

UK Statistics Authority

ANNUAL REPORT AND ACCOUNTS 2010/11



UK Statistics Authority

ANNUAL REPORT AND ACCOUNTS 2010/11

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Foreword



The UK Statistics Authority is an independent body operating at arm's length from government as a non-ministerial department. It was established on 1 April 2008 by the *Statistics and Registration Service Act 2007* and reports directly to Parliament and the devolved legislatures.

The Authority's statutory objective is to promote and safeguard the production and publication of official statistics that serve the public good.



The Government Statistical Service (GSS) is headed by the National Statistician and is spread across more than 30 government departments, agencies and the devolved administrations. It includes statisticians and others providing high quality information, analysis and advice to decision makers. Around 1,480 staff are members of the GSS, the professional community of statisticians within government.



The Office for National Statistics (ONS) is the Executive Office of the UK Statistics Authority and is the UK's single largest statistical producer. It is also the internationally recognised National Statistical Institute of the UK.



Sir Michael Scholar KCB

Chapter 1

Chair's Report and About the UK Statistics Authority

1.1 CHAIR'S FOREWORD AND REPORT

This is the third Annual Report of the UK Statistics Authority and my final report as Chair of the Authority. Each annual report has provided an opportunity to reflect on, and report publicly on, what we have done during the previous year, and to outline some of our plans for the year ahead. This year, I would also like to comment on the Authority's work from its beginning, and the implications for the future as I see them.

At the launch of the Statistics Authority in 2008 I set out in public my aims and objectives for the Authority. I said that our task was to rebuild public trust in UK official statistics from the deplorably low level which had been reached. I said that we would set about this task in a serious and authoritative way; we would be systematic and rigorous in our assessments of official statistics; we would be attentive to the needs and wishes of users of statistics, both inside and outside government; we would be transparent in our manner of operation; and that, without seeking attention and publicity, we would be firm and open in our dealings with those who, by their actions or their words, undermine the integrity of official statistics.

Three years on, how successful have we been in meeting these objectives? The first thing which must be said is that the general public continues to lack trust in official statistics and the uses which are made of them. This was documented again in our

report on Strengthening User Engagement, published last year, in which we repeated earlier surveys of public confidence in official statistics. It is clear that recent events on the national stage have done little to encourage the growth of trust in public bodies, and it may be that the immediate effect of our own public interventions in support of clean official statistics has been to confirm public suspicion that statistics are often subject to political manipulation. In the face of such difficulties the Authority has accepted that the rebuilding of public trust will be a long haul, and has reiterated and reinforced its determination to follow the path set out in 2008, identifying and neutralising all sources of mistrust, and at the same time systematically continuing to try to improve the quality, understanding, and accessibility of UK statistics. In a word, we have moved from 'trust' to 'trustworthiness' as our short-term objective, in the hope and expectation that, in time, we will indeed re-create the trust which official statistics fully deserve.

The Statistics Authority has from the start had two roles – statutory responsibility for the Office for National Statistics; and the safeguarding of the production and publication of all UK official statistics produced by many official bodies. There is a single, common thread running through these roles. It is the attempt to achieve the greatest possible value from the statistical service by ensuring that the statistical product is not only produced to high standards, but meets the requirements of its users and is well explained to those people whose decisions or actions will be influenced by the statistics.

Looking back to the establishment of the Authority in 2008, our first steps were to set ourselves up, with clear processes, roles and structures, and with the leanest possible cost-structure to carry out the job. The Statistics and Registration Service Act 2007, which created the Authority, required us to prepare and consult upon a new Code of Practice for Official Statistics as one of the principal instruments of our regulatory function. Alongside the Code it was necessary to develop formal arrangements for the assessment of compliance and for designation of sets of statistics as National Statistics.

These new structures and processes have now become well established and are working effectively. Following the introduction of the new Code of Practice for Official Statistics in January 2009, the Authority launched a major programme of Assessment work, resulting in the publication of over 100 Assessment Reports, covering some 500 sets of statistics, by the end of the 2010/11 financial year; and since then our Assessment work continues apace. Over that period, we have also published a number of other reports and investigations, on both wide-ranging subjects and specific statistical issues. The effect of this work has been to identify and confirm the existence of the high standards of the UK statistical service, and also to create an agenda of development across the service, centred on understanding the uses made of the official statistics which the service produces.

Our role in assessing compliance with the Code of Practice has required, from time to time, public intervention in relation to official statistics where we judged that necessary to preserve trust and integrity in the statistical system. While this is not the main part of the Authority's work, it attracts attention and requires us to engage with the news media, interest groups and politicians on such matters. During 2010/11, the Authority made a number of interventions where we considered it appropriate to speak out publicly – for example about statistics on the immigration Points Based System

(commenting on the use of these statistics by the then Prime Minister), on employment in government (the Minister for the Cabinet Office), on worklessness (the Department of Work and Pensions), on crime on the London transport network (the Mayor of London), and, following a breach of the rules on pre-release access, on consumer price inflation statistics (HM Treasury). The Authority also sought reassurances on the use of European agriculture statistics (the European Commission) and about the continuity of NHS funding for important statistics on the health of the nation (the Secretary of State for Health).

Alongside the Authority's work on assessment, the Authority is required to monitor the production and publication of official statistics and to report on any concerns we might have about their quality, about good practice or about their comprehensiveness. Chapter 2 of this report sets out in detail the monitoring work that we have undertaken this year: in 2010/11 the Authority published two substantive Monitoring Reports, on crime statistics and on user engagement, together with a further five Monitoring Briefs in response to specific issues of concern to us.

As the governing body of the Office for National Statistics the Authority occupies the role previously performed by Ministers. ONS is the largest and single most important producer of official statistics in the UK, and the 2007 Act gave the Statistics Authority direct responsibility and oversight for its work. In earlier annual reports we have given our account of the major decisions we have taken in relation to the ONS, and of the performance of the ONS over that period. 2010/11 saw, in the 2011 Census, the largest statistical exercise ever conducted in the UK, involving some 30,000 temporary staff recruited by the Office for National Statistics. The first statistical outputs from the Census will be published next year. The processing of Census forms is not yet completed, but we are cautiously optimistic that the final response rate will prove to have been good.

This is a great tribute to all those who worked so hard to make the Census a success. ONS approached the Census in a professional and determined way, as it does its other tasks, including its work in some very complex and controversial statistical fields, from measuring economic activity and inflation to monitoring migration and employment trends. ONS operates permanently in the line of fire from all sorts of political and lobby interests. The Statistics Authority's job is to provide protection from unnecessary and unconstructive fire, but also to provide challenge to the ONS executive. Balancing resources and ensuring effective communication with the world beyond ONS – particularly the multitude of different user communities and their needs and interests – are real challenges and ones with which the Authority will continue to grapple.

The Authority's agenda is inevitably long-term, and one from which benefits should accrue progressively and cumulatively. However, the Authority believes that there are promising early signs. Our independence, and our system of rigorous enforcement of the comprehensive Code of Practice are attracting a good deal of interest internationally. Official statistics are increasingly an international undertaking and the UK's standing in such a context is important for effective bilateral and multilateral working with other countries.

The current economic climate and the public expenditure restrictions announced in the 2010 Spending Review have brought with them new tasks for the Statistics Authority. We have had to take difficult decisions about the budget of the ONS. More widely, the Authority recognises that the UK's decentralised and devolved statistical system means that decisions about future statistical budgets must remain the responsibility of a range of different Ministers in the UK Government and Devolved Administrations. However, the Authority is obliged, in fulfilling its statutory role of promoting and safeguarding official statistics, to report publicly to Parliament about any concerns we have about proposed cuts to statistical expenditure.

In this task we seek help from the users of statistics. The value of the official statistics produced across many departments and other public bodies lies in their usefulness and in their eventual use. It is only when official statistics are used in ways that promote the public good – by Parliament, government, public services, academics, businesses, and the citizen user – that their production at public expense is justified. It is important for the producers of official statistics to be able to identify who their users are, document their statistical needs, and know how and when to engage with them. Such documentary evidence is a vital resource to enable departments to make informed decisions about planned cuts in statistical expenditure, and we encourage all users of official statistics to maintain a close dialogue with departments about their needs and their requirements, and to let the Statistics Authority know about any concerns they might have.

The Authority recognises the many interdependencies which exist in the statistical work produced across government. Decisions about statistical outputs and statistical capability made in one department may have a significant effect on others. The Authority takes a very keen interest in these interdependencies. In October 2010 we published a short report on the subject, providing a number of different examples of where statistical work in particular topic areas involves a range of different producer departments. Our view is that, where departments are proposing substantial changes to statistical work, it is important that they take full account of the implications for other bodies, both inside and outside government. Otherwise they might act in a way that disproportionately reduces the value of the service they provide to the users of official statistics.

During the year, the Statistics Authority had cause to take up with government various issues about departmental proposals for future statistical expenditure, directly with Ministers and through a new series of Statistical Expenditure Reports. These are reports on particular proposals from departments, which examine the needs of users, the extent of consultation, the effects on other departments or on other statistical series, and the overall rationale for the proposed reduction in expenditure and capability. We have recently published our views on cuts in the Citizenship and Place Surveys, and Scottish Schools statistics.

The Statistics Authority fully appreciates that statistical expenditure cannot be immune from the need for budget reductions and efficiencies across government. However, the Authority will set out its concerns where what is being proposed is not, in our view, compliant with the Code of Practice; if producers take insufficient account of the needs or views of users; if there is inappropriate political involvement in decisions on statistical expenditure; if valued and long-running statistical time series are to cease; or if the

decisions being taken within one department might be sub-optimal for the statistical system as a whole.

Looking forward to next year and beyond, the Authority will press on with our broad agenda of enhancing the support that the statistical service provides to all decision-makers. We will continue to support the strategic development of the Office for National Statistics. We will continue our Assessment and Monitoring work, and we will continue to investigate and report publicly where we believe that there has been improper political interference with official statistical work. We will support the National Statistician in her leadership of the statistical service and of the professional statisticians in government. On all of these things we will report progress to the House of Commons Public Administration Select Committee which has responsibility for regular parliamentary oversight of our work. I welcomed the opportunity to give evidence to the Committee again in May 2011.

We take our direct reporting to Parliament very seriously. In November 2010 we prepared and published our report to the House of Commons Transport Committee following their invitation to us to investigate an apparent divergence in the published statistics in trends between the numbers killed and seriously injured in road accidents. We set out our findings in a detailed report and we were told that it helped the Committee in its deliberations on the wider subject of road safety. We welcome all opportunities to assist Select Committees in whatever way we can. Following the publication of last year's annual report, I wrote to the scrutiny committees at the parliaments and assemblies in Cardiff, Edinburgh and Belfast, and to the relevant Ministers in the Devolved Administrations, drawing attention to some of the important aspects of our work in relation to devolved statistics. We look forward to more extensive engagement with our work in this area in the months and years to come.

Inevitably there are some areas where we would wish to see more progress. We have made our position clear that we want to see the current Consumer Prices Index supplemented by a measure of owner-occupied housing costs. We want to see new arrangements for crime statistics. We would like there to be an obligation on departmental statistical offices to secure the agreement of the National Statistician on major staffing and statistical planning matters. We want to see closer integration of statistical work between those offices. We wish to see communication between producers and users of statistics to be substantially enhanced through a strong online community. We want the rules for pre-release access to official statistics to be both stricter and more uniform across the four UK administrations. And we want the four administrations to work more closely together on statistical matters.

I would like to pay tribute to my fellow non-executive members of the Board of the Statistics Authority, both past and present. They have made an enormous contribution to our work and I have been very fortunate to be able to draw on an array of experience and expertise from so many different walks of life, which has helped the Board collectively to shape the Authority's work over the past three years. I have also greatly valued the close working relationship with the Board's executive members, Jil Matheson, the National Statistician, and her predecessor Dame Karen Dunnell; Richard Alldritt, the Authority's Head of Assessment; and Stephen Penneck, the Director General of ONS.

Since my appointment in 2007, I have had the pleasure of meeting many people from within the world of official statistics and an equally large number from beyond it. I have treasured the support from far and wide for our work, particularly during difficult passages. For my part, these past four years have been a rewarding time, helping to guide and shape the Authority in its formative years. I wish the Authority and the world of official statistics all the very best for their future together.

A handwritten signature in black ink that reads "Michael Scholar". The script is cursive and fluid.

Sir Michael Scholar KCB

Chair, UK Statistics Authority

July 2011

1.2 ESTABLISHMENT AND MEMBERSHIP

The UK Statistics Authority was established under the Statistics and Registration Service Act 2007 and on 1 April 2008 formally assumed its powers. The Authority is an independent statutory body. It operates at arm's length from government as a non-ministerial department and reports directly to the UK Parliament and the devolved legislatures.

The Chair of the UK Statistics Authority is Sir Michael Scholar KCB. Sir Michael was appointed Chair of the Authority by Her Majesty the Queen following an open competition. The appointment was subject to a pre-confirmation hearing by the House of Commons Treasury Committee and a formal debate on the floor of the House. Sir Michael took up his post as Chair-designate in September 2007, and as Chair on 1 April 2008. His term of appointment will end on 31 August 2011.

The eight other non-executive members of the Authority were appointed through open competition, some after consultation with the devolved administrations. During 2010/11 they were:

- Professor Sir Roger Jowell CBE – Deputy Chair of the Authority with responsibility for oversight of the UK official statistics system;
- Lord David Rowe-Beddoe of Kilgetty – Deputy Chair of the Authority with responsibility for the governance of the Office for National Statistics (ONS);
- Dr Colette Bowe;
- Mr Partha Dasgupta;
- Ms Moira Gibb CBE, FCGI;
- Professor Stephen Nickell CBE FBA (to 31 October 2010);
- Professor David Rhind CBE FRS FBA, and;
- Sir Jon Shortridge KCB.

The Authority also has three executive members at any one time. During 2010/11 they were:

- Ms Jil Matheson – National Statistician. The National Statistician is a Crown appointment and a member of the Authority under the provisions of the 2007 Act;
- Mr Richard Alldritt – Head of Assessment. The Head of Assessment is a statutory appointment under the provisions of the 2007 Act and was appointed a member of the Authority by the non-executive members; and
- Mr Stephen Penneck – Director General of ONS. Mr Penneck was also appointed a member of the Authority by the non-executive members.

Members of the UK Statistics Authority in 2010/11

Chair



Sir Michael Scholar
KCB

Deputy Chairs



Lord Rowe-Beddoe
of Kilgetty



Professor Sir Roger
Jowell CBE

Non-Executive Members



Dr Colette Bowe



Mr Partha Dasgupta



Ms Moira Gibb CBE,
FCGI



Professor Stephen
Nickell CBE FBA
(To 31 October 2010)



Professor David
Rhind CBE FRS FBA



Sir Jon Shortridge
KCB

Executive Members



Ms Jil Matheson



Mr Richard Alldritt



Mr Stephen Penneck

1.3 FUNCTIONS AND SCOPE

The UK Statistics Authority has two principal statutory functions: governance of the Office for National Statistics, the UK's National Statistical Institute and largest producer of official statistics; and independent scrutiny of all official statistics produced in the UK, through monitoring and assessment against the Code of Practice for Official Statistics.

The Authority is required to promote and safeguard the quality and comprehensiveness of official statistics, and ensure good practice in relation to official statistics. It is responsible for producing and maintaining the Code of Practice and for taking action when there are infringements of the Code.

It is also responsible for devising and conducting a programme of assessments to determine which official statistics may be accredited as National Statistics and to publish lists of those statistics each year. It is the Authority's duty to report any concerns about the quality of official statistics it may have to Parliament or to the devolved legislatures.

The 2007 Act gave the UK Parliament, or in the case of wholly devolved statistics the devolved legislatures, the responsibility for determining:

- the arrangements and procedures for access to official statistics before their publication in final form;
- which bodies, other than Crown bodies, may produce official statistics and therefore be subject to the provisions of the Code; and
- what data may be shared between the Authority and other public bodies for statistical purposes.

Since 2008 the UK Government has introduced six Orders¹ relating to these matters which were approved by Parliament and brought into force. In addition, three Orders were brought into force by the Scottish Parliament², one by the Northern Ireland Assembly³ and one by the National Assembly for Wales.⁴

1.4 AIMS AND OBJECTIVES

The Authority's statutory task of 'promoting and safeguarding the production and publication of official statistics that serve the public good' is set in broad terms. The role of the Authority is to ensure that official statistics are produced and used for the public good, that is, not necessarily for the benefit of government alone.

The Authority has developed a set of high level aims and objectives to reflect the legislation and to guide its actions.

The UK Statistics Authority aims to ensure that:

- the right range of statistics are produced;
- high and consistent professional standards are maintained; and
- official statistics are well explained, including strengths and weaknesses – leading to better decision-making in the public interest.

By so doing, the Authority aims to enhance trust in the statistical system, in terms of quality, political independence and impartiality.

In order to achieve these aims the Authority's objectives, or tasks, are to:

- support the National Statistician in improving statistical planning (decisions on what statistics will be produced and in what form) taking systematic account of user needs;
- use its scrutiny powers to ensure high and consistent professional standards across all producers of official statistics;
- work with the statistical service to help improve communication of statistics and related advice to users; and
- build confidence in the statistical service, and in the Authority, among those people who use official statistics.

The UK Statistics Authority has four principal mechanisms by which to achieve its objectives:

- systematically assessing compliance of official statistics with the Code of Practice, and investigating and reporting independently on major issues;
- direct responsibility for the governance of ONS;
- working with the statistical service to design and implement improved procedures where the need for this is identified; and
- reporting to Parliament and advising Government about any aspects of the statistical service, or the use of official statistics, about which the Authority has concerns.

