PUBLIC TRUST IN GOVERNMENT STATISTICS

A review of the operation of the Statistics and Registration Service Act 2007

Ninth Report of Session 2012–13

Report, together with formal minutes, oral and written evidence
Ordered by the House of Commons
to be printed 12 February 2013
The Public Administration Select Committee (PASC)

The Public Administration Select Committee is appointed by the House of Commons to examine the reports of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England, which are laid before this House, and matters in connection therewith, and to consider matters relating to the quality and standards of administration provided by civil service departments, and other matters relating to the civil service.

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A review of the operation of the Statistics and Registration Service Act 2007
Summary

Public confidence in the information produced by Government is vitally important to an effective democracy. Without it there can be no confidence in the transparency and accountability of Government, which in turn can only fuel public apathy and disengagement from the democratic process.

One of the primary purposes of the Statistics and Registration Service Act 2007 (the Act) was to restore public confidence in the statistical system. That is important given the role that data plays in society and the cost to the public purse of producing statistics, but it is also important for good public administration more generally. Reliable statistics are required for effective policy-making; to raise confidence in the evidence base used; and to allow proper external scrutiny. The Act was intended to ensure that statistics are produced to the highest professional standards and that effective governance structures are in place to protect transparency and accountability.

We have found, in the course of this inquiry, that the Act has indeed helped to improve the operation of the statistical system. However, if the Act is to achieve its intentions, there needs to be greater clarity and transparency in the way it operates and, indeed, in the functioning of its primary creation, the UK Statistics Authority (the Statistics Authority). Only then will users see the full benefit of the changes.

Although the Act puts the officials who regulate the quality of National Statistics in the same organisation as those officials who produce data, the two groups should have—and been seen to have—a clear separation in practice. This is hard to demonstrate when, for example, they work in the same building and share support services. It is not appropriate that ministers should have lengthy prior access to certain statistics but other interested parties do not. And the Statistics Authority does not seem to have sufficient control over the quality and integrity of the different data sets and statistical products produced by departments and their agencies. These issues all represent genuine risks to public confidence in the statistical system and should be addressed.

There is also room for greater central influence over the operation of the statistical system by the Statistics Authority. While there are merits to a decentralised system, there is a risk of inefficiency and inadequate coordination between departments. Key issues such as planning and improving data access both within Government and for users outside Government should be given greater attention by the Statistics Authority, as well as by Government departments. The Statistics Authority should consider further its strategy for managing these challenges and how it will measure its progress in achieving a more effective statistical system.
1 Introduction

1. Public trust in the integrity and truthfulness of Government statistics is vital to public trust in our whole system of government. Statistics are very often the basis of the whole discourse around policy and they are fundamental to the democratic debate. A lack of faith in the numbers used by politicians undermines confidence in the whole political process. Public confidence in the information produced by Government is therefore indispensable to effective democracy. Without it, there can be no confidence in the transparency and accountability of the political system, which in turn can only fuel public apathy and disengagement from participation in the democratic political process.

2. This Committee’s remit includes oversight of the work of the UK Statistics Authority (the Statistics Authority) and of the Government Statistical Service. We attach the highest importance to this responsibility. We took a decisive role in the decisions which led to the appointment of the present Chair of the Statistics Authority, Andrew Dilnot. We have announced a programme of work for this Parliament which involves a series of short studies to examine statistics and their use in Government; their accuracy and relevance; and their availability, accessibility and intelligibility to the public. A full description of this series of short studies is set out on our website at www.parliament.uk/pasc. We also remain prepared to take up other issues which may arise concerning statistics and their use in Government, as necessary.

Purpose of inquiry

3. There is a need to ensure that the Statistics Authority is doing all it can to deliver the very best statistics relating to the UK. This will help to deliver better policy, improved scrutiny of policy, improved media reporting and, ultimately, better democracy. Measurement is one of the key ways of holding Government to account. We want to ensure that all statisticians, and others working with data and evidence across the public sector, have the tools available to them to do it effectively.

4. One of the primary purposes of the Statistics and Registration Service Act 2007 (the Act) was to restore public confidence in the statistical system. That is important given the role that data plays in society and the cost to the public purse associated with the production of statistics, but it is also important for ensuring high standards in public administration more generally. Good statistics are required for more effective policy-making, to raise confidence in the evidence base used and to allow proper external scrutiny.

5. Post-legislative scrutiny is one of the Committee’s core tasks and an examination of the operation of the Act was the subject of our first study on statistics. Having first received a memorandum published by the Cabinet Office on the operation of the Act, we invited written evidence on this issue and are grateful to all those who submitted their views. We then held an oral evidence session on 12 September 2012 with Jill Leyland, Vice President of the Royal Statistical Society, Jenny Church, Chair of the Royal Statistical Society

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1 Public Confidence and Independence, Programmes and Projects, Office for National Statistics
www.ons.gov.uk/ons/about-ons
Statistics Users Forum, Andrew Dilnot, Chair of the UK Statistics Authority, Jil Matheson, National Statistician, and Richard Alldritt, Head of Assessment, UK Statistics Authority. Both written and oral evidence covered a range of issues, including:

- the impact of the legislation on practices to promote and safeguard the integrity of government statistics;
- issues affecting public confidence in official statistics, and
- the role of the Statistics Authority.

6. We are grateful to all those who have provided written and oral evidence. We are also grateful to our Specialist Adviser on statistics, Simon Briscoe, for his support to this inquiry.

**Background to the Act**

7. The Act received Royal Assent on 26 July 2007. Most of its provisions came into force on 1 April 2008. One of the primary aims of the Act was to restore public confidence in the statistical system. In 2004, for example, a survey conducted on behalf of the Office for National Statistics (ONS) showed that only 17% of respondents agreed with the statement that “official statistics are produced without political interference”.

8. In a memorandum to us, the previous Government articulated six principles that it would use in shaping legislation to address this problem:

- statistics should be of high quality, that is, produced to the highest professional standards and fit for purpose;
- statistics should have high integrity, that is, be free from political interference;
- roles and responsibilities should be clearly defined, and mechanisms should be in place to hold the system to account;
- the laws, regulations, codes and practices under which the system operates should be transparent;
- the system should have the flexibility to respond to changing needs, without harming the trust of users; and
- the system should carry out its functions in the most efficient way possible, ensuring value for money, and seeking to minimise the burden on business.

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2 Simon Briscoe declared interests in relation to his work as Specialist Adviser to the Committee. These can be found in full at: http://www.parliament.uk/pac but of specific relevance here: member of RSS and trustee of FullFact.

3 Public Confidence and Independence, Programmes and Projects, Office for National Statistics www.ons.gov.uk/ons/about-ons


5 Cabinet Office, Memorandum to the Public Administration Select Committee: Post-legislative scrutiny of the Statistics and Registration Service Act 2007, November 2011, Cm 8216, p7
The establishment of the UK Statistics Authority

9. The Act sought to ensure that statistics were produced to the highest professional standards and that effective governance structures were in place to protect transparency and accountability. To do this, it created a new, independent, non-ministerial department, the UK Statistics Authority, overseen by a board of executive and non-executive directors: a Chair, seven other non-executive members, and three executive members. The Statistics Authority’s first chair was Sir Michael Scholar. In 2010, the Coalition Government agreed that his successor should be appointed subject to approval by resolution of the House of Commons. This was in addition to a pre-appointment hearing in front of this Committee. Accordingly, in April 2012, Sir Michael Scholar’s successor, Andrew Dilnot, took up post.

10. In 2011-12, the Statistics Authority’s expenditure was £309.7 million and in March 2012, it had 2,991 full-time equivalent staff, the vast majority of whom (2,939) worked for ONS. Expenditure in the year 2011-12 was unusually high due to the Statistics Authority’s work on the 2011 census. Spending is planned to fall significantly in the coming years; by 2014-15 it is projected that expenditure will halve compared to 2011-12.

11. The statutory objective of the Statistics Authority is to promote and safeguard the production and publication of official statistics that serve the public good. In part it achieves this by maintaining the Code of Practice for Official Statistics (the Code), which is a benchmark for the quality and integrity of official statistics. Official statistics are defined as those statistics which are produced by government departments and their agencies. All official statistics should aim to meet the quality standards set out in the Code and the Statistics Authority monitors and reports on the quality and comprehensiveness of all official statistics. The Statistics Authority may only carry out formal independent assessment against its Code for certain key statistics. These official statistics are labelled as “National Statistics”. However, the Statistics Authority also takes an interest and expresses its view in cases where any person misuses or misquotes official statistics in a way which may mislead the public.

12. The Statistics Authority is the successor to the former Office for National Statistics (ONS), which, on 1 April 2008, became the Statistics Authority’s executive office. The Statistics Authority took over the former responsibilities of the ONS as well as the statistical functions of the Registrar General of England and Wales (but not those of Scotland and Northern Ireland), including the preparation and publication of the decennial population census. The Statistics Commission, an independent public body with a similar remit, set up in 2000, closed on 31 March 2008.

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6 UK Statistics Authority, Annual Report and Accounts 2001-12, p59 and p67
7 Statistics and Registration Service Act 2007, section 7
9 Statistics and Registration Service Act 2007, section 6
10 Statistics and Registration Service Act 2007, sections 7-8
11 Statistics and Registration Service Act 2007, sections 10, 12, 13
12 Statistics and Registration Service Act 2007, sections 55-58
13. The Statistics Authority has the dual functions of producing and regulating statistics. Regulatory functions are undertaken by the Statistics Authority’s monitoring and assessment team, while ONS produces statistics. Both the Head of Assessment and the Head of the ONS, the National Statistician, advise and are executive members of the Board of the Statistics Authority. The monitoring and assessment team is headed by Richard Alldritt who reports to the Board. The Statistics Authority’s executive office, the Office for National Statistics, is headed by the National Statistician, Jil Matheson. She prepares reports directly for the Board of the UK Statistics Authority, rather than for ministers.

14. On the establishment of the Statistics Authority in 2008, two non-executive Deputy Chairs were nominated: one with responsibility for governance of ONS and the second with responsibility for scrutiny of the wider statistical system. There are also a range of committees.

14 Statistics and Registration Service Act 2007, sections 30-34
15 Ev 43
2 The apparatus established by the Act

15. The Act established the Statistics Authority. It has drawn up the Code of Practice for Official Statistics, which sets the standard for official statistics against which it can formally assess the quality of certain key data sets. The Statistics Authority has undertaken formal assessment processes to enable it to monitor compliance with the Code. The Statistics Authority is also empowered to monitor all other official statistics—that is, statistics produced by Government departments and their agencies, which are not subject to formal assessment against the Code.

Developments since the Act

16. The Cabinet Office Minister responsible for statistics, Nick Hurd MP, told us “we clearly had a problem: over the last five or six years we have reached a much better place. The Act has been fundamental to that”.16 The Royal Statistical Society agreed, but stated: “there have been definite improvements since the Act but there is still some way to go”.17

17. We heard evidence to this inquiry about the impact of the Code of Practice. The National Statistician noted:

[...] the fact of the Act, the fact of the Authority, the fact of the Code of Practice as a unifying framework for setting standards [...] means that there has been increasing emphasis on understanding that statistics have a life beyond the Department in which they are produced [...] [there has been] a binding together [...] of good professional practice.18

18. In May 2011, the Statistics Authority considered, in a monitoring report, the emerging evidence on the benefits associated with the Code and its assessment regime.19 It concluded that the assessment process had prompted a large number of detailed improvements in statistical products and the statistical service, in particular:

- better research and understanding of the use made of statistics;
- improved dialogue between government statisticians and users of statistics outside the producer organisation; and
- better quality and accessibility of statistical products.20

19. Jenny Church, the Chair of the Royal Statistical Society Statistics User Forum, highlighted the positive influence of the Code and the Statistics Authority’s assessment process from a statistics user’s point of view:

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16 Oral evidence taken before the Public Administration Select Committee on 11 December 2012, HC (2012–13) 662-i, Q 2
17 Ev 33
18 Q 42
20 Ev 17
Users have very much welcomed the spotlight that the Act and the Code of Practice have placed on the need to engage with users outside central Government, of which there are a huge variety. The assessment process has been helpful, in that it has identified engagement as an area of weakness in the system, and that identification is leading to improvements.  

20. The latest version of the Code of Practice for Official Statistics in legislation has set a clear standard which Government departments and their agencies must observe in their treatment of statistical information. This is a significant step forward in its own right.

21. The Code of Practice for Official Statistics can only be effective insofar as it is correctly understood, applied and enforced. Extensive work has been done by the Statistics Authority since 2008 to assess the quality of certain official statistics—labelled as “National Statistics”—against the Code. This process has helped both to ensure compliance with the Code and to establish it as a practical standard, not least because, in the Statistics Authority’s view, the assessment process “further ensures a shared interpretation”. Nonetheless, more work needs to be done.

22. While the Statistics Authority noted that “it would be premature to conclude that the goal of ensuring quality has been fully achieved”, it also stated that the assessment process had made clear that “in the vast majority of cases, the sets of statistics that we have reviewed are both needed, and adequate for a wide range of important purposes”. The FDA (formerly the First Division Association), the union representing senior managers and professionals in the civil service and wider public sector, agreed that “extensive work has been done by [the Statistics Authority] to review the quality of National Statistics, and there are no indications that these are of a low standard or perceived to be unreliable”.

23. As well as highlighting areas for improvement, particularly with regard to communication of statistics, the assessment process has provided assurance on the quality of National Statistics. We commend the Statistics Authority for its extensive assessment work and the professionalism of those working in the statistical service. We welcome the assurance which the process has provided on the quality and impartiality of most sets of National Statistics.

24. Several witnesses stated that the Statistics Authority has succeeded in establishing a reputation, not least among the media and Members of Parliament, as a “credible and respected watchdog of official statistics”. The All Party Parliamentary Group on Statistics stated: “its interventions have clearly demonstrated that it is independent of political influence [...] reflected in the respect shown to the Authority by parliamentarians of both Houses in their contributions to debates”. Several commentators agreed with the view expressed by the All Party Parliamentary Group that “the Authority’s success in
establishing its reputation has been particularly due to the approach and strength character of its first Chair, Sir Michael Scholar”. The strength of the Statistics Authority’s reputation has endured under its current Chair, Andrew Dilnot. Notable more recent interventions include correspondence between the Chair of the Statistics Authority and the relevant Government ministers on the use of “research” in the case of immigrants on benefit and on public expenditure on health, and a caution issued by the Statistics Authority concerning the importance of distinguishing between the UK public “deficit” and the public “debt”.27

25. The public interventions of the Chair of the Statistics Authority to censure and correct misrepresentations of statistics are highly effective in building the credibility of the Statistics Authority as an active and independent watchdog. The new Chair of the Statistics Authority, Andrew Dilnot, has already demonstrated that he is no less robust than his predecessor in challenging and intervening, if necessary publicly, to ensure the quality and integrity of statistical information.

Assessing public confidence in official statistics

26. Despite the progress made since the Act, the available evidence on public confidence in the statistical system indicates that concern about public confidence remains, not least with regard to the wider body of official statistics, most of which are not formally assessed by the Statistics Authority against its Code. A survey commissioned by the Statistics Authority, published in June 2010, showed that a large proportion of the public remained sceptical as to the quality and integrity of official statistics.28 As the Statistics Authority explained:

[...] when asked whether (respondents) thought that official statistics are produced without political interference, the majority (59%) disagreed; and a similar proportion (60%) disagreed that the Government presents official figures honestly when they talk about their policies.29

27. Public confidence in official statistics is likely to be associated with wider public attitudes to Government and to the news media. Nonetheless, these figures suggest that there is further work to do to address potential issues undermining public confidence. The Chair of the Statistics Authority indicated to us that the Statistics Authority would shortly consider proposals to update earlier surveys and research relating to public confidence in official statistics and the views of leading users and commentators, with a view to publishing the results in the second half of 2013.30

28. The Statistics Authority submitted to this inquiry a summary document of performance assessment of the ONS by key stakeholders.31 According to this document,
the Bank of England and the Office for Budget Responsibility both rated the quality of ONS data as “poor”. ³²

29. Neither professional nor public confidence in official statistics is guaranteed. We welcome the Statistics Authority’s plans for updating its surveys to gauge the confidence of key stakeholders and the public at large in the statistical system. We recommend that, in the interests of transparency, the Statistics Authority publish a summary of the performance assessment of ONS by key stakeholders in its Annual Report.

30. It is clearly unsatisfactory, and damaging for public confidence, that major stakeholders of the ONS rate its data as “poor”. It is vital that the efforts of the ONS are directed to improving these assessments.

31. Public confidence in statistics depends on clear presentation of and public engagement with statistics produced by Government. As part of our wider programme of work on statistics, we have taken oral and written evidence on communicating and publishing statistics. ³³ Clear and accessible data presented in a way which engages the public should be made available on an improved Statistics Authority website.

The Statistics Authority’s dual role

32. One part of the Statistics Authority, the ONS, is responsible for producing official statistics. Another part has a statutory role in assessing and monitoring official statistics. The Statistics Authority is therefore effectively required to report on itself. The Statistics Authority maintains that it can ensure those who are involved in producing reports on the work done by ONS are not involved in the monitoring and assessment of that work, and that no officials with responsibility for the production or publication of statistics attend the Assessment sub-committee. ³⁴

33. The Chair of the RSS Statistics User Forum drew attention to examples where the system has worked well in practice:

   Last year when there was the error in construction output statistics, the Authority carried out an independent inquiry, published a statement and did not pull its punches about what needed to change within the ONS. The existence of the non-executive members of the Board of the Authority is obviously very important in making sure that there is that independence and separation of roles within the Authority. ³⁵

The Chair of the Statistics Authority has acknowledged nonetheless that “it is, of course, the case that finding precisely the right governance arrangements and processes is a challenge in this context”. ³⁶
34. Because of this dual role, there is not only potential confusion about what the Statistics Authority is really for, but also a perception that—in certain circumstances—there may not be proper accountability, or even that the scrutiny role is being conducted by those who should be subject to that scrutiny. The Royal Statistical Society noted in written evidence that “suspicion will always remain that ONS is treated more leniently for assessment purposes than other departments”. The Demographics User Group similarly remarked that it

[...] regrets that the UK Statistics Authority has the dual roles of both producer and regulator. The Authority’s staff have put much effort into making the best of a difficult situation, but from the outside it appears that potentially contentious issues are discussed behind closed doors in order to present a public conclusion.

35. The Statistics Authority explained that currently assessment and production staff in Newport and London “are located on the same sites as ONS staff, largely on the grounds of efficiency and economy, and with some physical separation from ONS staff working on the production and publication of official statistics”. But, as the Statistics Authority’s Head of Assessment also noted in oral evidence, “the symbolism of physical separation might help in some respect […] if it gave people more confidence in us, it is a consideration”.

36. The Statistics Authority has supplied us with a diagram (on the following page) showing how the Authority and its sub-committees carry out its functions. This sets out the remit of each body and the names of those who serve on them. The RSS suggested that, in order to achieve greater assurance on the actual practical separation of the Statistics Authority’s functions, more of the overall Board’s work could be separated and delegated to the sub-committee responsible for assessment on the one hand, or to the sub-committee responsible for the governance of ONS on the other:

In general we feel [the Assessment sub-committee] should be the driving force behind the Authority’s detailed assessment and monitoring work leaving the main Board with broad oversight or the resolution of particularly contentious or high profile issues.

37. It is vital that statisticians, statistics users and the public at large can have confidence in the statistics on which Government policy is based. The transparency and accountability of the Statistics Authority is a significant factor in creating this confidence. While the Act established a single body both to regulate and produce statistics, these two distinct roles, which may at times be in conflict, do not appear to enjoy sufficient separation.

38. We welcome the transparency represented by the publication of information about the Statistics Authority’s committees. We recommend that the Statistics Authority review the terms of reference for each committee they have published in order to
strengthen the independence of oversight and assessment. We are concerned that the Assessment Committee reports to the Statistics Authority Board as a whole, which includes the National Statistician and the Director General of ONS, whose work is the subject of their scrutiny. We recommend that the Assessment Committee report solely to the independent Chairman and non-executives of the Statistics Authority. Its terms of reference should make it clear that it has the power to initiate assessment reports.

39. It is not clear what purpose the Committee for Official Statistics serves. Its tasks confuse scrutiny and delivery. We recommend that those of its tasks which relate to scrutiny should be reallocated to the Assessment Committee, and its final task, “to promote the Authority’s messages to producers and the implantation of actions” be the responsibility of the National Statistician. In this way, the distinct responsibilities of scrutiny and delivery will be separated.

40. To support both greater transparency and the separation of the Statistics Authority’s functions as a producer and regulator of statistics, we recommend that the Statistics Authority consider the steps it could take to deliver greater independence between the two parts of the organisation. There are a number of possible steps which may achieve this, including, but not limited to: greater physical separation of the workplaces of those involved in assessing and monitoring statistics from those involved in production; a website which does not use the “.gov.uk” address in respect of oversight and assessment; separate notepaper for the differing functions within the Statistics Authority; and separate secretariats.

41. We recommend that the more distinct separation between the dual functions of the Statistics Authority should be strengthened by law next time there is an opportunity to amend the Act.
Overview of the Board of the UK Statistics Authority and its Committees - February 2013

UK Statistics Authority Board

Promote and safeguard the production and publication of official statistics that serve the public good

Tasks
- top level decisions making body of the UK Statistics Authority
- rules of reference set by the Statistics and Registration Service Act 2007
- may delegate functions to sub-committees as appropriate

Members
Andrew Blatch (Chair of the Authority)
Professor David Hand (Chair, Official Statistics)
Richard Alkire (Head of Assessment)
Sir David Bell
Jeanette Bower
Paul Lappin (Chief Executive Officer)
Peter Nuffield
Jeanette Bower
Dr. Chiara Ojetti

Committee for Official Statistics
Oversight of the statistical system

Tasks
- advises on the coverage, comprehensiveness, quality and availability of official statistics, including scope & capacity of the statistical system
- advises on engagement between users and producers of official statistics
- advises on actions related to public confidence in official statistics, including measures and monitoring systems on the Authority’s messages to producers and the implementation of actions, including those arising from Assessment and Monitoring Reports, that strengthen Code of Practice compliance and enhance the official statistics system

Members
Professor David Hand (Chair)
Andrew Blatch
Dr. Colette Bowes
Peter Nuffield

Audit Committee
Risk management, control and governance

Tasks
- approve the Authority’s Audit Strategy and Plan
- ensure internal audit meets Authority needs and objectives
- review of assurance across the Authority’s work
- strategic processes for risk, control & governance
- Statement of Internal Control
- Annual Reports
- review of annual report response
- review of anti-fraud and corruption
- review of assurance activities and mitigation strategies

Members
Partha Dasgupta (Chair)
Alessandro Calvini (Independent Member)
Alistair White (Independent Member)

Other regular attendees
Dr. Martin J. Franz (Chair of NAO)
Dr. Paul Lappin (Chief Executive Officer)

ONS Board
Governance of ONS: monitoring of ONS budget and work programme

Tasks
- agree the ONS vision, strategy and priorities and align with the Authority
- monitor and improve ONS performance
- ensure risks are identified and well managed
- ensure financial resources are effectively managed
- ensure ONS staff are effectively developed and allocated
- enhance ONS’s reputation as a world class statistical office

Members
Professor Sir Adrian Smith (Chair)
Dr. David Levy
Jill Matheson
Partha Dasgupta
Paul Lappin
Guy Goodwin
Calin Walker

Assessment Committee
Assessment Reports

Tasks
- consider draft assessment reports and make recommendations to the Chair and Board of the Statistics Authority regarding National Statistics designations

Members
Professor David Hand (Chair)
Andrew Blatch
Dr. Colette Bowes
Peter Nuffield

Members of the UK Statistics Authority Board are shown in bold

A review of the operation of the Statistics and Registration Service Act 2007 - 15
The Statistics Authority’s powers under the Act

Strategy

42. The Statistics Authority was created under the Act with “the objective of promoting and safeguarding the production and publication of official statistics that serve the public good”. It is also required to promote and safeguard the quality and comprehensiveness of official statistics, and to ensure good practice in relation to official statistics. Given this extensive remit, the Statistics Authority faces a considerable challenge with limited resources. As Andrew Dilnot, the Chair of the Statistics Authority, stated in his oral evidence: “we are rather a small group trying to help to guide a very large group of people”.

43. An example of the difficulty the Statistics Authority has faced in prioritising its resources is the apparent imbalance to date between the resources deployed on monitoring, namely the broader scrutiny of other official statistics, and those deployed on assessment. The Royal Statistical Society argued in written evidence that “it is the Monitoring work which has suffered during the last year and this now needs to be expanded again and its scope extended”. The RSS added that “we would like to see more mention of explicit goals and progress towards them in UKSA’s annual report”. In his oral evidence to the Committee, the Chair of the Statistics Authority told us that he had put in place a “programme of work to prepare a strategy paper” and expected to be able to provide us with a paper in the New Year. We understand that this will be published very shortly.

44. We welcome the recent publication of the Statistics Authority’s strategy paper. We recommend that the Statistics Authority build on that strategy paper to identify clear goals and measures against which to report progress regularly, for example in its Annual Report.

Control, coordination and planning

45. A central strategic issue for the Statistics Authority is how it should define its role and assert its powers within a largely decentralised statistical system. Within its existing governance arrangements, the Statistics Authority has some provision for influencing the wider operation of the statistical system. The Committee for Official Statistics, which is a sub-committee of the Board of the Statistics Authority, has responsibility for overseeing the health of UK statistics in general. Additionally, as the National Statistician noted in her oral
evidence, Heads of Profession and Chief Statisticians in departments now have in their performance agreements an objective about their professional role and their accountability to her on professional matters.  

46. Jill Leyland, Vice President of the Royal Statistical Society, stated that central control of the UK statistical system is not possible “because of the way that departmental authority works” and because of the devolved administrations. However there is evidence that the statistical system could benefit from more central influence and coordination, not least to break down the silo mentality in individual departments and agencies. This would help to strengthen the independence of advice that departmental statisticians provide to their ministers and to other officials.

47. The Royal Statistical Society argued in written evidence to us that the current, decentralised, system means that there are limits to the National Statistician’s role and activities in influencing the Government Statistical Service as a whole. It argued that she could be a more influential leader of statisticians across government departments, to ensure that she, rather than ministers or permanent secretaries, influences recruitment and promotion. It concluded that “the terms of reference of the Committee for Official Statistics would then be defined to support this role of the National Statistician and the Authority”.

48. The Statistics Authority must act to create a more efficient and objective statistical system. The Statistics Authority should re-examine how it can provide stronger leadership, management and governance over the statistical system, and identify what more can be done to achieve this through the work of the National Statistician, and using the Committee for Official Statistics—on which the National Statistician serves and which reports to the Statistics Authority Board.

49. We heard from witnesses about the extent to which UK statistics are coordinated across departments. Jill Leyland, Vice Chair of the Royal Statistical Society, argued:

There is no actual planning for UK statistics as a whole; there is a certain amount of coordination, but there is no mechanism at the moment by which the National Statistician’s office or [the Authority] sit down and say, ‘Now, what are the emerging needs for the UK? How do we channel and divert resources?’

Without coordination between departments on which data is collected and how resources can be most effectively deployed, there is a risk that the statistical system will operate inefficiently.
50. The National Statistician and the Committee for Official Statistics should adopt a strategic role to ensure that plans are developed and implemented. This will drive efficiency, coherence and effectiveness across the service. As part of its strategy development, the Statistics Authority should coordinate data on resource requirements and plans for statistics across Government departments, so that, where appropriate, resources can be pooled and the UK’s statistical needs met as efficiently as possible.

**Designating statistical data**

**National statistics and official statistics**

51. Under the Act, the Statistics Authority’s formal assessment process may be applied to certain key statistics, labelled “National Statistics”, as well as to certain other sets of official statistics where the producer department has agreed that it would be desirable to ensure compliance with the Code.\(^{56}\) The “National Statistics” label aligns with the name of the executive branch of the Statistics Authority, the Office for National Statistics, and its head, the National Statistician. The Chair of the Statistics Authority explained in oral evidence that the Statistics Authority has to go “through a pretty laborious and bureaucratic process, to seek, in the case of other things that are official statistics, the right to assess them.”\(^{57}\) Therefore the Statistics Authority’s freedom to act is constrained while individual departments retain discretion over which of their statistics are put forward for thorough scrutiny in the assessment process.\(^{58}\)

52. We heard concerns in evidence about the different designations of statistics. Chris Giles, Economics Editor of the *Financial Times*, told us that there is “a great confusion” about the distinction between “National” and official statistics.\(^{59}\) Witnesses told us that these designations did not have a high level of “brand recognition” amongst the general public, or even those who might use statistics in the work, including journalists and ministers.\(^{60}\) Michael Blastland told us “an understanding of the distinction does not really exist in the public at large. As we have discovered, it does not exist at ministerial level. I would be surprised if it existed almost anywhere.”\(^{61}\) FullFact, an independent fact-checking organisation, stated in its evidence that “the National Statistics brand has almost no currency.”\(^{62}\) Andrew Dilnot, Chair of the Statistics Authority, agreed:

‘National Statistics’ does not mean anything to me. It sounds as though it might mean a statistic that relates to the whole country or it might, because it is the last two

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\(^{56}\) Statistics and Registration Service Act 2007, Section 12

\(^{57}\) Q 54

\(^{58}\) Ev 17

\(^{59}\) Oral evidence taken before the Public Administration Select Committee on 11 December 2012, HC (2012–13) 662-i, Q 58

\(^{60}\) Oral evidence taken before the Public Administration Select Committee on 11 December 2012, HC (2012–13) 662-i, Q 58

\(^{61}\) Oral evidence taken before the Public Administration Select Committee on 11 December 2012, HC (2012–13) 662-i, Q 58

\(^{62}\) Ev 39
The way statistical information emanating from Government departments is designated represents a risk to public confidence in the statistical system. This is a key strategic issue for the Statistics Authority. The Act requires the Statistics Authority to monitor the statistical service and allows the Statistics Authority to report publicly on any “concerns” it may have.

