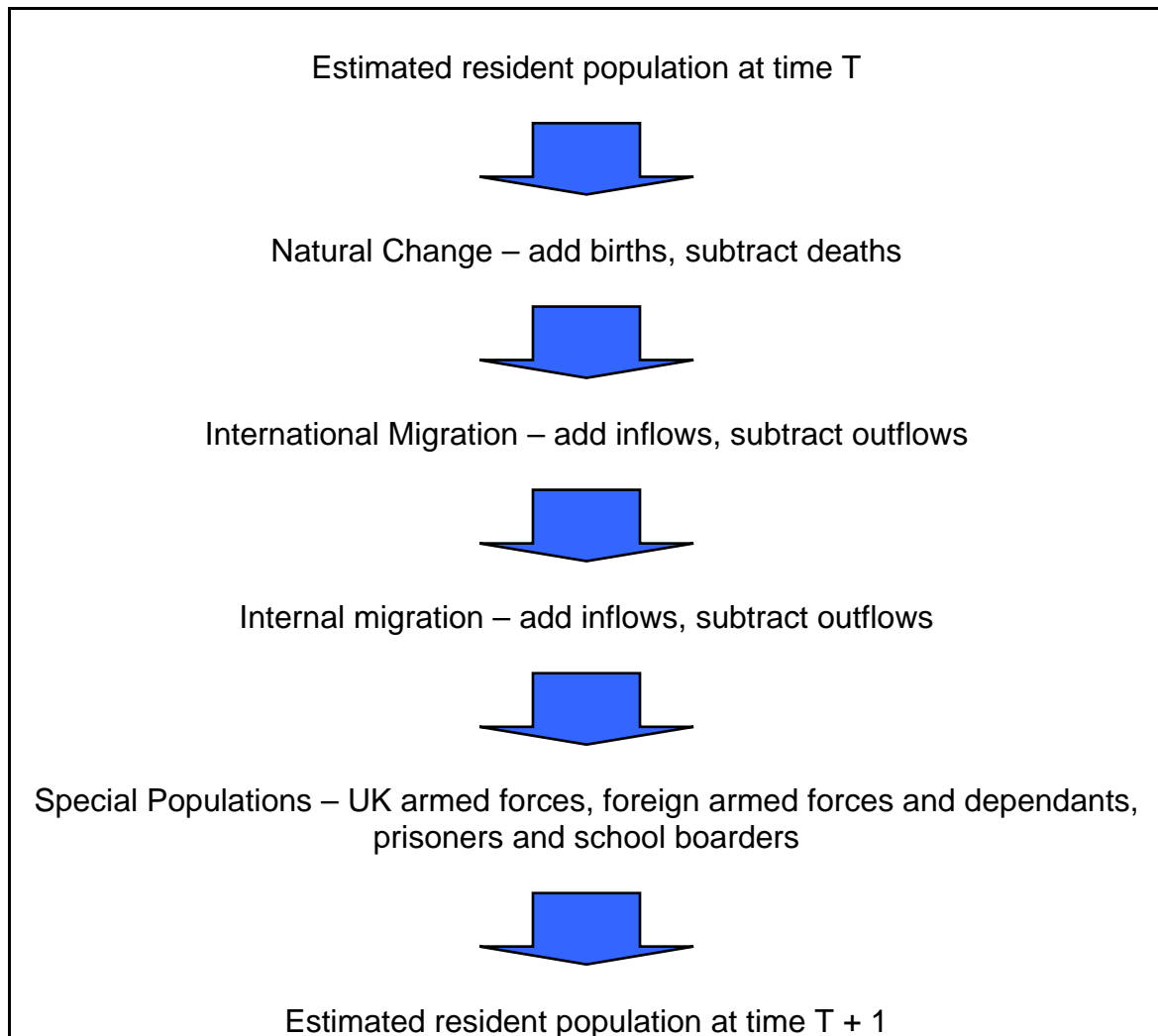
34 *Making a Population Estimate in England and Wales*, National Statistics, [www.statistics.gov.uk](http://www.statistics.gov.uk)

35 *A Short Guide to Population Estimates*, National Statistics, November 2004

36 *Making a population estimate in England and Wales*, ONS, August 2007

37 Ev 205

## Mid-year population estimates methodology



Source: Office for National Statistics memorandum

## Data used in the mid-year estimates

### *Births and deaths*

32. It is compulsory to register all births and deaths within the United Kingdom. The General Register Office collects this data. The ONS noted that this information provided a reliable indication of these events.<sup>38</sup>

## Measuring migration

33. Mid-year estimates are calculated using estimates of both international and internal migration. Within this Report, we discuss international migration as the flows of international migrants to and from the United Kingdom, and internal migration as the movement of people within the United Kingdom from one area of the country to another. Migration is the most difficult part of the population estimate process, as migratory moves are not registered in the UK, either at the national or local level. The best proxy data<sup>39</sup> available on a nationally consistent basis are used to calculate estimates of migration. Mr Blake-Herbert, Director of Finance, Slough Borough Council told the Sub-Committee that it did not matter to Local Authorities “whether someone has come from Poland or [moved] from Putney to Slough” if the statistics were not able to track them.<sup>40</sup>

34. International migration describes both emigration (the act of leaving one’s country to settle in another) and immigration (the act of arriving settling in another country). The Statistics Commission reporting on the 2001 Census commented that:

methods currently used for measuring migration into and out of the UK, and between Local Authority areas, are unreliable. Particularly unreliable are the estimates of international emigration and immigration into and out of Central London. Without improved methods, up-dating population census figures is liable to error.<sup>41</sup>

Ms Karen Dunnell, the National Statistician, told the Sub-Committee that she “had a task force looking at migration data... particularly for reliable figures on emigration”.<sup>42</sup>

## International migration data

35. The ONS annual publication, *International Migration*, presents a range of statistics on flows of international migrants to and from the United Kingdom since 1991.<sup>43</sup> The publication uses three main sources of data: the International Passenger Survey; Home Office data on asylum seekers and persons entering the UK as short-term visitors but who were subsequently granted an extension of stay for a year or longer for other reasons (e.g. as asylum seekers, students, or on the basis of marriage); and estimates of migration between the UK and the Irish Republic (using information from the Irish Quarterly National Household Survey and the National Health Service Central Register).

36. The Sub-Committee was told that international migration was one of the most difficult components of population change to measure accurately. Considerable numbers of people travel into and out of the United Kingdom each year. There is no single, comprehensive

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39 Information of this kind is called “proxy data” because it is used in the place of actual data recording internal migration.

40 Q 147

41 *The 2001 Census in Westminster: Interim Report*, Statistics Commission, October 2003

42 Q 193

43 Ev 206

data source that is able to provide the information, at national and local levels, required for statistical purposes.<sup>44</sup>

### **International Passenger Survey**

37. The International Passenger Survey (IPS) is a survey of a random sample of passengers entering and leaving the UK. The ONS estimates that over a quarter of million face-to-face interviews are carried out each year with passengers entering and leaving the UK through the main airports, seaports and the Channel Tunnel.<sup>45</sup> The survey was originally designed to provide data primarily for tourism and business travel purposes, to inform the travel account of the balance of payments, but is now also used by the ONS to estimate international migration.<sup>46</sup>

#### **Methodology of the International Passenger Survey**

Interview teams are required to identify every 'nth' person ('n' varies by port and route, taking account of traffic flows) in the flow of passengers past a specified point. Information is collected from any migrants identified through these routine samples. However, for selected ports and routes, additional passengers are selected for a short interview.

The questions asked are designed to establish whether the people selected are migrants. If this is the case, more detailed questions are then asked. Prior to 2007, these additional interviews were carried out only for arrivals (to identify immigrants only). The ONS has reported that since January, they have been extended to departures (to boost the number of emigrants interviewed). At present the only reliable source of information on emigration is the IPS.

Sampling for the International Passenger Survey is carried out at all airports with more than 1 million international passengers travelling through them. This currently includes 5 London airports, Manchester and 10 regional airports. The IPS uses data provided by the Civil Aviation Authority (CAA) to extrapolate the sample figures to total flows, to ensure that all people are accounted for. In addition the Channel Tunnel and 10 sea ports are covered and again the survey data are weighted to total flows supplied by Euro tunnel, Eurostar and Department for Transport.

### **Internal migration data**

38. Internal migration data is based on patient register and patient re-registration recorded in the National Health Service Central Register (NHSCR) and shows moves between Local Authorities, Government Regions in England and Wales only. It does not include the rest of the UK (Scotland and Northern Ireland).<sup>47</sup> From the mid-1999 population estimate onwards, data from General Practitioner (GP) patient records have been used to estimate

44 *IMPS Methodology*, National Statistics, [www.statistics.gov.uk](http://www.statistics.gov.uk)

45 *International Passenger Survey*, National Statistics, [www.statistics.gov.uk](http://www.statistics.gov.uk)

46 Ev 207

47 Ev 181

flows of internal migrants between areas within England and Wales. Every health authority in England and Wales holds a register of the patients registered with GPs within their area of responsibility. This contains each patient's NHS number, date of birth, sex and postcode. The ONS downloads data from health authorities registers each year. The ONS combines the data to create a total patient register for the whole of England and Wales.<sup>48</sup>

39. An internal migrant is defined as a person who, between one year and the next, changes their area of residence. Comparing records in one year with those of the previous year enables identification of people who change their postcode. This method of comparing registers at two snapshots in time can miss certain groups of people who do not appear on the patient registers in two consecutive years (births, deaths, those joining or leaving the armed forces or entering or leaving the UK). To overcome this the estimates of the number of migrants from the patient register are only captured on the National Health Service Central Register (NHSCR), which measures moves between such health authorities but has the benefit of being constantly updated. By combining the two data sources, ONS produces an estimate of internal migration.<sup>49</sup>

## Current role of administrative data

### *National Insurance registers*

40. National Insurance Numbers are issued by the Department for Work and Pensions to individuals when they reach age 16 and are used to record a person's National Insurance contributions and social security benefit claims. New numbers are issued to all non-UK born nationals aged 16 or over working, planning to work or claim benefits legally in the UK, regardless of how long individuals intend to stay.