These mechanisms relate to three different but overlapping spheres of the official statistics system: the Authority's scrutiny function, the Office for National Statistics, and the wider Government Statistical Service (GSS). This structure helps shape, in turn, the structure of the report.

1.5 STRUCTURE OF THIS REPORT

The report is divided into the following chapters.

Chapter 2 reports on the Authority's scrutiny function as conducted by staff of the Authority. It begins with a foreword by the Head of Assessment, Richard Alldritt, who leads the programme of Assessments on behalf of the Authority.

Chapter 3 reports on the work being carried out by statisticians across the Government Statistical Service (GSS). It begins with a foreword by the National Statistician, Jil Matheson in her capacity as Head of the GSS.

Chapter 4 reports on the work of the Office for National Statistics (ONS), the country's National Statistical Institute and single largest producer of official statistics. It begins with a foreword by Stephen Penneck, Director General of ONS.

Chapter 5 contains corporate and summary financial information prescribed by HM Treasury for inclusion in departmental annual reports.

1.6 REPORTING TO PARLIAMENT

The UK Statistics Authority is an independent statutory body that reports to the UK Parliament and to the devolved legislatures on the exercise of its functions. The 2007 Act⁵ sets out how the Authority will produce a report to Parliament and the devolved legislatures on what it has done during the year, what it has found during the year and what it intends to do during the next financial year. This Annual Report fulfils that responsibility.

The Authority attaches particular importance to its direct reporting and overall accountability to the UK Parliament and devolved legislatures.

1.7 THE AUTHORITY IN 2010/11

The remaining sections of this chapter set out how the Authority has decided to manage and communicate its work, the internal organisation structures it has established to manage its business, the staff it has to support it and the ways in which it makes transparent its activities.

1.8 ORGANISATION

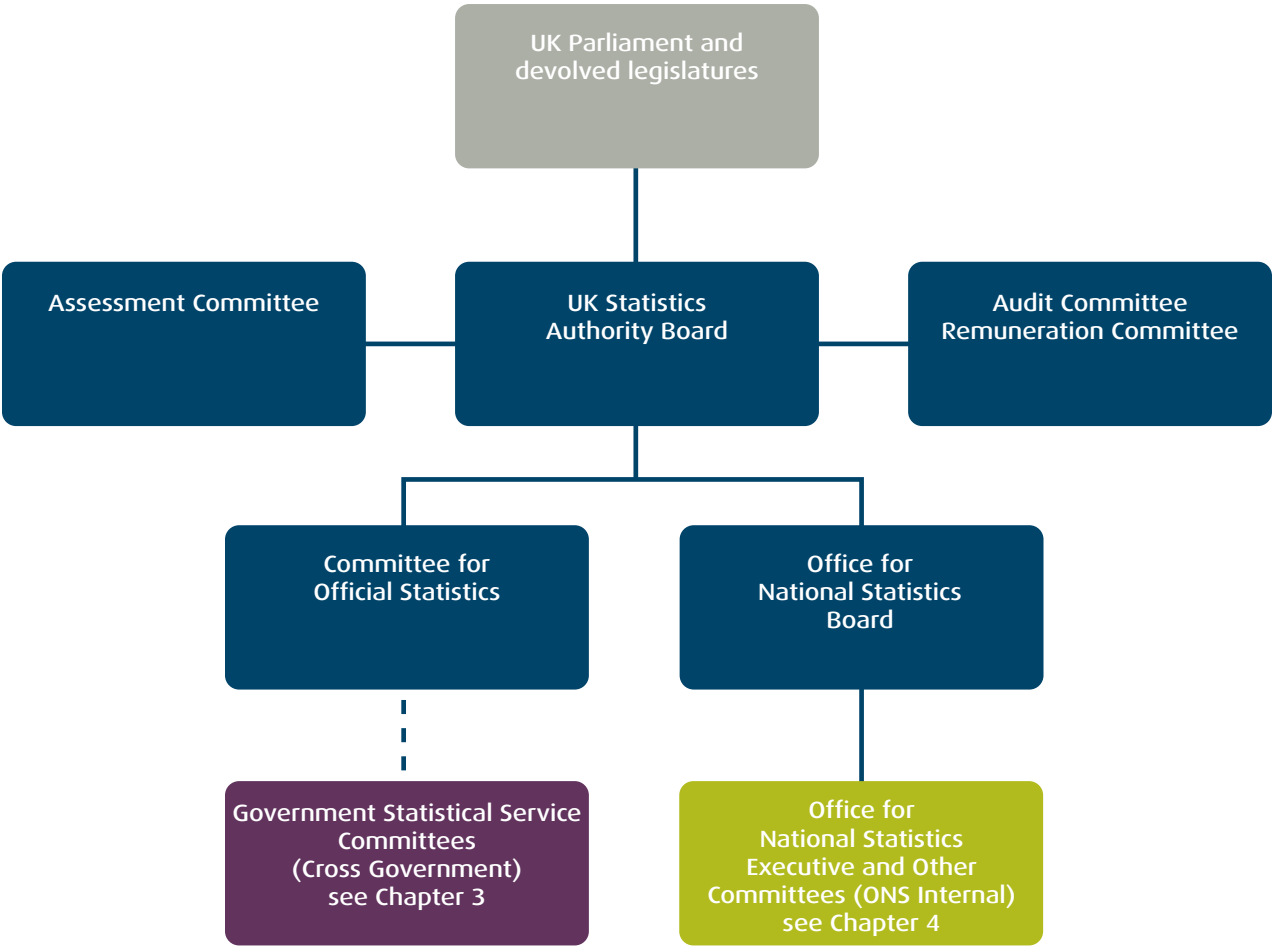
The 11 executive and non-executive members constitute the Board of the UK Statistics Authority, the Authority's governing body. The Board is chaired by Sir Michael Scholar. The Board met on ten occasions during 2010/11.

The Authority Board has established sub-committees to support it in its work and which report to it. During 2010/11 these were:

- the Office for National Statistics Board, chaired by Lord Rowe-Beddoe, the Authority's Deputy Chair with responsibility for ONS. The ONS Board oversees the strategy and priorities of ONS and monitors the ONS budget and work programme. During 2010/11 it met on 11 occasions;
- the Committee for Official Statistics, chaired by Professor Sir Roger Jowell, Deputy Chair with responsibility for official statistics. The Committee provides oversight of the UK official statistics system, including its scope and capacity and the extent to which it meets the full range of user needs. During the year it met on four occasions;
- the Assessment Committee, also chaired by Professor Sir Roger Jowell, to consider draft Assessment Reports and make recommendations to Board of the Authority regarding National Statistics designation. The Committee met six times during 2010/11;
- the Audit Committee, chaired by Professor David Rhind. The Committee's remit concerns risk management, control and governance in the Authority. It met five times during 2010/11; and
- the Remuneration Committee to oversee the remuneration of the members of the Senior Civil Service (SCS) employed by the Authority and ONS. The Committee met on two occasions and considered remuneration of members of the SCS for the period 2010/11. It is chaired by Lord Rowe-Beddoe.

The diagram below shows these committees and how they relate to the organisational structures of the ONS and the GSS.

UK Statistics Authority Organisation Structure



1.9 SUPPORT TO THE BOARD OF THE UK STATISTICS AUTHORITY

The Authority is supported by a small headquarters who have two main areas of responsibility:

- monitoring and assessment of Official Statistics led by the Head of Assessment. The functions and activities here are further discussed in Chapter 2 of this report; and
- provision of secretariat and support functions to the Chair and members of the Authority, its Board and committees. The Head of Secretariat may report directly to the Chair in the exercise of these functions.

The Secretariat and Monitoring and Assessment team had 28 staff which equated to 26.75 Full Time Equivalents (FTEs). Of these, seven were primarily engaged in functions relating to support the Board of the Statistics Authority, its committees and members, although the role also involves working closely with the monitoring and assessment functions.

The principal responsibilities of the Secretariat are to manage the business of the Authority Board and its committees; to manage the Authority's public face including its website, media relations and other communications activities; public enquiry facilities; programme of events; to coordinate and manage its casework and formal correspondence; to assist the Board in the development and implementation of its policies; and to provide other support and advice to the Chair and other Authority members as required.

1.10 ENGAGEMENT AND TRANSPARENCY

The Authority's website, telephone and email enquiry services are at the forefront of the Authority's public 'face'. The Authority continues to engage with the statistical user community, in particular the Royal Statistical Society (RSS), Statistics User Forum (SUF) and groups of statistical users.

The Authority operates transparently and openly. It publishes the minutes and papers of its meetings on its website, correspondence regarding issues of public concern and information about other aspects of its work. During the year, the Authority made various developments to its website, www.statisticsauthority.gov.uk, designed to further enhance the user experience. The Secretariat welcomes feedback on the Authority's website.

During the year the Authority has continued to maintain an issues log which is routinely updated and published on the Authority website. The issues log lists those issues raised with the Authority. It is an important mechanism by which the Authority decides on how to respond to issues of public concern and determine its forward work programme for Monitoring and Assessment.

The Authority's has a central email enquiry point, authority.enquiries@statistics.gov.uk. Enquiry handling is managed by the Secretariat. There is also a central telephone enquiry line 0845 604 1857.

1.11 NOTES ON CHAPTER 1

¹ Pre-Release Access to Official Statistics Order 2008, Official Statistics Order 2008, Official Statistics Order 2009, Statistics and Registration Service Act 2007 (Disclosure of Higher Education Student Information) Regulations 2009, Statistics and Registration Service Act 2007 (Disclosure of Pupil Information) (England) Regulations 2009; Official Statistics Order 2010.

² Pre-Release Access to Official Statistics (Scotland) Order 2008, Official Statistics (Scotland) Order 2008 ; Official Statistics (Scotland) Order 2010.

³ Pre-Release Access to Official Statistics (Northern Ireland) Order 2009.

⁴ Pre-Release Access to Official Statistics (Wales) Order 2009.

⁵ Statistics and Registration Service Act (2007) – Section 27.



Mr Richard Alldritt

Chapter 2

Monitoring and Assessment Annual Report

2.1 HEAD OF ASSESSMENT'S INTRODUCTION

The Code of Practice for Official Statistics was published in January 2009 after extensive consultation. Its enforcement through a formal assessment process is unique among national statistical systems. We believe this new process is not only working well but has enhanced the international reputation of the UK statistical system.

2010/11 was the second year of assessment and we have now reported on some 500 sets of National Statistics, approaching half of the initial programme of work required by the legislation which established the Authority. While this still leaves many sets of statistics awaiting assessment, we designed the programme to give some measure of priority to the more well-known and widely used statistics and have now covered most of these. The results have been encouraging. In the vast majority of cases, the statistics have been found to be adequate for the main purposes to which they are put and to be the best estimates that could reasonably have been produced. Some of those whose work is assessed have said that assessment is driven by a search for faults; but the overall positive message is there to be seen in the portfolio of reports we have published and I believe this offers a substantial measure of reassurance to Parliament and the public.

That said, no set of statistics has yet been awarded a completely clean bill of health without some additional steps being required. This is not surprising since the Code was

not designed to embed pre-existing standards but rather to raise them. Particularly in relation to the quality of explanation and communication of newly released statistics, the Code has set the bar at a higher level which, to our current knowledge, is very high by international standards. Official statistics only fully justify their costs when they are used to the benefit of the public and we have, in effect, challenged the bodies that produce them to do more to help users to get the good out of them. This poses a professional, practical and cultural challenge and one that is likely to take many years to fully deliver its benefits. We are however confident that it will do so.

It is a good sign that some of the statistics assessed are now coming very close to full compliance without any extra steps being required. The Monitoring and Assessment team has witnessed a strong commitment to the principles of the Code from government statisticians and we recognise that many of them are actively promoting the new standards within their own organisations.

From time to time we prepare and circulate a report taking stock of the emerging messages from the assessment process. Our findings indicate that the great majority of official statistics meet identified needs, are produced according to sound methods and are managed impartially and objectively. The areas identified as most needing ongoing attention are:

- improvement of the commentary that accompanies statistics;
- the need for a richer dialogue between producers and users of statistics; and
- fuller published documentation on statistical methods, the uses made of statistics, and other related matters.

The Authority reiterated its commitment to this agenda in a statement issued in March 2011 to mark the milestone of publication of the 100th Assessment Report.

As well as maintaining the assessment process, we are developing the Authority's broader, and complementary, role in monitoring the production of official statistics and reporting to the UK Parliament or to the devolved legislatures on any concerns about quality, good practice or comprehensiveness. We have developed the format of our short monitoring reports (re-launched as Monitoring Briefs) and have published eight so far. While the recommendations made in Monitoring Briefs have no statutory force, they enable the Authority to draw attention to an issue and to propose steps that should be taken.

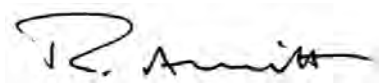
With the exception of the Office for National Statistics, for which it has direct responsibility, the Authority does not have a formal role in decisions about the statistical programmes or expenditure of the many bodies that produce the statistics. We recognise the severe pressures on departmental budgets at the present time and that statistical budgets are going to be subject to the same level of scrutiny as other departmental activities. However, part of that scrutiny must be careful consideration of the effect of any cuts on those organisations and individuals who depend on official statistics to inform their decisions and actions. This must include consideration of the possible effect on the production of statistics of national importance in other departments.

The Authority has made clear that it will investigate fully any decision to reduce statistical capacity that appears not to have taken full account of the user requirement.

As the year ended, the Authority published the first of a new series of Statistical Expenditure Reports, looking at various decisions that have been made in recent months. These reports are extending the monitoring role in a new direction.

The benefits of Monitoring and Assessment will only be fully identifiable in the longer term, but the early signs are promising. We believe that the processes are both valuable and increasingly well understood; that the international reputation of UK statistics has been boosted; and that many experts are working to enhance the communication of the messages from the statistics and the dialogue with the users. The Board of the Authority will continue to monitor and report on the benefits it identifies from this work.

More generally, we will continue to focus much of our work on helping the statistical service to project and explain the immense value of its statistical product to the four UK legislatures, Government and public.

A handwritten signature in black ink, appearing to read 'R. Alldritt', is positioned above the printed name.

Richard Alldritt

Head of Assessment, UK Statistics Authority
July 2011

2.2 ASSESSMENT

The assessment of official statistics against a Code of Practice is a statutory requirement of the Statistics and Registration Service Act 2007. At the time the legislation came in to force there were over 1,200 sets of National Statistics. Last year saw the publication of 34 Assessment Reports, covering over 160 statistical outputs. 2010/11 has been a year of increased assessment activity, covering 329 further sets of statistics and taking the number of published Reports beyond the 100 mark. Many of the most widely used official statistics have now been assessed, including many of the most high profile economic statistics.

An Assessment Report could give a set of statistics an immediate ‘unconditional designation’ as National Statistics if it was completely compliant with the Code, but this has yet to happen. Some statistics have come very close though and it may not be long before an immediate designation is justified.

Two assessments have led to the immediate removal of National Statistics status from all or some of the statistics covered by the Report:

- Assessment Report 67, on Scottish Child Protection Statistics, judged that some of the statistics – in particular, the number of child protection referrals – were not appropriate for their intended use and that it was unlikely that the Scottish Government would be able to address the issues within a reasonable length of time.
- Assessment Report 95, on Construction Price and Cost Indices, judged that substantial further work was required by the Department for Business, Innovation and Skills for the statistics to be fully compliant with the Code.

That only two Assessment Reports have led to this outcome is an indication of the generally high standards of official statistics. In practice, a ‘conditional designation’ is normally given, where further actions (known as ‘Requirements’) need to be implemented to meet the challenging standards of the Code. Once statistical producers have met the Requirements, an ‘unconditional designation’ is granted. So far, 47 Assessment Reports have led to statistics achieving unconditional designation through this route.

The Authority has periodically published analyses of the findings from assessment, drawing together the common messages and identifying general areas for attention across the Government Statistical Service (GSS). The latest analysis, Findings from the first 100 Assessment Reports, reported that engagement with users, inclusion of full and clear commentary and the maintenance of comprehensive documentation continue to be areas where the most improvement is required. The Authority has published statements on The Value of Statistical Commentary, and Standards for Statistical Releases and a Monitoring Brief on The Use Made of Official Statistics designed to accelerate improvement in these areas.

The assessment process has continued to mature during 2010/11. We have published plans to enhance the collection, use and reporting of the views of users in the Assessment process; details of our approach to the assessment and designation of new official statistics undergoing evaluation, known as ‘experimental statistics’; and a

statement making clear that assessment will focus directly on how producers of official statistics seek to achieve good value for money.

We are beginning to see the first signs of the impact of assessment, and have documented evidence of this in a Monitoring Brief on the Impact of the Authority's Monitoring and Assessment Function. While it is too early for the full extent of the impact of assessment to be clear, there are already tangible improvements in the statistical service, as well as positive signs of where significant benefit will emerge in the long-run.

