

## ***Minutes of the UK Statistics Authority Meeting 21st February 2008***

### **Present - Morning Session**

#### **UK Statistics Authority - Non-Executive Members**

Sir Michael Scholar (Chair-designate)

Lord Rowe-Beddoe (Deputy Chair-designate - ONS)

Professor Adrian Smith (Deputy Chair-designate - UK Statistical System)

Mr Partha Dasgupta

Ms Moira Gibb

Sir Alan Langlands

Professor Steve Nickell

#### **Interim Secretariat**

Mr Dennis Roberts (excluding item 4)

Mr Robert Bumpstead (excluding item 4)

Mr Allan Smith (excluding item 4)

#### **Apologies**

Professor David Rhind

#### **Afternoon Session was joined by:**

#### **UK Statistics Authority - Executive Member**

Ms Karen Dunnell (National Statistician)

#### **Interim Secretariat**

Mr Mike Hughes

## **Minutes and matters arising from the previous meeting**

1. Minor drafting amendments were suggested and agreed.
2. In relation to Paragraph 15, the secretariat reported that good progress was being made on development of the Publication Hub and the website. Discussions were continuing on standardised release times and the move towards a standardised format of release. The Authority supported these proposals. This would be communicated to Government Statistical Service (GSS) Heads of Profession in correspondence.

**Action: Secretariat**

## **Declarations of interest**

3. Written declarations of interest will be supplied by Authority members by the end of February. There were no declarations of interest in any of the specific agenda items.

## **Executive Membership of the UK Statistics Authority**

4. The Non-Executive members discussed Executive membership of the UK Statistics Authority in closed session. The case for and against inviting particular Executives to join the Authority (according with the requirements of the Statistics Act) was evaluated. The Authority decided to invite the Head of Assessment (yet to be appointed) and the ONS Director of Finance (Mr Steve Newman) to join as Executive members.

**Action: Sir Michael Scholar and Secretariat**

5. The Authority discussed different approaches to ensuring accountability for both ONS and the Assessment elements of its expenditure. While the National Statistician is the Accounting Officer for ONS and therefore the majority of the Authority budget, responsibility for expenditure on the UK statistical system and on Assessment has a different basis. Options for managing this need further consideration.

**Action: Secretariat**

## **Pre-release access to statistics**

6. Building on discussion at their first meeting the Authority further considered its response to the Government's consultation on pre-release access to statistics. The substantive content of the response was agreed, and a number of drafting points and clarifications were proposed which will be incorporated in the response. The response will be completed before the close of the consultation period on 3rd March. A press notice will be drafted for release at the time the Authority submits its response.

**Action: Secretariat**

## **ONS Location Strategy and Plan**

7. The Authority considered the background against which the ONS relocation strategy had been adopted: specifically Government policy on the relocation of Civil Service posts out of London and the South East; and of the Government's general budgetary and efficiency policy for government Departments including ONS. The Authority noted the history and progress to date of the ONS' relocation policy, and considered in outline the options which were open to it at this stage.

8. The Authority agreed that it must ensure that the ONS Executive are held properly accountable for managing the risks to key outputs, including National Accounts, the business benefits and their realisation associated with the relocation policy.

9. The Authority questioned members of the ONS Executive on the risks and business benefits of the location strategy and how these are being managed. The Authority concluded that it confirmed the ONS' location strategy, which aims to reduce ONS London staff numbers to about 100 posts by April 2010, and to bring about the eventual relocation of all ONS statistical work from London to Newport or Titchfield.

10. The Authority recognised that there are continuing concerns among its stakeholders including the ONS staff affected by relocation. The Chair had been questioned on this issue as part of the Treasury Select Committee enquiry '*Counting the Population*' and had deferred comment. On this basis it was agreed that the Chair would write to Michael Fallon MP to outline the Authority's conclusions and make a copy of the letter available to ONS staff.

### **Action: Sir Michael Scholar and Secretariat**

## **Staffing for the UK Statistics Authority**

11. The Authority noted the indicative staff numbers being used for planning purposes in both the Authority's Assessment and Secretariat functions. The Authority also noted that while some progress can be made on recruitment within the Secretariat, the Assessment function needs to be planned and staffed by the Head of Assessment. The Authority indicated its intention to return to this issue once the Head of Assessment is recruited. It will carefully consider the right mix between seconded and contract staff (whether from the private sector or academia) from both a skills and a cost perspective.

## **UK Statistics Authority Funding and Budget**

12. The Authority noted the allocation that it has been made as part of the CSR 2007 settlement for the Authority related activity. It also noted that HM Treasury's remit letter would be reissued to the Authority's Chair. This remit sets out, in broad terms, the Government's expectations of what will be delivered within the settlement. While noting the current profiled spend for planning purposes, the Authority agreed that it will expect the Head of Assessment to develop a full business plan which indicates the trade-offs involved in using resources in different ways.

13. The Authority commissioned a paper for its third meeting describing the plans for the overall office allocation during the settlement period.

## **Action: Secretariat**

### **Assessment and Designation**

14. The Authority noted the proposals for deliverables from the Head of Assessment in the first six and twelve months following his or her appointment. In discussion it was agreed that the Head of Assessment, once in post, will be expected to develop these proposals further, seeking observations and proposals from across the GSS and from other stakeholders. The Authority also noted that there were a number of proposed deliverables which were of relatively lower priority and are realistically unlikely to be achieved given the priorities of recruiting assessment staff and developing and consulting on the Code of Practice.

15. The Authority commissioned a further paper which should outline options for the features of the Assessment process for discussion at a future meeting.

## **Action: Secretariat**

### **Governance**

16. The Authority considered proposals for its governance arrangements. In discussion it reached the following conclusions:

- proposals for subcommittees to oversee Assessment and the relationship with the Devolved Administrations were rejected. These dimensions of the Authority's operations should be considered by the full Board of the Authority;
- sub-committees will be set up to oversee the wider statistical system (chaired by Professor Smith) and the management of ONS (chaired by Lord Rowe-Beddoe).
- further committees would be set up for Audit, Remuneration and Risk. The Risk subcommittee would consider risks to delivering the Authority's objectives and would, therefore, look across the whole statistical system. Risks to ONS operations will continue to be managed immediately by the ONS Executive. However, both the ONS subcommittee and the Authority's Risk subcommittee will have a strong interest in ONS risks.

17. Proposals for chairs and members of each of the subcommittees would be developed and circulated in advance of the next meeting.

## **Action: Sir Michael Scholar**

### **Transparency**

18. The Authority noted and agreed the principles outlined in the paper as a basis for its transparency policy. Further work was commissioned for the next meeting of the Authority on 18th March, so that this policy is in place by the launch of the Authority on 1st April.

