



**SELECT COMMITTEE
OF
TYNWALD COURT
OFFICIAL REPORT**

**RECORTYS OIKOIL
BING ER-LHEH TINVAAL**

**PROCEEDINGS
DAALTYN**

Poverty

HANSARD

Douglas, Wednesday, 17th April 2019

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Members Present:

Chairman: Hon. J P Watterson SHK
Miss T M August-Hanson MLC
Mr J R Moorhouse MHK

Clerk:

Mrs J Corkish

Assistant Clerk:

Ms N Lowney

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Select Committee of Tynwald on Poverty

*The Committee sat in public at 10.30 a.m.
in the Legislative Council Chamber,
Legislative Buildings, Douglas*

[MR SPEAKER *in the Chair*]

Procedural

The Chairman (Mr Speaker): Welcome to this public meeting of the Select Committee of Tynwald on Poverty. My name is Juan Watterson, Speaker of the House of Keys and I chair this Committee. With me are Miss Tanya August-Hanson MLC and Mr Jason Moorhouse MHK.

If we could ensure that our mobile phones are on silent or off so that we do not have any interruptions; and, for the purposes of *Hansard*, I will be ensuring that we do not have two people speaking at once.

This is the first stage of our inquiry and we have invited you here today because we would like to talk about definitions of poverty and the data available to help us understand the position on the Isle of Man. We are also interested in finding out more about the work of the Council of Ministers' Social Policy Sub-Committee on Cold, Hunger and Homelessness.

EVIDENCE OF

**Hon. Chris Thomas MHK, Minister for Policy and Reform,
and Mr Adam Smith, Head of Economic Affairs, Cabinet Office**

Q195. The Chairman: Minister Thomas and Mr Smith, welcome to the Committee. Minister, would you care to make an opening statement?

The Minister: Would you like me to?

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The Chairman: If you would like to.

The Minister: A brief one, then.

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The Chairman: Go on, then.

The Minister: Thank you, Mr Speaker and Committee Members.

On behalf of the Council of Ministers I would like to take this opportunity to place on record our appreciation for the way that the Committee is tackling this important social issue. I note your terms of reference and do not hesitate to go beyond what you have specified as being your areas of interest – because obviously as Chair of the Council of Ministers' Social Policy and Children's Committee and as a member of the other important Council of Ministers' Legislation Sub-Committee's National Strategy Group, and also the Environment and Infrastructure which also relates to this, and also as Chair of the Manx National Development Forum which is the

25

30 body that brings together the business community, the third sector and Government – I would
be pleased to try to help you in any of your investigations.

Basically, the thing that I think I wanted you to hear as a Committee, straight up front, is that
there were nine months that really were important for this Government and I hope for this
Tynwald – depending on your conclusions, of course – and I think will end up being important
35 for the whole Island. Those nine months were the period between July and April 2016-17 when
we had the General Election and we put together a five-year Programme for Government,
because that Programme for Government and that election I think are transformational and are
important aspects of public policy that affect your inquiry.

So, for instance, the last Government had this idea of just growing the economy. The last
40 year, 2015-16, it did not grow in GDP terms, but a number of us were making the point from
2014 onwards that growing the economy had to be for a purpose and the purpose surely had to
be to benefit the people of the Isle of Man. So there was talk of making the growth more useful
and to making the growth more inclusive. What happened in the period July to April 2016-17
45 was that we came out with a new strategic objective for Government in that area which was ‘An
Inclusive and Caring Society’, capturing the notions that the growth had to be more useful for
people, which I think you have to conclude is what your investigation is all about.

Beyond that, the last Government had this vague notion of ‘protecting the vulnerable’. I was
in DEFA at one point and ‘the vulnerable’ was classified in DEFA as being flowers and animals
and that sort of stuff; and when I was in DOI it was other things; and when I was in DHA it was
50 other things. But we came out with this very clear statement that what we wanted was ‘An
Island of Enterprise and Opportunity’. And that is absolutely crucial. The best way to tackle
absolute or relative poverty is through income for half of the extent, and for the other half of the
extent to making sure that everybody actually has equal opportunity to take advantage of
society and the economy and lifestyle aspects that are in the Island – because it is a great place
55 to live and work.

Then the third characterisation of the last Government for its own work was to ‘Balance the
Budget’, which is pretty nebulous, but we thought about it in that period July to April 2016-17
and came up with the notion of ‘Financially Responsible Government’. So therefore the Budget
plus the Programme for Government is actually full of outcomes – the vision of where we want
60 to go to – but also policy statements and actions to get us to that vision. I am pleased to talk
about any of those across Government and to work with other Ministers to make sure that you
have got a proper understanding of the whole breadth and depth of the Budget and Programme
for Government resources that we have used.

I think another point of the speaking notes that are here for me to stress, is that I am
65 delighted you have taken evidence from Social Security officers – that is very helpful because as
the Chief Minister for one has always stressed back to October 2016 whenever asked about this,
benefits and the Social Security system are at the heart of all of this. And the second point that
the Chief Minister stressed when he first got asked about this very issue by Rob Callister in the
first month of this Government and this Tynwald, was that we need to tackle the root cause of
70 poverty; the root cause of homelessness; the root cause of people being cold; the root cause of
why people are hungry; and the root cause of why people feel bad towards others in society
because of what is happening in their own lives. I hope what we can share at the end of your
work is an understanding that we need to tackle the root cause – which, basically, if you look
back at the speeches and the answered questions throughout our time, they have been
75 peppered with that phrase ‘the root cause’ of these issues.

So in closing these opening remarks –

Q196. The Chairman: Brief opening remarks – brevity being a relative concept!

80 **The Minister:** Delivery is absolutely crucial, not just intention – intention is just a few words on a piece of paper and a few glib remarks. But delivery is actually what matters and that means the action is what it is all about, not just vague notional ideas.

Also I do not want us to get hung up on definitions and data. We can probably keep up with you in terms of definitions and data but I hope we do not end up going into academic, theoretical discussion of the merits of this point rather than the merits of that point – because ultimately I would like to think that we can shine through as showing what matters is delivery rather than intention, and implementation rather than theory about all of this.

Q197. The Chairman: Of course, it does help if you know what you are trying to deliver –

90 **The Minister:** And we are trying to deliver an inclusive and caring society, an Island of enterprise, an opportunity led by a financially responsible Government, working with a really wonderful Tynwald.

Q198. The Chairman: Well, as of course you will be aware, in terms of the Committee brief that you have been given to come here, there are three elements to what we want to talk about today. We do want to talk about definitions and whilst we do not necessarily need to have a degree in economics to have that conversation these are matters of policy as much as economics. I think it is important that we do talk about definitions because they will drive whether you can measure the success or not.

100 We then want to talk about the policy and the approach that Government is taking. But also then to talk about the data that is being used – what is available, and the rest. So that is how we are planning out this evidence session.

You mentioned a lot of other aspects to the work that you are doing within Council of Ministers and we will be digging into those more deeply in a thematic sense in the future. At the moment we think it is very important that we know what we are aiming at – the definitions and the data that is going to show where we are and how we are going to get there.

105 So, with that in mind is it the policy at the moment that definitions are not important when we are looking at how to define poverty? Or are we content with the vague notions of –?

110 **The Minister:** No, we have got very precise indicators at a macro level which are very important to us for measuring an inclusive and caring society and an Island of enterprise and opportunity.

Two very important ones for you to remember are: the first one is that we have an indicator of median earnings on a real basis. That is absolutely vital and that is quite a crucial number to put out there to be following. At a lower level we have national indicators about things like the Palma Ratio, which is to do with relative earnings because we have had to modify it, basically, given some of the data constraints that we have.

120 Another one is ‘economically active population’ because that does not only capture migration to the Island, it also captures the results of the Equality Act and all of the clearer support policies that the Programme for Government is aiming at helping people back to work – at an older age, at a younger age, with disabilities and so on. So they are two very important indicators.

Whether we define poverty in terms of an absolute definition or a relative definition, or whether we try and capture some of the social metrics behind poverty, subject to the data constraints that we have got and subject to your interest, we can help you come up with any of that data. From our point of view, I think there are only a few people in this part of the world who could argue since the late 1970s that we do not need to have a *relative* indicator of poverty, right at the bottom. When you were talking to the Social Security officers they were talking about examples of *absolute* poverty in the Isle of Man and gave you reasons why that might exist. The Social Security System provides a safety net against absolute poverty, but we are looking at relative poverty indicators by talking through median earnings.

Then, in terms of social metrics – obviously Adam was part of the group that did the Deprivation Analysis in 2014 and he is updating that, five years on, during the course of this year. The whole basis of living wage is minimum income standards and, as we have said in Tynwald, Adam is going to be extending that to pensioners and we can perhaps come up with other indices for minimum income standards, but also inflation for different types of groups.

So there is loads of work we can do and if you have particular *penchants* for particular definitions, for particular reasons, there is no reason why we cannot help you.

Q199. The Chairman: I suppose what I am trying to ascertain at the moment is what the Isle of Man Government's definition of poverty is. Things such as median income, I find they will tell you a lot about the Island as a *whole*, but obviously we are focused primarily on poverty and that is something I think we would all recognise is something we are trying to move towards improving.

So how does the Government know when it is actually achieving on that rather than just seeing a rise in median income? What are the metrics that Government is following in order to demonstrate that it is achieving against this inclusive and caring society, especially for those on the lowest incomes?

The Minister: Presumably you have taken the time to go through all of the national indicators in the Programme for Government and several of those are related to what you are suggesting. So in the Education Department they are improving their data set to talk about the value that Education adds to the process. In terms of if you are going to focus on inequality, this Government is not one that is driven to reduce inequality *per se*, it is aimed to make all of growth inclusive. We talk about reducing inequalities as an outcome, but I think most politicians had in mind something to do with the Equality Act and equality of opportunity, rather than bringing all incomes in the Isle of Man together in one level, when they wrote that.

