Working Party on National Accounts

COMMUNICATION OF INFLATION STATISTICS IN THE UK

JOINT MEETING

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COMMUNICATION OF INFLATION STATISTICS IN THE UK

By Chris Lines

ABSTRACT

Inflation is one of the most closely followed sets of economic statistics in the UK due to its ‘real-world’ implications. It is also a good example of how ONS has started to change the approaches it uses to better communicate with a range of audiences.

This paper focuses on how the introduction of two new inflation measures, with a lack of a clear accompanying communication strategy, resulted in user confusion. ONS learned from this, and an ongoing second review has been underpinned by better planned engagement with journalists and users to understand their needs and to better communicate how inflation measures are being developed and how the different measures compare.

It also considers how digital channels have been developed to help users access and understand statistics such as inflation. A new website has built on the contributions of over 600 individuals and 80 organisations, and visual content been effectively used to inform our users about how inflation is measured.

A more structured approach to communication, alongside the better use of digital platforms to inform a range of users, is now contributing to increased understanding of inflation. The lessons from this can be applied to many other areas of statistics.

1. BACKGROUND

1.1 Developments in inflation statistics

Inflation statistics are of significant interest to policy-makers, businesses and researchers. The ‘real world’ implications of inflation – its impact on wages, benefits, pensions, and rail fares – mean they are also of great interest to the general public. Eight of the top ten most popular searches on the ONS website are for keywords related to the measurement of inflation.

In recent years inflation statistics have been the focus of significant development work. The resulting changes have also been followed closely, and at times have proven contentious. A new method for collecting clothing prices introduced in 2010 led to a widening of the gap between the Consumer Prices Index (CPI) and the Retail Prices Index (RPI) due to the ‘formula effect’ (see Figure 1).

Further investigations concluded that the Carli formula used in the RPI was flawed. In 2013 a review by the then National Statistician concluded that, largely due to the implications for RPI-linked gilts and pensions, rather than change the RPI, a new index based on the RPI but using the Jevons formula should be

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1 This paper has been jointly prepared by Danny Langley (User Insight and Engagement), Chris Lines (Head of Communications), Andrew Dudfield (Digital Publishing) and Luke Croydon (Media Relations).
introduced – the RPIJ. In March 2013 the UK Statistics Authority (UKSA) removed the National Statistics designation from the RPI as a result of the shortcomings identified.

Figure 1: Growth in formula effect (orange) from 2010. MIPS = Mortgage Interest Payments, included in the RPI but not the CPI.

Alongside the review of the RPI, the ONS sought to address a known shortcoming of the CPI, namely the lack of coverage of housing costs faced by owner-occupiers. As the CPI (as the UK version of the Harmonised Index of Consumer Prices) is bound by international regulations, ONS was not able to unilaterally change the measure’s coverage.

So in early 2013 the ONS launched another measure: the CPIH. However, concerns about the data used to calculate the owner-occupiers’ housing costs element of the CPIH via the rental equivalence method resulted in the measure losing its National Statistics designation in 2014.

The introduction of two new measures was not accompanied by a clear communication strategy. As a result, although the introduction of each measure was perhaps justifiable in its own right, the end effect was that many users and the general public became less secure in their understanding of inflation in the UK. There was also significant scope for improvement in how the inflation statistics themselves – and ONS statistically generally – were made available to users. Although ONS launched a new website in 2011, it drew significant criticism from users.

Since mid-2013, a new process has been underway to provide users with greater clarity about the future of inflation statistics in the UK. In recognition of the communication challenges it faces generally, over the past couple of years ONS has also focused on developing new channels and methods for communicating and engaging with its users, many of which have been applied to inflation.

1.2 Users of inflation statistics

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2 The CPI also uses the Jevons formula instead of the Carli.

3 Consumer Prices Index, including Owner Occupiers’ Housing Costs.
The rest of this paper will, taking inflation as a case study, consider how ONS was communicating statistics – both the numbers themselves and changes being introduced - prior to mid-2013 and what issues emerged. It will then look at recent work to develop new channels and approaches before considering how these are being applied to the communication of inflation statistics. It will then set out what further plans ONS has to develop the way it communicates with users before drawing some general conclusions applicable to all areas of official statistics.

Before doing so, however, it is useful to sketch out the complex and varied user landscape to illustrate the breadth of stakeholders with an interest in inflation statistics and the number of uses it is put to.

The UK Central Government is a key user of inflation statistics in a number of areas. HM Treasury sets the Bank of England an inflation target (currently 2% as measured by the CPI) and also increases various duties by a measure of inflation⁴. Inflation statistics are also used by the Department for Transport to regulate rail fares and by the Department for Work and Pensions in setting pension and benefit increases.

Regulated industries – such as water, telecommunications, gas and electricity – are close followers of inflation as these are used by economic regulators to limit price rises. Pensioners and pension providers as well as employers and employees (and trade unions) take a close interest as inflation either directly or indirectly influences changes in pension payments and wages. It is also important to financial markets as UK Government gilts are linked to the RPI.

More generally, there are a large number of users in the private sector and local government who have signed commercial contracts which reference inflation as a means of ensuring the value of services provided are kept constant in real terms.