## **Action: Secretariat**

## **Communication Strategy**

19. The Authority noted the contents of the Communication Strategy. It expressed some reservations about the proposed manner in which it should engage with the media and the message to be adopted at press conference in order to ensure it achieves a spin-free approach to doing business from the outset. The Board agreed that it should seek independent advice on how best to present its public face to achieve its objectives as a matter of some urgency.

### **Action: Secretariat**

### **Any Other Business**

20. There was no other business.

**Agenda – UK Statistics Authority Meeting 21st February 2008**  
**Boardroom, Office for National Statistics, London, 11.30am – 3.00pm**

**Morning Session 11.30 to 12.45**

**Chair: Sir Michael Scholar**

**Apologies: Professor Rhind**

1	Administrative Issues: Minutes of the previous meeting, actions Declarations of interest	
2	Executive Membership of the the UK Statistics Authority	Verbal report from the Chair
3	Pre-release access to statistics	SA(08)01
4	Office for National Statistics Location Strategy and Plans	SA(08)02
5	Staffing for the the UK Statistics Authority	SA(08)03
6	UK Statistics Authority Funding and Budget	SA(08)04

**UK Statistics Authority and ONS Executive Management Group joint lunch**

**Afternoon Session 1.30 to 3.00**

**Chair: Sir Michael Scholar**

**Apologies: Professor Rhind**

7	Assessment and Designation	SA(08)05
8	Governance	SA(08)06
9	Transparency	SA(08)07
10	Communication Strategy	SA(08)08
11	Any other business	

**Next Meeting: Tuesday 18th March, 11.30am to 4.00pm**  
**Boardroom, UK Statistics Authority, Government Buildings,**  
**Cardiff Road, Newport, NP10 8XG**

## UK STATISTICS AUTHORITY

SA(08)01

### *Pre-release access to statistics*

#### **Purpose**

1. This paper sets out a draft UK Statistics Authority response to the Government's consultation document 'Limiting pre-release access to statistics'.

#### **Recommendation**

2. The Board consider the draft and agree a response to be sent before the consultation closes on 3 March. (Annex A).

#### **Discussion**

3. The draft response has been developed in light of comments made at the first meeting of the Board. In view of concerns expressed then about the Devolved Administrations (DAs) adopting differing approaches to pre-release the Chair has written to the DAs to stress the importance of a common approach (Annex B).
4. ONS has conducted a brief survey of other National Statistical Institutes in order to identify best international practice (Annex C). In summary:
  - i. most countries allow some pre-release access but in some (e.g. Australia and Italy) the arrangements are tantamount to 'no pre-release access' with pre-release only is in the form of lock-ins. A few (including Denmark, Estonia and Sweden) do not allow any pre-release access at all.
  - ii. in most countries pre-release is limited to a handful of key economic series;
  - iii. there are few recipients and these tend to be Ministers (and their advisers) in the relevant departments, and sometimes the Governor of the central bank;
  - iv. the period of pre-release access varies within countries for different statistics, and, between countries. No country responding to the survey allows access for more than 24 hours, while the shortest period in a major country is in Australia where half an hour to two hours is permitted depending upon the topic.

**Richard Laux, Office for National Statistics, February 2008**

**Form of the UK Statistics Authority's proposed response to the consultation**

Statistical Reform Team  
Cabinet Office

**LIMITING PRE-RELEASE ACCESS TO STATISTICS: A CONSULTATION DOCUMENT**

1. I am writing on behalf of the UK Statistical Authority, in response to the consultation document issued in December 2007.
2. Although not formally established until 1 April 2008, the Authority has discussed this topic at each of its first two 'shadow' meetings. The Authority considers pre-release access to be of major importance because of its central relevance to our task of improving public trust in official statistics. The Authority believes that the provisions in the Statistics Act, whereby the Government retains the right to determine the details of the pre-release regime, directly undermine it in its task of building public confidence. Observers at home and in other countries are likely to regard this as inappropriate political influence in a key part of the statistical production and dissemination process, that should be determined independently. For this reason we feel strongly that the Authority, and not Ministers, should be responsible for decisions about pre-release. We think that it would be possible to achieve such an outcome within the provisions of the Act if the Government were to announce that it will henceforward implement the Authority's recommendations on this issue in full, and we think that such a statement would be widely welcomed both in the UK and overseas.
3. We accept that there is a principled case for allowing relevant Ministers and their officials to have some limited privileged pre-release access to statistics in their final form. We are persuaded that in the UK political environment it is necessary for Ministers to be able to comment upon statistics, once they have been released.
4. However, we feel that the proposals made in the consultation document- themselves a great improvement on previous practice - are simply not strong enough to combat the public's misgivings about politicians' involvement with official statistics - the perception that there is political interference in the production and presentation of statistical outputs, and that the government does not use official figures honestly.
5. The recently published report of a review of ONS' compliance with the European Statistics Code of Practice considered the issue of pre-release. It described the current situation as only 'partly' meeting the Code, whilst the Government's proposals would 'largely' meet it. However, my experts are satisfied that the Authority's proposals, as set out in this letter, would 'fully' meet the requirements of the Code. The Authority believes that it would be very desirable for the UK fully to meet the European Code.

6. In terms of public trust, the Authority is not inheriting a balanced or neutral position. On the contrary, levels of trust are worryingly low, and all the evidence suggests that it will take time and effort to improve the position. This is why we are convinced that the UK should meet international best practice.

7. In particular we consider that:

(a) the range of outputs to which pre-release access might be granted should be reduced considerably, to a core of the most significant economic releases only - those releases currently categorised as "market sensitive" National Statistics<sup>1</sup>. If Ministers want pre-release access to other statistical products then they should be obliged to apply to the Authority, which would publish its reasoned decision.

(b) the period of pre-release access should be reduced considerably more than the Government has proposed - to a maximum of 3 hours, as proposed by the Treasury Select Committee - noting that this will necessitate some operational changes to the day and time of publication of the affected statistics. This is still looser than in some countries, but we believe that it is sufficient to allow officials to work with Ministers to identify the key messages for them, so that they can respond to questions once the figures are released. It also provides Ministers with protection to the extent that it reduces considerably the risk that they inadvertently comment about statistics which have not at the time been published.

(c) only relevant Ministers and, at most, one or two briefing officials should receive privileged pre-release access. We note that in other countries, very few people see the figures before they are released and we consider that reducing this privilege to a small handful of people with a well-defined need to see the figures in advance would be welcomed by Parliament and the public.

(d) whilst there should be scope for consideration of special circumstances, these should be far more stringent than those proposed. In particular, it should be for the Authority to decide whether others should receive pre-release access, and under what circumstances.

(e) it is widely accepted that where pre-release access is allowed, the arrangements should be transparent. This includes publishing details showing who has early access to particular statistics, when, and for what purpose. We firmly endorse this approach. Furthermore, we believe it would be appropriate to reflect the requirements on Ministers (not to seek, or allow others to seek, to make political capital by virtue of their privileged pre-release access) in the Ministerial Code. We consider this would be of both practical and symbolic importance.