So we have the Palma Ratio which gives us something about how it has changed in the last three years – this is the first time we have calculated that sort of indicator, and this Government is the first one to calculate that and publish that. The Household Income and Expenditure Survey has just closed at the end of March and is now in the process of collecting data; and in terms of Social Work and Social Services and Health there are lots and lots of Health indicators.

What I would say to you, Chair, and members of the Committee is that 18 months ago, something like that, I brought together Economic Affairs and Public Health and we now have periodic meetings. We are all trying to put together better data so we can do a better version of the multiple indices of deprivation-type work that exists, that we had a first stab at in 2014. So we are trying to identify in Government the gaps to enable us to put together a more comprehensive and more complete index of deprivation based on the standard 2015 British Islands measure for it, and lots of those ideas are captured in the national indicators in the Programme for Government on which we report every July based on data in April each year.

Q200. The Chairman: So in terms of –?

The Minister: And we would be pleased to share more of that with you if you have not already done that work, looking at all the Programme for Government national indicators.

Q201. The Chairman: Well, there is not a short reading list for this Committee, let me reassure you.

You have said, reflecting on the evidence that was given by Social Security, that perhaps absolute or extreme poverty measures are not something that is being tracked by Government as being particularly useful – more emphasis on relative poverty measures looking at things like 60% of median income. Is that something that you intend to track as part of the future?

185 **The Minister:** Yes, we do track that (**The Chairman:** You do?) but, as I say, that is slightly misrepresenting it because I think I said the social metrics are all much more important because we are trying to build an inclusive and caring society and an Island of enterprise and opportunity.

190 **Q202. The Chairman:** So you have used social metrics. Are you aware of the Social Metrics Commission and their work? (**The Minister:** Yes.) Is that a model that you see as being a useful tracker going forward for a useful definition of poverty that will actually be something that people can associate with in the real world, rather than the macro-economic –?

The Minister: To be frank, I think in one sense it is similar to stuff in the 1980s, and so on. It is pretty difficult to do that, it has to be done on a household basis.

195 Therefore, I think the work that Adam and I are very much involved in with the Smart Service Framework, where we are trying to improve data and we are trying to put together a financial needs assessment system, is also very relevant. Ultimately that social metrics equation is more, I would say, to do with Social Security decisions about each person. But at the macro level I am sure the idea that poverty is more likely to result from families with disabilities, or households with disabilities, and households with lots of children in the Island, and households with precarious incomes from work and from transition in the Social Security system – they are the policy responses we have got to put together because they are likely to be the trauma that causes people to get into poverty.

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The Chairman: Mr Moorhouse.

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Q203. Mr Moorhouse: When looking at the term ‘development of policy’ are there any specific individual groups that are looking at the impacts on the poor in society and how they will be affected and potentially benefit from Government policy?

210 **The Minister:** I think trade unions do a great job; I think the trade unions are mindful of poorer people and they have often made good submissions to us.

I found the Manx National Development Forum is *really* rich in that sense because it brings together different parts of society and offers us commentary on the data that we have available. We have worked in Cabinet Office to improve engagement processes and I do not think we need more than the National Development Forum to be systematic about it.

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But I would like to think, whenever we are developing new policies – like we have done, for instance, for the changes that are coming up to Employed Persons’ Allowance and Income Support – that we have actually used engagement tools and consultation tools to discover the impact, and make sure we are sure of consequences before we change anything.

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Q204. Mr Moorhouse: In terms of using those established channels, do you check that we are not just receiving the same information and standard feedback? Or is it just accepted that that information is good enough?

225 **The Minister:** Well, let’s do this by example. There was this vague notion in Tynwald that somehow we would have a living wage foundation set up in the Isle of Man. It did not happen, because it is hard to imagine that there is enough revenue that can be generated to pay for all the accreditations and the calculations to create an independent living wage foundation like exists for the whole of Scotland, or like exists for the whole of London. So what we have had to do, after a year or so, is to go back to what we initially planned which is that we will do the calculations.

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I think Adam and his staff are very open and sharing with their data. Anybody can check them. I have got to confess once or twice Adam has made a small mistake and it has come to

235 light and they have changed it, and so on. I am sure all the feedback is appreciated because
statistics is difficult and confidence levels are hard. So that is the way we have to do it.
Government is in a position to have the data and we are very pleased if Tynwald Committees or
if people outside help us verify the data. But, as yet, I have not seen any evidence that there is
any capacity in the Island for independent collection of data, really, on social issues beyond
occasional surveys by trade unions and by business people, and so on.

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Q205. Mr Moorhouse: One key focal area you have identified is the Combined Action Plan
for Children and Young People. (*The Minister:* Yes.) How is that progressing?

245 *The Minister:* Well, we are happy with it. Is Tynwald's Social Affairs Policy Review Committee
happy with it?

Q206. Mr Moorhouse: That is an interesting answer.

In terms of you being happy with it, what do you think have been the key achievements in
that area?

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The Minister: Okay. So Tynwald Members, and Government in one case, set up – more or
less in parallel – three processes to review a difficult area which is Children's Services and
particularly the social work.

255 We had an inquiry into a certain amount of cases that arose from Peter Karran collecting
some data. We had the Scottish Care Inspectorate and we had the Social Affairs Policy Review
Committee, all putting together reports. Therefore we needed to bring those all together inside
one action plan, which we did, because there was a bit of overlap between the different
elements to it. We did bring them together and we have tracked, for the first year on a monthly
basis and for the second year on a quarterly basis, performance in terms of what we were trying
260 to do to meet those aspects.

We have offered the record of it to the Tynwald Social Affairs Policy Review Committee. I laid
it before Tynwald in July, and our plan is to lay the two-year report for debate in Tynwald this
July.

265 **Q207. Mr Moorhouse:** So we are still on target for that report to be brought forward in July?

The Minister: Yes. I mean, not everything would have been achieved as officers would have
liked and as politicians would have liked because it is difficult ... Social work has always been
difficult and it is particularly difficult at the moment because of some of the traumas in society,
270 but also because of the traumas in the profession. They are not exactly helped by things like
Brexit and the lack of confidence in certain parts of society.

275 It has been difficult but I am very, very pleased – proud, even – of the way that the officers
have come together around a two-year action plan. Over the course of the next few months we
are going to be verifying at a political level some of the claims that have been made to us about
the success, and I hope that Tynwald will fully engage in the debate in July about the report we
present back on that.

Q208. Mr Moorhouse: When you brought this forward last year, you focused on three key
areas. The first one was: 'establish policy and legislation arrangements for key areas relevant to
280 the future services in areas such as housing/homelessness and poverty'. How has that focus
delivered?

The Minister: That is just one small part of the overall plan.

285 Tackling cold, hunger and homelessness informs the amendments to the Programme for
Government – we had a report received in Tynwald in April about this very topic. So, for

instance, the new five-year housing policy to my mind is a small admission that we have not done quite as much as we would like to have done in housing terms. We still lack landlord registration; we still lack deposit protection for housing; we still lack adequate housing for certain types of people, particularly children coming out certain situations; and we still also lack things like arrangements for key workers. We actually need to reinvigorate our national housing strategy – so that is one thing that comes out of it.

What we have tried to do – because we were tackling this through the Programme for Government anyhow – is to actually come up with new things to make more progress, more quickly, on housing. When it comes to cold it is difficult, because you can do something for the thousand houses a year that might be built in terms of increasing building standards but you have still got the 44,000 houses that exist already. And if we are going to help people who are living in those houses we need to find a way of transforming them from an energy efficiency point of view, as well as lots of other standards. That is tricky and, as yet, we have not found the right way to assist the market and the people to transform those houses.

The price of energy in the Isle of Man is tricky to tackle. You have to set up a gas regulation negotiation process, which is what we have done. We have to work with the MUA for schemes of social tariffs, or something like that, which is what we are doing as part of the MUA Pricing Strategy. So that is homelessness and that is energy.

In terms of hunger, it is about transforming the benefits, the Social Security system; it is about providing opportunity, and that is tricky. And Treasury is involved in reforming Social Security, not just copying what goes on across – in fact it has managed to avoid many of the errors that have been made across. Fair play to them; congratulations to them. Thank you to them. We are in a better situation than they are across in terms of our Social Security, but we have still got three or four years of work actually inside the Social Security system.

Q209. Mr Moorhouse: In terms of bringing about change, this Government has only got two years left. You are already talking about three or four years. Can we actually expect people in these situations who are experiencing the cold, hunger and homelessness to have seen any change before the next election?

The Minister: They have already. Real incomes, 2008-14 – personal income is now rising again –

Mr Smith: The last three years it has been rising.

The Minister: Yes, and earnings have now stabilised in real terms – they are going up. We are doing everything we can at the bottom end, working then through differentials to affect median earnings in the lower half.

So already raising the minimum wage by – how much did we calculate? By 17% in five years? (**Mr Smith:** Yes, 17%.) So 17% in five years, publishing the living wage and making decisions like no established public service posts will be paid lower than the living wage must all be helping. We are trying everything we can to tackle the root causes to help people have a greater income, which are things like working with Graih and Housing Matters on improving the housing situation; working with Manx Gas and the MUA, and so on; and making sure that energy is tackled.

It is difficult, it is challenging. We will make a lot of progress in the next two years but there will still be something left for the next Government as well.

Q210. Mr Moorhouse: In terms of the report, will we see it before the end of this year?

The Minister: Yes.

Q211. Mr Moorhouse: Do you have a date?

The Minister: Which particular report? The Cold, Hunger and Homeless Report?
340 **(Mr Moorhouse: Yes.)**

Well, I do not think you will have too much that surprises you in terms of actions, because I think most of the actions have actually been signalled already in Programme for Government changes.

345 **Q212. The Chairman:** Sorry, when was that report going to come to Tynwald?