For many of the above reasons, many members of the general public take a close interest as it affects their pay, benefits and pensions, and the cost of services such as rail journeys and mobile phone contracts. More generally, it is important to people as an indicator of the changing amount of goods and services they can buy with their money and how the value of any investments and savings they hold is changing over time. Partly because of this, journalists – especially those with an interest in business and finance – also closely follow inflation, with ONS monthly inflation releases almost always reported in the media as soon as they are published.

In addition to those with a practical interest in inflation, there is a significant body of users with more of an academic interest in inflation issues. This includes the Royal Statistical Society and Members of the RPI/CPI User Group.

2. COMMUNICATION CHANNELS AND INFLATION BEFORE MAY 2013

2.1 User engagement

In regards to user engagement, the ONS’ attention has often been focused to a large extent on Central Government departments. The organisation’s insight into its users was correspondingly narrow, with little understanding of who made use of ONS statistics outside of UK Government despite introduction of a consumer satisfaction survey to try and gather insight from a broader pool of users.

Due in large part to the level of external interest, the ONS’ user engagement around inflation statistics – and its understanding of how they were used – has always been relatively advanced. Nonetheless,

⁴ As of September 2016, the RPI.
insufficient engagement most likely contributed to the issues with the 2012 consultation on the RPI. The strength of feeling against reforming the RPI was overwhelming, with over 80% of consultation responses opposed and there was adverse media coverage. More initial engagement with users may have made this clearer beforehand and afforded ONS the opportunity to either modify its proposals or invest more time in proactively addressing user concerns. For example, many users seemed convinced that the ONS was committed to changing the RPI, which resulted in some alarm that could have been soothed in advance. In the end, the strength of publically expressed opposition to change led to the abandonment of proposals to change the RPI and the introduction of the RPIJ – an option not even envisaged in the initial consultation document. This in turn caused a shock to financial markets, as bond holders had assumed ONS would make changes to the RPI.

A lack of sufficiently comprehensive engagement around the CPIH has also been identified by the UK Statistics Authority. Although unrelated to the original reason for the loss of CPIH’s National Statistics status, the Authority’s latest assessment report for the CPIH concluded that users had not been sufficiently engaged, were not sufficiently informed, and therefore lacked confidence in the measure. More thorough user engagement was therefore stipulated as one of the requirements ONS needed to meet before CPIH could regain its National Statistics status.

2.2 Media relations

Media relations in this period – as far as communicating developments in inflation is concerned – were characterised by reluctance at the top level of the organisation to actively engage with the media. There was limited engagement with journalists prior to the final announcement on the future of the RPI. As a result journalists assumed that ONS was committed to changing the RPI and wrote up the subsequent decision to leave the RPI unreformed as a climb-down, damaging ONS reputation and creating uncertainty among users about ONS’ ultimate intentions. Although journalists were briefed on the day – including a pre-market ‘lock-in’ for the news wires followed by a briefing session for print journalists – a reluctance to engage with broadcast media sacrificed an opportunity for ONS to clearly explain its position to a wider audience.

In terms of the introduction of the CPIH, this was announced to the media as an entirely separate topic. As the media was the principal channel through which users and the general public were informed about the developments, the two developments were therefore communicated separately to external audiences as well. By releasing information to the media and users on the CPIH in isolation, the result was that the new measure’s introduction received very little attention compared to the fate of the RPI, a measure that the media were familiar with and that had greater real-world importance. Where media and the users did pick up both, it would have been unclear how the two developments related, even though they clearly formed part of the same area of statistics.

The lack of effective media engagement around pre-2014 changes to consumer price statistics therefore showed up both strategic and tactical shortcomings. On the strategic front, there was a clear opportunity to tell a coherent, overarching story about where inflation statistics were heading that would have helped users understand the changes and put them in their proper context, but this was not exploited. Instead, the introduction of two new measures around the same time in the absence of a co-ordinated plan and narrative simply resulted in confusion and an underwhelming reception for the CPIH. On the tactical front, refusing to properly engage with all sections of the media (and in particular broadcast journalists) denied ONS the chance to tell its story to a broad audience and insufficient early engagement with users resulted in a public backlash against the proposals that could have been mitigated in advance.

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5 As of September 2016, the CPIH continues without National Statistics status, with the next review by the UK Statistics Authority regulation committee due to take place in October 2016.
2.3 Digital channels

The ONS website during this period was built using technology that was placing constraints on the way that information could be displayed. Subsequently, many users expressed frustrations with the ease with which they could navigate the website and find the data they needed. It was the subject of much national debate, memorably being called a 'national embarrassment' in the Financial Times. In May 2013 the Parliamentary Administration Select Committee reported that “the Office for National Statistics website makes figures hard to find and statistics are often presented in a confusing way”. Clearly there was significant scope for improvement.

The previous website was used to raise general awareness about inflation statistics, including through use of infographics which explained changes in the basket of goods. With respect to other digital channels, ONS launched its successful Twitter account - now with a total of 240,000 followers and 121,000 tweets - in 2010.6 Therefore ONS had already begun to exploit the opportunities offered by digital channels to better engage users, although there was still more to be done to use these channels to their full potential.

