
Chair of the UK Statistics Authority, Andrew Dilnot CBE

Bernard Jenkin MP
Chair, Public Administration Select Committee
House of Commons
LONDON
SW1A 0AA

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Dear Bernard

UK STATISTICS AUTHORITY RESPONSE TO *PUBLIC TRUST IN GOVERNMENT STATISTICS: A REVIEW OF THE OPERATION OF THE STATISTICS AND REGISTRATION SERVICE ACT 2007*

I am writing to respond formally on behalf of the UK Statistics Authority to the Committee's Ninth Report of Session 2012-13, *Public Trust in Government Statistics: A review of the operation of the Statistics and Registration Service Act 2007* (HC 406), published on 25 February 2013. The Authority's response to each of the Committee's recommendations and conclusions is set out below.

I would like to take this opportunity, on behalf of the Authority Board, to thank the Committee for its report and for the Committee's ongoing support and interest, both in the Authority's work and in the work of the wider statistical service.

A. Developments since the Act

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)

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)

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)

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)

UK Statistics Authority response: The Statistics Authority welcomes the Committee's conclusions in respect of developments since the 2007 Act.

The first phase of statutory Assessment of Code-compliance of all National Statistics has now concluded. This programme of Assessment work has afforded the Statistics Authority a unique view of some of the cross-cutting statistical issues which the Authority needs to address through future reports and investigations. Our published programme of monitoring work for the next year includes topics which will be of direct interest and relevance to the Committee's ongoing series of inquiries into statistics, for example the comparability and quality of statistics from the four UK administrations, the robustness of the International Passenger Survey in producing estimates of international migration, the role of government statisticians in meeting user needs, and media coverage of official statistics. We expect this programme also to be of interest to other Select Committees and parliamentarians as well, for instance our planned review of statistics on school-level examination results, consideration of hospital mortality rates and hospital waiting time statistics, pension statistics, the use of official statistics by the financial services sector, the adequacy of official statistics in areas of public administration covered by payment-by-results regimes, or the presentation of statistics relating to government targets. Alongside this work we are developing plans for how further statutory Assessment activity will be taken forward.

The Authority will continue to intervene where it is necessary to make a public statement in respect of the use or misuse of official statistics, or where the integrity of official statistics might have been undermined.

B. Assessing public confidence in official statistics

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)

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)

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

UK Statistics Authority response: The Statistics Authority accepts the Committee's recommendation. Summary reports of assessment on ONS performance provided by ONS's key stakeholders will be appended to the relevant chapter in the Authority's annual report to Parliament. The Authority expects to see a visible improvement in stakeholders' assessments of ONS, and close attention will continue to be paid by the Authority Board and its ONS Board to understanding any ongoing stakeholders' concerns and to resolving them.

The Statistics Authority is beginning work to update earlier research, published in 2010, including a survey of public confidence in official statistics and a survey of opinion formers. The results are expected to be published during the next 12 months. These will afford an opportunity for the Authority to examine further those factors which drive public and opinion former perceptions of the integrity, impartiality and credibility of official statistics, and our report will discuss those factors which can influence this.

A significant programme of work is underway to improve the user experience of the ONS website. Recent developments include the improvement of search functionality and the launch of new statistical 'theme' and 'topic' pages which have received positive initial feedback from users. The Authority Board continues to monitor this work closely, and we expect this programme of work to be seen to have delivered marked improvements in the functionality of the ONS website.

The Authority will maintain its own corporate website distinct from the ONS website, to provide information about the work of the Authority, its regulatory role, and access to reports, publications and correspondence.

C. The Statistics Authority's dual role

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)

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)

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)

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)

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)

UK Statistics Authority response: The Statistics Authority recognises the challenge created by the statutory responsibility to act both as regulator and producer. The Authority Board considers that its arrangements have succeeded in handling the difficulties inherent in its statutory remit up to now. But, as we said in our evidence, this seemed a good time to consider any necessary fine-tuning of our arrangements to ensure that we have governance structures that work as well as possible, and the Committee's report has been extremely helpful to us in this task. The Board has discussed at length and decided to make a number of changes to our practices, revised the Terms of Reference of our committees, and, as is described below, formalised some arrangements that had been informal in character.