Reports published by the UK Statistics Authority in 2010/11 are shown below. All reports are available on the Authority's website at:

www.statisticsauthority.gov.uk/assessment/assessment-reports

List of Assessment Reports published in 2010/11

35. Statistics on Freedom of Information (Ministry of Justice)
36. Statistics on Court Activity (Ministry of Justice)
37. Statistics on Cancer in Scotland (Information Services Division of NHS Scotland)
38. Statistics on Cancer Screening in Scotland (Information Services Division of NHS Scotland)
39. Statistics on NHS Scotland Workforce (Information Services Division of NHS Scotland)
40. Statistics on Road Conditions in England (Department for Transport)
41. Statistics on School and Pupil Characteristics, and Absence and Exclusions in England (Department for Children, Schools and Families)
42. Statistics on Health and Safety at Work (Health and Safety Executive)
43. Cancer Waiting Times Statistics for England (Department of Health)
44. Insolvency Statistics (Insolvency Service)
45. Balance of Payments Statistics (Office for National Statistics)
46. Statistics on Collection rates for Council Tax and non-domestic rates in England (Department for Communities and Local Government)
47. Overseas Travel and Tourism Statistics (Office for National Statistics)
48. Achievement and Attainment for Schools in England (Department for Education)
49. Schools for Wales (Welsh Assembly Government)
50. Schools for Scotland (Scottish Government)
51. Schools for Northern Ireland (Department of Education, Northern Ireland)
52. Criminal Justice System (Ministry of Justice)
53. Fuel Poverty (Department of Energy and Climate Change)
54. Transport Statistics Compendium (Department for Transport)
55. NHS Waiting Times in Scotland (Information Services Division of NHS Scotland)
56. E-commerce and Information and Communication Technology Activity (Office for National Statistics)
57. Statistics from the English Housing Survey (Department for Communities and Local Government)
58. National Travel Survey (Department for Transport)
59. Prescribing and Pharmaceutical Services in England (NHS Information Centre for Health and Social Care)
60. Statistics on Prescribing in Scotland (Information Services Division of NHS Scotland)
61. Statistics on Transport in Scotland (Scottish Government)
62. Statistics on Transport in Northern Ireland (Department for Regional Development, Northern Ireland)
63. Local Government Financial Statistics (Department for Communities and Local Government)
64. Lifestyles Statistics Compendium Publications (NHS Information Centre)
65. Statistics on Pensions (Office for National Statistics)
66. Benefits, Employment Programmes, Sanctions and Vacancies (Department for Work and Pensions)

67. Child Protection in Scotland (Scottish Government)
68. Adoptions in England and Wales (Office for National Statistics)
69. Northern Ireland Multiple Deprivation Measure (Northern Ireland Statistics and Research Agency)
70. Scottish Index of Multiple Deprivation (Scottish Government)
71. Welsh Index of Multiple Deprivation (Welsh Assembly Government)
72. Agricultural accounts, agricultural prices and farm business statistics (Department for Environment, Food and Rural Affairs)
73. Annual Employment Statistics from the Business Register and Employment Survey (Office for National Statistics)
74. Higher Education in Northern Ireland (Department for Employment and Learning, Northern Ireland)
75. Lifelong Learning in Scotland (Scottish Government)
76. Post-16 Education in Wales (Welsh Assembly Government)
77. Higher Education in England and the UK (Department for Business, Innovation and Skills, the Higher Education Statistics Agency and the Student Loans Company)
78. Further Education and Skills (Department for Business, Innovation and Skills)
79. Consumer Price Indices (Office for National Statistics)
80. Statistics on Retail Sales (Office for National Statistics)
81. Short-Term Economic Output Indicators (Office for National Statistics)
82. Welsh Short-Term Output Indicators (Welsh Assembly Government)
83. Scottish Macro-Economic Statistics (Scottish Government)
84. Index of Production and Index of Services for Northern Ireland (Department of Enterprise, Trade and Investment, Northern Ireland)
85. National Insurance Numbers Allocated to Adult Overseas Nationals (Department for Work and Pensions)
86. Scottish Community Care (Scottish Government)
87. Short-term Migration for England and Wales (Office for National Statistics)
88. Local Government Finance in Wales (Welsh Assembly Government)
89. Statistics on Transport in Wales (Welsh Assembly Government)
90. Survey of Carers in Households (NHS Information Centre for Health and Social Care)
91. Patient Experience in England (Department of Health)
92. Consumer Trends (Office for National Statistics)
93. UK Trade in Goods (HM Revenue and Customs)
94. Effects of Taxes and Benefits on Household Income (Office for National Statistics)
95. Construction Price and Cost Indices (Department for Business, Innovation and Skills)
96. Statistics from the General Lifestyle Survey (Office for National Statistics)
97. English Local Authority Capital Expenditure and Receipts, and Revenue Expenditure and Financing (Department for Communities and Local Government)
98. Government Expenditure and Revenue (Scottish Government)
99. Statistics on vital events in Scotland (General Register Office for Scotland)
100. UK Annual and Quarterly National Accounts (Office for National Statistics)
101. Statistics on Population, Demography and Households in Wales (Welsh Assembly Government)

2.3 MONITORING

Monitoring has developed into a distinct strand of the Authority's scrutiny function. It provides a means of establishing, and publicly reporting, the Authority's views on any matter of concern. Under the Statistics Act, the Authority has a statutory duty to monitor the production of official statistics and report on any concerns it has about quality, good practice or comprehensiveness.

This year the Authority published two substantive Monitoring Reports; Overcoming Barriers to Trust in Crime Statistics and Strengthening User Engagement. Both were overseen by project boards including external experts, and were undertaken in

close consultation with producers and users. Overcoming Barriers to Trust in Crime Statistics, published in May, made a number of recommendations concerning the quality and independence of crime statistics, including that the Home Office should establish a non-executive board to review and report on arrangements for the production of crime statistics and provide independent assurance of their impartiality and objectivity. Subsequently, the Home Secretary invited the National Statistician to conduct a review to decide which independent body should have future responsibility for the production and publication of crime statistics. This body should oversee the implementation of the remaining recommendations from the Monitoring Report, which the Home Secretary supported.

The Authority published its final report on Strengthening User Engagement in June. This concluded that statistics producers face challenges in adopting a new approach to user engagement, which in many cases amounts to a substantial change from current practice. It recommended that producers should take steps to enhance their understanding of use and provide effective commentary, and that a web-based user forum should be developed. Since the publication of the report, the Royal Statistical Society's Statistical User Forum has made significant progress in developing such a forum.

Monitoring Reports have proved effective as a vehicle for substantive comment. The Authority has also developed a programme of Monitoring Briefs (previously called Monitoring and Assessment Notes) in response to specific issues of concern. They are shorter than Monitoring Reports and provide a means to draw attention to, and take a more rapid look at, an issue. They have helped raise public awareness of issues and emphasise the Authority's independent perspective. The Authority published eight Monitoring Briefs in 2010/11:

- The Inter-dependence of Statistical Work in Government
- The Use Made of Official Statistics
- Communicating Inflation
- Proposals to Improve the Reporting of Road Casualties
- The Impact of the Authority's Monitoring and Assessment Function
- Implementation of Authority Recommendations
- Findings from the first 50 Assessment Reports
- Findings from the first 100 Assessment Reports

The Monitoring Brief on the Inter-dependence of Statistical Work in Government highlighted, through examples, the complex network of inter-dependence by which the statistical work of one department or agency supports and complements statistical work elsewhere. The Brief argued that departments should consider the implications of inter-dependence when proposing substantial changes to statistical work, to avoid the risk of reducing the value or efficiency of public sector functions.

In the Use Made of Official Statistics, we proposed that statisticians might consider the use made of their statistics in the context of a 'generic framework' and offered a short summary of how the statistics are (or might be) used. The Monitoring and Assessment team has promoted the use of this framework to statistics producers as part of the assessment process. There is some evidence that producers are taking steps to develop

their understanding of how their statistics are used, and increasingly this information is published.

In parallel to the statutory assessment of consumer price indices against the Code, the Monitoring and Assessment team prepared a Monitoring Brief on Communicating Inflation which was published in December. This Brief considered points raised in public debate about the Retail Prices Index (RPI) and the Consumer Prices Index (CPI), the uses made of the two measures, the need to respond further to these needs, and the way in which the statistics are communicated. It suggested that more could be done to clarify, for the public and for journalists, the confusing aspects of the current measures, through additional written commentary. Other suggestions for improvement included for the ONS to: carry out more analysis of the strengths and weaknesses of the CPI and RPI; consult users on plans for improving the CPI; and producing additional material for users on the difference between consumer price indices and a 'cost of living index'.

In March 2010 the House of Commons Transport Select Committee invited the Authority to investigate the extent to which the Department for Transport had sought an explanation for the divergence between the number of people killed in road traffic accidents and those seriously injured. This invitation followed a statutory assessment by the Authority of statistics on road casualties that led to a Transport Committee evidence session at which the Head of Assessment was invited to give evidence on the findings.

In January the Authority published its response to the Transport Committee, in the form of a Monitoring Brief, which concluded that while a considerable body of research had been undertaken into the divergence, the evidence was likely to remain inconclusive. It found that the Department for Transport had published much of the evidence and had developed its published explanation of the divergence in light of the Authority's assessment. The Brief found scope to further improve the presentation of this material, and made a number of suggestions to enhance the published statistics.

The Brief on the Impact of the Authority's Monitoring and Assessment Function identified the practical benefits of Monitoring and Assessment. It found that there were early signs of beneficial impact in terms of enhancing statistics producers' understanding of the use made of statistics, improving producers' engagement with users, and raising standards in statistical releases. The Brief also set out some plans to further enhance the benefit of assessment.

Further evidence of the impact of Monitoring and Assessment was discussed in a Monitoring Brief on the Implementation of Authority Recommendations. In the case of Requirements made in statutory Assessment Reports, statistics producers are required by law to comply. The Brief estimated that around half of these had been met by April 2011, and the rest were in train. There was also evidence that statistics producers have made progress in relation to most of the recommendations from the Authority's Monitoring work.

The primary task of Assessment is to identify the actions that need to be addressed for sets of statistics to be fully compliant with the Code of Practice. Through our series of 'Findings from Assessment' Monitoring Briefs, we have analysed the common themes picked up in different assessments. This helps identify priority areas for attention across the GSS. This year the Assessment team published two installments of this

series of Briefs. The latest version, Findings from the first 100 Assessment Reports, found that engagement with users, inclusion of full and clear commentary and the maintenance of comprehensive documentation continue to be areas where the most improvement is required.

2.4 STATISTICAL EXPENDITURE

In May, the Chair wrote to the Prime Minister proposing that the Authority be consulted ahead of any significant changes to statistical expenditure or statistical outputs, in order to fulfil its statutory role to promote and safeguard the production and publication of official statistics that serve the public good. The Minister for the Cabinet Office replied indicating that it was for each department to decide on how they manage their budgets, in accordance with departmental priorities. The Authority's position remains that to safeguard the coherence of the UK's decentralised and devolved statistical system, spending cuts and other changes should be carried out with a clear overview of the whole statistical system in mind. We have stated this in our Monitoring Brief on the Inter-dependence of Statistical Work in Government.

In the absence of a formal consultative role, the Authority has published a statement on its plans for monitoring reductions in government statistical functions. The Authority has begun a series of Statistical Expenditure Reports, which identify and investigate any changes to departmental statistical work programmes where there are questions about whether user needs have been fully considered; where adequate consultation may not have been carried out; where the effects on other departments or other statistical series may not have been taken into account; or on the rationale underpinning the proposals more generally.

A Statistical Expenditure Report was published following the Department for Communities and Local Government's announcement in March that the Citizenship Survey would be cancelled. The Statistics Authority concluded that insufficient account had been taken of the effect of discontinuing the survey on the Government's own requirement for statistical data – with which to monitor its policies – and of the data requirements of other bodies that cannot meet their own needs by themselves conducting major surveys. The Statistical Expenditure Report was accompanied by a letter to the Secretary of State for Communities and Local Government, asking him to look again at the case for collection of statistical information of the kind that has been available from the Citizenship Survey for the last ten years.

In addition to Statistical Expenditure Reports, which by their nature tend to be published after a decision to reduce statistical capacity or outputs has been made, the Authority may in some cases intervene at an earlier stage. The Authority wrote to the Secretary of State for Health about concerns over proposals to withdraw funding for statistics on smoking and drinking, which provide a time series going back nearly 40 years. We plan to follow up the issue with a full Statistical Expenditure Report.

2.5 ISSUES LOG AND CASEWORK

The Authority maintains an Issues Log on its website. This log is a record of matters or concerns to which the Authority's attention has been drawn. Inclusion on the Log does not necessarily mean that the Authority shares the concern or is committed to further action. The purpose of maintaining the Log is to provide transparency about what is drawn to our attention. The Authority follows some of the issues up, and this can lead to an announcement or a position statement set out in correspondence or a Monitoring Brief.

Many of the issues raised with the Authority have fallen into the following broad categories:

- the clarity of the communication of official statistics;
- methodological/technical concerns about coverage and classification;
- the coherence of official statistics (including with non-official statistics);
- concerns about release practices;
- legal/quasi-legal issues, including relating to the Census, and to disclosure, and;
- gaps in official statistics.

2.6 MONITORING AND ASSESSMENT TEAM

The Monitoring and Assessment team is now well established across its three sites – London, Edinburgh, and Newport. The team has 20 full-time equivalent staff members from a range of analytic backgrounds; including statistics, social research, economics, and audit. The team meets regularly in order to share its understanding of the application of the Code in Assessments, and to ensure coherence. When possible, individual Assessments are conducted by assessors from more than one site.

The Authority, with the Royal Statistical Society (RSS) and the Economic and Social Research Council, jointly funds the Statistics User Forum (SUF). SUF is an umbrella organisation for user groups and other interested bodies. It aims to be the authoritative voice for users of UK official statistics, working in partnership with the devolved administrations and their own user communities. The Authority has seconded a member of staff to SUF since September 2009, to provide secretariat support to SUF, helping to take forward the RSS Statistics User Theme business planning, and working with user groups bilaterally to help them build and sustain direct engagement with relevant producers.

2.7 THE AUTHORITY AND DEVOLVED STATISTICS

The Authority's remit, as established by the Statistics and Registration Service Act 2007, applies to official statistics across the UK. The Authority is therefore accountable to the UK Parliament, the Scottish Parliament, the National Assembly for Wales and the Northern Ireland Assembly.

During 2010, the Authority continued to engage with users and producers of devolved statistics and with the devolved legislatures to promote a good understanding of the role of the Authority.

The Authority Chair wrote to the Chair of the relevant committee in each of the devolved legislatures and to the responsible minister in each of the devolved administrations to offer some observations on how the Authority sees its role in relation to Scotland, Wales and Northern Ireland. The letter noted that most of the Authority's activities are not of the kind that require the direct involvement of ministers or committees. Communications between Authority staff and the teams in the devolved administrations responsible for producing official statistics are effective and constructive. Should any intractable or high profile issue arise in relation to official statistics, the Authority would write to the committee and Minister concerned, as appropriate.

Over a third of the first 100 Assessment Reports published by the Authority covered devolved statistics. The findings from the first 100 Reports apply equally to devolved statistics. The areas identified as being in most need of ongoing attention are engagement with users, inclusion of full and clear commentary and the maintenance of comprehensive documentation. In 2011, the Authority will work with the National Statistician's Office to help communicate the lessons from assessment to the bodies that produce devolved official statistics.

2.8 LOOKING FORWARD TO 2011/12

The Assessment Programme will continue according to the published work programme for 2011/12. We have written to statistical Heads of Profession this year to clarify the current groupings of statistics and to identify where groupings could be rationalised to increase efficiency. The Assessment Programme is kept under constant review as information about changes to statistical outputs is received, or requests are made for official statistics to be assessed for National Statistics accreditation. In particular we intend to:

- consider priorities for reassessment of statistics previously covered by Assessment Reports;
- continue to identify best practice in the course of Assessments, and draw attention to it;
- work with the National Statistician's Office to help communicate the lessons from assessment to the bodies that produce official statistics;
- publish material about each assessed set of statistics, drawn from written evidence provided during the course of Assessments, via the Publication Hub website, in order to provide users with more information about the statistics;
- review the way that we assess those sets of statistics that raise few issues of risk or materiality, and, if practicable, reduce the work involved in these assessments; and
- update the Impact Monitoring Brief as further evidence emerges, to communicate better the ways in which Monitoring and Assessment contributes to meeting the Authority's objectives, and the benefits from Assessment.

The first edition of the Code of Practice for Official Statistics was published in January 2009. The Code was deliberately developed to support Assessment, and experiences of this first year of Assessment have shown that some elements of it could usefully be clarified. We have work in hand to review the Code of Practice during the coming year.

The Authority will continue to publish Monitoring Briefs where concerns are raised about the quality, good practice or comprehensiveness of official statistics. We have begun work to produce Briefs on the accessibility of statistics about climate change, the availability of statistics for Parliamentary Constituencies and the viability of a UK wide deprivation index. We also plan to start preparing Briefs on the use and value of statistics by sectors of industry and society, and the importance of statistical commentary in adding value and building trust in statistics. We will continue to monitor decisions to reduce or cease statistical capacity or outputs, and we will draw public attention to where the impact on users has not been considered transparently and systematically.

The Authority's Monitoring and Assessment functions are themselves part of demonstrating the trustworthiness of the UK's statistical system – in the sense that the system is seen to be independently observed and regulated. But if users of statistics and the public are to trust the regulatory function they may need more understanding than they currently have of our work. We may therefore need to build on steps already taken to engage more systematically with 'opinion formers' both in the UK and internationally, partly to describe the Authority's work and partly to better identify and understand any concerns about the statistical system. And we will seek further views from users of statistics on the perceived changes to the statistical service over time.



Ms Jil Matheson

Chapter 3

Government Statistical Service Annual Report

3.1 NATIONAL STATISTICIAN'S INTRODUCTION

This is my second annual report as National Statistician in what has been a challenging but exciting year. Against a background of change, the Government Statistical Service (GSS) has continued to provide a wide range of economic, social and environmental statistics which are vital to understanding both the country's immediate economic and financial circumstances, and the longer term trends.