The Minister: Would you like it to come to Tynwald, as Members of Tynwald? June or July, then.

350 **The Chairman:** June or July. Thank you.

The Minister: And I would like to ask you, because you surprised me a moment ago by talking about you having a long timescale. It would be quite nice to mesh that with your timescale, but it sounded like you did not have any plans to report soon. We are a bit mindful in Government
355 that you are trying to tackle poverty alongside our efforts, so it would be quite nice to mesh timescales on this.

Q213. Miss August-Hanson: Minister Thomas, I do believe that it would be quite useful to have hold of your report in order to understand it properly before we report.
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The Minister: Okay. All right.

Q214. Mr Moorhouse: In terms of your report, you cannot share with us too much detail at the moment, but in terms of what you are trying to do: are you trying to find solutions or summarise what has been achieved?
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The Minister: I think you have seen a lot of our reports.

I think, as far as I am aware, you have seen all the poverty data that appears in our report, haven't you?

370 We have collected lots of data on free school meals and we have collected lots of data on benefits and all of that sort of stuff. You have seen all that, haven't you?

The Chairman: Only inasmuch as the national indicators.

375 **The Minister:** Oh, okay, we will share that with you. We will share all the reports that Treasury has seen and lots of Departments have seen.

We have got all the data on lots of indicators of cold, hunger and homelessness and I thought officers had shared all of those lovely charts that show (*Interjection by Miss August-Hanson*) the trends in the last couple of years for all of the key ones.

380 The only issues are the policy responses. We do not want to overcommit in terms of Social Security changes and housing changes, because we have not got Tynwald acceptance of those major policy changes as yet.

Q215. Miss August-Hanson: The report that you were planning on bringing forward, I think you seemed quite surprised when we suggested it go before Tynwald. So potentially there was a plan to *not* bring it before Tynwald?
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The Minister: Every policy change has got to go to Tynwald because that is Government policy – major policy changes are made in Tynwald and every piece of legislation has got to go before Tynwald. I think the Minister for Infrastructure has pledged to take the five-year Housing Strategy to Tynwald for debate.

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Social Security: we have been making some changes over the last two or three years and more are planned and each of those goes to Tynwald for debate. It is described as a 'Report on Cold, Hunger and Homelessness', and every element of policy change in legislation has to go to Tynwald for decision.

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Q216. Mr Moorhouse: Going back to the reference you made to Graih, you have been able to assist them in the last 18 months. Could you give us a little more information about that, please?

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The Minister: Okay. I think Ross Stephens gave you a beautiful exposition, a helpful exposition of what Government can do best and what charities, the third sector, can do best. I wanted to associate myself with his remarks. Government has to rely on guidelines and policies and it gives out lots of money in its Social Security budget. Charities can duck and dive around more flexibly to help in specific situations. I think he expressed that wonderfully and I think I would like to associate ourselves with that.

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In terms of Graih and Housing Matters before them, Housing Matters worked with Graih and a few others to put together a report for the future of homeless issues for people often with other issues – like leaving custodial situations, mental health issues, drugs and alcohol dependency – and made a proposal to Government through Social Services, and also through Housing Division, about how we could think about dealing with houses in multiple occupation and specialist housing situations. And that has informed our work ever since.

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Part of that is a short-term shelter facility which is now being funded for a year very generously by some private, charitable people and by the Manx Lottery Trust; and also Treasury has supported it with around £15,000. We will review the use of that shelter facility in June, because it helps us understand the situation better with a view to working out what to do next.

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The more basic longer-term plans for specialist housing is something that would be part of that five-year National Housing Strategy. But the basic idea has been around in Tynwald and in Government for four or five years now which is that Government spends £15 million or so each year on housing support through the Social Security system. I used to get told, in 2014 from Social Security, that we could not in any way control the use of that really in terms of the quality and the suitability of housing very much. I think we are trying to work to a situation whereby we can use that money to encourage the charities perhaps, in facilities owned by somebody else, to make better arrangements for vulnerable people whatever they may be.

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I would really hope that your Committee is working with the other Tynwald Select Committee on that issue because that is absolutely crucial to it.

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Q217. Mr Moorhouse: Just drilling down slightly into that answer we get two features coming across: one is that we are actually helping people, which is brilliant, and the other one is that we are going to get information which will help us. In terms of that information: is it coming through? What sort of information are we expecting? How is that going to help us?

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The Minister: There is a great amount of information ... I have obviously read again what you have heard in your two sessions so far and you had some comments from the third sector about data. You had a very clear statement from Mr Manning that governments and public servant-types could get hung up on data and what was needed was delivery and action. Because we all knew what the issues were, they were to do with mental health and coming out of custodial sentences, and domestic abuse and relationship breakdown, and trauma from the Social

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Security system, and all of that. He told you that very clearly. So we need to respond in terms of policy.

440 But Graih and Housing Matters in particular – the Food Bank as well to an extent – have been very helpful providing us with information, and we will have a richer data set the more that we can get out of that data as we work on it collaboratively.

The second thing you heard was: I was a bit surprised to hear Mr Mellon from the Food Bank express some doubts about the data protection regime. I think he even suggested it was
445 unhelpful. I just want to unpick that a bit more with him because I do not think it can be unhelpful, protecting people’s personal data.

What I would like to think is that charities will work with Government to actually make sure that they are signposting properly and making sure they follow up with people who have been in touch with those charities to make sure they are actually doing something about it –
450 *encouraging* them about it. It is difficult dealing with poverty, it is difficult dealing with all these other issues and we need to make sure that we get the best of the data. The data protection regime certainly is not there to prevent the Isle of Man Government and the third sector and Tynwald helping our Isle of Man to be more inclusive and caring, and have more opportunity for more people.

455 **Q218. The Chairman:** Just on that, can you just go back to this issue about Graih and the money that has been put in from the Lottery Trust and from Treasury?

Is that contractually based? Is there something that they will need to provide you with for that money, in terms of guaranteed opening in terms of certain data sets?

460 **The Minister:** No, I think it was pretty unconditional but we will have to get the exact details for you from Treasury. But I think it was pretty much a project which was widely advertised. People were recruited and I think it is money to support a project for 12 months with a review in June. But I am sure you can have access to the details of that contract.

465 **The Chairman:** Okay, thank you.

Q219. Mr Moorhouse: Is any other data routinely collected from the third-sector organisations?

470 **Mr Smith:** Not generally, no. We have got some data that is being used in the Cold, Hunger and Homelessness paper but in general we do not collect, as Economic Affairs – certainly not from the third sector in general. We have spoken to them through the Manx National Development Committee about improving what data they do provide to us. They were quite
475 interested in doing their own version of the ‘Isle of Man in Numbers’ – they were quite keen on that. We are still trying to work through that at the moment.

The Minister: And the other thing this year was as part of the Gas Regulatory Committee Review we did also get lots and lots of data from third-sector bodies about energy. So we got
480 issues, not only from the ones you have spoken to, but also from places like the Coal Fund.

We would be pleased to share that data with you, although it is summarised in the report we have published.

485 **The Chairman:** I know that they have written to us as well as part of the evidence sweep that we did of the third sector.

Q220. Mr Moorhouse: In terms of moving forward how do you see the ideas of people like Michael Manning, the data you are getting from Graih, the work of the Sub-Committee and our

490 work already impacting on individual people out there? What are going to be the key changes
that come about?

The Minister: I would hope that the absolutely first key change will be about housing, because everything I have read on poverty says if you get housing right everything else becomes easier to deal with. And housing is the most massive challenge as well. We do have a Housing Condition Survey, which we have not done for 10 years, which will tell us a bit about the quality of some of the housing. We have had issues with getting some legislation that I would have liked to have had through five years ago, that still has not got through. It is a massive challenge to change the way that landlords and tenants relate to each other in terms of the properties that are occupied and the relationships. So I would say housing is the biggest initial change.

500 The second biggest change is the balance between income and expenditure, and all sorts of policies have been put to that. So things like living wage, minimum wage increases, thinking through public service pay rates, which has an impact on the rest of the market; and three-year pay deals linked to CPI rather than RPI. And, on the expenditure side, trying to do everything we can to put in place long-term policies for CPI-related rises to social housing, to water and sewerage rates, and trying to do it beyond that to other things as well.

505 The Steam Packet as well is absolutely crucial. The Steam Packet used to be RPI-related and now it is CPI-related according to the Sea Services Agreement.

Q221. Mr Moorhouse: One group you have only referred to in passing when we spoke about data from Education, was young people. In terms of that group, have you got any particular focus and emphasis in terms of perhaps preventing future poverty? Is that an area that has been considered by you?

The Minister: Again, it is massively difficult. We do not get easy jobs in Cabinet Office, do we? They all tend to be difficult!

515 But intergenerational fairness is a massive issue. Adam finished the work collecting the data and presented the data a year ago now on intergenerational fairness. So we have that data ready to go in terms of basic things about housing, pensions and incomes on intergenerational fairness, and the situation is worse for younger people than for older people. But the issue for politicians is not just describing it and complaining about it. As I said, it is doing something about it – and that is where we are.

525 As a Government we want to make some proposals to Tynwald for what we are going to do about it. These are massive, these are about state pensions; these are about the use of the NI funds through the next few decades. It is about how we deal with public sector pensions' liability through the next decades. It is about how we interact with the housing market, and so on.

530 The way I look around the Isle of Man is – and there are so many brownfield sites at the moment, and we have got an ageing workforce – that it really is a good place for young people at the moment and there is so much that is going to happen here in the next few decades. This is absolutely the dream time to be associating your life and your career with the Island. Those brownfield sites will not be brownfield much longer, there will be things happening in them; and the public service and many of our professions around the Island will not be full up with people my age forever – we will be retiring.