41. The following are excluded:

- Dependants of National Insurance Numbers applicants, unless they work or claim benefits;
- Individuals from overseas not working, planning to work, or claim benefits - for example, this will include many students;
- Migrants who are not of working age if not claiming benefits; and
- Those with an existing National Insurance Number, for example returning UK nationals.<sup>50</sup>

42. This register provides numbers registering for a National Insurance Number. There is no requirement to de-register on leaving the country. Therefore the figures do not show

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48 Ev 208

49 *Ibid.*

50 Ev 209–212

the number of foreign nationals working or claiming benefit at any given point nor do they distinguish between long and short term migrants.<sup>51</sup>

### ***Pupil and student information***

43. The School Census provides, every term, a snapshot of all school pupils in state education in England. It is collected by the Department for Children, Families and Schools and is used for monitoring the effectiveness of policies and school/Local Authority funding. Similar systems are in place in the devolved administrations.<sup>52</sup> The Higher Education Statistics Agency (HESA) collects data about students attending all publicly-funded higher education institutions in the UK. The term-time full postcode will be collected from 2007/08, thereby overcoming a limitation in the coverage of current data. This will inform estimates both of internal migration of students and international migration of foreign students in higher education.<sup>53</sup>

### **Migrant registration**

44. Nationals of countries (other than Cyprus and Malta) that joined the EU in May 2004—the A8 countries—who wish to take up employment in the UK for a period of at least a month are generally required to register with the Worker Registration Scheme (WRS).<sup>54</sup> Workers who are self-employed do not need to register. They must register more than once if they are employed by more than one employer and must re-register if they change employer. Each application represents one job, not one applicant.<sup>55</sup>

45. The population covered on the WRS includes:

- Long-term international migrants from A8 countries working as employees in the UK;
- Visitors and short term migrants from A8 countries, staying for over a month, and intending to work as employees in the UK; and
- Dependants of WRS applicants. It is likely that there is some double counting as dependants may also be registered in their own right on the WRS.<sup>56</sup>

46. The following are excluded:

- Migrants from A8 countries who are self employed;
- A8 migrants staying for less than a month;

51 Ev 209–210

52 Ev 209

53 *Ibid.*

54 On 1 May 2004 the following countries joined the EU: Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, and Slovenia.

55 Ev 212

56 Ev 210

- A8 migrants who migrate or visit the UK for reasons other than work, for example including potentially many students;
- Migrants from non-A8 countries.<sup>57</sup>

47. Figures relate to the address of the applicant's employer rather than their own usual residence and are produced by date of application rather than date of entry into the UK. The data only include those registering when they take up a job, when intended length of stay is recorded. However neither actual duration of employment or whether the applicant returns home are recorded.<sup>58</sup>

### Meeting the needs of the user

48. The ONS argued that population and migration statistics were produced by combining the "best possible information currently available". They were produced to a "high quality standard, using internationally recognised and transparent methods that have been peer reviewed by external experts".<sup>59</sup> **We recognise that in a period of significant population change and individual mobility meeting the requirements of users has become more complex for the Statistics Authority. The amount of population turnover, both nationally and locally has made it increasingly difficult for the current methods of counting the population to estimate the numbers of people in an area and on what basis they are there.**

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57 Ev 212

58 Ev 209

59 Ev 201

## 3 Why accurate population statistics matter

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### Uses of population statistics

49. The Statistics Commission told the Sub-Committee that population estimates were the bedrock of every national system of official statistics. The estimates measured the fundamental characteristics of society and underpinned key statistics such as macro-economic indicators, unemployment rates or crime rates. They were used as the core component in statistical formulae that allocate very large sums of public money to the devolved administrations, to local government, the health service and public services. They were also used as the basis for projections such as forecasts of household numbers and life expectancy, which, in turn, influenced assumptions about housing demand, social care and pensions.<sup>60</sup>

50. Professor David Martin noted that population estimates had at least three critical uses: resource allocation and the determination of financial settlements, of particular concern to central and local government; as the basis for establishing rates of deaths, accidents, health, crime and conceptions; and the planning of local services, or in the commercial context, business decisions on the basis of estimated population need and demand.<sup>61</sup>

### Implications for economic uses

51. Mr Charlie Bean, Chief Economist, Bank of England, told the Sub-Committee that the Bank's primary need for the population data was essentially to "get a handle on the size of the available labour force, which is a key determinant of the supply potential of the economy".<sup>62</sup> In order to estimate the inflationary pressure within the economy one of the key determinants was the balance between demand and supply in the labour market. Mr Bean explained that population data helped to determine the sustainable rate of growth of the UK economy and "therefore how fast we can let demand in the economy expand".<sup>63</sup> Mr Christopher Kelly, Head of the Macroeconomic Prospects Team, HM Treasury, also told the Sub-Committee that accurate estimates of the population were "extremely important".<sup>64</sup> HM Treasury used population statistics to develop macroeconomic forecasting.<sup>65</sup>

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60 Ev 33

61 Ev 24

62 Q 77

63 *Ibid.*

64 Q 78

65 *Ibid.*



### ***Local Authorities***

52. Good population statistics are fundamental for local policy development and for the planning and allocation of funds for public services. Local Authorities, such as Westminster, Slough and Manchester, have experienced difficulties where inaccurate statistical data resulted in reduced allocation of financial resources. The confusion between local and national migration estimates has made planning and service provision more difficult for some Local Authorities.<sup>66</sup>

**53. It is accepted that population estimates are central to every national system of official statistics. They are used in statistical formulae that allocate vast sums of public money to the devolved administrations, to local government, the health service and public services. It is therefore a matter of social responsibility to ensure that population statistics are calculated accurately.**

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66 Ev 44, 53, 59, 64, 69–108, 124–132, 142, 150–157, 166–183, 198

## 4 Difficulties in counting the population

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### Problems with the 2001 Census

54. David Coleman, Professor of Demography at Oxford University, argued that “the UK has not had a satisfactory census since 1981”. He noted that

Census totals are compared with the annual population estimates for the same year derived from the updating of the previous census by the intervening total of birth and deaths and net migration. In theory the two totals should agree when the census total (usually April) is adjusted to fit the population estimate (usually mid-year). It is, however, a moot point to decide which of the two should be regarded as the benchmark, and neither will be exactly accurate. Both the censuses of 1991 and 2001 deviated considerably from the corresponding population estimate and, despite every effort, each has turned out to be in error, or at least remain controversial. In 1991 the estimates rolled forward from 1981 were preferred (erroneously) over the census. In 2001, the census was preferred (only partly erroneously) over the estimates rolled forwards from 1991.<sup>67</sup>

55. He also pointed out that “the census of 1991 generated a population (49,890,000 in England and Wales) over one million fewer than that expected from the 1991 population estimates updated from the 1981 census (51,105,000); the so-called ‘missing million’. For various reasons, particularly its finding of an implausible low sex ratio of 94.1 males per 100 females, the census, not the estimates, was deemed to be in error, and various upward adjustments were made”.<sup>68</sup>

56. In order to avoid the repetition of these problems and the difficulties caused, notably to Local Authorities, of a number of differing estimates of population for the same year, efforts were made to ensure the 2001 Census was accurate and in-line with the expected population estimates for 2001. Census methodology included an exceptionally large post-census enumeration survey, the Census Coverage Survey, of 320,000 households, using a sampling methodology separate from that of the census. The 2001 Census methodology was intended to avoid the defects of its predecessor, the smaller Census Validation Survey from 1991 (6,000 households), whose methodology followed that of the census and therefore tended to duplicate its errors, those missing in the census also being missed by the survey.<sup>69</sup> Professor Coleman pointed out that “the kinds of households that are likely to escape or evade the census are also likely to escape or evade any surveys for the same reasons”.<sup>70</sup>

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67 Ev 191

68 *Ibid.*

69 *Ibid.*

70 *Ibid.*

## Accuracy of the mid-year population estimates

57. The accuracy of the mid-year population estimates is dependent on the quality of data available to measure components of population change (births, deaths and migration). Migration, both internal and external, is the hardest component to measure.<sup>71</sup> Of the data sources currently used to calculate population estimates:

- The Census arguably provides the most reliable base and set of distributions;
- Birth and Death registrations are considered to reflect accurately numbers of events occurring in the United Kingdom;
- Internal migration data are reliant on people registering change of address with their doctors promptly after a move; and
- International migration is difficult to estimate, but use is made of available sources.

