



Institute
and Faculty
of Actuaries

Changes to ONS Products 2015

IFoA response to the Office for National Statistics

8 February 2016

About the Institute and Faculty of Actuaries

The Institute and Faculty of Actuaries is the chartered professional body for actuaries in the United Kingdom. A rigorous examination system is supported by a programme of continuous professional development and a professional code of conduct supports high standards, reflecting the significant role of the Profession in society.

Actuaries' training is founded on mathematical and statistical techniques used in insurance, pension fund management and investment and then builds the management skills associated with the application of these techniques. The training includes the derivation and application of 'mortality tables' used to assess probabilities of death or survival. It also includes the financial mathematics of interest and risk associated with different investment vehicles – from simple deposits through to complex stock market derivatives.

Actuaries provide commercial, financial and prudential advice on the management of a business' assets and liabilities, especially where long term management and planning are critical to the success of any business venture. A majority of actuaries work for insurance companies or pension funds – either as their direct employees or in firms which undertake work on a consultancy basis – but they also advise individuals and offer comment on social and public interest issues. Members of the profession have a statutory role in the supervision of pension funds and life insurance companies as well as a statutory role to provide actuarial opinions for managing agents at Lloyd's.



Office for National Statistics
Government Buildings
Cardiff Road
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NP10 8XG

8 February 2016

Dear Sirs

IFoA response to consultation on changes to ONS Products 2015

1. The Institute and Faculty of Actuaries (IFoA) is the UK membership body for actuaries. As a learned society, one of our main objectives is to promote and support a wide range of research and knowledge exchange activities. This response has been led by members of our Mortality Research Sub-committee who are active users of ONS data. Actuaries use those ONS products that provide insight on population longevity, morbidity and mortality, as these are crucial for actuarial work in the insurance and pensions industry. We have therefore limited our response to those areas.

Changes to ONS publications

Question 1: Would a change in operating model as described above meet your requirements or make things more difficult?

2. We would anticipate the impact of this proposal to be low. The source data, along with a succinct summary, are more important than the bulletins.

Question 2: Do you use any of the ONS primary, single source, releases listed at Annex A (which may be subject to this change in model)?

3. Actuarial research uses a number of the sources listed in Annex A that are relevant for measures of longevity, morbidity and mortality.

Question 3: What would the impact be if we were to publish source data, metadata and headlines for these outputs rather than a formal statistical bulletin as in the current model? (Please describe and indicate High, Medium or Low impact)

4. As with question 1, we would anticipate the impact of this proposal to be low. The source data, along with a succinct summary, are more important than the bulletins.

Changes to social surveys

Question 5: What would the impact be if we made the following changes to the Wealth and Assets Survey (WAS)? (Please describe and indicate High, Medium or Low impact)

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We may reduce the costs of the survey by having a lower or no incentive for respondents to complete the survey and/or reductions in sample size.

5. A reduced sample size would have a medium impact.

The current sample size of around 20,000 households is large, compared to surveys conducted by other countries, so may cut the sample by up to 20%, including through better targeting the survey. There would be a greater risk to the quality of the results and the level of analysis as the sample size decreases.

6. As above a reduced sample size would have a medium impact.

Question 6: What would the impact be if we made the following changes to the International Passenger Survey (IPS)? (Please describe and indicate High, Medium or Low impact)

We may exclude some ports and airports from our survey sample if it has little or no impact on our migration statistics.

7. This proposal would have a low impact; however, the ability to use the data for more detailed modelling for pandemic risk could be affected.

We may change the times when passengers are interviewed at ports and airports so that they are conducted at the times with greatest passenger variations. This will help us to reduce the amount of staff time spent conducting interviews, while maintaining quality at the national level.

8. This proposal would also have a low impact; again, the ability to use the data for more detailed modelling for pandemic risk could again be affected.

Changes to business surveys

9. Whilst socioeconomic factors are linked to longevity, mortality and morbidity research these sources of data have less direct relevance, and therefore, the impact of changes to these surveys would be low..

Producing statistics less frequently

Question 16: Would a reduction in the frequency of national and sub-national population projections cause a difficulty for your Department or organisation?

10. Changing the frequency of these projections from once every two years to once every three years would not be too disruptive for most research purposes. Additionally, this product is mainly used to validate rather than derive assumptions. Therefore, we would anticipate the impact of this change to be low.

Stopping products and services

Question 20: Which of the statistics listed at Annex B are essential to your work or the work of your organisation?

11. The IFoA uses a number of those statistics which fall under the headings:
 - Health and Social Care
 - People and Places
 - Population

These are listed as high impact below, in response to question 21.