3. DEVELOPING NEW APPROACHES

The areas identified where ONS could have improved the way it communicated inflation prior to mid-2013 – the need for a more joined-up communications and engagement strategy, the need for a clearer narrative, and the need for greater user insight and active engagement with the media and non-Government stakeholders – were not unique to this area of statistics. Indeed, although in recent years ONS has worked hard to develop new and improved communications channels and approaches, these challenges have not been entirely overcome.

Many of the issues were summarised in the Independent Review of Economic Statistics led by Sir Charles Bean. The final report (published March 2016) suggested ONS needs to be better attuned to user needs, more intellectually curious about how its outputs are used, and have better mechanisms in place to gather user insight and feedback.

Although the Bean Review gave greater impetus to ONS’ plans to transform, much work was already underway, including efforts to expand and improve the communications channels the organisation employs to engage with its users.

3.1 User engagement

Around the same time as the publication of the Bean Review, ONS began work on a new stakeholder insight and engagement strategy to address these and other issues and recruited additional resource to support the organisation in its stakeholder engagement work.

The new strategy is intended to move the organisation away from focusing on a bureaucratic set of processes focused largely on a few key Government users, and towards an approach that focuses on the key issues that are important to ONS and its users and which therefore have the greatest potential impact on the organisation’s reputation (see Figure 2). These identified priority issues are to be supported by engagement plans that draw on the methods developed by the Government Communications Service (GCS), resulting in more professional and targeted engagement activity that is supported by clear objectives, a more sophisticated understanding of the different audiences, and more targeted methods and activities.

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6 Approximate figures correct as of 28 September 2016.
For user engagement to be successful, it must be underpinned by robust insight. The new strategy therefore committed to a wholesale review of the key accounts and customer satisfaction survey processes. The key accounts process will be reformed to ensure that it covers all of ONS’ most important users – not just Government users – and that ONS is engaged with the right individuals to help it fully understand user requirements. The customer satisfaction survey will be changed to better fit in with ONS’ business planning processes so that user needs are taken into better consideration when ONS is setting its own priorities and workplans.

Improved user insight is critical to ensuring that ONS’ user engagement is appropriately targeted. Understanding who users are, what they employ ONS statistics for, and what their opinions and aims are means that ONS will be better able to determine the most appropriate ways to communicate with them and craft messages that are most likely to resonate with them.

3.2 ONS Economic Forum

In 2014, ONS launched the ONS Economic Forum, a regular series of events aimed at City analysts and financial journalists. This provides an opportunity for ONS to engage directly with users of economic statistics outside of the Government and provides attendees with the opportunity to directly ask ONS statisticians and economists questions relating to official statistics.

Recognising that users of economic statistics are not solely based in London, in 2016 the ONS Economic Forum was expanded to include events elsewhere in the UK. To date, the ONS Economic Forum has taken place in Cardiff, Edinburgh, Manchester and Belfast, with further events planned to take place in 2016 in Birmingham and York.

Key to the success of the events outside of London has been recognising that different audiences have different interests and tailoring content accordingly. A valuable aid to this has been using established
contacts in each locality – or identifying knew contacts if needed – and using their greater understanding of local user needs and interests to shape the event agendas.

### 3.3 Media relations

In the past couple of years, leadership changes at the top of the organisation – including the appointment of a new National Statistician and two new Director Generals – have resulted in a cultural shift regarding media relations (and communications more generally). The current leadership team are much more appreciative of the importance of effective, proactive media engagement as a means for ONS to tell its story and defend its reputation. As a result, the ONS has become more open to the media and thus able to exploit opportunities to reach a wider audience.

### 3.4 Digital channels

In recent years the web has undergone a remarkable transformation. The web is now full of digital services and products: a rich tapestry of transactional, social and mobile products and services, full of data. Across the public and private sector, much of the future success of organisations depends on the ability to adapt to this change and exploit new opportunities.

To help exploit these opportunities and address strong criticisms of the previous website, in 2014 ONS began the process of developing a new website. Extensive user research took place, gathering input from around 600 individuals and 80 organisations, and there was also a public Beta phase.

Understanding users’ needs was about more than just asking them what they want. A user-centric approach to web development involved creating and maintaining a deeper understanding of users’ lives and their information requirements. Existing analysis informed the start of the development of the ONS website and identified three broad user personas for ONS outputs, each with particular needs as shown in Box 1.

**Box 1: Three broad personas and their needs**

<table>
<thead>
<tr>
<th>The Persona</th>
<th>The Challenge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expert Analysts</td>
<td>Make it simple and straightforward to find and re-find specific datasets</td>
</tr>
<tr>
<td>Information Foragers</td>
<td>Provide related (and cumulative) data in one place to reduce the need for piecemeal research or over-dependence on search</td>
</tr>
<tr>
<td>Inquiring Citizens</td>
<td>Provide content to engage and educate that is relevant to key issues in the news</td>
</tr>
</tbody>
</table>

The needs of the above personas informed both the build of the website and how products on the website would be structured in three ‘layers’. These layers provide the platform from which to grow a new digital product portfolio. Key content drivers (timing, audience) mean different production approaches were needed to produce content across these layers as shown in Box 2.