54. **We are concerned that the “National Statistics” label lacks meaning, is at best confusing and at worst genuinely misleading.** It does little to explain the nature of the statistics themselves—they are not all statistics with national coverage. Various alternative options to the “National Statistics” label have been put forward to us—“code compliant”, “accredited” and “assured”. The Statistics Authority must address how “National Statistics” might be renamed so that their status is clear and there is no ambiguity about their relationship with the wider body of official statistics.

### Official statistics and other data

55. We heard from witnesses about a further area of ambiguity with potentially serious consequences for public confidence in the statistical system: how and how far the Statistics Authority can influence which data is released as “official statistics” and which may be released under other designations. Full Fact stated that:

> The biggest risk to the Act is the loophole created by departments avoiding its coverage by designating statistical information as ‘administrative data’, ‘management information’ or ‘research’. A smallish leak now, it threatens to grow and sink the ship.

56. Departments currently publish statistical data under other designations, such as administrative or research data. As these datasets are not designated as “official statistics”, they are, in principle, not required to follow the standards set out in the Statistics Authority’s Code. An example of this occurred when the Department for Work and Pensions released *ad hoc* statistics on the number of foreigners claiming benefit in the UK in a “research note” rather than as official statistics.

57. The Statistics Authority has published some guidance for departments on this issue, setting out how it will form a view as to when such data should properly be compiled and published as official statistics. The Statistics Authority has stated its position as follows:

> [...] where ‘management’ data, or indeed the findings of research and other numerical analysis, are used publicly in support of policies or decisions, or otherwise become the subject of public debate, we would wish to see a presumption that they

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63  Q 56
64  Statistics and Registration Service Act 2007, Section 8
65  Ev 39
66  Ev 33
will, in future, be treated as official statistics regardless of how they have been regarded in the past.\textsuperscript{67}

However, there is no duty on ministers and their departments to follow this presumption or adhere to the guidance provided by the Statistics Authority.

58. The Royal Statistical Society reiterated the requirement in the Act that “the aspiration should be that all official statistics (that is, those produced by central and devolved Governments and their agencies) are produced to code standards whether or not they are assessed.”\textsuperscript{68} If regarded as official statistics any data used in policy formation or put in the public domain should meet the higher standards of data quality and integrity established by the Code of Practice.

59. Despite the need for greater rigour in the designation of official statistics, there will be occasions when Government departments have a strong case for making genuine management information and administrative data public, without subjecting it to the same standards as official statistics, perhaps in response to a one-off request for data. Jill Leyland, Vice President of the Royal Statistical Society, remarked in her oral evidence that, when determining which data should be treated as “statistics” and which may legitimately be regarded as administrative or research data, “it is very hard to have a firm dividing line” and there has to be “a judgment call”.\textsuperscript{69}

60. Public confidence in the statistical system may be undermined where important information is not designated or quality-assured but still released into the public domain, so decisions about designation should not be taken lightly. The Cabinet Office minister, Nick Hurd MP, explained that, ”the National Statistician polices the quality of statistics and the way in which they are published, and is supported in doing so by the heads of profession in each government department”.\textsuperscript{70} The Chair of the Statistics Authority also noted that he is able to tackle instances where statistical data has been inappropriately issued under an alternative designation by raising the issue publicly and reporting it to Parliament.\textsuperscript{71} Such public interventions may be an effective deterrent. The Chair of the Statistics Authority remarked that potential for a public rebuke “is not uniformly popular among senior civil servants and politicians, but it is something of which they are very aware”\textsuperscript{72} However, less confrontational methods may be more effective.

61. The Statistics Authority is not able to determine in a straightforward way which official statistics will be subject to its formal process of assessment against the Code. Nor is it able to prevent departments from circumventing the obligation to try to meet the standards in the Code by publishing datasets under alternative designations such as “administrative”, “management” or “research” data. As a consequence, the core purpose of the Act—to ensure minimum standards of quality and integrity are

\textsuperscript{67} Ev 43
\textsuperscript{68} Ev 41
\textsuperscript{69} Q 13
\textsuperscript{70} Oral evidence taken before the Public Administration Select Committee on 11 December 2012, HC (2012–13) 662-i, Q 4
\textsuperscript{71} Q 61
\textsuperscript{72} Ev 43, Q 42
met—may be undermined. This situation has potentially serious consequences for public confidence in the statistical system and public administration more widely.

62. The threat of public censure may act as a deterrent to mis-designation of statistical data. Nonetheless, the Statistics Authority should also systematically engage with ministers and departmental heads of profession on this issue to ensure that the spirit of its guidance is correctly interpreted and implemented, wherever possible.

Data sharing

63. Despite clear statements of government policy to encourage data sharing, evidence suggested that the culture within government departments does not yet support the sharing of data. The restrictions placed on access to data are a source of tension both between government departments and between Government and external funders and users. The tensions and legal issues were set out in a recent report of the Administrative Data Taskforce (ADT), published in December 2012. The ADT was formed in December 2011 by the Economic and Social Research Council, the Medical Research Council and the Wellcome Trust. It worked to examine the best procedures and mechanisms to make administrative data available for research. Its report identified that access to, and use of, valuable UK-wide administrative data—such as social security, tax and education records relating to individuals or organisations—for research purposes in the UK has been difficult, “due mainly to the concerns that data holders have about the possibility that information that identifies individuals could enter the public domain or because of legal restrictions they face on the uses to which such data can be put”.  

64. Restrictions on data-sharing are often driven by a genuine concern within departments to ensure there is no breach of confidentiality requirements and by the need, in some cases, for new legislation. The Chair of the RSS Statistics Users Forum argued that:

there needs to be a proper balance struck between risk of disclosure and the utility and value of datasets. At present, users feel that the approach of the Government Statistical Service (GSS) can be overly conservative, with some notable exceptions such as the release of Census data.

65. Some steps have been taken by government departments and ONS to ensure greater transparency and fuller disclosure to users outside the Government. We heard that the Approved Researcher gateway, building on previous similar initiatives and provided for in the 2007 Act, is currently used by about 2,000 researchers who are allowed to access data for legitimate research purposes. However, progress in making data available continues to be slow, which is surprising given various open data initiatives by the Government and elsewhere, and the extent of disclosure is not consistent across the Government. As the

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73 Ev 33, 41
74 The UK Administrative Data Research Network, Improving access for research and policy, Report from the Administrative Data Taskforce, December 2012
75 Ev 40
76 Q 69
Demographics User Group put it: “progress is always measured in years rather than months”.77

66. With regard to data-sharing within Government, the National Statistician has noted that the Act has succeeded in increasing the availability of data for the Office for National Statistics:

The provision of the Act that allows for data-sharing subject to Parliamentary approval has meant that, since the Act came into force, ONS has been able to access some data from other government agencies to improve the quality of what we are doing.78

But ONS’s access to data continues nonetheless to be constrained. The Royal Statistical Society told us: “the data sharing provisions of the Act have facilitated ONS access to data [...] however, the processes [...] are cumbersome and not conducive to effective exploitation of public data sets.”79 In addition, as the Chair of the Statistics Authority pointed out, ONS’s ability to access some potentially valuable administrative data continues to be limited, as the Act does not allow access to data collected under legislation enacted after 2007.80 Nick Hurd MP told us that “there are no current plans to change the system” but recognised that the system will need to be reviewed to meet the growing demand for data-sharing.81

67. While confidentiality must be properly maintained, we consider it is important that barriers to effective data access and sharing both for external users and within Government are reduced to the minimum. In developing its strategy, the Statistics Authority should consider with the Government what steps it can take to break down such barriers where they exist; encourage a data sharing culture within Government departments; and speed up access to data for external users. The Authority should take its own legal advice on a case-by-case basis where departments may be acting on unreasonably risk-adverse legal advice.

**Pre-release access**

68. Pre-release access is the term used to reflect how ministers and officials are allowed access to announcements of statistics in advance of publication. The continuation of pre-release access remains an ongoing concern, because pre-release access by ministers tends to undermine public confidence in Government statistics. The Statistics Authority’s role in relation to pre-release access is a matter of particular concern: it has no role. Under the Act, pre-release access is not controlled by the Statistics Authority. Rather it is controlled under Orders prepared by Government and approved as a matter of course by Parliament. The Statistics Authority has no say in the determination of rules on pre-release access and the

77 Ev 29
78 Q 46
79 Ev 33
80 Q 69
81 Oral evidence taken before the Public Administration Select Committee on 11 December 2012, HC (2012–13) 662-i, Q 10
Code is not allowed to define good practice in this context.\textsuperscript{82} On 1 December 2008, the Pre-release Access to Official Statistics Order 2008 provided for under Section 11 of the Act came into force. The Orders for UK departments and Northern Ireland departments allow a maximum of 24 hours access for ministers and officials prior to publication of the statistics.\textsuperscript{83}

69. The primary rationale for pre-release access is the perceived need to allow ministers and officials the opportunity to prepare for press interviews or to issue press releases as close to the moment of general release as possible. There is practical benefit for those ministers in having early access to the data, particularly where detailed briefing is required. However this practical benefit needs to be weighed against the risks, in particular that public confidence in the independence of statistics will be undermined.\textsuperscript{84}

70. Pre-release access gives an advantage to the Government over other interested parties – not least the official Opposition. FullFact stated in its evidence:

> If pre-release access is to continue, then the same access granted to Ministers should be granted to organisations whose mission is to explain these things to the public and whose constitutions require them to do so neutrally—the BBC and other broadcasters, Full Fact ourselves and perhaps civil society organisations like the Royal Statistical Society and others. We know of no principled reason why, if Ministers have such access, these kinds of bodies should not.

However establishing a clear definition of an “interested party” is perhaps an insurmountable task. We are all—potentially—interested parties.\textsuperscript{85}

71. Furthermore the existing pre-release arrangements may fuel public perceptions of political interference in the statistical system. The Chair of the Statistics Authority stated in his oral evidence:

> I think there are two sets of harm. One is that it brings the whole system into disrepute. The second is that, in my view, it clearly allows the possibility of attempts [...] to think of some way of covering the release, so that either we can publish something else at the same time that might distract attention, or give Ministers a particular advantage in spinning that material.\textsuperscript{86}

72. The Statistics Authority has been active in pressing for pre-release access to be curtailed and has proposed that the time limit for pre-release access be reduced to a maximum of three hours; that only the minimum number of people should see statistical results before

\begin{itemize}
  \item \textsuperscript{82} Statistics and Registration Service Act 2007, section 11
  \item \textsuperscript{83} The Pre-release Access to Official Statistics Order 2008; The Pre-release Access to Official Statistics Order (Northern Ireland) 2009
  \item \textsuperscript{84} Ev 33
  \item \textsuperscript{85} Ev 39
  \item \textsuperscript{86} Q 37
  \item \textsuperscript{87} Q 73
\end{itemize}
they are published; and that the Statistics Authority should have the lead role in determining the arrangements for pre-release access to all UK official statistics.\textsuperscript{88}

73. Pre-release access arrangements present a risk to public confidence in the independence of the statistical system. The Government should accept the advice of the Statistics Authority on pre-release access, as a matter of policy. It should bring forward legislation at the earliest opportunity to transfer responsibility for determining policy on pre-release access to the Statistics Authority. In the meantime, we encourage the Statistics Authority to continue to monitor the way in which pre-release access is operated for different sets of official statistics; to draw on international best practice; and to provide us with evidence and analysis which supports further restricting pre-release access.
Conclusions and recommendations

Developments since the Act

1. The latest version of the Code of Practice for Official Statistics in legislation has set a clear standard which Government departments and their agencies must observe in their treatment of statistical information. This is a significant step forward in its own right. (Paragraph 20)

2. The Code of Practice for Official Statistics can only be effective insofar as it is correctly understood, applied and enforced. Extensive work has been done by the Statistics Authority since 2008 to assess the quality of certain official statistics—labelled as “National Statistics”—against the Code. This process has helped both to ensure compliance with the Code and to establish it as a practical standard, not least because, in the Statistics Authority’s view, the assessment process “further ensures a shared interpretation”. Nonetheless, more work needs to be done. (Paragraph 21)

3. As well as highlighting areas for improvement, particularly with regard to communication of statistics, the assessment process has provided assurance on the quality of National Statistics. We commend the Statistics Authority for its extensive assessment work and the professionalism of those working in the statistical service. We welcome the assurance which the process has provided on the quality and impartiality of most sets of National Statistics. (Paragraph 23)

4. The public interventions of the Chair of the Statistics Authority to censure and correct misrepresentations of statistics are highly effective in building the credibility of the Statistics Authority as an active and independent watchdog. The new Chair of the Statistics Authority, Andrew Dilnot, has already demonstrated that he is no less robust than his predecessor in challenging and intervening, if necessary publicly, to ensure the quality and integrity of statistical information. (Paragraph 25)

Assessing public confidence in official statistics

5. Neither professional nor public confidence in official statistics is guaranteed. We welcome the Statistics Authority’s plans for updating its surveys to gauge the confidence of key stakeholders and the public at large in the statistical system. We recommend that, in the interests of transparency, the Statistics Authority publish a summary of the performance assessment of ONS by key stakeholders in its Annual Report. (Paragraph 29)

6. It is clearly unsatisfactory, and damaging for public confidence, that major stakeholders of the ONS rate its data as “poor”. It is vital that the efforts of the ONS are directed to improving these assessments. (Paragraph 30)

7. Clear and accessible data presented in a way which engages the public should be made available on an improved Statistics Authority website. (Paragraph 31)
The Statistics Authority's dual role

8. It is vital that statisticians, statistics users and the public at large can have confidence in the statistics on which Government policy is based. The transparency and accountability of the Statistics Authority is a significant factor in creating this confidence. While the Act established a single body both to regulate and produce statistics, these two distinct roles, which may at times be in conflict, do not appear to enjoy sufficient separation. (Paragraph 37)

9. We welcome the transparency represented by the publication of information about the Statistics Authority’s committees. We recommend that the Statistics Authority review the terms of reference for each committee they have published in order to strengthen the independence of oversight and assessment. We are concerned that the Assessment Committee reports to the Statistics Authority Board as a whole, which includes the National Statistician and the Director General of ONS, whose work is the subject of their scrutiny. We recommend that the Assessment Committee report solely to the independent Chairman and non-executives of the Statistics Authority. Its terms of reference should make it clear that it has the power to initiate assessment reports. (Paragraph 38)

10. It is not clear what purpose the Committee for Official Statistics serves. Its tasks confuse scrutiny and delivery. We recommend that those of its tasks which relate to scrutiny should be reallocated to the Assessment Committee, and its final task, “to promote the Authority’s messages to producers and the implantation of actions” be the responsibility of the National Statistician. In this way, the distinct responsibilities of scrutiny and delivery will be separated. (Paragraph 39)

11. To support both greater transparency and the separation of the Statistics Authority’s functions as a producer and regulator of statistics, we recommend that the Statistics Authority consider the steps it could take to deliver greater independence between the two parts of the organisation. There are a number of possible steps which may achieve this, including, but not limited to: greater physical separation of the workplaces of those involved in assessing and monitoring statistics from those involved in production; a website which does not use the “.gov.uk” address in respect of oversight and assessment; separate notepaper for the differing functions within the Statistics Authority; and separate secretariats. (Paragraph 40)

12. We recommend that the more distinct separation between the dual functions of the Statistics Authority should be strengthened by law next time there is an opportunity to amend the Act. (Paragraph 41)

Strategy

13. We welcome the recent publication of the Statistics Authority’s strategy paper. We recommend that the Statistics Authority build on that strategy paper to identify clear goals and measures against which to report progress regularly, for example in its Annual Report. (Paragraph 44)
Control, coordination and planning

14. The Statistics Authority must act to create a more efficient and objective statistical system. The Statistics Authority should re-examine how it can provide stronger leadership, management and governance over the statistical system, and identify what more can be done to achieve this through the work of the National Statistician, and using the Committee for Official Statistics—on which the National Statistician serves and which reports to the Statistics Authority Board. (Paragraph 48)

15. The National Statistician and the Committee for Official Statistics should adopt a strategic role to ensure that plans are developed and implemented. This will drive efficiency, coherence and effectiveness across the service. As part of its strategy development, the Statistics Authority should coordinate data on resource requirements and plans for statistics across Government departments, so that, where appropriate, resources can be pooled and the UK’s statistical needs met as efficiently as possible. (Paragraph 50)

Designating statistical data

16. We are concerned that the “National Statistics” label lacks meaning, is at best confusing and at worst genuinely misleading. It does little to explain the nature of the statistics themselves—they are not all statistics with national coverage. Various alternative options to the “National Statistics” label have been put forward to us—“code compliant”, “accredited” and “assured”. The Statistics Authority must address how “National Statistics” might be renamed so that their status is clear and there is no ambiguity about their relationship with the wider body of official statistics. (Paragraph 54)

17. The Statistics Authority is not able to determine in a straightforward way which official statistics will be subject to its formal process of assessment against the Code. Nor is it able to prevent departments from circumventing the obligation to try to meet the standards in the Code by publishing datasets under alternative designations such as “administrative”, “management” or “research” data. As a consequence, the core purpose of the Act—to ensure minimum standards of quality and integrity are met—may be undermined. This situation has potentially serious consequences for public confidence in the statistical system and public administration more widely. (Paragraph 61)

18. The threat of public censure may act as a deterrent to mis-designation of statistical data. Nonetheless, the Statistics Authority should also systematically engage with ministers and departmental heads of profession on this issue to ensure that the spirit of its guidance is correctly interpreted and implemented, wherever possible. (Paragraph 62)

Data sharing

19. While confidentiality must be properly maintained, we consider it is important that barriers to effective data access and sharing both for external users and within Government are reduced to the minimum. In developing its strategy, the Statistics
Authority should consider with the Government what steps it can take to break down such barriers where they exist; encourage a data sharing culture within Government departments; and speed up access to data for external users. The Authority should take its own legal advice on a case-by-case basis where departments may be acting on unreasonably risk-adverse legal advice. (Paragraph 67)

Pre-release access

20. Pre-release access arrangements present a risk to public confidence in the independence of the statistical system. The Government should accept the advice of the Statistics Authority on pre-release access, as a matter of policy. It should bring forward legislation at the earliest opportunity to transfer responsibility for determining policy on pre-release access to the Statistics Authority. In the meantime, we encourage the Statistics Authority to continue to monitor the way in which pre-release access is operated for different sets of official statistics; to draw on international best practice; and to provide us with evidence and analysis which supports further restricting pre-release access. (Paragraph 73)
Formal Minutes

Tuesday 12 February 2013

Members present:

Mr Bernard Jenkin, in the Chair

Paul Flynn
Robert Halfon
Kelvin Hopkins
Greg Mulholland

Priti Patel
Mr Steve Reed
Lindsay Roy

Draft Report (Public Trust in Government Statistics: A review of the operation of the Statistics and Registration Service Act 2007), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 73 read and agreed to.

Summary agreed to.

Resolved, That the Report be the Ninth Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

Written evidence, ordered to be reported for publishing on 5 September and 27 November 2012, was ordered to be reported to the House for printing with the Report.

[Adjourned till Wednesday 13 February at 9.15 am]
Witnesses

Wednesday 12 September 2012

Jill Leyland, Vice President, Royal Statistical Society, and Jenny Church, Chair, Royal Statistical Society Statistics User Forum  

Andrew Dilnot CBE, Chair, UK Statistics Authority, Jil Matheson, National Statistician, and Richard Alldritt, Head of Assessment, UK Statistics Authority

List of printed written evidence

1. UK Statistics Authority (1STATS 01)  
2. All Party Parliamentary Group (1STATS 02)  
3. RPI CPI User Group (1STATS 03)  
4. James Denman (1STATS 04)  
5. Demographics User Group (1STATS 05)  
6. Royal Statistical Society (1STATS 06)  
7. FDA (1STATS 07)  
8. Full Fact (1STATS 08)  
9. Statistics User Forum (1 STATS 09)  
10. Royal Statistical Society (1 STATS 10)  
11. UK Statistics Authority (1 STATS 11)
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The reference number of the Government’s response to each Report is printed in brackets after the HC printing number.

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Eighth Report  Cabinet Manual  HC 900 (HC 1127, Cm 8213)

First Special Report  Cabinet Manual: Government Interim Response to the Committee’s Eighth Report of Session 2010-12  HC 1127

Ninth Report  Pre-appointment hearing for the post of Parliamentary and Health Service Ombudsman  HC 1220-I

Tenth Report  Remuneration of the Parliamentary and Health Service Ombudsman  HC 1350

Eleventh Report  Good Governance and Civil Service Reform: ‘End of Term’ report on Whitehall plans for structural reform  HC 901 (HC 1746)

Twelfth Report  Government and IT — “a recipe for rip-offs”: time for a new approach  HC 715-I (HC 1724)

Thirteenth Report  Change in Government: the agenda for leadership  HC 714 (HC 1746)

Fourteenth Report  Public Appointments: regulation, recruitment and pay  HC 1389


Sixteenth Report  Appointment of the Chair of the UK Statistics Authority  HC 910

Seventeenth Report  The Big Society  HC 902

Eighteenth Report  Change in Government: the agenda for leadership: Further Report, with the Government Responses to the Committee’s Eleventh, Thirteenth and Fifteenth Reports of Session 2010-12  HC 1746

Nineteenth Report  Leadership of change: new arrangements for the roles of the Head of the Civil Service and the Cabinet Secretary  HC 1582

Twentieth Report  Government and IT—“a recipe for rip-offs”: time for a new approach: Further Report, with the Government response to the Committee’s Twelfth Report of Session 2010-12  HC 1724

Twenty First Report  Future oversight of administrative justice: the proposed abolition of the Administrative Justice and Tribunals Council  HC 1621

Twenty Second Report  The Prime Minister’s adviser on Ministers’ interests: independent or not?  HC 1761

Twenty Third Report  Leadership of change: new arrangements for the roles of the Head of the Civil Service and the Cabinet Secretary, Further Report, with the Government Response to the Committee’s Nineteenth Report of Session 2010-12  HC 1914
Twenty Fourth Report  
Strategic thinking in Government: without National Strategy, can viable Government strategy emerge?  
HC 1625
Oral evidence

Taken before the Public Administration Select Committee
on Wednesday 12 September 2012

Members present:
Mr Bernard Jenkin (Chair)
Paul Flynn
Kelvin Hopkins
Greg Mulholland
Lindsay Roy

Examination of Witnesses

Witnesses: Jill Leyland, Vice President, Royal Statistical Society, and Jenny Church, Chair, Royal Statistical Society Statistics User Forum, gave evidence.

Q1 Chair: Welcome to this first session on statistics. I wonder if you could both identify yourselves for the record.

Jill Leyland: Hello, I am Jill Leyland. I am a Vice President of the Royal Statistical Society, and the Chair of its National Statistics Working Party.

Jenny Church: I am Jenny Church. I am the RSS Honorary Officer for Statistics Users—that is users of statistics outside government—and I chair the Statistics User Forum, which is an umbrella body for a wide variety of user groups. I can say more about the Forum if you would like me to later.

Q2 Chair: Thank you both for your evidence in writing. Perhaps you could each first say how you feel the Statistics Act is now working, what improvements it has led to and what evidence you have of those improvements.

Jill Leyland: Broadly, I think the Act is working okay. We think it could work better in some respects. I would perhaps like to make it clear from the start that, although certain parts of the Act are not as we would have wished them, we think the Act as a whole is workable and we would certainly not seek to suggest that there is a need for any new primary legislation, which would be a distraction. It has crystallised and reinforced some of the positive things about UK statistics. For example, the existence of the Code of Practice is definitely a good point, because, first, it lays out and makes very clear what good practice is, and then, of course, it can be used as a tool to make sure that statistics measure up to that. In that sense, it is working well.

There are other areas where there has been definite progress but not enough, for example, in paying attention to user needs outside central Government, which perhaps Jenny would want to say more about, in a moment. We are still looking for more improvements in communication. The disadvantages of the Act: obviously the dual role or, as we see it in some ways, the triple role of the Authority is a problem. It is dealt with to some extent, but it is something that needs to be managed carefully. It is a pity perhaps that the Act did not give more powers to the Office for National Statistics or for the Government Statistical Service generally to acquire administrative data sets. While it facilitates that, there is still a secondary legislation process to go through, which has proved extremely cumbersome.

Q3 Chair: We will come to that point later, but by “acquiring”, do you mean setting up systems to gather that data or acquiring the data that other people have already gathered?

Jill Leyland: Acquiring the data that other people have already gathered—the legal procedures in that and the consultations. I think, too, that one of the problems is that we still do not really have the ability to plan as well as we could. Obviously, we have a decentralised and devolved statistical system, and there are many strengths in that arrangement, but it does not make for easy planning. We would certainly like to see an instruction to Departments that, for example, they are obliged to consult and pay attention to the National Statistician and/or the UK Statistics Authority when making major changes to their statistics or in formulating their statistical planning, which we think would give more effective influence to the centre, but so far that has not happened.

Jenny Church: If I could perhaps just give some background and talk about the effect of the Act as far as users are concerned, users have very much welcomed the spotlight that the Act and the Code of Practice have placed on the need to engage with users outside central Government, of which there are a huge variety. The assessment process has been helpful, in that it has identified engagement as an area of weakness in the system, and that identification is leading to improvements. There is a lot still to be done, in that statistics can have value only if they are used, and used by the widest possible audience. Users still perceive that administrative data is under-utilised, and that access to administrative data is still not as good as it could be. If there were better access, it would facilitate all sorts of planning in local government, among commercial organisations and so on, so there is enormous scope, which users feel is not entirely recognised yet, within the Government Statistical Service. As I say, the Act has put a spotlight on that and that has been helpful, but that now needs to move forward.
Jenny Church: We have actually been collecting examples, particularly where concerns about disclosure have impeded access to data. For example, the Valuation Office Agency has a very rich database on dwellings in this country and their attributes, which could be of great use in planning in all sorts of areas. Some of that data is now being released. Until recently, none of that data was available outside central Government.

Q5 Paul Flynn: That is interesting. The Authority carried out an assessment recently. Do you think there have been any improvements in the national statistics and official statistics as a result of the assessment? We have seen a chart that has been produced, but have there been any perceptible improvements, particularly in areas that people feel strongly about, such as inflation and migration?

Jenny Church: It is a very mixed picture, to be honest. There are examples of good practice, particularly, for example, with the census data, but prices data is an example of where a lot still needs to be done. In fact, quite recently a user group has been set up in the area of price statistics, CPI and RPI, and that is spearheading user concerns on prices. I do not know whether you would like to say more about that, Jill? Jill is very involved in that.

Jill Leyland: Yes. This is only quite recent. This is a subject that, as you may know, that the Royal Statistical Society had concerns about, expressed in a letter, just over a couple of years ago, to Sir Michael Scholar. We have now eventually seen the way forward. We have a user group; it is a very lively user group. We have now been consulted on the inclusion of owner-occupied housing costs into the CPI. The consultation period has only just closed, so we do not know the results of that. We are getting a lot of cooperation from staff at the ONS, but the jury is out, for the moment, as to whether we will see real changes.

Q6 Paul Flynn: That was going to be my second question about the relationship with users. When the jury comes back in, what will they tell us?

Jill Leyland: As I said, the consultation period has just closed. The user group responded to it. We do not know now what the Authority will decide, so we have to wait to see to what extent we have been listened to. That does not mean of course that users always get what they want, but they have to be treated seriously.

Q7 Paul Flynn: You referred approvingly to the census and the figures from them. Do you think there will ever be another census along the biblical lines of the present one, instead of having a census based on about a thousandth of the sample that is taken now, which will produce results that will be quicker and almost certainly more accurate than trying to question the entire nation?

Jenny Church: Users certainly support the ONS’s Beyond 2011 programme, looking at the alternatives to the census. What that has pinpointed is the difficulties in data-sharing within Government. Although, as Jill said at the outset, the Act has provided enabling legislation for data-sharing, it is quite cumbersome in terms of having to set up data-sharing orders for the ONS to have access to each separate set of data from other Departments. That is an issue that is going to have to be resolved, if we can move forward to getting the same data as the census, but from administrative sources.

Q8 Kelvin Hopkins: On the census point that Paul was making, I am a great lover of the census and I would deeply regret it, if and when it goes. What are the views of the Royal Statistical Society? Are there people who feel like I do?

Jill Leyland: I think so, yes. Obviously, there is a whole range of views. As Jenny said, we support the fact that this investigation is being done, because there may be better ways of doing this. Of course, internationally the trend has been to move away from censuses towards either a complete use of administrative data or to a mixed model, where you have a short census and then supplement that with additional information. One of the problems with the census is that it happens only every 10 years, and of course society and the economy move very quickly these days, so a 10-year period is really quite long. I agree with you; there are probably things that will be lost, but we still may see that it is better on balance.

Q9 Kelvin Hopkins: We will lose wonderful time series, which go back a long time.

