



Building trust in statistics

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Building trust in statistics

Presented to Parliament by
the Economic Secretary to the Treasury
by Command of Her Majesty, October 1999

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Preface by the Prime Minister

In the consultation document “*Statistics: A Matter of Trust*”, the Government emphasised its intention to seek a new relationship with citizens based on openness and trust.



I believe that having access to official statistics which we can all trust is essential in any healthy society. Statistics encourage debate, inform decision making both inside and outside government and allow people to judge whether the Government is delivering on its promises. For official statistics to play that key role effectively in a democracy, we need to have confidence in the figures themselves.

This White Paper sets out the Government’s plans to establish improved arrangements for official statistics. These are the arrangements which we believe will best achieve National Statistics of an assured quality, fit for the purpose that they are intended and that can be seen to be free from political interference. In developing our plans, we have carefully considered the many responses to the Green Paper consultation and the outcomes of recent reviews of the Office for National Statistics.

Our aim is to build a platform that will establish the UK as a world leader in the provision of quality statistical information - statistics based on high professional standards and acknowledged to be honest, dependable and accessible.

A handwritten signature in cursive script that reads "Tony Blair". The signature is written in dark ink on a light background.

TONY BLAIR

Foreword by the Economic Secretary to the Treasury

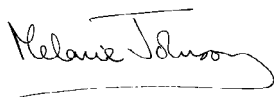
The Government is committed to establishing public confidence in official statistics. For too long there have been concerns about the quality of statistics and whether they are free from political interference. In order to address these issues, we published the Green Paper “*Statistics: A Matter of Trust*” setting out the Government’s goal for enhancing the integrity of statistics, both actual and perceived. The consultation exercise which followed represented the widest debate on official statistics for over 30 years.

Since the consultation period ended, there have been a number of important developments. In particular, concerns arose last autumn about the reliability of the official data for average earnings. The Government established an external review to examine these problems. The report, published at the beginning of March, contained a number of important recommendations which the Government fully accepted. In particular, the Government endorses the emphasis on the need for rigorous quality control and audit procedures and on the importance of ensuring greater openness and transparency in the development of official statistics. We firmly believe that greater transparency goes hand in hand with greater integrity.

The Treasury Sub-committee’s report on ONS and the ONS efficiency review have also been published since the Green Paper. These reports, and that on the Average Earnings Index, have the same underlying theme - better and more reliable official statistics. The Government acknowledges that to achieve improvements can require additional investment. The outcome of the Comprehensive Spending Review last summer provided additional funds to conduct a Census of Population and Housing in 2001. The ONS efficiency review identified ways to achieve annual savings rising to £20m a year; these savings are to be reinvested to improve the quality and range of statistical outputs. Better statistics is our aim and we are resolved to achieve it.

In “*Statistics: A Matter of Trust*”, the Government invited users and providers of statistics to contribute to the debate on National Statistics. I am grateful that such a large number of individuals and organisations responded to the challenge - in doing so, and in debating the issues vigorously, they have helped to shape the future direction of official statistics.

Encouragingly, a substantial degree of consensus formed during the debate and the decisions announced in this White Paper reflect that consensus. They will ensure a statistical service that is open and responsive to society’s needs and statistics that can be trusted wholeheartedly. They will enhance the integrity of official figures, build trust in UK statistics, and further improve the transparency of policy-making, to which the Government is committed. This is, itself, delivering on another of the Government’s commitments as well as helping people to judge better whether we have delivered on other promises.



MELANIE JOHNSON (MP)



Chapter 1: Introduction



1.1 The Government is committed to enhancing the integrity, both actual and perceived, of official statistics. Official statistics provide a picture of the economy and society, are used in decision making and debate, and offer a window on the work and performance of government itself. It is the responsibility of the Government to ensure that they are reliable and that the public has confidence in them. Despite changes in recent years, concerns have remained about the integrity of official statistics, both generally and in specific areas. For example, there were concerns about the integrity of the unemployment figures during the 1980s and more recently with the reliability of the average earnings data. It is such concerns that the Government is determined to address, in order to deliver official statistics which the public can trust.

1.2 Official statistics need to be of assured quality, and be compiled and presented in a way which is free from political interference. In February 1998, the Government published a Green Paper “*Statistics: A Matter of Trust*”, which set out this goal and sought to stimulate a wide-ranging debate on the future arrangements for official statistics in the UK. The Green Paper focussed on the concept of ‘National Statistics’ - the preparation and production of statistics intended for public use. This concept is used throughout the document, and Chapter 4 sets out the Government’s views on the scope of National Statistics. During the consultation period, which ran until 31 May, a number of open meetings were held around the country to discuss these issues, and the Government is particularly grateful to the Royal Statistical Society for its help in arranging these meetings. There were 111 written responses to the consultation. A summary of the responses and a document containing copies of the individual responses are both separately available. Details are given at Annex A.