8. We also have a strong preference for common UK standards for pre-release. It is a concern to us that if different Administrations were to operate different release practices, critical comparisons between these practices would be made, and the reputation of all official statistics and their producers might suffer in consequence.

9. The Authority has considered the Statistics Commission's response to this consultation exercise, and fully endorses the detailed comment set out in it. In particular:

(a) We too welcome the proposal in the consultation document (para 3.16) to give a formal role in applying pre-release principles and rules to Departmental Heads of Profession. The footnote to 3.17 adds that it is intended that Heads of Profession will play the central role in practice. This needs to be reflected in the Order itself, either directly or indirectly, perhaps by means of a requirement on 'the person responsible' to draw up arrangements which give the departmental Head of Profession for Statistics, or other appropriate official, the central role.

(b) We too note that the drafting of the Order treats pre-release access as if it relates only to sets of figures. But in reality it will often be the words that accompany the statistics that are most sensitive. It is thus particularly important that the only document to which pre-release access can be granted is the *actual text of the statistical release*, not selected items from it or any other comment or statement about the statistics.

10. It has been suggested that the Authority's officials might work with Cabinet Office on measures to assess how well the first year of operation of the pre-release rules has gone. We are content with this, but should note that we expect to produce our own review of the new pre-release arrangements. Indeed, we consider that this should be a task for the Authority rather than the Government.

11. In summary, the Authority regards the current consideration of pre-release access to be a major opportunity to raise standards, and build trust. Expectations and optimism are running high, and we urge the Government to seize the opportunity to make the proposals outlined above, and so to continue the successful reform of UK statistics.

Yours,  
Sir Michael Scholar

<sup>1</sup> Index of Production, Index of Services, Producer Prices, Consumer Price Indices, Labour market statistics, Retail sales, Public sector finances, motor vehicle production, UK trade, National accounts, Balance of payments

## Annex C

### Information about pre-release access in some other National Statistical Institutes

Country	Allows pre-release?	Which subject matters	Details of recipients	Length of period of access
Australia	Yes (but only under lock-in)	Key economic indicators  Quarterly National Accounts	Officials and Ministerial staff	Between ½ hour and 2 hours – under lock-in  18 hours
Austria	Yes	Various	Relevant Ministers - about 8-10 times a year - when Statistics Austria and Ministers give a joint press conference, just for information and preparation of Ministers for joint press conferences	Half a day, under embargo
Canada	Yes	Range of economic statistics (12 series in total)	Officials  Ministers	19 hours  16 hours
Cyprus	Yes	CPI Public Deficit Registered unemployment Tourism arrivals Revenue from tourism	9 people in total – heads of relevant Ministries	1 hour, 4 hours or 1 day
Denmark	No	-	-	-
Estonia	No	-	-	-
Finland	No	-	-	-
France	Yes	All statistical releases	Minister's adviser	
Germany	Yes	Various	Minister's advisers at Federal ministries	Various, mostly 18 hours, under embargo
Hungary	Yes	Consumer prices, GDP, industrial output	4 institutions, 5 people in total	17 hours
Italy	Yes – (but only under lock-in)	Consumer prices, Producer prices, National Accounts,	Journalists	30 minutes – under

		Labour Force Survey		lock-in
Malta	No	-	-	-
New Zealand	Yes. In Stats NZ this is very limited; in other parts of government, more generous regimes are thought to operate			
Romania	Yes	?	Media and other users	1 hour, under embargo
Slovak Republic	Yes	National Accounts, Foreign trade, consumer prices, producer prices	Prime Minister, Finance Minister, Governor of Bank of Slovakia	24 hours, under embargo
Slovenia	Yes	GDP, inflation rate, labour market data, external trade, consumer surveys, government net lending/borrowing	Prime Minister, Finance Minister, Economy Minister, Director of Institute of Macro-Economic Analysis and Development, member of Statistical Council	6-24 hours
Sweden	No	-	-	-
USA				

**Office for National Statistics Location Strategy and Plans**

**Purpose**

1. This paper provides an update on the ONS relocation programme and asks for the Board's endorsement of the ONS location strategy.

**Recommendations**

2. The Board should endorse:

- the plans for further relocation out of London in the April 2008 to March 2010 period;
- the strategy to locate all ONS statistical work outside London; and
- the site strategies for Newport and Titchfield.

3. The board should consider the draft statement contained in Annex A endorsing the ONS plans.

**Discussion**

4. Following the recommendation of Sir Michael Lyons' Independent Review of Public Sector Relocation, ONS was set a target of relocating 850 posts out of London and the South East (L&SE) by April 2010 in the 2004 Spending Review (SR04). Of these, 600 posts were to be moved by April 2008. Current relocation plans will move around 600 posts out of L&SE by April 2010 with a further 90 posts moving from London to Titchfield. These plans fall short of the SR04 target. The only option open to ONS to make up the shortfall is to move more work from Titchfield to Newport. It has been clearly demonstrated that there is no business case for this. The ONS approach has been accepted by Ministers even though they are unwilling to change the original SR04 target.

5. The reduction to two statistical sites will allow ONS to better align data collection with data analysis, reduce risk associated with split site working, provide greater flexibility and potential for long term career development for the majority of ONS staff, and reduce ONS property and staff costs (by around £8m per annum longer term) allowing greater resource to be devoted to our statistical activities. The cost of providing office accommodation in Central London is around five times the equivalent cost in either Newport or Titchfield.

6. The strategy to maintain two statistical sites allows ONS to draw from well-established labour markets in the South West region and Hampshire. In considering its location strategy ONS concluded that the cost and risk involved in moving to a single site far outweighed the business benefits that could be achieved. Site strategies for Newport and Titchfield are currently being revised to take account of the decision to relocate all statistical work from London.

7. Phase 1 of the relocation programme is nearing completion. Consumer and Retail Price Indices, Labour Market Statistics and a range of social and regional statistics previously based in London are now produced from the Newport and Titchfield offices. To date approximately 390 Full Time Equivalent (FTE) posts have relocated out of London and the South East, mostly to Newport. A further 30 posts will move by the end of the 2007/08 financial year. In addition over 80 posts have moved out of central London to Titchfield. The ONS HQ is now Newport-based.

8. Despite initial concerns the recruitment of professional staff in Newport has gone well and the work areas relocating have been able to fill virtually all of their posts. The recruitment strategy is now being developed to meet the challenge of attracting the specialised skills needed to fill National Accounts posts.

9. Within London ONS is vacating its Drummond Gate building to occupy its smaller offices at Myddelton Street (formerly the Family Record Centre). The first phase of moves has been successfully completed and ONS will completely vacate its Pimlico accommodation by the end of June 2008. At present no tenant has been found to occupy the Drummond Gate building.