This report describes some of the key achievements of the GSS over the past year, including responding to the need for greater efficiency and effectiveness. The successes reported here highlight the value of statistics and how they have influenced decision-making. They also identify activities where the GSS has worked collaboratively with others in the analytical professions (economists, researchers and scientists) towards a common goal.

The spending review announcements in the autumn of 2010 meant that the drive to be more efficient and effective has become even more important. The need for departments to make savings has resulted in changes to statistical work programmes and to individual statistical outputs. As the impact of the financial settlement plays out across departments I acknowledge that difficult decisions may have to be made, and statistics and statisticians will be affected alongside other staff. My aim is to ensure that

the key official statistics are preserved, and the UK's statistical infrastructure, including the capability of the GSS, is maintained.

Promoting the accessibility and impact of official statistics was one of my priorities when I took up post as National Statistician. Over the past 12 months many departments have been working to improve statistical commentary and presentation in their own releases, to help users better understand the messages revealed by the data, and hence strengthen the impact and value of the statistics. These developments have been welcomed by users, with one department reporting 'a surge of interest' in its releases after it introduced more helpful commentary. I look forward to continued improvements in the presentation and helpfulness of statistical releases.

The availability and accessibility of data are also key elements of the UK Government's transparency agenda, and the GSS has an important contribution to make. Helping to ensure statistics are widely available, understood and used has always been a key driver for the GSS, so the transparency agenda has presented new opportunities for the GSS to consider its approach to dissemination. I am pleased with the way that the GSS has responded to this challenge, as it has sought to explore the opportunities while minimising the risks, and in a way which is consistent with the Code of Practice for Official Statistics.

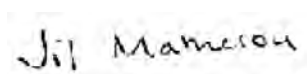
As the year has progressed I have been pleased to see the results from the UK Statistics Authority's assessment process, which assesses statistics against the Code of Practice. To date, some 500 statistical outputs have been deemed compliant with the Code, subject to the implementation of some required enhancements, particularly on strengthening user engagement and improved statistical commentary. Overall, the assessment reports concluded that the statistics covered were readily accessible, produced according to sound methods, and managed impartially and objectively in the public interest. The GSS has been able to demonstrate clearly that its statistics have been produced with integrity. The assessment process has provided a large measure of public reassurance that official statistics are produced to high standards and are of value to both government and society.

Over the past year I have led two major reviews of statistics, on the housing market and on crime. The Housing Market review initially concentrated on house price statistics about which a report was published in December. The review of Crime Statistics was published on 6 June 2011. The reviews considered the statistics available in these two very important and topical areas, both of which help inform the public of matters of interest in their daily lives. I look forward to seeing the review recommendations being taken forward.

There have been many events throughout the year demonstrating success across the GSS. In June, the Office for National Statistics (ONS) and the Department of Energy and Climate Change (DECC) were joint winners of the inaugural Royal Statistical Society (RSS) award for statistical excellence in official statistics. It was a great recognition by the wider professional community of excellent work done in the GSS. World Statistics Day was held on 20 October and the GSS celebrated this in many different ways. In November 2010, I had the opportunity to stand alongside the Prime Minister for the launch of the work on Societal Wellbeing. This is an exciting agenda and it was great to

be able to talk about statistics and their importance. This recognition and public profile is the kind of impact I want for the GSS. And of course 27 March 2011 was Census Day. While Census Day itself was a significant event, it represented years of preparation across the GSS to collect information that will serve us well for the next decade.

Throughout 2010/11 I visited many departments to talk with GSS staff, learn about what they do, and answer their questions. These visits were always interesting and strengthened my view of the professionalism within the GSS. I would like to take this opportunity to thank everyone for their contributions over the past 12 months and look forward to the challenges in the year ahead.

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

Jil Matheson

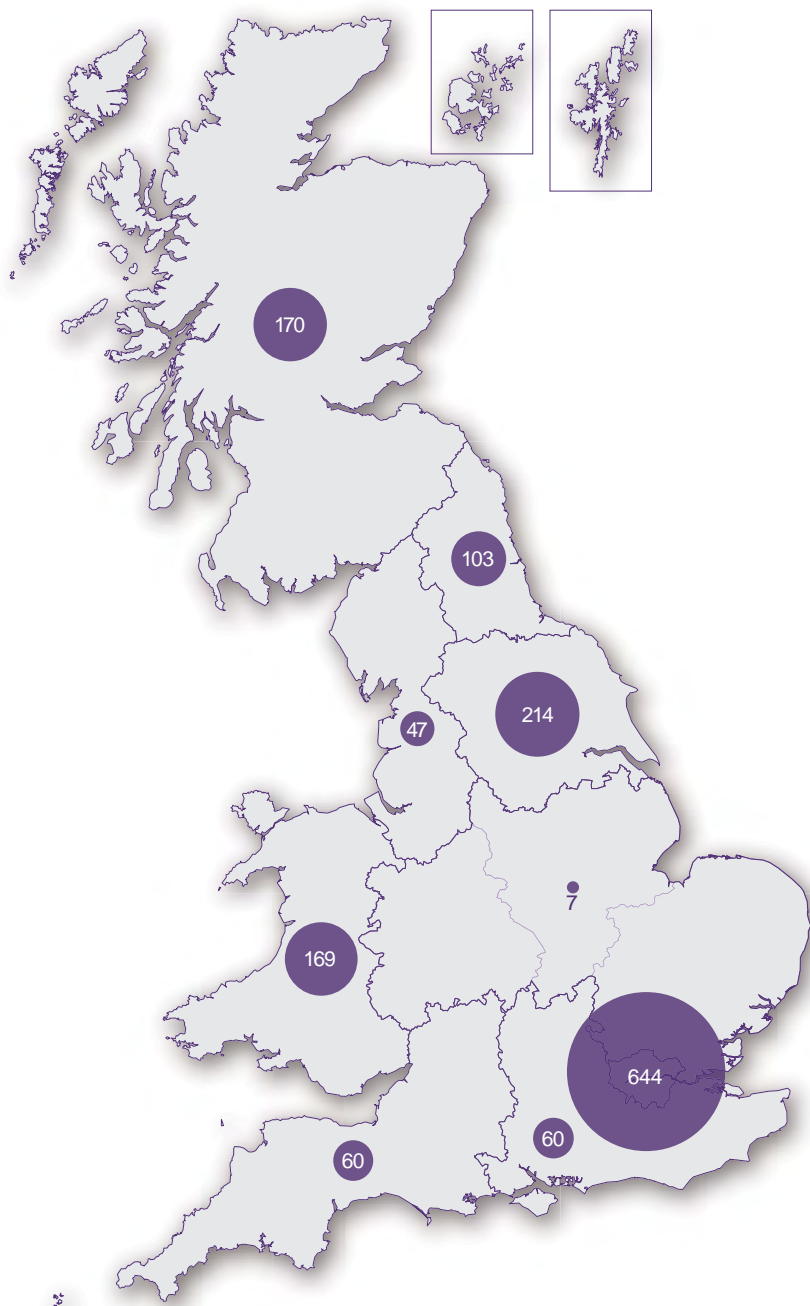
National Statistician and Head of the Government Statistical Service

July 2011

3.2 THE GOVERNMENT STATISTICAL SERVICE

The GSS is the community of all those involved in the production of official statistics in the UK. Led by the National Statistician, it is a flexible and diverse network of people across many different organisations, including government departments, agencies and the devolved administrations. It includes statisticians and others providing high quality information, analysis and advice to decision makers. Around 1,480 staff are members of the Government Statistician Group (GSG), the professional community of statisticians within government, and they are based in various locations across the country. The map shows the number of GSG staff by region in 2010/11.

Government Statistical Group Staff by Region¹, 2010 to 2011



¹ The data for East Midlands, West Midlands and East of England have been merged due to the small number of staff in these regions.

Contains Ordnance Survey data
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Every government department or agency with a GSS presence, in terms of either its production or use of statistics, has its own Statistical Head of Profession (HoP), with professional accountability to the National Statistician. Each of the devolved administrations has a Chief Statistician. The HoPs/Chief Statisticians and others across the GSS work together within a governance structure that operates on an inter-departmental and inter-administration basis, coordinating statistics policy and addressing issues of common concern.

National Statistics outputs across the GSS are pre-announced via the Publication Hub. There are currently 1,059 National Statistics products, and a further 682 official statistics outputs published by the GSS and non-Crown Bodies. As part of the UK Statistics Authority's rolling programme of assessments, some 500 statistical outputs have so far been assessed as being compliant with the Code of Practice, subject to the implementation of some required enhancements.

In addition to the delivery of National and official statistics, the GSS has continued to play a key role within departments/administrations, helping to provide the evidence base and analytical support for the daily business of government. This has included the provision of data and information in support of policy making (considering the need and rationale for a new policy and appraising options), and policy monitoring (reviewing and evaluating outcomes). It has also involved the provision of advice and briefing, and engagement with departmental business planning, including the provision of evidence and data in support of planning for the spending review.

The past year has seen the National Statistician's Office publish guidance to statistics producers on a range of subjects. Examples include information related to the application of the Code of Practice to the emerging Public Data Principles and the impact of these principles and the wider transparency agenda on the dissemination of statistics. There has also been advice and guidance on improving statistical commentary, and on governance arrangements for arm's length bodies (ALBs) in the expanding UK statistical system.

The UK statistical system expanded to encompass ALBs – non-Departmental Public Bodies and Executive Agencies – sponsored by government departments which produce official statistics, as a result of the Statistics and Registration Service Act 2007 and associated secondary legislation. Arrangements for working with and supporting these bodies were developed by a National Statistician's Task force and ratified by HoPs in June 2010. Over the year, there has been evidence of good working relationships being developed between HoPs in sponsor departments and their ALBs, which have gradually led to a greater understanding of, and hence fuller compliance with, the Code of Practice. There have also been examples of HoPs providing direct statistical support to their ALBs, and of HoPs and ALBs working together to find solutions to shared issues.

Statisticians regularly work together and alongside their policy and analytical colleagues both within and across organisations to deliver the evidence base for government, and to help inform understanding of the UK economy and society.

The Green Deal – Department of Energy and Climate Change (DECC)

In December 2010, the coalition government launched a new policy “The Green Deal” to establish a framework which will enable private firms to offer consumers energy efficiency improvements to their homes, communal spaces and business at no upfront cost. A project has been set up to monitor the take-up of the new policy and statisticians from the Department of Energy and Climate Change are working with social researchers, economists, scientists and policy colleagues by providing advice on sampling, targeting, harmonisation and wording of questions and supervising the pilot survey.

Improving the greenhouse gas inventory for agriculture – Department for Environment, Food and Rural Affairs (Defra)

Statisticians from the farming statistics teams are working with natural science colleagues, social researchers and veterinary scientists to improve the greenhouse gas inventory for agriculture. The research project will draw heavily on the knowledge and expertise in these teams to understand how the statistics can best be used or refined to improve the inventory. For example, statisticians are working with their natural science colleagues to understand the latest developments in greenhouse gas mitigation and what available statistics can be used to monitor change. The work with social researchers will enable Defra’s statisticians to gain an insight into farmer attitudes and behaviours in relation to the take up of mitigation measures, and the work with veterinary scientists will allow them to understand more about links between animal health and welfare and greenhouse gas emissions.

The GSS has continued to engage regularly with users by various means, including through the Statistics User Forum (SUF), the Statistics Suppliers and User Group and liaison with GSS Theme Groups. The Ministry of Justice, through a more proactive engagement strategy, substantially increased response to its latest consultation on the definition of its statistics. With support from SUF, both the Population Theme and Agriculture and Environment Theme have held successful events to engage directly with their users. The Children, Education and Skills Theme has been involved in the development of “StatsUserNet” with the RSS, which will serve both statistics users and producers. The RSS, with support from the GSS, has launched a campaign “GETSTATS” which aims to equip everyone with the skills and confidence to use numbers well.

In January 2011, in response to the UK Government’s transparency agenda, the GSS Presentation and Dissemination Committee established a sub-group to coordinate the implementation of the agenda across the GSS. The Transparency Sub Group (TSG) has membership from several departments, including the ONS, Ministry of Justice (MoJ) and Department for Communities and Local Government (DCLG). The TSG’s role is to ensure that transparency is implemented by the GSS in a way that recognises the opportunities, yet minimises any risks to data quality and the preservation of confidentiality; and is consistent with the Code of Practice for Official Statistics and with the GSS web dissemination strategy. Making data available for easy re-use, using open data formats,

is a key principle of transparency, and the sub-group is developing ways for the GSS to improve its approach to disseminating data, so as to enhance user functionality.

The drive for greater efficiency has continued within the GSS. For example, the ONS and Department of Work and Pensions (DWP) are working together to improve the efficiency of data collection on poverty measures, by increasing harmonisation between similar indicators used by the UK and EU which are currently collected on separate surveys. It is planned that questions asked on the ONS' General Lifestyle Survey, for European Statistics on Income and Living Conditions (EUSILC), will be merged with similar questions on DWP's Family Resources Survey (FRS) to deliver harmonised and cost-effective poverty indicators from the FRS, meeting both UK and EU requirements.

3.3 PROGRESS AGAINST THE NATIONAL STATISTICIAN'S PRIORITIES

When the National Statistician was appointed in September 2009, she set out her priorities for the GSS as follows:

- **Relevant statistics** – statistics must continue to develop to reflect changes in society and the economy, and the changing needs of users. Transparent decision making and prioritisation are important.
- **Standards and quality** – while the GSS's reputation in this arena, both domestically and internationally, is good, there is a continued need to invest in methods and standards, sharing best practice across the GSS, learning from the UK Statistics Authority's assessment process, and drawing on external experts for advice on development where appropriate.
- **Accessibility and impact** – the need to ensure that outputs are well designed, well presented, well explained and accessible, and that the impact of statistics and statisticians in supporting decision making is recognised, both within and outside government.
- **Capability** – the need to continue work on skills development and continual professional development, to address broader skills such as communication and influencing, and to consider talent management and succession planning.
- **Public profile** – the need to raise the profile of statistics so that its contribution to decision making is recognised.
- **International collaboration** – the need to ensure that the UK continues to enhance its strong reputation by, for example, learning from other countries and sharing its own experiences, and by complying with international standards.

In 2010/11 the National Statistician continued to focus on these priorities, and the GSS made progress against each of them through a broad range of activities and developments:

Relevant Statistics

Ensuring we produce the right statistics is vital. The Spending Review 2010 has led many departments to scrutinise their statistical outputs, with a clear understanding of user priorities being a key factor in this. It is acknowledged that it is for each

department to decide how to manage its statistical budgets in accordance with overall priorities and for statisticians within departments to advise on statistical matters. It is also clear that there are severe and increasing pressures on departmental budgets. This has led to careful scrutiny of statistical budgets and activities, and tough decisions about reductions to statistical outputs have been made. Many of these decisions have been informed and influenced by a consideration of the effect of such a reduction on those who depend on the statistics, or on the production of statistics in other departments. There have also been a range of user consultations, which have helped lead to a balanced evaluation of relative priorities. There have nevertheless been some disappointing decisions, particularly the decision to discontinue the Citizenship Survey. This survey sought the views of the public on a number of topics relating to local areas including community cohesion, racial and religious prejudice and discrimination, and volunteering and charitable giving. The survey results were used for a range of purposes including developing and evaluating strategies, planning services, and understanding the interaction between various social attitudes and demographic characteristics. This was a valuable survey and many users expressed concerns about its discontinuation.

In the light of the Spending Review 2010 and the need to consider priorities, there has been a growing number of user consultations, some designed to improve knowledge of users of their statistics so that they can assess how far they are meeting their needs, while others have been focused on changes to statistical work programmes or individual outputs. The May 2010 consultation by DECC fell into the former category, received about 170 responses and has become recognised as a model for good practice across the GSS. It led to the publication of more local information and new data on renewable energy and insulation levels. The ONS consultation, that closed in December 2010 and received over 300 responses, was designed to ensure that its future statistical work programme reflected users' priorities.

The National Statistician's review of house price statistics was published in December 2010, as the first stage of the wider review of housing market statistics. This report made recommendations for the future of official house price measures, based on an understanding of how the information is used to ensure fitness for purpose and relevance.

Statisticians across the GSS have focused on ensuring their outputs are relevant and meeting users' needs.

Tracking medical care pathways of members of the Armed Forces – Defence Analytical Services and Advice Directorate (DASA), Ministry of Defence (MOD)

New statistics have been launched on the medical care pathways of troops injured in Afghanistan. The Defence Analytical Services and Advice Directorate (DASA), which is part of MOD, produces official statistics covering military operations in Iraq and Afghanistan including reports on operational fatalities / casualties, amputations and hospital treatment statistics. Following internal customer and external media demand, an Official Statistic was launched in October 2010 which tracked medical care pathways of personnel very seriously injured or seriously injured on Operation HERRICK in Afghanistan. These statistics release operational information into the public domain without compromising the operational security of UK Armed Forces personnel or breaching individuals' rights to medical confidentiality. The report has proved vital in aiding decision making and policy development in the MOD and in ensuring the Department's accountability to the British public.

Introducing clinical quality indicators for Accident and Emergency (A&E) departments and the ambulance service – Department of Health (DH)

Statisticians, clinicians and officials have been involved in developing indicators to measure the quality of care delivered by A&E departments and the ambulance services. These clinical quality indicators enable assessment of the whole distribution of waits experienced by patients and look beyond timeliness of care. They include assessments of patients who repeatedly return to emergency services or who leave before their clinical care is fully completed. The indicators will be supported by Statistical Process Control methodologies allowing NHS providers to better understand their performance and distinguish "special cause" variation in performance from expected "common cause" variation. Evidence suggests these indicators will deliver a more comprehensive, sensitive and patient-centred assessment of the quality of emergency care.