535 There is a huge opportunity for young people in the Island and just you watch that space because young people are better at seeing emerging trends than older people. They see it quicker. I am absolutely sure we are on the cusp of an opportunity for young people – it is just getting that confidence and that message out. And I would not be at all surprised if inter-generational fairness is in Tynwald for debate quite soon now, given what I have just said.

Q222. Mr Moorhouse: Some of these young people who have issues in one area, such as health, often need support in education and in other areas. At the moment we do not have this

overriding support mechanism. Is this an area you have considered, because it can be an issue for the individuals involved in this process?

545 **The Minister:** Absolutely, and that is part of the Children's Plan that you referred to earlier. But also one crucial development about that – and it sounds like you know all about it, because you asked us about it – is this whole notion of early help, early intervention and all of that. That is all to do with the transformation of public service as well.

550 We have been really hard with each other in the Social Policy and Children's Committee and we have said that by this summer we are putting jointly a budget bid with outcomes collectively targeted across Departments. We are doing that for early help and intervention and there are all sorts of manifestations of it that appear in the Programme for Government changes.

555 Tynwald Members know that the Police presented part of it and I will be disappointed if that was not seen as a statement of good intent. And I will be even more disappointed if, by next summer, we have not had something happening from it because we are really focusing on knocking heads together to agree definitions to take away this Department having *this* multi-agency working, and this Department having *that* multi-agency working, and this Department having another example of multi-agency working. Before we know it we will have one centrally co-ordinated example of multi-agency working, and parents of disabled children will not be going to three separate multi-agency meetings, they will be going to one, and so on.

560

Q223. Miss August-Hanson: I am pleased to hear that you appreciate the importance of definitions there, Minister.

565 **The Minister:** For this? Because we have started at one end, where policeman kick down doors and prevent things and intervene, and so on; whereas at the other end, the educationalist end, it is all about help and support and it is an affront to the families and all of that. So we have got to bring people together.

570 **Q224. Miss August-Hanson:** With definitions and cross-agency and departmental working, I quite agree. Data, of course, is the most important part of that.

But the publishing of the White Paper on Intergenerational Fairness, that is to be actioned for June, I believe, to Tynwald?

575 **The Minister:** Last year, wasn't it?

Miss August-Hanson: It says 2019 here –

The Minister: Oh, we moved it back to June 2019. Good.

580 **Q225. Miss August-Hanson:** So we can expect that in June then can we, in Tynwald?

The Minister: Yes. The Council of Ministers is having a workshop to agree what we are going to say we intend to do about it.

585 **Q226. Miss August-Hanson:** A workshop?

The Minister: Yes, we are going to decide what we are going to propose to Tynwald for major policy changes.

590 **Q227. Miss August-Hanson:** Okay; and when you were talking about adverse childhood experiences and the need for that to be cross-departmental, is that including anything that might be poverty-related, perhaps?

The Minister: Yes, poverty is part of it but it is so much wider than that.

595 **Q228. Miss August-Hanson:** So other Departments are very much involved in that are they, in terms of Government working?

The Minister: Housing from outside social policies will have to be involved – Treasury, Enterprise. Yes, it has to be cross-Government.

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Q229. Miss August-Hanson: I suppose a lot of my questions will be for you, Mr Smith, if that is all right?

Just regarding definitions and methodologies that are used in terms of data collection, could you outline some of the data that is collected, that may be useful in gauging *levels* of poverty? And also, separately, deprivation?

605

Mr Smith: Yes. We have the Household Income and Expenditure Survey which we run every five years, that is run across the Island, where we aim for a thousand households. That has just concluded at the end of March. We are just undertaking the analysis now so that can be used.

610 It was used in 2012-13, where we broke it down by quartiles and we can provide various extra data as people require it. So there is already information about how much people were spending in each quartile and how much they are getting in, which has been highlighted a few times. We also do the Social Attitudes Survey: that is not primarily designed for poverty and deprivation but it does have questions in there around deprivation that can be used and was provided to yourselves.

615

Obviously there is a difficulty with some of those surveys insomuch as some of the people you may wish to speak to most, those who are most deprived, are probably not as likely to respond to a survey. In terms of an impersonal approach, we do provide copies of the survey in various locations such as Markwell House, various libraries and commissioners, and with Age Concern and various drop-in centres. So we do try in that approach but obviously if you want a specific survey into deprivation we have got to go face-to-face, which is more intense.

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Q230. Miss August-Hanson: Just in relation to that, then, the availability of the third sector input in trying to get people to respond to some of these surveys – has that been considered and what actions have been taken in relation to that?

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Mr Smith: Yes, we get in touch with the Council of Voluntary Organisations (CVO) and we provide them with paper copies and electronic copies and ask them to promote it as much as they can through their membership – we ask them to ask their members to get their service users to complete it. Obviously it is their choice whether they choose to complete it, it is not compulsory in any way, but they are given the option. And it is as widely advertised as we can make it.

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Q231. The Chairman: Do you have any idea as to how under-represented that group is statistically in some of these surveys?

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Mr Smith: I would say no, only insomuch as we have only just started to improve some of our data on income. We are getting better from extracts that we are getting from the Income Tax Division and we will be able to analyse more levels of income so we can actually see what levels people are at and see what our comparatives are in social attitudes. We think we slightly over-sample in terms of higher income but we are just trying to prove that.

640

Q232. The Chairman: Because of course a lot of the people that we are most interested in trying to talk about here probably will not be in the Income Tax net at all – looking at the

645 generous tax allowances – (*Mr Smith*: Potentially.) but may be falling into the National Insurance payment.

So is the data validated against the big picture in terms of what you are getting back in sample sizes?

650 *Mr Smith*: The data we are getting back from Income Tax also includes anyone who will be marked if they are suspended from the requirement to file returns and also even if their income is below the personal allowances, they will obviously ... If they have still got to file a return we will still get that information.

655 There is anonymised data in there with people with very low incomes. So it is there and we just need to work on it. We have only just recently got access to that new extract.

Q233. The Chairman: And does it give you enough data to make sure that those people who are living off capital are covered by that?

660 *Mr Smith*: Not capital; but if they are earning interest off that capital, or dividends or any other source from that capital, yes. It is all income, not just wages and salaries.

665 **Q234. Miss August-Hanson**: And just tracking right back, obviously if you do any piece of empirical research you need to define what it is you want to know. So in terms of those definitions themselves in relation to those pieces of work, what are those typical definitions if you could, within –?

670 *Mr Smith*: The Household Income Expenditure Survey is not designed as a piece to elicit information about poverty. It will do, because we are asking everyone to take part – it will obviously highlight those people who are spending more than they get in in earnings and it will highlight what they spend their money on. But it is not designed as a poverty study, as a piece.

From the Social Attitudes point of view we use EU-definitions for the deprivation.

675 **Q235. Miss August-Hanson**: And why is that?

Mr Smith: Because Eurostat set the standards which the Office for National Statistics (ONS) and other people have to operate to, and therefore it makes sense that we should operate to an international standard. So that is what we are making use of.

680 **Q236. Miss August-Hanson**: Okay, and there were no other understandings that perhaps were looked at in the run-up to that? Do you know?

Mr Smith: No, we generally look to the ONS and Eurostat where we can.

685 **Q237. Miss August-Hanson**: In terms of the methodologies that were used, you have explained one of those actually in terms of definitions. Could you continue?

Mr Smith: In terms of what, sorry? How we collect our –?

690 **Miss August-Hanson**: How they are defined before the research begins.

Mr Smith: Which bits are defined, sorry?

695 **Miss August-Hanson**: Of each different piece of research that is done. Could you just explain what it is? The definition of it and how that relates to any form of poverty or –

Mr Smith: Do you mean the purpose of each survey?

Miss August-Hanson: Yes, the purpose itself.

700 **Mr Smith:** The Household Income and Expenditure Survey has various purposes. One is that it forms part of the VAT agreement which is part of the reason why it is done every five years. It helps us to rebase the inflation indices, so we make sure we take into account what people are spending. And then it can be used for other activities like fuel poverty, which we have done in 2015 – we did a report off that 2012-13 data.

705 So we make it as widely available as we can in terms of what we can use it for.

The Minister: And you have got the basics of that which is that we look for a sample of the thousand people and it is really quite a tricky job for the people who complete it. It takes two weeks, it is filled with all that sort of stuff and so it is quite tricky.

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Mr Smith: It is a tricky survey to complete. We have to work very hard to get the amount of people to take part that we would like to – a thousand in terms of statistical purposes is ... After you get to a thousand you can say quite a lot about the population because in any size of population a thousand is a good sample size which is what we are aiming for.

715

The Minister: We were up against it and that is why we went to the Manx National Development Forum, to encourage poorer people to take part. Because in the Island there was this belief – ‘They are not interested in me because I am a poor person’; ‘Don’t tell them anything because they are the Government and they will do something to me’ – and so on.

720

We were up against it but we did try everything we could to make sure we were talking to the right people, and I am pleased that the CVO and people like that rose to the challenge and helped us (**Mr Smith:** Yes.) by trying to provide data.

Tell everybody a bit more about the Social Attitudes Survey because I suppose there is the possibility that questions from the Committee could be included in the next Social Attitudes Survey?

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Mr Smith: Potentially, yes.

We go around Government before each Social Attitudes Survey, a couple of months beforehand and say, ‘Are there any particular burning topics or issues that you do not have information on that you would like us to get information on?’ So we have done various aspects on public health; we have done things on recreation and leisure; and we are doing various questions this time round on cybersecurity.

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We have a core set of questions that we always ask but there is always a scope for extra questions that may be asked for.

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Q238. Miss August-Hanson: And how often is the methodology reviewed in terms of poverty itself and trying to identify some of those groups?

Mr Smith: It is reviewed every year – we try to figure out how we can get to people better, if there is no reason why we cannot. The first time we started out with only a few drop-in centres and, in the few years we have done it since, we have just expanded the amount of people we give it to.