Jill Leyland: Yes, I agree with you. I love looking at historical census data.

Q10 Chair: Will we not lose the ability to cross-check the data we think we are gathering? The size of populations in some local authorities was way different from expectations—in places like Newham, for example. How are we going to deal with that? Where is the benchmarking for the statistics that we check, unless we do a census?

Jill Leyland: That is a serious point that will have to be addressed. The Beyond 2011 programme is still in its early stages and we have not yet seen the plans, so we cannot really comment on them, but you are absolutely right; there will have to be some system in there to enable cross-checking, referencing and so forth.

Q11 Chair: On the user interfaces, particularly the electronic interfaces, do you think they are practical and friendly enough, and provide manipulable and usable data for the statistics-user community?

Jenny Church: Probably the short answer to that is no. Things have improved to some extent. One of the difficulties is that a lot of the Government Statistical Service has not quite appreciated the width and breadth of the audience for statistics that the web has produced. To make data available on huge spreadsheets, while okay for the expert user, is not
Jenny Church: Well, quite. There is still not an appreciation of the needs of the non-expert, and that is something that we are working hard to promote. One thing I might mention is that recently the Forum has developed an online communications hub, StatsUserNet, with the aim of facilitating user-user dialogue and user-producer dialogue, using social networking software. The intention is to have a much more user-friendly interface. This is not actually to get the statistics themselves, but to interrogate the producers and to give views about what is being produced. That was launched only six months ago, but it already has 1,000 registrations and is growing every day. That again shows the potential breadth of the user community.

Q12 Lindsay Roy: Good morning, ladies. In any review of the process and the monitoring process, I am sure you will agree the key question is: so what, in terms of outcomes? UKSA’s work is limited to official statistics, and it has been suggested that the definition of “official statistics” is not clear enough in the legislation. How would you like to see official statistics defined?

Jill Leyland: It is hard to improve a lot really. Okay, official statistics are everything produced by Government Departments or agencies working for them. I believe the UKSA thinks there are at least 200 bodies in that. There are two issues. First, there are other statistics of key interest that are not produced by central Government or any agency, or indeed by the devolved Administrations. The clearest example is perhaps some of the statistics produced by the Greater London Authority, which obviously are of wide interest to people. I do not think you can call those “official statistics” because, if you started there, you would have to put all local authority statistics under that banner.

Q13 Lindsay Roy: What is the banner that would be used then?

Jill Leyland: The banner has to remain the statistics of central Government and devolved Administrations, or agencies working for them. What we would like to see is some voluntary signing-up to the Code of Practice by bodies such as the GLA. The Greater London Assembly members have indeed endorsed that idea unanimously, so we wait to see what Mr Johnson will say on that one. That is one area where statistics that are of key importance could be signed up to the Code of Practice, and maybe even assessed against it. The other area is the tricky one where Departments produce statistics that they call “research statistics”, “administrative data” or that come from management information. In practice, you cannot say that every bit of information produced by a Department is an official statistic, even if it is numerical. There therefore has to be a judgment call. The UK Statistics Authority is watching this area and does occasionally intervene. The example we cited was the statistics produced at the beginning of this year by the Department for Work and Pensions on benefit claimants analysed by nationality, which is obviously of key political interest, because of all the issues around migration and so forth. Things like that, which are of clear political interest, should ideally be treated as official statistics, but it is very hard to have a firm dividing line. It has to be a judgment call.

Q14 Lindsay Roy: Can you just clarify the rationale behind the distinction in official statistics, management information and research? Some people would regard that as diversionary.

Jill Leyland: No, I do not think it is diversionary. I think official statistics need to be trusted, and that means they have to meet certain standards. Now, one would hope that all Government information can be trusted, but it probably does not need to jump through so many hoops. Let me take one example of something the Office for National Statistics produced some years ago. They produced, I think with the help of the House of Commons Library, a historical series on consumer prices going back to 1750. That is of interest. One would hope it is of a certain quality, but there is no reason why that—which obviously is research and, to some extent, inference from historical information—should be considered as official statistics. It is an interesting piece of research and analysis.

Q15 Lindsay Roy: Are you saying then that we should accord a higher level of trust to official statistics?

Jill Leyland: We certainly should be able to accord a higher level of trust to official statistics, yes. The assessment process and the Code of Practice are really a system to ensure that we can place that high level of trust. It is not that we would distrust other Government information; it is simply that the bar is set higher for official statistics.

Q16 Lindsay Roy: Does the UK Statistics Authority have the right amount of control over the work of official statisticians and others outside of the Office for National Statistics?

Jill Leyland: We would certainly like to see it have more influence. I do not think, in the UK system, we can have control, because of the way that Departmental authority works, plus the devolved Administrations are also a separate issue. We would like to see more influence, for a number of reasons, partly simply for quality assurance and so forth but, perhaps more importantly, for planning. There is no actual planning for UK statistics as a whole; there is a certain amount of coordination, but there is no mechanism at the moment by which the National Statistician’s office or the UKSA sit down and say, "Now, what are the emerging needs for the UK? How do we channel and divert resources?" Resources spent
on statistics vary by Department, so for example you have a substantial amount of money spent on agricultural statistics, which arguably is out of kilter with the amounts spent on other parts of the economy. As I said, we have to accept that Departments have control over their budgets and there are strengths in that, but they should be obliged to pay more attention than they do to the National Statistician and to the UKSA when making their plans.

Q17 Lindsay Roy: Does there need to be a strategic review, given the differentiation you have highlighted?

Jill Leyland: A strategic review of what statistics are needed?

Lindsay Roy: Yes, absolutely. You said, for example, in agriculture there is a plethora of information.

Jill Leyland: I think it would be good if there were such a review, but there is probably not much point in having it unless it will lead to actual changes.

Q18 Lindsay Roy: Is that not the whole point of any review?

Jill Leyland: Yes, indeed.

Q19 Lindsay Roy: It would not be for its own sake. There has to be a positive outcome. It goes back to the “so what?” factor I introduced at the beginning of my questioning.

Jill Leyland: It would be nice to feel that there would be a periodic review or indeed an ongoing review process that would lead to changes but, at the moment, that does not appear to be feasible, except possibly through influence.

Q20 Lindsay Roy: Why not?

Jill Leyland: Again, it is the UK system that Departments ultimately have control over their budgets. That is a privilege they guard quite jealously.

Q21 Lindsay Roy: Are you saying we need to break down the silo mentality?

Jill Leyland: It would be good if we could. Yes, I think that puts it rather well.

Q22 Paul Flynn: Respect for the quality of statistics has been of continuing great interest among many of my constituents who work in statistics, going back to 1987, when I raised this with the then Prime Minister. I had a letter from Mrs Thatcher to say what an unworthy thought it was to suggest that any Government Department would want to interfere and contaminate the purity of the statistics that were coming from my constituents, who were considerably worried about that possibility. Since that time, the whole point of setting up the Act was to improve public trust and, if there is not trust in the statistics, there is not much point in my constituents employing their great skills to make sure the statistics are as objective as they possibly can be. Part of this is the Authority itself, the idea of national statistics and the kite-mark to ensure that people regard the national statistics as something that are worthy of greater trust. It does not seem to be accepted by the press; they do not announce that these are national statistics, put the kite-mark on them and say that these are genuinely to be trusted; there is no question about their objectivity. Has this worked? You are suggesting a new description. I understand, of national statistics to give it that kind of authority. Is that right?

Jill Leyland: The problem, which I think is the question you raised, is that the distinction between national statistics and other official statistics is really not understood outside the cognoscenti, if you like. I think that you would agree with me from users’ viewpoint?

Jenny Church: Absolutely, yes.

Jill Leyland: It is confusing. What is a national statistic? Is it an official statistic or is it a statistic for the UK as a whole, versus one for Scotland or England? When the phrase “national statistics” was first invented, it was intended to identify those statistics of particular importance, but in practice now it is statistics that have been assessed and found to be compliant with the Code of Practice. In a sense, it is more of a kite-mark. We think it would be perhaps better to call them something different or at least refer to them as something different—of course the term “national statistics” is in the Act, so cannot be changed—something like “code-compliant” or something of that sort.

Q23 Paul Flynn: Code-compliant?

Jill Leyland: Yes, I am sure somebody can think of a better term, but something that indicates that these have been found to be of a certain quality. If you did that, of course, you might find that people like the Greater London Authority would be keener to sign up to the Code.

Q24 Paul Flynn: It sounds like a meaningless piece of jargon to call them “code-compliant”. You could call them “accredited statistics”.

Jill Leyland: As I said, I am not very good at thinking of good phrases.

Q25 Paul Flynn: I could not think of a worse one than that, but I am sure we would need something like “accredited statistics”, something that would ensure there was some force behind it. It was interesting what you said about the plethora of statistics about agriculture. It is part of the dependency culture of the agricultural industry, which has been fed and bedded with subsidies for half a century now. There is probably more attention given in this House to agriculture, which represents about 2% of the economy, than to the other 98%. To what extent is there an over-provision of statistics on agricultural matters, and to the neglect of what other industries?

Jill Leyland: It is hard for me to give a precise answer to that one. It would be something that the National Statistician could answer better than I.

Chair: I am sure the Library could help with that.

Jill Leyland: Some of these of course come from European requirements. Indeed, I remember some time ago Sir Michael Scholar actually wrote to the European Commission querying the need for certain statistics.
Q26 Paul Flynn: Any examples? Jill Leyland: Certain agricultural statistics—I cannot remember exactly what they were, because this was some while ago. Certainly if one could wave a wand and get some of the money spent on agricultural statistics turned to newer sectors, it would be good. Paul Flynn: The problem is Europe-wide, I am sure. Thank you very much.

Q27 Kelvin Hopkins: What do you see as the case for, or indeed against, a clear separation of the UK Statistics Authority’s regulatory role, as distinct from its role in supporting the ONS? It is unusual to have these two roles in one organisation.
Jill Leyland: It is unusual and it is not helpful. This is something where I think we would have liked the Act to be different, but it can work. Obviously the separation of powers within the Authority—the fact that there are two Deputy Chairs, one responsible for the Office for National Statistics and the other responsible for the rest—is a step towards it. It is very important, clearly, that the monitoring and assessment side, the scrutiny side of the Authority, is independent of the rest. There are two things: one is the practical independence of it; and then there is dealing with public perception. The practical one can be dealt with; the public perception is more difficult. You have still got a situation where they are in the same building, with the London office of the National Statistician and the London office of the ONS on the same floor. Perhaps that does not help either.

The only way you can deal with the perception is by just making it clear in practice that there is such a thing, which means that the UKSA must be scrupulous in ensuring that monitoring and assessment are genuinely independent, and that they are free to make criticisms of the ONS when needed. I would also just like to add that there is in a sense a triple role, not a dual role, because apart from the ONS and the scrutiny, there is also a responsibility, which has its problems, for the statistical service for the country as a whole.

Jenny Church: Obviously, it is important that the Authority is seen to be treating the ONS in exactly the same way as it treats the statistical services in other Departments. From a user point of view, there is evidence that indeed they do that. For example, last year when there was the error in construction output statistics, the Authority carried out an independent inquiry, published a statement and did not pull its punches about what needed to change within the ONS. The existence of the non-executive members of the board of the Authority is obviously very important in making sure that there is that independence and separation of roles within the Authority.

Q28 Kelvin Hopkins: Are there possible organisational changes going beyond that? We have Chinese walls at the moment, the two Deputy Chairs and so on. As it happens, the last two Chairs, the current one and his predecessor, are splendid people and totally trustworthy, but in a different world going beyond this, we might find political bias in Chairs and so on. Are there organisational changes that might strengthen the arrangement?

Jenny Church: It is quite difficult, I would say, to know how much further one could go within the confines of the Act, because it is quite clear that the Authority has this dual role. Jill mentioned the physical proximity—I suppose less physical proximity possibly.

Q29 Kelvin Hopkins: Separate buildings perhaps?
Jenny Church: Separate buildings, absolutely. That would, I am sure, help actually.
Jill Leyland: Fundamentally, the only safeguard is yourselves.

Q30 Lindsay Roy: Can we now turn to the very sensitive area of confidentiality? How well does the confidentiality requirement in the Act work to protect personal data?
Jill Leyland: As regards the ONS and official statisticians generally, it is in the absolutely fundamental DNA of any statistician that you protect personal confidentiality or the confidentiality of individual organisations. I do not think there ever was a problem with that. Very occasionally you get a slip-up, but that is extremely rare. We do not see any problem from that point of view, no.

Q31 Lindsay Roy: So there have been no significant issues raised recently about breach of confidentiality? Jenny Church: Not as far as I am aware. Jill Leyland: Not as far as I am aware.
Lindsay Roy: That is very reassuring, if that is the case.

Jenny Church: From the user point of view, I mentioned the fact that users would welcome more accessible data. Users do entirely sign up to the restrictions that there need to be on confidentiality. It is just that users feel that there might be a more risk-based approach to data access, in that you need to weigh the utility of the data against the risk of disclosure and the sensitivity of the information. It is not that we feel that confidentiality should be breached in any sense.

Q32 Paul Flynn: There are provisions under the Act to allow data-sharing, which have been used, as I understand, by giving lists of claimants in order to improve the quality of figures on population. There have also been suggestions that the powers in the Act are too restrictive and there could be wider scope for data-sharing that would be of value. Do you agree with that?
Jill Leyland: I do not know what the practical or the legal problems for this are, and I know it is a complex subject, because Departments may well have legal responsibilities to protect confidentiality themselves, which they have to pay due care to. From what we are aware of, it is a very cumbersome practice, I understand. I am sure the National Statistician can give you more information on that. I believe there have only been about five instances so far. I am told that, in one case, it took about two years to get agreement to access the data.
Q33 Paul Flynn: This is information that is in the public sector. It is held by one arm, by the statistics department. It could be extremely valuable in other parts of Government and is inaccessible because we are neurotic about confidentiality probably. There are practical ways that this information could be used and it is restricted now by fears that might be entirely irrational, perhaps, about this misuse.

Jill Leyland: Yes. I do not think there is a culture at the moment of such data-sharing in the UK. Departments possibly see a risk, if they have their own legal requirements, even though that risk may be very small, of a confidentiality breach, and there is nothing in it for them often, so it has proved difficult. Obviously, the ideal situation is that which happens in a number of other countries, where there is a general power for the national statistics office to access administrative data, adhering, of course, to all confidentiality requirements, but I presume that would not be possible without new primary legislation. I do not know.

Q34 Paul Flynn: There was a period when there was a great deal of excitement about memory sticks and other sources of information being lost—laptops and so on. There was one exercise involving half the population of the country, I think. Certainly members of my family were involved and told that private information had been lost. As far as I can remember, in the tens of millions of cases of information having gone astray, I do not know of any case when information was actually found and used for some disreputable purpose. Have we gone too far in trying to guard against information loss? There is obviously a need for confidentiality, but the danger is minute when the alarm is gigantic.

Jill Leyland: Yes, I think that is right. Some of the problems to which Jenny was referring come also not from straight potential disclosure of statistics, but the possibility that if you put this data set, that data set, and another data set together, you might just be able to identify an individual, which I believe is referred to as “jigsaw disclosure”.

Jenny Church: It is this risk-based approach that we feel needs to be adopted, because those sorts of exercises are extremely time-consuming and expensive. You have to weigh the risk of whether somebody would actually do that against the utility of the data set. One is only looking for access for statistical purposes, at the end of the day.

Q35 Chair: Finally, the whole question of pre-release access—the hoary old chestnut—how much have your concerns about pre-release been allayed by the shorter periods that are allowed now?

Jill Leyland: It is an improvement, but we would still like to see it abolished or reduced to a very short time period, a matter of two or three hours at best.

Q36 Chair: That is intended to allow officials and Ministers to collect their thoughts, but not to prepare an assault on something else or a massive defence of their position, in advance of the statistics appearing?

Jill Leyland: Yes. We do not see the need—the real need, as distinct from what the media would like—for Ministers to have, under normal circumstances, pre-release access, nor do we consider it fair that they should have, and the Opposition and other commentators should not have.

Q37 Chair: You would favour pre-release access if all interested parties got pre-release access, like the official Opposition?

Jill Leyland: How do you define an “interested party”? A member of the public could be interested. We would favour either zero or a matter of an hour or two’s pre-release access.

Q38 Chair: Can you give an example of how you think pre-release access has distorted a particular announcement, because the Government has had the opportunity basically to spin the announcement?

Jenny Church: I do not think it is necessarily a case of distorting. It is a question of the impact on public confidence that it might have been distorted. As far as users are concerned, most users are completely unaware of pre-release access and would be extremely surprised if they knew that it existed. Where there is that knowledge, it reduces public confidence. That is the issue, as far as users are concerned.

Jill Leyland: Yes, I agree. The perception of political interference is damaging. Surveys of public confidence in statistics—the last one that was done, and all previous ones—came out clearly showing that mistrust of statistics was very clearly influenced by perceptions that they were politically manipulated or distorted. Therefore, pre-release access plays to these fears. We accept that it is very rare for there to be abuse of the system or at least straightforward abuse of the system, but it does permit the possibility of an alternative press notice coming out at the same time about the figures, and that distorts the message and again harms it.

Q39 Chair: Can you think of any examples in countries where there is no pre-release access, where the lack of pre-release access has caused a difficulty, apart from inconvenience?

Jill Leyland: We have not heard of any. I think that is possibly a question you should put to the UK Statistics Authority. I believe the Statistics Commission did some work on this some while ago. My impression is that there has not been any serious difficulty.

Q40 Kelvin Hopkins: Just a general question about the abuse of statistics: I have to say that I am a lover of statistics, ever an obsessive, and I have studied it and used to teach it a bit at a modest level, so I am always interested, but the abuse of statistics is so commonplace, particularly by politicians. I just wondered if your society, the Royal Statistical Society, polices or in a sense comments much on the abuses of statistics, or do you just stand back and let it all happen? The Government and Ministers are constantly talking about trade. They always talk about exports, but they never talk about imports. It is the balance of trade that is important, not just exports. It is simple things like that. Do you comment publicly on abuses of that kind?
Jill Leyland: We would love to, but as a society we do not have an unlimited budget or time. Also, there are organisations—Full Fact, for example—that are looking at that. What we are doing is our getstats campaign, which is a 10-year campaign, to really boost public understanding of statistics. I believe there have been some presentations to Members of Parliament about that. We would like to see an improvement in statistical literacy generally.

Jil Matheson: Just to add to that, from within the of ways, we are seeing signs of improvement. In all kinds that we are putting on engaging properly with users, trying to take things forward, the kind of emphasis there is an awareness of the kinds of ways that we are

Richard Alldritt: What assessment has told us—maybe we could have guessed this—is that statisticians are better at collecting and publishing statistics than at explaining their strengths and weaknesses, and what they are good for. That has increasingly been the focus of the cycle of assessment reports, where a lot of our work is focusing. It is at that end of adding value by explaining the strengths and weaknesses of the statistics.

Q44 Chair: In a word, do you think the Act has improved public confidence in statistics from where it would be otherwise, even if the trends are not very discernible?

Andrew Dilnot: There are at least two groups of people who we might look at. There is public confidence, and the last time that this was measured by us was in late 2009, published in 2010. At that stage, I do not think one could say there was evidence that things had got better. Alongside the analysis of the wider public’s confidence, we also did a survey of opinion formers—people who were professionally interested in statistics—and there seemed there to be evidence of some positive feelings about the Act, and a sense that integrity and quality were being enhanced. I think it is a reasonable question that we are happy to discuss with the Committee, whether it would make sense for the Authority to conduct a repeat of those exercises to see now, three years on from the last survey of the public, whether there is evidence of improvement. We are very aware, of course, that responses to that kind of survey are strongly affected by wider political considerations and the sense of trust in government more broadly, but I think my colleagues agree that this is something that we might well want to think about doing in the near future.
Richard Aldritt: If we look at the general public, we must look at the opinion formers as well. You get different messages: the general public’s view of official statistics tends to be driven by views of the Government and the public administration; and this smaller group of people who know more about it give you a much richer insight.

Q44 Chair: Mr Dilnot, could you perhaps point us to evidence of the more strategic approach you are taking to all these issues that you intimated you would pursue in your pre-appointment hearing?

Andrew Dilnot: More strategic than what? I can certainly point you to examples of the strategic approach that we are trying to take. One crucial set of issues, and this is something I talked about a lot in my pre-appointment hearing, is to do with communication and how we communicate statistics. We are rather a small group trying to help to guide a very large group of people. The Office for National Statistics itself has thousands of staff. The wider Government Statistical Service has many more thousands. One of the things that we have set in train, as a result of collaboration with both the National Statistician and the Head of Assessment, is some work specifically on communication. In either late May or early June, we brought in colleagues who were working on three sets of releases—there were releases on GDP, retail sales and the population estimates—to work alongside them to think about ways we could improve the quality of the output, releasing that. They have come back to us with some suggestions. That work is going on.

As we looked at that, it became clear to us that, through the assessment process, a whole stream of repeated conclusions come up, many of which are to do with engaging views, communicating and making sure we are getting the best use. As we look at our colleagues, some of them are saying, “You keep telling us how to do this, but we are not absolutely sure how to do it,” so we are forming a new group that is about to start working in early October, which we are going to call the Helpers Group. We are a group drawn both from Jil’s team and from Richard’s team, who will be available to help people throughout the Statistical Service—both the ONS and the GSS—to do these things, which are given such prominence in the Code of Practice, more effectively. That is one example.

A second is that the ONS has had a regular priority-setting process. After I arrived, we sat down and thought, “What are the core priorities?” One of the priorities is one that I mentioned at my pre-appointment hearing, which was the website, and communication more widely. We are already in the process of drawing up budgets for next year and the years thereafter. We are even enhancing the priority-setting process to be clear about what are the most important things for the whole statistical system and the way in which we can deliver those.

Q45 Chair: Wouldn’t it be beneficial for you to set out, in a single document, your strategic thinking for the Authority and the general direction that you wish to take it in, otherwise your strategy appears to be operating on a fairly ad hoc basis, however coherent it may be?

Andrew Dilnot: It certainly is important that, in our regular process of reporting, we should describe what our strategy is. The annual report for last year was published earlier this year. I certainly think that, in the annual report next year, I should write down what I think the strategy is. I have been in this job for five months, and one of the things I feel very strongly about all jobs is that, while one should arrive in a new job with a clear sense of what it is that you want to achieve—a vision that I hope I managed to set out in December, at my pre-appointment hearing—it is also very important to recognise that when you start a job you will learn things. The ONS and GSS are relatively complicated structures so, less than six months in, it would have been inappropriate to try to write a detailed strategy and publish it before that. That is something I certainly think we will be working on over the next few months and will be publishing at the end of the year in our report.

If the Committee would find it helpful, slightly in advance of that, for me to send a note describing the broad outlines of that, I would be very happy to do that. I should say that part of the strategy that I feel is very important is that we are aware of the relationship we have, through PASC, with Parliament. We are very aware that we are creatures of Parliament and we are grateful for the interest that this Committee takes in what we are doing, and delighted that so many inquiries are underway.

Chair: I think that would be extremely helpful. I would point out that this Committee has done a bit of strategic thinking itself about how Government does strategy. We are not looking for you to set a plan in stone; on the contrary, that is not strategy. That is a plan. Strategy is how you approach your planning to achieve your key objectives, how you choose your key objectives and how you approach your plans to achieve them. Those plans may need to continue to adapt as you gain experience in your role. I think it would be useful to do that quite early, certainly well in advance of your annual report next year. We would appreciate that.

Q46 Kelvin Hopkins: There are certain key statistics that the public, politicians and the media take much more interest in—inflation, migration, population, the census and so on—and obviously these require lots of attention by yourselves. Have improvements resulted as a direct result of the legislation, setting it all up?

Andrew Dilnot: Have they resulted as a direct result of the legislation, setting it all up? That is a question that, at one level, is difficult to answer. Inflation was one of the things that you mentioned. Richard and his colleagues did an assessment report on the measurement of inflation; we have also done a monitoring review on the communication of inflation, because my recollection is that the assessment report said that one of the things that we feel about the inflation measures is that more could be done on explaining to all users how they are constructed and what is going on. A monitoring review was then done. In response to that monitoring review, or at least alongside that monitoring review, a programme of
work has been conducted within the Authority, by ONS with input from the Consumer Prices Advisory Committee (CPAC), which has had a couple of big priorities. One was owner-occupied housing. A second was the formula effect, the gap between the RPI and the CPI. On owner-occupied housing, the National Statistician went out to consultation a while ago. That consultation has just about finished now, I think, so we are hoping that we will be able to get that for you soon. On the formula effect, I expect that is the direction we are going there as well. We will soon be able to go out to consultation on changes there. Now, we cannot say with certainty that those things would not have happened in the absence of the Act, but they have certainly been part of a process and a structure that reflects the Act. Jil Matheson: If I may just add another example, which is directly related to the Act: the data-sharing orders. The provision of the Act that allows for data-sharing subject to Parliamentary approval has meant that, since the Act came into force, ONS has been able to access some data from other Government agencies to improve the quality of what we are doing. I will give you just one example. One of the data-sharing orders was for student data from the Higher Education Statistics Agency. Those data have directly fed into changes and improvements to the population estimates at a local level. They were also used as one of the sources for quality-assuring the census data, so a very direct change. It has not all been easy, in that data-sharing is one of the things that is very dear to my heart and subject to all kinds of confidentiality constraints but, nevertheless, we have used the legislation, as we would not have been able to access that data before.

Q47 Kelvin Hopkins: What about resources? You need resources to do these kinds of assessments. Do you have sufficient funding to do what you really want to do in this respect?

Andrew Dilnot: One should always be wary of saying, “I’ve got more funding than I need,” or “as much funding as I need.” The truth is that, in all walks of life, there is always more that we would like to do. On the other hand, the amount of money out of the total Authority budget that is spent on assessment is a small part of the whole. Something that I have felt very strongly, and have said repeatedly to Mr Alldritt, is that I do not want resource constraints to stop us doing assessment or monitoring work that matters to us. We think that the total cost of the assessment programme is about £1.5 million a year, so that is small relative to the ONS budget, small relative to the wider statistics budget, tiny relative to overall public spending and even tinier relative to the national economy. There may, on occasion, it seems to me, be constraints in terms of Mr Alldritt’s being able to get a hold of the staff that he wants to do the work, but we are not constrained in budgetary terms.

Richard Alldritt: If I could add to that, I do not think we should see assessment as likely to change the figures being published. I can think of a case where it did, which was road accident statistics, where I gave evidence to Parliament’s Transport Committee and there was some change in the figures being published, but mostly it is about whether the people who need these statistics are being told enough about what they are good for, what their strengths are and what they need to be careful about. In other words, are we doing enough to get the good out of the statistics? That is that focus. Issues of whether we are using the right methods and problems in that area might be identified by assessment, but they would not be resolved. We have to see where it fits in; it is tending to look at that end of the value, rather than methodological issues, which are approached in a different way.

Q48 Chair: Might I pick on a particular example here? There is a huge focus on GDP statistics—rightly so—and on construction statistics, and yet we know these statistics, when they first come out, really are provisional figures. When they are 0.1% or 0.2% either way, they really are of questionable value, and they are subsequently revised quite substantially, to the other side of zero on occasions. Shouldn’t there be a real effort to stop the press galloping off with massive conclusions on the basis that these are unassailable facts? Shouldn’t the UK Statistics Authority be making it clear that provisional statistics are that—provisional and subject to quite substantial checks?

Andrew Dilnot: We entirely agree with you on that, Chairman. “Questionable value?” I think they are of value. They are of enormous value and there is enormous demand for them, but you are absolutely right that it is vital that it is understood that they are estimates. I think I am right in saying that the UK produces the first estimate of GDP more quickly after the end of the period to which it relates than any other country in the world. We produce it 25 days after the end of that period.

Chair: Why?

Andrew Dilnot: It is very important that we should make it clear that there is considerable uncertainty around it.

Q49 Chair: These are numbers that move markets and affect political sentiment.

Andrew Dilnot: They do move markets and affect political sentiment, and so it is very important for us to communicate effectively the basis on which they are constructed and that they are estimates. One of the things that came out of the workshop we had on communication was a list of, I think, seven principles that ought to run through all our communication. I wrote down the list. The very first of these was uncertainty—that there is inherent uncertainty in estimates, particularly when they are produced at short notice. I do not think that means they become not useful, but it is absolutely vital that it is understood.

Q50 Chair: There comes a point, surely, when a 25-day assessment could actually be misleading.

Andrew Dilnot: It could be inaccurate. I am not sure that it is misleading, as long as we succeed in communicating with people that it is made after 25 days. I am pretty sure, if we were to suggest to the Bank of England, the Treasury and the markets, “Why don’t we delay this by another month to get to something with slightly more confidence?” that there
would be an entirely understandable chorus of regret, because people want a number as soon as we can give any kind of number. In this, we have to be more effective communicators.

One of the things we have to do is make people realise that, in fact, in the case of GDP, the difference between 0.2%, 0% and -0.2% is very small. At the moment, it seems to me, the story about GDP in the last five years is that, until 2008, GDP had been rising for an unprecedentedly long time and pretty rapidly. We had a long period when it went up, then we had a short period of very dramatic decline, followed by a small bounce-back, and then for about two and a half years now it has been roughly flat. Whether the number is 0.2%, 0% or -0.2%, that is still the story. There is a tendency with many of our numbers for there to be too much focus on the very last number, the latest little bit of evidence, which is a point estimate, uncertain, of the first differential of the level. I think we should go on doing these numbers, but we all need to work much, much harder to help the whole community understand their basis.