Following extensive user testing, the new website was launched on 25 February 2016.
A further development of digital channels was the launch of Visual.ONS. Launched in 2015 as a Beta website, Visual.ONS is a new website exploring new approaches to making ONS statistics accessible and relevant to a wide public audience, including through new visualisations and explainers to help the general public better understand key issues and concepts in statistics and economics.

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Box 2: Different production approaches to address content across different layers

<table>
<thead>
<tr>
<th>Layer</th>
<th>Content</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td><strong>CORE DATA PRODUCT</strong>&lt;br&gt;Statistical datasets and associated metadata, available as downloadable files or via an ONS Web Application Programming Interface (API). Additionally, some ‘at-a-glance’ exploratory data interface applications (‘dashboards’) might form a direct, repeating interface to this layer.</td>
</tr>
<tr>
<td>2</td>
<td><strong>FIRST RELEASE COMMENTARY</strong>&lt;br&gt;The first opportunity for ONS statisticians to comment on key patterns and policy relevance of newly-released data. Currently the role of the Statistical Bulletin, this normally occurs on the day of release of the data but this does not need to be necessarily always the case.</td>
</tr>
<tr>
<td>3</td>
<td><strong>‘INSIGHT’ PRODUCTS</strong>&lt;br&gt;Collections of content that unlock valuable insight for all users. These might include, for example:&lt;br&gt;• <strong>Topical products</strong> - relating ONS data to the current news agenda&lt;br&gt;• <strong>In-depth analysis</strong> - relating ONS data to key social and economic policy issues&lt;br&gt;• ‘Cross-cutting’ products – compendia and other products relating ONS data from different areas into composite products for particular user groups&lt;br&gt;• <strong>Geographical products</strong> - geography provides a key layer of context for many users and so regional/local analyses will form an important part of the insight layer&lt;br&gt;• <strong>Explainer products</strong> - accessible introductions to key concepts of ONS data and how it is produced&lt;br&gt;• <strong>Social media products</strong> - promotional and marketing content to advertise ONS data and gain outreach in the marketplace</td>
</tr>
</tbody>
</table>

4. PUTTING NEW APPROACHES INTO PRACTICES

In May 2013, the UKSA Chair Sir Andrew Dilnot asked Paul Johnson of the Institute for Fiscal Studies to conduct a further review of consumer price statistics. The aim of this was to produce a clear direction of travel based on a robust understanding of user needs, with a view to bringing far greater clarity for users than previous reviews had done.
The Johnson Review was subsequently published in January 2015. The Johnson Review made a number of recommendations, including moving to the CPIH as a main measure of inflation, discontinuing the RPIJ, and publishing the minimum of required data on the RPI. The current National Statistician (appointed in 2014) considered the review’s recommendations along with other user views and, in the summer of 2015, launched a consultation on the way forward.

In March 2016, the National Statistician wrote to Sir Andrew Dilnot outlining his current thinking. The letter, published online, made clear his view that in due course the CPIH should become the ONS’ preferred measure of inflation. However, since the CPIH had not yet regained its National Statistics designation, the National Statistician undertook to provide a further update later in the year once more progress has been made towards its redesignation.7

The process is still ongoing. However, the publication of the National Statistician’s letter and activities both immediately before and after it provide a good example of how new approaches are being put into practice. The rest of this section looks at how this was communicated, and also considers how the launch of a new website and use of social media have also improved the general communication of inflation statistics. Crucial to the success of the activities described below was a collaborative approach, with statisticians and communications professionals working closely together at each stage to ensure that decision making, communications planning and the overall strategy were considered together.

4.1 User engagement

Following a separate review of the governance of consumer price statistics by Professor Sir Adrian Smith, in June 2015 the UKSA announced the formation of two independent advisory panels on consumer price statistics. One panel comprises technical experts on the measurement of inflation, and the other comprises key users of consumer price statistics. The panels were set up to ensure ONS and the UKSA were better advised on issues relating to consumer prices. In particular, the separating out of technical experts and users meant that the views and needs of users were not lost amongst too narrow a focus on purely conceptual and methodological matters.

In contrast to the previous consultations, the process launched in 2015 gathered user views on consumer price statistics as a whole body of statistics. In total 83 responses were received, and this information both informed the National Statistician’s response to the consultation and fed into communications planning.

In the run up to both the publication of the Johnson Review and the National Statistician’s letter, ONS and UKSA colleagues worked together to produce a comprehensive picture of key users and stakeholders. The users were then subsequently segmented (see Figure 3) and their needs and views analysed. This allowed consideration of how each group was likely to respond to what was being proposed, tailor key messages accordingly, and plan what early engagement might be needed.

Figure 3: User segmentation for consumer price statistics

7 As of 28 September 2016 this update has not yet been published.
In the run up to the National Statistician’s letter, although users were segmented to a detailed level, most groups were targeted in a relatively straightforward way. Key influencers and decision-makers were targeted for face to face meetings, as were partners such as the Debt Management Office who could help ensure the announcement reached as many participants in the market for RPI-linked gilts as possible. Most of the other users, such as pension funds, trade unions, and academics, were picked up via an extensive mailing list. A single communication was sent to all identified users (including key influencers and decision makers, who had already been briefed in advance) which contained a set of messages that attempted to address these groups’ divergent views and interests.