There are some additional data sources which are used to estimate the population in some local areas:

- Counts of 'long term' prisoners;
- Counts of boarding school pupils;
- Estimates of the number of UK armed forces; and
- Estimates of foreign (American) armed forces.<sup>72</sup>

58. Mr Blake-Herbert, Director of Finance, Slough Borough Council told the Sub-Committee that “at the last census Slough had the ninth fastest growing population in the country, despite having the fourteenth worst returning rate for census forms. Since then the mid-year estimates initially showed us having the second fastest declining population in the country.” He was concerned that the mid-year estimates had inaccurately estimated the population in Slough. He explained that “the ONS will not use the child benefit data for the number of children in an area because they acknowledge [child benefit data] is a huge under count. Actually, there are more children receiving child benefits in Slough than the Office for National Statistics currently say live in Slough”. He stressed that “this is not just about international migration; it is about migration within the country. ...the statistics are not keeping pace, and because of that we are not able to provide the right services”.<sup>73</sup>

59. The Bank of England noted that there was a great deal of uncertainty surrounding the current mid-year population estimates which related to the measurement of net migration. Official estimates of international net migration are primarily based on the International Passenger Survey (IPS), a survey of individuals passing through the main UK air and sea ports and the Channel Tunnel. The ONS supplement the IPS with administrative data on

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71 Ev 209–212

72 *Ibid.*

73 Q 147

asylum seekers and their dependents, and estimates of the migrant flow between the United Kingdom and the Irish Republic; and the ONS make adjustments to account for those whose intended length of stay changes.<sup>74</sup>

## Counting a migrating population

60. The National Statistician told the Sub-Committee that within the UK migration was estimated based on samples of the population and therefore she was “less confident in statistical terms about that”.<sup>75</sup> Several of those who submitted evidence to the Sub-Committee argued that during the last ten years, migration (both international and internal) had been the dominant influence on population change.<sup>76</sup> The Statistics Commission noted that “for those areas which present the greatest challenge statistically, much of the challenge relates to migration (international and internal)”.<sup>77</sup>

61. The Statistics Commission told the Sub-Committee that it had pressed for improvements to migration estimates since 2003, arguing that there were potentially large economic costs from not knowing with sufficient precision the size and geographic distribution of the population.<sup>78</sup>

The Office for National Statistics (ONS) has given priority to improving migration and population statistics. It is making improvements to the methods and data sources used to estimate the population at national and local levels during the intercensal period. The ONS argued that these improvements were needed to minimise the risk of divergence between the rolled forward mid-year population estimates and the 2011 Census-based population estimates, and to better understand the differences that remain.<sup>79</sup>

**62. The provision of accurate information about how many people are present within the country and where they are located is essential to effective policy-making and the effective delivery of services. Society is becoming more mobile and the information held electronically about events, persons and services by government agencies and other bodies has substantially increased. We require the Statistics Authority in response to this Report to set out the steps it will take to utilise and better link data held by the Government and by local government in order to provide a more accurate picture of the population within this country.**

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74 Ev 291

75 Q 256

76 Ev 33, 44, 53, 59, 64, 69–108, 124–132, 142, 150–157, 166–183, 198

77 Ev 33

78 *Ibid.*

79 Ev 215

### *Estimating international migration*

63. In 2005 (the last year for which detailed data is available), the IPS statistics on migration were based on interviews with 2,965 people who entered the United Kingdom and 781 people who left.<sup>80</sup> This was a very small sample and suggests why there were large uncertainties surrounding the official migration numbers. In addition, it is difficult for the survey to keep pace with the dramatic change in the pattern of arrivals seen in recent years, for example in the change in movements between the UK and A8 countries. In 2005, only 94 citizens of the A8 countries were interviewed.<sup>81</sup> Approximately 90% of all migrant interviews took place at Heathrow, with very few interviews taking place at other airports such as Stansted and Luton. The IPS may also fail to accurately measure international migration as the survey was not designed to measure net migration, but was designed to capture tourism and business travel; participation in the survey is voluntary and immigrants may be less likely to respond (perhaps because of language barriers); and the survey asks about intentions on arrival, not what people actually do.<sup>82</sup>

64. Professor David Coleman pointed out that

As a survey, the IPS is subject also to non-sampling errors including non-response. The questions also focus on intentions (about length of stay and where migrants will live). These are often not realised, or may subsequently change. To estimate the amount by which actual and intended length of stay differ, new IPS question were introduced in 2004, to be asked of those interviewed at the end of a stay. Based on the answers to these questions, adjustments have now been made to national estimates of long term migrants. For 2006, this added 28,000 to the estimate of net migration.<sup>83</sup>

65. The Bank of England pointed out that there was a risk that current population estimates could be under-recording the true population. The Bank noted that “other sources of administrative data suggest that net migration from the A8 countries may be higher than is recorded in the latest population estimates”. The most recent official population data suggested that between mid-2004 and mid-2006 there was a gross inflow of 151,000 A8 citizens into the UK whose intended length of stay was at least one year, and a net inflow of 131,000. However, between May 2004 and June 2006, 433,000 A8 nationals registered for work under the Worker Registration Scheme (WRS) and had their application approved. Over the same period, just over 400,000 National Insurance Numbers were issued to people from A8 countries. The Bank explained that the reconciliation between the population data and the other sources required that either a very high proportion of those registering for the WRS or applying for National Insurance Numbers were temporary migrants, or that the population data was under-recording the

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80 Ev 106

81 Ev 289–292

82 Ev 291

83 Ev 209–212

true level of net migration from the A8 countries. The Bank of England noted that weight should be attached to both hypotheses.<sup>84</sup>

66. The Inter-departmental Task Force on Migration Statistics recommended that to improve information collected on migrants at ports, the ONS initiate a review of port surveys. An interim report of the review was published on the National Statistics website in October 2007.<sup>85</sup> The report recommended that survey takers should undertake additional shifts at Manchester, Stansted and Luton from 2008 to improve the sample for migration purposes. The ONS told the Sub-Committee that this recommendation would be implemented. Further changes will be recommended for 2009 in the final report. Improved information from a port survey will be used in combination with other sources, such as the new enlarged household survey starting in 2008 and the 2011 Census.<sup>86</sup>

**67. The International Passenger Survey was designed to provide data primarily for tourism and business travel purposes. It is now called upon to play a central role in estimating international migration. It is clear from the evidence we have received that the Survey is not fit for this new purpose. We recommend that the Statistics Authority replace the International Passenger Survey with a new Survey that is more comprehensive and more suited to the accurate measurement of international movements affecting the size of the resident population of the United Kingdom.**

### *Estimating internal migration between Local Authorities*

68. Inaccurate or misunderstood population estimates can potentially invalidate policy decisions, and reduce the value for money of public services.<sup>87</sup> The Statistics Commission cited examples of cases where population figures were not “fully fit for purpose”, such as statistics estimated in relation to inner city areas and statistics used as specific indicators of need to spend on public services that are not closely related to resident population numbers.<sup>88</sup>

69. The Sub-Committee received 24 submissions from Local Authorities and Council which argued that the UK was not measuring population changes well at a local level and existing government data that could help local government researchers and policy staff was difficult to access.<sup>89</sup> Sir Simon Milton, Chair of the Local Government Association and Leader of Westminster City Council explained that Local Councils found the current methods of estimating internal migration within UK unsatisfactory, “because,

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84 Ev 291

85 *Interim report, Inter-departmental Task Force on Migration Statistics*, October 2007, National Statistics, [www.statistics.gov.uk](http://www.statistics.gov.uk)

86 *Improving Migration and Population Statistics Project (IMPS)*, National Statistics, [www.statistics.gov.uk](http://www.statistics.gov.uk)

87 Ev 33

88 *Ibid.*

89 Ev 44, 53, 59, 64, 69–108, 124–132, 142, 150–157, 166–183, 198

fundamentally, councils are finding that they are having to service populations which their funding regimes do not recognise”.<sup>90</sup>

70. Some Local Authorities, such as Manchester and Westminster were directly and adversely affected by enumeration problems in the 2001 Census. Although total population figures were revised, the published census counts remained unchanged with the result that the figures were known to be unreliable. Professor Martin pointed out that such demonstrably inaccurate basic population counts could call into question the entire edifice of resource allocation decisions, target-setting, prevalence rates and area profiles which were essentially reliant on such key population data.<sup>91</sup>

**71. Based on the evidence we have received, it is evident that there are substantial problems in generating accurate population estimates in some Local Authority areas. The current methods of estimating internal migration are unsatisfactory and lead to decisions on the allocation of funding to Local Authorities being based on inadequate information. The Statistics Authority should establish as an immediate priority the provision of local population statistics that more accurately reflects the full range of information available about local populations and the effects of internal migration.**

### Short-term migration

72. Estimates of international migration used in the mid-year population estimates are based on the United Nations definition of a long-term migrant: someone who moves to a country other than that of his or her usual residence for a period of at least a year (12 months), so that the country of destination effectively becomes his or her new country of usual residence. From the perspective of the country of departure the person will be a long-term emigrant and from that of the country of arrival the person will be a long-term immigrant.<sup>92</sup>

73. Short-term international migrants are not included in the usually resident mid-year population estimates. The Sub-Committee received written evidence from a number of statistics users stating that the ‘*usually resident*’ definition of population did not fully meet their needs because short-term international migrants were not included.

74. The Statistics Commission stated:

Short-term migration is important as it is not normally included in the official figures for migrants (which, following international practice, only counts as ‘migrants’ those intending to stay for more than a year). But, perhaps particularly following EU enlargement, short-term migration has the potential—and already the reality in some areas—to have significant implications for local services.<sup>93</sup>

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90 Q 140

91 Ev 24

92 *Report of the Inter-departmental Task Force on Migration Statistics*, ONS, December 2006

93 Ev 34

The Local Government Association reported that there was widespread concern among Local Authorities that the official population estimates did not reflect experience at local level. It stated:<sup>94</sup>

A particular difficulty with the usually resident definition concerns the treatment of migrants. The current system only counts those migrants who state the intention to remain in the UK for at least 12 months at the time of entry. There is considerable evidence that many migrants come for a shorter period (but nevertheless make demands on services); and that others stay for longer than they had originally intended.

