
Chair of the UK Statistics Authority, Andrew Dilnot CBE

Nicola Smith
Trades Union Congress
Congress House
Great Russell Street
LONDON
WC1B 3LS

9 May 2013

Dear Ms Smith

STATISTICS ABOUT THE BENEFIT CAP

Thank you for your letter dated 15 April 2013 regarding the publication of official statistics about the benefit cap and related statements made by Ministers and Department for Work and Pensions officials. We have reviewed two DWP releases of statistics published on 12 April – *Ad-hoc statistics on households identified as potentially impacted by the benefit cap* and *Ad-hoc statistics on JobCentre Plus activity regarding claimants who have been identified as potentially impacted by the benefit cap*.¹ We have also reviewed various ministerial statements and media coverage before and after the publication of these statistics.

We have concluded that the statement attributed to the Secretary of State for Work and Pensions that ‘Already we’ve seen 8,000 people who would have been affected by the cap move into jobs. This clearly demonstrates that the cap is having the desired impact’², is unsupported by the official statistics published by the Department on 15 April. The release *Ad-hoc statistics on JobCentre Plus activity*, from which the 8,000 figure appears to be drawn, explicitly states that the figures are ‘not intended to show the *additional* numbers entering work as a direct result of the contact’. The release *Ad-hoc statistics on households identified* points out a number of policy changes that occurred between the publication of the 56,000 and 40,000 numbers, as well as caseload changes ‘due to normal caseload churn, reducing those potentially in scope for the cap’. It further notes:

“Once policy changes and methodological improvements have been accounted for, this figure [the revised estimate of the number of households that will be impacted - 40,000] has been

¹ (1) http://statistics.dwp.gov.uk/asd/asd1/adhoc_analysis/2013/Ben_Cap_Updated_Estimate.pdf (accessible via http://statistics.dwp.gov.uk/asd/index.php?page=adhoc_analysis) and (2) <http://www.dwp.gov.uk/docs/benefit-cap-statistical-data.pdf> (accessible via <http://www.dwp.gov.uk/adviser/> > More Updates > Benefit cap)

² <http://www.dailymail.co.uk/news/article-2308159/16-000-fewer-households-affected-benefits-cap-500-half-jobs-rest-moved-cheaper-houses.html>;

calculated in a consistent way as that [figure] in the impact assessment [56,000], both assume no behavioural change.”

We have also reviewed the extent to which the two DWP statistical releases comply with the Code of Practice for Official Statistics. I have written separately to the Secretary of State about these matters, and a copy of my letter is enclosed.

Yours sincerely

A handwritten signature in black ink, appearing to read "Andrew Dilnot". The signature is written in a cursive style with some loops and flourishes.

Andrew Dilnot CBE

Chair of the UK Statistics Authority, Andrew Dilnot CBE

Rt. Hon. Iain Duncan Smith MP
Secretary of State for Work and Pensions
Department for Work and Pensions
Caxton House
Tothill Street
LONDON
SW1H 9DA

9 May 2013

Dear Secretary of State

DEPARTMENT FOR WORK AND PENSIONS STATISTICS

I have today replied to a letter from Nicola Smith at the Trades Union Congress regarding the recent publication of statistics about the benefit cap, and a copy of my reply is attached.

We have also considered the two short statistical reports published on 12 April against the criteria that the Statistics Authority has published for identifying material that should be regarded as official statistics and published in accordance with the Code of Practice for Official Statistics.¹ These criteria are in essence that the statistics are used publicly in support of policy, or otherwise are seen to be of public significance. Clearly, the statistics in question qualify on both grounds.

In the manner and form published, the statistics do not comply fully with the principles of the Code of Practice, particularly in respect of accessibility to the sources of the data, information about the methodology and quality of the statistics, and the suggestion that the statistics were shared with the media in advance of their publication.

In March, when considering a complaint about the handling of statistics on child support, I was told that senior DWP officials had reiterated to their staff the seriousness of their obligations under the Code of Practice and that departmental procedures would be reviewed.² The Board of the Statistics Authority would welcome further assurance that the working arrangements within the department give sufficient weight to the professional role and public responsibilities of statisticians.

¹ <http://www.statisticsauthority.gov.uk/news/statement---management-information-and-research-data-as-official-statistics---21032011.pdf>

² <http://www.statisticsauthority.gov.uk/reports---correspondence/correspondence/letter-from-andrew-dilnot-to-janet-allbeson-gingerbread-14032013.pdf>

I am copying this to Dame Anne Begg MP, Chair of the House of Commons Work and Pensions Select Committee; Bernard Jenkin MP, Chair of the Public Administration Select Committee; Sir Jeremy Heywood, Cabinet Secretary; Robert Devereux, DWP Permanent Secretary; and to Jil Matheson, the National Statistician.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Andrew Dilnot'. The signature is written in a cursive, slightly slanted style.

Andrew Dilnot CBE