**Question 21: What would the impact be if we stopped producing the statistics you use?
(Please describe and indicate High, Medium or Low impact)**

12. The assumptions that are used for longevity, mortality and morbidity are often validated and in some cases to derived from ONS statistics. These assumptions are crucial for financial analysis of pension provision, life insurance and health and social care financial product design. Therefore the removal of these statistics would both disrupt current services and impede future innovation. We have set out below where the impact of stopping statistics would have a high, medium or low impact:

High

2. Health and Social Care

- 2.1. Alcohol-related Deaths in the United Kingdom – Annual
- 2.2. Avoidable Mortality in England and Wales – Annual
- 2.3. Cancer Survival in England – Annual
- 2.4. Childhood Cancer Survival in England – Experimental
- 2.5. Childhood, Infant and Perinatal Mortality in England and Wales – Annual
- 2.9. Excess Winter Mortality in England and Wales – Annual release
- 2.10. Geographic Patterns of Cancer Survival in England – Annual
- 2.12. Health Expectancies at Birth and at Age 65 by NS-SEC and Area Deprivation
- 2.13. Health Expectancies at Birth and at age 65 in the United Kingdom – Ad hoc
- 2.15. Index of Cancer Survival for Clinical Commissioning Groups in England – Annual
- 2.16. Inequality in Healthy Life Expectancy at Birth by National Deciles of Area Deprivation – Annual
- 2.17. Monthly Deaths – Monthly
- 2.18. Mortality Statistics: Deaths Registered by Area of Usual Residence – Annual
- 2.19. Mortality Statistics: Deaths Registered in England and Wales – Annual
- 2.21. Social Inequalities in Alcohol-related Adult Mortality by National Statistics Socio-economic Classification – Annual
- 2.23. Suicide in the United Kingdom – Annual
- 2.24. Trends in Life Expectancy by the National Statistics Socio-economic Classification – Every 5 years
- 2.26. Vital Statistics: Population and Health Reference Tables - Annual
- 2.27. Weekly Provisional Figures on Deaths Registered in England and Wales – Weekly

5. Population

- 5.7. Civil Partnerships – Annual
- 5.8. Clinical Commissioning Group Mid-year Population Estimates for England (Experimental Statistics) – Annual
- 5.9. Decennial Life Tables
- 5.10. Divorces in England and Wales – Annual
- 5.11. Families and Households in the UK – Annual
- 5.12. Life Expectancy at Birth and at Age 65 by Local Areas in England and Wales – Annual
- 5.13. Migration Indicators for Local Authorities in England and Wales (Experimental Statistics) – Annual
- 5.18. Period and Cohort Life Expectancy Tables – Biennial
- 5.19. Population Estimates by Marital Status and Living Arrangements – England and Wales – Annual
- 5.20. Short-term Migration Estimates: Local Authorities – Annual
- 5.24. UK/non-UK Fertility

Medium

2. Health and Social Care

- 2.6. Conceptions in England and Wales – Annual

4. People and Places

- 4.1. Integrated Household Survey Dataset - Annual
- 4.2. Wealth in Great Britain – Every 18 months

5. Population

- 5.1. Ageing in the UK – Ad hoc
- 5.3. Birth Cohort Tables for Infant Deaths – Annual
- 5.4. Births by Parents' Characteristics – Annual
- 5.5. Births by Area of Usual Residence of Mother, UK – Annual
- 5.6. Childbearing of Women Born in Different Years – Annual
- 5.15. Overseas Travel and Tourism (Monthly) – Monthly
- 5.16. Overseas Travel and Tourism (Quarterly) – Quarterly
- 5.22. Travel Trends – Annual
- 5.23. Travelpac – Quarterly
- 5.26. Young Adults Living with Parents – Ad hoc

Low

2. Health and Social Care

- 2.7. Deaths Related to Drug Poisoning in England and Wales – Annual
- 2.8. Disability-free Life Expectancy for Upper Tier Local Authorities, England – Annual
- 2.11. Gestation-specific Infant Mortality in England and Wales – Annual
- 2.14. Healthy Life Expectancy at Birth by Upper Tier Local Authority, England – Annual
- 2.20. Parents' Country of Birth – Annual
- 2.22. Social Inequalities in Fatal Childhood Accidents and Assaults: England and Wales – Annual
- 2.25. Unexplained Deaths in Infancy, England and Wales – Annual

5. Population

- 5.2. Baby names in England and Wales – Annual
- 5.14. National Park Mid-year Population Estimates for England and Wales (Experimental Statistics) – Annual
- 5.17. Parliamentary Constituency Mid-year Population Estimates for England and Wales (Experimental Statistics) – Annual
- 5.21. Super Output Area Mid-year Population Estimates for England and Wales – Annual
- 5.25. Ward Mid-year Population Estimates for England and Wales (Experimental) (also includes Census Area Statistics (CAS) wards) – Annual

Should you wish to discuss any of the points raised in further detail please contact Rebecca Deegan, Policy Analyst (rebecca.deegan@actuaries.org.uk / 02076322125) in the first instance.

Yours sincerely,



Colin Wilson
President-elect, Institute and Faculty of Actuaries