

**Speech by Sir Michael Scholar to the Annual Conference of the Royal Statistical Society, University of Edinburgh, 10 September 2009**

***UK Statistics Authority: priorities, progress and change***

**Introduction**

Thank you for inviting me to speak to you. It is always a great pleasure to be in Scotland, and an especial pleasure to be in Edinburgh, this magnificent capital city. I am particularly pleased to be at your Annual Conference this year, since it provides me with another opportunity to congratulate the Society on its 175<sup>th</sup> Anniversary. I greatly enjoyed the celebrations back in March at the RSS Founders Day event at the Barbican, and I would like to pay tribute to your President, David Hand, and to all the RSS staff who have organised the various celebrations and events that have made this year in particular one to remember.

Another landmark for the RSS this year was the publication of the Vision for National Statistics. Congratulations to all those involved. It is an excellent statement of the priorities that the RSS has in respect of official statistics given the new landscape.

I hope that those of you who can do so will join me before tonight's Conference Dinner at a reception hosted by the UK Statistics Authority starting at 7pm, where we can raise another glass to the RSS. We will also use this as an opportunity to launch, officially, the Authority's new office in Edinburgh. Neil Jackson, who heads our office in Walker Street, not far from here, has built up a small team from scratch over the last few months. A lot of their work over in Walker Street will involve the assessment of Scottish Government statistics, as well as those produced by the other devolved administrations, but their work covers a lot more besides.

In September twelve months ago, when I spoke to your conference at Nottingham University, I gave a report to you on what we had achieved so far, in our first five months, and I went on to make some promises about what we would try to achieve in the months and years ahead.

How are we doing? Let me give you a self-assessment under the main headings I then made.

**User engagement**

First, and at the top of the list, user engagement. I know that the RSS fully shares our concern for the users of statistics, wanting to ensure that statistical outputs meet the needs of the many users of them. My impression is that, twelve months ago, I **said** many of the right things about this, but that your response was, understandably, guarded and cautious. I said that statistics have no value unless they are used and are useful in informing decisions, and improving our knowledge of our society and our economy; that producers of statistics must above all discover what user needs are, and then do all they can to meet these needs; and that, although the UK's Statistical Service, by and large, goes to great lengths to talk to users of statistics, and has a high international reputation in this and many other aspects of its professionalism, there is more to do, and further improvements to secure.

I said all that, and more besides, but I think you thought: wait and see what actually happens.

Well, I think we have made some progress – although this is going to be a long and difficult journey.

As a start, the first and pre-eminent principle in the new Code of Practice, published in January, is the need for producers to discover and to meet user needs, and to engage effectively with them to maximize public value from the Statistical Service. In the first crop of Assessments we have published, which judge the statistics assessed point-by-point against the Code, this principle is repeatedly appealed to, and forms the basis of much of the Assessments. We want to see user needs documented, and we are mandating the producers of official statistics to document systematically the needs of the various communities which use the statistics and which rely on the analysis and explanation accompanying them.

The Statistics User Forum is a vitally important voice in the chorus of user voices, and we have been very pleased to be able to engage actively with it and support it over the past year. I am very much looking forward to working with Andrew Dilnot, the new Chair of the Statistics User Forum. Andrew brings to the role a great deal of experience, and I am confident that he will take the Forum from strength to strength, building on the past successes of Keith Dugmore and Jenny Church. I am also pleased that we have been able to second a member of Authority staff to support the work of the Statistics User Forum. This is just one of the many ways in which the Authority shows its commitment to supporting the user – and the statistical expert – community, encouraging it to have a distinctive and authoritative voice, and at the same time keeping our ears to the ground so that we can understand what the real priorities of the users of statistics are. Our secondee will shortly be taking up post and should provide an invaluable mechanism through which the Authority and the SUF can maintain a regular dialogue.

We have also made excellent progress in achieving some long-term financial security for the Forum, working with the RSS and the ESRC over recent months. We felt it important to give our financial support to the SUF Conference in November last year. I am sure we will also support the wider user community in other ways in future, showing our commitment to helping it maintain and project its voice, so that it can be heard and its priorities understood and acted upon.