Supporting the implementation of pension reforms – Department for Work and Pensions (DWP)

Statisticians have been working to support the implementation of pension reforms through the provision of relevant statistics and analysis. From October 2012 all employers will be required to automatically enrol eligible jobholders into a qualifying workplace pension scheme and the National Employment Savings Trust (NEST) is being introduced to support automatic enrolment. Statisticians from DWP have been working alongside economists and social researchers to provide the evidence to support the recommendations from the Making Automatic Enrolment Work Review, commissioned in June 2010, to make sure that these reforms are implemented in the right way. Analysis based on the ONS Annual Survey of Hours and Earnings and Labour Force Survey, DWP's Family Resources Survey and the Department for Business Innovation and Skills' Small and Medium Enterprise statistics has been used to make recommendations on whether there were any individuals or employers who should not be in scope of the reforms.

Standards and Quality

The GSS has continued to work to improve standards and the quality of its outputs. This is an ongoing endeavour, with a focus on continual improvement. The GSS has been supported in this through the provision of seed-corn funding by the Authority to enable the delivery of specific projects aimed at improving quality, methodologies and consistency. The Quality Improvement Fund (QIF) has been used successfully to initiate and support a range of projects across the GSS. While these projects have tended to focus initially on an issue being faced by a specific department/administration, the outcomes generally have wider applicability, and the results and lessons are shared across the GSS. Examples of the QIF projects in 2010/11 include:

- MoJ working with the Office for Criminal Justice Reform to reconcile Court Statistics published by MoJ with Prosecution Statistics published by the Office for Criminal Justice Reform, in order to improve the consistency of outputs by the two producers, and support better coordination across departmental boundaries;
- DECC improving the comprehensiveness of statistics related to fuel poverty in order that users are better informed about relevant indicators;
- Scottish Government improving the utility of data collected by four cross-sectional population surveys that will allow more sub-group analysis by geography and population that, in turn, will feed into the promotion of good practice across the administration; and
- the National Records of Scotland (formerly the General Register Office for Scotland) working with the ONS to draw on its knowledge and experience of managing access to potentially disclosive datasets and the statistics derived from them to better optimise the balance between access for research purposes and confidentiality.

The GSS governance structure also maintains a firm focus on quality and standards, particularly through its Statistics Policy and Standards Committee (GSS SPSC). In January 2010, GSS SPSC established a Quality Task Force to develop proposals for quality measurement and reporting, quality reviews, quality assurance and quality management. The task force has developed agreed definitions for key quality terms and concepts within the context of official statistics, developed a training course that explains the key elements of quality management and assurance for GSS staff, further developed the Quality, Methods and Harmonisation Tool (QMHT) to aid producers of statistics in reviewing their surveys and outputs, and developed guidance for quality measurement and reporting. The task force has also developed a communication plan to ensure that the results of its work are disseminated around the GSS and to help ensure the use of these good practices within the production and dissemination of official statistics.

Statisticians around the GSS have continued to work to improve the quality of their data and outputs, so that they are fit for the purposes to which they are put.

“Homelessness Prevention and Relief: England 2009/10” experimental statistical release – Department for Communities and Local Government (DCLG)

In August 2010, DCLG published improved statistics related to the actions of local housing authorities in preventing and relieving homelessness. This was the first time that, due to better data quality, the department was able to impute missing local authority data in order to provide national and regional estimates of total activity and publish figures at the local authority level. DCLG economists have been able to use these statistics to provide important evidence on the impacts of grant funding for preventions programmes, helping to secure a nominal terms freeze in the homelessness budget during Spending Review negotiations. How local authorities allocate funding, and hence the actions they take on tackling homelessness, will be informed by the homelessness prevention and relief statistics. They can, for example, use these statistics to benchmark their actions and performance against other local authorities.

GSS SPSC established a further task force in January 2010, to develop proposals to assist with compliance with Principle 6 of the Code of Practice – ‘the cost burden on data suppliers should not be excessive and should be assessed relative to the benefits arising from the use of the statistics’. The Respondent Burden Task Force’s work on reducing costs and on conducting cost/benefit analyses, which will be disseminated in Summer 2011, will help the GSS to reduce respondent burden and costs in both business and social statistics across the GSS without a reduction in the quality of the statistics. The guidance on cost versus benefit will be useful across the GSS as a tool for helping to assess whether or not to run, change or stop a survey.

Accessibility and Impact

During 2010/11, the GSS has been developing a web dissemination strategy for official statistics, building on ‘Statistics Matter’ (published March 2010), which sets out some of the key opportunities for government statistics. The work has focused on what the GSS can do to improve the use of the web and associated technologies in disseminating official statistics, and in helping users find official statistics more easily and in a form which they can use as they choose. The strategy sets out a vision for the web dissemination of official statistics, and outlines the short- and medium-term steps needed to help serve users more effectively. Given existing good practice, the focus is not to encourage the development of expensive cutting edge technology. Instead it is to raise understanding and awareness of what others are doing, such that producers can then take small but important steps toward improving official statistics dissemination.

A significant amount of work has also been done to improve the presentation of official statistics. Many departments have focused on developing and strengthening the statistical commentary in their releases to help users better understand the messages being revealed by the data. A GSS task force on presentation and commentary has provided excellent support for this work, acting collaboratively across the GSS, and helping to bring about improvements to many statistical releases. In a number of areas, better quality press briefing has also resulted from this work, leading to more informed press coverage of GSS outputs and hence better public understanding.

These improvements in the presentation and accessibility of statistics are important because the statistics are only of value if they are properly understood and used. The right statistics, used in the right way, can have a real impact.

Planning Workforce Reductions in the Armed Forces – Defence Analytical Services and Advice Directorate (DASA), Ministry of Defence (MOD)

Statistics from DASA have made a significant contribution to the achievement of value for money in defence planning over the past year. The work of DASA's statisticians played a key role in the detailed planning of the workforce reductions of the Armed Forces announced in 2010. They built sophisticated statistical models which predict the long term effect of various scenarios enabling the manpower managers in each of the Services to achieve the optimal combination of reduced recruitment and redundancy to ensure that the planned reductions are achieved, while simultaneously ensuring that future rank and occupational structures are fit to meet future demands. The models were built with advice from MOD economists to ensure they took into account the likely path of the economy in the next few years.

Using statistical analysis to influence policy – Department for Environment, Food and Rural Affairs (Defra)

The Rural Communities Policy Unit in Defra has used statistical analysis to influence the Department's priorities. By using data from a range of sources and good quality in-house analysis it has shown that the issue of household fuel poverty is high in rural areas and should be given a higher priority than road fuel poverty. This evidence led to Defra's Structural Reform Plan priority on fuel costs being focused on household fuel rather than road fuel. This work also helped DECC to focus on its delivery of energy savings initiatives on the specific needs of rural communities.

Capability

Throughout 2010/11, work has continued to strengthen the GSS through skills development and continuous professional development. There has been a particular focus on improving communication skills. Consideration has also been given to how best to support talent management and succession planning. The operation and work programme of the GSS Human Resources Committee has also been reviewed to ensure appropriate support is provided to departments on managing statistical capability while downsizing following the spending review.

In recruitment, too, mindful of the need to reduce costs, the introduction of the Analytical Fast Stream has enabled a streamlined approach to recruiting statisticians, economists and social researchers. This has reduced administrative costs and the time taken to appoint successful candidates.

It is important that GSS staff have the appropriate tools to enable them to communicate effectively with each other. During the past year, StatNet, the GSS intranet, has been redeveloped and a new pilot became operational in January 2011. StatNet is central to our efforts to make the GSS work better and maximise its potential benefits both for official statistics and for its members. A number of new interactive tools are being tested as part of the pilot, helping to share news, knowledge, experiences and skills.

Government Statistician's Conference – Sharing knowledge, experience and skills

Sharing knowledge is an important element in the maintenance and development of statistical capability. As part of that, the Government Statisticians' Conference was held in Birmingham in November 2010, and it was attended by 300 delegates. The event focused on the issues at the heart of developing the GSS – innovations in statistical collection, analysis and presentation; policy challenges and change; and understanding user needs. Speakers at the event were drawn from across the user community and workshops were also held to help GSS staff to hone their skills in effective statistical communication.

Public Profile

Statistics continue to play a pivotal role in society. Every day in the UK, decisions are made and money invested based on official statistics. It is impossible to open a daily newspaper or watch a news broadcast without seeing references to data on the economy, labour market, health, education, crime, defence or the environment, to name just a few. Statistics are used by Government, Parliament, industry and the wider community. In the last year, UK producers of official statistics again published thousands of statistical releases, providing extensive insight into the present state of UK affairs and how they have changed over time. The use of independent statistical media briefings by ONS on economic and social statistics, by the Home Office on crime statistics and by Ministry of Justice on criminal justice statistics, has led to improved interaction with the media, more informed press coverage of the data and hence better public understanding.

There have also been a number of other examples where statistics have commanded public attention – celebration of the first United Nations World Statistics Day on 20 October 2010 (20:10:2010); the launch of the national wellbeing agenda in November 2010; publication of the reviews of statistics related to the housing market and crime; and, of course, the 2011 Census where, across the UK, in the period leading up to and on Census Day itself, the public profile was enormous. These events enabled the GSS to demonstrate its value in informing and shaping decision-making in government, business and society in general.

There are also examples from across the GSS of statistics and other analytical evidence gaining a higher profile.

School Data Packs – Welsh Government (WG)

In Wales, a key component of the Schools Effectiveness Framework and Common Inspection Framework is the school data packs, which have been developed by WG statisticians, working closely with education colleagues, local authorities and schools. The packs form an integral part of the self evaluation process by arming schools with the necessary statistical information to identify strengths and weaknesses by comparing their performance to statistically similar schools in Wales, while also encouraging and facilitating schools to share, learn and improve. The packs are viewed as an important component in driving up the standards in schools in Wales.

‘Speak up for Rural Scotland’ – National Registers of Scotland

Statisticians have been drawing together evidence, along with Scottish Government rural policy makers, economists and researchers to aid in the production of the consultation paper ‘Speak up for Rural Scotland’ which was launched in August 2010. Launched on 9 March 2011, ‘Our Rural Future’ identifies the key priorities arising from the consultation, highlighting where action needs to be taken and commitments shared.

International Collaboration

During 2010/11, the international reputation of the UK was maintained and enhanced by continued GSS involvement in the development of international standards, consideration of common issues, and the sharing of experiences. For example, the National Statistician and other GSS staff have participated in a number of international meetings and conferences including: the European Statistical System Committee; the Organisation for Economic Co-operation and Development (OECD) Committee on Statistics; the United Nations Economic Commission for Europe (UNECE) Conference of European Statisticians; the UN Statistical Commission; the Directors General of Institutes of National Statistics; and the American Statistical Association Joint Statistical Meeting.

Visitors to the UK were received from a wide range of international statistical organisations including delegations from: Australia; China; Egypt; Japan; Mexico; Montenegro; Netherlands; New Zealand; Rwanda; Sweden; South Africa; Ukraine; United Arab Emirates; and United States.

Other international highlights for the UK included:

- managing the implementation of new European statistical legislation in the fields of economic accounts, environmental accounts, tourism, crops, and road transport
- chairing a UN High Level Forum on the 'Fundamental Principles of Official Statistics: threats and responses';
- involvement in the OECD Israeli Data Study Team concerning Israel's accession to OECD;
- leading a session on 'How Government Statistics Make a Difference' at the Joint Statistical Meeting of the American Statistical Association; and
- steering the programming for the 15th Conference of Commonwealth Statisticians in India.

Strengthening statistics in Ghana – Department for International Development (DFID)

In Ghana, the support of DFID's statisticians has strengthened the delivery of statistics, monitoring and evaluation. For example, DFID has worked in partnership with others to support Ghana's Ministry of Education to implement its Education Sector Strategy. DFID has directly supported the government of Ghana in undertaking the school census. Initial support has included the development of a 'school profile feedback' of the data to head teachers, and this will be followed up by targeted user information in future years. This has allowed the government of Ghana to target resources and ultimately support improved education outcomes.

Looking forward

This has been a challenging year, and the challenges will no doubt continue. Within the context of a changing environment, both economically and socially, the priorities for the GSS identified by the National Statistician nevertheless remain relevant. While good progress has been made against them in the past year, there is still clearly a need to maintain the focus, and be forward looking, on relevance, standards and quality, accessibility and impact, capability, public profile and international collaboration.

Alongside work on advancing these priorities, it will be essential for the GSS to continue to monitor the ongoing impact of the changes being progressed, including understanding and addressing where necessary any implications on the scope, quality and standard of national and official statistics. It will also be important to strengthen the support provided to GSS members to maintain and develop capability. Work will continue across departmental and organisational boundaries to improve communication and other skills; to encourage the sharing of knowledge; and to ensure best use and development of statistical capability.

It will also be essential for the GSS to continue to reduce costs and burdens on suppliers of statistical data; to seek out opportunities for strengthening the evidence base available

to decision makers; to look for further operational efficiencies; to identify new ways of working, particularly in relation to making more and better use of administrative data; and to be innovative and creative in disseminating statistics and promoting their use. I believe the GSS is well-equipped to rise to these challenges.



Mr Stephen Penneck

Chapter 4

Office for National Statistics Annual Report

4.1 DIRECTOR GENERAL'S INTRODUCTION

During this year ONS has faced many challenges. The global economic crisis and a rapidly changing society, together with a new government and the 2010 Spending Review have placed more emphasis on ONS statistics than perhaps ever before and all impacted on our day-to-day work.

In the face of these challenges we have continued to deliver our extensive portfolio of unique and high quality statistics, covering a wide range of economic and social issues. We have also continued to build a more efficient and effective National Statistical Institute.

This year I have been pleased to see progress being made towards our vision for ONS, 'where people come first for trusted statistics'. This chapter outlines some of these achievements.

It was encouraging to see, in such difficult circumstances, that we, as part of the 2010 Civil Service People Survey, showed an improvement in the 'engagement' of ONS employees. This is an indication of the positive attitude of our employees and the efforts that have been made to improve ONS as a place to work.

This year we have seen our programme of relocation out of London come to a close. I am very proud of the efforts of ONS staff (on all of our sites) to make relocation work. These efforts allowed us in 2010/11 to produce the *Blue Book* and *Pink Book* for the first time from Newport, as well as analysis on cancer and child health.

Alongside production of regular economic, social and demographic statistics ONS has delivered a number of major change programmes.

The 2011 Census Programme has made great progress in 2010/11, focussing on Census Day on 27 March 2011. The census is a huge logistical and statistical challenge and we have worked hard to ensure that it will be delivered successfully. The 2011 Census will deliver detailed and highly useful statistics about the population's characteristics at a national, regional and local level as well as other long term benefits such as the census address register.

The ENABLE (Effective National Accounts and Blue Book to Measure the Economy) Programme has delivered significant improvements to the systems used to produce the *UK National Accounts*. There was a publication delay last summer which required some re-planning. These key economic statistics are now on a stable footing which will allow for significant developments in standards and methodologies, as well as realising savings.

On a less positive note I regretted that we announced a delay to the launch of our new website. I know this will be a disappointment to our users, who are eagerly awaiting this much needed improvement.

We have achieved much while making efficiency savings of 5 per cent during the year. Following the announcement of the 2010 Spending Review we now know the extent of the budget reductions that we need to find over the next four years.

As we seek to meet the challenge of a reducing budget we have needed to look closely at our priorities. This year we carried out a detailed prioritisation exercise and consulted our stakeholders to get a better understanding of how they use our outputs and the impact on them if reductions are made. The valuable information that we received fed into our Business Plan for 2011/12 to 2014/15.

The continued budget pressures are driving our plans to reshape ONS.

We will maintain investment in our business as we look to reduce costs while improving our service to users.

This year we have continued to find efficiencies in our data collection methods, improving how we use surveys and furthering our aim of reducing the burden placed on respondents. This is the beginning of a programme to transform the way we collect and hold data which will be a focus for ONS over the coming years. We will seek to better exploit administrative data, to reduce costs to ONS and respondents, and minimise data collection costs from surveys by collecting once but using often.

Government are a key user of ONS statistics and as government priorities have changed so ONS has responded.

On 25 November, Jil Matheson gave a key note speech along side the Prime Minister to launch a national debate on how national well-being should be measured. This means not just measuring how the economy is growing but also coming to grips with measuring wider dimensions of well-being, such as quality of life and environmental sustainability. The national debate began in 2010 and we will see questions added to the Integrated Household Survey from April to allow publication of regular data on well-being from the middle of 2012.

We also began a significant exercise to look at alternatives to future population censuses.

While compiling this report I have been struck by just how much has been accomplished in such challenging circumstances. 2010/11 has been a successful year for ONS and we have put ourselves in the best possible position as we prepare for new priorities and financial constraints in 2011 and beyond.



Stephen Penneck
Director General for ONS
July 2011

4.2 ONS MISSION, VISION AND VALUES

Mission

‘Trusted statistics – understanding the UK’ is ONS’s mission statement. It sums up ONS’s role in the UK statistical system; what it is ONS does and what ONS has to offer.

The main responsibilities of ONS, as Executive Office of the UK Statistics Authority and within the context of Statistics and Registration Service Act 2007, include:

- the collection, compilation, analysis and dissemination of a range of economic, social and demographic statistics relating to the United Kingdom that serve the public good and meet our legal obligations (both domestic and international); and
- in conjunction with the National Statistician; providing statistical leadership and methodological advice for the benefit of UK official statistics; undertaking various representational roles in an international context; and the development and maintenance of definitions, methodologies, and classifications of statistics.

Vision

‘ONS – where people come first for trusted statistics’.