75. London Councils argued that the exclusion from population estimates of migrants who enter Local Authority areas and use public services, but who did not settle for a year or longer, was clearly penalising areas such as London which had high levels of migration.<sup>95</sup>

The definition of a resident from overseas for population purposes, currently defined as a migrant intending to reside in the UK for at least a year, has become increasingly important over the last few years due to increasing numbers of short-term migrants in the UK. This is a particular issue for London, as demonstrated by recent experimental statistics published by the ONS which suggest that 40% of all short-term migrants live in London. Therefore, the current definition of a resident fails to meet the need for population statistics for funding purposes because they exclude a significant proportion of people who are living in the capital. This means that Local Authorities that experience influxes of short-term migrants do not receive funding for people who are using their services. Thus, there is an urgent need for estimates of short-term migration at the Local Authority level, or for them to be included in existing population statistics.

76. The Sub-Committee received written evidence from many Local Authorities across the country expressing similar concerns about the impact of increased internal migration on resource allocation. They also explained the need for both long-term and short-term population estimates in order to plan service delivery.

77. One of the recommendations put forward by the Inter-departmental Task Force on Migration Statistics was to produce estimates of the number of short-term migrants.<sup>96</sup> In January 2007, the ONS published a report on the feasibility of estimating short-term migration<sup>97</sup>, followed by feedback<sup>98</sup> in April and experimental estimates for England and Wales in October.<sup>99</sup>

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94 Ev 110

95 Ev 70

96 *Report of the Inter-departmental Task Force on Migration Statistics*, ONS, December 2006

97 *Short-term migration feasibility report*, ONS, January 2007

98 *Summary of feedback received to short-term migration feasibility report*, ONS, April 2007

99 *Research report on short-term migration*, ONS, October 2007



78. The ONS research report on short-term international migration published in October provides estimates of short-term migration at the national level for England and Wales. A regional split of London/non-London is also provided. Estimates of short-term migration are based on the United Nations definition of a short-term migrant: someone who moves to a country other than that of his or her usual residence for a period of at least 3 months but less than a year (12 months) for study or employment purposes.

79. Taking the ONS's recent work on Short-Term Migrants as an example, there are estimated to have been only 43,000 Short-Term Migrants in England and Wales in the year up to June 2005, with just 16,000 of these in Greater London. These estimates are based on the International Passenger Survey, and appear to many users to be implausibly low when contrasted with administrative data such as National Insurance Numbers, which in 2005–6 recorded 235,640 new National Insurance Number registrations in Greater London alone. Many of the latter no doubt returned to their countries of origin within 12 months, but having the National Insurance Number counts available provides a valuable additional insight.<sup>100</sup>

80. The recently published ONS experimental short-term migration estimates, although a welcome development towards estimating the true population, do not reflect the scale of migration in London that is evident from other administrative sources of data e.g. National Insurance registrations. Further work would be needed to improve these estimates and the sample sizes of international migrants entering the country need to be improved considerably to place greater confidence on the data.<sup>101</sup>

81. ONS recognised the need to produce sub-national short-term migration estimates and was currently investigating the feasibility of producing estimates of the number of short-term migrants at local level. The Sub-Committee received evidence stressing the importance of ONS being allocated sufficient resources to produce robust local estimates of short-term migration.<sup>102</sup>

82. The Statistics Commission stated that the accuracy of population estimates varies geographically across the country. Urban areas for example, characterised by large student and migrant populations, multi-occupancy households and 'part-time' residents, are subject to greater uncertainty in their population estimates than rural areas. The Statistics Commission suggested that ONS carry out a series of Local Authority case studies to investigate and create a good practice guide on different data sources available.<sup>103</sup> Mr Dugmore argued that the accuracy of different administrative registers should be compared with the 2011 Census in view of the possibility of using administrative and population registers in counting the population in the future.<sup>104</sup>

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100 Ev 22

101 Ev 94

102 Ev 119

103 Q 53

104 Q 56

83. Official mid-year population estimates, based on the 'usually resident' definition of population, do not include short-term migrants. Such estimates do not fully meet the needs of Local Authorities and commercial users who are also interested in, for example, short-term migrants as well as day-time and week-day populations. We recommend that the Statistics Authority investigate the feasibility of producing population estimates based on different measures of population, such as estimates which include short-term migrants and estimates which include the day-time population of Local Authorities.

84. We are seriously concerned about the reliability and validity of ONS estimates of short-term international migrants. Evidence from administrative data sources such as the National Insurance Number register suggests the ONS estimates do not reflect the scale of short-term migration in England and Wales. We recommend that the Statistics Authority examine the feasibility of producing estimates of short-term migration at sub-national level, using the successor to the International Passenger Survey that we recommended earlier and a greater range of administrative data.

85. We further recommend that the Statistics Authority continue the ONS's work with Local Authorities and carries out a series of case studies to identify alternative administrative data sources. These include the National Insurance Number register, GP lists, other health service lists, council tax records, and various registers on children and school children. Although we recognise that different areas have different problems associated with counting the population and administrative registers, we recommend that the Statistics Authority produce a best practice guide.

## 5 Preparing for the 2011 Census

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### Census preparation

86. Professor Martin noted that “Much better census publicity will be required in 2011, both locally directed, pointing out the importance to local communities of providing essential information for the provision of local services, and nationally, to create a supportive culture for this major data collection exercise by central government”.<sup>105</sup>

### Length of census questionnaire

87. The ONS told us that it was working on the assumption that it would produce a 24-page household questionnaire with three pages of individual questions per household member as in 2001. The Sub-Committee noted that there was significant demand for more topics than could be accommodated within three pages of individual questions.<sup>106</sup>

88. The Sub-Committee was told that “a four-page census form would not be too long, if it was well-designed, although the well-established trade-off between form length and completion rates was acknowledged”.<sup>107</sup> Professor Martin noted that there was a strong desire for a question on income to be included in the 2011 form.<sup>108</sup> The ONS reported that it was seeking funding for an additional page of questions per person so that additional information could be collected on the population.<sup>109</sup> The Exchequer Secretary assured the Sub-Committee that “whether we have a three page census or a four page census I am confident we will have a robust and useful one, but at the moment I am looking with other colleagues in government to see whether we can fund the fourth page”.<sup>110</sup>

89. The National Statistician told the Sub-Committee that the ONS needed “an extra £25 million to have a fourth page and this is something that we are working very closely with departments and the Treasury on finding a way round.”<sup>111</sup> The Exchequer Secretary wrote to the Committee on 2 April 2008, to report that cross-government funding would be provided to finance the fourth page of the 2011 Census.<sup>112</sup> **The evidence we received highlighted the importance of funding a fourth page for the Census. Following our inquiry it was announced the extra £25 million need to finance this page would be provided through cross-government funding and we welcome this development.**

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105 Ev 25

106 Ev 25, 42, 48, 217

107 Ev 25

108 *Ibid.*

109 Ev 217

110 Q 301

111 Q 216

112 Letter from the Exchequer Secretary to the Treasury, to the Committee, on funding for the fourth page of the 2011 Census, 2 April 2008

## Address register

90. Professor David Martin noted that “One of the single most important underpinning strategies for increasing response rates is to have an address list of the highest possible quality. The 2007 test showed that the best results were achieved by hand delivery of census forms and this approach must be retained for the hardest to count areas. Strong liaison with local government will be necessary to assist ONS in the creation and checking of local address lists for mail out. In particular, it will be important to identify and count the number of dwelling spaces in each area and to take full advantage of the address referencing system to track census forms”.<sup>113</sup>

91. To improve the accuracy of the census a reliable address register is needed to identify people living in particular homes. We asked the Exchequer Secretary why no progress had been made to develop a national address register. The Exchequer Secretary said that there was no “easy answer to that. As you know, there are three different sources of address registers. We have never had a national address register.”<sup>114</sup>

92. Professor Martin commented that the current competition between the National Land & Property Gazetteer and Ordnance Survey address products was a major threat to the census operation. He noted that each system had different strengths and weaknesses and there was no strategy for integration.<sup>115</sup> ONS has proposed a comprehensive national address check in the run-up to the census; “yet this entire expensive process would be unnecessary if a single definitive national address list were maintained, in which case much of the address-checking resource could be devoted to other aspects of census data collection and production”.<sup>116</sup>

93. The Exchequer Secretary accepted that all the sources required to compile a national address register existed within the public sector; however, she noted that “There are some issues about intellectual property rights and ownership to do with the Ordnance Survey. That is my understanding. ...work was discontinued partially, I suspect, because some of these issues of intellectual property and failure to agree on how to move forward on those was a pretty intractable problem.”<sup>117</sup>

94. The Exchequer Secretary to the Treasury stressed that

“The Ordnance Survey has its own trading fund status and its intellectual property rights issues. It would say that most of the electoral registers and the gazetteers are compiled using information that is their intellectual property. There were some pretty thorny issues. .... The decision was taken that the best way of proceeding with this would be the work that was ongoing to create the national identity card scheme and the address register that would follow could be piggy backed on that, rather than

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113 Ev 25–26

114 Q 311

115 Ev 25–26

116 *Ibid.*

117 Q 312

this. That was the decision that was taken and announced in Parliament...in about 2006, a bit before my time in this Department.”<sup>118</sup>

95. The Exchequer Secretary to the Treasury accepted that it was “pretty frustrating” that the Government had failed to make progress in this area.<sup>119</sup> **We note that the Government has failed to make any progress in establishing an address register for the 2011 Census. We heard repeated references to the necessity of establishing the register yet were surprised to hear that no business case had been published. We recommend that such a case is prepared engaging all potential beneficiaries. It is unclear whether leadership weakness, lack of legislative means or the financial obligations of the trading fund status have contributed most to the failure. We recommend that the Government consult the Statistics Authority and others to remove any outstanding obstacles to the production of an address register.**