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The Manx National Development Forum has been helpful in that regard because we have got the trade unions there as well as the CVO and they help to try and distribute it through their members. We send them the links and paper copies for them to have in their offices, so they have also widened our range each year.

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Q239. Miss August-Hanson: You are talking about the distribution, but what about the actual methodology of the survey itself?

750 **Mr Smith:** In terms of online or paper? It is designed to be –

Miss August-Hanson: In terms of the make-up of it.

Mr Smith: Do you mean what questions are in it? (**Miss August-Hanson:** Yes.)

755 The set questions are based on things that we need to check against data sets. So we always ask about gender demographics, income, education – those are our baselines. The questions from then on are basically, do we need it for a purpose? The Programme for Government uses the Social Attitudes for a large number of things, so those questions will always be in there.

760 Then after those core questions it is a case of what does Government want, and then we assess that on the basis of can we ask a question in a simple way rather than it needing ... A question that needs a page-worth of explanation to understand is not something we would put in there. If you can understand it within the first couple of sentences then absolutely that is what we try to put in there.

765 **The Minister:** Our Household Income and Expenditure Survey goes back to the 1970s, ultimately, and it used to be called in the Isle of Man the Family Income Survey, so we have got a pretty rich data set going back through that.

770 The Social Attitudes Survey is an innovation of the end of the last administration, taken forward enthusiastically by this administration – although there were two or three previous examples in the 1980s and the 1990s and we tried to build on some of those question sets.

Q240. The Chairman: Sorry, can I just interrupt at that point because I think in your previous intervention, Minister, you said that questions from this Committee or others could be included in future Social Attitudes Surveys.

775 I maybe be reading too much into that, but I might take that as an invitation that the Cabinet Office might engage with Policy Review Committees about questions that may appear in future social attitudes studies. So I suppose that would be something that you would commit to in the future?

780 **Mr Smith:** That already has happened. We have had questions suggested from the Equality Champion. So yes, we are more than happy to.

Q241. The Chairman: But in terms of proactively, because obviously we would not necessarily know your timetables –?

785 **The Minister:** It depends what time it is advertised. The Policy Review Committees made suggestions that your work should be co-ordinated with the Social Affairs Policy Review Committee overall because obviously we do not want to work in silos whether we are in Government or whether we are in Committees. So we would be very pleased to take that forward like that.

Q242. Mr Moorhouse: With the surveys you are now offering a financial payment plus a lottery-type reward. Is that having the benefit of attracting more people?

795 **Mr Smith:** We have achieved the 1,000 mark that we wanted. So yes, it has helped. It is still very difficult, and internationally getting people to take part in surveys is becoming more difficult. That is just the way that the world is going. People were less inclined to take part in

these things so we had to make sure that we have these extra incentives because otherwise, given how much is dependent on this survey, it was incredibly important to get that.

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The Minister: I think you need also to explain to Miss August-Hanson three other surveys, don't you? The Earnings Survey?

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Mr Smith: Oh, yes. So we also undertake the Earnings Survey – that is not undertaken by individuals, it is undertaken by employers. That obviously focuses on in-work people, but we get a whole range of data from that – we know how many people are on the minimum wage, we know how many people are on the living wage, and you can break it down into deciles or quartiles or whatever you want. We can break it down into part time, zero hours, full time – there is a wealth of information in there. That is designed from an employer's perspective rather than an employee which makes it easier for us to get completion, because you can ask one employer for 10 employees whereas we would have to ask 10 employees.

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The Minister: And the Living Wage Survey, because you had to choose minimum income standards – and all the work you have done on that?

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Mr Smith: Yes, so Living Wage is not so much a survey, it is more of a data collection exercise but it is useful because as you can see if you look in the report I think – I am not sure if we sent you a copy, but I am sure you have probably got a copy of it.

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There are various different household compositions in there. So it shows that a single male needs a certain amount per week, versus a couple with three children needs a certain amount, which demonstrates the subjectivity of designing any kind of system. You can draw a line, which might not be suitable for one type of household, but it might work for another type of household.

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Q243. Miss August-Hanson: In terms of breaking down and identifying various different issues, once you actually have hold of all of this data for various different Departments and how they might identify issues within each Department: is that actually done and separated out and sent to those Departments if anything is identified within any of the surveys?

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Mr Smith: If anything is identified or if they have a particular interest.

We regularly get inquiries from various Departments saying, 'You've done this, could we have a subset of this cut in a certain way or provided on –'

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Q244. Miss August-Hanson: I am more interested in perhaps instead of them requesting the data whether or not Cabinet Office compiles data and sends it to Departments from some of these pieces of research?

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Mr Smith: They get copies of all the reports; we do not specifically prepare extracts, for example, for Education, Sport and Culture – we do not go, 'Here is your cut' unless they have asked us. For example, in the Social Attitudes when they asked about Health, as part of the Health Review we sent them a specific cut-up of that data because that is what those questions were for.

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But in general we do not try and create bespoke reports for everyone and then send them out and *hope* they are used. We take part in Chief Officer Group and various other things and brief them on what we have found and what we think will be interesting to them, and if they follow that up and say, 'Actually I'd really like more data on that', then we more than happily provide it.

850 **The Minister:** It is an absolutely crucial point though because Adam does not report to a politician, he does not report to the Council of Ministers – he is an independent economist and an independent statistician. Adam’s job is to make sure that these statistics are published neutrally to everybody.

Q245. The Chairman: How is that independence ensured?

855 **The Minister:** Do you feel under pressure, and so on –?

The Chairman: Says the Minister to the Officer in a public forum!

860 **The Minister:** It has been an issue for us. In Jersey they have separated it out more fundamentally and they now have a separate statistics office like the ONS, and then they have a separate government analysis office. We have been moving in that direction in the sense that we have been trying to present the figures neutrally.

865 Any close observer of the Council of Ministers’ quarterly report will note the title change – it is now a Statistical and Economic Update, it is not a Council of Ministers’ Quarterly Report. That is deliberate because we are trying to keep political overlay – because the politician’s natural tendency is always to want to present good news and to say how it demonstrates every policy is a success. We are trying to get away from that and we are trying to avoid political risk – we are just trying to present the information neutrally.

870 **Mr Smith:** And I would say personally, no, I have not been pressured to ever change a statistic and I think you can see from our data that there are statistics in there that are not positive. The Social Attitudes Survey has various issues around confidence in Government and confidence in various Departments. We published that freely and that is not the best message perhaps, but it is still out there and there was never any suggestion it should not be.

875 So, no, we have never had any –

Q246. The Chairman: Sorry, how many statisticians are there? What is the make-up of the team that is providing this data?

880 So in terms of making sure that the methodology stands up, and these sorts of things, how do you make sure that you have got at least two of you, I suppose, to make sure –?

Mr Smith: In a team of five there are three of us that are what you may call the statisticians or the professional staff – so there is myself and two others. Then we have got two administration officers who support us with everything we do in collecting a lot of our data.

885 So there are three of us and we cross-check ideas, we bounce ideas off and get everyone to review the methodology, and there are three of us taking part in that.

The Minister: For the Household Income and Expenditure Survey we hired 12 or 14 part-time people to work on it as a specific project over the course of a year.

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Q247. The Chairman: So just in terms of what the qualification base is within the group, could you just give us an idea?

895 **Mr Smith:** Everyone has got – well, the bare minimum is Master’s qualifications, and we have got one person with a Doctorate.

Q248. Miss August-Hanson: In what subject?

Mr Smith: Economics, statistics, social research and various business and other type pieces, so fairly well across the piece.

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The Minister: So that is the Earnings Survey, Business Confidence Survey, or Living Wage, and things? We did that.

Mr Smith: Business Confidence, I would not say is particularly –

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The Minister: But we do ask about the minimum wage –

Mr Smith: We do ask about the minimum wage, yes.

910

The Minister: We asked how many people could afford to pay the living wage and intended to pay it.

Mr Smith: Yes. I cannot remember those numbers off top of my head, but we did ask.

915

The Minister: And then the other thing is you work more and more closely with Public Health, because obviously loads of the indicators that you are interested in from a social metrics point of view are to do with health and social consequences of your type of investigation. So from the top of the civil service/public service network there has been a focus on actually making sure that the people who do this independent stuff transparently are working together to support each other, to make sure that we have more people who have statistical methodology and more people who understand questionnaires and things, working together to support each other.

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Q249. The Chairman: And inflation as well. (**Mr Smith:** Yes.) Again, are you able to look at inflation by different demographic groups in terms of based perhaps on the household survey how, maybe, families are experiencing inflation differently from single people, from younger people and from older people?

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Is that something that you have looked at just to see if there are any significant differences appearing in that data?

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Mr Smith: We have not done it but, as you can see in the Programme for Government we are currently undertaking a review of all the statistics we do, and whether we produce extra indices for pensioner households or single-person households, that is on the cards. From an administrative point of view it is not particularly any extra work because we are already going out and collecting prices. A lot of the prices are going to be used by everyone and there will be some differences. But at the moment, no, we do not.

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Q250. The Chairman: It is just about the weighting, isn't it, in terms of who is spending more on certain things that may be more price-sensitive than others. So that has not been dip-tested in terms of whether there are big differences in that data?

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Mr Smith: Not particularly, no; and the Household Income and Expenditure Survey that has just finished gives us the opportunity to do that.

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The Minister: Although on the Living Wage analysis, when you published that last year and when you published it this year, you have got the comparative costs between the UK and the Isle of Man. (**Mr Smith:** Yes.) So that enables the living wage calculation.

We took the view that we would assume that roughly the Isle of Man basket of goods was the same as in the UK and so therefore we did not change that too much – we changed one or two things, but then we have published very clearly the difference between the UK and the Isle

950 of Man and even in that if you wanted to you can see differences between different types of
people. So having children in the Isle of Man is more expensive relative to being older in the Isle
of Man – that sort of thing is obvious already from data that we have published and that has
driven Government policy.