Following publication of the National Statistician’s letter it was recognised that further work was needed to engage users ahead of any final decision. Additional work was conducted to identify the key audiences and influencers and plan how they could be reached. Rather than relying on a simple binary distinction between key stakeholders who required face to face meetings and ‘other’ users who could be covered off via email, a more sophisticated engagement strategy was developed which identified the most effective and appropriate channels for reaching different groups.

For example, it was identified that, if ONS wants to engage with companies in regulated industries, then it could seek to attend the UK Regulators Network conference. Similarly, rather than trying to reach pension funds or businesses individually, potential intermediaries such as membership bodies were identified and contact made to offer briefings and explore ways of engaging their members further.

Expert users continue to be engaged through a mixture of events such as the ONS Economic Forum and posts on Stats User Net – an online forum. Other stakeholders, such as HM Treasury and the Bank of England, continue to be targeted largely through meetings. Articles provided to the press and visual material for social media are under development to help ONS reach the general public and explain what
CPIH is and why ONS intends to make it the preferred measure of inflation. ONS has also identified consumer bodies that may provide additional means to reach the general public.

Tailoring communication channels more specifically to audience has allowed for better tailoring of audience messages. Expert users can be targeted with more detailed methodological arguments about why the CPIH is the best inflation measure, whereas groups such as Trade Unions can be targeted more with information about how a single headline measure of inflation can help guard against so-called ‘index shopping’. Pension funds can be forewarned of the shortcomings of the RPI, a topic of significant interest and importance to them, and channels aimed more at the inquiring citizen can focus more on the basics of what the CPIH is and how it a good choice for a headline inflation measure.

Although not all of these planned activities have yet been implemented, this is an ongoing piece of engagement work that is raising user awareness of the CPIH and ONS’ other proposals in the area of consumer prices, and laying the groundwork for further announcements in the near future to finalise the proposals set out in the National Statistician’s letter in March 2016.

4.2 Media relations

At the time of the publication of the National Statistician’s letter in March 2016, ONS spoke directly to a range of key national print and broadcast economic and personal finance journalists to explain the flaws in the RPI, and why the CPIH was a good index for a variety of uses. This led to positive coverage of ONS’ planned changes, as well as significantly increased understanding of the difference between ONS’s various measures. The press coverage generated made abundantly clear that the CPIH is the measure which ONS intends to be its preferred way of measuring inflation, effectively addressing lingering uncertainty about the future of inflation left from previous rounds of reviews and announcements. Once the CPIH regains its National Statistics status and becomes the headline measure of inflation, ONS has further plans to engage with journalists, including seeking broadcast covering to further raise the public’s awareness of the measure.

4.3 Digital channels

Digital channels have been put to good use to raise public understanding of inflation. The new Visual.ONS platform has also been used more recently to educate inquiring citizens about inflation. In July 2016 an interactive tool was published online which allowed users to explore various changes to the basket of goods used to calculate inflation over the past 80 years.

The new website, launched in February 2016, has also made it easier for users to access inflation data. Although the latest inflation statistics appeared on the front page of the previous ONS website also, on the new website they are more prominent and accompanied by a graph showing the historical trend. This provides a direct link through to the time series with an interactive graph and direct access to downloads of the relevant datasets. Although further work remains, ONS has received praise from previously critical users about the improved ease of navigating the website.

5. FUTURE DEVELOPMENTS IN ONS COMMUNICATIONS

5.1 User engagement

Although the new Stakeholder Insight and Engagement Strategy (see Annex A) is already shaping how ONS approaches user engagement, implementation is still underway. Areas for focus in the coming months include the procurement and implementation of a Customer Relationship Management (CRM) system to allow the organisation to better collate and share information about – and track contact with –
key users, a wholesale review of how user feedback is collected annually, and the development of plans to build user engagement capability across the organisation.

5.2 Media relations

Future plans for ONS’ media relations functions include investing in new equipment in its Newport and Titchfield offices to allow for live broadcast. This will allow ONS to more easily engage with a range of media outlets by having facilities to take part in live interviews and broadcasts, including at short notice, as well as broadcast content live over social media channels such as Twitter.

5.3 Bulletin improvements

A further forthcoming development to help user’s better access and understand ONS statistics is a series of changes to how statistical bulletins are written and released. A review in early 2016 found that on average statistical bulletins were 44 pages in length. A further issue was identified related to the publication schedule. It was observed that new information is not always being presented in a completely joined up way. An economic indicator can be published on one day that gives a certain impression of the UK’s economic performance, only for another indicator to be published shortly thereafter that gives a different impression. Users, in particular Government users, had on occasion commented negatively on this.

These practices have created a situation where there are a large number of commentators and media outlets reacting to our releases with the same discrete burst nature. It is not clear, therefore, that the current model of publishing economic statistics supports coherent public discussion and debate about the economy in the best way possible.

ONS has therefore decided, from January 2017, to improve its economic commentary and provision of economic data by making statistical bulletins shorter but more insightful (4 pages rather than 44), grouping related releases together on six ‘theme days’ and publishing an overarching economic narrative on each theme day that takes a holistic view of all the new data published.