### Census funding and value for money

96. The Exchequer Secretary to the Treasury told the Sub-Committee

“ The settlement for the ONS and the new Statistics Board, which you will be aware is five years, not three, has been done out with the normal CSR process and did provide a generous settlement, certainly when you compare it to the other Chancellor's departments for this. It provided extra money for work on migration statistics and regional statistics particularly, developing more accurate measures of gross value added at regional level. There is already some scope in the settlement that has been made but on top of that the work that [the National Statistician] has done, particularly on the proposed fourth page of the census, we all agree would cost about £25 million and some extra for changes to migration statistics on top of the additional millions that were put in the CSR settlement, so it is of that kind of order”.<sup>120</sup>

97. The National Statistician told the Sub-Committee that she needed more money to improve migration statistics. The Exchequer Secretary to the Treasury told the Sub-Committee that there was “not a specific amount for that that has been identified in quite the same way, but certainly it is important to know that in the CSR settlement and in the settlement letter there is explicit reference to extra funding that has been given. I think it is around five million a year for improvements in migration statistics in GBA. She is now saying that she needs more to add sophistication to migration statistics and we are certainly looking to see what we can do about that.”<sup>121</sup>

98. Sir Michael Scholar told the Sub-Committee that if there was not sufficient funding provided then the Board would have to consider restricting the type of statistics that ONS

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118 Q 313

119 Q 314

120 Q 299

121 Q 300

provide to government departments.<sup>122</sup> The Exchequer Secretary argued that the Statistics Board had had a very generous settlement in their five year settlement. “They have £30 million to help pay for the process of moving to independence. They have £450 million for the census and they have the equivalent of 240 million a year for the next five years, which is much more generous than the other Chancellor's departments”.<sup>123</sup>

### Census delivery contract

99. The three UK Census Authorities, the ONS (for England and Wales), the General Register Office for Scotland and the Northern Ireland Statistics and Research Agency shortlisted two companies for the final phase of negotiations to find the supplier to help deliver the 2011 Census data capture and associated services.

100. The procurement is a joint process for the UK Census Authorities which are looking for one contractor to provide the service for both the Census Rehearsal in 2009 and the full Census in 2011. The eventual contractor's role would be to provide systems and services to assist with the collection and capture of data from the questionnaire. This would include managing the interfaces between the various services which will be carried out by other contractors. Lockheed Martin and T-Systems will be involved in further discussions and negotiations to refine requirements and costs which will lead to a best and final offer.

101. Both firms were involved in the 2007 Census Test. The main purpose of the Test was to examine the implications of the possible questionnaire and the ‘post-out, post back’ procedures. Lockheed Martin had responsibility for the printing of forms, delivery and data capture. T-Systems looked after the call centre, and operational intelligence which provided management information about the returned questionnaires to HQ and staff in the field. Both companies used a consortium of mostly UK-based companies to support their work.<sup>124</sup>

102. Lockheed Martin, one of the bidders for the 2011 delivery contract, has been the subject of an internet campaign to prevent it securing the delivery contract. The protesters are concerned that once census data entered the United States, it may be subject to forcible disclosure under the Patriot Act 2002.<sup>125</sup> The Act could require Lockheed Martin to provide information which they have gained through the UK census to the United States authorities. Lockheed Martin was involved in carrying out the 2006 Census in Canada and protests there led to the creation of a new privacy task force during the Census.<sup>126</sup>

103. Ms Matheson told the Sub-Committee that the ONS was “aware of the Patriot Act of course and have discussed the Patriot Act with both the potential suppliers. We are in a procurement phase at the moment so I do not want to say too much more about that but

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122 Qq 190–191

123 Q 302

124 Census test 2007, National Statistics, [www.statistics.gov.uk](http://www.statistics.gov.uk)

125 Qq 211–212

126 *Ibid.*

we have had discussions with them and we are taking legal advice with a view to making sure that the commitment we give to census form fillers is one that we can abide by, that is, that the data are kept confidential and secure for 100 years."<sup>127</sup>

104. American Bar Association's Human Rights Magazine, argued that the definition of "foreign intelligence information" contained in the Patriot Act was quite broad. Foreign intelligence is defined to mean "information relating to the capabilities, intentions, or activities of foreign governments or elements thereof, foreign organizations, or foreign persons or international terrorist activities." The definition goes on to specifically include information about a US person that concerns a foreign power or foreign territory and "relates to the national defense or the security of the United States" or "the conduct of the foreign affairs of the United States."<sup>128</sup>

105. The Exchequer Secretary wrote to the Sub-Committee to clarify the issue:

The procurement process for the support service for the 2011 Census is currently ongoing, so I am not in a position to comment on the detail of the bids. However, I can assure you that the eventual contract that ONS places with the successful bidder will have sufficient provisions to ensure that the service provider will, at no stage, allow the removal from the United Kingdom of any completed paper questionnaire, or any electronic data or images that could in any way identify an individual. Both the warehouse and the processing centre will be located within the United Kingdom.

The contract will be written specifically to warrant that the service provider protects the confidentiality, integrity and availability of confidential information, personal data and Census data. By providing this they must install security measures that comply with UK HMG specifications for RESTRICTED (Baseline) level operations.

**106. We remain concerned that the personal information gathered through the 2011 Census could be subject to the United States Patriot Act and therefore we ask the Government to take clear legal advice and advice from the US State Department and to publish it in response to this Report.**

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127 Qq 211–212

128 Human Rights Magazine, American Bar Association, <http://www.abanet.org/>

## 6 Improving current statistics

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### Recognising the need for change

107. In 2003, the ONS reported that a number of factors had developed since the 1970s that reduced the effectiveness of traditional methods used to obtain population estimates and supported an increased use of existing alternative sources used for counting the population of the UK and understanding its characteristics. These factors were:

- confidence in the ability of a traditional census to obtain all information periodically needed from the whole population has declined;
- the rate of change within society has quickened, this requires Central and Local Government to measure characteristics and structures of the population more frequently in order to support policy and decision making;
- the amount of electronically held data about events, persons and services by government agencies and other bodies has substantially increased, particularly those captured in the administrative and monitoring processes associated with the running of public services; and
- computing capability has expanded allowing ready linkage and analysis of datasets on a larger scale than could have been envisaged previously.<sup>129</sup>

108. Professor Coleman argued that “all aspects of population statistics in the United Kingdom are in an unsatisfactory state. Even the base population remains uncertain”.<sup>130</sup> Professor Martin argued that in growth areas, current annual population estimates failed to anticipate or keep pace with the additional demands on resources resulting from a growing population. He noted that “there are particular weaknesses associated with all types of migrant populations”.<sup>131</sup>

### Inter-Departmental Task Force on Migration Statistics

109. In May 2006 the ONS established an Inter-Departmental Task Force on Migration Statistics with other government departments. The objective of the task force was to recommend timely improvements that could be made to estimates of migration and migrant populations in the United Kingdom, both nationally and at local level. The interim report of the task force was published in October 2007.<sup>132</sup>

110. The Inter-departmental Taskforce on Migration Statistics recognised the potential for improving statistics through using records from administrative sources. It recommended

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129 ONS, Information paper: Census strategic development review Alternatives to a Census: Linkage of existing data sources, November 2003

130 Ev 184

131 Ev 24

132 Ev 215



that access to a number of such sources was essential to develop record linkage approaches to measuring migration. Sources identified include components of the Work and Pensions Longitudinal Study (WPLS), migration statistics from new NHS IT systems, the School Census, and the Higher Education Statistics Agency (HESA). Taking forward the recommendations of the taskforce, ONS prioritised negotiating access to these sources. A framework for access was provided by the Statistics and Registration Services Act 2007. The Act contained powers to enable information sharing between public authorities and the newly established Statistics Board for statistical purposes. The powers are subject to the following safeguards:

- protection of confidentiality;
- only where there is no existing power/ it is otherwise prohibited by law;
- subject to bilateral Ministerial agreement;
- sharing only for specific purposes and subject to a public interest test and
- Parliamentary approval.

111. The use of administrative records in combination would require the development of new tools and techniques, including the ability to evaluate the quality of the information for statistical purposes. The ONS told the Sub-Committee that projects specifically related to population statistics, Census and administrative data would be undertaken in 2008/9 to build on the work of the Taskforce.<sup>133</sup>

### Estimating internal migration

112. The National Statistician told the Sub-Committee that the ONS was “confident about the national figures on the number of people entering and leaving the country”, however she pointed out that they were “not nearly so clear about is where they actually go after they have arrived, where they settle, so we have already put in place an improvement in our latest population estimates using information from our household surveys, because from that we get a much better idea about where people are distributed around the country”.<sup>134</sup>

113. The National Statistician told the Sub-Committee that the ONS had plans to continue improving the estimates, it had begun work with other government departments and Local Authorities to investigate “the use of administrative data which exists in central government, things such as the National Insurance Number register, the various registers that we have around children and schoolchildren”.<sup>135</sup> However Professor Coleman argued that it was clear “that all these systems, never very effective, are now so unreliable that they have reached the end of the road of any effective radical improvement”.<sup>136</sup>

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133 Ev 214

134 Q 193

135 Q 194

136 Ev 184

## Local Authority information

114. ONS reported that it had worked with Local Authorities to investigate local sources of information to assess whether they could be used on a nationally comparable basis to improve population estimates. Studies of four Local Authorities were conducted, each representing areas with specific issues in estimating population accurately.<sup>137</sup> The sources examined included:

- The Electoral Register records people resident in each Local Authority who would be 18 or older during each year beginning 16 February and are eligible to vote in local government, devolved administration and or Parliamentary elections;
- Housing Needs Surveys that are carried out by all Local Authorities in England; and
- Council Tax Billing and Exemptions list based on a register of dwellings kept at the Valuation Office Agency. Each Local Authority is responsible for administering its own billing list.