10. Over the next two years a further 200 posts are planned to relocate from London with the majority moving to Newport. Many of these will complete the alignment of work with units already moved during the first phase of relocation. Users of National Accounts data have expressed concerns over the planned relocation because of the specialised skills required in National Accounts Group (NAG). We are managing the NAG relocation alongside re-engineering with plans for parallel running in Newport and London and a programme of knowledge transfer over the next two years. As a result the NAG relocation extends beyond April 2010.

11. A comprehensive relocation package, effective redeployment of staff and targeted voluntary severance has meant that, to date, ONS has avoided the need to make any compulsory redundancies. ONS recognises the level of risk that relocation creates and has put in place mitigation strategies to manage the risk (e.g. retention payments for key staff, enhanced recruitment activity for the Newport site, prioritisation of key statistical outputs).

**Phil Lewis, Office for National Statistics, February 2008**

**Draft response to the ONS location strategy**

The Statistics Authority has reviewed the ONS relocation strategy and plans, which have been developed against the background of Government policy on the relocation of Civil Service posts out of London and the South East; and of the Government's general budgetary policy for government Departments including ONS.

The Authority is aware of the concerns of staff and customers of outputs currently produced in London. It expects the overall relocation programme to provide welcome savings in accommodation costs that can be invested in improved statistics; to improve the alignment of data collection with data analysis; and to provide good opportunities and conditions for present and future ONS staff. The Authority has also noted the ability of ONS so far to recruit adequate numbers of professional staff in Newport and that ONS has already completed the relocation of Divisions responsible for the production of many high profile statistics. Given these benefits and the experience that ONS has developed the Authority endorses the planned reduction in ONS London staff numbers to 50-100 posts by April 2010 and the eventual relocation of all ONS statistical work from London to Newport or Titchfield.

**Staffing for the UK Statistics Authority**

**Purpose**

1. This paper describes the current position on staffing the Board secretariat and Assessment teams.

**Recommendation**

2. The Board is invited to note the current position and endorse the forward plans.

**Discussion**

3. The Authority will be supported by its Executive Office (ONS) and by a Board Secretariat and Assessment Team reporting through the Head of Assessment (HofA). The HofA is currently being recruited with interviews planned in early April.

Secretariat

4. Planning to date has envisaged a secretariat numbering circa 10 Full Time Equivalent (FTE) staff, headed by a Deputy Director (Senior Civil Service Payband 1). This is similar to the support for the Statistics Commission.

5. The secretariat will act as the Private Office for the Chair and Deputy-Chairs, provide general support for other non-executive members and support the Board on non-ONS policy issues. Two Grade 7 (Statistician level) posts are currently being recruited from across the Civil Service – interviews on 18 and 20 February. One of these appointments will be a replacement for Allan Smith who leaves ONS at end March. Once appointed the HofA will recruit the Deputy Director and other posts.

Assessment

6. On the Assessment side planning has been based on a staff of circa 20 FTEs in order to assess all existing National Statistics before 2012 (paper SA(08)05 provides details).

7. Current thinking is that we require a mix of statistical and assessment skills within each assessment team. Recruits would therefore be drawn from within the GSS (on short term secondments) and externally on fixed term contracts. Some external input may be through arrangements with experienced outside providers (e.g. suppliers to OFSTED or the National Audit Office): this might provide an early kick start to the process. We are presently trawling the GSS for expressions of interest in a secondment to the Assessment Team, and are drawing up specifications for external providers. The Assessment side will be headed by a second Deputy Director who will be recruited by the HofA.

Location

8. The Authority's Assessment function will be located in London and Edinburgh to emphasise distinction from ONS statistical production, and, the UK remit of the Board. However, travel away from site to assessment locations will be frequent.

9. The Authority's secretariat will be largely based in Newport, with some presence in London, consistent with support for the ONS relocation strategy and to support the role of the Chair and the Deputy Chairs.

10. The Board of the Authority itself will expect to meet in the dedicated space provided at Newport, but also in London, and on occasion Edinburgh and other locations too. The Board may in practice have a peripatetic presence, ensuring that over a period of years it has held meetings in the Devolved Administrations of the UK and several regions in England too.

**Dennis Roberts, Interim Secretariat, February 2008**

## UK STATISTICS AUTHORITY

SA(08)04

### *UK Statistics Authority Funding and Budget*

#### **Purpose**

1. This paper presents a provisional resource allocation and expenditure forecast for the Authority over the period 2008/09 to 2011/12. (Annex A).

#### **Recommendations**

2. The Board of the Authority is invited to comment on the proposals and agree an initial budget, as a basis for further planning.

#### **Discussion**

3. The UK Statistics Authority (comprising the Authority and its Executive Office the ONS) is subject to special funding arrangements outside the normal spending review process. These provide for five-yearly settlements.
4. The first settlement of £1.2 billion for the period 2007/08 to 2011/12 was announced on budget day, March 2007. This is the settlement the Authority inherits.
5. The ONS Minister announced the allocation included '£30 million for new functions specific to Independence' over the period 2008/09 to 2011/12. No additional funding was provided in 2007/08, although HMT did envisage bringing forward some spend on new functions from 2008/09 to 2007/08. Therefore in 2007/08 ONS has met the start up costs associated with Independence.
6. Subsequently, the Treasury spending team broke down the £30 million as follows:
  - £4 million resource and £6 million capital in 2008/09, earmarked for expenditure on the Publication Hub;
  - £20 million resource in the four years from 2008/09 to 2011/12 (i.e. £5 million per annum) for all other new functions associated with Independence.
7. However, it should be noted no element of the settlement is 'ring-fenced'. It is for the Board to decide how it is finally allocated.
8. In the interim, costed options for delivery of the Independence agenda within this resource envelope have been developed. This is both to fulfil ONS obligations to prepare plans and allocations for the coming years, and, to explore the extent to which the Board's objectives might be met from within the indicative allocation. Nothing contained here is intended to circumvent the Board's own decisions, but rather to facilitate their consideration of the issues.
9. The forecast provides for expenditure on the following items:
  - i. salary and other costs of employing the Chair and other non-executive members of the Board;