It seemed to me quite a breakthrough when the RSS's new Executive Director came to the Authority's Committee for Official Statistics a few months ago to talk to us about how he saw user engagement. We agree with Martin that strengthening the user voice is not just about strengthening engagement with established users and user bodies, but it is also about identifying users and uses of official statistics not yet known to us, or indeed who are not currently users of statistics at all but may or should be in the future.

We need to think hard about these potential future users and uses which, in years to come, may become ever more important, and to plan how we might reasonably meet their expectations. This is difficult stuff. But the Authority is not in the business of just doing the things that are easy.

We have greatly valued the input of the user community in a number of project boards that have been overseeing the Authority's Monitoring reports. I will mention three projects in particular. A number of people from the user community have been giving up their time to help us with our report on "Strengthening the user voice". We also decided to adopt a two-stage approach to our Monitoring reports on Progress in improving Migration Statistics and in Reducing barriers to trust in crime statistics. Once we had agreed and published an interim report on migration statistics we held

an open meeting at the RSS which over sixty people attended to offer their views, their comments and suggestions. This was most useful to us in then bringing the report to its conclusions. We are doing the same for our forthcoming report on crime statistics.

The contribution of experts from the user community greatly improves our work, and I hope it shows how committed the Authority is to an inclusive approach to what we do and the priority we give to ensuring that the user voice is heard.

### **Blowing the whistle and standing up for statisticians**

I said last year that we would act independently, would stand up for professional statisticians, and that we would use our teeth if need be. The RSS, like us, places great store in looking after the professional independence, standing and skills of statisticians working in government. We in the Authority also very much welcome the setting up of *Straight Statistics*, under David Lipsey and colleagues, and the work they are doing in challenging the misuse of statistics, dare I even say it, by those who should know better?

There have been a number of occasions which have tested us on this front. The knife crime episode in December certainly generated a lot of publicity, and helped give the Authority a public profile which all our efforts with journalists had hitherto failed to do. But its main benefit is still with us. Whitehall was stung by the episode and immediately determined that it should never happen again. It had been a flagrant breach of the Code; and the consequence of the apology from Downing Street and from the Home Secretary was that Sir Gus O'Donnell, the Cabinet Secretary, issued guidance to all Departments and to all officials – not just to statisticians – saying that the Code had to be obeyed, and establishing a strong position for professional statisticians in every Department of State. I have seen with my own eyes, in Department after Department, the summary version of that guidance, pinned up on the wall in prominent places.

More recently, we had cause to comment about the way in which statistics on the gender pay gap are being presented, either in Government press releases or in independent reports. The issues involved are complex – whether to use the median or the mean, full-time or part-time, or an amalgamation of both. But the ONS, as the National Statistical Office, has done a lot of work in this area and it has a preferred measure, so that it is only right that discussions about the statistics make mention of that. Statistics must be presented fairly and objectively, so that Parliament and the public have before them the full evidence-base on which to make decisions. Our comments were measured and serious – but that did not prevent the media from representing them as a political attack on a particular Minister. I regret that, but do not see how we could have avoided it.

On another occasion the Statistics Authority was summoned to the Westminster Parliament in March to give evidence to the Public Administration Select Committee about some remarks made by a Government Minister in which he accused the National Statistician and the ONS of political motivation. He questioned the decision to bring forward the publication of a labour market analysis about the country of birth and nationality of workers in employment in the UK, to coincide with the statistical release due out the week before, and he also challenged the way in which the commentary on a subsequent release of migration statistics was presented.

As I said in my letter to the Times, as well as to the Public Administration Select Committee, the Statistics Authority will stand up for statisticians when they do their

job in an objective and impartial way, and we will robustly challenge any political pressure that is put upon them. That is our job. If official statistics are to be trusted, they must be seen to be produced free from political influence. Statisticians should not be prevented from presenting, or inhibited from presenting, their findings as their professionalism dictates. So we stood squarely behind Karen Dunnell's decision to bring forward the publication of this analysis.