115. ONS published reports on the individual studies earlier in 2007.<sup>138</sup> Workshops were held to discuss these reports, to which all Local Authorities were invited. ONS will shortly be publishing a final report on this work.<sup>139</sup>

## Improving uses of administrative and survey data

116. National Insurance Number, Worker Registration System (WRS) and NHS Patient Registration data are commonly cited as alternative measures of population change. A comparison of these sources was published recently.<sup>140</sup> ONS is investigating how aggregate level counts from these and other alternative sources might be used in migration estimation and in producing additional indicators of population change at local level. The uses of and access to individual records is also being reviewed, following the recommendations of the Inter-Departmental Taskforce on Migration Statistics. Use of individual records from administrative sources would, in particular, make it possible to undertake linkage between information held on different sources. However, such data are potentially restricted and so are subject to limitations on access.<sup>141</sup>

117. Work has recently been undertaken within Departments, such as DWP, to investigate how existing linked data can be further exploited to improve the identification of migrant histories, including improved identification of emigration from the UK.<sup>142</sup>

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137 Ev 212

138 *Improvements to Migration and Population Statistics*- Update, National Statistics, [www.statistics.gov.uk](http://www.statistics.gov.uk)

139 Ev 209

140 *Improvements to Migration and Population*, National Statistics, [www.statistics.gov.uk](http://www.statistics.gov.uk)

141 Ev 209–212

142 House of Lords, Economic Affairs Committee, First Report of Session 2007–08, *The Economic Impact of Immigration*, HL 82-I

## E-Borders programme

118. The aim of the e-Borders programme is to transform the UK's border control to ensure greater security, effectiveness, and efficiency. It intends to use the "latest electronic technology" to provide a way of collecting and analysing information on everyone who travels to or from the United Kingdom. Other technologies, particularly biometrics, will ensure people can be identified securely and effectively.<sup>143</sup>

119. The UK Border Agency is responsible for delivering the e-Borders programme, and is doing so with the support of the police and HM Revenue & Customs. Information will be gathered on all travellers, passengers and crew entering or leaving the country by air, sea or rail.

120. The Home Office e-Borders programme aims to establish a modernised, intelligence-led border control. In the long-term e-Borders will provide the best option for recording individual movements into and out of the UK and length of stay in the UK for all modes of transport. However, it will only provide information about people arriving and leaving the UK not where in the UK they will live. In so far as it is possible to link journeys into the country with journeys out for the same individual, by identifying travel patterns it is in principle possible to separately identify long-term migrants, short-term migrants (including seasonal workers) and visitors. However detailed analysis will be required to develop rules for categorising people with more complex travel patterns, for example distinguishing those who take up residence in this country for a prolonged period but make frequent trips abroad from those who reside abroad but frequently visit the UK.<sup>144</sup>

121. The ONS is responsible for statistics on international and internal migration whereas the Home Office is responsible for statistics on immigration control. The ONS has been participating fully with the Home Office in the early stages of the e-Borders procurement process to ensure that full use can be made for analysis purposes of the extensive data that should start to become available from 2009.<sup>145</sup>

122. The Bank of England noted that there was a range of other data sources available on international migration which could be of use in the construction of population data. National Insurance Numbers issued and the Workers Registration Scheme data for A8 nationals are likely to be the most useful sources. Until the arrival of e-Borders there was no obvious replacement for the IPS as the main survey used to measure migration, but given the limitations of this survey already discussed other data sources could be used as a cross-check on the plausibility of IPS based migration data.

123. The Bank noted that the main problem with the alternative data sources is that they use different definitions of a migrant to that used in the mid-year population estimates and many can only be used to measure gross inflows rather than net migration. The ONS had already carried out a review of the potential to use these administrative data sources in

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143 *How e-borders works*, Home Office, [www.homeoffice.gov.uk/](http://www.homeoffice.gov.uk/)

144 Ev 213

145 Ev 209–212

population estimates. A publication to bring together and report in a coherent manner all the statistics collected across Government on migration and migrants is also planned. The ONS also plan a migration module, as an ad hoc addition to the LFS in 2008.

124. The ONS told the Sub-Committee that,

The e-Borders programme will create a joined up modernised intelligence-led border control and security framework. Enhanced information about passengers and their movements, and its communication through the use of new technology, processes and procedures will allow Immigration Service and other agencies including Police, Customs and Excise, Security Services to work more closely together to maintain the integrity of border control, target activity against those who have no right to be in the UK and assist in the fight against terrorists and criminals.

125. E-Borders will allow the ONS to introduce pre-boarding electronic checks of all persons flying to the UK, which will let us stop known security risks travelling. It will also collect information on when people arrive and whether they leave, which will help the Home Office to stop people staying in the UK when they have no right to. Bona fide travellers will also gain from faster clearance at points of entry.<sup>146</sup>

126. The Inter-departmental Task Force on Migration Statistics was established by the ONS in 2006 to undertake much needed research into the improvements that could be made to of estimates of migration within the United Kingdom. We expect the Statistics Authority to take this work forward.

## 7 Beyond 2011

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### Population registers

127. Population registers rely on administrative records as the primary source of census-type statistics. The Sub-Committee took evidence that suggested the development of a population register within the United Kingdom could be used to provide a snapshot of the population at any time.<sup>147</sup> Professor Rhind suggested that there was

probably no better solution than to actually run something based primarily upon administrative statistics, administrative data sources, with information coming from ports about emigration and immigration, and a whole variety of other administrative data sources used to triangulate where people are and where they are moving to.<sup>148</sup>

128. He pointed out that such a method had worked extremely effectively within the Scandinavian context. It was inexpensive and provided “the linkage between population data, households, properties and also businesses gives a range of outputs that we cannot possibly match”.<sup>149</sup> The Statistics Commission suggested that the 2011 Census should be used as an opportunity to compare existing administrative data sources in parallel with the census, “an experiment to see just how the two would stack up”.<sup>150</sup>

129. The Statistics Commission noted that both statisticians and commentators within the UK had aspirations to have systems more like those in the Nordic countries; and the Statistics and Registration Service Act 2007 may facilitate some steps in that direction. The fundamentals of the Nordic model typically included:

- A long established statistical office whose public service role and independence is formally recognised in legislation.
- A reliance on registers—of population, households, addresses, businesses etc—rather than sample surveys as the basis for most of the key social and economic statistics.
- A positive relationship with the media in which the statistical office is regarded as a trusted source. The offices are mindful to avoid being the subject of news stories themselves.
- Well-developed arrangements for engagement with users of statistics and other stakeholder groups.

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147 Ev 30

148 Q 15

149 *Ibid.*

150 *Ibid.*

- Practical dominance in the field of official statistics, in the sense that few other official bodies seek to produce statistics separately from, or without the formal endorsement of, the national statistical office.
- Well developed ethical and professional codes.<sup>151</sup>

130. Mr Kelly, Head of Macroeconomic Prospects Team, HM Treasury, recognised that population registers operated effectively within Sweden but cautioned that “Sweden is quite a pliant society”. He argued that creating a population register provided no guarantee it would be accurate as it depended “on how people react to that, whether they comply with the arrangements that are in place. You cannot necessarily just transplant a population register from one country to another and expect it to produce the same degree of reliability”. He also pointed out that the United Kingdom did have a variety of registers that measured the population “albeit not comprehensive ones”. Mr Kelly concluded that “the ONS is very keen to exploit this data ... but there clearly is quite a long way to go in developing the equivalent of a population register for the UK”.<sup>152</sup>

131. A European Commission survey in Spring 2007 asked, in each of the 27 EU member states, whether the public trust official statistics.<sup>153</sup> The Netherlands, Finland and Sweden were in the top five. The UK came an uncomfortable 27th. The Statistics Commission noted that there could be “little doubt that the Nordic countries have something to which we should properly aspire”.<sup>154</sup> Professor Rhind acknowledged that “data-sharing culture in British government departments is perhaps not as good as we need it; clearly there are some confidentiality constraints, especially in the view of recent events, which we would need to get over”.<sup>155</sup>

132. The UK statistical system faces a far greater challenge in changing the methods by which it counts the population than a country such as Sweden as there is clearly a far greater requirement within the UK to build up public trust. The Statistics Commission explained that there were “numerous encampments of statistical expertise spread through central government and the devolved administrations and, until now, little central authority. Whilst we now have a statutory framework, it is looser, lighter and less easily understood than in the Nordic countries”. The Commission hoped that the new Statistics Authority would be able to exercise much greater central authority than was possible previously. The Statistics Commission recognised that the new Authority’s “statutory assessment function is a potentially stronger and more structured way to ensure standards than we have seen elsewhere”.<sup>156</sup>

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151 See [http://www.scb.se/Grupp/Omscb/kvalitetsrapport\\_eng.pdf](http://www.scb.se/Grupp/Omscb/kvalitetsrapport_eng.pdf), [http://www.stat.fi/org/etiikka/eettinenopas\\_en.pdf](http://www.stat.fi/org/etiikka/eettinenopas_en.pdf) and <http://www.cbs.nl/NR/rdonlyres/D03FE378-103F-4B54-9163-11AD55811D78/0/codeofpractice.pdf>

152 Q 107

153 Special Eurobarometer: Europeans knowledge on economical indicators, European Commission

154 *The Nordic Contrast: a paper by the Statistics Commission*, September 2007

155 Q 15

156 *The Nordic Contrast: a paper by the Statistics Commission*, September 2007

### *The international use of population registers*

133. The Statistics Commission noted that there were many benefits of linked population registers. Most dramatically, periodic Censuses could be replaced by a flow of continuously updated, and generally reliable, information about people, households and businesses, saving a great deal of money in the process. This could be supplemented where necessary with sample survey information.<sup>157</sup>