- ii. recruitment, salary and other costs of providing a team comprising circa 20 staff to deliver the Assessment and Designation function, including one Director General post, one Senior Civil Service (SCS) band 1 post;
  - iii. recruitment, salary and other costs of providing a secretariat support function comprising circa 10 staff, including one SCS band 1 post;
  - iv. recruitment, salary and other costs of providing the Board with press office and web support equivalent to 2.5 full time staff;
  - v. associated costs of travel and subsistence for Board members and employees;
  - vi. provision for staff training with particular emphasis on training Assessment staff in the first year of their employment;
  - vii. provision for Board development activities;
  - viii. a budget to provide the Assessment team with funds to (i) buy in ad-hoc expert consultancy on particular assessments and (ii) meet the additional costs beyond Civil Service pay rates of employing any Assessment team members on a consultancy basis;
  - ix. a Quality Improvement Fund to provide expert methodological expertise to statistical producers, in respect to Assessment improvement actions or other quality improvement actions at the Board's discretion;
  - x. costs associated with providing the Board with corporate services including Information Technology (IT), Communications, Human Resources (HR), and property. IT and Communications include costs associated with development and implementation of branding. HR costs include recruitment consultancy (e.g Head of Assessment);
  - xi. provision of a fund to cover costs associated with a Scottish presence and Devolved Administrations issues;
  - xii. costs of developing and maintaining a Central Publication Hub including the charges payable on any capital invested and on-going operating costs;
  - xiii. costs associated with separating ONS from those functions for which its responsibility will cease, principally Information Management costs in relation to the General Register Office (GRO) - this is a contingent sum as discussions with IPS on services required from ONS in 2008/09 are still underway.
10. In providing the £30m for the Statistics Board HMT Ministers gave ONS authority to anticipate some allocation in 2007/08 to fund set up costs and early development of the publication hub. ONS has incurred costs of around £1.4m in 2007/08 which has been found by delaying expenditure on some projects which will now fall to be met in 2008/09. The Authority resource provision for 2008/09 will be correspondingly reduced: this can be accommodated as costs will be lower during the first half of the year as staff are being recruited.

**Rob Bumpstead and Dennis Roberts, Interim Secretariat, February 2008**

**Assessment and Designation**

**Purpose**

1. This paper sets out initial thoughts that the Authority may wish to consider in commissioning /developing a Work Programme (WP) for the Assessment Team.

**Timing**

2. Urgent. It will be some time before the Head of Assessment (HoA) is appointed and the Assessment team is recruited and fully operational. The Authority's Board should therefore take a view on what further work they wish to commission to advance Assessment and Designation (A&D) in the immediate future. In this way the Authority will in essence develop a statement of intent with regard to A&D.

**Recommendations**

3. The Authority should:
- i. comment on the suggested characteristics of the Assessment Team's work programme (paragraph 4)
  - ii. suggest any preferred priorities for cross-cutting review activity (paragraph 6 i)
  - iii. comment on the expectations after six and twelve months (paragraphs 9 and 10)
  - iv. agree that ONS will continue to progress this work until the appointment of the HoA

In so doing, the Authority will, in essence, signal a statement of intent with regard to Assessment and Designation.

**Discussion**

4. Given the widely-shared view that A&D is a key lever in improving standards across the statistical system, the associated WP will be observed with keen interest. The Authority will wish to work with stakeholders to secure buy-in and to keep them informed of developments. The WP therefore should be:

- credible - in terms of whether it looks likely to deliver the hoped-for strategic improvement in standards;
- impactfull - to lead to positive changes, especially early on when scrutiny may be most intense;
- deliverable - challenging but realistic, and not easily derailed, and;
- fit-for-purpose - risk-based, proportionate, consistent and transparent, as envisaged in HMT's original consultation document.

5. The HofA will have two immediate priorities: (i) recruiting and setting up the Assessment Team and (ii) developing the Code of Practice and the Principles and Procedures for Assessment, before beginning widespread A&D activity. The Act enables the Authority to conduct Assessments against the current NS Code of Practice, though it may be more appropriate use a version of the Code that is close to the likely final form. In addition, the Authority is required by the Statistics Act to consult on the Code and the Principles and Procedures, and may wish to consult on the WP. A full public consultation must last three months.

6. The consultation period may provide an opportunity for Assessment staff to be engaged in other activity. Two parallel strands of activity are suggested for the Board to consider:

i. Review of cross-cutting statistical topics. This would appeal to important groups of stakeholders - including the DAs and Parliament and will help the Authority identify issues to follow up in subsequent Assessments-proper. Examples of such cross-cutting reviews would be:

- coherence of UK statistics - would appeal to many users, and might pave the way for constructive engagement with DAs and Parliament
- consultation with stakeholders - again, appealing to users, and a valuable input to developing the Authority's own governance arrangements
- communication about statistics - a perceived problem for official statisticians - the challenge of describing statistics in ways that are accessible to the lay person, and describing the quality and limitations of statistics without algebra
- statistical governance within Departments - an important issue to consider is the dual loyalty of HoPs to their Ministers and to the National Statistician. This might also consider statistics within Departments not being produced by statisticians e.g. secondary analysis for policy.

ii. 'Dress-rehearsal' Assessment of statistics. While an assessment process has been trialed satisfactorily, this has been in a safe environment and the issues might well be different when the process goes live. "Dress rehearsals" of this nature may provide valuable insights before the full process goes live, and serve as training exercises for staff.

7. A risk with this approach is that these tasks detract from the primary aim of developing and securing buy-in to a Code of Practice and Principle and Procedures for A&D.

### Deliverables

8. A key issue for the Authority in delivery of A&D is the level of resource to be made available. Preliminary assumptions are that a team of 20 staff led by a senior statistician could assess all existing National Statistics (combined into 75 to 100 'chunks' of National Statistics) over a period of about three years, with enough flexibility to undertake a limited amount of additional cross-cutting assessment activity.

9. The Authority should begin to develop shared expectations of the A&D function. This section proposes some stretching deliverables. The Board might expect the HoA to have delivered the following within six months of appointment:

- infrastructure - most of the necessary 'infrastructure' for Assessment: a new Code, as the basis for Assessment & Designation; agreed principles and procedures; agreement as to how the Team will work in relation to the DAs; the recruitment of the key members of the Team; a vision and ambition for the Team and what it can achieve
- Work Programme - an agreed WP for the following year (possibly two or three); a consultation exercise for this WP
- Assessment and review activity - an overview of UK statistics, including 4 Nations issues, and what the assessment function can do to build trust and confidence in them

- perhaps a "Statistics: the State We're In" style report; one or two cross-cutting reviews, and a progress report on a more substantial review (perhaps of migration statistics); an analysis of the effectiveness of the new pre-release arrangements, from the Board's perspective; one or two formal Assessments, with recommendations to the Authority about Designation.

10. After twelve months, the Authority might expect the HoA to have additionally delivered:

- infrastructure - all of the necessary 'infrastructure' for Assessment; a fully staffed Assessment team
- Work Programme - revised from the interim version, on the basis of experience
- Assessment and review activity: one or two published reviews of major/high profile statistical topics (such as migration). These might best be led by a highly credible academic/researcher; one or two more cross-cutting reviews - to be decided by the Authority as issues emerge from the HoA's initial review activity; a series of Assessments/Designations, as scheduled; a review of progress over the first year, including a comparison of outcomes against the costs of Assessment; a Capability Review (or equivalent) of ONS; proposals to monitor the use of official statistics during a general election campaign.