But – and this was a difficult moment for the Authority – we also felt that there were some shortcomings in the publication and handling of this labour market analysis. We said so, and, on reflection, the ONS agreed.

So: we supported statisticians and demonstrated that we are ready to protect them from political influence. But we were also self-critical. Remember, legally, we **are** the ONS. In our actions we refuted those who had said – one journalist, not I think present today, actually once said this to me – that we would **never** criticize the ONS.

Finally, I spoke last year about what I hoped might be an alliance between the Statistics Authority and the RSS. One of the first letters in my in-tray after Christmas was a letter from David Hand setting out a number of priority areas where the Society wished the Authority to make progress. This was a most important letter. Not only did it clearly set out the Society's position on a number of important matters, but it also provided the Authority with the opportunity to touch hands with the RSS, and then to get on with things. Please read our exchange of letters – they are on our website. I was also personally greatly encouraged by the statement that the RSS made about the time of our first birthday, that the Authority is 'the independent and impartial body that Parliament intended', that we had 'passed our first tests with distinction', and that 'the public are able to look to us with confidence'.

The Authority and the RSS may at times have different priorities, but look to the RSS to provide us with an essential benchmark by which we can judge our own independence. I have benefited enormously from David Hand's wise counsel and I very much look forward to carrying on this work with Bernard Silverman when he takes over the seals of office from David at the end of this year. The RSS has shown that it does not intend just to stand by and watch the Authority and the statistical system from afar but is willing actively to engage and support us, and also to offer us a challenge and a critique. We actually like challenge and critique. It helps us to develop our own thinking, and to position ourselves properly. Do, please, keep on with that – in as friendly a way as you can honestly manage. It is of enormous value to us in getting things right.

I also promised last year that we would be publishing a number of documents. We have done so. In January, following an extensive period of consultation, we published the new Code of Practice for Official Statistics. I have already said that I think this was a landmark event: it is a very tough Code, and it is going to be hard for the Government to live up to it. We have begun the statutory assessment of National Statistics. This is a Herculean task, but we have made a start, and our reports and recommendations are starting to yield results. The Authority has published its Monitoring Report on migration statistics and we will shortly publish more reports in this series, on crime statistics and strengthening the user voice, as well as our review of pre-release access, and, next year, our review of measures of inflation and consumer prices. We have also introduced a new series of Notes on topics of current debate - retail sales, the gender pay-gap, and knife crime are some examples. Last but not least, we have overseen the publication of a White Paper on the 2011 Census, which will be the largest statistical undertaking in the UK of all time.

## Looking to the future

All of us are keenly aware of the importance of statistics as part of the political debate. Our job in the Authority is not to police the use of statistics in these debates. We accept political debate for what it is. The selective use and liberal interpretation of statistics to support an argument is well understood by the public and we are not seeking to prevent it. But what we will do is to intervene when the use of statistics in political debate is egregiously misleading or mendacious, or when professional statisticians have been leant upon by their political masters, if this happens.

By this time next year we will have had a General Election, and I imagine that during the election campaign statistics will be bandied about to an extraordinary extent.

General Elections, of course, also offer opportunities for political parties to set out their policies for statistics and for the creation of public trust.

What should we hope to see in the party manifestos in the election that is to come? I am speaking of the manifestos of all the political parties, so I am not making a party political point.

First, we have a very unsatisfactory set of arrangements in respect of pre-release access to statistics- the arrangements that give privileged access mainly to Ministers and their advisors. I have gone on record before saying that my belief is that pre-release access should be abolished, or at least minimized to, say, three hours. Pre-release access, in the Authority's view undermines public trust and confidence in official statistics. We also now have a situation in which Scotland and Wales grant up to five days' pre-release access, whereas for Northern Ireland and for UK statistics this is limited to just one day. The Authority will soon publish its views on this – and I would expect them to be pretty clear in what they will say.