The Authority has decided that the non-executive members of the Board will meet regularly, without any executive members present, and this has already begun. The updated terms of reference for the Authority Board and its committees continue to make clear that the number of executive members may not exceed the number of non-executive members, or otherwise that executive members may not outvote non-executive members. The updated terms of reference for the Authority's ONS Board and Assessment Committee have formalised the convention that non-executive members of the ONS Board may not be members of the Assessment Committee, and *vice versa*. The Authority has agreed to delegate to the Deputy Chair (Official Statistics), advised by the Head of Assessment, decisions as to the appropriate path through the committee structure of the work of the Monitoring and Assessment team (the Deputy Chair (Official Statistics) is the chair of both the Assessment Committee and Committee for Official Statistics). We will remain mindful of the need to ensure some physical workspace separation between staff involved in the production of statistics and staff involved in monitoring and assessment work.

The updated terms of reference of the Assessment Committee make clear that the Committee has the power to initiate assessment reports and other work related to its scrutiny function, and also give to the Committee the power to determine whether sets of official statistics may be designated as National Statistics or not, subject to the agreement of the Chair of the Authority acting on behalf of the Authority Board. The Assessment Committee will make recommendations to the Authority Board on the overall programme of which statistics should be assessed and re-assessed, and to recommend any changes to that programme that might be necessary. More broadly, the Assessment Committee may review

any other work produced by the Head of Assessment, as determined appropriate by the Deputy Chair (Official Statistics), and to make recommendations to the Authority Chair on these matters.

We recognise that there has been some lack of clarity about the role of the Authority's Committee for Official Statistics and have agreed changes that will make its role clearer and its work more effective. Our aim is to use the Committee to provide strategic oversight of the UK official statistics system and to advise the Authority Board on system-wide matters, and thereby to contribute to the achievement of the Authority's strategic objectives. The Committee will consider the statistical service in its entirety, including the allocation of resources to statistical work in government departments, the production of official statistics, and the dissemination of those statistics. The task of the Committee will be to seek to ensure that official statistics are planned and produced in order to serve the public good.

D. Strategy

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)

UK Statistics Authority response: The Statistics Authority accepts the Committee's recommendation, and will consider the best way to identify goals and measures against which to report publicly on progress in delivering on its strategic objectives. This will include a report on the implementation of the Authority's strategic priorities in our annual report to Parliament, starting with our annual report for the financial year 2013-14.

E. Control, coordination and planning

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)

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)

UK Statistics Authority response: The Statistics Authority agrees with the Committee's conclusions. The Authority wants to find ways in which to strengthen and develop leadership, management and oversight over the UK statistical system, and is using the Committee for Official Statistics, of which the National Statistician is a member, to deliver this. The National Statistician, working with the Committee for Official Statistics, adopts a strategic role in driving efficiency, coherence and effectiveness across the UK statistical system, mindful of the un-centralised and devolved nature of the UK system where responsibility for statistical work in departments beyond ONS remains the ultimate responsibility of Ministers. The

Authority will report publicly to the Committee, and to Parliament more generally, where it may have particular concerns.

The then Chair of the Statistics Authority, Sir Michael Scholar, wrote to the Prime Minister in May 2010 setting out some of the specific actions which the Statistics Authority believed would much improve the trustworthiness of UK official statistics, and the Authority would welcome the Committee's ongoing support in assisting us to achieve these. These included the Authority's wish to see the Government acting to give greater weight to the role of departmental Heads of Profession for Statistics reporting to the National Statistician as their manager on professional matters, and for departments to seek the National Statistician's agreement before making decisions about the performance, grading, placement, and numbers of statistical staff. This would recognise explicitly the professional leadership role of the National Statistician, and thus help further to take statistics out of the political arena.