Users value ONS statistics, analysis and advice to drive their decisions, and meet their priorities.

Values

ONS embodies the Civil Service core values of integrity, honesty, objectivity and impartiality and also needs a set of values, alongside the vision, to describe the guiding principles that shape behaviour. While the vision describes ‘what’ ONS will do, the values describe ‘how’: how ONS will go about its business and how ONS lives the vision.

Our values are that ONS staff should:

- RESPECT each other;
- WORK TOGETHER to make a difference;
- BE PROUD of what ONS does; and
- Always want to DO BETTER.

4.3 STRATEGIC AIMS

The vision for ONS is to become ‘first for trusted statistics’, as we make progress towards this vision we will seek to make improvements in:

1. our LEADERSHIP and SKILLS;
2. understanding of the QUALITY of our statistics;
3. our record of DELIVERY;
4. our strength in INNOVATION; and
5. the VALUE FOR MONEY we give.

These strategic aims summarise the areas we aim to develop during the next four years. Progress for 2010/11 is described in section 4.7.

4.4 ORGANISATION STRUCTURE

The UK Statistics Authority ONS Board, chaired by Lord Rowe-Beddoe, the Authority's Deputy Chair with responsibility for ONS, oversees ONS's strategy and priorities and monitors the ONS budget and work programme. More details can be found in Chapter 1.

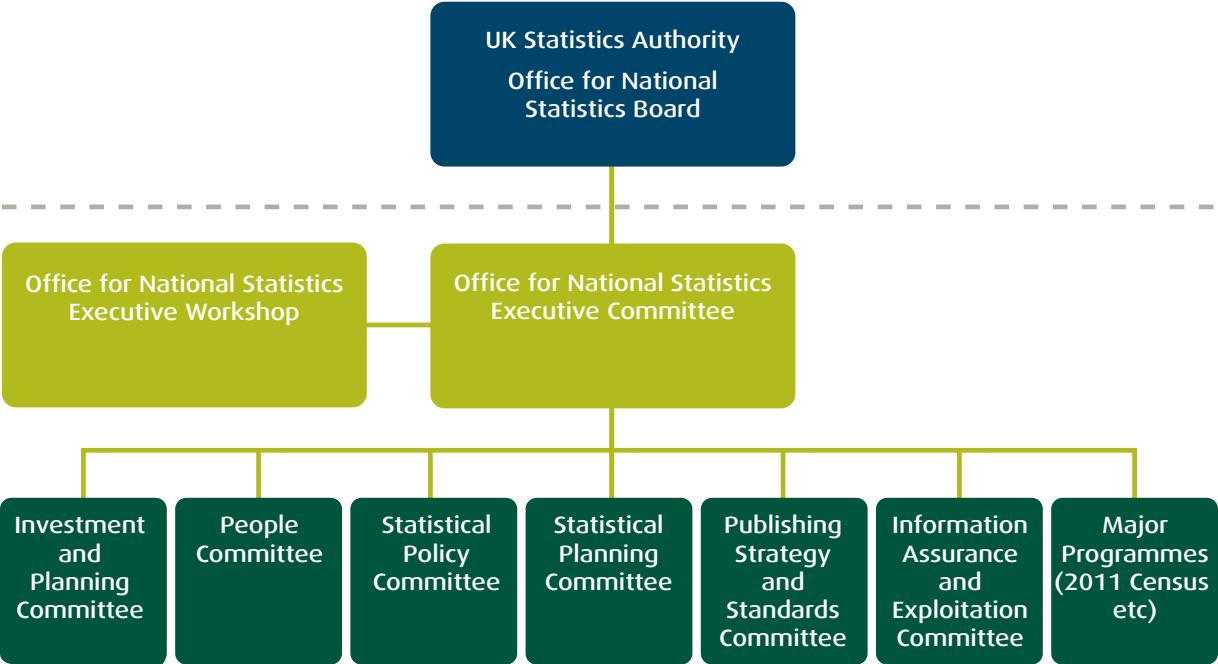
The National Statistician, Jil Matheson, is the Principal Accounting Officer for ONS. Day-to-day management of ONS is delegated to Stephen Penneck as Director General who in turn is supported by seven directors.

The seven directors and the Director General form the ONS senior management team, who meet monthly as the Executive Committee (EC). The EC also meet regularly in a workshop environment where collaborative thinking and policy development of cross-office issues takes place. It considers and debates the major strategic issues for ONS, taking decisions as a committee.

The EC has established sub-committees to support it in its work. The new vision has led the EC to amend these sub-committees slightly. At the end of 2010/11 these were:

- the Investment and Planning Committee, chaired by Stephen Penneck – leads on planning and prioritisation for ONS, deciding and monitoring allocation of resources and managing the strategic portfolio of ONS programmes and projects;
- the People Committee, chaired by Steve Newman – considers issues relating to the management and well-being of ONS's staff;
- the Statistical Policy Committee, chaired by Stephen Penneck – develops the statistical policies and standards which enable ONS to maintain its statistical leadership;
- the Statistical Planning Committee, chaired by Dennis Roberts – ensures the high-level planning and production of the statistical aspects of the ONS Business Plan;
- the Publishing Strategy and Standards Committee, chaired by Guy Goodwin – aligns ONS publishing objectives with the corporate vision; and
- the Information, Assurance and Exploitation Committee, chaired by Glen Watson as ONS's Senior Information Risk Owner (SIRO) brings together information asset owners from across ONS to provide assurance to the SIRO that ONS is compliant with Cabinet Office requirements. It also ensures that a consistent approach to managing information is being taken and to place the exploitation of information within the security policies of the Office.

Office for National Statistics Organisation Structure



4.5 ONS AT A GLANCE – FACTS AND FIGURES (2010/11)

Inputs

2,748 staff in our Newport, Titchfield and London offices as well as 1,273 field force interviewers around the country.

1.2 million questionnaires from businesses processed.

556 thousand questionnaires from households/ individuals processed.

£317 million budget (including £171 million for the Census).



Outputs

285 statistical releases and 140 analytical reports and articles in our key publications, including:

- National Accounts – including Gross Domestic Product, Balance of Payments and other economic statistics;
- Measures of inflation;
- Population and migration statistics;
- Labour market statistics;
- Health, social and vital statistics;
- Regional statistics; and
- Public sector finances and public services productivity.

Over 9.1 million website visits and 2.0 million hits to the Publication Hub



Outcomes

The work of ONS helps lead to informed decisions by:

- Parliament and the devolved administrations
- the Government
- the European Union
- local government
- businesses; and
- individuals



Trusted Statistics – Understanding the UK

4.6 ONS CORPORATE SCORECARD

The ONS Senior Management Team use a corporate scorecard to monitor office-wide performance against its vision and strategic aims. The scorecard is made up of a high level view of progress towards each of our strategic aims. During the latter half of 2010/11 the Corporate Scorecard was reviewed to ensure that the Business Plan objectives are reflected within the key performance indicators to be measured.

4.7 ONS ACHIEVEMENTS

Our Leadership and Skills

As mentioned under 4.1, ONS, as part of the 2010 Civil Service People Survey, showed an improvement in the 'engagement' of its employees. However, progress still needs to be made in improving engagement levels to reach our target of being within the Civil Service High Performers benchmark by 2013.

There has been a significant effort to develop the leadership of senior staff in ONS. This has included improving the visibility of Senior Civil Servants and developing the effectiveness of the ONS Executive Committee.

ONS joins with other government departments in Peer Reviewing its progress against delivering the Skills Strategy for Central Government. The subsequent feedback report highlighted widespread good practice on the identification and development of skills in ONS, moving ONS from seventh to first place in the Civil Service (excluding the Devolved Administrations).

Seven staff completed the full Apprenticeship Framework in 2010/11. A further 19 completed a National Vocational Qualification (NVQ) in Customer Service.

Over the coming year we will continue to focus on improving leadership in ONS and will seek to improve management skills at all levels.

Understanding of the Quality of our Statistics

We recognise that to improve understanding of the quality of our statistics we need to keep improving our engagement with our customers. This year we consulted on, and finalised, our stakeholder framework and user strategy which will inform how we engage with all our different customer groups.

Meanwhile, a lot has been done in practical terms. We have improved our communication planning to ensure that releases are coordinated to provide the best possible picture of the UK. To further aid the understanding of our statistics we held a large number of seminars to present our key outputs, involving other government departments, analysts and commentators, and members of the press.

The detailed consultation on the ONS Work Programme 2011/12 to 2014/15 has added significantly to our understanding of the users and uses of our statistics, which is now greater than perhaps ever before.

Our users have said that they would like more access to metadata and this is planned as part of our web development programme.

We are now producing more quality reports about our statistics to inform users about the quality of our statistics measured against the six European Statistical System Indicators of quality (coherence, timeliness, relevance, accuracy, accessibility and comparability).

We aspire to be at the forefront of the Government Statistical Service (GSS) in complying with the Code of Practice and learning lessons from the Assessment process. The assessment reports to date point to a need to improve the quality of our commentary and analysis. The Publishing Strategy and Standards Committee is leading this work. It is reviewing all ONS statistical releases, identifying areas of best practice and ensuring that the quality of ONS Statistical Releases not only adhere to the Code of Practice but are continually improved. We will realise the benefits in 2011/12.

Our Record of Delivery

Every week ONS produces a range of economic, social and demographic statistics. We have a strong record of delivering timely, accurate statistics that are highly valued by our customers. Our main outputs include:

- the *National Accounts* – including *Gross Domestic Product (GDP)*, *Balance of Payments* and other economic statistics;
- measures of inflation;
- population and migration statistics;
- labour market statistics;
- health, social and vital statistics;
- regional statistics; and
- public sector finances and public services productivity.

During 2010/11 some specific achievements relating to our statistics were:

- publication of the new comprehensive balance sheets for the public sector, which are now a major ingredient in the public debate on the public finances;
- first publication of the Integrated Household Survey after many years of development effort, including successful launch of the sensitive question on sexual identity;
- publication of the first results from the Wealth and Assets survey, opening up multiple streams of new analysis;
- successful completion of the Measurement of Public Service for Users project, which has resulted in a suite of new indicators, Adult Social Care Outcomes Toolkit (ASCOT), being adopted by Department of Health to measure quality of social care;
- rising to the challenge posed by the withdrawal of Regional Development Agency funding for the Regional Statisticians, maintaining service where possible while our staff are redeployed; and
- completing data collection and dissemination of outputs from the Adult Dental Health Survey. A First Release was published by the Information Centre for Health and Social Care in December 2010, followed by a full suite of publications in March 2011.

The following sets of statistics had their designation as National Statistics confirmed, conditional on the implementation of requirements for change in each case following the UK Statistics Authority Assessment process:

- *Balance of Payments;*
- *Overseas Travel and Tourism Statistics;*
- *E-commerce and Information & Communication Technology Activity;*
- *Statistics on Pensions;*
- *Adoptions In England and Wales;*
- *Annual Employment Statistics from the Business Register and Employment Survey;*
- *Consumer Price Indices;*
- *Statistics on Retail Sales;*
- *Short Term Economic Output Indicators;*
- *Statistics of Short-term Migration for England and Wales;*
- *Consumer Trends;*
- *Statistics on the Effects of Taxes and Benefits on Household Income;*
- *Statistics from General Lifestyle Survey; and*
- *UK Annual and Quarterly National Accounts.*

2010/11 has not been without its difficulties. For example, due to problems with some of the detailed data, ONS postponed publication of the *UK Quarterly National Accounts* for the first quarter of 2010 from 30 June to 12 July. In December 2010 we also delayed publication of *Producer Prices* 'Input' price indices by three days due to concerns over the quality of underlying 'Import' price data. These delays reflect our commitment to ensuring that ONS statistics are only published when we are sure they have achieved our quality standards. We have reviewed all such incidents to learn lessons and ensure that problems are not repeated in the future.

Our major programmes have continued to deliver during 2010/11. A summary of these programmes is in section 4.8

We have continued to progress the ONS Corporate Information Technology (IT) Strategy and have reduced the proportion of the IT estate assessed at exposing a high risk to ONS to 20 per cent (from 25 per cent in April 2010 and 42 per cent in December 2008) and are on target to reduce to 5 per cent by 2013. Our Flex Technical Refresh Programme has also been established and is in the process of delivering a more stable and secure IT infrastructure for ONS.

ONS has a strong culture of protecting personal data and has suffered no losses of personal data in this accounting period. We have also initiated a project aimed at further improving our information security.

Our Strength in Innovation

There are many examples of innovative work produced by staff from across ONS. This year we have seen:

- Publication of the first estimates of the UK's human capital, in accordance with Organisation for Economic Co-operation and Development (OECD) best practice guidelines, and making us one of the first countries in the world to do this;

- Significant moves made towards internet-based publishing. During this year, *Health Statistics Quarterly* and *Population Trends* were published on-line; the last paper-based edition of *Regional Trends* and *Social Trends* also appeared this year. From now on, regional analysis will be internet based, consisting of regular updates and ad hoc articles;
- The first results from the first wave of the new Life Opportunities Survey (LOS) were published in November 2010. ONS conduct this survey for the Office for Disability Issues and the outputs included a pioneering 'Easy Read' publication, designed to give the output maximum accessibility. In April 2010 LOS was a winner in the inaugural Royal Statistics Society Award for Excellence in Official Statistics; and
- ONS has continued to look for other new and innovative ways to disseminate our statistics. We have introduced various interactive tools to enable interesting data visualisation, which have received external recognition through the nomination for a series of awards (for example the 'Ageing in the UK' Interactive Map).

We have embraced the use of social media with the creation of an ONS Twitter feed and YouTube channel, for example within Census, Labour Market and the National Well-being debate.

The Value for Money we Give

Our programme of relocation out of London has come to a close, an initiative that has realised significant savings.

We have made changes to survey processes, including a reduction in repeat interviews and greater use of administrative data for financial surveys.

We have further improved the efficiency of the ONS estate by reducing the amount of space it occupies.

As we embark on a period where we will need to find further significant efficiency savings we can draw from previous experience.

For example, in 2010/11 we published the first full set of construction statistics based on ONS systems, following the transfer of responsibility from the Department for Business Enterprise and Regulatory Reform in 2008. The construction statistics now feed monthly data to National Accounts, rather than quarterly, assisting provisional estimates of GDP. It is estimated that the project has delivered a saving of 30 per cent of the Construction Statistics operational running costs and has reduced the respondent burden by 29 per cent.

National Accounts Classification

The classification of organisations to institutional sectors and economic transactions between these sectors is an integral part in the production of the *UK National Accounts*. Most classification decisions are routine, although some have wider significance and are of public interest, primarily when they have implications for the fiscal aggregates. Such decisions are taken by the National Accounts Classification Committee following a well established procedure published on the ONS website. During 2011/12, ONS will be consulting with stakeholders to review the current classification process, and plan to publish a revised and updated document following the consultation in late summer 2011.

The main classification decisions announced in the year included the reclassification of Sixth Form Colleges and Further Education Colleges across the UK from the Non-Profit Institutions Serving Households to the Central or Local Government sectors; confirmation of the continued classification of Lloyds Banking Group in the public sector as a Public Financial Corporation; and a change in the treatment of Ministry of Justice Public Finance Initiative Prison deals, moving the assets onto the public sector balance sheet.

Further information of the ONS National Accounts Classifications process and major decision can be found in the ONS website at: www.statistics.gov.uk/nacc

4.8 MAJOR PROGRAMMES AND PROJECTS

In 2010/11 ONS successfully progressed a number of major programmes and projects that will help deliver its overall strategy and vision. These will also help to raise the profile of official statistics nationwide.

2011 Census

Census day was 27 March 2011 and early indications are of a good response from the public.

Throughout 2010/11 ONS continued to develop, test and implement improved systems and processes to counter the increased challenges and changes in society which have arisen over the last decade:

- a specially created address list provided the framework to support a questionnaire tracking system to identify households that have not responded. Field checks of 15 per cent of postcodes in England and Wales were carried out in 2010, helping to achieve a target of at least 99 per cent inclusion of all residential addresses;
- ONS has ensured sufficient resources were available during the 2011 field operation to call on households that had not responded, with resources directed towards areas of poor response. Over 7,000 census field staff were employed at 31 March and an additional 25,000 staff on 6 April;
- ONS has worked in close partnership with local authorities and a wide range of community and voluntary groups to encourage response, particularly from young people, black and ethnic minority communities who were shown in 2001 to be less likely to respond. Using local council expertise and information, a partnership plan was developed and implemented in every local authority area to tailor engagement and promotional activities;
- on 21 February, ONS launched the census advertising campaign using TV, online and outdoor advertising and building news coverage in local and national media;
- the census questionnaire was completed online for the first time. Extensive development and testing of the system was carried out and the system operated effectively, with over one million online questionnaires received before census day;
- ensuring data security and confidentiality was an essential requirement of all census systems and procedures. ONS commissioned an independent review of the security

of the census, which was published in February 2011. The review concluded that ‘the public can be assured that the information they provide to the 2011 Censuses will be well protected and securely managed’; and

- ONS has established a robust process including review by independent experts to check the quality of 2011 Census population estimates before publication. During 2010/11 this process was widely discussed, refined with the help of around 40 local authorities and fully communicated to all local authorities. An independent review of the coverage adjustment and quality assurance methods has been carried out by leading academics.

Information Management

ONS has continued to implement the Corporate Information Technology (IT) Strategy which sets out the basis for moving to sustainable and reusable technology that supports the ONS business strategy. Work to prevent systems becoming high risk by implementing software infrastructure upgrades included:

- over 200 servers receiving a major Oracle upgrade;
- upgrading software that supports business areas systems for National Accounts, Population and Analysis, and Dissemination;
- significant further achievements made to improve the resilience of ONS data storage. The majority of ONS data is now held in commercially operated external data centres in Newport and Docklands. Improvements have also been made at ONS data hall in Titchfield;
- 90 per cent of the old NT server estate has been removed;
- improved network boundary security – blocking malicious code and viruses; and
- better monitoring of internal and external security threats.