The Treasury Minister has focused on increasing Child Benefit and the Education Department
955 is focusing on doing something about childcare, because children are the issue in the Isle of
Man. I mean, the birth rate has collapsed by 30% since 2010 and so there must be something
about children. I hate to come across in this way, but there is something that is going on there
and it could be that the cost of children might be one of the contributory factors.

960 **Q251. Miss August-Hanson:** You said, Minister, at the start of the session that inflation for
different groups was being looked at. So where is that and when is that likely to be reported on?

Mr Smith: There is no use doing it off our 2012-13 data because that is just far too out of
date at this point. So we are now waiting until we do our finished analysis of 2018-19.

965 We are aiming for July or August time to have that finished – obviously we have got to code
and input a thousand diaries and everything like that. So it is quite administratively intense. But
that is the plan and once we have got that data we can then start to break it down and build up
those new indices, if that is the route that it is chosen to go down.

970 **The Minister:** Initially, we have got a report on all of our statistics and we are working out a
work plan for the next four or five years with all of our statistics based on it. And inflation, we
might have to make choices. Jersey does have different indices for different types of people but
they only publish their data now every quarter, they do not publish it every month.

975 What is the value in the Island of publishing inflation every month? That is one of the
questions I have asked Adam to consider because often I just think the only purpose of
publishing inflation every month is to give the newspapers and the radio stations something to
talk about, and so on. It really does not get the long-term trends. So the trade-off would be that
we could start publishing quarterly data for a wider group of people rather than collecting things
every month.

980 **Q252. Miss August-Hanson:** Just going back to the data that is actually gathered on the
whole and also in each respective survey. We talked about providing information to
Departments but, Minister, the information that is gathered, how is that broken down in terms
of any issues that might be in one Department from the next and presented to COG?

985 **Mr Smith:** I will take this because we do the presentation. As officers, we present to COG on
a quarterly basis on the quarterly statistical update, if there is a Social Attitudes ... Various
members of my staff go to the various leadership teams around Government – they have been
to Home Affairs and they have been to Education – and they go to those places when they are
990 invited to give presentations. They create those presentations bespoke to them. So they either
highlight issues to us that they think they want to know about, or if we have discovered
something in that data we will include that as part of a presentation to them. So they are all
given it.

995 **The Minister:** I suppose there are two parts, to answer your question from a political level,
knowing some of the facts from an officer's point of view.

The first one is the separation between policy and statistics and I have already talked about
that. But it is for the Departments or any central policy function that exists, and we already have
an embryonic central policy function. It is for *them* to look at the data and come out with the
1000 policy issues that need tackling. So there is a separation between policy and statistics.

It used to be that it all came together through a Government economist who had both roles. I think it is important in the modern world that we separate it out and we have transparent, neutral statistics on the one hand and then we have Government from different policy Departments analysing what that means and what it is for the future.

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Q253. Miss August-Hanson: So therefore, Minister, how are you providing via Cabinet Office the flow of data that is being gathered through to either COG or –?

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The Minister: We publish it. All of the data, all of those surveys that we have identified are published.

Q254. Miss August-Hanson: – as opposed to the data as a whole, any issues that might crop up off the back of that? How is Cabinet Office actually providing the link between that and any Government Departments?

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The Minister: Again, there is a statistics level and there is a policy level.

From a statistics level you would make raw data available if you were able to, wouldn't you? **(Mr Smith: Yes.)** You would not make raw Income Tax data available because only you have that under the delegation, but you can make data in an analysed form when requested.

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(Mr Smith: Yes.) That is the data issue.

Then the policy one: it is up to us in the Council of Ministers' Sub-Committees in Tynwald itself to actually understand that data and work out policy responses. I would hope that we are getting better at doing that.

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We have given you examples of that and collectively we know we are failing some young people. Collectively, we know we are failing some people in the Isle of Man because there is poverty on the Isle of Man, so therefore we are working out policy responses. The data showed us the issue. It does not solve the problem for us. We have got to have a way of coming up with the right policy responses.

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The second point I wanted to make is just that I said the data itself is entirely political-neutral, but the Council of Ministers does get to see these reports a few days before they are published so at least we know what we will be reacting to a few days later –

Q255. Miss August-Hanson: I am just trying to understand the travel of that data as to whether or not it is just one way in terms of Ministers and politicians asking for that data, or that data being understood via the Cabinet Office and delivered to them via the Cabinet Office.

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The Minister: I think the way, from a politician's point of view, to answer that is there are politicians that think through what they see in the data and come up with hypotheses that they want to be tested. I can think of lots of colleagues who do that in Government and outside of Government.

1040

And I am sure you know that and you would not come and tell a Minister about it because you are doing work ... You were very helpful to me between 2014 and 2016 when I was making Mr Teare's life hell by analysing the Household Income and Expenditure Survey and getting the GDP broken down.

1045

So there are backbenchers who are asking questions and I like to think that the statisticians are not going and telling Ministers about that, they are actually just providing information to the backbencher.

Q256. Miss August-Hanson: Again, I was not necessarily talking about the statisticians themselves. I was talking about staff within the Cabinet Office.

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The Minister: Yes, that is separate, that is policy. I keep trying to stress that Statistics' function is neutral and they also do work for people on request. But policy has got to be different for an independent statistics function.

1055 **Miss August-Hanson:** Okay, moving on, then.
Data gaps: can I –?

Q257. The Chairman: Oh, before we go into detail, sorry, could I just go back to another report that has not been mentioned, which is about employment and unemployment? We
1060 publish monthly the unemployment data, whereas of course unemployment itself is actually only *now* a very small proportion of the people not engaged in the labour market.

Do we think that there would be more value – and this is perhaps more of a policy question – in looking at it as a report for those who are 'not engaged in the labour market' rather than just 'unemployment' which is only one subset of that; and really, given the relatively small numbers
1065 involved at the moment, is almost worthless when you think about the level of churn itself?

Mr Smith: I will take it from a numbers perspective first and, when it comes to those people who are not engaged in the workforce actively seeking work, it is quite difficult.

1070 **Q258. The Chairman:** Even if you put 'actively seeking work', because non-participation in the labour market is not just about ... It can be due to, say, sickness or disability and things like that as well as –

Mr Smith: Yes, it can, and a definition of unemployment is about actively seeking work, so that is what that report is to do. Now, it is very difficult to find those other people who are not
1075 working ...

Obviously there are regular statistics and the Isle of Man in Numbers has the number of people that are claiming various other benefits like Incapacity Benefit and so on, and so forth. But the best way we have of knowing those people who are not engaged in the workforce is
1080 through the census and obviously we cannot run one of those every year, unfortunately.

We are trying to improve how we have a better demographic in data in general, but the reason why that report focuses on unemployment is because it is about registered unemployed people that we know about, and that is where it focuses.

1085 **Q259. The Chairman:** And of course there is that standard gap between the unemployment claimant count and the International Labour Organization (ILO) definition, and that seems to be a pretty static margin above it.
How is that calculated?

1090 **Mr Smith:** The only times that we actually know that difference is from a census point of view because we do not ask people in the census who are *registered* for unemployment, we just say: 'Are you actively seeking work or available to work?'

So we went back and just analysed the various typical gaps between the census definition and the claimant count and used that as an estimate. We could even make it out as an estimate.
1095 The gap is fairly static when you have got low levels of unemployment like we do have now. If you were to get to high levels and if, for example, we reached a claimant count of a thousand the gap does get bigger between ILO and registered.

1100 **The Minister:** We did take a conscious decision to focus more on the ILO measure as well, so we now do put that in the report, whereas in the last administration they did not do so much. And in the Budget speech you will find that we compared like with like so when we were

comparing it with the international, politicians used the ILO measure rather than the claimants measure.

1105 **Q260. The Chairman:** But obviously at the moment because of the major success of the Isle of Man economy, the gap is actually bigger normally than the unemployment count. So what is driving that gap? What do we know about those people who are seeking work but not claiming unemployment benefit?

1110 **Mr Smith:** We have limited information. It may be that they cannot claim Jobseeker's Allowance and there may be reasons why they cannot claim those benefits which will partly explain it. For the rest, it may be people who are interested in work but do not feel the need to claim unemployment. It might be people who are still parents but they are thinking about going back into the workplace.

1115 Those are all possibilities, but we do not know.

Q261. The Chairman: And that is it: when the gap, that difference between the claimant count and the ILO statistic is actually bigger than your unemployment count, would that not perhaps be a better target for work than trying to tackle unemployment where the long-term unemployed can be counted on the fingers of a few people's hands?

The Minister: That is a very good suggestion, Chair, and that will be in our statistics report.

1125 **Mr Smith:** And I would say in the various census presentations we did, which are public and are on our website, we did highlight that there is a sizeable number of people on the Island who live here and who are in the working-age population but do not necessarily work, and there is an opportunity there to get them into work.

1130 **The Minister:** It could be that they are very, very rich and they do not need to work; or it could just be that the Island works against disabled people working; or it could just be that there are not opportunities for part-time work like there are in bigger places. So we do need to understand that more.

The organisational changes, like moving support and benefits closer together, are all aimed at understanding people as individuals more and helping people who are able to work and want to work but do not work.

1140 **Q262. The Chairman:** If Government's ambition is to address the issue of maximising participation in the workforce – (**The Minister:** It is!) absolutely – then surely the unemployment reports would be better utilised as a reconciliation of those people who are not in it, and why?

The Minister: Yes, the economically active population is our target. So we are certainly thinking about that –

1145 **Q263. The Chairman:** Yes, but it is flipping it on its head, isn't it? Not the economically active population but it is those who are economically *inactive* and why, and looking at that and breaking it down to see where you are best targeting your resources – as a suggestion.