Q51 Chair: How are you going to achieve that?
Andrew Dilnot: In a whole number of ways. We are working very hard with the producers on communication. I have spoken at a whole of series of events—heads of profession, heads of statistics, the Royal Statistical Society, the Government Statistical Service conference—about precisely these issues. We have our Helpers Agenda. We already have new drafts of the GDP first estimate, first release, and retail sales, where similar kinds of issues apply. We have to work hard on the communication. We also have to work with journalists. We have to work alongside those who become the medium through which most people get access to statistics to try to make sure that they report them in the most sensible and best way.

Q52 Chair: For example, the BBC has a special obligation to report these statistics in an objective way. Do you feel they do so?
Andrew Dilnot: Do they do so? Not always.

Q53 Chair: Will we see a letter from the Chair of the UK Statistics Authority to the Director-General of the BBC?
Andrew Dilnot: It would not be the Director-General who was guilty, although it might be the Director-General to whom a letter might have to go. If the BBC flagrantly misrepresented some data, yes. My understanding is that there was an occasion when my predecessor did not write to the BBC, but wrote to a print outlet, and circumstances could occur where that would be appropriate. For the time being, most of what goes on is just not very good, rather than being an example of malpractice. We need to work hard with that. As you say, there are certain particularly significant and high-profile outlets where it is especially important.

Q54 Kelvin Hopkins: Just pursuing some of these points, one of the problems I think we have is that a huge proportion of the population is not numerate, even many in politics. Even in this wonderful House that we inhabit, there are those who are not sure about statistics, percentages for example. The Moser Report, some 12 years ago, found that more than 50% of the population were not effectively numerate, and he illustrated that by saying that more than 50% of the population do not understand what 50% means, in a sense, explaining things. I think you are absolutely right, but you do then start to get into political territory because, if you explain things in a way in which the Government says, “Ah, yes, that supports our case,” or the Opposition says, “They’re taking the Government’s side,” you have a problem. In a sense, I can see you are always standing on the edge of this political maelstrom.

Richard Aldritt: We call this the “cliff edge” that statisticians must not cross. The problem is they do not approach it; they stand well back and do not do as much as we would like in terms of explaining to people, guiding them on what the statistics are or are not saying. When it is an issue like foreign workers in the economy or something like this, it is quite important to guide people to what sort of interpretation is appropriate. Yes, there is a limit that must not be crossed. Our experience in the work that we have done is that government statisticians actually have a pretty fair idea of where that line is, but they stand a long way back from it.

Jil Matheson: I was just going to add to that point that that is my experience, too. Rarely have Government statisticians been accused of interpreting things in a political way. Much more common is that they do not interpret or explain at all, which is actually what opens up confusion and the potential for political misuse, if you like. Richard is absolutely right: I would want Government statisticians absolutely to understand that they are still civil servants, and absolutely understand that the value that they add is in really understanding the data and statistics, and helping a wide range of users, the public, to understand therefore what those statistics mean. “What is the statistical story?” is the phrase. Of course statistics matter and of course they are used in political debate, but our role is to facilitate that debate with clear understanding and explanation of statistics, rather than a bit of a black box that is “all very difficult, isn’t it?” We have a duty to explain.

Richard Aldritt: We cannot be too critical of the press reading between the lines, as it were, if the explanation is not good enough in the first place. To some extent, our focus is on explaining the thing in simpler, clearer terms.

Andrew Dilnot: It is true that people do not find numbers very easy, but actually most of us do not find numbers very easy. Once a number gets much beyond the size of the value of people’s houses, they find it difficult to understand. I have said already today that we spend £1.5 million a year on assessment and that is a very small number. At one level, it is a big number. In lots of contexts, it would be a big number. How can we make £1.5 million make sense to people? One way of thinking about it is what that is per person, and the answer is it is 2.5 pence per person, per year. That is what we are spending on auditing the statistics we use to run the whole country.
I have been thinking about things like representing numbers as a number per head. GDP at more than £1,500 billion means nothing to any of us, but by saying it is about £25,000 per person, you have a way of thinking about it. Once you have said it is £25,000 per person, you can think, “What does a reduction of 0.2% mean?” One per cent. would be £250 so 0.2% must be £50 a year, so there are ways of doing it. If we are thinking about population statistics, this is an area where actually people do seem to have a grasp of a big number, because most people do sort of know that the population of the UK is roughly 60 million. When we are talking about change in population, it is most helpful actually to use the number and say it has gone up by 200,000, rather than say it has gone up by 0.3% a year. Thinking about how people understand numbers, as far as I am aware, it is something that cannot work anything like so quickly.

I am in favour of the priesthood of infinite integrity, acting as guardians of the sacred flame of truth, but under constant assault from all kinds of elements outside of infinite wickedness, who are trying to contaminate the flame? To give one example, the Department for Work and Pensions seems to have found a way of publishing statistics, that are not coming under the protection of the Act, by issuing some inflammatory information that they knew was going to be seized on by certain elements of the press. It was about the numbers of foreigners claiming benefit in the UK, which is a source of great delight to the tabloids. This was not introduced as a national or official statistic, but was put out as a research note. Is there some reason it did not have the normal protections that the Act was intended to put in place to ensure that these statistics were presented in a cool, rational, objective way? Is this a matter of concern?

Andrew Dilnot: I am in favour of the priesthood of all believers, in a good Protestant sort of way. I want everybody to think of themselves as competent to engage with statistics. That is the Nirvana to which we are looking. This particular case relates to the general question of the distinction between official statistics, national statistics and other stuff. My own view is that here we are in a slightly tricky position, because the Act gives us, as the Authority, the right to assess things that are national statistics. It also gives us the right, through a pretty laborious and bureaucratic process, to seek, in the case of other things that are official statistics, the right to assess them. That is something that cannot work anything like so quickly. Then there are other things that can claim not to be official statistics at all, and on this distinction between official statistics and management information, the Authority has published some guidance, and Jil’s colleagues in the GSS are able to turn to that guidance. If they think they are being put under undue pressure, they can turn to Jil, who can turn to me. Nonetheless, there is a potential difficulty here. My own sense of the move that we would like to see is to move away from the very laborious process of our having to seek permission to assess something to a position where, actually, the Head of Assessment could come to me and say, “This is an area where we need to do some work.” That would be a step forward.

Q56 Paul Flynn: When the Act was going through, the interest in the press was nil, apart from one person and that was you, who was writing about it. I constantly quoted you, because there was no one else who seemed to show any interest or to have any conception of what the Act was going to do. How successful has it been? Are we really in trouble because of this difficult definition? The idea of national statistics with a kite-mark does not seem to have improved the public’s trust. Do we need a new definition? Shall we call them something else?

Andrew Dilnot: I think, “Shall we call them something else?” is quite an interesting question. My own sense is that I am new enough in this job—five months in—still to be able to bring a slightly external perspective, and one of those is that “national statistics” does not mean anything to me. It sounds as though it might mean a statistic that relates to the whole country or it might be, because it is the last two words of the Office for National Statistics, mean that it has been produced by the Office for National Statistics. No politician, as far as I am aware, thinks, “I must make sure that I use only national statistics in my speech, otherwise that member of the Opposition will stand up and say, ‘Well, Minister, where did you get those numbers from?’” It is something that we would be interested ourselves to think about and to talk with you about: whether there is a difference description that actually sounds like something that, first, is a good thing and, secondly, is something that a Minister might actually want for the statistics that she or he was using. Yes, we have not come up with the perfect description, but we have been thinking about it and it is something we would like to think about some more, because our sense is just that “national statistics” does not mean enough to give people the incentive that they need to want to have that classification.

Q57 Paul Flynn: There was a suggestion of “code-compliant” from the previous witnesses. The other one that was suggested was “accredited statistics”, which seems to suggest it carries some kind of authority with it.

Andrew Dilnot: I think “accreditation”, “assured”—I don’t know and we should not try to draft it now. It is something that, over the last few months, I have a growing sense of the need for.

Q58 Chair: Is it something you are going to address?

Andrew Dilnot: Yes.

Richard Alldritt: Whatever we do on this, it will mean accredited against the Code of Practice for official statistics. That has to be the test. It was written as a Code of Practice for all official statistics, and we will need to look at this issue of, now that we have completed the cycle of national statistics, whether there are things like the DWP statistics that you...
mentioned that should be brought more into this process of accreditation.

Andrew Dilnot: We would have more chance of that happening if we have a description that people wanted of the statistics that they were creating and using. At the moment, I think “national statistics” just does not mean that to the wider user community.

Q59 Paul Flynn: Do you think the Authority has a sufficient degree of control over those statisticians elsewhere in Government, other than in the Office for National Statistics, which would be appropriate; or do you think that the Ministers in other Departments—you said there is some nervous relationship, which is all to the good and we welcome the news there is some tension between you and Ministers—will use all kinds of ways to get around the Act, if they find it is getting in the way of shaping public opinion to their will?

Andrew Dilnot: Certainly one would expect, I am enough of an economist to expect, any rules that you set up, any structures you set up, people will try to find ways around them. The Act does a pretty good job of that, and it is the case that statisticians in other Government Departments know that they can come to the National Statistician and her colleagues, who will bring it to me. It certainly is the case that, in Departments, senior civil servants and Ministers are thinking, “Exactly how do we negotiate our way through this?” They want to know how the Authority will approach these things. They have been grateful for the guidance. I have had a number of conversations with senior figures, including the Minister for the Cabinet Office and the Cabinet Secretary, about precisely these sets of issues and the way in which we need effectively to communicate to Ministers and civil servants where the lines are and the consequences of stepping over them. The consequences of stepping over them, I have said to both those individuals, will be public and loud. If we see behaviour that we should not see, we will not be shy about publicising it. That is a very important part of this system. We do not have authority, day by day, over everything that the statisticians in Government Departments are doing, but I think they do feel that we are there to protect them and that seems to me to be working reasonably well.

Jil Matheson: That is underpinned by one of the things that is now stronger, which is that all the chief statisticians and all the heads of profession in Departments now have in their performance agreements an objective about their professional role and their accountability to me on professional matters. There is a process point there. One other thing that I would mention is that there is now a clause in the Ministerial Code about statistics, and all those things, as Andrew has said, have raised the profile and the professional importance.

Q60 Paul Flynn: The degradation of the Ministerial Code under this Government is a subject of many anxieties on this Committee. Could I take up the point raised by the Chairman? There is also a view among Coalition MPs that—again, in the tradition of attacking the messenger, in order to defend the ineptocracy that this coalition has created in the country, they attack ONS and the BBC. Particularly, to take up the BBC, there are meetings regularly about the BBC here, which are attended by the flat-earthers in this House and the next House who are obsessed by the idea that the BBC is a Bolshevik conspiracy. You were asked about distortions. If you put them in some kind of order, where do you think the grossest distortions take place, if you go down from the Daily Mail to the BBC?

Andrew Dilnot: I do not think I have a clear view on that, certainly not as the Chairman of the UK Statistics Authority. My general view is that the media often does not portray statistics in the way in which we would like them to, but nor do politicians, by any means. Our job in the Authority is, first, as the source of them, to communicate and make sure that our colleagues communicate them well and, secondly, when there is flagrant abuse to rebuke that. It is not to get involved in the knockabout of political debate, but to intervene when clear misrepresentation is going on.

Chair: We sometimes don’t represent each other’s views very fairly either.

Q61 Paul Flynn: We see people are finding ways of getting around what the Act intended to do. Do we need the Act to be amended?

Andrew Dilnot: In this area, I don’t think we need the Act to be amended. There are some areas where that could be discussed, but I think what we need is clear understanding on the part of Ministers and senior civil servants, and we need to be consistent. In the conversation I have had with the Minister for the Cabinet Office and the Cabinet Secretary, I have said that I understand that both senior civil servants, some of whom have moaned at me and I am sure have moaned at Jil and Richard, and Ministers, on occasion, find the behaviour of the Statistics Authority extremely irritating. At one level, if it were not irritating, we would not be doing our job. As we do our job, we must act consistently and fairly, in a way that is open and accountable. As we do that, if we find, for example, the use of material that, in our view, is really a statistic being labelled as management information, but is being published and used in a way that is inconsistent with the Code of Practice, we will say so, and say so publicly.

Q62 Chair: You think we need clearer boundaries?

Andrew Dilnot: Well, I think we need clear boundaries. Actually, in the guidance that has been published, those boundaries are now pretty clear. We need it to be possible for conversations to occur across Government to make sure that they are clear. One of the things that both the Cabinet Secretary and the Minister for the Cabinet Office are considering is whether there are forums in which my colleagues or I should go along and speak, just for the avoidance of doubt, but I think the guidance is pretty clear.

Q63 Chair: Presumably Ministers and officials can check with you in advance of releases?

Andrew Dilnot: They can check with us that their understanding of the Code and of the guidance is
appropriate. What I do not want us to get into is lots of pre-hearing rulings. I don’t think it is appropriate that people should say, “We were thinking of saying this. Is this mealy-mouthed or unacceptable?” It is entirely appropriate for them to have conversations with us that say, “Our understanding of the guidance is that something like this would be management information; something used in this way would be a statistic.” I think we want to stick to principles rather than giving out rulings, but we could have more of those conversations and we have made it clear that we are open for that sort of business.

Jil Matheson: Certainly that is the kind of conversation that happens with me in my office, if there is any uncertainty.

Q64 Kelvin Hopkins: If I may put one question on the previous discussion, presumably there are different levels at which you could relate, particularly with Ministers. You could have a quick private telephone call to say, “Sorry, Minister, but I think you have misinterpreted that.” Then there is the formal meeting and then there is public comment. Sir Michael Schieder once said that the quick telephone call to criticise Government and quite rightly so. Presumably you can operate at these different levels.

Andrew Dilnot: Yes, there is a full range of our interactions and interventions. Richard Alldritt: We make a lot of allowance for the reality of Ministers being asked questions in the course of a public interview or something like that and half-remembering statistics, and we distinguish between that and a formal statement, where there has been opportunity for it to be reviewed and approved. It has to be realistic this, and we do consider whether there has been opportunity to take professional advice before commenting.

Richard Alldritt: There are two sets of things that I take particularly seriously. One is something that might be characterised as aiming to mislead or misrepresent things to the wider public; and the second, and I say this without wishing to appear sycophantic, is statements to the House. It seems to me that we must have very high standards for both those categories.

Q65 Kelvin Hopkins: My formal question is: how is the organisational structure of the Authority working? In particular, it has dual roles as a producer of statistics governing the ONS, but also as regulator of statistics. In the previous session, we had a discussion governing the ONS, but also as regulator of the organisational structure of the Authority working? How can the Authority work and result of things we have learned over the last four years. Also, now that we have got to the end of our first massive programme of assessment, the balance of the monitoring and assessment work may change, and more of it may become less relatively routine, and so we need to make sure that we have the right arrangements for that.

Chair: Sorry; could I interrupt for a second? Jil Matheson, I confess I think I saw a wry smile on your face at the talk of “robust exchanges”. Could you give us an example, a flavour, of the sort of thing that can create this constructive tension between you? What the public wants to know is that there is this tension, because it is inevitable that this tension would occur, given the relationship between you. It would be interesting to know what sorts of things cause the tension.

Andrew Dilnot: I can think of one example and Jil might think of others while I am speaking. One example, in a strange kind of way, has been this thing we are calling ‘The Helpers Agenda’. We are trying to take forward a group of people who can help people, across the whole statistical service, do the things about which Richard and his grumpy cohorts are saying, “You’re not doing this.” They say, “Well, we don’t quite understand.” Richard, Jil and I talked about this very early on in my time, and it was actually quite tricky, because Richard of course wants it to be done, but does not want anything to do with it, because it is very important that, in future, Richard can come along and say, “Well, you may have been working with these helpers, but it is still rubbish.” We had quite a complicated discussion about who would be in charge and how we would get the governance structure, and it went on over a period of two or three months. On occasion, it became slightly tricky, but we have now resolved it, and the way we have resolved it is that, yes, some of the people who work on this will have been in Richard’s team; they will come out of it for a while. Richard will be
involved in helping to work out exactly what we will do, but the programme will be managed by Jil and answerable to Jil, so that we are not in a position whereby, if one of these people then goes back to work for Richard in the future, we could be overturning it. As I say, it was reasonably robust, wasn’t it?

Richard Alldritt: I can probably give you another example. We write a lot of reports about the Office for National Statistics. We have done something like 50 assessment reports and quite a lot of what we call “monitoring reports”. One that we are doing at the moment is about whether ONS is making public everything from its databases that it possibly can, in the spirit of the open government agenda. As we draft those reports and drafts are circulated—we show them always to the Department concerned—sometimes the drafting is not as clear and considerate as it might be, or indeed factually correct. That is part of the process, and those sorts of things cause robust exchanges.

Jil Matheson: Both are excellent examples and inevitable, but the point that I would make is that, actually, from my point of view, which is about representing the producers of statistics wherever they are in government, this is a helpful process; because one of the things that I want to see is the continuous raising of standards and continuous improvements in the kinds of things that Richard’s team have been focusing on, which are to do with communication, a life outside Departments and user engagement. They are extremely important messages for the GSS. What I also have to take into account is that of course Richard wants it done tomorrow, and sometimes it takes longer than that. That will inevitably lead to discussions about—you can make whatever recommendations you like—how feasible it is to expect producers to respond to them and how quickly. That is a built-in discussion.

Richard Alldritt: We do not start by considering what resources are available to the Department. We look at what they should be doing, and the resource issues are discussed after we have reported. That can cause tensions.

Q67 Kelvin Hopkins: There is just one other point. In our previous discussions, we talked about perhaps separating the functions, geographically at least, perhaps having separate offices rather than the same floor of the same building as I understand it is at the moment, so production and regulation might just be in separate buildings—just a little bit of geographical separation, to make the Chinese walls more effective. Andrew Dilnot: I think I said at my pre-appointment hearing that that was something I would want to think about because, until April when I started, I had not.

The way things are at the moment, the Assessment staff are in London, Newport and a small office in Edinburgh. In our London office, it is true that the address is the same as Jil’s office; it is on the other side of the whole square. My own feeling is that the separation that really matters is the separation in the Act and the separation in the structures that we have put in place, so that every member of both Jil’s team and Richard’s team—everyone who works at the ONS—knows what the relationships are. I don’t think that any further physical separation would help a great deal. Other people might have different views, but I have not heard that view strongly expressed from the Assessment side.

Richard Alldritt: I suppose it concerns me that people might think it is all too cosy, which is particularly frustrating given all the robust exchanges we have just been referring to. The symbolism of physical separation might help in some respect, but I do not think it would influence much that we actually do. I cannot quite see how it would, but if it gave people more confidence in us, it is a consideration.

Q68 Greg Mulholland: Just turning to the issue that I think, Jil, you have already mentioned about confidentiality, which clearly is a hugely important sensitive one. My first question is: do you think that the confidentiality requirement in the Act has worked well to protect personal data? I know there are issues: I am going to come on to them in a minute. From the point of view of doing what the Act was trying to do, which was to protect confidential public information, do you think that has succeeded?

Andrew Dilnot: That was only one of the things it was trying to do: to protect confidential private information. My impression is yes. It is also my impression from more than 30 years of working in this sort of field that, sometimes even to a slightly irritating extent, official statisticians in this country are extremely committed to confidentiality. If I have anxieties about the confidentiality arrangements, it is not that they have been insufficiently robust and effective. I am not aware of any concerns that there has been disclosure of personal information. It is really pretty robust; it is not something that Assessment has been concerned about either, in terms of protecting. That is clearly vital for public confidence. If we are to collect data from the public, they have to believe that their personal data would be safe, and I think it is, in this country.

Jil Matheson: It is something that, as Andrew said, is very dear to our hearts. One of the additional points I would make is that it is not just the legislation. The legislation is there; it is helpful. The statement of what it says about criminal offence is extremely useful, but it needs to be supported by practice and, in ONS, there are very strong practices. To go back to the census example, the protection of personal information was central to the way that we carried out the census and how we could assure the public that we would do so. The Act was very much part of the assurance that we were able to give. It was not enough on its own, but it never would be. The fact that it was there was important.

Andrew Dilnot: I can give you an example of how much people care about this. Glen Watson was the Director of the Census, and has been appointed the new Director General of the ONS. After all the questionnaires had been received and logged, they were then shredded. Glen himself, after all the shredding, went around the warehouse where they had all been held, carefully checking in cupboards and down staircases to make absolutely sure that he could assure himself that he had done it. There is an astonishing culture of concern about it.
Q69 Greg Mulholland: That being the case, and you have sent a helpful section on this in your reply to the Chair’s letter; there are clearly issues the other way in terms of being too restrictive, perhaps even preventing new helpful statistics from coming forward and being shared. What kind of changes would you like to see in that area and would they actually require changes to the legislation?

Andrew Dilnot: There are two sorts of issues. One is about access for the public, academics or interested parties to the data. There, my sense is that things like the Virtual Microdata Laboratory have worked reasonably well. We have had a very heavy degree of use of that and it seems to me to be working well. Where I am a bit more anxious is on sharing administrative data, and in particular its use for statistics. A good example of this has come up in the last few months. My understanding, my reading of the Act, is that the Act only really helps us with legislation that occurred up to the Act. We do not have the same data access to legislation that occurs after our 2007 Act. A good example of this has been the new electoral registration legislation, which is going to be collected some data that would be potentially astonishingly useful, in terms of improving accuracy and saving money, for any subsequent census-type activities. The electoral registration legislation explicitly excludes access to that data to anybody else, even within government. It is also the case that the data-sharing arrangements that we have at the moment are laborious. If data from another Department are helpful and useful for the creation of statistics, there is a very laborious process to be gone through before they can be made available.

Is a change in the legislation required here? We are not absolutely sure, and that is something that I think we would be interested in thinking about some more and working with the Committee on, but, in an environment where everyone can see the benefits of data-sharing, for it not to be possible in some cases—like the Electoral Registration and Administration Bill, which would have created this very useful data—or for it to be possible but very hard work, does not seem to be the right way forward.

Jil Matheson: If I may, the other part of this, which I have heard from some users, academics and so on, is not so much in the data-sharing area, but in the kinds of controls that we put on: what we do to the data before we release them to make sure that individuals are not identifiable; the disclosure controls. There is absolutely a balance there between protecting individuals and making sure that the data that were collected for a purpose are useful and useable for that purpose. There is some evidence that those kinds of disclosure controls are not being applied consistently across government, and there is some work going on looking at that to make sure we are clear that we have the right balance between being useful to users who want to analyse the data, while protecting the privacy and confidentiality of individuals.

Q70 Greg Mulholland: That is useful. Just picking up, finally, an interesting thing in your response, it is quite complex, as you state, with quite technical points. One point that you made was to say that “Data-sharing gateways, once they are created, permit sharing of data but do not create any obligation on the part of the data owner to cooperate with ONS.” Have you got any examples? Has that happened regularly?

Jil Matheson: There are discussions at the moment actually about one of those. There was a fairly recent data-sharing order for some data held by DWP. There are still discussions about whether that data-sharing order is enabling or whether it is an obligation. There are certainly some views being expressed within DWP that there is other legislation that prevents them from sharing the data with ONS. That is a kind of example of the complexity, the difficulty and how time-consuming this area is.

Andrew Dilnot: It is a good example, if I may say so, of areas where we would like to feel able to come to the Committee, if we were having continuing problems.

Greg Mulholland: I think it is an interesting area, and we look forward to hearing further from you.

Q71 Chair: Again, you do not feel any requirement to amend the Act at present?

Andrew Dilnot: That is something we want to think about. We are very hesitant to suggest amendments to the Act, because we know how difficult that would be and how time-consuming, but we are also aware that this is an area where we may need to make such a suggestion.

Q72 Chair: Very briefly, there are two further areas to explore. Do you feel that the pre-release access issue remains an issue, despite the changes?

Andrew Dilnot: Yes, I absolutely do. I am looking at a table that I have in front of me of how many people get pre-release access to a number of items. At the very top is the crime in England and Wales release, which is made available to 142 people.

Q73 Chair: The harm that is done by this?

Andrew Dilnot: I think there are two sets of harm. One is that it brings the whole system into disrepute. The second is that, in my view, it clearly allows the possibility of attempts—probably not in England to put pressure on statisticians to change what is in the release—to think of some way of covering the release, so that either we can publish something else at the same time that might distract attention, or give Ministers a particular advantage in spinning that material.

Q74 Chair: Are you satisfied only 140 people see the information?

Andrew Dilnot: 142 in advance.

Q75 Chair: Are you satisfied it is limited to 142 in reality?

Andrew Dilnot: No, absolutely not.

Q76 Chair: Is there any way you can check?

Andrew Dilnot: I don’t know. I think that is quite hard for us to do. We would need observational powers.

Q77 Chair: Certainly your predecessor wrote to the Treasury about an, albeit inadvertent, release of
Q78 Chair: Is statistics a devolved matter? Do you have any power?
Andrew Dilnot: Yes, statistics is a devolved matter and the pre-release arrangements are up to the Scottish Government, as I understand it, and the Welsh.

Q79 Chair: Should they be the same? Should it be a UK responsibility?
Andrew Dilnot: I don’t have a view about whether it should. The Act means that we are not responsible for it; I regret that. Despite the Act making us not responsible, it is in the power of the relevant responsible Ministers to change it. We live in a world where, as I understand it, in the US the President is allowed half an hour’s pre-release access to the most market-sensitive data. In this country, 142 people get the crime data in England and Wales 24 hours in advance. Health and safety statistics, there are 50 people. Forty-two people get the multi-agency public protection arrangements annual report 24 hours in advance.

Q80 Chair: What about economic data that would perhaps be more useable?
Andrew Dilnot: My own view is that no pre-release access would be the appropriate thing. The Statistics Authority’s official view has been, in its report, that reducing the 24 hours to three hours and significantly reducing the number of people who have access would be the right thing. That would be a step in the right direction. My own sense is that we are unlikely to get a complete removal of this, but what I have agreed with a number of senior figures I have spoken to is that we will start by pressing on those that we think are the most absurd, and seeing if we can get pressure across the whole system to reduce the number of people who are getting it and to reduce the time. That is something where we can try to begin some of that process within the ONS, because some of the ONS figures themselves are released to a large number of people.

Richard Alldritt: Internationally, the Act has done a lot of good for the reputation of UK official statistics, except in this respect. This is the thing that is mentioned to us: you have got good arrangements, but it is a pity that you have institutionalised pre-release access, which everybody else is trying to drive out of the system.

Q81 Kelvin Hopkins: One very brief last question: the Royal Statistical Society has called for the Consumer Prices Advisory Committee to be reconstituted as an advisory committee to the ONS. With the widening gap between RPI and CPI, and all sorts of controversy surrounding price indices, would you think that is a good idea? Would you support doing that?
Andrew Dilnot: I mentioned earlier that CPAC has had two major pieces of work, one of which is out to consultation. The next on the formula effect, I hope, will be going out to consultation, under the National Statistician’s authority, very soon. At the end of those pieces of work, we will have come to the end of an obvious programme of work that CPAC and others have been doing. Yes, I think it would be appropriate for us to review the governance and constitutional arrangements for CPAC, and the way in which RPI and CPI in general are conducted. CPAC was set up by the Authority 2009. We soon will have been through a whole programme of work, and I think it is appropriate that we pause and reflect on which aspects work well and which work less well.

Q82 Kelvin Hopkins: Bring it closer to the ONS though, so that it works with you, so to speak.
Andrew Dilnot: I wouldn’t want to pre-judge that, Mr Hopkins. I think we should have a review of the whole governance and structure arrangements, and think about what is sensible. That is certainly something where we would want to make sure that we consulted this Committee, as we went forward. As I said earlier, we should be going out to consultation on the formula effect quite soon.

Chair: Thank you very much indeed for your evidence this morning. All three of you delivered with enthusiasm and commitment, as well as a deep knowledge of the subject. We take this responsibility extremely seriously on this Committee, and great things are expected of you in the years ahead. Could you pass to all your staffs our thanks for their commitment and to all the statisticians across Government? We value their independence and integrity very highly indeed, and we will want to know if that is being compromised by pressures upon them. We take your role extremely seriously for that reason. Thank you very much indeed for being with us this morning.
Written evidence submitted by the UK Statistics Authority (1STATS 01)
THE OPERATION OF THE STATISTICS AND REGISTRATION SERVICE ACT 2007

Thank you for your letter dated 18 June, inviting the Statistics Authority to respond to the Committee’s questions about the operation of the Statistics and Registration Service Act 2007.

The Committee asked nine questions about particular aspects of the operation of the 2007 Act and other related matters. The Authority’s response to each is provided below, and further detailed operational information provided by ONS officials is included in the attached Annex.

I would also like to make a few more general observations which may be of wider relevance to the Committee’s programme of work. The Committee’s press notice announcing the programme refers to “statistics and their use in Government”. Much of the Statistics Authority’s work since its creation relates to broadening the horizons of official statisticians to take account of the immense value of their work to public administration, business, the voluntary sector and the citizen, as well as Government itself. Official statistics drive decisions and actions right across society and they should be valued, promoted and safeguarded to the extent that they add value to decisions and actions which make the UK stronger and the world a better place. Much of our focus is on finding ways to increase the value of the statistical service to those who do, or could, make use of it. The Code of Practice, published in 2009, was written with that underlying goal in mind; and ensuring compliance with the Code is a major tool by which to enhance such value.