134. The National Statistician acknowledged that some Scandinavian countries used population registers instead of a census. She told the Sub-Committee that the ONS was “pursuing ideas around whether we can create registers for statistics from the existing registers that we have but the first thing to say is that there are several registers in the UK, none of them actually do the job adequately, and also we believe that to have a really reliable register for this purpose you need to have some legal backing to it”. She pointed out that in Scandinavian countries the population was legally bound to report changes of address every time they leave, and the UK did not have any administrative systems which required that as a matter of law.<sup>158</sup>

135. The Statistics Commission identified two reasons as to why the United Kingdom was not making more rapid progress towards adopting a similar approach to that used in the Nordic Countries: “One is that the task of establishing reliable population and other registers in large countries, with significant migration in and out, is likely to prove more difficult and expensive. Another is that public opinion is much less ready to accept that such registers will be in the public interest and used only in the public interest.”<sup>159</sup>

136. Professor Coleman also proposed “that existing systems should be brought together and connected with, or replaced by, a compulsory continuous population register for all UK citizens and non-UK citizen residents incorporating a unique person-number”.<sup>160</sup> Professor Coleman argued that some elements of such a system were already in place. All births in the UK (and legal immigrants) have had a birth number assigned to them through the NHS system which tracks all their medical records and follows them as they move house around the country through the computerised NHS Central Register at Southport. The National Insurance Number was a near-universal number increasingly used as a general identifier for persons over age 16, for tax and other purposes, well beyond the scope of its original intended function.<sup>161</sup>

137. The ONS has carried out research directly with some Local Authorities to evaluate local population estimates using various local and national sources of information and recently published a review of the potential use of some administrative sources in relation to making population estimates. However, the Statistics Commission suggested that more local area research, particularly to evaluate official estimates against several administrative

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157 *The Nordic Contrast: a paper by the Statistics Commission, September 2007*

158 Q 202

159 *The Nordic Contrast: a paper by the Statistics Commission, September 2007*

160 Ev 185

161 Ev 291

sources of information in the most problematic areas, should be carried out and published by government. The Commission argued that such estimates should all be produced in the same systematic way. The aim would instead be to get a better understanding of the scale, geographical variability and distribution of the problems with population and migration estimates.<sup>162</sup>

138. Professor David Martin told the Sub-Committee that “there is a clear window of opportunity surrounding the 2011 Census for cleaning and testing administrative sources and investigating their exact relationship with the census methodology for obtaining small area demographic information”.<sup>163</sup>

**139. The highly developed statistical systems within the Nordic Countries provide important examples for the UK statistical system. The development of computerised administrative records in the UK has moved on rapidly in recent years and that development looks set to continue. The Department for Work and Pensions already has an extremely powerful register of personal information. The Statistics and Registration Service Act has established a framework for conditions under which such information could be used for statistical purposes. We recommend that the Government work with the Statistics Authority to ensure that strong ethical safeguards are put in place to protect the personal information held by government departments. We further recommend that the Statistics Authority set out in response to this Report the action that the Authority will take under the powers in the Statistics and Registration Service Act to develop the Government’s administrative databases to provide a more accurate and cost effective method of monitoring the population.**

140. We recommend that the Statistics Authority establish a pilot project enabling a population register to be operated alongside the 2011 Census in order to compare the effectiveness of such a system with that of the Census.

### ***NHS registers***

141. Manchester City Council told the Sub-Committee that:

There are problems with the NHSCR data, as it is more robust for children and elderly people, as they are more likely to register with a GP. It is poor on young adults and men generally who are less likely to register with a GP, and it suffers a level of list “inflation” as a result. Also, as the data is rounded to the nearest 100 for age groups, small variations are not shown and sub-totals do not add up to totals.<sup>164</sup>

142. The City of London Corporation noted that the National Health Service Central Register (NHSCR) provided useful internal migration information but it could provide better information on the movements of international migrants within the UK. The current Register was unable to track international migrants once they had registered within

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162 Ev 35–36

163 Ev 27

164 Ev 181



the UK and subsequently moved to a different GP. The City of London Corporation stressed that “as the NHSCR in England is to be replaced with a new system in the near future, it is imperative that the Department of Health and ONS work together to ensure the opportunities offered by a new system are not lost. The retention of an international migrant registration flag in the register for a fixed period of time would prove very useful”.<sup>165</sup>

143. The ONS explained that information from patient registers was not currently used in estimating international migration. Although the first registration of those allocated a new NHS number on arrival in the country was separately identifiable, such identification was not retained when the patient registered with a second or subsequent GP. Therefore, by the time an annual snapshot was obtained, many new migrants would not be identified which would result in a systematic undercount. The ONS further argued that NHS registers were not appropriate for measuring international emigration because there was currently no incentive to de-register when leaving the country and therefore very few people did so.<sup>166</sup>

144. Professor Martin told the Sub-Committee that:

Health service data derived from GP registrations are the nearest available to whole population administrative data, and an important source of internal migration data. ...The principal difficulties identified in relation to all administrative databases are the conflict between operational and statistical requirements and the fact that the demographic information obtainable is usually very basic. This means that sources such as the GP registration lists do not currently hold any of the more useful applied (and sensitive) data which might help to address the deficiencies of existing methods.”<sup>167</sup>

**145. NHS registers provide useful but limited data on population movements. We recommend that the Statistics Authority liaise with the Department of Health on the project to replace the current National Health Service Central Register to ensure that opportunities offered by a new system for improvements in the contribution of such data to population statistics are not lost.**

## The future of the Census

146. Professor Rhind told the Sub-Committee that “Given that we know that migration data and, indeed, population census data in certain respects is not fit for all the purposes we require, it is appropriate to look around to see what other people are doing. The Statistics Commission...concluded that the traditional census, of which in some ways the British one is the most traditional of all...has almost had its day.”<sup>168</sup>

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165 Ev 1

166 Ev 208

167 Ev 27

168 Q 15

147. The ONS has argued that “there is an ongoing need for high quality census information, and that it can only be provided by a traditional census in 2011. No alternative source would provide the quality of data required... beyond 2011, if a national identity register were to be developed this might form the basis for a future Integrated Population Statistics System, which could remove the need for a census at some point”.<sup>169</sup> The ONS reported that it would be initiating a project to review the alternatives to a census for 2021.<sup>170</sup>

148. The Economic and Social Research Council noted that “some very relevant comparator countries (e.g. US, France, Netherlands, Scandinavia) have moved away from conventional census enumeration while those with more frequent censuses (e.g. Republic of Ireland, Australia, New Zealand) have not yet experienced the level of enumeration difficulty seen in the UK in 2001”.<sup>171</sup> The Demographics User Group argued that “many changes in society—more migration, daily commuting, weekly commuting, and more entry phones—make it increasingly difficult to assemble reliable and current statistics about the population using traditional methods such as voluntary sample surveys and the decennial Census ... Government should ... pursue potential new sources”.<sup>172</sup> The Statistics Commission concluded that “whatever future path is determined by Government for the UK, we believe 2011 should be the final Census of its traditional kind and planning for the longer term, at the top level of government, should start now”.<sup>173</sup>

**149. We recommend that the Statistics Authority set strategic objectives to ensure that the data gathered throughout the UK can be used to produce annual population statistics that are of a quality that will enable the 2011 Census to be the last census in the UK where the population is counted through the collection of census forms.**

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169 *The case for the 2011 Census*, National Statistics, [www.statistics.gov.uk](http://www.statistics.gov.uk)

170 Ev 219

171 Ev 140

172 Ev 21

173 Ev 34–35

## Conclusions and recommendations

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1. this Report presents our final consideration of the work of the Office for National Statistics and its effectiveness in counting the population, except insofar as they relate to our scrutiny of economic indicators. (Paragraph 7)
2. We recognise that in a period of significant population change and individual mobility meeting the requirements of users has become more complex for the Statistics Authority. The amount of population turnover, both nationally and locally has made it increasingly difficult for the current methods of counting the population to estimate the numbers of people in an area and on what basis they are there. (Paragraph 48)
3. It is accepted that population estimates are central to every national system of official statistics. They are used in statistical formulae that allocate vast sums of public money to the devolved administrations, to local government, the health service and public services. It is therefore a matter of social responsibility to ensure that population statistics are calculated accurately. (Paragraph 53)
4. The provision of accurate information about how many people are present within the country and where they are located is essential to effective policy-making and the effective delivery of services. Society is becoming more mobile and the information held electronically about events, persons and services by government agencies and other bodies has substantially increased. We require the Statistics Authority in response to this Report to set out the steps it will take to utilise and better link data held by the Government and by local government in order to provide a more accurate picture of the population within this country. (Paragraph 62)
5. The International Passenger Survey was designed to provide data primarily for tourism and business travel purposes. It is now called upon to play a central role in estimating international migration. It is clear from the evidence we have received that the Survey is not fit for this new purpose. We recommend that the Statistics Authority replace the International Passenger Survey with a new Survey that is more comprehensive and more suited to the accurate measurement of international movements affecting the size of the resident population of the United Kingdom. (Paragraph 67)
6. Based on the evidence we have received, it is evident that there are substantial problems in generating accurate population estimates in some Local Authority areas. The current methods of estimating internal migration are unsatisfactory and lead to decisions on the allocation of funding to Local Authorities being based on inadequate information. The Statistics Authority should establish as an immediate priority the provision of local population statistics that more accurately reflects the full range of information available about local populations and the effects of internal migration. (Paragraph 71)
7. Official mid-year population estimates, based on the 'usually resident' definition of population, do not include short-term migrants. Such estimates do not fully meet the

needs of Local Authorities and commercial users who are also interested in, for example, short-term migrants as well as day-time and week-day populations. We recommend that the Statistics Authority investigate the feasibility of producing population estimates based on different measures of population, such as estimates which include short-term migrants and estimates which include the day-time population of Local Authorities. (Paragraph 83)