Migration

The Migration Statistics Improvement Programme (MSIP) is now entering its fourth and final year. Its aim is to produce improved population and migration statistics that are relevant, accurate and are recognised as being the definitive set of estimates. During 2010/11 several important improvements were made to the 2002 to 2008 mid-year population estimates:

- the introduction of model-based estimates for distributing immigration to local authorities in place of the 2001 Census distribution; and
- the introduction of a student adjustment to better estimate internal migration moves before and after study.

The sample design of the International Passenger Survey was optimised for migration by introducing new ports and airports. New work has commenced on:

- reconciling administrative sources and population estimates;
- improving the way national migration estimates are distributed across the country; and
- identifying the potential statistical benefits of e-Borders.

During 2011/12 the programme will deliver a conceptual framework for UK migration and population statistics, a method to assess the quality of Local Authority population

estimates, an improved method for distributing migrants (subject to quality assurance) and a strategy to realise the statistical benefits arising from the e-borders programme.

National Accounts

The National Accounts measure the developments in the UK economy. They include key outputs such as *Gross Domestic Product* (GDP) and the *Balance of Payments*.

The ENABLE (Effective National Accounts and Blue Book to Measure the Economy) Programme has delivered improvements to the systems used to produce the National Accounts and linked economic statistics. In line with European Union regulations these systems will be used to produce the quarterly and annual National Accounts, from October 2011, using a new international industrial classification.

The delay to the *Blue Book 2010* is noted earlier.

In July and September 2010 the Programme successfully delivered systems to produce the Workforce Jobs statistics and the Retail Sales Inquiry. ENABLE completed in March 2011 when over 60 systems were developed. The remaining systems are now being used in the preparation of the annual National Accounts.

The ENABLE programme has delivered:

- the systems to produce the Annual National Accounts in a way which meets the new legal requirements for both industry and product classifications;
- the ability to update the National Accounts with the latest economic weightings after several years of being one year in arrear of expectations;
- a quality set of National Accounts on which to build methodological improvements in future years; and
- a more integrated approach to producing the Quarterly and Annual National Accounts, allowing for greater consistency within the accounts.

Web Development

Since the Web Development Programme was launched two years ago a great deal of progress has been made. We are well on our way to having a new and high quality website that will stand up well against our own and users' standards and expectations. During 2010/11 the programme continued to:

- build and test the infrastructure to prove the new systems will work;
- develop the front-end web site;
- develop the content management system for authoring and publishing outputs;
- migrate content and data from the old web site to the new web site;
- train staff in readiness to use the new authoring and publishing systems; and
- engage with our stakeholders to ensure they are prepared for the new web site and changes

The programme procured and implemented a new web hosting service to run the new web site and provided access to a machine-to-machine readable service (Application Programming Interface – API) for a number of Census partners.

The site was due to go 'live' on 30 April. However, more time was needed for transition to the new web design and new business processes for publishing. The new ONS website will now be launched on 28 August 2011.

Beyond 2011

The Beyond 2011 programme has been set up to investigate and develop options for meeting future user needs for population and wider socio-demographic statistics. Prior to the decision to hold the 2011 Census a review clearly established a traditional census was the only way to meet current user requirements, in the absence of any other established systems or sources. The review established the need to look for innovative ways to meet user requirements beyond 2011. During 2010/11, significant progress was made with the development of a Strategic Outline Business Case for Beyond 2011 and new funding was secured in the 2010 Spending Review to take this work forward from 2011/12 to 2014/15.

Following the funding announcement the programme was launched on 1 April 2011. Statistical work on administrative data models have been progressed. These early studies will be reported during 2011/12. Wide stakeholder engagement will be essential to the ultimate success of this programme and significant progress was made on the development and implementation of the stakeholder strategy, including preparations for a formal public consultation on the Beyond 2011 plans, which will take place later in 2011. Preparations for acquiring access to administrative data sources have progressed well and work has taken place to identify a range of commercial and local authority data sources which could be part of some of the future options under consideration.

National Well-being

The aim of this programme is to develop accepted and trusted measures of national well-being and of the progress of the UK, to meet public, policy and international requirements for measures wider than Gross Domestic Product (GDP). The programme will conclude in 2014/15.

The first tranche of the Programme saw the National Statistician launch a national debate on 25 November 2010 (concluding 15 April 2011). The debate has achieved in excess of 100 engagements (including professionals, academics, citizens, young people etc); over 5,000 responses to the on-line consultation and many more responses through social and news media. ONS opened a Twitter account and over 350 people are following Statistics ONS.

The National Statistician has convened an Advisory Forum to discuss the main themes emerging from the national debate and help design new measures. She has secured some prominent members from the business and academic sphere.

A full analysis of the national debate and what ONS has learned about measuring well-being will be published in the summer of 2011. Some of the common themes arising are: job security; religion/spirituality; family/relationships; green spaces and arts/entertainment.

4.9 RISK MANAGEMENT

ONS continues to identify and manage risks within its risk management framework.

The Executive Committee review management information on risks and make a summary assessment of the overarching reputation risk each month. Risks deemed to be of a high nature are reviewed every six months by both the Executive Committee and the ONS Board.

Risk and Issue Liaison Officers in each of our directorates help embed risk management and assure that the risks are being managed both appropriately and at the right level.

Mitigation plans for our high risks have been reviewed and strengthened, reducing the number of these risks from 45 in April 2010 to less than 20 by March 2011.

The risk register was enhanced to provide better management information against which the Executive Committee can make informed decisions.

4.10 STAKEHOLDER ASSESSMENTS

Each year ONS requests feedback from central government departments, asking for their views on:

- the quality of our statistics;
- the quality of our service; and
- whether ONS kept them abreast of developments.

Stakeholders were asked to rate ONS using the following scale:

- 4 – Excellent. All round good or better performance with no major shortcomings;
- 3 – Good. Mostly good performance with no major shortcomings;
- 2 – Satisfactory. No significant positive or negative areas, or positives and negatives balance each other out; or
- 1 – Less than satisfactory. Needs noticeable improvement to one or more areas. Positive aspects are outweighed by negative.

The table below summarises the assessments of ONS' performance in 2010/11 and shows that the majority of stakeholders view ONS' performance as 'good'. The more detailed assessments will be used to improve our service to stakeholders.

Score	Percentage of assessments
4 – Excellent	-
3 – Good	60
2 – Satisfactory	40
1 – Less than satisfactory	-

4.11 LOOKING FORWARD

Next year will be the start of four challenging years for ONS.

One of our biggest challenges will be meeting the 17.4 per cent real reduction in our budget announced in the 2010 Spending Review.

To meet this challenge we will be working hard to find efficiencies in our business and will reduce our work in a number of areas. We will make a step-change in the publication of our analysis, replacing our suite of compendia and journals with a web-based approach that will realise benefits from our new website and give a better coordinated and timelier picture of the UK in one place. We will be re-focusing our analysis programme and concentrating on the core business of ONS, leading to reductions in certain areas, and will work closely with the users of our statistics as we make these changes.

We will also be expanding our work in other areas. The work on developing measures of National Wellbeing will become a key part of our business. Following Census Day on 27 March 2011 the Census Programme will move from data collection into processing and then dissemination. At the same time we will be increasing the focus on our programme to explore alternative methods for producing population statistics after the 2011 Census.

We will be looking at new ways of collecting data, exploring further use of the internet, more 'mixed-mode' data collection, and wider use of administrative data sources to replace or supplement our surveys.

We will also be seeking new and innovative ways to disseminate our data. We will use social media to reach a wide and diverse range of users. After the initial launch of our new website we will continue to add new features. These will include: an online data explorer tool, allowing users to customise, interact with and download datasets; and an application programming interface enabling re-use of ONS data by others.

These initiatives will not only improve our efficiency but transform ONS into a statistical office more suited to the modern 'information age'.

Central to this is the progress we make in delivering our strategic aims to help us become the place 'Where People Come First for Trusted Statistics'. We seek to continue to make improvements in our leadership and skills, the quality of our statistics, our innovation, delivery and value for money. This will be supported by us living our values – by working together to make a difference, by us taking pride in what we do and always wanting to do better and respecting one another.

This strategy fed into our four-year business plan which will be published on www.statistics.gov.uk.

Chapter 5

Corporate and Summary Financial Information

5.1 Summary of Financial Performance – Key Points

Reconciliation of Resource Expenditure between Estimates, Accounts and Budgets

	2010/11	2009/10
	£000	£000
Net Resource Outturn (Estimates)	317,233	212,876
Net Resource Outturn (Accounts)	301,674	206,475

The Statement of Parliamentary Supply Summary of Resources 2010/11 contained in the Accounts showed that the net resource outturn for the year was £301.674 million against an estimate of £317.233 million. This year the Authority's expenditure has been reclassified following changes to HM Treasury's Consolidated Budgeting Guidance and certain expenditure is now classified as Annually Managed Expenditure (AME).

In February 2011, HM Treasury presented to the House of Commons its Statement of Excesses on the 2009/10 Supply Estimates. The Statement noted that the Authority had incurred an Excess Vote for the year ended 31 March 2010, because the Authority had breached its Net Cash Requirement limit by £251,000. The Committee of Public Accounts examined the Authority's breach and noted that this had occurred through weakness

in its cash management system, resulting in a payment to suppliers being authorised at the year end when the Authority's cash limit had already been reached. The Committee noted that strong and effective financial management is more important than ever in the context of the current Comprehensive Spending Review, but nevertheless had no objection to Parliament providing the necessary amounts by means of an Excess Vote. This excess received legislative authority in the Appropriation Act 2011.

The resource underspend of £15.559 million was due to a number of reasons:

- a decision not to fully commit resources in order to maintain a contingency for the 2011 Census. The Census contingency was needed because of uncertainties around the spend profile, together with the closeness of the Census day to the financial year end
- central government spending restrictions introduced after the 2010 General Election
- lower depreciation charges than expected when set as part of the 2007 Comprehensive Spending Review settlement

The first two points above also explain the saving against the Net Cash Requirement.

Compared to 2009/10 Net Operating Costs shown in the Statement of Comprehensive Net Expenditure at £335.553 million has increased considerably due to Census costs.

Of these costs Staff Costs are analysed in Note 7. This Note shows the number of full time equivalent staff (FTEs), their costs, which include wages, social security and pension costs. Employees are Civil Servants to whom the conditions of the Superannuation Acts of 1965 and 1972 and subsequent amendments apply. For the 2010/11 financial year the government introduced new guidance on the treatment of contractors and these are now shown as 'others' in this note rather than in note 8. The previous year's comparative data has also been restated.

For the year ending 31 March 2011, pension contributions were paid to the Paymaster General at rates of 16.7 per cent to 24.3 per cent (according to salary band) of salaries determined by the Government Actuary as advised by HM Treasury.

This year's accounts include a new requirement to show details of exit packages and these are analysed at Note 7.4. In almost all instances these relate to staff leaving as a result of relocation of work away from London .

Programme Costs, analysed in Note 8 reflect the increased costs attributable to the 2011 Census (2010/11 £114.881 million, compared to £28.717 million). The Authority has revised the analysis of consultancy expenditure in line with guidance from the Office for Government Commerce (OGC).

Income analysed in Note 9 at £33.879 million is broadly similar to 2009/10.

All executive and non-executive directors and deputy directors were requested to sign declarations that no board member, key manager or other related parties has undertaken any material transactions with the Authority during the year as disclosed in Note 22.

The Comptroller and Auditor General (C&AG) examines the UK Statistics Authority's Accounts under the Government Resources and Accounting Act 2000 and reports his findings to the House of Commons. The cost of the annual audit of the Accounts by the National Audit Office (NAO) on behalf of the C&AG is disclosed in Note 8.

Core Table

The following table shows expenditure records and plans over a number of years. For 2008/09 onwards they show spending for the Authority only, whereas prior to that they show spend for ONS including the General Register Office (GRO) and the National Health Service Central Register (NHSCR).

The Statistics Board

Total departmental spending £'000										
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
	Outturn	Outturn	Outturn	Outturn	Outturn	Outturn	Plans	Plans	Plans	Plans
<i>Resource DEL</i>										
Section A: Programme Expenditure	170,012	193,802	171,099	207,297	205,899	304,690	339,592	184,000	170,000	160,400
Section B: Departmental Unallocated Provision	-	-	-	-	-	-	6,000	-	-	-
Total Resource DEL	170,012	193,802	171,099	207,297	205,899	304,690	345,592	184,000	170,000	160,400
<i>Of which:</i>										
Pay	124,658	128,951	117,886	103,317	110,196	125,285	179,400	117,987	111,688	111,888
Net current procurement ¹	36,455	48,760	31,186	90,492	81,136	166,678	143,092	49,013	42,812	42,812
Current grants and subsidies to the private sector and abroad	(1,343)	(350)	(846)	(721)	(70)	(781)	-	-	-	-
Current grants to local government	-	-	-	-	-	-	-	-	-	-
Depreciation ²	10,242	16,441	22,873	14,209	15,849	13,436	17,100	17,000	15,500	15,300
Other	-	-	-	-	(1,212)	70	6,000	-	-	(9,600)
<i>Resource AME</i>										
Section C: Provisions	60	-	-	-	14,420	7,056	5,396	337	287	249
Section D: Utilised Provisions	(1,144)	(3,746)	(7,936)	-	(13,849)	(10,072)	(9,845)	(4,587)	(2,188)	(1,671)
Total Resource AME	(1,084)	(3,746)	(7,936)	-	571	(3,016)	(4,449)	(4,250)	(1,901)	(1,422)
<i>Of which:</i>										
Pay	-	-	-	-	-	-	-	-	-	-
Net current procurement ¹	-	-	-	-	-	-	-	-	-	-
Current grants and subsidies to the private sector and abroad	-	-	-	-	-	-	-	-	-	-
Current grants to local government	-	-	-	-	-	-	-	-	-	-
Net public service pensions ³	-	-	-	-	-	-	-	-	-	-
Take up of provisions	60	30,038	5,904	13,676	13,956	3,038	5,396	337	287	287
Release of provisions	(1,144)	(3,746)	(7,936)	(13,849)	(15,216)	(10,072)	(9,845)	(4,587)	(2,188)	(2,188)
Depreciation ²	-	-	-	-	469	4,018	-	-	-	-
Other	-	(30,038)	(5,904)	173	1,362	-	-	-	-	479
Total Resource Budget	168,928	190,056	163,163	207,297	206,470	301,674	341,143	179,750	168,099	158,978
<i>Of which:</i>										
Depreciation ²	22	5,005	60	224	155	70	6,000	-	-	-

Total departmental spending £'000										
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
	Outturn	Outturn	Outturn	Outturn	Outturn	Outturn	Plans	Plans	Plans	Plans
<i>Capital DEL</i>										
Section A: Programme Expenditure	25,274	22,562	15,342	19,305	14,374	14,627	9,100	9,200	8,600	10,100
Total Capital DEL	25,274	22,562	15,342	19,305	14,374	14,627	9,100	9,200	8,600	10,100
<i>Of which:</i>										
Net capital procurement ⁴	24,630	22,562	15,324	19,290	14,374	14,627	9,100	9,200	8,600	10,100
Capital grants to the private sector and abroad	-	-	-	-	-	-	-	-	-	-
Capital support for local government	-	-	-	-	-	-	-	-	-	-
Capital support for public corporations	-	-	-	-	-	-	-	-	-	-
Other	644	-	18	15	-	-	-	-	-	-
<i>Capital AME</i>										
Total Capital AME	-	-	-	-	-	-	-	-	-	-
<i>Of which:</i>										
Capital grants to the private sector and abroad	-	-	-	-	-	-	-	-	-	-
Net lending to the private sector and abroad	-	-	-	-	-	-	-	-	-	-
Capital support for public corporations	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total Capital Budget	25,274	22,562	15,342	19,305	14,374	14,627	9,100	9,200	8,600	10,100
Total departmental spending⁵	183,960	196,177	155,632	212,393	204,995	302,865	333,143	171,950	161,199	153,778
<i>of which:</i>										
Total DEL	185,044	199,923	163,568	212,393	204,424	305,881	337,592	176,200	163,100	155,200
Total AME	(1,084)	(3,746)	(7,936)	-	571	(3,016)	(4,449)	(4,250)	(1,901)	(1,422)

1 Net of income from sales of goods and services.

2 Includes impairments.

3 Pension schemes report under FRS 17 accounting requirements. These figures therefore include cash payments made and contributions received, as well as certain non-cash items.

4 Expenditure on tangible and intangible fixed assets net of sales.

5 Total departmental spending is the sum of the resource budget and the capital budget less depreciation. Similarly, total DEL is the sum of the resource budget DEL and capital budget DEL less depreciation in DEL, and total AME is the sum of resource budget AME and capital budget AME less depreciation in AME.

5.2 Spending Review

In common with all government departments the Authority was subject to the spending review process during 2010 that agreed funding for the four years to March 2015. The Authority will publish a business plan that shows how its spending is planned within the constraints of that settlement. This includes the funds needed to meet the provisions shown in Note 16.

5.3 Prompt Payment Target

The Authority paid 82 per cent of supplier invoices within five days of receipt of a valid invoice against a target of 80 per cent. The aim of this policy is to speed up cash flow from HM Government to its suppliers, particularly Small to Medium Enterprises (SMEs). The proportion that is the aggregate amount owed to trade creditors at the year end compared with the aggregate amount invoiced by suppliers during year, expressed as a number of days in the same proportion to the total number of days in the financial year is 2.

