

This document relates to the Pre-release Access to Official Statistics (Scotland) Bill (SP Bill 81) as introduced in the Scottish Parliament on 8 September 2020

Pre-release Access to Official Statistics (Scotland) Bill

Financial Memorandum

Introduction

1. As required under Rule 9.3.2 of the Parliament's Standing Orders, this Financial Memorandum is published to accompany the Pre-release Access to Official Statistics (Scotland) Bill, introduced in the Scottish Parliament on 8 September 2020. It has been prepared by Scottish Parliament officials on behalf of the Economy, Energy and Fair Work Committee, whose convener (Gordon Lindhurst MSP) introduced the Bill.
2. The following other accompanying documents are published separately:
 - statements on legislative competence by the Presiding Officer and the member who introduced the Bill (SP Bill 81–LC);
 - Explanatory Notes (SP Bill 81–EN).¹

Background

3. Pre-release access (PRA) is the practice of making official statistics, and the written commentary that accompanies them, available to ministers and their advisers prior to publication.

¹ A Policy Memorandum is not required for a Committee Bill and one has not been prepared on this occasion. The policy is set out in the Economy, Energy and Fair Work Committee's 7th Report, 2019 (Session 5), *Pre-release access – Committee Bill proposal report* (SP Paper 553), available at: <https://sp-bpr-en-prod-cdnep.azureedge.net/published/EEFW/2019/6/6/Pre-release-Access---Committee-Bill-proposal-report/EJFWS052019R07.pdf>

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4. The Committee's view is that statistics are a public asset and as such should be available on the basis of equal access and earliest possible publication. Accordingly, the Bill aims to minimise the opportunity to make policy statements from advance sight of unpublished statistics.

5. The Bill amends the existing statutory regime for pre-release access (PRA) that is set out in the Statistics and Registration Service Act 2007 and in the Pre-release Access to Official Statistics (Scotland) Order 2008 in the following respects:

- after a year, reducing (from one working day to 4 hours) the PRA limit for two specific categories of economic statistics (Gross Domestic Product and Retail Sales Index for Scotland), and then, after a further year, prohibiting PRA for such statistics altogether;
- requiring an independent review of the impact of that reduction and removal;
- the reduction from five working days to one of the PRA limit for other economic statistics.

6. The costs to which the provisions of the Bill is expected to give rise relate solely to the second strand, the independent review.

7. The purpose of the review is to assess the impact of the reduction and then the removal of PRA for GDP and retail sales. The Bill requires the outcome of the review to be laid before the Parliament. If a recommendation of the review is that PRA for GDP and retail sales should be possible, Ministers would then have the option of further amending the statutory PRA regime so as to make such PRA permissible again.

Costs on the Scottish administration

8. The cost of an independent review of the reduction and then removal of PRA for GDP and retail sales statistics will depend on the individual or organisation appointed to undertake the review, and on the time and parameters required of that piece of work.

9. It is challenging to find comparative figures from a similar undertaking. However, one Scottish Government example that is in the public domain concerns the Review of the Regulation of Legal Services. In that case, the

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reviewer chaired a 12-strong review panel which met 12 times over a 15-month period. The costs² were detailed as follows:

- The total cost of the review to the publication date of the report on 23 October 2018 totalled £56,550.61. This was broken down as follows:
 - Review costs: £34,836.41. This included expenses and fees incurred by the Chair, panel members' expenses and costs incurred in relation to stakeholder engagement;
 - Research costs: £19,092.20;
 - Publication costs: £2,622.00.

10. It is anticipated that the cost of the review of removing PRA for two sets of economic data will amount to a tiny fraction of that figure. The time, for example, to undertake the work could be expected to be counted in days and at most weeks rather than in months. It is not anticipated that an advisory panel would be needed, nor a public consultation (although no doubt the reviewer would wish to consult to some extent with relevant stakeholders).

11. At the other end of the scale, research commissioned by the Committee during its inquiry into economic statistics cost only around £1,500 and required around 3.5 days' work by a consultant (together with some time by a research assistant).

12. Looking at the cost from a consultancy basis, again fees are not always transparent or consistent across sectors and disciplines, and according to Consultancy UK:

“... there is relatively little publicly available information on the fees and rates charged by consultants. What is known, though, is that rates can widely differ, from an hourly rate of £50 per hour for an interim consultant working on an operational level to £300 or more per hour for a consultant from a leading strategy consulting firm.”³

13. Taking an hourly rate of say £150 and projecting a week of work (37 hours) to undertake and complete the review, the total costs would come to

²<https://www2.gov.scot/About/Review/Regulation-Legal-Services>

³<https://www.consultancy.uk/consulting-industry/fees-rates>

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£5,550. Publication costs would need to be added to that, but these need not be as much as the £2,622 listed for the Review of the Regulation of Legal Services. Taking these points together, an overall figure somewhere around £6,000-£7,000 can be arrived at.

14. As noted above, should the independent review recommend that PRA for GDP and retail sales statistics should be possible after all, Ministers would then have the option of further amending the PRA regime (by subordinate legislation) to reinstate an appropriate PRA limit for those statistics. There would be a modest cost associated with making any such subordinate legislation. No estimate for that cost has been included here, however, as it is not a cost directly attributable to the Bill – given that such a recommendation is only one possible outcome from the review and that, even if such a recommendation is made, it would remain entirely a policy choice for Ministers whether to act on it.

15. The only other area of cost anticipated to arise from the Bill would be the Scottish Government's need to issue revised internal guidance for those officials and statisticians working in the specific areas where PRA is to be removed and/or reduced. However, such costs are expected to be modest, and capable of being absorbed within existing budgets.

Costs on local authorities

16. There are no cost implications for local authorities.

Costs on other bodies, individuals and businesses

17. There are no cost implication for other bodies, individuals or businesses.

Timeframe

18. On the assumption that the Bill is passed before the end of March 2021, it would likely come into force in May 2021, meaning that the independent review would need to be commissioned by May 2024. Assuming that the review could be completed within a few months, the associated costs on the Scottish Administration would be incurred in the financial year 2024-25. Other costs associated with the Bill (see paragraph 15) would likely be incurred in financial year 2021-22.

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