Second, we should keep in mind crime statistics. We have had a series of reports – the review by Adrian Smith, a review by the Statistics Commission, and the Casey Report for the Government – which have all recommended steps to enhance the independence of crime statistics, perhaps by transferring them to the ONS or by creating another independent body at arm's length from government. Perhaps such steps would build public trust in crime statistics? I think back to the 1980s and to the decision to move responsibility for employment statistics from the Department of Employment to the then Central Statistical Office in an attempt to build public confidence. Watch this space. It is an important area.

Third, the Authority's funding position is still uncertain. Our current settlement expires in 2011/12 – before expenditure on the Census is finished – and the arrangements for determining the next settlement have yet to be finalized. During the passage of the legislation the Minister proposed that the Authority's funding should be guaranteed over five-year periods to help bolster our independence. We will be working hard over the next few months to ensure that our next financial settlement will be sufficient for all that we need to do. We also need to stay on top of game in respect of wider funding questions, promoting and presenting the justification for budgets for official statistics wherever they may be produced, generally building the case for statistics. We would very much welcome the RSS and the wider user community engaging with us in this, helping us to put our case to secure an adequate funding settlement for the Statistical Service as a whole.

Finally, the issue of a national address register. We have been campaigning for the establishment of such a register. This campaign has greatly benefited from the

support of the Royal Statistical Society, the Statistics User Forum, the Demographics User Group, and indeed the Public Administration Select Committee itself. Our thanks to all of you for adding your voices to ours. I won't rehearse the arguments for a national address register here, save to say that we believe its benefits are clear for all to see. We would like to see the excellent work currently being undertaken in the ONS to create an accurate address register for the 2011 Census taken forward by the Government so that the investment made for the Census can benefit the public after Census day, through the creation of a body responsible for, and funded for, the task of constantly up-dating the address register thereafter.

### **Appointment of a new National Statistician**

I take this opportunity publicly to welcome Jil Matheson as National Statistician, succeeding Dame Karen Dunnell, who retired at the end of August after four years in this role.

Jil took up post on 1<sup>st</sup> September and brings with her an enormous amount of experience in official statistics and social research, and I know she is well known to many of you. The Authority Board and I are very much looking forward to working with Jil over the months and years ahead.

With Jil's appointment the role of National Statistician has changed a little from what it was before. The legislation provides for the National Statistician to be the Chief Executive of the Authority and to take a system-wide executive role in ensuring the production and publication of official statistics across all Departments to serve the public good. As Head of the Government Statistical Service, Jil will be spending a great deal of her time leading the work undertaken by the 7000 statisticians and other staff working on statistics in Departments, Agencies and other institutions across the GSS.

Under the new arrangement, the role of National Statistician will be distanced from the day-to-day operational management of the Office for National Statistics. Recruitment is currently underway for a Director General who will run the ONS, and who will report to the National Statistician and through her to the ONS Board and the Authority Board. The Director General will join the National Statistician and the Head of Assessment on the Authority Board. Their roles are very different but they will work together as the three principal executives of the Authority, helping me, and the other non-executives, to exercise strategic authority over the ONS as the UK's National Statistical Institute and over the UK statistical system as a whole.

I would like to pay tribute to Jil's predecessor, Dame Karen Dunnell, who I understand is speaking to you tomorrow. Karen retired last month after 35 years in the Government Statistical Service. During that time and notably as National Statistician Karen has most effectively overseen the transition to independence and the new Authority, and has at the same time dealt superbly with the many challenges and opportunities associated with this great change. Throughout all of this, Karen led the ONS and the wider statistical system from the front. I wish her all the very best for a long and fulfilling retirement, and thank her for her service.

### **Concluding remarks**

This has been a year of progress for the Statistics Authority. We have done some things better than others, but we have certainly made a start on our great task, and I venture to hope that you will think that we have done some things well, and that we show much promise and commitment. We greatly value the close working

relationship with the Royal Statistical Society on both the big questions and the small. I would like to hear what you think, so please do ask me some questions or make observations on what I have said. To help me answer or comment on them I would like to invite Jil Matheson and Richard Alldritt to come up and join me now.

Thank you, again, very much for inviting me to speak to you today. I look forward to seeing as many as possible of you later on at our reception before tonight's Conference dinner.