**Richard Laux, Office for National Statistics, February 2008**

**Governance**

**Purpose**

1. This paper proposes governance arrangements for the Authority and the official statistics system.

**Recommendations**

2. The Board of the Authority should:
- i. consider and comment on the proposed Governance structure (at Annex A);
  - ii. consider the formation of six proposed sub-committees of the Authority Board, and;
  - iii. further consider the membership and remits of these committees.

**Discussion**

3. The Board of the Authority requires a Governance structure to fulfil the objectives and responsibilities set out in the Statistics Act. These include an overall objective to "promote and safeguard the production and publication of official statistics that serve the public good" and three principal areas of responsibility:

- Assessment of National Statistics;
- Oversight of the Official Statistics system, and;
- Governance of the Office for National Statistics.

4. At its first meeting the Board agreed to form sub-committees with respect to Remuneration, Audit, Risk, and ONS.

5. In recognition of the special position of the UK Devolved Administrations in the legislation the Board also discussed formation of a committee to consider these issues.

6. It is further suggested that in parallel with a committee for the governance of ONS, there should also be a Committee for Official Statistics.

7. An additional sub-committee on Assessment could also be formed. However, the issue may be considered too important to delegate. Instead, Assessment might be considered by all the non-executive members of the Authority's Board, as part of the Board's regular meeting schedule.

8. These committees are summarised in Table 1, overleaf. We have suggested meeting frequency and membership as a basis for discussion.

**Table 1 - The Board of the UK Statistics Authority and its Sub-Committees**

<b>Committee Title</b>	<b>Membership</b>	<b>Meets</b>	<b>Remit</b>
Board of the UK Statistics Authority	All Board members	Monthly	
[Assessment]	[All non-exec Board members & H of A.]	[Monthly - with Board]	Official Statistics System (including ONS)
1 Devolved Administration Committee	Chair plus 2 non-execs	Twice a year	
2 Risk Committee	Chair plus 2 non-execs	Twice a year (or with Audit Cmte.)	
3 Committee for Official Statistics	Chair plus 3 non-execs	Six times a year	
4 Remuneration Committee	Chair plus 1 non-exec	Once a year	ONS (and UK Statistics Authority)
5 Audit Committee	Chair plus 2 non-execs	Twice a year	
6 Committee for the ONS	Chair plus 2 non-execs	Six times a year	

9. The Authority's Committee for Official Statistics could address those Board responsibilities relating to the wider official statistics system not covered by Assessment. Its focus could include relevance and coherence of official statistics and how official statistics might best meet public need.

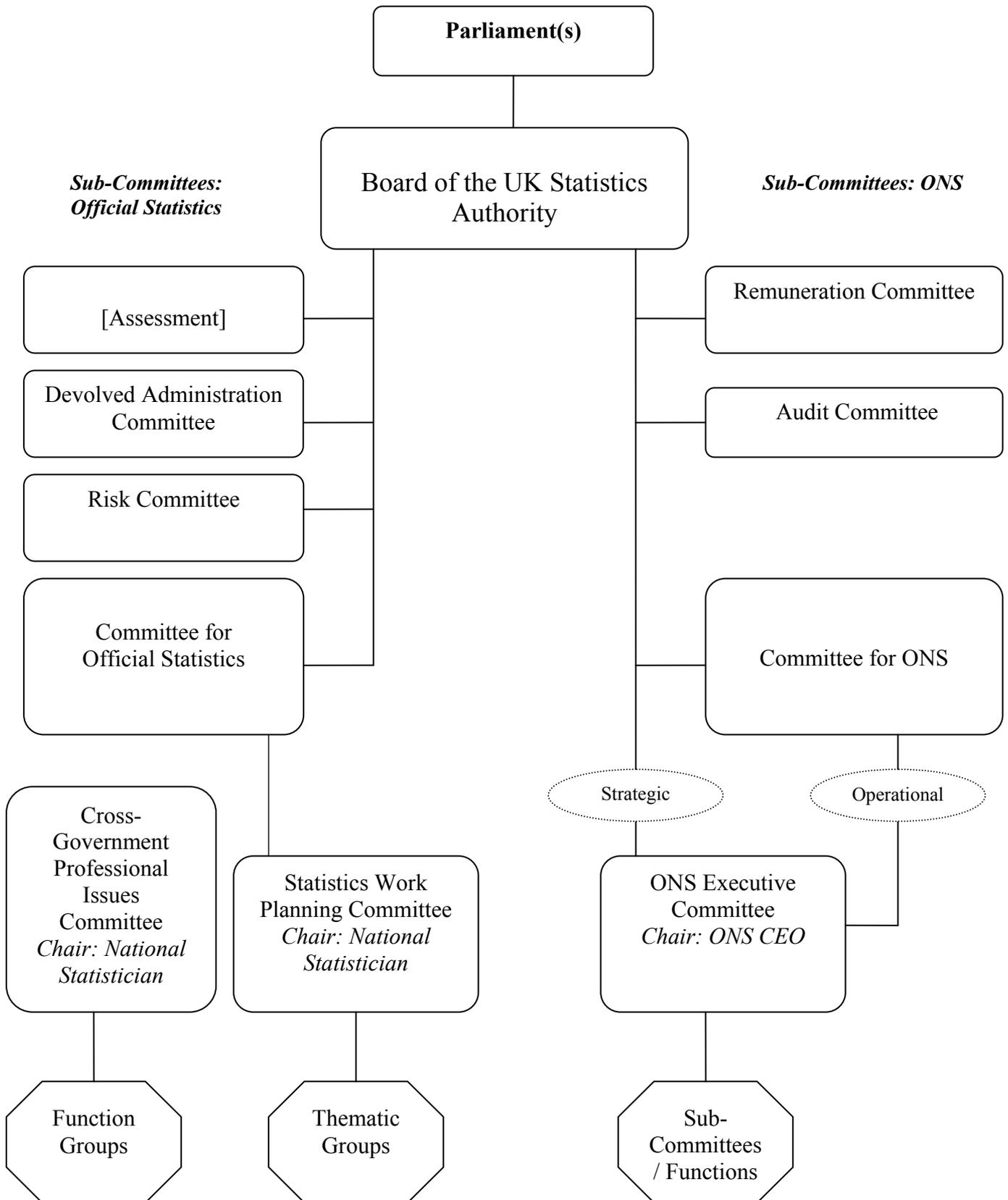
10. The National Statistician will operate a statistics work planning committee to improve statistical priority setting across Government. This is supported by a range of cross-Government thematic planning groups. The work planning committee could provide useful information and support to the Committee for Official Statistics.

11. The Authority's Committee for the ONS could focus on efficiency, governance and management of ONS, playing the role previously held by Treasury Ministers. Below this committee would be an ONS Executive Committee and relevant sub-committees. On some key strategic issues it may be more appropriate for the Executive Committee to report directly to the Board.

12. The Board will also wish to be aware of the cross-Government GSS professional committees. These are held under the auspices of the National Statistician. The National Statistician may also report matters considered by these committees to the Board of the Authority and its committees.