The Authority would like to establish a regular practice of departmental and Treasury Ministers consulting the Authority *ahead* of the announcement of significant changes to statistical expenditure plans or statistical outputs. The Authority's statutory responsibilities in relation to the scope and coherence of official statistics can only be properly exercised if it has knowledge of what is being planned, and is given the opportunity to register with Ministers its views *before* action is taken.

The National Statistician's office continues to collect data on resource requirements and plans for statistical work across Government. This remains useful in informing the Authority Board and the Committee for Official Statistics to enable *ex post facto* scrutiny of departments' published plans for future statistical work and our independent reporting to Parliament where the Authority might have concerns, including through our published *Statistical Expenditure Reports*. The Authority welcomes the support that departments have so far given to the National Statistician in providing the necessary information to enable the Authority to do so.

F. Designating statistical data

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)

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)

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)

UK Statistics Authority response: The Statistics Authority agrees with the Committee's conclusion and work is under way to review the nomenclature of "National Statistics". The Authority will report publicly on its findings to the Committee in due course.

Section 16 of the 2007 Act sets out the mechanism through which the Authority requests the approval of Ministers to undertake statutory Assessment of departmental official statistics not currently designated as National Statistics. The Authority has made a number of such requests and we have been pleased that all have resulted in agreement to proceed. Where departments publish numerical information and analysis as administrative, management or research data, or otherwise use a designation that is not 'official statistics', and it is the Authority's view that they should have been so designated as official statistics and subject to the Code of Practice for Official Statistics, the Authority will vigorously challenge this through a public statement setting out our reasons. The Authority has challenged such instances on a number of occasions, and we have published guidance outlining the considerations that the Authority will place weight upon in deciding whether to propose to Ministers that a particular set of data produced by their department should, in future, be treated as official statistics.¹ The Authority will continue to keep our guidance, and the criteria underpinning it, under review.

G. Data sharing

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)

UK Statistics Authority response: The Statistics Authority will continue to explore with Government all possible opportunities to remove unnecessary barriers to data sharing for statistics and research. The Authority would wish to see the speed of access to data for users being improved, subject to the usual confidentiality and anonymity constraints. The Authority will consider taking legal advice where it is thought to be required.

The Statistics Authority has recently set out in its statement of strategic priorities the need for efficiency and demonstration of value for money considerations in the production of official statistics. The contribution of particular sets of official statistics to the public good needs to be explored so that decisions about priorities can be made on a considered and coherent basis. Increased data sharing and the use of administrative data have the potential to reduce costs, improve efficiency and increase the richness of the statistical information available. The Authority agrees with the application of open data principles to official statistics, and is

¹ <http://www.statisticsauthority.gov.uk/news/statement---management-information-and-research-data-as-official-statistics---21032011.pdf> and <http://www.statisticsauthority.gov.uk/national-statistician/ns-reports--reviews-and-guidance/national-statistician-s-guidance/identifying-official-statistics.pdf>

supporting the National Statistician, ONS, and the wider statistical service in seeking to achieve a much wider sharing of data for statistical purposes and making data available in the most disaggregated form possible, as soon as possible, for re-use by others.

H. Pre-release access

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)

UK Statistics Authority response: The Statistics Authority strongly agrees with the Committee's conclusion. Responsibility for determining the statutory arrangements for pre-release access to official statistics remains the responsibility of Ministers to propose to Parliament. The Authority would wish either to see such responsibility transferred to the Authority itself or for Government to undertake to follow the advice of the Authority on such matters.

The Authority aims to enhance trust in the statistical system in terms of quality and impartiality. A system that works transparently, independent of politics and politicians, is a prerequisite for the production of trustworthy statistics. Official statistics must be made equally available to everyone. All parties must have equal access to the same statistical information. The Authority will continue to argue against Government ministers and officials having privileged access to statistics before Parliament and the public. For as long as pre-release access persists, the Authority will publicise its extent and seek to reduce it. The Authority is overseeing and supporting the National Statistician's drive during 2013 to reduce the degree and incidence of pre-release access to the fullest extent possible.

Yours sincerely

A handwritten signature in black ink that reads "Andrew Dilnot". The signature is written in a cursive, slightly slanted style.

Andrew Dilnot CBE