The Minister: It is a very good suggestion. I hope you recommend that sooner rather than later.

1150 **The Chairman:** Well, I think I just have. So please do not hold up any work on that on my account, waiting for a report to come through.

Sorry, Miss August-Hanson, I took us off on a bit of a sidetrack there.

1155 **Q264. Miss August-Hanson:** I think we had best not get into the subject of waiting on reports to come through.

Data gaps: in your opinion, what data needs to be collected but is not currently, at the moment? Is there anything that perhaps might have cropped up that you were able to identify, Mr Smith?

1160 **The Minister:** The only one where –

Miss August-Hanson: Sorry, Minister, I was just asking Mr Smith.

1165 **The Minister:** The only one from the Programme for Government that we were a bit disappointed with was the Education Department, because we were a bit disappointed about indicators of success inside the Education system. So the only little note we had on the Programme for Government on the national indicators was information about going from primary schools to universities – that is the only national indicators piece of data that we were missing at the end of the two years of the Programme for Government.

1170 Over to you for the other one.

Miss August-Hanson: Thank you, Minister.

1175 **Mr Smith:** I suppose if you were to look specifically at the Committee's remit, our biggest gap will be in terms of those people on the very lowest incomes and people who are not engaged with various services. They are more difficult to get in touch with. We have never done a full face-to-face social and poverty-type survey. Obviously they are quite labour intensive.

1180 If you look at what they have done in the UK, they started doing a survey in 2012 for one of their latest ones and they have only just started publishing reports in 2017-18. Obviously the Isle of Man is on a smaller scale so it will not take that long, but it is an intensive piece of work which we have not undertaken as yet.

Otherwise, we have got most of the information we need at this point.

1185 **Q265. Miss August-Hanson:** Have conversations actually taken place in relation to collecting that level of data?

Mr Smith: No.

1190 **Q266. Miss August-Hanson:** No?

The Minister: We have mentioned it before and we did encourage people to come and fill out the Income and Expenditure Survey.

1195 **Mr Smith:** Yes, we encourage people to take part in those; but we have not actively investigated doing a deprivation study at this point, no.

1200 **The Minister:** I am just going to find out if there are any other national indicators that we are missing data on, because it might be quite helpful to put them on the record. We set them two years ago as national indicators because we agreed they were measures of our outcomes that we were trying to achieve. As far as I remember, the only one is Education which we are trying to address – and full respect to the Department for picking up that challenge. But there might be a couple of others that I will choose to put on the public record.

1205 **Q267. Miss August-Hanson:** And just out of interest, in your opinion: if that data were to be collected, how frequently should it be collected?

Mr Smith: It is going to be limited on the basis of how quickly those surveys can be taken. I suspect we could probably do it every five years only because if you look at the Homeless Health Needs Audit, that was a process of over 12 months. If you want to get into some detailed analysis then you are talking 12 months to do those face-to-face studies potentially and then to analyse it. I think if you do it any quicker than that you will be into a cycle of not having really figured out what you want to do with the data before you are measuring it again.
That would be my view.

Q268. Miss August-Hanson: And also, in your opinion, how would that be collected? What methodology would you recommend?

Mr Smith: I would have to look into it and, like I say, we have not looked into doing a deprivation study. From everything I have pre-read for this I would suggest it would probably have to be done face to face, because asking someone to ...
In all likelihood, some of the activities we are doing with Graih in terms of asking *them* to collect some of the data may be the way forward, because they have the relationships with those people. Obviously in some of their evidence they mentioned some people have a distrust of Government and that is an element we have to get around. So it may be that we need to work with the third sector and get them to do some of the data collection for us rather than us doing it ourselves, because they have those relationships and are able to talk to those people a bit more on a one-to-one basis than perhaps we could.

Q269. Miss August-Hanson: But you envision it being more of a qualitative approach?

Mr Smith: It would have to be. The way we do our normal surveys just does not work to access those individual types of people.

Q270. Miss August-Hanson: Okay. And in terms of the pieces of research that you *do* work on at the moment, what data limitations generally do you believe there are?

Mr Smith: Our biggest limitation, to be honest, is participation. That is really the biggest struggle.

In terms of administrative data we have quite considerable gateways into various systems, so that is not a problem to us. The gateways allow us to have quite a lot of information and as long as we anonymise it for statistical purposes we can do quite a lot with that. There is not a huge limitation there. The biggest problem is getting people to take part.

Also, I suppose the other limitation will become the more you want to know about people and the more surveys you do, potentially there is survey fatigue if you are bombarding everyone with more and more surveys. So we are trying to make sure we co-ordinate as much as we can. But obviously with the more you want to know, the surveys get longer and fewer people are inclined to take part in them; or you do more surveys and when people are getting letters through their door, emails and notifications on Facebook or whatever it is, you start to dilute all of your surveys by trying to get more information from one. So that is our biggest challenge.

The Minister: We are trying to respond to that organisationally, so Public Health and Economic Affairs are working together to try and put together protocols about surveys and protocols about small sample size and that sort of thing, so that we do not have what sometimes appears to be random surveys initiated from around Government.

Q271. Miss August-Hanson: And just in terms of the limitations: comparing ourselves to, say, the UK and what the UK might be pulling together – so the Family Resources Survey and Understanding Society Survey. I cannot expect you to know those inside out, but do you think

there is anything that perhaps we might be able to take from other jurisdictions that use them? Is that something we look into frequently as to how to improve some of these surveys?

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Mr Smith: Do you mean in terms of proxying their data, or just what they do in trying to –?

Miss August-Hanson: Gathering.

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Mr Smith: Yes, we look at every one that we can. There is no reason why we would not.

We obviously have a resource limitation as there is only a team of five of us in terms of statistics, so we have to prioritise what we do. We cannot do all of the surveys – I would like to run an organisation the size of the ONS but obviously on the scale of the Isle of Man that is not going to happen. But we do what we can.

1270

The Social Attitudes, as I mentioned, is the ground in which we try to bring in other surveys if we see something that they are doing. We cannot ask the full suite of questions but maybe we can lift the key two or three questions and we will try and get them in. That is what we try and do at the moment and Social Attitudes is the aim for that.

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Q272. Miss August-Hanson: So to improve the surveys that you are currently undertaking, you do take various different best practices from other jurisdictions?

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Mr Smith: Yes, absolutely. Before we started the latest Household Income and Expenditure Survey, we went and looked at how the ONS does theirs, how Guernsey and Jersey do theirs, and how it is done in Scotland and in Ireland. We look around and see.

I mean, most of them are looking at each other so they all become very standardised, but that is fine as long as we are maintaining that same standard.

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Q273. Miss August-Hanson: And they are benchmarked how often?

Mr Smith: In terms of methodology (**Miss August-Hanson:** Yes.) or the output? Every time we run it we look at them: how they have done it; how are we doing it; why are they doing it that way? And the same with the output.

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The Minister: But you have to remember that the Family Resources Survey has the same information, as far as I can see, as the Household Income and Expenditure Survey here. It is just not continuous; it is every five years here.

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So you would have to be very specific if you are going to suggest that we do not have that information. We do, it is just that we have it on a different basis because we have it every five years rather than continuous.

You have to also get the idea that what Adam is trying to do is something really ambitious. Adam is a key part of the Smart Service Framework and we are trying to use other sources of data inside Government to actually help us understand these things on a more continuous basis rather than inconveniencing people by actually having *ad hoc* surveys.

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Q274. The Chairman: So could you tell us more about what other sources you are using in terms of some of the more innovative approaches you have got in terms of cross-referencing data to provide some interesting analysis on that?

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Mr Smith: I would not want to speak for the Smart Service Framework as yet, because we have got three pilot projects in terms of demographics – so that is one of the big ones in terms of what we can get on a continuous basis from demographics. We are currently going through a process of figuring out what data Government has already – we obviously know in various places what people's names and ages and dates of birth and things like that are, but obviously it is

1310 more difficult perhaps to figure out when you moved to the Island, because you do not always touch Government services as soon as you come to the Island.

So there are some pieces there that we are just trying to figure out what admin data we have got and what we need to continue to survey for.

1315 **Q275. The Chairman:** So have you done an exercise of data audit for the Isle of Man? Or is that part of what you are going through at the moment?

1320 **Mr Smith:** That is part of the process we are going through right now. We use all the data we gather through the census, but do we need to gather it through the census or can we get it administratively? We are going through that process right now.

1325 **The Minister:** You will have noticed, Chair, that in April we laid before Tynwald the business case for the Smart Service Framework and that tells you where we are, going back to December 2017. I think you even moved an amendment or something like that, or you were very interested in us specifying what we were going to do further the Smart Service Framework. So we listened and we have delivered.

1330 **Q276. Miss August-Hanson:** In terms of GDPR then with the Smart Service Framework, are there various different issues in terms of picking up and taking data from different Departments?

1335 **Mr Smith:** From our point of view, not necessarily, because a lot of it will be anonymised. So I will not know who you are, I will just know that this person is this age; I will not know that you are this person living at this address, working in this particular job, working for this company. That is not necessarily the information that I am after. If I get told you work in e-gaming or retail, for example, that is fine for my purposes; I do not need to know the company that you work for.

1340 So there are GDPR considerations, obviously, but it has been designed from a privacy first perspective not to share data from systems that I do not have permission to be getting at. It will be purely anonymised data that we will be receiving.

Q277. The Chairman: It is just a matter of again in terms of providing that reassurance to the public, what are the safeguards that are in there to prevent, shall we say, statistically cutting the data so fine that actually it could not be anybody else?

1345 **Mr Smith:** We have our own safeguards. Generally we try to operate by a rule of five; or if there are less than five people in a given subset we will not publish it. Now, obviously, there is no way to identify that person if it is so generic a statistic that if it was just one person who was aged 99, then we do not give it out ... That is our general rule, which is around five.