We have recently completed the very large programme of work required by the Act to formally assess all the existing sets of National Statistics against the Code of Practice. The first report was published in June 2009; the 240th report in the series is in production. We have prepared an overview report, The Assessment of UK Official Statistics 2009–2012, which we are planning to publish shortly. This report looks not just at what was done but what was found during the assessment programme, the value of assessment, and how we are planning to build on this work in the future.

The view of the Statistics Authority is that the 2007 Act is working reasonably well as a statutory framework. We have needed to complement it with quite extensive non-statutory arrangements that clarify and develop the Act’s provisions but there are relatively few areas in which the drafting of the legislation presents major problems; and quite a number where it has proved itself a robust platform for our work. There remain some questions about whether more far reaching statutory provisions in some areas—for example on ONS’s access to data from other parts of Government for statistical purposes, and possibly on pre-release access arrangements—would help to ensure further efficiency and public confidence. There are also some sections of the legislation that may require a degree of interpretation—such as obligation to assess and re-assess every single set of National Statistics. The Authority will continue to raise such matters, including with the Committee, but none is so urgent as to be the centre-piece of our evidence here.

Turning to the Committee’s questions:

1. Promoting and Safeguarding Official Statistics; Ensuring their Quality and Integrity

The quality of official statistics needs to be considered in the context of their eventual use. Through its reports and engagement activities, the Authority has put emphasis on asking Government statisticians to explore the use made of their statistics and to assess and to improve statistical quality from the user perspective.

It would be premature to conclude that the goal of ensuring quality has been fully achieved. However, it is increasingly clear from the portfolio of Assessment Reports that, in the vast majority of cases, the sets of statistics that we have reviewed are both needed, and adequate for a wide range of important purposes. In that sense these official statistics are of, at least, satisfactory quality. However, in some other cases there are questions remaining, either due to a lack of clarity about the use of the statistics or about their suitability for particular purposes. We are continuing to explore those questions with the bodies responsible.

The integrity of official statistics can be considered in terms of whether they are impartially presented and well explained at the time of release, without interference or political exploitation in advance of the statistical release. The Authority believes that the professionalism of Government statisticians, firmly supported by the Code of Practice, has proved to be an effective bulwark against any inappropriate pressure on the public presentation by the professional statisticians of the statistics themselves.

The decentralised nature of the UK official statistics system means that many Government statisticians actively work alongside colleagues responsible for the implementation of Government policy, and we have seen some signs of inhibition in terms of the advice for users included in the published statistical releases. The Authority’s position is clear on this. If there are weaknesses or limitations in the statistics, these need to be fully explained regardless of whether that makes them more or less welcome to colleagues in Government. Ultimately, integrity requires the statisticians responsible for statistics to give the user all the impartial help they can; and to provide that same advice and insight whatever the policy goals of the Government. This is an ongoing agenda of real importance.
The main changes in the practices to promote and safeguard statistics relate, firstly, to the expectations of the Code of Practice for Official Statistics and, secondly, to the Pre-Release Access to Official Statistics Orders (considered further below). The Code of Practice raises the standard required in many respects, and the process of ensuring compliance by means of formal assessment further ensures a shared interpretation. The elements of the Code that seem to have been most challenging to producer bodies include the requirements to:

- investigate and document the needs of users of official statistics, the use made of existing statistics and the types of decisions they inform;
- provide information on the quality and reliability of statistics in relation to the range of potential uses;
- prepare and disseminate commentary and analysis that aid interpretation, and provide factual information about the policy or operational context of official statistics;
- adopt systematic planning arrangements, including transparent priority setting, that reflect the obligation to serve the public good; and
- promote comparability within the UK and internationally by, for example, adopting common standards, concepts… definitions, statistical units and classifications.

These and other requirements of the Code lead directly to changes in the practices to promote and safeguard official statistics. We believe that in this and other ways the Authority is causing already good statistical practice to change for the better.

2. IMPROVEMENT IN PUBLIC CONFIDENCE IN OFFICIAL STATISTICS; CHANGING USER EXPERIENCE

The Statistics Authority commissioned and published a report by the National Centre for Social Research (NatCen) in June 2010. The report updated earlier research and concluded that “when asked whether (respondents) thought that official statistics are produced without political interference, the majority (59%) disagreed; (and) a similar proportion (60%) disagreed that the Government presents official figures honestly when they talk about their policies”. The report also noted that “views about the Government and the media were very similar, with the same proportion (61%) disagreeing that newspapers present official statistics honestly.”

In relation to the accuracy of official statistics, the report observed that “about a third of people agreed that official statistics were accurate while 40% disagreed.” The report associated perceptions of accuracy of official statistics with three factors—age (of the respondent), levels of understanding of official statistics, and levels of trust in the Government. Those aged over 35, with less understanding of official statistics, and with lower levels of trust in Government, were the most likely to doubt accuracy.

Public confidence remains a matter of concern to the Statistics Authority, but we note the findings of this research that public confidence in official statistics seems to be associated with wider public attitudes to Government and to the news media.

Alongside the 2010 report on public confidence in official statistics, the Authority also commissioned and published a report by IpsosMori which was based on more in-depth interviews with some 60 leading users of statistics and other “opinion formers”. The IpsosMori report concluded that “generally, official statistics were viewed positively… because they provide an evidence base, and are also useful in holding both politicians and Government to account”. Also, that “(official statistics) allow others, including opposition parties, to lobby for change, and are emblematic of an honest and transparent system of governance”.

The Authority is not surprised that the tone of the two reports is different. We understand that the general public are largely dependent on the news media for information about official statistics and, in that context, all sorts of statistics—official and from other sources—are conflated and commented on, often in sweeping and adversarial terms. Those individuals and groups that we identify as “opinion formers” tend to use official statistics and make professional comment on them, and are thus more likely to identify the utility and relevance of the specific statistical product.

However, we also believe that attitudes to official statistics, both among the general public and among the leading commentators, will change only slowly and will be influenced by the statistical product itself, the confidence of journalists in the service they receive, and by the reputation of the Statistics Authority as an effective promoter of good practice.

It is clearly important that there should be public confidence in official statistics, as without that trust, the statistics are unlikely to be used as beneficially as possible. In effect, trust is a prerequisite for utility. However, the intrinsic trustworthiness of the statistics is similarly a prerequisite for trust. Trustworthiness means that the statistics should be the right statistics to be collected and published, produced by the right methods and explained fully and frankly to those who would use them. The Authority’s statutory assessment regime is designed to ensure trustworthiness through compliance with the Code of Practice.

On the question of the user experience, the Authority would hope that users of official statistics will recognise improvements in the public explanation of the statistics, and their accessibility, at the time of first release. The Authority has publicly supported the Government’s Open Data initiative and we have worked closely with the Royal Statistical Society to support the Statistics User Forum and its new online Statistics User Network. This
user network offers all users of official statistics a route to exchange information with other users and to seek information and advice from Government statisticians.

3. Authority’s Organisational Structure; Dual Roles of Producer and Regulator

The Statistics Authority believes that the statutory framework introduced by the 2007 Act is an effective one; albeit one that needs careful explanation to those unfamiliar with it. The Board comprises eight non-executive directors, including the Chair and two deputy chairs, alongside three executive members, and works as a single corporate entity. In addition, the Authority Board members organise themselves in to two subgroups under the respective supervision of the two deputy chairs. One of these groups is responsible for the Authority’s work in promoting and safeguarding the production and publication of all UK official statistics, wherever produced, and for good practice in the use of official statistics. The other is responsible for the governance and oversight of ONS. Each lets the other perform its role unhindered, subject to full oversight of both areas by the Authority Board in plenary.

There are inevitably challenges in labelling the various parts and roles. The 2007 Act uses the phrase “Statistics Board” in different sections of the Act to mean different things, ranging from the eight non-executive members to the whole statutory entity of over 3,500 people. It is not always clear which usage is intended. To fulfil part of its statutory role, the Authority publishes reports which raise questions and proposals about work done within ONS. The separation of roles is well understood by Authority staff; and those who are involved in producing such reports are not involved in deciding the response.

We have provided further information about the Authority’s oversight of ONS in our response to the Committee’s separate study of the work of the ONS.

4. Data Sharing and Confidentiality Powers

In general, the data sharing and confidentiality provisions of the 2007 Act have improved ONS’s ability to obtain administrative data, and to protect the confidentiality of those data. There have been five data sharing Orders under the Act so far which are helping to lead to improved statistics, reduced burden on respondents, and reduced operational costs to ONS in the longer term. The Approved Researcher gateway, provided for in the 2007 Act, is currently used by about 2,000 researchers, who are allowed to access data for legitimate research purposes that were previously not available to them.

However, there are some weaknesses. For example, the 2007 Act only permits data sharing between the ONS and another public authority. Data sharing gateways, once they are created, permit sharing of data but do not create any obligation on the part of the data owner to cooperate with ONS. Data sharing Orders specify the purpose for the sharing of data, the source of the data, and the data variables to be shared. We are told that these criteria present difficulties for complex datasets. These are technical points but inhibit the original intention of freeing up the exchange of data for statistical purposes. The Authority will want to pursue how best to overcome the obstacles and may consider preparing a report on the experience in this area since the legislation was introduced.

5. Costs of Code Compliance and Assessment; Cost Reduction

The Code of Practice is wide ranging but mostly requires no more than the good practice that good managers would seek to achieve without the Code. Ensuring Code compliance may involve some costs but it also enhances value. Compliance with the Code confers real benefits on both the user of statistics and the producer. It assures the user that high standards have been observed and it gives the producer organisation added credibility and authority.

In May 2011 the Authority published its report on The impact of the Authority’s Monitoring and Assessment Function, which considered which emerging evidence on the benefits associated with the Code and the assessment regime. It concluded that some improvements were identifiable the direct result of an assessment report; others might have been driven by messages emerging from the assessment process more generally, or made in anticipation of future assessment. And in some cases assessment may simply have accelerated an improvement already in train.

The Statistics Authority’s view is that the first programme of assessment has been successful. It prompted a large number of detailed improvements in statistical products and the statistical service; it gathered evidence of the need to make further improvements; and it documented the characteristics of the UK statistical service more thoroughly than we have seen in any other country.

The first programme cost an average of £1.5 million per annum—mostly staff and central services costs for a team of up to 20 people. While the long-term benefits are still to be fully realised, we note that the total cost of statistical activity across Government runs to hundreds of millions of pounds a year and that assessment represents less than half of 1% of the cost of Government statistical work.

More specifically, we already see improvements associated with assessment in a number of areas, for example:
— better research and understanding of the use made of statistics—which is essential in order to judge quality and guide future development of statistical products (releases, reports etc);
— improved dialogue between Government statisticians and users of statistics outside the producer organisation; and
— the quality and accessibility of statistical products, particularly statistical releases which mark the issue of new statistical data—these are the “shop window” of the statistical service and thus central to how the work of statisticians is perceived by the media and commentators.

It has taken time for the main findings from assessment to be widely accepted and for that to have an impact beyond the specific points raised in our individual reports. We expect this process to gather pace and the Authority is committed to maintaining and reinforcing the momentum created thus far.

The assessment process has enabled the Authority to offer external commentators a substantial measure of reassurance about the quality and impartiality of most sets of National Statistics. We have found much that is good in terms of commitment, innovation, and professionalism; and these virtues, supported by the Code of Practice, has been effective in preventing any inappropriate interference in the production or publication of statistics. In these respects, the Code and assessment function are helping both to ensure and to demonstrate the trustworthiness of the UK’s statistical system.

The Authority’s plans for the future of assessment against the Code of Practice are set out in Part 4 of the report The Assessment of UK Official Statistics, 2009–2012, referred to above. These include some important steps to reduce costs, at least as far as the producer bodies are concerned. One is to target future assessment reports according to risk and not to commit too much time to reviewing minor sets of statistics now that the first full cycle of reviews has been completed. Another is to introduce a degree of self-assessment by the relevant departmental Head of Profession for statistics. These and other steps will reduce the demands on time and resources overall.

6. RELATIONSHIP BETWEEN “OFFICIAL STATISTICS” AND “NATIONAL STATISTICS”

Following the 2007 Act, National Statistics are now defined in terms of being official statistics that have been assessed and designated as compliant with the Code of Practice for Official Statistics. As a quality stamp, we believe that the designation “National Statistics” generally works well, although greater clarity that this is what the label means would be helpful. For example, there remains an assumption among some users and commentators that National Statistics status denotes “national” datasets of particular relevance to policy. That is not the case, and if the Authority was starting afresh then we might have wished to see a different label applied to sets of statistics to signify Code compliance.

Under the 2007 Act, the assessment process is restricted to those sets of official statistics that are already labelled as National Statistics, alongside some other sets of official statistics where the producer Department agrees that it would be desirable to ensure Code compliance. This restriction, that prevents the Authority from carrying out an assessment review on a set of official statistics which are not National Statistics without the agreement of the producer body, seems illogical. It is as if the Authority may only review those statistics where there is already a prima facie case for assuming they are Code compliant. We believe that it would be preferable if the Authority was free to announce that it intended to review any set of official statistics, and either award National Statistics status or report publicly on the shortcomings that prevented the Authority from doing so.

There is a further area of uncertainty around data that are produced within Government departments, but which are not regarded as being “official statistics” by the department. The Authority has published some principles by which it will form a view about when such “management information” or “research” should properly be compiled and published as official statistics, and to propose to departments accordingly. However, the Authority can only publicly advise in this area. The Authority has no power to designate departmental management information as being “official statistics” but can only publicly make the case of the benefits from doing so in future. Decisions in this regard remain ultimately in the hands of the Ministers responsible.

7. PRE-RELEASE ACCESS TO OFFICIAL STATISTICS

The Authority’s publicly stated position on pre-release access to official statistics, and the statutory arrangements underpinning pre-release (either in respect of UK statistics or statistics produced by the Devolved Administrations), we believe is well known. As the Authority set out in its report on the pre-release access arrangements published in 2010, because equality of access is a very important principle of statistical good practice, the Authority would wish to see a reduction in the time limit for pre-release access to a maximum of three hours, only the minimum number of people should see statistical results before they are published, and that the Statistics Authority should have the lead role in determining the arrangements for pre-release access to all UK official statistics. We have also made this position known in response to a number of breaches of the rules governing pre-release access over the last four years. The Authority’s response to such breaches, and departmental reports about the circumstances of breaches of pre-release rules, are published on the Authority’s website.

The provisions of the four Pre-Release Access to Official Statistics Orders—one for statistics produced by UK departments, and one each for the Devolved Administrations in Scotland, Northern Ireland and Wales—
are determined by the responsible Ministers under section 11 of the 2007 Act. The Orders for UK departments and Northern Ireland departments allow a maximum of 24 hours access for Ministers and officials prior to publication of the statistics and stress the importance of minimising prior access. The Orders for Scotland and Wales allow five days advance access and do not seek to minimise access. Under the 2007 Act, the Authority has no say in the determination of these rules and the Code of Practice is not allowed to define good practice in this context.

A situation where the UK operates two different schemes, neither of which rigorously restricts access in practice nor conforms to highest international standards, seems unsatisfactory to us. This was the subject of our report published in 2010, where we recommended that prior access should be restricted to a maximum of three hours with a shorter period as the norm and to a smaller number of people.

In 2008, to accompany the new Order covering UK departments, the Cabinet Office published operational guidance to assist departments in complying with the statutory requirements and setting out the framework in which departments might operate in this regard. The guidance was described as a living document that would be updated in the light of experience. The Cabinet Office 2010 review of the operation of the new arrangements repeated the statement that the guidance would be updated, but we are not aware of any changes having been made.

During 2011, the office of the National Statistician undertook an exercise to collect information on the extent of pre-release access to official statistics as set out in pre-release access lists placed on departmental websites across the statistical service (with the exception of Scotland where there is no requirement under the relevant Scottish secondary legislation to publish pre-release access lists). From the information available, the key findings from this study were that, in 2011:

- pre-release access was granted to 800 statistical releases, around one-half of all statistical releases.
- the average number of pre-release access recipients to statistical releases in their final form ahead of publication was around 17 recipients; and
- of those statistical releases reviewed, 36 statistical releases had more than 40 pre-release access recipients, and three statistical releases had more than 100 pre-release recipients.

This was the first study of its kind, and therefore the Authority Board has asked the National Statistician’s office to undertake similar annual exercises so that changes over time may be monitored.

8. The Work of the Consumer Prices Advisory Committee

ONS is required under section 21 of the 2007 Act to “compile and maintain” the Retail Prices Index (RPI) and to publish it every month. Before making any change to the coverage or the basic calculation of the RPI, the Authority must consult the Bank of England. If the Bank considers the change to be fundamental (as defined in the Act), the Authority may not make the change without the consent of the Chancellor of the Exchequer. To enable the exercise of these particular statutory responsibilities, ONS established a Consumer Prices Advisory Committee, chaired by the National Statistician, to advise it on: (i) implications for the Retail Prices Index (RPI) of the improvements to this index recommended by ONS; (ii) advice on RPI methodological issues, and (iii) on improvements to the UK Consumer Prices Index (CPI) as recommended by the ONS.

CPAC membership is drawn from academia, the Bank of England, HM Treasury, the media, the Trades Union Congress, and for oversight purposes includes one non-executive member of the Authority Board. The secretariat to CPAC is provided by ONS. The National Statistician routinely reports to the Board of the Authority on the work of the CPAC, and brings forward any resolutions necessary for the Authority to consider in respect of the RPI and CPI. We believe CPAC is effective in advising ONS on the matters outlined above.

Further information regarding the work of the CPAC is provided in the attached Annex.

9. Flexibility in Responding to Changing Needs

The UK statistical system is, in many respects, more flexible than the more centralised statistical offices systems in other countries. Instead of a single budget for a single national statistical office, requiring the costs of producing one set of statistics to be traded off against the costs of producing another, the 200 or so public bodies that produce UK official statistics take their decisions about priorities and funding with a large measure of autonomy. This means that a Government department or other producer body has latitude to decide whether to invest in statistical data rather than in other types of research or other work, or vice versa.

This model presents risks as well as advantages. A producer body may not regard a particular set of statistics as a priority for itself, despite the fact that other parts of Government, or others outside Government, continue to have a need for the statistics. For example, the Authority recently reported on the abolition of the Citizenship Survey by the Department for Communities and Local Government as a case of this kind.

Another risk is that, at times of pressure, the need to co-operate with other Government departments in the production of statistics, and in the development of a cadre of senior statistical advisers, may not be given sufficient priority. My predecessor, Sir Michael Scholar, wrote publicly to the Cabinet Secretary and Head of the Civil Service on the question of senior level capacity in the statistical service at the end of March 2012.
The Statistics Authority monitors the whole UK statistical system, including decisions made by Government departments and the Office for National Statistics. In that regard, the legislation is sufficiently flexible. The 2007 Act requires the Authority to monitor the statistical service and allows the Authority to report publicly on any “concern” (section 8 of the 2007 Act). The Authority is building on this flexibility by making changes to our arrangements now that the first full programme of assessment is coming to an end. Rather than giving all sets of National Statistics roughly equal attention, as we have needed to do to complete that first programme of assessment work, we plan now to focus future assessment work on areas of official statistics that seem to present particular risks or raise concerns. A new programme of planned reviews will be published shortly.

However, some parts of the 2007 Act have the effect of constraining the Authority. We would welcome an obligation on Government departments to consult the Authority, or the National Statistician, before taking various decisions relating to their statistical work and we have raised this with Ministers, so far unsuccessfully. Until such time that the Authority is more routinely consulted, we will continue to report retrospectively on any aspect of the production, publication and use of official statistics that we regard as worthy of investigation.

Further information about ONS’s work in responding to the changing needs of users is provided in the attached Annex.

I and my colleagues would be pleased to elaborate further on these or any other matters as the Committee would like.

Annex

SUPPLEMENTARY INFORMATION FROM THE OFFICE FOR NATIONAL STATISTICS

Further information about the Committee’s areas of interest in respect of the work of the Consumer Prices Advisory Committee, and ONS work in responding to the changing needs of users is provided below. This Annex has been prepared by ONS officials.

8. THE WORK OF THE CONSUMER PRICES ADVISORY COMMITTEE

Since its formation in 2009, the Consumer Prices Advisory Committee (CPAC) has steered a challenging development agenda for consumer price statistics. CPAC’s papers, including a summary note of discussions, are published after each meeting. CPAC’s annual report to the UK Statistics Authority sets out its work programme and recommendations for the Authority’s approval. The Authority has endorsed all recommendations made to date.

CPAC is providing an effective mechanism to improve consumer price statistics in light of users’ needs and statistical developments. Prior to its formation there had been no significant changes to the RPI (except the introduction of hedonics) in 15 years. Prior to the establishment of CPAC, change and improvement of the Retail Prices Index was the responsibility of the Retail Prices Index Advisory Committee (RPIAC). RPIAC reported to, and its members were appointed by, the Chancellor of the Exchequer. The last report from this Committee was in 1994, CPAC now provides an effective vehicle for improving consumer price statistics. Key strands within the CPAC work programme include:

(a) Inclusion of owner occupiers’ housing costs in CPI

Many owner occupiers’ housing costs (OOH) are currently excluded from the CPI. This is because of practical difficulties both in determining the most appropriate way of calculating these costs and in obtaining the necessary data to do so. With housing costs accounting for approximately 10% of households’ expenditure, the continued absence of OOH within the CPI is seen as its single biggest weakness. The inclusion of OOH into an expanded CPI is a top priority for HM Treasury and the Bank of England. At its April 2012 meeting CPAC recommended that the rental equivalence (RE) approach is used to reflect OOH in a new additional measure of consumer price inflation (CPIH), and that CPIH should be published alongside the existing measures of consumer prices inflation (ie CPI and RPI). This recommended approach to OOH is currently subject to consultation and the Authority will be asked to consider the recommendation at its meeting in September 2012. ONS plans to introduce CPIH from the February 2013 CPI, published in March 2013.

(b) Improving the measurement of private rents

The existing private rental series in the CPI and RPI does not fully meet the data requirements of private rental series for the construction of OOH(RE). Under the guidance of CPAC, ONS has worked with the Valuation Office Agency and the devolved administrations to use rental data they currently collect to produce an improved private rents series. CPAC has endorsed the recommendation to use the improved private rental series for the measure of OOH(RE) and, in addition, as the measure of private rental prices for both the CPI and RPI. It will be introduced for the February 2013 CPI and RPI, published in March 2013, subject to public consultation, and due process for RPI, as described above.
(c) Addressing the formula effect

The formula effect gap is the gap between the CPI and RPI introduced by the use of different methods of aggregating the various price quotes for the same type of item. Since 2010 the impact has grown due to improvements made to the measurement of clothing inflation. ONS established a formal programme in 2011, endorsed by CPAC, with the aim of understanding, explaining and eliminating any unjustifiable and unnecessary gap between the measures. Developing proposals to address the formula effect gap between the CPI and RPI remains an important issue for CPAC.

(d) Improving the measurement of car prices

Approaches for the measurement of new car prices in the CPI and RPI differed until 2012. The RPI used movements in the prices of used cars as a proxy for the movement in new car prices and the CPI used “list” prices of new cars. During 2011 CPAC reviewed the methods used to measure new car prices in the CPI and RPI. In its 2011 Annual Report CPAC recommended that ONS change the method used to measure new car prices in the CPI and RPI to transaction prices from car dealer websites. The Authority endorsed the recommendation, and after a public consultation and appropriate correspondence with the Bank of England the changes were implemented in early 2012.

(e) CPI item coverage

In September 2011 the Committee concluded that TV licence fees, vehicle excise duty and trade union subscriptions were in scope of the CPI. They were included in the CPI in early 2012. Further to this, in July 2012 CPAC endorsed the recommendation to seek the Authority’s agreement that Council Tax be included in the scope of CPIH when it is introduced in early 2013.

(f) Improving the method used to measure seasonal items

New European legislation on the measurement of seasonal items came into force from January 2011. This meant that ONS was required to change the method used to measure seasonal items in the CPI, from the January 2011 index. During 2010 CPAC considered the treatment of seasonal items in the CPI and RPI, and recommended a change in its Annual Report. The change was introduced in early 2011.

(g) Measurement of mortgage interest payment within RPI

In 1994 the choice of measurement of housing costs in the RPI was considered by the RPI Advisory Committee. The view, subsequently endorsed by the Government, was that mortgage interest payment (MIPs) should continue to be included in the RPI and be estimates from a model. Over time the mortgage market evolved, with the take up of alternative mortgage types including fixed rate, discount and tracker mortgages. In 2009 the Standard Variable Rate (SVR) used in MIPs did not reflect the average rate that borrowers were paying. In late 2009 CPAC recommended that ONS change the interest rate measure used in the calculation of MIPs in the RPI from the SVR to the Average Effective Rate (AER), and that the choice should be kept under review in the future, and changed, if necessary, at the annual reweighting. Following the CPAC report, public consultation and advice from the Bank of England, the UK Statistics Authority decided to endorse the change for implementation in early 2010. The issue of alternative measures of housing costs (payment, imputed rents, net acquisitions and user cost) was under consideration by CPAC at the time for the CPI. CPAC did not review the 1994 decision on MIPs as the measure for housing costs in the RPI.

9. Flexibility in Responding to Changing Needs

ONS is continuously working to improve the presentation of statistics and associated commentary, publish more datasets and metadata and to improve ONS’s services to meet the many and varied needs of users of ONS statistics.

ONS is also working to improve engagement with all users and will continue to offer different opportunities for users to engage with ONS. These include seminars and workshops to help improve presentation and analysis of ONS statistics, and use of social media channels for dissemination and engagement. Examples of responding to user needs include:

— Beyond 2011 programme—establishing and testing models for meeting future user needs for population, and small area population socio-demographic statistics, including piloting a small integrated data model before wider deployment;

— Measuring national wellbeing programme—during 2011–12 ONS held 174 stakeholder events in this area with 34,000 further responses. This helped ONS to develop the programme of work on developing the statistical indicators for measuring national wellbeing.

— Economic and labour market statistics—ONS continues to hold a range of events and briefings for the media and other stakeholders, on such topics as GDP, retail sales, public finance and labour market statistics.
— Other consultations—ONS has run over 25 consultations via its website on a range of topics where user and stakeholder views would help in the development of ONS’s outputs, including on the definition of avoidable mortality, improving the measurement of car prices in the CPI and RPI, and on the national accounts classification process.

ONS continues to work closely with the Statistics User Forum, particularly with user groups in the areas of health, economics, business, consumer prices, and labour market statistics. Since the launch of the Royal Statistical Society’s StatsUserNet platform, ONS has taken the opportunity of launching a number of discussion items on the 2011 Census, business and trade statistics, and financial and economic statistics.

ONS seeks regular feedback from its users and stakeholders to address any issues raised. For example, some users have expressed concern about the ONS website, issues with national accounts, the delay to publication of the Blue Book in 2011, and errors in statistical releases. ONS is working hard with users and stakeholders to address these.

ONS is currently reviewing its user engagement strategy with a view to broadening engagement with a wider audience and maximising the value of ONS’s statistics and analysis by maximising their use and understanding users’ needs better.

August 2012

Written evidence submitted by the All Party Parliamentary Group on Statistics (1STATS 02)

Submitted on behalf of the Group officers by Lord Lipsey.

SUMMARY

The All Party Group’s remit is “To serve as a parliamentary forum for the discussion of statistical issues, including the work of the UK Statistics Authority, the use of statistics by parliamentarians, and pre-release access to official statistics.” The Group is therefore delighted to learn of the Public Administration Committee’s programme of work on statistics, and to submit evidence on the first topic proposed.

In summary, the Group believes that:

— the official statistical system is working reasonably well, and credit is due to the Authority and to the statisticians working within it;

— there is a risk of tension and confusion around the Authority’s role as both provider and regulator of statistics, but this has so far been successfully mitigated;

— the Authority’s success is particularly dependent on the strength of character of its chair. The group would like to place on record its appreciation for the service of Sir Michael Scholar in this role, and its confidence that, in Andrew Dilnot, Sir Michael has a worthy successor;

— the Authority has established itself as a credible, respected and independent watch-dog of official statistics;

— addressing public confidence in official statistics is vital but that doing so is difficult in practice;

— pre-release access to official statistics presents a risk to public confidence. There are practical reasons for allowing it but it should be minimised;

— arrangements for pre-release access should be regularly reviewed—of its necessity, of those to whom it is given, and of the period provided; and

— consideration should be given to transferring the power to allow pre-release access from ministers to the UK Statistics Authority.

THE STATISTICAL SYSTEM AND THE ROLES OF THE UK STATISTICS AUTHORITY

1. The Group believes that the system works reasonably well. It provides UK Government and society with statistics that are appropriate to needs, and are of high quality and integrity. The Group notes that the Authority is successfully nearing completion of its initial round of assessments of National Statistics series, and has produced a number of well-received monitoring briefs and reports. The Authority’s website has not been fit for purpose, but we understand that the new chair is determined to tackle this inadequacy.

2. The potential for tension and confusion inherent in the dual role for the UK Statistics Authority as both producer and regulator was recognised from the start, and debated extensively in Parliament. The Group believes that an important reason that this has remained only a potential has been through the measures implemented by the Authority’s Board to separate the two roles as far as practically possible in its organisational structure. However, the Group is concerned that there remains at least a risk to the Authority’s standing due to the dual role.

3. The Group believes that the Authority has established itself as a credible and respected watch-dog of official statistics. Its interventions have clearly demonstrated that is independent of political influence. The Group notes that this is reflected in how the Authority is described, and its actions reported, by the media.
feels that this is further reflected in the respect shown to the Authority by parliamentarians of both Houses in their contributions to debates.