Before confirming the changes, ONS engaged with a number of users – including the media and attendees at an ONS Economic Forum event – to ensure that user needs would continue to be met. It was recognised in advance that publishing data later in the month would be detrimental to user needs, and as a result publication dates generally came forward rather than backwards. As a result, users widely welcomed the changes.

5.4 Digital channels

A corporate blog is under development to give ONS a new online platform to reach its stakeholders. A content plan will be put in place to make sure the new blog is used as effectively as possible to boost ONS’ reputation and engage users by sharing innovative new ideas and ways of producing statistics.

ONS has published a public roadmap for planned development of the new website. In the coming months it is looking to improve the performance, security and scalability of the platform while making iterative improvements to the audience-facing web experience and adding in the support for local area and multivariate data.

This last point is key and is ONS' top website development priority for the year. It will mean moving from offering a static serving of bulletins and compendia to a geographically tailored offering that means information provided can be put in a much more meaningful context for each user.
ONS is also choosing to invest time in significantly improving its chart experience, as many ONS users are very enthusiastic about charts. Key areas of focus are around better support across devices and the simple need to support more chart types.

There are also plans to develop some much more substantial support around the Application Programming Interface and include sample applications and code libraries to help ensure technically-minded users are more able to use ONS information in the ways they wish.

6. CONCLUSIONS

The three crucial elements behind the improvement in how inflation developments over the past few years have been communicated are:

- a more strategic and joined-up approach to communications (accompanied by clear and coherent messaging)
- better understanding and segmentation of audiences and
- a much greater willingness to actively engage with the media.

By bringing the different policy questions relating to the future of different inflation measures together and speaking to users about them in their proper context, ONS has been much better able to tell a clear story about future plans and tackle user confusion. Engaging with the media more proactively has allowed this story to reach a wider audience, and better user insight and segmentation has ensured the story can be pitched more effectively to a diverse range of audiences.

These lessons can clearly be applied to all areas of statistics. By starting with the user in mind and considering carefully what their needs are, based on robust evidence, National Statistics Institutes can put themselves in a much better position to effectively anticipate and meet the challenges of communicating potential controversial developments.

Understanding user needs is not just important to communicating large developments in statistical products, however. By engaging with a range of users on both its new website and its changes to statistical bulletins, ONS has been able to improve how it routinely communicates the latest data based on what it knows users want and value from statistical outputs.

Statistics are a public good, and it is also important to not lose sight of the value of raising the general public’s awareness of statistics that can help them make decisions or better understand the world around them. Digital channels are central to enabling National Statistics Institutes to better connect with inquiring citizens, and ONS’ development of a new website and creative use of social media channels are clear examples of how this can be advanced.
Annex A – Stakeholder Insight and Engagement Strategy

Stakeholder Insight and Engagement Strategy

Introduction

1. This paper sets out a Stakeholder Insight and Engagement Strategy for the UKSA, GSS and ONS.

2. The strategy is the first element of a corporate communications strategy which is being developed to address all elements of corporate communications including internal communications, media and digital communications.

3. It is a single strategy for the UK statistics system because all parts of the system share the same stakeholders. However, because each part has a different role, each engages with a different purpose: the UKSA, to improve the oversight and regulation of statistics; and the GSS and ONS, to improve their provision.

4. When the paper refers to the UKSA, it is referring primarily to its regulatory role and that of the independent regulatory office. There is an issue of identity and branding here which needs to be clarified.

5. For the purposes of this paper the following definitions are used:
   i. A stakeholder is an individual who has a direct stake in the development, provision and regulation of a specified set of statistics.
   ii. Stakeholders are a sub set of users who are individuals who use statistics directly from source e.g. from the ONS website, or indirectly e.g. via the media.

The challenge

6. Better Statistics, Better Decisions, the Strategy for UK statistics, states that, “building stronger relationships will enable us to be more helpful and intuitive in responding to the needs of our stakeholders.”

7. Professor Sir Charles Bean’s Review of Economic Statistics recommended that:
   i. “ONS should take action to ensure the primary objective of statistical producers is to meet user needs, by encouraging staff to: understand better how their statistics are used; … collaborate with users and experts…”
   ii. “While building up the capability of its operation in Newport, ONS should also increase its London profile in order to facilitate stronger engagement with users of economic statistics, as well as expanding its engagement with users across the rest of the UK.”

8. One of the drivers of the Regulation Business Plan for 2016/17 is to “improve our engagement and raise our profile with our stakeholders.”

9. The Key Account system is a narrow, unreliable, transactional and bureaucratic means of the ONS managing relationships with major organisations, mainly government departments. It does not adequately provide insight into policy making or encourage focussed engagement with the most appropriate people.
10. The ONS Customer Satisfaction Survey is an unreliable means of assessing stakeholder satisfaction because it does not distinguish between stakeholders of different levels of influence and interest.

11. Engagement activity is spread thinly and, in the case of digital channels, minimally, across the breadth of UKSA and GSS interests, reflecting a very large number of stakeholders.

Objectives

12. The delivery of this strategy will contribute to the UKSA, GSS and ONS strategic objectives to:
   i. Inform decision making.
   ii. Support democratic debate.
   iii. Improve communication.