5.4 Financial Reporting To Parliament

This report forms part of the annual reporting process by all departments to Parliament. To allow Parliamentary scrutiny, the Authority also prepares Estimates of its expenditure, with the Main Estimate in the early part of the financial year, and Supplementary Estimates normally published in November and February, although for 2010/11 the Authority did not need to publish an Estimate in November. As part of the Government's Alignment (Clear Line of Sight) Project, changes to reporting are currently being reviewed. Estimates can be found at:
www.hm-treasury.gov.uk/psr_estimates_mainindex.htm

5.5 Transparency

To give greater transparency across its operations to enable the public to hold the Authority to account the Authority publishes information which is regularly updated on its own website and /or the ONS website.

Information published includes:

- Board members and Senior Directors Expenses and Hospitality Received
- Organisation Charts
- Details of Senior and Junior Posts and Senior Staff Salaries
- Details of payments to suppliers each month over £25,000
- Monthly prompt payment information

5.6 Contractual Arrangements

To deliver its business the Authority works with a number of key suppliers. These were selected in accordance with government procurement guidelines. The Authority manages these suppliers using a defined contract management process and in some cases works with these suppliers as part of an integrated project team. Some suppliers such as Lockheed Martin UK and Capita Business services are working as part of the 2011 Census; others provide long term support to the Authority. These include Fujitsu Services who provide IT services, Steria who provide key IT contractors. Mitie Facilities Services who provide Facilities Management, BT for Communications and TNS Research International who we work with on retail price surveys.

5.7 Stakeholders

The Authority has a number of organisations that have a strategic interest in the work of the Authority and its role in statistics and with ONS as users of the statistics that it produces.

5.8 Sustainability Accounting and Reporting

This section presents our environmental data and associated financial costs in more detail, based on the period 1 April 2010 to 31 March 2011 and covers the Authority's share of the estate where it occupies buildings with other users. This section is expected to be mandatory in future reports but departments are encouraged to publish as much as possible based in the proposed model in advance of the new requirements. Target performance is agreed with Central Government as part of Sustainable Operations on the Estate (SOG E).

Table 1: Summary

Area	Actual	Target Performance
Carbon from Offices (tCO ₂ e)	5,564	7,114
Carbon from Store (tCO ₂ e) ¹	367	434
Carbon from Road Vehicles (tCO ₂ e) ²	2,951	2,253
Carbon from Rail Travel (tCO ₂ e)	147	-
Carbon from Air Travel (tCO ₂ e)	257	-
Waste (t)	574	867
Waste recycled %	74%	40%
Water consumption (m ³)	17,869	21,532
Water expenditure (£'000)	55	-
Total energy consumption ('000 kWh)	15,000	-
Total energy expenditure (£'000)	1,075	-

Notes

¹ The Christchurch store is not part of the SOGE targets reported on within Government but it does produce Carbon Dioxide and so the same target has been adopted as that for Carbon Dioxide from Offices.

² Includes Field Force travel, car hire, taxis and mileage from staff cars used on official business and includes estimated figures for the first quarter as we are unable to source the data following a change in contractors.

Table 2: Greenhouse Gas emissions, energy consumption and travel on official business

Greenhouse Gas Emissions		2010/11
Non-Financial Indicators (tCO ₂ e)	Total Emissions from Offices	5,564
	Total Emissions from Stores	367
	Total Building Emissions	5,931
	Total Emissions from Road Vehicles	2,951
	Total Emissions from Rail Travel	147
	Total Emissions from Air Travel	257
Energy Consumption		2010/11
Energy consumption (million kWh)	Electricity from Offices	8,491
	Electricity from Stores	290
	Total Electricity	8,781
	Gas from Offices	4,562
	Gas From Stores	835
	Total Gas	5,397
	Bio Fuel from Offices	364
	Bio Fuel from Stores	-
	Total Bio Fuels	364
	Oil from Offices	430
	Oil from Stores	217
	Total oil	647
	Total Office Energy Consumption	13,840
	Total Store Energy Consumption	1,342
	Total Buildings Energy Consumption	15,189
	Expenditure on Energy Offices	974
	Expenditure on Energy Stores	101
	Total Expenditure on Energy	1,075
Financial Indicators (£'000)	CRC Gross Expenditure (2011 onwards)	-
	Road Travel	8,299,220
	Rail Travel	2,435,697
	Air Travel (Domestic)	530,410
	Air Travel (Short Haul)	513,411
Km travelled	Air Travel (Long Haul)	809,121

Targets and Commentary

We have the following targets:

- A Sustainable Operations on the Government Estate (SOGES) target to reduce our carbon emissions from offices by 12.5 per cent by 2010/11 relative to 1999/2000 levels, we have achieved this target.
- To source at least 15 per cent of electricity from Combined Heat and Power by 2010, we have achieved this target.
- To reduce carbon emissions from road vehicles used by government administrative operations by 15 per cent by 2010/11 relative to 2005/06 levels, we have not met this target.

Direct Impacts Commentary

The office is realising the benefits of improving the thermal performance of the building envelope at Newport by way of double glazed windows and improved insulation. We have also replaced aged boilers at both main sites, with a biomass boiler system at Newport and more efficient gas boilers at Titchfield; the Titchfield system also includes solar pre heat. Additionally following the introduction of Automatic Meter Reading (AMR) technology more optimised control over the operation of heating systems has delivered significant savings, as has adjusting the maintained temperature in our large paper store in Christchurch.

Good quality Combined Heat and Power (CHP) electricity has been procured from Office for Government Commerce (OGC) Buying solutions for the Newport site from October 2010. The target of 22 per cent has been achieved by procuring 1.98m kWh of CHP electricity out of a total of 9.78m kWh equating to 23 per cent of the estate total for 2010/11.

Carbon emissions from road vehicles come from two sources (1) travel between offices and other locations on day to day administrative business and (2) travel required by the field force to conduct surveys. The increase in carbon is mainly a result of increased field force activity but is supplemented by an increase in travel between offices particularly from activity required for planning the 2011 Census. Use of alternative methods of meeting will continue to be encouraged but ONS will not meet the target due to its large field force

The Government Carbon Offsetting Facility (GCOF) is recognised as the last step in the hierarchy of actions for tackling CO₂ emissions, after avoiding and reducing emissions. The GCOF contract has a range of benefits for the public sector both in terms of value for money and in terms of reducing carbon missions. On 11th February 2010 ONS entered into a framework agreement with respect to the sale and purchase of carbon offsets. ONS purchased sufficient Certified Emission Reductions (CERS) to offset official air travel for the years 2010/11, 2011/12 and 2012/13.

Indirect Impacts Commentary

We achieved Carbon Trust certification in 2010 which audits action planning, monitoring, and outcomes against a standard and provides assurance they are effective.

Table 3: Waste

Waste	2010/11
Office Waste	558
Store Waste	16
Total Waste	574
Office Landfill Waste	81
Store Landfill Waste	1
Total Landfill Waste	82
Office recycled waste	411
Store recycled waste	15
Total Recycled Waste	426
Office Energy from Waste	65
Store Energy from Waste	0
Total Energy from Waste	65
Non-Financial Indicators (tonnes)	
Total office waste recycled	74
Total store waste recycled	94
Non-Financial Indicators (%)	
Total Office Waste Recycled	168
Financial Indicators (£'000)	
Total waste disposal costs	92

Note:

(1) 2008/09 Waste information is unavailable for Christchurch as it was not reported through EPIMS for this period.

Targets and Commentary

We met the SOGE target to reduce waste arising by 5 per cent by 2010.

We met the SOGE target to Increase recycling by 40 per cent of waste arising by 2010.

Direct Impacts Commentary

We have reduced our demand for items that contribute towards waste, e.g. greater reliance on electronic media rather than papers, changed printer default settings to duplex and engaged with suppliers.

We have achieved our recycling performance by negotiation of contracts for recycling of waste e.g. food waste, recycled items by passing them to third parties for use e.g. charities and local schools, centralised waste points and provided facilities for segregating waste at source.

Indirect Impacts Commentary

ONS has maintained accreditation, validated through external British Standard Institute audits, to ISO14001 across all of the main estate.

Table 4: Water

Water		2010/11
Non-Financial Indicators (M³)	Total Water Consumption	17,740
Financial Indicators (£'000)	Total Water Costs	55

Targets and Commentary

We have a SOGE target to reduce our water consumption by 25 per cent on the office and non-office estate by 2020 relative to 2004/5 levels, from 28,709m³ to 21,532m³. This target has been achieved.

Direct Impacts Commentary

We are able to meet our water consumption target by installing a rainwater harvesting system at the Newport site.

Indirect Impacts Commentary

We have interceptors at our main sites to prevent surface water contaminating the environment.

Governance

The Property Services Division of the Office has responsibility for overseeing all Sustainable Development issues reporting internally to the Executive Committee through the People Committee and externally to the Government's Centre of Expertise for Sustainable Procurement, and the Department for Energy and Climate Change.

5.9 Staff - including sickness, diversity etc

Summary of Achievements in 2010/11:

- successfully filled 540 vacancies including Census 2011
- ensured the continued relocation and redeployment of employees out of London, saving over £1 million in severance costs
- average sickness levels throughout 2010/11 remain low at under 7.5 days per employee
- re-structured corporate learning from in-house to external delivery in line with Civil Service Learning requirements

Staff

At the end of March the Authority employed a total workforce of 4021 equal to 3295 FTEs excluding the Census 2011 Field Staff. There has been an overall decline in staff numbers over the year (apart from the Census field force) due primarily to the continued relocation of posts out of London and central government limits on external recruitment.

The on-going relocation of posts out of London has exceeded projected numbers. The high quality service provided by the Redeployment team has ensured that staff were

effectively redeployed with moves internally, to other Government Departments and to the Newport and Titchfield sites.

Following a recruitment freeze in May 2010 the recruitment team switched emphasis from recruitment to resourcing. It has successfully reviewed the Titchfield site staffing strategy and projected workforce plans with accurate people management information to ensure the right number of skilled staff can be effectively resourced. During 2010/11 the recruitment team has also continued to successfully fill vacancies. The majority have been internal moves with some key external recruitment for business critical areas including Census, Information Management and Beyond 2011.

We have continued to effectively deliver our 'Enabling Managers' programme, the objective of which is to provide our managers with the relevant knowledge, skills and tools to manage staff effectively. The Sick Absence Policy was reviewed and modified in response to feedback from stakeholders. The Health and Wellbeing Group, chaired by a Business Director focussed on supporting Mental Health issues. Training on stress management, managing staff with disabilities and working and managing long term health conditions were popular and well received. We also continued to support the ongoing health initiatives. The development of management knowledge and skills has been continued through training and a one to one coaching approach to complex case management.

The Learning and Development team has developed and launched a succession planning policy for senior staff following a skills audit in 2009. Critical posts have also been identified across all sites to provide a clear picture of the essential skill requirements across the office. In line with Civil Service Learning requirements the team has also changed its training delivery from in-house to external provision. In October 2010 the People Development Group was set up as the key decision making group going forward to consider and steer priorities relating to learning and development and skills and talent within the organisation.

We have continued to work closely with our Trade Unions on a wide range of issues and have launched a number of key policies over the year, including our Performance Management, Recruitment and Redundancy policies, through a variety of fora.

Equality and Diversity

Our Governance Structure

We have a comprehensive governance structure which drives and monitors our strategic approach to equality and diversity and ensures that we are meeting our legal obligations. It is comprised of:

- A Board level champion
- Site Diversity champions
- An Equality and Diversity Steering Group to oversee/monitor progress, chaired by the Director General, which reports to the Executive Committee
- A Diversity Advisor
- An HR Diversity Champion

- 16 Diversity Employee Network Groups each with a senior champion

In 2010/11 we:

- monitored all our HR processes in relation to staff in post, employment, training, promotion, appraisal, grievance, leavers, and disciplinary procedures, and put in place action plans to address any inequality
- Developed a diversity dashboard and used this analysis to identify three diversity priorities for the year
- Developed a Respect at Work policy to support our corporate values and to challenge any incidents of bullying or harassment
- Ran a successful diversity mentoring scheme for people in all diversity strands
- Placed 134 out of 378 in the Stonewall Equality Index
- Carried out our Equality Impact Assessment programme
- Implemented 'Managing people with a Disability' training in response to results from our disabled staff in our People Survey
- Developed an equality and diversity area on our website to meet our legal requirements to publish data under the Equality Act
- Carried out the second annual review of our Single Equality Scheme
- Carried out a qualitative study of part time working as a result of findings from our diversity dashboard
- Prepared our people and processes for the Equality Act 2010

Benchmarking

We continue to benchmark ourselves against other organisations to learn and share best practice approaches. Our people survey scored us in the upper quartile across 103 government organisations on our:

- Work-life balance
- Levels of acceptable workload
- Inclusion and Fair treatment
- Respecting individual differences

We increased by 7 per cent the number of our staff who felt that ONS are committed to and promote policies and strategies for diversity in the workplace and decreased by 2 per cent the number of people who say they have experienced bullying or harassment or would prefer not to say.

Engaging our staff in diversity

The diversity network groups at our sites in Newport and Titchfield have held diversity and International diversity days designed to celebrate diversity and offer information and support to all members of staff.

Progress against Senior Civil Service and Senior Management Grade Targets for 2013

We are making good progress against our senior management grade targets, however a change in the structure at the top of in the organisation; the reduction in Senior Civil Service posts; and the current recruitment freeze have all impacted our ability to make the progress we had anticipated.

SCS Measure	% Target for 2013	% Actual 2011
Females in Top Management (Payband 2 and above)	40%	9%
Females in SCS	40%	30%
Ethnic Minorities (EM) in SCS	2%	3%
Disabled in SCS	2%	2%
Total Payband 2 and above		11
Total SCS		45

Grade 6	% Target	% Actual
Females in Grade 6	45%	42%
EM in Grade 6	5%	2%
Disabled in Grade 6	5%	3%
Total Grade 6		69

Grade 7	% Target	% Actual
Females in Grade 7	44%	40%
EM in Grade 7	4%	2%
Disabled in Grade 7	3%	4%
Total Grade 7		284

5.10 Corporate and Social Responsibility

At Newport we work with Business in the Community Wales, a business led charity. We continue to expand our corporate social responsibility activity with communities across Newport benefitting. Gaer Community Centre has had an external makeover as well as the creation of a sensory garden with strongly scented flowers and windmills. Bettws brook was cleared of debris and unsightly nearby garages painted to improve the visual environment. Staff mentor pupils at Pillgwenlly Primary School in acting as Number Partners and delivering a Right to Read service.

At the Titchfield site we work with the local business community through the Segensworth Business Forum which is a group that represents the interests, concerns and issues of businesses on the Segensworth Industrial Estates. For example this group has worked in the past to improve access to public transport for people working in the local area. A competition was organised involving local schools to tell us about their environmental projects and impact on the environment. Wicor School won the top prize (£1000) and were presented with a trophy for raising their own plants and for selling local produce. The prize and funds raised will go towards building a greenhouse, installing a night camera and to help them to make honey.

5.11 Information Assurance

In order to fulfil ONS' key objective to produce statistics that inform the public about social and economic matters and that assist in public policy making, we source information from both businesses and individuals. Often, the information we collect from them is both personal and confidential and we continue to take steps to improve our culture of statistical confidentiality and information security, and to strengthen the technical measures we have in place to protect the information we hold.

Following the independent review of our information security by CESG (the national technical authority for information assurance) at the beginning of the year, and based on recommendations from that review, we have initiated a comprehensive programme of work to further strengthen our information assurance position. This work is overseen at the highest levels of the organisation and good progress has been made with all key objectives either on track or complete.

The rolling programme of information systems accreditation has made good progress throughout the year and an Independent Information Assurance Review (IIAR) was commissioned on the Census in March 2010. The final IIAR report was published in February 2011, in advance of the 2011 Census. The review was led by the former Auditor General of Northern Ireland, supported by Information Assurance experts. The covering letter to this independent review stated that "Public confidence that the information in their returns will be securely handled is vital for the success of the Census(es). We believe that the results of our review will make a substantial contribution to engendering that confidence and that the public can be assured that the information they provide to the 2011 census will be well protected and securely managed." (The full report is available on www.ons.gov.uk).

Recognising that information risk is reduced when the volume of information collected is reduced, we remain on track to have reduced our data collection burden on businesses by 25 per cent by 2015 (from the baselines set in 2005/06).

Additionally we have worked closely with the UK Data Archive to develop the Secure Data Service, modelled on our own Virtual Microdata Laboratory. The service supports our strategy of distributing access to data rather than distributing the data itself, and is designed to promote excellence in research by enabling safe and secure remote access to data by bona fide researchers.

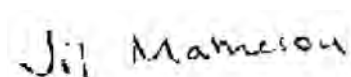
As part of our information governance regime, all staff have completed both e-learning training in Information Security and have signed a confidentiality declaration detailing their obligations under the Code of Practice for Official Statistics.

We have suffered the loss of thirteen laptops in the last year. All were lost or stolen in the course of normal off-site staff duties, and the encryption with which all our laptops are built, along with strict rules on the use of passwords, has ensured that no personal information was made vulnerable.

5.12 Disclosure of Information to the Auditors

So far as the Principal Accounting Officer is aware:

- there is no relevant audit information of the which the Authority's auditors are unaware; and
- she has taken all the steps that she ought to have taken to make herself aware of any relevant audit information and to establish that the Authority's auditors are aware of that information.



Jil Matheson

Principal Accounting Officer

UK Statistics Authority

7 July 2011



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