**Rob Bumpstead, Interim Secretariat, February 2008**

**Annex A – Governance Structure of the Official Statistics System**



Sub-Committees of the Authority (Chaired by NEDs)

Cross-Government Bodies (inc. ONS)

ONS only

*Transparency*

**Purpose**

1. This paper proposes core principles and procedures for the Authority to adopt with respect to transparency and openness. These are intended to provide the basis for development of a comprehensive policy to be published on 1 April.

**Recommendations**

2. The Board of the Authority should:
  - i. operate with a general presumption of transparency and publish a concise statement of its principles to this effect (paragraphs 3 to 5);
  - ii. adopt a set of specific procedures consistent with this aim (paragraph 9);
  - iii. produce a Publication Scheme incorporating these values and procedures, and;
  - iv. undertake to review its policy within six months.

**Discussion**

Principles

3. The policy of the Authority is to be as open and helpful as possible. It will operate with a general presumption of transparency while regarding obligations to protect personal or confidential information. This logic is consistent with the Freedom of Information (FOI) Act, the requirements and spirit of the Statistics Act, and with the Authority's commitment to building public trust and confidence in official statistics and the statistical system.
4. The Statistics Commission has established a deserved reputation for openness and transparency. The Authority intend to build on their approach. The Authority also recognises there are many other models of transparency that public bodies have adopted and developed according to the needs of their stakeholders and the contexts in which they operate.
5. In developing and maintaining policies to meet its own circumstances the Authority will look to draw on best practice across the public sector. In particular, it will be open to innovation and will regularly review its own practices.

Procedures

6. The Statistics Commission's policies and procedures are set out in an *Openness and Transparency Statement* and in the Commission's Publication Scheme - a legal requirement. Extracts are reproduced at Annex A.
7. The policies and practices of a range of other public bodies on transparency have also been reviewed. The main points are set out at Annex B.
8. The Freedom of Information Act also provides a sound basis for operating procedures. Put simply, that information which would need to be published under an FoI request should be published pre-emptively. This is efficient, consistent and transparent.

9. Publishing pre-emptively information that would be released under a FoI request would mean the Board would:
- i. publish the non-confidential part of *agendas and minutes* of meetings, even when these meetings are not open to the public. Agendas may be published in advance of meetings or alongside summary minutes either within, say, two weeks of the meeting having cleared them in correspondence, or immediately after adoption at the following meeting.
  - ii. publish the non-confidential part of *Board papers* shortly after a meeting. However, ongoing draft or briefing papers would not necessarily be published, as consistent with the FoI Act.
  - iii. publish *correspondence* where considered of interest to stakeholders, subject to commitments to protect privacy and confidentiality. Routine correspondence would not normally be published.
  - iv. exclude *confidential matters* from the above procedures including those relating to commercial, financial or personal information.

In addition, the Board might consider:

- v. holding *open Board meetings*, perhaps twice a year. One of the open meetings could provide an opportunity for discussion of the Authority's annual report and plans for the coming year.
  - vi. maximising *accessibility of open Board meetings* by publishing papers and agendas in advance of the meeting; holding meetings in the Devolved Administrations of the UK and regions in England and; broadcasting meetings via the internet with availability for later download.
10. These principles and procedures are in respect of the Board of the Authority. The Board also expects the Executive Office of the Authority (the ONS) to operate transparently but delegates these matters to the Chief Executive (the National Statistician).

**Rob Bumpstead and Matt Prior, Office for National Statistics, February 2008**

## **Annex A - The Statistics Commission's approach to transparency**

### **Statistics Commission**

#### **Extracts from Publication Scheme**

16. Statistics Commission policy is to be as open as possible, however, not all information can be made available to the public. Our aim is to make information available where the law allows us to do so, save where we consider that release would cause significant harm or prejudice. Information will be withheld from publication in whole or in part where we consider that disclosure may harm or prejudice law enforcement, legal proceedings or the administration of justice; or may infringe the privacy, personal, commercial, contractual or other confidences of any person or otherwise infringe their rights. If you wish to complain about information having been withheld you should address your complaint to the Commission....

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20. Information to be made available, subject to the considerations of paragraph 16:
- Agendas, minutes and papers for Commission meetings, including Commissioners' meetings and sub-committee meetings.
  - Research and other reports commissioned by the Commission, either by its own staff or by external researchers including the Annual Report and Business Plan. Plus reports to Ministers.
  - Operational policies, statements and strategies, including the Management Statement and internal Commission strategies such as the risk strategy, also internal procedures such as the complaints procedures and Health and Safety Policy.
  - Correspondence and other papers relating to statistical issues with users and other stakeholders.
  - Commissioners and staff - names of Commissioners plus photographs; register of interests and code of practice for Board members. Staff names and contact details, plus photographs and brief details of responsibilities.
  - Press releases.

#### **Extract from Openness and Transparency Policy Statement**

6. The first two categories [see above paragraph] above are likely to be of interest to a range of stakeholders and will be placed on the Commission's website [www.statscom.org.uk](http://www.statscom.org.uk). In the case of papers for Commission meetings these will be placed on the website with the minutes, normally within one week of the meeting for which they have been prepared. Reports to ministers etc will normally be placed on the website within one working day of being issued.

7. Documents relating to operational policies are likely to have been included in papers for Commission meetings, whether for agreement, or in the case of internal management documents, for information. However it may be appropriate to index some of them separately on the website for easier reference. This will be considered on a case by case basis initially.

8. Routine correspondence is less likely to be of general interest and so will usually be made available on request. However, any correspondence which seem likely to be of wider interest will be placed on the website. A balance will be sought between comprehensive coverage and ensuring that the website is easy to navigate and allows easy practical as well as theoretical access for all stakeholders.

## **Annex B - Summary review of other organisations' approach to transparency**

### **Financial Services Authority**

All FSA Board meetings are held in London and are closed. Summary minutes are published on the FSA's website under the Publication Scheme required by the Freedom of Information Act. Board papers are not published and sensitive information is excluded from the summary minutes. Excluded information would include personal information and information provided in confidence as this is exempt under the Freedom of Information Act.

The Financial Services and Markets Act requires the FSA to hold an Annual Public Meeting to discuss its annual report. The meeting is held in London and a transcript of the Annual Public Meeting is published on the FSA's website. The meeting is not a Board meeting and is not a decision-making forum but is used to present highlights of the past year's work and provides an opportunity to look ahead to the coming year as well as giving attendees an opportunity to ask questions. Last year the meeting was attended by the Chairman, Chief Executive, Managing Directors and Chairs of the Independent Panels as well as other representatives of senior management.

### **Food Standards Agency**

The FSA is often cited as an example of best practice in transparency. To be 'open and accessible' has been a core value of the FSA since it was established in 2000. This has been reflected in the way they operate. The FSA holds a large number of its Board meetings in public and has committed to only take decisions on food safety and consumer policy in public. In 2006 the FSA held four open meetings in London and one each in Glasgow, Bristol, Cardiff and Belfast.