13. The communications objectives of this strategy are to:
   i. Improve stakeholder satisfaction levels.
   ii. Improve the reputation rating of the UKSA, ONS and GSS statisticians.
   iii. Increase the number of recommendations and endorsements of UKSA, GSS and ONS work.

Audience insight

14. Stakeholders should be segmented as follows:
   i. Policy makers
      • UK ministers, SPADs and senior civil servants
      • Devolved Administration ministers, SPADs and senior civil servants
      • Mayors and local government cabinet members, political advisers and senior officials
      • OECD, EU and UN leaders and senior officials

   Contact with policy makers is infrequent at best, rarely planned and therefore often reactive. At a devolved and local level contact is rarer still. Policy makers’ views of the UKSA, GSS and ONS are often anecdotal and occasionally critical. With the exception of the Bean Review’s examination of stakeholder views on economic statistics and the Treasury and Bank of England Key Account assessments, senior views are not collected systematically.

   Policy makers are unlikely to be interested in members of the statistics system and it may not occur to them that we can help with their challenges.

   ii. Policy influencers
      • Politicians
      • Members of think tanks and interest groups
      • Academics
      • Commentators and senior journalists
      • Business leaders
      • Public service leaders
      • Third sector leaders

   Contact with policy influencers is infrequent, occasionally planned and often reactive. Their views, where known, are occasionally critical.
Policy influencers are more likely to see statistics outputs but may not see the need or benefit of engaging with the statistics community.

They also provide an essential channel for us to reach all UK citizens.

iii. Scrutinisers of the statistical system
- Parliamentary committees and scrutiny committees
- RSS leaders
- International bodies e.g. Eurostat, international NSIs
- Statistics bloggers, journalists and commentators
- Academics
- Information Commissioner
- Digital bloggers, journalists and commentators
- GDS members
- Open data campaigners
- Privacy campaigners

Contact with scrutinisers is more frequent but rarely planned. They can be very supportive of statistical work but also can be critical. Their views are not collected systematically.

iv. Partners
- Funders
- Survey responders
- Providers of administrative data
- Syndicators and aggregators
- Academics and other innovators

Contact with partners is usually transactional and business focused. Their satisfaction levels and view of providers is not known.

Strategy

15. This strategy seeks to take our stakeholders (see 12 above) on the journey set out in Appendix A to achieve the above objectives (see 10 and 11 above).

16. Corporate narratives for the UKSA, including its regulatory office, and GSS, including ONS, need to be developed which emphasise the role of being helpful to the policy making agenda and providing statistics to meet user needs. These narratives need to be woven into all we do and say.

17. Stakeholder engagement activity should be built into the business planning process and timetable. This will ensure that the UKSA, its regulatory office, GSS and ONS place stakeholder needs at the heart of their business. It will also support a joined up approach and enhance corporate communication. The priority issues (see 19(i)) should be identified as part of an annual period of engagement with stakeholders and staff feeding into the business plan.

18. Stakeholder voices need to be heard in UKSA, GSS and ONS governance structures. The UKSA Board is considering a high level stakeholder forum, as recommended by the Bean Review. In addition to the National Statistician’s advisory committees, there is a proposal to establish an Economic Advisory Council and a series of action groups to tackle cross-cutting areas of known user need.
19. To overcome the challenge and to achieve the aims and objectives described above, the focus of stakeholder engagement should be targeted on the issues which have the potential to make or break the reputation of the UKSA, its regulatory office, GSS and ONS. To do this, requires the following actions:

i. Identification of priority issues.

ii. Identification of individuals with a stake in that issue and mapping of their interests and influence in policy making and scrutinising.

iii. Identification of the rooms we need to be in, the tables we need to be sitting at, the conferences we need to address, events we need to organise and networks we need to participate in.

iv. Identification of other channels for reaching stakeholders e.g. the media, social media and stakeholder media.

v. Identification of the key UKSA (including its regulatory office) and GSS (including ONS) players – the people with the most appropriate knowledge and contacts - who can best engage and influence these individuals; taking into account the different interests of the UKSA as regulator, monitor and assessor; and GSS as provider.

vi. Development of the capability of these players so they have the listening, communication, digital, political and presentation skills to engage effectively.

vii. Development and implementation of two contact programmes on this issue, one for the regulator and one for the providers, which seek to engage the identified individuals.

viii. Support for the contact programmes with a narrative, briefing and presentation materials.

ix. Monitoring of the contact programmes for quality and frequency of interaction and for ‘movement’ of stakeholder position.

20. The ONS Key Account system should be revamped and streamlined so that it:

i. Covers all significant stakeholder organisations.

ii. Focuses on building relationships with the senior policy makers and influencers in each organisation.

iii. Assists with opening doors and coordinated contact through one senior leader ‘holding the ring’ in the relationship.

iv. Replaces the annual assessment process with a monthly, calibrated self-assessment of the state of ONS relationship with the senior policy makers and influencers in each organisation.