4. The Group feels that the Authority’s success in establishing its reputation has been particularly due to the approach and strength character of its first chair, Sir Michael Scholar. The Group is confident that the second chair, Andrew Dilnot, has the same characteristics. The Group was in part responsible for raising concerns about this appointment with your committee’s chair before it was made. We believe that the pre-appointment hearings by PASC played an important part in ensuring that the subsequently appointed chair had the essential qualities for the role. We are aware too of the importance of the appointment of the deputy chairs, particularly following the tragic death of Sir Roger Jowell.

PUBLIC CONFIDENCE IN STATISTICS AND THE CODE OF PRACTICE FOR STATISTICS

5. The Group believes that addressing public confidence in official statistics remains a vital consideration for the Authority. This will be a constant battle.

6. The Group believes that the strength of cross-party support for addressing public confidence in official statistics during the passage of the Statistics and Registration Service Act was a welcome indication that the political class took this issue seriously. It will be important for politicians of all parties to work to uphold and further strengthen the reputation of the Authority as the impartial body that it is. Unfortunately there are examples where politicians have commented in ways that owed more to a desire to catch the headlines than to serious statistical appraisal.

7. The Group believes that the interventions of the Authority where official statistics have been misused or abused have been welcome. It particularly notes the Authority’s actions over the misuse of knife crime statistics in late 2008. Working in concert with PASC, and with the then head of the Civil Service, Sir Gus O’Donnell, the outcome was clear guidance that reinforced the importance of the Code of Practice for Statistics and the breadth of those to whom it applied, i.e., going beyond those formally employed as statistical experts. The Group believes that this would well be restated from time to time.

8. However, the Group recognises that the Code of Practice applies only to those statistics which are designated as National Statistics. The Code does not statutorily apply to many official statistics which have been established as such either directly from the provisions of the Statistics and Registration Service Act 2007 or by Orders made under it. The Group is concerned that this can be a source of confusion.

9. The Group believes that designation as National Statistics remains an invaluable “kitemark”, which can contribute to public confidence. However, it notes that the Authority has only the power to request a series be put to it for assessment under the Code of Practice. The Group believes that ministers might be more proactive in identifying official statistics to be put to the Authority to be assessed against the Code. Further, the Group believes that other producers might voluntarily subscribe to the principles of the Code, particularly in the increasing climate of statistical openness and transparency.

PRE-RELEASE ACCESS

10. The Group notes that the principle of pre-release access remains one that is strongly contested and that there is no consensus view.

11. The Group recognises the arguments made that pre-release access is detrimental to public trust. It believes that where if any such access is provided it should be, as far as possible, a matter of necessity. It may be that principles of necessity might be established to separate what pre-release access is required for good government from what is solely convenient for ministers, say, in responding to media questioning.

12. The Group notes the review undertaken by Government of pre-release access a little over a year after the establishment of arrangements under the Statistics and Registration Service Act 2007. The Group believes that regular review would be beneficial.

13. The Group would recommend consideration of transferring power to allow pre-release access to the UK Statistics Authority; this might provide for greater public confidence.

FLEXIBILITY OF THE SYSTEM

14. The Group believes that the Authority has demonstrated that it can work flexibly within the new system, for example in developing its organisational structure.

15. The Group notes that the former chair, Sir Michael Scholar, did identify areas in which Government departments might work more closely with the Authority, for example in ensuring that necessary cuts in departmental statistical budgets might be made to ensure that the impact was not create problems across Government. There may be a need here for greater flexibility.

16. The Group notes that the approach by Governments both before and after the 2010 general election to open up data to the public may present new challenges in which flexibility will be essential.
17. The group believes that the experience of the 2011 Census needs to be carefully evaluated with a view to a firm decision as to whether a nationwide census is effective and cost-effective.

July 2012

Written evidence submitted by RPI CPI User Group (1STATS 03)

This submission is from the RPI CPI User Group, which brings together statisticians and users of the Retail Price Index (RPI) and the Consumer Price Index (CPI). Details about the group and its aims are included as an Annex.

1. Summary
   — This response is primarily to Question 2, “To what extent has public confidence in official statistics improved since the implementation of the Act and how has the experience of the user of statistics changed as a result of the legislation?”
   — The switch from the use of the RPI to the CPI appears to have been done in the absence of expert guidance from the UK Statistics Authority/ONS (UKSA/ONS) on the most appropriate index to be used for the purpose of up-rating benefits and pensions.
   — The apparently one-sided selection by Government of the RPI or the CPI for different purposes has gone uncommented upon by the UKSA/ONS thereby undermining confidence in the use of these indices by the general public.
   — To address the concerns highlighted here, it is suggested that the UKSA/ONS should take a pro-active role in advising on the suitability of indices for specific purposes.

2. Response to Question 2

2.1 The focus of this response is to Question 2 which asks, “To what extent has public confidence in official statistics improved since the implementation of the Act and how has the experience of the user of statistics changed as a result of the legislation?”

2.2 The Government’s switch from the use of RPI to CPI, announced in 2010, for the uprating of certain benefits and pensions caused widespread concern due to the persistent difference between the inflation measure from the two indices.

2.3 The switch led to a legal challenge by a number of unions and pensioner groups and an e-petition signed by over 100,000 people resulting, as the Committee will know, in a House of Commons debate.

2.4 In making this switch it appears that little note was taken, by Government, of the view of the UKSA/ONS. More disturbingly the UKSA/ONS has declined to make its view known with regard to which of the two indices under consideration (the RPI and CPI) is the one that most closely meets the statutory requirement of measuring the general rise in the level of prices experienced by the general population, as required by the Social Security Administration Act 1992.

2.5 The UKSA/ONS states that it is for users to decide for themselves which index to use. Clearly the statute in this case (Social Security Administration Act 1992) requires the Secretary of State to make the decision and to this extent the UKSA/ONS is correct in leaving it to the “user” to decide. However this does not, nor should it, prevent the UKSA/ONS from advising which index is the most appropriate for a particular purpose. It should be prepared to take the initiative in making its views known, even when not asked.

2.6 The current situation is that the Government is apparently free to choose between two indices which claim to measure inflation yet provide different results. The RPI generally giving a higher figure than the CPI. The Government can therefore select the index providing the lower increase when it is responsible for making payments and adopt the index providing the higher increase when it, or a company, is using the index to gather in payments (eg student loans and rail fares). The use of indices in this way, by the Government, undermines public trust in the use of these statistics and the lack of comment on these practices by the UKSA/ONS undermines trust in its independence.

2.7 For the reasons given above, public confidence in official statistics in this important area has not improved. Furthermore, it is not clear that the “Statistics and Registration Service Act 2007” is sufficient to address the concerns listed here.

3. Suggested Change

3.1 In order to improve public confidence in the Government’s use of statistics the UKSA/ONS must take a pro-active role in advising on the suitability of indices for specific purposes.
THE RPI CPI USER GROUP

The RPI CPI User Group was formed as a result of concerns about two indices which purport to measure “inflation” but often give a very different result for reasons with largely no statistical justification and the appropriate uses to which these two indices should be put.

The User Group has a web-site which can be found at: http://www.statsusernet.org.uk/StatsUserNet/Communities/ViewCommunities/CommunityDetails/?CommunityKey=3fb113ec-7c7f-424c-aad9-ae72f0a40f65

AIMS OF THE RPI CPI USER GROUP

1. To foster cooperation and the exchange of information between ONS statisticians concerned with the RPI and CPI, the Consumer Prices Advisory Committee (CPAC) and those using the data. In particular:
   — to help ensure that ONS and CPAC are fully aware of user needs and concerns, and the ways in which these indices are used;
   — to help ensure that all user needs and concerns are fully taken into account when decisions are made regarding the compilation of the indices; and
   — to enable users better to understand the methodology and compilation of the indices and any constraints on their compilation.

2. To provide briefing and information about user needs and views to the UK Statistics Authority, media, parliamentarians and other appropriate people or bodies when needed.

3. Initially, aims will also include:
   — carrying out (or participating in) a review of the extent to which the current indices meet the different user needs and concerns that can be identified, including the extent to which the current indices can be said to meet the wording in the Social Security Administration Act 1992, para 150 (2) (a) 1; and
   — aiding users to understand better the difference in the inflation rates shown by the two indices and to press for any unjustified element of that difference to be eliminated or reduced as far as possible.

Depending on the results obtained, the user group may either press for amendments to one or both indices or advocate the compilation of a new index or group of indices.

1 Extract from the Act Para 150 (2)

Where it appears to the Secretary of State that the general level of prices is greater at the end of the period under review than it was at the beginning of that period, he shall lay before Parliament the draft of an up-rating order—

(a) which increases each of the sums to which subsection (3) below applies by a percentage not less than the percentage by which the general level of prices is greater at the end of the period than it was at the beginning;

August 2012

Written evidence submitted by James Denman (1STATS 04)

SUBMISSION

INTRODUCTION AND BACKGROUND

I am currently employed as a Government statistician in the Department for Communities and Local Government (DCLG) where I am responsible for supporting the Department’s Head of Profession for Statistics. I previously worked in the National Statistician’s Office in the UK Statistics Authority where I was responsible for promoting the Statistics and Registration Service Act; the four Pre-release Access Orders; and the Code of Practice for Official Statistics across the whole of the Government Statistical Service (GSS). I offer the following observations on the imperfections of the Statistics Act and the UK statistical system more generally, along with my recommendations for enhancing the Statistics Act in ways which should help to mitigate these deficiencies.

SUMMARY

My submission suggests that any initiative to amend/enhance the Statistics and Registration Service Act 2007 could usefully focus on the following key issues:

— Insertion of guiding principles for defining the concept of “statistics” so as to clarify the remit of statistical legislation;
— abandonment of the current two-tier structure of official statistics and its replacement by a graded, single-tier system;
— abandonment of the “National Statistics” brand and its replacement by a more easily understood and recognisable concept;
— introduction of measures to increase the accountability of statistics producers and thereby deter statistical wrongdoing;
— extension of arrangements to embrace the role and functions of the Government Statistical Service and Heads of Profession for Statistics;
— extension of the existing data sharing provisions within the Statistics Act to encourage public bodies other than the ONS to share data amongst themselves; and
— expansion of the Authority’s requirement to publish a listing of all “National Statistics”.

1. The remit of statistical legislation

Section 6 of the Statistics Act purports to offer a definition of the words “official statistics” and thereby purports to specify the range of quantitative information covered by the Statistics Act. It does no such thing. The Act merely defines the types of public bodies that are deemed to be “producers” of official statistics (an undefined concept). As a result of this lacuna the National Statistician was compelled to issue guidance to Departments on how they should identity which of their quantitative products should be classified as “official statistics” and thus subject to the principles and rules set out in the legislation. Thus guidance has no force in law and leaves Departments with considerable leeway when determining which of their quantitative inputs/outputs should come under the umbrella of statistical legislation.

Recommendation: The Act should be amended to include guiding principles for statistics producers which will help them to determine which of their quantitative resources should be classified as “official statistics” and thus fall within the remit of statistical legislation.

2. Two-tier differentiation

The Act compounded this definitional imprecision by creating a two-tier system whereby the UK Statistics Authority is required to assess a subset of official statistics for compliance with the Code of Practice for Official Statistics. If, as a result of a formal Assessment, the Authority judges that the official statistics in question are fully Code-compliant then they are designated as “National Statistics”. This label places a statutory duty on the producer body to ensure that their designated statistics continue to comply with the Code. For other official statistics, however, compliance with the Code is not a formal requirement. In the latter case producers are only expected to treat the Code as a model of best practice.

Recommendation: Producers of official statistics should have a statutory duty to ensure that all of their official statistics comply with the Code of Practice. The fact that different producers of statistics will always demonstrate differing degrees of compliance, both between themselves and between their own statistical products, should be recognised by applying a Star System to all official statistics. For example, three stars (***) could signify full compliance with the Code whilst one star (*) could signify partial (but improving) compliance.

3. Branding

The label “National Statistics” is an inappropriate choice of words to describe official statistics that have been assessed as compliant with the Code. Few if any members of the general public are aware of the designation, or recognise its significance in the context of the Code of Practice. Furthermore, few if any members of the media ever use the expression. The label is also misleading insofar as it is often interpreted to mean only those statistics that have a national coverage.

Recommendation: The “National Statistics” label should be withdrawn eg by dropping the word “National” and replacing it with another adjective, such as the word “Accredited”.

4. Accountability/Disincentives for wrongdoing

The legislation lacks sufficient teeth insofar as it contains no meaningful disincentives for non-compliance with the Code of Practice for Official Statistics. If a statistics producer transgresses the Code or displays a lapse in statistical standards, the worst that can happen is an admonishment from the Chair of the UK Statistics Authority—usually in the form of an e-mailed letter which is simultaneously posted on the Authority’s website. This is hardly a disincentive for wrongdoing and does little to build public confidence in the efficacy of the deterrence checks built into the UK statistical system.

Recommendation: Producers of official statistics should be expected to publish an annual review of their compliance with the Code of Practice, highlighting and explaining any departures from the standards contained therein. Any transgressions deemed to be “serious” by the UK Statistics Authority—ie corrosive to public trust—should be critically examined by the Public Administration Committee.
5. Governance and Structure/Roles and Responsibilities

Even though the UK statistical system is highly devolved and decentralised by comparison with other countries, the legislation is predominantly concerned with the governance, operational and structural arrangements that apply at the centre of the UK statistical system ie to the UK Statistics Authority and to its executive office, the ONS. This, however, is the one area where the level of public trust and confidence in official statistics is probably at its highest. Public trust and confidence in the UK statistical system would, very likely, be enhanced if the legislation included provisions which recognised and “protected” the role of the Government Statistical Service (GSS) across Government, and, in particular, the role and responsibilities of the nominated GSS Head of Profession for Statistics in each producer body.

Recommendation: The legislation should be expanded to cover the function of the GSS and the specific roles and responsibilities of the Head of Profession for Statistics in each producer body, especially in the context of their relationship to the National Statistician (acting in her capacity as the Head of the GSS).

6. Data Sharing

The Government has announced its intention^1 to help public bodies make “smarter” use of the data they hold by removing regulatory, cultural and other barriers to data sharing between public authorities, and between them and research bodies. It would be helpful if the stimulus which the Statistics Act gives to data sharing between the UK Statistics Authority and other Government departments could be extended to include data sharing between public bodies more generally.

Recommendation: The data sharing powers in the legislation should be extended to encourage Government Departments, and public bodies, more generally, to share data between themselves for statistical purposes only.

7. Listing of Statistics

Section 18 of the Act requires the UK Statistics Authority to publish, at least once a year, a complete list of all “National Statistics”. This requirement is too limiting especially in the light of the Government’s intention, in the interests of “Openness and Transparency”, to compile an Inventory of all public datasets. The Authority should be required instead to extend the List to include all official statistics.

Recommendation: Section 18 of the Act should be broadened to require an annual listing of all official statistics categorised by the name of the producer, their frequency, geospatial coverage, etc.

August 2012

Written evidence submitted by the Demographics User Group (1STATS 05)

EXECUTIVE SUMMARY

The Demographics User Group (DUG)^2 represents the views of 15 major commercial companies: Barclays, Boots, Camelot, Centrica, Co-operative Group, E.ON, Everything Everywhere, GSK, John Lewis, Marks & Spencer, Nationwide, Sainsbury’s, Tesco, and Whitbread. The members make extensive use of government statistics and geographical data to understand local markets and consumers, and make decisions about large investments in delivering better services. These are the tip of the iceberg of 2.3 million businesses in the UK, many of which can increase their efficiency, and grow, by using data gathered by government, which has the great advantage of consistent collection across the whole of the country.

The key themes of this note are the need to:

— Understand and meet the needs of users outside government.
— Divert some resources from production into improving access to statistics, and hence increasing use, and maximising value: “the last 100 yards”.
— Make much more use of administrative files to create statistics at the lowest Output Area level.
— Put more emphasis on speed of delivery, rather than marginal gains in quality.

PASC’s Questions

1. To what extent has the Statistics and Registration Service Act 2007 achieved its original goal of ensuring the quality and integrity of official statistics? How have practices to promote and safeguard statistics changed as a result of the legislation?

1.1 In general, members of DUG are satisfied with the quality and integrity of most existing official statistics. However, we feel that—with some honourable exceptions such as the 2011 Census—the system is often slow or reluctant to respond to the needs of users outside central government.

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1 Set out in the recent “Open Data White Paper” entitled “Unleashing the Potential”.
2 http://www.demographic.co.uk/dug.html
1.2 One particular need is for the use of government administrative files to create new statistics to be accelerated. Administrative files accumulated by departments such as HMRC, DWP, Education, the NHS, and the Home Office are immensely rich potential sources of information about the population and its social characteristics. In recent years more use has been made of such files to produce aggregate statistics for small areas, but we believe that there is scope to create much more value at relatively low cost in two ways:

- Existing statistics, but for smaller areas. Although the 2001 Census produced many statistics down to Output Area level (c.120 households), more recent statistics produced from administrative files have been created only for larger, cruder areas. Simply aggregating administrative records files to OA level, would increase the value of the information, and be a quick win.

- New statistics from underutilised administrative files. This was encouraged in the Treasury Select Committee’s report “Counting the Population” in 2008, and is being taken forward by ONS in its “Beyond 2011” investigation of alternatives to another Census, which is creating a huge opportunity to use government administrative information for statistical purposes. In particular, HMRC is the obvious source of information on Income and Wealth.

2. To what extent has public confidence in official statistics improved since the implementation of the Act and how has the experience of the use of statistics changed as a result of the legislation?

2.1 We would expect public confidence in official statistics to have improved, particularly due to the public interventions by Sir Michael Scholar, but are not familiar with any measurement that may have been undertaken.

2.2 Turning to the experiences of specialist users of government statistics, we believe that Government suppliers of data need to put more emphasis on “the last 100 yards”, making it easier for new users, particularly small businesses, to find and use data. The Government Statistical Service has traditionally emphasised the importance of its methodology, and the quality of its statistics, but sometimes this has been at the expense of putting effort into making access to statistics easier. Simple extracts can entice new and busy non-specialist users, whereas very large and detailed datasets can be daunting. This applies to both aggregate statistics for small areas, and also to sample surveys (such as the Living Costs and Food Survey), which offer great richness, but primarily to specialist users. Also, investing in the ONS website to improve access, leading to greater use, and thus maximising value, must be a top priority.

3. How well is the organisational structure of the UK Statistics Authority working, in particular its dual roles as a producer (through the Office for National Statistics) and a regulator of statistics? How clearly are the dual roles defined?

3.1 DUG regrets that the UK Statistics Authority has the dual roles of both producer and regulator. UKSA staff have put much effort into making the best of a difficult situation, but from the outside it appears that potentially contentious issues are discussed behind closed doors in order to present a public conclusion. In the current circumstances we would like to see the Monitoring function proactively encourage users’ views and concerns, and act as an advocate, with debate on the pros and cons of issues being carried out in public. Such transparency would encourage further involvement by users.

4. How well have the data sharing and confidentiality powers in the Act worked and to what extent, if any, do you think that the data sharing powers under the Act should be increased, why, and with what safeguards?

4.1 We are very aware of the potential benefits of sharing and matching files of individual records to create new statistics, both between departments (for example a child’s education, and subsequent employment), and between departments and external bodies (for example helping energy companies to identify areas where there is greatest fuel poverty).

4.2 It is good that the ONS is tackling some of these issues as part of the Beyond 2011 project, and also that new Transparency Boards, such as Welfare, are being established, but progress is always measured in years rather than months, and we understand that this is due to new legislation being required for each project. We hope that PASC will press for the UKSA to have a general power, enabling data sharing projects to be carried out in weeks rather than years.

5. How reasonable are the costs associated with compliance with the Code of Practice for official statistics and the assessment of National Statistics, and is there any way that they can or should be reduced?

5.1 Assessment and Monitoring are both vital, and we presume that they are a very small fraction of the total expenditure on official statistics. They are another example of “the last 100 yards”, and the importance of understanding demand from users, rather than focussing almost all resources on supply/production.

5.2 The Assessment programme has been comprehensive, and in future can be more selective. However, we strongly believe, that Monitoring has not been as proactive as it should be in highlighting users’ needs, and resources should be shifted to this function.
6. How well is the two-tier system of “official statistics” and “National Statistics” working, and how clear is the demarcation between the two categories?

6.1 Commercial users are generally completely unaware of the distinction, viewing all the numbers as “government statistics”. Datasets have different value according to the project in hand, and we are very doubtful about designation, or attributing kite marks. All statistics do, however, require good metadata, explaining the strengths & weaknesses of the particular dataset.

7. Are the current arrangements for pre-release access to official statistics reasonable and working well?

7.1 Analysts in commercial companies rarely find this an issue of concern in their day-to-day work. Most are probably unaware of pre-release access, and would be surprised that it occurs.

8. How well is the Consumer Prices Advisory Committee working, particularly in the light of the recent economic crisis?

8.1 (DUG members have not been involved in this).

9. Is there sufficient flexibility in the new system to respond to changing needs?

9.1 Our earlier comments have highlighted the importance of identifying and responding to non-government needs, both as they are now, and future changes. To this we would like to add the issue of timeliness: Members of DUG (and, we are sure, most commercial companies) would rather have reasonable data now, rather than wait months for marginal improvements. The corollary is that such datasets should be accompanied by informative metadata.

Also, when seeking to meet their needs, users are increasingly looking at government data sources which are outside the bounds of the UK Statistics Authority. The attached Annex “DUG members’ needs for data from government—a manifesto” illustrates this. It is vital that the UK Statistics Authority remains alert to all the sources of government data that might help to meet users’ needs.

August 2012

Annex

DUG MEMBERS’ NEEDS FOR DATA FROM GOVERNMENT—A MANIFESTO
(Updated July 2012)

This is the latest version of priorities identified by the 15 large commercial companies who are members of the Demographics User Group www.demographicsusergroup.co.uk We believe that they would also benefit many of the country’s other 2.3 million businesses and, indeed other organisations such as charities, and citizens generally.

INTRODUCTION
— In many cases individual unit records are the ideal flexible data source, but if they need to be protected for confidentiality, tagging them with an Output Area code, or aggregating them to OA statistics, maximises value.
— General issues: access/timeliness/format.
— Six topics are identified (bold & in blue) as priorities.

<table>
<thead>
<tr>
<th>Broad Category</th>
<th>Specific mentions</th>
<th>Possible Government sources(?)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Geographical Backdrop</strong></td>
<td>All the mapping, including boundaries, needed by government, and provided for in the Public Sector Mapping Agreement</td>
<td>Ordnance Survey</td>
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<td></td>
<td>Infrastructure developments &amp; plans</td>
<td>LAs/CLG/OS</td>
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<td></td>
<td>Flood maps</td>
<td>Env Agency</td>
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<td><strong>Retail centres</strong></td>
<td>Retail Outlets:</td>
<td>Valuation Office</td>
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<td></td>
<td>— Numbers &amp; type</td>
<td>Agency/LAs?</td>
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<td></td>
<td>— Speedily updated, inc. pop-up shops</td>
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<td></td>
<td>— Historical Data</td>
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<td><strong>Workplaces</strong></td>
<td>Locations, and numbers of workers:</td>
<td>Inter Departmental</td>
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<td>— Head Offices</td>
<td>Business Register?</td>
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<td>— Local</td>
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<td></td>
<td>— Business &amp; Science parks</td>
<td>[2011 Census]</td>
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<td>Broad Category</td>
<td>Specific mentions</td>
<td>Possible Government sources (?)</td>
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<tr>
<td>People’s movements / transport/location</td>
<td>Traffic flows: Mode (road, rail, bus, tram, bike, + pedestrians) and Destinations (workplace, retail, etc.). Car parks; Congestion charge areas Counts of people at locations (&amp; mobile phone coverage). Time-based data:</td>
<td></td>
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<td></td>
<td>— Seasonality</td>
<td>— Department for Transport for all those in this section? [&amp; see Govt announcement 29 Nov 2011]</td>
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<td></td>
<td>— Weekday/weekend</td>
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<td></td>
<td>— Day &amp; day part</td>
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<td>Telecommunication</td>
<td>— Mobile coverage/phones per cell by time</td>
<td>— Any operator data collated by Government?</td>
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<td>— Broadband access/usage/speed</td>
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<td>— Cable &amp; broadband exchange traffic</td>
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<td>Addresses—home &amp; others</td>
<td>— National Statistics Postcode Directory—omitted fields, eg delivery points</td>
<td>— ONS</td>
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<td>— PAF, &amp; Postcode changes</td>
<td>— Royal Mail</td>
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<td>— The National Address Gazetteer</td>
<td>— GeoPlace/OS</td>
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<td>— Addresses of premises (schools, hospitals, surgeries, clinics, etc.)</td>
<td>— (various)</td>
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<td>Properties—housing &amp; business</td>
<td>— Council Tax bands for domestic properties, &amp; receipts</td>
<td>— VOA &amp; LAs</td>
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<td>— Housing stock, &amp; sales &amp; their prices [See Government announcement 29 Nov 2011]</td>
<td>— Land Registry</td>
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<td></td>
<td>— House rents</td>
<td>— LAs/CLG?</td>
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<td>— House building &amp; conversion completions</td>
<td>— LAs/CLG</td>
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<td>— Planning applications—domestic and business properties</td>
<td>— LAs/CLG</td>
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<td></td>
<td>— Valuation lists for business properties</td>
<td>— VOA</td>
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<tr>
<td>People &amp; their circumstances</td>
<td>— Aggregate data from government data silos—person &amp; household; ideally a single customer/ citizen view</td>
<td>— DWP, HMRC, Education, etc.</td>
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<td></td>
<td>— Electoral Roll (if not opted out)</td>
<td>— LAs</td>
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<td>— County Court Judgments for debt—personal &amp; corporate</td>
<td>— MoJ &amp; Registry</td>
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<td>— Household income &amp; disposable income/cost of housing/wealth</td>
<td>— HMRC</td>
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<td></td>
<td>— Crime rates</td>
<td>— Home Office</td>
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<td>— The PM’s Happy Barometer—the dataset</td>
<td>— ONS</td>
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<td></td>
<td>— Immigration/migration; house occupancy/multiple occupation</td>
<td>— [ONS, 2011 Census the best source?]</td>
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<td>Business, the economy &amp; investment</td>
<td>— Company information [See Govt announcement 29 Nov 2011]</td>
<td>— Companies House</td>
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<td>— Efficiency by area; GDP by area</td>
<td>— ONS/HMT/BIS?</td>
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<td>— Levels of government investment: geographical location &amp; nature</td>
<td>— (ditto?)</td>
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<tr>
<td>Weather ONS’s Statistics in general</td>
<td>— Weather [See Govt news 29 Nov 2011]</td>
<td>— Met Office</td>
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<tr>
<td>Current Neighbourhood Statistics to be recreated at Output Area level (c.f. the current higher/less valuable Super OA level) &amp; new statistics at OA level, using administrative databases. Government’s existing sample surveys (eg those</td>
<td>— The existing wide range of Neighbourhood Statistics</td>
<td>— ONS and government departments</td>
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<tr>
<td></td>
<td>— Start with the topics identified by the Beyond 2011 project</td>
<td>— ONS and government departments</td>
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<td></td>
<td>— The Living Costs and Food Survey, the Wealth &amp; Assets Survey, and Understanding Society are of</td>
<td>— ONS/ESRC</td>
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A: INTRODUCTION AND SUMMERY

The Royal Statistical Society (RSS) welcomes this inquiry and the substantial series of studies announced by PASC. The 2007 Act had, and has, the potential to bring about a step change in the quality of UK official statistics. However, much always depended on the way it is implemented and whether it became a catalyst for other improvements, so a review of this is appropriate.

There have been definite improvements since the Act but there is still some way to go. RSS views are given in detail below but we highlight the following points as being of particular importance:

- Putting in place additional efforts to respond to user needs and to improve communication.
- Expanding the scope of the Monitoring Reports and Briefs and the planning capability of the National Statistician’s office through releasing some of the resources that have been used for Assessment.
- Instructing departments to consult and pay attention to the UK Statistics Authority (UKSA) and the National Statistician in their statistical planning.
- More clarity on and recognition of UKSA’s diverse roles (assuming legislative changes are not possible).
- Streamlining the process by which the Office for National Statistics (ONS) acquires administrative datasets and improving user access to data.
- The abolition, or near abolition, of pre-release access.

The RSS is the UK’s only professional and learned society devoted to the interests of statistics and statisticians. Founded in 1834, it is one of the world’s most influential and prestigious statistical societies. It aims to promote public understanding of statistics and provide professional support to users of statistics and to statisticians.

B: RESPONSE TO SPECIFIC QUESTIONS

1. To what extent has the Statistics and Registration Service Act 2007 achieved its original goal of ensuring the quality and integrity of official statistics? How have practices to promote and safeguard statistics changed as a result of the legislation?

1.1 It is important first to note that UK official statistics already scored highly regarding a number of elements of quality and integrity. They were and are produced to high technical and professional standards. The production process itself was and is free from political interference and has high integrity.

1.2 There have however been well-known examples of political interference in their publication. Here the robust public interventions by Sir Michael Scholar were welcome and effective. We expect Andrew Dilnot to be no less robust when needed.