1350 **Q278. The Chairman:** But there is nothing to stop the Division actually cutting it down to that level, but it is just the case that you do not publish it?

1355 **Mr Smith:** Yes, ultimately we see everyone's census form and we see everyone's individual return. So, yes, as a team we see everyone at that level of individual data but we have never ... We are very careful and we are quite proud of the fact that we have never breached that trust and confidentiality that people have given us with their data.

The Minister: Very proud.

1360 **Mr Smith:** Yes.

Q279. Miss August-Hanson: In terms of information-sharing gateways, are there any that are particularly useful or may become *more* useful to you? Is there anything that we are missing?

1365 **Mr Smith:** Our most powerful one is the one with Income Tax, because we are allowed to get a wide range of information. Again it is anonymised, but we get a wide range of information out of that and we are constantly improving it. I have just been speaking with the Business Analyst Team down there within the last couple of months about improving our extracts that we use for national income. This means we will actually be able to look at a greater depth of earnings and we will be able to look at a person from a whole perspective, whereas right now with the Earnings Survey we look at jobs.

1370 With this new data set we will be able to look at your total earnings. So you may not have a job but you might have vast amounts of – (**The Minister:** Total income.) total income. So you might not work but you might get a lot of interest from a lot of dividends, or you might have three jobs. We will be able to see how many jobs people have got and what they are earning from those three jobs.

1375 Obviously the Income Tax system does not record hours, so we will not know if they are working three part-time jobs at 25 hours and they are working excessive hours – we will not know that and that is what we will have to use the Earnings Survey for. But we will know their income element, at least.

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Q280. Miss August-Hanson: Would it be beneficial for any other gateways to become available to you?

1385 **Mr Smith:** We have got fairly good agreements with –

Miss August-Hanson: Hospital records, or –?

1390 **Mr Smith:** It depends. From what we do right now, I do not think we do need hospital records. If there was information around deprivation then, yes, that might be something we would have to look into. But right now we do not need any more than we have already got ...

Public Health are more than happy to provide various data on causes of death, ages of death and all that type of information. We get anonymised data from the Benefit Payment System and we get a lot of information as it is in an anonymised form, so it is not a problem.

1395 **Q281. The Chairman:** What about things such as the Debt Counselling Service from the Office of Fair Trading?

1400 **Mr Smith:** We have got a good relationship with them, so we do get their statistics as well. The OFT put in a report alongside our quarterly statistics report to the Council of Ministers at the same time. So we have got a good relationship with them.

1405 **Q282. The Chairman:** Is there any further work that you do in terms of integrating the data that they provide you with other sources that you have, in order to provide other products with it?

Mr Smith: Not the moment, no.

Q283. Miss August-Hanson: So it is just those?

1410 **Mr Smith:** Yes.

The Minister: But just to say, we are working with Public Health and the deprivation project will be major because that will have to be cross-Government.

Information-sharing from a policy point of view is much trickier than from a statistics point of view, but the Smart Service Framework tries to help in both of those areas. So it is very important that Adam is at the heart of that as well.

Q284. Miss August-Hanson: The Poverty and Social Exclusion Survey: we have talked a little bit about that, but how difficult do you think it would be to do something like that here?

Mr Smith: I would have to look into it in more depth. I have had a quick, brief look over it. Obviously it is quite a wide-ranging study and I have noticed there is quite a gap in the times they do it. They did it in 1997, 2002 and then did not do it again until 2012. It looks to be quite intense. I have looked over the methodology briefly.

It is not impossible but it is a question of time, resource and those kinds of things; and ultimately if that is the decision that is made politically, that we want to go down that route, then my team and I will find a way to do that survey.

Q285. The Chairman: Again, just in terms of perhaps from a policy or a front-facing service provision: do we know of any elements of Government that are doing gap analysis where, for example, we know that so many people are not working because they are sick or something, and actually comparing that with what service provision there is, to try and make us see just how well Government is addressing the need that is identified statistically?

Does that make sense in terms of the question asked?

Miss August-Hanson: It almost links back to what I was saying earlier on about that flow of data.

The Minister: What we are trying to do is, we are trying to improve the policy and legislation process across the public service. So, for instance, in Cabinet Office now we do have a sort of embryonic division where we all sit together and share the issues that we have got, and we try now to involve people from other Departments. We are trying to improve the way we do gap analysis and that sort of thing. So we try to identify the challenges we have got, work out what is causing them and then deal with those.

Q286. The Chairman: So in what areas are you actually performing this gap analysis where you have got statistically identified issues that have been raised and you will know, for example, what the caseload is – whether that is Benefits or Children in Care –?

The Minister: An example to prove that we *can* do it and we *do* do it would be the living wage. There are elements to the living wage, and I will just summarise those three elements for you.

Number one is calculating it. So Adam and his team worked on it and had to make some different assumptions to the Joseph Rowntree Foundation to Leicester University – from memory, Leicester? (**Mr Smith:** Loughborough.) Loughborough University – they had to make some Isle of Man assumptions about it. So that is one part: *how* we are going to calculate it?

The second part is what the impact will be on public policy. So we had to do loads of work linking with benefits, linking with wage rates and linking with all sorts of other things. We had to imagine gaps and consequences and then we presented those very clearly in our Living Wage Report.

Then the third part is the whole issue of the Living Wage Foundation and accrediting as employers. Tynwald had a different view from Government and it turned out in this case that Government had a point. It has been relatively tricky to take out and to set up a Living Wage

1465 Foundation in the Isle of Man, just as it has been in Jersey, for instance. You have got to have a critical mass of employers who have got a corporate social responsibility budget to actually pay for all the accreditation that goes on with Living Wage Foundation.

1470 So there three issues and you asked me about gap analysis and this is an example of how we do gap analysis – and there are others. The clearest is support back to work. I can absolutely assure you that Treasury is really, really working on trying to capture some of these things as we prepare a central co-ordinated policy response to this very significant issue of under-participation in the workforce that you have identified, Chair, and the Committee.

Q287. The Chairman: So what other ones are you aware of that have been done?

1475 **The Minister:** Well, the whole issue of Education and linking it with Social Affairs. We do know that we lack data on all of these terms of social exclusion and all of that, and we are trying to get all the professionals to come together to agree intellectual frameworks and professional frameworks.

1480 Data needs definitions to actually help tackle exclusion and make it into social inclusion for everybody. You referred to one earlier, on early needs; and we have got another one on disabilities. Eventually we will have to have one on older people, and so on. So we are trying to prioritise it and you cannot do everything at once.

1485 **Q288. The Chairman:** And that is why I am trying to again pick a little out in terms of what your priorities are and how you are –?

The Minister: The Social Policy and Children’s Committee is tasked with prioritising in two ways that are relevant to you, Chair. The first one is we are charged with actually prioritising a joint strategic needs assessment but before we get to that we want to sort out the data first, because you cannot really do a strategic needs assessment until you have got the data.

1490 The second thing we try and prioritise is that we are trying to look at things like financial needs assessment and other needs assessments in a joined-up way. And we are trying to bring things together through that Committee of Chief Executives and Ministers.

It takes time.

1495 **Q289. The Chairman:** Yes. I suppose another one I am thinking of, for example, would be something like through the Earnings Survey you will have identified a group of people who would be earning very small amounts of money. Admittedly it does not cover the whole set but, again, how would you then take that and see why people, for example, are falling outside of the Social Security system – as an example of another gap analysis?

1500 **The Minister:** Have you done that?

1505 **Mr Smith:** We have not done it. I mean, obviously from our statistics point of view we provide the data to Departments; and if Departments are doing that I could not comment on whether those Departments are doing it specifically. I am not aware of it but that does not mean it is not happening, because we put our data out there. We do not ask people what they do with it. We give it with no restrictions.

1510 **Q290. The Chairman:** Just knowing what the Cabinet Office is like for keeping its finger on the pulse of what is going on, I just wondered what –?

The Minister: No, you are right, that is a good one. But, to be fair, a similar problem would be the whole one about population. We have got a massively changing demography and we have spent a lot of time working across Government to tackle demographic population issues. We do

1515 now have effectively an objective for population and demography and we now have a set of policies around it.

That is a similar challenge you have just set us in terms of increasing participation and increasing the economically active population through looking at reasons why people are earning low amounts of money, and that sort of stuff.

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Q291. Miss August-Hanson: The final question is just about the potential for rolling up surveys one with the other, perhaps, like the DHSC's Health and Lifestyle Survey or the Social Attitudes Survey with some form of policy and social exclusion survey. Has that been looked into, Minister?

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The Minister: As I think I have said a number of times, we are trying to have protocols about publication and co-ordination of surveys and we are trying to bring Government together into one public service, and that is exactly at the heart of it. We took a conscious decision in early 2017 that we would try and leave 2018-19 free to focus on the Household Income and Expenditure Survey. But in the end, 2018-19 was full of other peripheral surveys because it became, I think, a little bit fashionable to go out and do a fashionable survey from around Government. That cannot be right. We have got to do exactly what you suggest and that is work in progress.

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1535 **Q292. Miss August-Hanson:** We have talked about the basket of goods a little, and any other household expenditure. But how does it differ from the UK in terms of the cost of living on the Isle of Man?

1540 **Mr Smith:** We did it in 2012-13 and I would have to get back to you but I believe it was around 10%. I can get back with the exact numbers, we did do the comparison.

The Chairman: Thank you.

Miss August-Hanson: If you could send that through I would appreciate it. Thank you.

1545

The Minister: Except that the Living Wage Survey is more recent and compares it for different types of people, so that is a minimum income standards comparison.

The Chairman: Okay, thank you very much.

1550

I think that is as far as we want to take matters today. I am sure we will talk again in future as the Inquiry moves on. But Minister Thomas and Mr Smith thank you very much for joining us this morning.

The Committee will now sit in private.

Thank you.

The Committee sat in private at 12.09 p.m.