21. A light-touch contact relationship management system should be introduced and managed to:

i. Maintain and manage an up to date list of stakeholders.

ii. Segment stakeholders by interest and influence.

iii. Track contact with stakeholders.

iv. Monitor what they are doing and their priorities.

v. Monitor what they say about the UKSA, including its regulatory office, and GSS bodies, including the ONS.

vi. Bring together all user data (feedback from meetings and conversations, Freedom of Information requests, complaints, PQs and parliamentary debates, ad-hoc requests, media and social media comment, consultation responses and user research and testing)

vii. Report on contact quality and frequency.
22. The Customer Satisfaction Survey should be relaunched as an annual Business Planning Survey timed to feed information into the business planning process. It should include questions about satisfaction with elements of the statistics systems as well as stakeholder business needs and issues. It should be structured so that information can be gathered by audience segment, sector and issue.

23. The UKSA, including its regulatory office, and GSS, including the ONS, should be developed as listening organisations in which feedback mechanisms are built into all elements of contact with stakeholders:
   i. By request at meetings.
   ii. In feedback surveys following events.
   iii. By comment in response to releases, publications and other website content.
   iv. Via social media and other digital channels and networks.

24. Other, deeper and more qualitative forms of understanding stakeholder views, such as commissioning independent researchers to carry out in-depth interviews should be considered.

25. There should be a monthly report, to inform and sit alongside Key Account monthly assessments (see 20 (iv) above), which identify themes and sentiment raised in all feedback (see 21 above)).

26. The Stakeholder Engagement Team in the ONS Communications Division should be recast as the User Intelligence and Engagement Team. Its focus will be to work with UKSA communications and public affairs staff and stakeholder communications and public affairs staff to manage the delivery of this strategy.

Evaluation

27. It is difficult to gauge the views of the most senior policy makers and influencers and this will be a challenge to evaluating the effectiveness of this strategy.

28. The framework in Appendix B will be used to evaluate delivery of this strategy. The focus will be on assessing the impact of UKSA and GSS work on policy making and on the satisfaction of stakeholders with UKSA, GSS and ONS work.
This sets out the journey we want our audiences to take as a result of our communication activity:

<table>
<thead>
<tr>
<th>Audience</th>
<th>Think</th>
<th>Feel</th>
<th>Do</th>
<th>How</th>
</tr>
</thead>
</table>
| Policy makers     | • GSS/ONS has the expertise and knowledge to help address policy challenges.  
                   • UKSA has the expertise and knowledge to ensure statistics are of the best possible standard. | • UKSA and the GSS/ONS are helpful, innovative, professional, capable and efficient. | • Engage GSS/ONS early in policy making.  
                   • Act on the information provided.  
                   • Engage the UKSA on issues of quality and regulation.  
                   • Advocate for and recommend GSS/ONS. | • Contact on the issues that matter by the appropriate person at the appropriate time and at the appropriate meetings and events. |
| Policy influencers| • GSS/ONS has the expertise and knowledge to help address policy challenges.  
                   • UKSA has the expertise and knowledge to ensure statistics are of the best possible standard. | • UKSA and the GSS/ONS are helpful, innovative, professional, capable and efficient. | • Engage GSS/ONS early in policy debate.  
                   • Act on the information provided.  
                   • Engage the UKSA on issues of quality and regulation.  
                   • Advocate for and recommend GSS/ONS. | • Contact on the issues that matter by the appropriate person at the appropriate time and at the appropriate meetings and events. |
| Scrutinisers      | • GSS/ONS has the expertise and knowledge to help address statistical and policy challenges.  
                   • UKSA has the expertise and knowledge to ensure statistics are of the best possible standard. | • UKSA and the GSS/ONS are helpful, innovative, professional, capable and efficient. | • Engage GSS/ONS early in debate about the provision of statistics.  
                   • Engage the UKSA on issues of quality and regulation.  
                   • Advocate for and recommend GSS/ONS. | • Contact on the issues that matter by the appropriate person at the appropriate time and at the appropriate meetings and events. |
| Partners          | • GSS/ONS has the expertise and knowledge to help address policy challenges.  
                   • UKSA has the expertise and knowledge to ensure statistics are of the best possible standard. | • UKSA and the GSS/ONS are helpful, innovative, professional, capable and efficient. | • Respond to surveys and requests for data. | • Contact on the issues that matter by the appropriate person at the appropriate time and at the appropriate meetings and events. |
Appendix B – Evaluation

This is the framework for evaluating implementation of this strategy:

<table>
<thead>
<tr>
<th>Inputs</th>
<th>Outputs</th>
<th>Outtakes</th>
<th>Outcomes</th>
<th>Organisational Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Development of a plan</td>
<td>• Target audience reach (at meetings, events, conferences and via other channels)</td>
<td>• Awareness levels of the UKSA, its regulatory office, GSS and ONS</td>
<td>• Improve stakeholder satisfaction levels.</td>
<td>• Informed decision making</td>
</tr>
<tr>
<td>• Development of a corporate narrative</td>
<td></td>
<td>• Sentiment and tone of communication</td>
<td>• Improve the reputation rating of the UKSA, its regulatory office, ONS and GSS statisticians.</td>
<td>• Supported democratic debate</td>
</tr>
<tr>
<td>• Issue prioritisation</td>
<td></td>
<td>• Purpose recognition</td>
<td>• Increase the number of recommendations and endorsements of UKSA, its regulatory office, GSS and ONS work.</td>
<td>• Improved communication</td>
</tr>
<tr>
<td>• Stakeholder mapping</td>
<td></td>
<td>• Audience engagement</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>