The FSA does hold closed sessions of the Board in advance of open meetings in order to receive briefings on matters related to food safety and standards, but decisions are not rehearsed or taken. The FSA are clear that discussion and decisions about issues relating to the running of the organisation (such as HR and finance issues) will always be taken in closed session.

The FSA has noted that this policy does sometimes make it difficult to determine whether a paper should be taken at an open or closed session and that there is a perception among stakeholders that holding closed sessions reduces the transparency of the process. The Open meetings tend to be well attended. There is an opportunity for the audience to ask questions at the end of the meeting. Meetings are filmed and broadcast over the internet and are later available for download. Papers and minutes of Open Meetings are published on the FSA website.

### **Ofsted**

The Ofsted Board held its first formal meeting in May 2007. They agreed to publish the agendas and papers of Board and committee meetings, with the exclusion of any confidential business, on the Ofsted website no less than five days before each Board meeting. Minutes of Board and committee meetings should be published on the Ofsted website within one month of a meeting, with confidential business again excluded.

In addition to its quarterly meetings, the Board have also pledged to hold one meeting each year which will be open to the public. This meeting will be held following the publication of

Ofsted's Departmental Report and the Board will engage with interested parties on themes arising from the report. Details will be published on the Ofsted website at least one month in advance of the event. (This has yet to be operationalised. It is further understood that all the above procedures are currently under review).

### **Monetary Policy Committee**

As is well known the MPC publish detailed minutes of their meetings accounting for their decisions on interest rates. These minutes are published on the Wednesday of the second week after meetings take place.

### **Commission for Social Care Inspection**

The Commission for Social Care Inspection hold their Board meetings in public at their headquarters. Feedback suggests that in practice they tend not to be particularly well attended with only the occasional journalist attending.

**Communication Strategy**

**Purpose**

1. This paper is a tool to aid discussion by the Authority on how best to communicate with its key stakeholders.

**Timing**

2. Urgent. The Authority needs to decide the basis on which it will communicate its vision, values, objectives, activities and achievements from 1 April.

**Recommendations**

3. The Board should:

- agree its key messages and key stakeholders to aid development of a robust and deliverable communication strategy;
- decide who will speak to the media (and when) on behalf of the Authority, and;
- consider arrangements for ensuring that the Authority has appropriate support and advice on communication issues.

**Discussion**

Maintaining the momentum - communication strategy

4. To achieve its strategic aim to 'improve public confidence in official statistics' the Authority will need to engage actively with the media. The Authority must maintain an appropriate media profile and position itself as:

- the UK authority for official statistics
- the guardian of top quality methodology
- the watchdog of statistical propriety and independence
- a bastion of credibility, integrity and trust.

5. The key messages suggested for the launch are attached at Annex A. These should also form the basis for dealings with other stakeholders (the UK Parliament and devolved administrations, the user community, senior officials within government departments and the Government Statistical Service) The ONS will also be raising its own profile and in order to avoid a risk of confusion, the public messages delivered by the Authority and the ONS should be carefully co-ordinated.

6. A communications strategy should build on the integrity of the Authority and its position on the quality, relevance, accessibility and timeliness of official statistics.

7. There will be early opportunities for the Authority to establish its position on these matters. The perceived **integrity** of the Authority will be strongly associated with decisions on the transparency of its activities (subject of a separate paper). **Quality** issues will feature strongly when the Head of Assessment is appointed and the Authority is in a position to outline its programme of assessment followed by the creation and publication of reports. However, assessments have the potential both to increase trust in statistics (for example by strengthening pre release arrangements) and to undermine trust (for example by raising concerns about the quality of existing statistics).

8. **Relevance, accessibility and timeliness** of official statistics will be key issues

addressed by the Publication Hub.

9. The Statistics Commission has raised issues in many of these areas over recent years and these will need to be addressed in developing a credible communications strategy.

Media spokesperson(s) for the Authority

10. The media will expect the Authority to be available for comment at any time. Conveying these messages should be primarily the responsibility of identifiable key Authority leaders (chair and two deputy chairs) and lead staff (Head of Assessment and communications spokesperson) but all Board members need to be media-aware and familiar with the key messages and developing strategy. It is for discussion whether the Authority should develop a key spokesperson who will be chief flag bearer for top quality independent UK statistics and put a recognisable face to the Authority.

11. It is suggested that the Authority avoids speaking on behalf of ONS on day-to-day ONS business and on professional statistical issues. The National Statistician and the two Directors General should continue to make such announcements and statements on behalf of ONS.

Media Advisor to the Authority

12. The Authority will require specific media/communication advice and support. ONS Press Office will provide administrative support, but recruitment for a dedicated Authority press officer at Grade 7 level is underway. The Director of Communication Division, ONS, will provide professional support and direction. The Authority may also wish to secure high level, independent support on communication issues.

**Penny Hallett, Office for National Statistics, February 2008**

## **Annex A**

### **Key messages for the launch:**

**From 1 April 2008, a new, independent Statistics Authority will promote and safeguard the quality and comprehensiveness of all official statistics across government.**

- The Statistics and Registration Service Act, which created the Authority, is the most far-reaching statistical legislation for 60 years. Its aim is to improve public confidence in official statistics.
- The Authority will be outside ministerial control and directly accountable to Parliament; independent, but not separate from, the rest of government.
- It will comment on and investigate the **quality, transparency and handling** of official statistics, ensuring they are of high quality, sufficient to merit public confidence and trust.
- The Authority will introduce a Code of Practice, against which official statistics will be assessed. This will include the 1,300 current national statistics covering the most important and relevant data on the economy, education, health and crime. Only official statistics that meet the requirements of the Code of Practice will be labelled as national statistics and entitled to carry the quality kitemark
- The Authority will have jurisdiction over the quality of statistics produced by the three devolved administrations

**Reliable and impartial statistics are vital for developing and maintaining a stable and strong economy and society and holding the government to account.**

- Statistics are vital in planning the proper targeting of resources, policy-making and decision-making, to ensure a fair society
- Access to trustworthy statistics is essential for a healthy society. They help us to analyse and understand the world in which we live and work, encourage debate, inform decision-making and enable the public to decide whether government is delivering on its promises

**Today is the start of a campaign to make official statistics more trustworthy, accessible and accurate.**

- The launch of the Authority is an important landmark, the start of the journey. The Authority will now drive forward improvements in the statistical service.
- All official statistics which meet the required standards will bear the Authority's quality kitemark
- The Authority will be ready to issue a public challenge when official statistics are used in a way that is likely to undermine trust in statistics
- All new national statistics released from across government can be accessed through the Authority's website, [www.statistics.gov.uk](http://www.statistics.gov.uk).
- Suitable "soundbites" based on these messages will be developed for use at the launch.