8. We are seriously concerned about the reliability and validity of ONS estimates of short-term international migrants. Evidence from administrative data sources such as the National Insurance Number register suggests the ONS estimates do not reflect the scale of short-term migration in England and Wales. We recommend that the Statistics Authority examine the feasibility of producing estimates of short-term migration at sub-national level, using the successor to the International Passenger Survey that we recommended earlier and a greater range of administrative data. (Paragraph 84)
9. We further recommend that the Statistics Authority continue the ONS's work with Local Authorities and carries out a series of case studies to identify alternative administrative data sources. These include the National Insurance Number register, GP lists, other health service lists, council tax records, and various registers on children and school children. Although we recognise that different areas have different problems associated with counting the population and administrative registers, we recommend that the Statistics Authority produce a best practice guide. (Paragraph 85)
10. The evidence we received highlighted the importance of funding a fourth page for the Census. Following our inquiry it was announced the extra £25 million need to finance this page would be provided through cross-government funding and we welcome this development. (Paragraph 89)
11. We note that the Government has failed to make any progress in establishing an address register for the 2011 Census. We heard repeated references to the necessity of establishing the register yet were surprised to hear that no business case had been published. We recommend that such a case is prepared engaging all potential beneficiaries. It is unclear whether leadership weakness, lack of legislative means or the financial obligations of the trading fund status have contributed most to the failure. We recommend that the Government consult the Statistics Authority and others to remove any outstanding obstacles to the production of an address register. (Paragraph 95)
12. We remain concerned that the personal information gathered through the 2011 Census could be subject to the United States Patriot Act and therefore we ask the Government to take clear legal advice and advice from the US State Department and to publish it in response to this Report. (Paragraph 106)
13. The highly developed statistical systems within the Nordic Countries provide important examples for the UK statistical system. The development of computerised administrative records in the UK has moved on rapidly in recent years and that development looks set to continue. The Department for Work and Pensions already

has an extremely powerful register of personal information. The Statistics and Registration Service Act has established a framework for conditions under which such information could be used for statistical purposes. We recommend that the Government work with the Statistics Authority to ensure that strong ethical safeguards are put in place to protect the personal information held by government departments. We further recommend that the Statistics Authority set out in response to this Report the action that the Authority will take under the powers in the Statistics and Registration Service Act to develop the Government's administrative databases to provide a more accurate and cost effective method of monitoring the population. (Paragraph 139)

14. We recommend that the Statistics Authority establish a pilot project enabling a population register to be operated alongside the 2011 Census in order to compare the effectiveness of such a system with that of the Census. (Paragraph 140)
15. NHS registers provide useful but limited data on population movements. We recommend that the Statistics Authority liaise with the Department of Health on the project to replace the current National Health Service Central Register to ensure that opportunities offered by a new system for improvements in the contribution of such data to population statistics are not lost. (Paragraph 145)
16. We recommend that the Statistics Authority set strategic objectives to ensure that the data gathered throughout the UK can be used to produce annual population statistics that are of a quality that will enable the 2011 Census to be the last census in the UK where the population is counted through the collection of census forms. (Paragraph 149)

## Formal minutes of the Treasury Sub-Committee

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**Wednesday 14 May 2008**

Members present

Mr Michael Fallon, in the Chair

Nick Ainger  
Ms Sally Keeble  
John McFall

John Thurso  
Mr Mark Todd

### *Counting the population*

Draft Report (*Counting the population*), proposed by the Chairman, brought up and read.

*Ordered*, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 83 read and agreed to.

Paragraph 84 read, amended and agreed to.

Paragraph 85 to 94 read and agreed to.

Paragraph 95 read, amended and agreed to.

Paragraphs 96 to 149 read and agreed to.

Summary read, amended and agreed to.

*Resolved*, That the Report, as amended, be the Second Report of the Sub-Committee to the Committee.

*Ordered*, That the Chairman make the Report to the Committee.

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[Adjourned till a date and time to be fixed by the Chairman

# Formal minutes of the Treasury Committee

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**Wednesday 14 May 2008**

Members present

John McFall, in the Chair

Nick Ainger

Mr Michael Fallon

Ms Sally Keeble

John Thurso

Mr Mark Todd

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## ***Counting the population***

Draft Report from the Sub-Committee (*Counting the population*), brought up and read.

*Ordered*, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 149 read and agreed to.

Summary read and agreed to.

*Resolved*, That the Report be the Eleventh Report of the Committee to the House.

*Ordered*, That the Chairman make the Report to the House.

*Ordered*, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134 (Select committees (reports)).

Written evidence was ordered to be reported to the House for printing with the Report.

[Adjourned till Tuesday 20 May at 9.30 am.]

## Witnesses

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### Wednesday 16 January 2008

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**Mr Keith Dugmore**, Demographic Decisions, **Professor David Rhind**, Statistics Commission, and **Professor David Martin**, Royal Statistical Society Ev 222

### Wednesday 23 January 2008

**Mr Charlie Bean**, Chief Economist, and **Mr Neal Hatch**, Head of the Structural Economic Analysis Division within Monetary Analysis, Bank of England, **Mr Christopher Kelly**, Head of Macroeconomic Prospects Team, and **Mr James Richardson**, Head of Home and Legal Team, Her Majesty's Treasury Ev 236

**Sir Simon Milton**, Chairman, Local Government Association, **Mr Andrew Blake-Herbert**, Strategic Director of Finance and Policy, Slough Borough Council, **Mr Mike Curtis**, Director of Finance, Islington Council, **Mr John Bradley**, National Census Co-ordinator, Manchester City Council, and **Mr Geoff Sanford**, Director of Finance and Information, NHS Newham Primary Care Trust Ev 246

### Monday 28 January 2008

**Ms Karen Dunnell**, National Statistician and Registrar General for England and Wales; **Ms Jill Matheson**, Director, Census Demography and Regional Statistics Office, Office for National Statistics; and **Sir Michael Scholar**, Chair, The Statistics Board Ev 254

### Wednesday 6 February 2008

**Angela Eagle, MP**, Exchequer Secretary to the Treasury Ev 269

## List of written evidence

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1	HM Treasury	Ev 280
2	London Borough of Newham	Ev 280
3	Office for National Statistics	Ev 282
4	Exchequer Secretary to the Treasury	Ev 288
5	Bank of England	Ev 289
6	Mr Philip Redfern	Ev 293, 294, 295



# List of Reports from the Treasury Committee during the current Parliament

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## Session 2007–08

First Report	The 2007 Comprehensive Spending Review	HC 55
Second Report	The 2007 Pre-Budget Report	HC 54
Third Report	The Work of the Committee in 2007	HC 230
Fourth Report	Climate change and the Stern Review: the implications for Treasury policy	HC 231
Fifth Report	The run on the Rock	HC 56
Sixth Report	Financial Stability and Transparency	HC 371
Seventh Report	Administration and expenditure of the Chancellor's departments, 2006–07	HC 57
Eighth Report	Re-appointment of Dr Andrew Sentance to the Monetary Policy Committee	HC 454
Ninth Report	The 2008 Budget	HC 430
Tenth Report	Re-appointment of Mervyn King as Governor of the Bank of England	HC 524

## Session 2006–07

First Report	Financial inclusion: the roles of the Government and the FSA, and financial capability	HC 53
Second Report	The 2006 Pre-Budget Report	HC 115
Third Report	Work of the Committee in 2005–06	HC 191
Fourth Report	Are you covered? Travel insurance and its regulation	HC 50
Fifth Report	The 2007 Budget	HC 389
Sixth Report	The 2007 Comprehensive Spending Review: prospects and processes	HC 279

Seventh Report	The Monetary Policy of the Bank of England: re-appointment hearing for Ms Kate Barker and Mr Charlie Bean	HC 569
Eighth Report	Progress on the efficiency programme in the Chancellor's department	HC 483
Ninth Report	Appointment of the Chair of the Statistics Board	HC 934
Tenth Report	Private equity	HC 567
Eleventh Report	Unclaimed assets within the financial system	HC 533
Twelfth Report	The Monetary Policy Committee of the Bank of England: ten years on	HC 299
Thirteenth Report	Financial inclusion follow-up: saving for all and shorter term saving products	HC 504
Fourteenth Report	Globalisation: prospects and policy responses	HC 90

### Session 2005–06

First Report	The Monetary Policy Committee of the Bank of England: appointment hearings	HC 525
Second Report	The 2005 Pre-Budget Report	HC 739
Third Report	The Monetary Policy Committee of the Bank of England: appointment hearing for Sir John Gieve	HC 861
Fourth Report	The 2006 Budget	HC 994
Fifth Report	The design of a National Pension Savings Scheme and the role of financial services regulation	HC 1074
Sixth Report	The administration of tax credits	HC 811
Seventh Report	European financial services regulation	HC 778
Eighth Report	Bank of England Monetary Policy Committee: appointment hearing for Professor David Blanchflower	HC 1121
Ninth Report	Globalisation: the role of the IMF	HC 875
Tenth Report	Independence for statistics	HC 1111
Eleventh Report	The Monetary Policy Committee of the Bank of England: appointment hearings for Professor Tim Besley and Dr Andrew Sentance	HC 1595

Twelfth Report	Financial inclusion: credit, savings, advice and insurance	HC 848
Thirteenth Report	“Banking the unbanked”: banking services, the Post Office Card Account, and financial inclusion	HC 1717

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