1.3 Where official statistics were less fit for purpose was in meeting user needs and in their communication. Generally central government needs were well catered for but were overly prioritised to the detriment of needs of other users (local government, business, academia, individuals etc). The communication of statistics left much to be desired.

1.4 The Code of Practice introduced by UKSA covers both these issues as well as other elements relating to quality and integrity. The first round of assessment broadly confirmed the intrinsic quality of statistical compilation but found more work was needed to understand and meet user needs, and to communicate to the needed standards (the ONS website being a clear example of the latter). Although progress has been made on the work identified there is still a long way to go.

1.5 A combination of initiatives is needed (we understand some are being put in place) to address these major failings along with an appropriate continuation of the Assessment and Monitoring process (see question 5) to ensure and measure progress.

1.6 We would like to see a more robust planning system on work plans and meeting future needs. However the UK’s decentralised and devolved statistical system makes imposition of such difficult for UKSA and the National Statistician. We propose that the UK government and the Devolved Administrations instruct departments to consult and pay attention to UKSA and the National Statistician in their statistical planning.
1.7 Finally we would like to see more mention of explicit goals and progress towards them in UKSA’s annual report.

2. **To what extent has public confidence in official statistics improved since the implementation of the Act and how has the experience of the user of statistics changed as a result of the legislation?**

2.1 Since the last survey of public confidence (by NatCen) was carried out in late 2009, less than two years after the Act took effect in April 2008, it is not possible to be sure. The survey showed 52% of respondents agreeing with the statement “official statistics are generally accurate”, a broadly similar (although slightly lower) proportion than earlier years. 40% disagreed with the statement—rather higher than earlier years (33% in 2007). As in 2007 the two most important reasons for people disagreeing that statistics were generally accurate were the perceptions that “figures are manipulated or adjusted for political purposes” or that “figures are misrepresented or spun by politicians or the media”. The survey was accompanied by a separate exercise (carried out by Mori) of interviews with opinion formers. Mori reported that those interviewed generally viewed official statistics positively although with concerns over their use and treatment by politicians and media.

2.2 Repeating the surveys, possibly coupled with a survey of known regular users, would be desirable with results published in a more obvious fashion than the 2009 surveys (which were published as annexes to a report on Strengthening User Engagement). We believe UKSA is right to have been more concerned initially to improve confidence among opinion formers since general public confidence will inevitably take time to build.

2.3 We believe from contacts members have with statisticians overseas that, internationally, the Act is generally viewed positively (although see para 3.1).

2.4 User experience outside of central government has improved to some extent but not enough. The principle of user engagement has been firmly enshrined in the Code of Practice but both UKSA’s assessments and reports from users suggest that progress in putting user needs at the heart of official statistics has in practice been slow and patchy. This is not always due to lack of willingness—sometimes the intention is there but the understanding which would lead to practical improvements is missing (as in the case of the ONS website).

2.5 Users still feel that producers rely too much on formal consultations rather than engaging in continuous, and generally more useful, user-producer dialogue.

3. **How well is the organisational structure of the UK Statistics Authority working, in particular its dual roles as a producer (through the Office for National Statistics) and a regulator of statistics? How clearly are the dual roles defined?**

3.1 The Act is unhelpful in giving this confusion of roles to UKSA. The Authority has dealt with this to some extent through the establishment of two deputy chair posts but confusion remains, hindering, at times, improvements to user experiences. Suspicion will always remain that ONS is treated more leniently for assessment purposes than other departments. Our impression in dealing with UKSA over the RPI and CPI issue was that UKSA was torn between explaining the ONS position and acting as an independent regulator. The combination of roles does not look good internationally.

3.2 The confusion is worsened in that the different roles of UKSA are not properly understood. While UKSA has formal governance powers only in respect of ONS, it has responsibility for the development and health of the overall official statistical system as well as the responsibility for regulating it—in some senses a triple rather than a dual role.

3.3 While the governance of ONS and the scrutiny/regulation function are reasonably well defined, responsibility for the overall system is not. Clearly direct powers here are limited in a decentralised and devolved system but UKSA does have influence (see also our response to question 5). As indicated in para 1.6, we feel departments should be required to consult and pay attention to UKSA and/or the National Statistician before making major changes to their statistics or finalising their statistical planning. We regret that the government has so far not endorsed this idea.

4. **How well have the data sharing and confidentiality powers in the Act worked and to what extent, if any, do you think that the data sharing powers under the Act should be increased, why, and with what safeguards?**

4.1 The data sharing provisions of the Act have facilitated ONS access to data for the purposes of improving population estimates and assessing the feasibility of substituting administrative data for a decennial census. However, the processes for obtaining access to data are cumbersome and not conducive to effective exploitation of public data sets. The Act only provides enabling legislation for UKSA to receive disclosive data from other departments which otherwise would not be legally permissible. It is therefore necessary for ONS to pursue secondary legislation (Data Sharing Orders). Experience in the last four years has shown this to be a time-consuming and inefficient process both to justify need and to demonstrate that confidentiality can be protected.

4.2 A data sharing culture is still weak across government and there is no strong enthusiasm for sharing from data owners, many of whom gain no benefit from the data sharing but do assume a risk, however small, that their data may be inadvertently disclosed in the process. ONS has had to be very exact in its specification
of the data required and justification of its use. Any subsequent change—for example obtaining an extra variable or using the data for a slightly different purpose—requires another Order with all the delays and effort involved. This includes parliamentary time that could undoubtedly be put to better use.

4.3 We believe that UKSA should be granted general powers to have access to official data for statistical purposes. This is common in other countries (in particular the Netherlands and Australia). Such powers would also lead to statisticians being engaged in changes to administrative datasets, which is clearly necessary if such datasets are to become the foundation for demographic statistics as an alternative to the decennial census.

4.4 The confidentiality requirements of the Act are necessarily rigorous and demanding but ONS, which has always operated to very high confidentiality standards due to its processing of personal and business data, has demonstrated that it can operate with them effectively and no changes are judged necessary.

4.5 Data sharing also covers making government statistics fully available to the wider community. At the moment many more-detailed (but non-disclosive) or older datasets are only available easily to the academic community and not to business or the wider public. Users have provided evidence of too much weight being placed on extremely small or obscure risks of disclosure, of cumbersome procedures and inconsistencies between government departments. The Statistics User Forum has recommended a more risk-based approach to disclosure control, taking into account the value of making data available and the sensitivity of the information along with transparent and consistent approaches across Government.

5. How reasonable are the costs associated with compliance with the Code of Practice for official statistics and the assessment of National Statistics, and is there any way that they can or should be reduced?

5.1 The Code of Practice sets standards that official statistics need to reach. Provided the process of compliance is efficient, costs in adhering to it are, by definition, reasonable.

5.2 It is accepted that the first round of formal assessment, now virtually complete, was heavily time consuming both for assessment staff and for those whose statistics were being assessed. There was probably merit in carrying out a full process the first time around as it sets a clear benchmark for the future but this was at the expense of other work. We understand that UKSA intends to move to a more flexible and less onerous system in the future. It should be perfectly possible to do this while maintaining sufficient rigour.

5.3 We regard such a move as essential not just to reduce overall cost but also as it will release UKSA resources for other work. It is the Monitoring work which has suffered during the last year and this now needs to be expanded again and its scope extended. The Monitoring work of UKSA is essential both for reviewing long-term issues and for dealing with ad hoc issues that arise (eg the current controversy over the coherence of GDP data with other information). We believe that the scope of Monitoring activity could be extended to review whether statistics in particular areas are adequate; for example, UKSA might usefully review whether the current statistical framework is adequate to support the debate on Scottish independence and any consequent debates on the constitutional relationship between the Countries of the United Kingdom.

6. How well is the two-tier system of “official statistics” and “National Statistics” working, and how clear is the demarcation between the two categories?

6.1 The meaning of the distinction is far from clear to those not close to the system. A change in nomenclature to make it clear that “national statistics” are those that have been “quality assured” by UKSA would be highly desirable.

6.2 More critical is what constitutes official statistics. There are two specific ways in which the treatment of defining official statistics is unacceptable and potentially damaging to trust.

6.3 The first arises from official statistics being defined by the Act as those statistics produced by government departments, the devolved administrations and other crown bodies, and by non-Crown bodies specified by secondary legislation (Official Statistics Orders), for which ministers are responsible. One notable omission from the Orders produced annually since 2008 is the Greater London Authority (GLA), where the Mayor of London has so far refused for GLA statistics to be treated as official statistics. They are thus not subject to the requirements of the Code of Practice, and in particular its principles on release practice and commentary. There may be legal obstacles to bringing a local government body into a statutory scheme for central government bodies but the GLA could still sign up to the Code’s principles and work closely with UKSA.

6.4 Departments can also avoid the requirements of the Code of Practice by defining ad hoc sets of statistics as research rather than official statistics, avoiding compliance with the Code’s strict requirements on release arrangements. A recent example of this occurred when DWP released ad hoc statistics on the number of foreigners claiming benefit in the UK in a “research note” rather than as official statistics.

6.5 Problems of this sort could be avoided if the responsibility for defining what constitutes official statistics is vested in UKSA rather than Ministers.
7. Are the current arrangements for pre-release access to official statistics reasonable and working well?

7.1 No, they are not reasonable. There is no justification, in our view, for pre-release access other than in exceptional circumstances; at most this should be just two–three hours.

7.2 The arguments for pre-release access (as a reading of the Cabinet Office review of the Act makes clear) rest on the alleged necessity for ministerial comment or a departmental press release being issued at or around the same time as the statistics. In our view the practice of issuing such commentary to coincide with statistical releases is pernicious. It skewed any debate over the figures and perpetuates the impression that ministers control the data. There is strong evidence (eg from the last survey of business confidence cited in para 2.1 above) that suggests that lack of confidence in statistics is in large part due to perceptions of political control or misrepresentation. This practice perpetuates that perception so is a major obstacle to improving confidence, in our view.

7.3 We accept that straightforward abuse of the system is rare but even 24 hours allows a degree of media management. The situation in Scotland and Wales is worse in that up to five days pre-release access is allowed.

8. How well is the Consumer Prices Advisory Committee working, particularly in the light of the recent economic crisis?

8.1 We believe changes need to be made to the Consumer Prices Advisory Committee (CPAC).

8.2 The current CPAC advises UKSA, not ONS. It is chaired by the National Statistician, includes a member of the UKSA Board and has government officials prominent among its membership. ONS provide the secretariat. ONS appear to treat it more like a decision making body than an advisory committee (eg the recent consideration of the best means of including owner occupied housing in the CPI).

8.3 We believe CPAC should be reconstituted as an advisory committee to ONS, with wider representation of knowledgeable users as well as experts on price indices. It is important that CPAC members have some understanding of the subject, and are capable of raising issues and not simply reacting to ONS proposals. It is, for example, disturbing that the original committee did not, as far as can be seen from any papers, discuss the formula effect, which is responsible for the greater part of the difference between CPI and RPI inflation estimates, before an ONS paper was put to it in May 2011, nearly two years after it was formed.

8.4 This said, UKSA and ONS should note its views, along with those of the RPI CPI user group, but retain responsibility for the series and not feel bound by its recommendations.

8.5 Changes in prices index methodology are inevitably long term, not short term. Thus we would not expect CPAC to react to the current or every economic crisis with new proposals.

9. Is there sufficient flexibility in the new system to respond to changing needs?

9.1 Potentially, yes, apart from the fact that the decentralised and devolved system limits UKSA and National Statistician control. As mentioned above, we would like to see a more robust planning system. Releasing resources that have been used in assessment to extend monitoring work as mentioned under question 5 to take a more proactive role in responding to changing needs would help.

August 2012

Additional written evidence submitted by Royal Statistical Society (1STATS 06)

THE OPERATION OF THE STATISTICS AND REGISTRATION SERVICE ACT 2007—REGISTRATION OF DEATHS IN ENGLAND AND WALES

1. The Royal Statistical Society (RSS) makes this supplementary submission with reference to the registration service provisions of the Statistics and Registration Service Act 2007. It does so to draw the committee’s attention to a particular and specific concern of the Society.

2. The Royal Statistical Society is the UK’s only professional and learned society devoted to the interests of statistics and statisticians. Founded in 1834, it is one of the world’s most influential and prestigious statistical societies. It aims to promote public understanding of statistics and provide professional support to users of statistics and to statisticians.

3. In England and Wales, deaths must normally be registered within five days. However, if the death is referred to a coroner and subject to an inquest no registration need be made until the coroner’s verdict is given. This may be months or even years later.

4. The Royal Statistical Society is concerned that in England and Wales delayed registration of deaths poses a risk to public health by potentially undermining the evidence base for public health research, policy development and monitoring of public health initiatives, all of which rely on knowing without undue delay who died and when. In particular, in the case of novel epidemics where deaths suspected as being from the
novel cause may be referred to coroners, this can leave public health authorities lacking the necessary data to track any outbreak and to intervene effectively to minimise illness or death.

5. A survey conducted by Professor Sheila Bird, former vice president of the Royal Statistical Society, of heads of official statistics in 30 non-UK countries has confirmed the outlying nature of the situation in England and Wales.

6. The Royal Statistical Society therefore reaffirms its belief, as set out in its response to the Science and Technology Select Committee’s Inquiry into Scientific Advice in Emergencies, that in England and Wales deaths referred to coroners should be registered in an appropriately timely manner as in Scotland.

August 2012

Written evidence submitted by FDA (ISTATS 07)

BACKGROUND AND SUMMARY

1. The FDA is the union representing senior managers and professionals in the civil service and wider public sector. In particular, we represent statisticians and economists within the Government Statistical Service (GSS) and the Government Economic Service (GES).

2. FDA members are involved in producing National and Official Statistics, generating underlying administrative data which feeds into National and Official Statistics, and using those statistics to inform and develop Government policy. We focus our response on questions about the burden placed on officials involved with these statistics, and the importance of appropriate resourcing.

3. The FDA believes there is an urgent need to ensure sufficient resources are available in order for the Statistics and Registration Service Act to be effective, including the need for Government departments to be properly resourced to be able to meet their requirements under the Act. This is particularly significant at a time of austerity, and it is important that departments recognise that the requirements are set out in statute.

The following headings are the questions posed in the consultation document:

To what extent has the Statistics and Registration Service Act 2007 achieved its original goal of ensuring the quality and integrity of official statistics?—how have practices to promote and safeguard statistics changed as a result of the legislation?

4. The FDA is concerned about some ambiguities generated by the Act, including the failure to define what is meant by “statistics”, despite defining “official”. This has led to a debate between the UK Statistics Authority (UKSA) and Ministers on occasion. There is a further concern as to who decides which outputs are “official statistics”—whether the Head of Profession or Ministers. The FDA believes that Ministers, although able to determine what statistics should be produced, should not have a role on deciding when particular outputs are badged as being official statistics when they are published, as this should be within the remit of the head of profession, and reflect a judgement on the quality of those statistics. The UKSA also has a role to monitor the quality of statistics, and can insist on the removal of the “National Statistics” status.

To what extent has public confidence in official statistics improved since the implementation of the Act and how has the experience of the user of statistics changed as a result of the legislation?

5. The FDA is not aware of any evidence that public trust in official statistics has been raised, but we believe that the real issue behind any lack of public trust is not about the quality of the statistics, but rather about how politicians use those statistics and how the news media report and interpret them. It is also unhelpful that trust is sometimes undermined by those who unreasonably cast doubt on the validity of statistics. We recognise that this is difficult to address through the Act. Extensive work has been done by the UKSA to review the quality of National Statistics, and there are no indications that these are of a low standard or perceived to be unreliable. The majority of assessments have called for improvements in how the statistics are explained to users, and how users are engaged.

6. Civil servants continue to produce high quality statistics, even if this is not acknowledged by the public. Civil servants cannot be held responsible for how statistics are then (mis-)used by the public and the media.

How well is the organisational structure of the UK Statistics Authority working, in particular its dual roles as producer (through the Office for National Statistics) and regulator of statistics? How clearly are the dual roles defined?

7. The FDA believes that the distinction is generally clear, although there is sometimes a lack of clarity as to whether heads of profession within departments are accountable directly to the UKSA, or through the National Statistician. There is a need to ensure clarity of roles and remove any ambiguity.
How well have the data sharing and confidentiality powers in the Act worked and to what extent, if any, do you think that the data sharing powers under the Act should be increased, why, and with what safeguards?

8. The confidentiality provisions of the Act seem reasonable in themselves. However there is a potential tension with Freedom of Information Act provisions. A recent case about the release of abortion statistics illustrates the point. Statisticians had withheld publication of the information as they believed there was a risk that it could be disclosive of personal data. The Information Commissioner ruled against this, essentially finding that it must be proven that the release would be disclosive before the statistics could be withheld. In principle this seems to have resolved the tension. However, for officials involved in the publication of such statistics, it has not. The liabilities in the Act mean the individual disclosing the information has a personal (criminal) liability. Any individual faced with the same information, and a plausible professional belief that there was a risk of it being disclosive, would seem to be taking a risk by disclosing the information in response to a request. Individuals can protect themselves by declining release, and waiting until release is ordered by the Information Commissioner—presumably absolving them of any liability. However doing so is not necessarily timely or efficient, and is unlikely to enhance the reputation of the producers of Government Statistics.

9. The Statistics Authority has introduced a “transparency” requirement that, where any analysis based on use of statistical information is mentioned publicly by a Government department, that department must publish the underlying analysis. Again, in principle, this may be reasonable, but in practice it creates a burden in preparing these ad hoc publications, removing other confidential information from models and ensuring what is produced is fit for publication. If Government is committed to doing this it is important that appropriate resources are provided in departments to allow the extra work this involves.

10. It is clear that data sharing for administrative purposes should be carefully considered, and full account taken of civil liberties implications, but data sharing for statistical purposes should be more easily facilitated, provided data security standards are met. It is expected that a new European Union directive on data protection will also impact on this and could potentially cause difficulty if, for example, explicit consent were required in every case.

How reasonable are the costs associated with compliance with the Code of Practice for official statistics and the assessment of National Statistics, and is there any way that they can or should be reduced?

11. The FDA is not qualified to comment on the costs associated with compliance, but is concerned that departments must be fully resourced in order to meet the requirements of the code.

How well is the two-tier system of “official statistics” and “National Statistics” working and how clear is the demarcation between the two categories?

12. It is clear that the public do not understand the difference between “official” and “National” statistics. Management information is also sometimes used by Government departments in a similar way to official statistics, although generally it is not sufficiently tested to ensure its quality and integrity in the same way. Again, the public perception is that these figures are also official statistics, but statisticians are not always certain how management information of this sort should be handled from a regulatory point of view.

Are the current arrangements for pre-release access to official statistics reasonable and working well?

13. The FDA understands the importance of ensuring the integrity of published National Statistics and the importance of controlling pre-release access to the statistics, to prevent Government officials and ministers having the ability to unduly “spin” the results. However the current arrangements, of 24 hours’ notice, put a significant pressure on those officials who receive pre-release access to provide briefing in a timely fashion. A pressure which will be exacerbated if a shorter pre-release period is used. The FDA has consistently expressed concern that Ministers and their advisers have access to data in advance of publication. This is out of line with international standards, potentially serves to undermine public trust in statistics, and gives rise to the possibility of inadvertent data release. The FDA believes that whatever release arrangements are made, unreasonable demands should not be made of civil servants implementing them.

How well is the Consumer Prices Advisory Committee working, particularly in the light of the recent economic crisis?

14. The FDA does not have any comment on this question.

Is there sufficient flexibility in the new system to respond to changing needs?

15. We believe there may be less flexibility in some ways, but that many problems could be avoided if planning and resourcing for statistics were factored in at an early stage to allow proper evaluation and monitoring of the policy.
Written evidence submitted by Full Fact (ISTATS 08)

Full Fact’s concern is the way that official statistics are used in and contribute to public debate and our evidence focuses on this. We began work in 2010 and cannot compare the current regime with the previous arrangements.

Summary
— The biggest risk to the Act is the loophole created by Departments avoiding its coverage by designating statistical information as “administrative data,” “management information” or “research.” A smallish leak now, it threatens to grow and sink the ship. This loophole should be narrowed by the Authority and, if necessary, the courts or legislation.
— If public trust in official statistics is our aim, more attention needs to be paid to what the public takes in, not just what is put out. The ONS needs to be a more active voice in public debate, presenting official statistics in broadcast and other media.
— The definition of official statistics needs to include statistics produced by the Greater London Authority.
— Pre-release access privileges politicians to the detriment of the public.

Public Confidence in Official Statistics (Q2)
1. Public confidence in official statistics can only be derived from what the public takes in, not from what is put out. Publishing high-quality, well-explained information is a necessary precursor to restoring trust but will not in itself achieve trust.
2. Most people’s experience of official statistics is watching politicians and broadcasters saying “the latest figures show…” As Jack Straw noted in a seminal speech: “Figures have replaced much prose in political debate—particularly that which commands attention.” 3 76% of people get their news mainly from TV, thrashing newspapers, the next most usual source at 8%. 4 Accordingly, the ONS needs to take its products more and more onto the airwaves.
3. The National Statistics brand has almost no currency. Even Select Committee reports do not consistently make the distinction. It deserves greater emphasis.
4. We believe that civil society, including Full Fact, and including our users and the experts who give us help and advice, have an important contributory role in all this. 5 The relevant official bodies, including this Committee, should do what they can to support that role because the highest standards are maintained when there is a resilient network supporting them. Nevertheless, the responsibility rests with the UK Statistics Authority and this Committee.

The Act (Q1, Q6, …)
5. Full Fact does not believe that the Statistics and Registration Service Act needs to be urgently reopened.
6. We agree with the position of the UK Statistics Authority that the anomalous omission of the Greater London Authority from the definition of official statistics in section 6 needs to be corrected—through secondary legislation as soon as possible and on the face of any future revision of the Act itself.
7. There is a leak in the Act which is currently smallish but threatens to sink the ship if left unpatched.
8. “Management information,” “administrative data” and “research” are all designations given to important and controversial statistics released by government departments which avoid, or seek to avoid, the duty of complying with the Code of Practice.
9. The problem is most conspicuous in two of the most high-profile areas of current debate: immigration, where much of the key information is released by the Home Office under the mantle of “management information,” and welfare reform, where “administrative data” from DWP databases has frequently been released to drive a significant proportion of public and media debate on the issue. Both of these are, in fact, compiled from information recorded for operational purposes. There is no reason why they should not be published as official statistics.
10. The UK Statistics Authority needs to take a robust line with Ministers who blur the boundary of what is or is not an official statistic. It should be alert to the release of numerical information under any other rubric. In general, anything that is numerical, produced by government through an organised method, and published

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3 Jack Straw MP, Shadow Home Secretary, Speaking to the Royal Statistical Society on 25 April 1995
4 Ofcom Media Tracker 2011 Q.67, p.345. Notably, 74% of people trust TV the most, compared to 4% of people trusting newspapers the most. Clearly that is the platform from which to promote trust in official statistics.
5 As Dr Geoff Mulgan argued in a speech on “Good and Bad Government” given in 2004 while he was working at No. 10 but in a personal capacity: “it is entirely plausible that civil society, perhaps with the universities, could play a much more active role in assuring standards, investigating errors, and holding to account individual journalists and media outlets against a strong ethic of truth and accuracy, just as they should hold governments to account too.”
to inform policy decisions or public debate, should be treated as an official statistic subject to the Code or Practice. Indeed, we suggest that this is what the Act itself envisages.

11. Whether that is what the Act actually prescribed is ultimately a question of law. If the approach we suggest above is not accepted by Ministers, the Authority should seek clarification in the courts. If the law is clarified in too narrow a way, legislation will be necessary to ensure that the Code of Practice remains useful.

**Costs (Q5)**

12. The question can be put another way: what aspect of the Code of Practice is inessential? If none, as we believe, then the current costs are simply the costs of having official statistics worth having.

**Pre-release Access (Q7)**

13. Pre-release access privileges politicians to the detriment of the public.

14. Embarrassing examples of sensitive information reaching beyond the charmed circle are only the most conspicuous problem.

15. If pre-release access is to continue, then the same access granted to Ministers should be granted to organisations whose mission is to explain these things to the public and whose constitutions require them to do so neutrally—the BBC and other broadcasters, Full Fact ourselves and perhaps civil society organisations like the Royal Statistical Society and others. We know of no principled reason why, if Ministers have such access, these kinds of bodies should not.

16. Far better, though, would be to eliminate pre-release access.

**About Full Fact**

17. Full Fact is the UK’s only independent fact-checking organisation. We check claims, many statistical, made by politicians, journalists and pressure groups. Our work has led to corrections from Ministers, MPs, almost all national media and pressure groups and gives us a wealth of practical experience of how statistics are used in public debate and the harm done by misleading information to public understanding and to policy making.

*August 2012*

**Supplementary written evidence submitted by Statistics User Forum (1 STATS 09)**

Thank you for your letter of 16 October to Jill Leyland, asking a number of supplementary questions arising from the oral evidence she and I gave to the Committee in September. Your first question arose from some comments that I made, and my response is set out below.

1. Please could you specify the mechanisms by which you believe that data, such as the data on dwellings and their attributes, could be released or shared, and make an assessment of the likely benefits of such a release (Q4)?

(a) What are the barriers to such release at present?

The issue to which I drew attention in answer to Q4 of the oral evidence session is the impact on users when disclosure control concerns appear excessive or poorly implemented. Although the Statistics User Forum (SUF) recognises that effective data collection depends on confidence in the protection of personal data, there needs to be a proper balance struck between risk of disclosure and the utility and value of datasets. At present, users feel that the approach of the Government Statistical Service (GSS) can be overly conservative, with some notable exceptions such as the release of Census data.

The example referred to in oral evidence was data on dwellings and their attributes produced by the Valuation Office Agency (VOA), and I respond below to the Committee’s queries in this particular case. However, it should be noted that there are many other examples where valuable research has been impeded by the difficulty of getting access to data at the level of disaggregation required for useful analysis. SUF has been collecting such examples and discussing them with the National Statistician’s Office. I am glad to say that the GSS is setting up a Disclosure Control Task Force to address these issues, and we understand that they will be considering whether the GSS Guidelines should be revised to encourage data producers to consider “sufficient uncertainty” rather insisting on zero risk of disclosure. We look forward to seeing the outcome of this work. In addition, we are advocating the need for an “ombudsman”, to whom users can take their case if they reach an impasse in discussions with the data providers concerned.

It is not only users outside government whose work is impeded by difficulties in accessing data; it can also be difficult for one government department to have access to data produced by another. It seems to us that these general issues will need to be resolved if projects such as Beyond 2011 are to be successful.
In the particular case of data on dwellings and their attributes produced by VOA, such data would provide a resource for research on the housing stock at national and local levels; for analysis of the housing market by the building industry, estate agencies and the financial sector; and for social researchers.

Historically, the VOA has been very reluctant to provide access to the data they hold at any level of aggregation. This has been puzzling, as dwelling attributes are not classed as personal data under the Data Protection Act. The VOA has also cited a clause in the Local Government Act which states that data collected for Council Tax purposes should not be used for any other purpose. However, we note the fact that the VOA has been publishing statistics on the number of dwellings by Council Tax band right down to Output Area level on the Neighbourhood Statistics website for some years. This seems to indicate that this apparent legal barrier is not insuperable.

Another barrier is that of charging for data. For example, although it is possible to look up information about the attributes of each rateable non-domestic property on line, the VOA charges £1,100 plus VAT for a simple file for the whole country. This approach is at odds with the government’s expressed desire for Open Data.

There are a variety of mechanisms by which VOA data might be made available. First, we would like to see all aggregated statistics published on the Neighbourhood Statistics website (NeSS), down to the lowest possible level, ie Output Area. However, given the richness of the dataset the scope for tabulations is very large, and so we would advocate consultation on which would be the most widely useful tabulations to include.

The wide scope for tabulations and the necessary restrictions on the number which could be included on NeSS argue for making the individual dwelling level data more widely available, so that users can produce their own analyses. Ideally, this would be in the form of a database made available periodically for others to use, either by secure download by authorised users or via the ESRC’s Economic and Social Data Service. We believe that although the database would be very large, there are no technical obstacles to doing so. Even if access were to be limited to other government departments including the ONS, there could be potential for linkage with other sources, such as Land Registry transaction data to produce local house price indices which would be very valuable to users more widely.

November 2012

Supplementary written evidence submitted by Royal Statistical Society (1 STATS 10)

Thank you for your letter of October 16. Jenny Church is replying separately to you regarding your first question and I will take the other questions in the order you had them.

2. “Official statistics need to be trusted, and that means they have to meet certain standards”. What those standards are, or should be, and the mechanisms that should be used to make the necessary assessment.

Essentially the statistics have to be produced to high professional standards, be independent of political or other influence, meet user needs, be communicated clearly and be easily accessible. The Code of Practice outlines these standards and is, in our view, a satisfactory statement of them. National Statistics have to be assessed against the Code, and this is a suitable mechanism. The aspiration should be that all official statistics (ie those produced by central and devolved governments and their agencies) are produced to code standards whether or not they are assessed.

In practice this depends on a) ensuring that all statistics of importance have national statistics status so they are formally assessed; b) ensuring that official statisticians throughout the Government Statistical Service apply the same standards and ethos to all their work and have the professional support to do so; c) ensuring that the need to adhere to these standards is recognised and supported by ministers and senior non-statistical staff in departments, devolved administrations and agencies; and d) continued vigilance by the UK Statistics Authority for any serious breaches.

The need for a shared culture and ethos throughout the GSS is important and this relates to points made in response to question 5 below. UKSA might consider whether a self-assessment process for official statistics that are not national statistics, using essentially the same criteria (possibly with some exceptions) with results published by ministries and agencies would be helpful.

3. What terminology should be used to differentiate “official statistics” from “National Statistics” (Q15)?

The phrase “National Statistics” was originally intended to imply two things: that the statistics concerned are of a certain importance; and that they meet certain quality standards. Since the Act the formal definition is for official statistics that have met Code of Practice standards although the implication that these are statistics of particular importance is still there. No short two or three word phrase will encompass all this but the phrase “Accredited National Statistic” might work as shorthand with a fuller explanation (eg “These statistics have met the criteria required to be accredited as National Statistics”) given with some prominence in the text or as a footnote.

Whatever phrase is used UKSA should use well-established “brand awareness” PR methods to promote knowledge and acceptance of the concept. A specific campaign directed at key audiences (media, professional
users etc) could be considered but in any event other techniques such as including explanations in any verbal briefings, ensuring that words such as National Statistics are always capitalised and revising the current roundel logo to make the tick mark more prominent would be advisable.

4. Please supply any further information that you did not have the opportunity to raise during oral evidence.

5. In light of difficulties of separating out the functions of producing and assessing statistics that you alluded to in your written evidence, are there alternative governance structures that the UK Statistics Authority could consider adopting?

I take these two questions together since part of the response to 5) covers the only major issue we did not have the opportunity to discuss fully (although it was touched on) during the oral hearing.

We accept that deciding the structure of the UK Statistics Authority given its various responsibilities is not easy and that every arrangement is likely to have some drawbacks.

The RSS considers that the key division within the UKSA, as regards both staffing and committee structure, should be that of the production of statistics (including but not confined to the ONS and including the National Statistician’s office) from the scrutiny and assessment side. Two of the three key sub-committees of the main Board are the ONS Board and the Assessment Committee. We understand that members of the UKSA main Board sit on one but not both of these committees with the UKSA Chair sitting on (but not chairing) the Assessment one. We welcome this as good practice.

Currently, however, it appears that Assessment Reports and the Monitoring work of the UKSA are also discussed at the main board as well as at the Assessment Committee. (The Monitoring work of the UKSA includes the Monitoring Briefs which are the Authority’s investigations into actual or potential issues raised with them, some with inevitably high profile, as well as other reports on matters of interest.) It would seem logical that the Assessment Committee rather than the overall Board would normally have sign off on Assessment reports and probably for most Monitoring Briefs. In general we feel this committee should be the driving force behind the Authority’s detailed Assessment and Monitoring work leaving the main Board with broad oversight or the resolution of particularly contentious or high profile issues. Overall there would seem to be a case to consider that the main board delegates more of its work to the ONS Board and the Assessment Committee in order to enhance the separation between scrutiny and production.

In addition to its scrutiny role, and to its responsibility for the ONS, the UK Statistics Authority, and the National Statistician, have responsibility for the health of UK statistics generally. However this role is not well defined due, essentially, to the devolved and decentralised nature of the UK statistical system. While there are advantages to this system there are also drawbacks; in particular it makes formal planning for statistics, and hence proper consideration of the UK’s statistical needs, challenging. We accept that the UK system means that departments and the devolved administrations have the final word on their statistical plans but we do feel that they should be obliged to consult and pay attention to the views of the National Statistician and, where needed, the Authority. We regret that the UK Government has not yet accepted this view and we would urge PASC to highlight the need for it in its reports. (The issue of coordination with the devolved administrations will presumably be a topic in your forthcoming second study.)

The terms of reference of the Committee for Official Statistics, the third main sub-committee of the UKSA Board, would then be defined to support this role of the National Statistician and the Authority.

Equally there is a strong case for the National Statistician to have tighter control over the Government Statistical Service as a whole with more influence over postings and career management. This is needed both to ensure quality (see question 2) but also to ensure sufficient professional support. The National Statistician stated in her evidence to you that Heads of Profession and Chief Statisticians in Departments now have in their performance agreements an objective about their professional role and their accountability to her on professional matters which is a welcome step in the right direction. We are unsure to what extent these arrangements extend over all the 200 or so bodies which produce official statistics. In some of these bodies the statistical department may be small, or indeed consist of a sole individual, and they will be in particular need of professional support and guidance.

I hope these comments are helpful.

November 2012
Thank you for your letter dated 16 October which sought further information from the Statistics Authority with regard to the Committee’s inquiry into the operation of the Statistics and Registration Service Act 2007.

The Authority’s response to each supplementary question is provided below, and further detailed operational information in respect of data sharing, provided by ONS officials, is included in the attached Annex.

(a) UK Statistics Authority Strategy

Following our oral evidence to the Committee in September, I have put in place a programme of work to prepare a strategy paper along the lines you requested, and we are actively taking note of the Committee’s published reports in this area. The Authority Board discussed the matter at its meetings subsequent to our oral evidence and I expect to be in a position to send the paper to the Committee in the early New Year. My office will continue to keep the Committee Clerk informed of progress. If you would like an earlier indication of our direction of travel, then I would be pleased to meet with you to discuss that.

(b) Statistical Communication

You asked specifically about the points that emerged from the statistical communication workshop that I convened in the summer, and to which I referred during our oral evidence. Building on the Authority’s published guidance for government statisticians set out in our statement Standards for Statistical Releases, published in October 2010 we identified seven areas in which we would wish to work further with the statistical service in developing statistical communication. These will be reflected in a revised statement on Standards for Statistical Releases which the Authority will publish shortly. The seven areas are:

- uncertainty—emphasising that official statistics are estimates rather than absolutes; and the importance of guidance for users about relevant quality considerations in relation to the potential uses of the statistics;
- trends—highlighting the rich value of time-series, rather than over-emphasis on month-to-month or point-to-point comparisons of estimates;
- accessible explanation—introduced, defined, and clearly explained concepts, so that the user can easily understand them;
- international comparisons—providing comparisons with other countries to frame the UK’s situation where appropriate;
- context—explaining how statistics relate to our wider economy and society;
- attribution and causation—should not be asserted without sufficient statistical evidence, or otherwise in a manner which might inadvertently be regarded as misleading; and,
- written outputs should use plain English and should meet expected standards for publication.

(c) National Statistics and Official Statistics: Statutory Nomenclature

During our oral evidence to the Committee in September, we discussed the nomenclature of “National Statistics” and the extent to which that label is meaningful to, for example, the user community. We did not suggest that the label “official statistics” was unsatisfactory.

The terms “official statistics” and “National Statistics” are set out in the Statistics and Registration Service Act 2007. The term “official statistics” is widely used internationally, albeit with slightly different connotations depending on local circumstances. The Statistics Authority does not see a pressing need to change the label “official statistics” as set out in the 2007 Act. The Act provides for producers of official statistics in the UK to be all Crown bodies that produce statistics and a wide range of non-Crown bodies as provided for by Order agreed under the affirmative procedure. The processes for consultation with the Statistics Authority on draft secondary legislation in this area are also set out in the Act, and so far they have worked satisfactorily. We see such a breadth of definition as being a strength of the legislation as it ensures that the standards set down for official statistics are seen to apply regardless of which body produces them.

However, we are aware that there is a significant amount of numerical data that is produced by government and public bodies that is currently out of scope in this regard. Such data are often referred to by the bodies that produce them as “management information”, with the implication that the figures are to inform internal operational management. We readily accept that some data fall in this category—for example data on the allocation of staff to functions within a department—and they might reasonably be seen as purely administrative information. However, where “management” data, or indeed the findings of research and other numerical analysis, are used publicly in support of policies or decisions, or otherwise become the subject of public debate, we would wish to see a presumption that they will, in future, be treated as official statistics regardless of how they have been regarded in the past. That has been the view of the Statistics Authority since its inception—as we have set out in our published statements and correspondence—and we would like government to adopt this policy and to include it in central guidance on the matter. Furthermore, if the Authority believes that figures which ought properly to be considered as “official statistics” have been otherwise so defined we will say so publicly and report the matter to Parliament.
The term “National Statistics” is also defined in the 2007 Act. We understand that it was included because during the period in which the legislation was being drafted, and at the time the Act came into force in April 2008, a large number of statistics already carried the “National Statistics” label as a result of the previous non-statutory regime under the Framework for National Statistics. Now that all existing National Statistics have been assessed against the Code of Practice, we believe that the National Statistics label can be taken to mean that the statistics have been assessed under the Act as compliant with the Code of Practice and designated as National Statistics in recognition of such Code compliance.

As I said to the Committee during our oral evidence in September, we are aware that some find the term “National Statistics” potentially misleading, for example that it might suggest the coverage of the data is “national” when they may not necessarily be. While we have not, to date, received many representations seeking an alternative nomenclature, the Statistics Authority is actively considering this matter further. Were any changes proposed, it would be necessary for us to take further legal and procedural advice on any implications such a change might have, for example whether there would be a need for amendments to primary legislation such as the 2007 Act. We would also expect to consult publicly on any options for change before reaching a conclusion and making a recommendation to the Committee and to Parliament more generally. We would expect any change to require the agreement of the UK Parliament, as well as the devolved legislatures, and before making any proposals for change it also would be necessary for the Authority consult publicly with the four UK administrations.

I do not see it to be necessary to review the job title of the National Statistician or the organisational name of the Office for National Statistics in light of any changes that may be made to the nomenclature of “National Statistics”. The post of “National Statistician” is a Crown appointment provided for in the 2007 Act, and the title accurately describes the role, status and national responsibilities of the postholder; it is also well known and understood nationally and internationally. The organisation name of the Office for National Statistics similarly is well known both nationally and internationally, and again it accurately describes the ONS’s functions in relation to the production and publication of social and economic statistics, and related analysis, many of which have national coverage.

(d) SEPARATION OF FUNCTIONS AND ALTERNATIVE GOVERNANCE STRUCTURES

It is not my view that there have been “difficulties” in separating out the functions of producing and assessing statistics although it is, of course, the case that finding precisely the right governance arrangements and processes is a challenge in this context. My predecessor, Sir Michael Scholar, noted in written evidence to the Committee in 2011 that “decisions on assessment are taken entirely independently of producers of statistics” and said that in general terms our governance arrangements “provide as much separation of the two sets of responsibilities as can be achieved within the terms of the (2007) Act”. This is a view which I share and this continues to be the case. The 2007 Act provides for a Statistics Board with a non-executive Chair, a majority of other non-executive members, and three executive members of which one shall be the National Statistician. On the establishment of the Authority in 2008, two non-executive Deputy Chairs were appointed, one with responsibility for governance of the Office for National Statistics as chair of the Authority’s ONS Board, a sub-committee of the Authority Board; and the second with responsibility for oversight of the wider statistical system as chair of the Authority’s Committee for Official Statistics, also a sub-committee of the Authority Board. The Authority also established an Assessment sub-committee, chaired by the Deputy Chair (Statistical System), which comprises only the Head of Assessment and those non-executive members of the Authority Board who are members of the Committee for Official Statistics; no officials with responsibility for the production or publication of statistics attend the Assessment sub-committee.

The Authority’s ongoing consideration of its strategic priorities, discussed above, will afford a natural opportunity to consider what, if any, fine-tuning of current governance arrangements might be appropriate.

The Head of Assessment has a team of around 20 staff to support him in his assessment functions and they are located on three sites in Newport, Edinburgh and London. In Edinburgh, the assessment staff are accommodated in an office of their own, while in Newport and London they are located on the same sites as ONS staff, largely on the grounds of efficiency and economy, and with some physical separation from ONS staff working on the production and publication of official statistics. At present I am content with the current physical location of staff working on assessment functions. I would be pleased to make arrangements for you and members of the Committee to visit any of our offices at a time which might be convenient for you.

(e) PUBLIC CONFIDENCE IN OFFICIAL STATISTICS: SURVEY

The Authority Board will shortly consider proposals that during 2013 we will update earlier surveys and research relating to public confidence in official statistics and the views of leading users and commentators. We would expect to publish the results of any such work during the second half of 2013. I have asked my office to keep the Committee Clerk informed of progress in this area.
(f) Stakeholder Assessments of ONS Performance

Assessments by ONS’s stakeholders of ONS’s performance are provided in the attached file. I have asked ONS officials to advise the organisations concerned that these have been transmitted to the Committee.

November 2012

Annex

DATA SHARING: BENEFITS AND DIFFICULTIES

(i) Data Sharing: Benefits

Effective data sharing across departments can bring significant benefits, including for statistical purposes: for example, in improving the evidence base to support policy development; in improving the quality of statistics; in reducing data collection costs; and in reducing the burden on data suppliers (including businesses).

Recent examples include:

— the Ministry of Justice, the Department for Work and Pensions and HM Revenue and Customs sharing data on offenders, benefit claimants and employees to analyse employment and benefit outcomes for offenders to support policy development;

— having recently (January 2012) started to receive monthly and quarterly data on financial results (VAT turnover and expenditure), ONS is building on EU recommendations to produce monthly and quarterly figures on the output of the Construction, Services, Production and Retail parts of the economy. The per annum savings for businesses from not having to supply the data twice are expected to be significant; and

— improvements to population and migration statistics using data sharing orders under the Statistics and Registration Service Act 2007 (see the case study below).

Case Study: Improving Population Statistics

Data sharing Orders have enabled the ONS to secure access to a number of sources of data held by departments for statistical purposes, including the Student Record and the School Censuses for England and for Wales, to improve population statistics. These have provided statisticians with access to unit records for specific population groups, providing ONS with accurate, timely and detailed information about the distribution and characteristics of important sub-groups of the population and a better understanding of change over time.

Access to these additional sources has been found to be especially useful in the context of the 2011 Census and the Migration Statistics Improvement Programme. The benefits of the data sharing Orders for these projects are discussed in greater detail below.

2011 Census

Information from the above sources has been used directly to inform essential work on checking and quality assuring outputs from the 2011 Census. Data linkage, in particular using record level information from the School Census and the Student Record, has enabled ONS to understand the relationship between these administrative sources and data from the 2011 Census. Subsequently, aggregate data from these administrative sources were used directly to quality assure the 2011 Census population estimates. This work has helped users better to understand relationships between the administrative data and census data.

The data from these administrative sources will continue to be used to provide assurance on the accuracy of other key statistical outputs from the Census as the phased programme of Census releases is completed over the next few months.

Data from these administrative sources have provided users with increased assurance in the accuracy of the Census estimates and their suitability for use in resource allocation and planning. This work is also directly relevant to consideration of the future of the Census.

Migration Statistics Improvement Programme

The availability of detailed information from the Student Record has enabled ONS to improve its understanding of the intra-national migration of students and thereby to refine underlying migration assumptions used in the production of ONS’s mid-year population estimates. Similarly, the availability of more up-to-date information from administrative sources, including the Student Record, has contributed to a new and improved methodology for estimating and distributing long-term immigration data from the International Passenger Survey directly to local authority geographical areas. By moving from reliance on survey to including administrative data in this way, ONS is better able to identify turning points in trends in inward migration and produce more timely (at least three months earlier) and frequent statistics and related analysis.
(ii) Data Sharing: Difficulties

ONS has experienced a number of difficulties with the data sharing provisions in the 2007 Act.

The powers in the 2007 Act are permissive and, as a result, ONS cannot compel data owners to provide required data. These limitations are highlighted by the ongoing challenges in securing access to data from the Customer Information System. Although Regulations were approved in May 2012 (by the UK Parliament) and in June 2012 (by the Northern Ireland Assembly), ONS has not yet been able to conclude the transmission of the data.

The regulations are not “future proof” and further legislation is necessary if datasets change. Administrative sources are subject to change and this poses a risk to ONS and its ability to safeguard the ongoing provision of statistics.

Data sharing Orders can only deal with statutory bars to data sharing which pre-date the 2007 Act.

Currently, ONS believes that the statutory powers are insufficient in meeting ongoing requirements for access to data from key sources. For example, HM Revenue and Customs have, so far, been unable to authorise access to the new PAYE Real Time Information without new primary legislation. It is recognised by both ONS and HMRC that if these data could be shared, the savings for businesses would be significant because they would not need to provide data twice.

The processes for securing access to data are also often complex and time consuming. For example, they require the preparation of detailed business cases justifying requirements for each data item. As a result, for example, current provisions are unlikely to be able to deal with requirements for access to Corporation Tax data where there are at least 2,000 separate data items required.

Difficulties in producing a robust specification of requirements, essential for the preparation of draft legislation, are illustrated by recent discussions with HM Revenue and Customs regarding Corporation Tax. Officials have indicated that ONS cannot undertake the feasibility research required to develop a clear set of data sharing proposals unless it can demonstrate that these would be of direct benefit to HM Revenue and Customs.

To overcome these difficulties ONS would propose a simpler legislative framework; more streamlined assurance processes; and closer cooperation between those responsible for administrative sources, or systems, and ONS. Specifically ONS would wish to ensure that it has advance notification of any planned changes to the scope or content of administrative sources or systems. Such advance notification will become critical as ONS places increasing reliance on administrative data for key population and economic statistics.
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<td>BIS and ONS work closely together on a wide range of topics. The regular ONS/BIS liaison meetings work well to highlight key points of development on both sides. ONS has shown interest in emerging departmental needs and good cooperation exists at the working level. The level of disaggregation available remains a concern for BIS. This is particularly so in business statistics where the regional/sectoral and international trade aspects of the BIS policy remit are data heavy. ONS helpfully extended coverage of Trade in Goods which goes some way to addressing the need for greater detail. BIS very much appreciates the work done by ONS on developing the framework for well-being.</td>
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<td>DCLG uses a wide range of ONS data and have interactions at many levels. Overall we assess the ONS performance in 2010–11 to be satisfactory although there has been a wide variation in performance reported by individual teams. Some DCLG customers have expressed high levels of satisfaction with ONS’s approach to customer engagement, its technical and subject-matter expertise, and its record on service delivery. But other assessments have been less complimentary. Particular strengths have been on the transfer of the House Price Index from DCLG to ONS where we rate the ONS performance as excellent and on data to support Local Government Finance including population estimates and projections and the Migration Statistics Improvement Programme. There have also been constructive discussions on well being and DCLG is well placed to help take forward this agenda with local authorities. Performance has been less strong in other areas. National accounts are important to DCLG and whilst we acknowledge that ONS work effectively with their stakeholders, concerns remain about the quality of the data and the speed of resolution of issues. On Beyond 2011 there have been useful discussions but we would like to see the establishment of the cross Whitehall working group. The changes to the ONS website have been a cause for concern with broken links being a source of frustration.</td>
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The following key themes emerge from DH feedback. ONS provides a responsive service to ad hoc requests and continues to produce good quality regular outputs. Its engagement and working relations with selected DH staff are effective but consultations would benefit from better follow-through.

DH would value more emphasis on England only data, as this reflects our Ministerial responsibility. Given Welsh Government may have a similar need/view, this represents a case for the traditional ONS England and Wales summaries to be replaced or reinforced by England only and Wales only summaries.

Redevelopment of the ONS website has improved the accessibility of latest releases but has caused frustration for colleagues searching for historical content.

DH is satisfied that ONS meets all the requirements of the Cancer SLA. The ONS Health and Life Events Team is engaged in productive dialogue with officials involved with transition arrangements for Public Health England. It will be important to continue this dialogue and build on this, while also maintaining good links with those parts of DH who will continue to support Ministers and the Chief Medical Officer on health policies.

Our views relate primarily, but not solely, to the Population Theme of ONS. We appreciate the continued progress being made through the cross-departmental Migration Statistics Improvement Programme. We value the progress made by the Migration Reporting Working Group and the Entry and Exit Working Group which will both continue beyond the end of the Programme. We are particularly interested in the governance of these groups and like other departments, such as CLG and DWP, we see a continued senior policy and senior analytical role in developing population and migration estimates after the formal ending of the Programme. We look forward to seeing developed proposals which meet this need and as well as for our continued close cooperation on the Beyond 2011 Programme.

We value the ONS contribution to our Migration Statistics User Forum which successfully met four times in the last year or so. Users agreed that this Forum had delivered on its original requirements so much so that an annual meeting supported by an electronic forum now replace the more frequent meetings. We will continue to be responsive to points raised by our users throughout the year. We believe this has been a model for user engagement.
in our field and we are grateful for support from ONS participants and we hope this will continue. Other good examples of joint working and cooperation are evident in the population projections work; the use of Semaphore data and the development of the potential use of E-Borders data; the data sharing to validate the Census; and other data sharing including Certificate of Acceptance for Study (CAS), Certificate of Sponsorship (COS) and visas data to improve our understanding of population estimates. Although Home Office analysts had some concerns over the methodology for the population projections we were pleased that these concerns have been recognised and will be looked at in more detail as part of the future review of the projection methods.

We are looking forward to seeing the results of the new migration related questions added to the 2011 Census and we anticipate a lot of analytical value coming from investigating the detail in the data. The initial discussions with ONS Population Division and Census Outputs have been very positive and we anticipate productive joint-work on this front in the coming year. We regard ONS population outputs as high quality and we welcome the responsiveness of ONS in adding new questions to the IPS to better understand the original intentions of visiting the UK as departing foreign nationals leave the country. This change is much anticipated by our users and will be a positive step in filling a major gap in the IPS outputs. We also look forward to contributing to the IPS steering group, and to working with ONS to develop a wider conceptual framework for population and migration statistics that sets out organising principles and covers our data and that of DWP, not just that of ONS, in order to meet the requirement of the UK Statistics Authoritys report Migration Statistics: The Way Ahead?

We believe our teams benefit from good communication with ONS at all levels although we continue to think some aspects of the Code could be better applied through a more pragmatic approach (eg to pre-release access, better recognising the demands of an operational agency and policy making department).

We also believe that ONS reporting still needs to improve its interpretation of migration issues on occasion, and this could be achieved by earlier and more open engagement within the statistical community on emerging findings and draft reports (eg for quality assurance purposes). One particular example involves the reporting of estimates of employment by nationality
and country of birth in Labour Market estimates—which does not yet
recognise the primacy of nationality in this analysis given that many of those
who were born abroad are no longer “foreign”, but British citizens.
ONS could also be better at promoting forthcoming releases and planned
work as there have also been a few “unexpected” ONS outputs during the
year that we believe our statisticians and analysts could have been better
forewarned of so as to better brief our colleagues at the time of publication.
Using our knowledge and skills in the area of migration routinely for quality
assurance, ie for all international migration related work and outputs, would
help bridge these gaps. This sort of close-working within the statistical
community might also give ONS confidence to work more closely to
integrate further our statistical outputs on international migration, for
example by enabling greater consistency and comparability of sources across
both ONS and Home Office migration releases.
These are suggestions for improvement, but they should not detract from the
very positive regard which we have for our ONS colleagues and their work
generally.
We consider the overall assessment of ONS performance to be “good”.
Throughout 2011 the ONS has again had to deliver in a period where there
has been continuing scrutiny of its statistics as a result of the prevailing
economic conditions while simultaneously looking to deliver efficiency
savings.
Overall, the Treasury feels the quality of the main outputs has been
maintained. It was disappointing that, for the second year, aspects of the
Blue Book were delayed. The Treasury are pleased that some significant
quality improvements were delivered, notably the introduction of SIC2007.
We feel production of the inflation and labour market statistics continues to
go smoothly. The Treasury has been grateful for the ONS’s endeavours to
analyse and reconcile the divergences between measures within these
statistics. We are pleased that a full programme of development remains high
on the agenda including developing a measure of owner-occupier housing
costs for the CPI. This remains a high priority for the Treasury.
We are satisfied that the ONS continues to shape its statistical work
programme and value the ability to participate in consultations. Given
constrained resources we are of the view that ONS should maintain focus on
activities that ensure the quality of the outputs, rather than commentary and
analysis of data that can be equally well conducted by users. We welcome the formation of an expert group to assess ways of improving financial statistics and we are keen that this work be given sufficient resources to deliver meaningful improvements. We see the recent ONS internal restructuring as a useful means to deliver the building of statistical systems with ONS methodology capacity should help facilitate better delivery of future improvements across all ONS outputs. The Treasury supports and should be given priority.

We see the recent ONS internal restructuring as a useful means to deliver the building of statistical systems with ONS methodology capacity should help facilitate better delivery of future improvements across all ONS outputs. The Treasury supports and should be given priority. We value efforts made by ONS teams to keep us informed about relevant developments.

Dept for Work and Pensions

3 good, 2 satisfactory, 1 poor

Organisation Engagement Quality of Collaboration Competence Other Overall Comment

Northern Ireland 3 3 3 3 NISRA has a good overall working relationship with ONS. Those business areas with whom we liaise respond quickly and helpfully to any queries raised. This was particularly highlighted during the joint 2011 Census work with NISRA when ONS personnel showed a high level of commitment to the joint work which contributed to the success of the 2011 Census in Northern Ireland.

3 good, 2 satisfactory, 1 poor

Organisation Engagement Quality of Collaboration Competence Other Overall Comment

Key: 3 good, 2 satisfactory, 1 poor
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<td>We welcome the engagement and collaboration between ONS and the Scottish Government over the production and publication of statistics for both devolved and reserved areas and indeed for publications which involve both. We should not be complacent as more can be done and this is especially important given the reduced resource on both sides which mean we should be more efficient, effective and have agreed priorities and timetables to enable us both either individually or together to produce statistics which meet our user’s needs. ONS respond professionally to any request. Their data is invariably high quality. The work they do on our behalf is also of a high quality.</td>
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<td>The Welsh Government and ONS work together on statistics about Wales; with a generally good relationship between the two organisations. The Welsh Government considers the ONS performance for 2011–12 to be good and merit a “good” rating. The Welsh Government regard the quality of the statistics produced by ONS as fit for purpose in general. The quality of service provided by ONS has been good, with the increase in successful communication between the two organisations last year maintained with a few minor exceptions. The key issue for us and our users is the new ONS website. We have experienced difficulty in locating statistics and are no longer able to find documents either due to broken links or files not having been re-uploaded. Although it should be noted that the individual ONS teams have been helpful when approached with these issues. The ONS have continued to keep us informed of developments via the various working groups, function boards and stakeholder meetings that take place regularly. We also welcomed the opportunity to comment on the ONS Work Programme and look forward to further discussions on the choices ONS will be making.</td>
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The Bank places a high value on timely, accurate economic data. We appreciate the ONS’ expertise and efforts to deliver this. We continue to place importance on the working relationship with ONS staff and welcome their engagement on Bank priorities. The 2011 Blue Book included some significant changes—including the move to SIC2007—and is clearly a step forward. We also welcomed the 2005 Input Output tables. The Blue Book—stated as a key priority for the Bank last year—fell short of expectations, however, due to significant publication delays and gaps in back data. That placed a significant cost on Bank staff. The consistency of long-run datasets remains a concern—in particular, GDP has been deflated using the new methodology only from 1997.

We remain pleased with ONS performance on prices and labour market, and the support provided to the Bank in understanding these statistics. CPI data production has continued to go smoothly and we remain confident in the overall data quality. We welcome the further progress made in 2011 towards incorporating Owner Occupied Housing into the CPI.

We appreciated the establishment of an Expert Group on developing financial statistics. And we welcome ONS plans to improve the flow of funds reporting in line with the prioritised data gaps identified following the financial crisis. We are, however, concerned that the ONS’s current resources are such that they propose to do only the minimum necessary to meet international standards.
Health and Social Care Information Centre

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Office for Budget Responsibility (OBR)

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Given the National Accounts’ particular importance to us, this year’s Blue Book problems have weighed heavily on the Bank’s overall assessment. This was compounded by a number of errors in data releases and issues around the launch of the new website. We therefore judge that performance has been poor, in that performance needs noticeable improvement in this area. But if that area is put to one side, performance in the remaining areas is judged satisfactory.

The HSCIC has worked closely with ONS over the year in numerous areas. We have much appreciated the collaborative, professional and helpful approach of ONS staff, and have found the overall liaison framework very helpful. There remain a few areas where improvements are needed or should be considered by ONS; we trust that the well documented problems with the website will be resolved soon, and that lessons will be learned and promulgated from this; we would suggest some review of the error-handling approach to make sure it is fully customer centred; we think there may be scope for reviewing whether particular areas of ONS’ service provision are overstretched. We look forward to continuing to work together closely and effectively over the coming years.

The Office for Budget Responsibility is a key user of the ONS’s whole range of economic and public finance statistics. The latest ONS statistics provide the platform or launch point which determines the starting point for our forecasts, and so the accuracy of their statistics has a critical impact on the accuracy of our forecasts. ONS statistics also provide the outturn benchmark against which the performance of our forecasts is measured.

We have been grateful to the ONS for the excellent help that they have provided to us over the past year in liaising with us directly over our various requirements, and in engaging with us in various internal data quality discussions. In particular we gratefully drew on their various previous articles on measures of debt in order to produce parts of our first Fiscal sustainability report in July 2011.

The scope of the 2011 Blue Book—including a full re-balancing of the National Accounts back to 1997—was a major undertaking for the ONS and a significant achievement. However, the delay in publication was unhelpful and the staggered release of data (and withdrawal from publication of some series), created some difficulties for the preparation of our November forecast.
We would encourage the ONS to continue to try to clear their backlog of revisions and to implement announced classification decisions and quality improvements with as much speed as possible—whilst maintaining their high standards of professional production and quality assurance. We also look forward to the progress that they are able to make in next year’s Blue Book, to better align the public sector finance data in the quarterly National Accounts, and in the monthly public sector finance statistics. And we hope that they might be able to apply some further resources to make their various data series more accessible via their website.

November 2012