1.3 After the consultation period ended, concerns were raised about the reliability of the Average Earnings Index (AEI) following two sets of revisions. The AEI is a key statistical indicator used by those who monitor and take decisions on the economy, including the Bank of England’s Monetary Policy Committee. The Chancellor of the Exchequer initiated an inquiry into the circumstances surrounding these revisions and the report, published at the beginning of March 1999, made 37 principal recommendations designed to improve procedures and the quality of the index. All the recommendations were accepted. Some of these have implications for official statistics more generally and have been taken into account in drawing together the plans in this White Paper.

1.4 Two other relevant reviews have reported since the Green Paper. First, the Treasury Sub-Committee of the Treasury Select Committee of the



House of Commons reported on its inquiry into ONS. The inquiry was particularly relevant in that its terms of reference included an examination of ONS's ability to ensure the integrity of the statistics it produces, the way in which they are presented and the uses to which they are put; and also to what extent the various options in "*Statistics: A Matter of Trust*" would be likely to enhance the performance of ONS.

1.5 The second was an efficiency review into ONS which considered the scope for realising efficiency savings which would then be available for reinvestment to improve the quality and range of its statistical outputs. The review was carried out by an independent Steering Group chaired by Peter Ellwood of Lloyds TSB. It identified a number of ways of building on existing ONS efficiency plans to derive potential savings increasing to £20 million per year, after five years, achieved through a combination of further streamlining of activities undertaken within ONS plus working more closely with appropriate private sector organisations. In the short term, the greatest savings will come from support cost areas. The effect of the efficiency improvements will be to enable ONS to direct its professional resources and management attention to those areas - the production of key statistical outputs and the conduct of relationships with customers - where ONS has the largest contribution to make.

1.6 This White Paper, "*Building Trust in Statistics*", sets out the decisions which the Government has taken in the light of the wide range of views expressed during the consultation period and the outcomes of the various reviews discussed above. The overriding aim is to provide a sound platform for delivering public confidence in official statistics.

1.7 In particular, the White Paper outlines the accountability and governance arrangements which the Government intends to introduce, based on the creation of a Statistics Commission, independent of both Ministers and the producers of National Statistics. The Commission will play a key role in quality assurance and priority setting, ensuring that official statistics are trustworthy and responsive to public needs. A broad indication of the respective roles and responsibilities of the various parties involved - the Statistics Commission, professional statisticians and Ministers - is outlined in Chapter 2, which gives more detail on the proposed accountability and governance framework. Reflecting the views of a number of respondents to the consultation, the Government also believes that it would be desirable for Parliament to play an enhanced scrutiny role within the new arrangements.

1.8 Chapter 3 outlines how the Government intends to achieve the highest standards of integrity in National Statistics by delivering on quality and ensuring freedom from political interference. Further details of the arrangements which will support improvements to the quality of statistics are outlined in Annex B. Chapter 4 sets out the Government's position on the other main issues raised in the Green Paper: the scope of National

Statistics, the location of responsibilities, maintaining professional standards across all statistical work in government, and the implications of devolution.

1.9 The next major steps will be the publication of a Framework for National Statistics, which will be presented to Parliament and will set out in greater detail than this White Paper the full roles and responsibilities of all the parties involved, and the appointment of the Statistics Commission. These steps are described in Chapter 5.





Chapter 2: Accountability and Governance

Creating the right framework

2.1 The new framework for National Statistics needs to:

- strengthen statistical priority-setting and responsiveness to all users;
- ensure professional freedom in the operational production of statistical outputs;
- ensure statistics are produced to high professional standards; and
- provide greater transparency and accountability than current arrangements.

At the same time, formal survey control mechanisms need to be maintained to ensure that burdens on data providers are minimised, taking into account the Government's Better Regulation commitment to minimise burdens on business.

2.2 The Green Paper considered four possible models for the accountability and governance framework:

Model A: Strengthening existing arrangements.

Model B: Establishment of a governing board, with a non-executive chair.

Model C: Establishment of an independent Statistics Commission.

Model D: Direct accountability to Parliament.

2.3 The Green Paper noted that these models should not be regarded as mutually exclusive, and that it would be possible to combine elements of each. Similarly, it noted that under any model, steps could be taken to strengthen the dialogue with Parliament.

2.4 Many of the replies to the consultation noted the high professional standards of those who produce official statistics and the Government recognises that this is the case. However, many of the same responses also highlighted concerns about a lack of appropriate safeguards against political interference and a lack of openness and transparency in priority setting and quality assurance. It is these concerns which the Government is determined to address. Exactly the same concerns were aired during the 1980s with respect to unemployment figures, while more recently concerns about the average earnings data again highlighted a lack of transparency.



2.5 Neither model A nor model B received much favour from respondents, with a general view that such arrangements were not sufficiently different from current ones to address the sort of concerns described above and increase public confidence in the integrity of official statistics.

2.6 Similarly, only a small proportion of respondents favoured model D (direct accountability to Parliament). Several respondents expressed concerns about this model - for example, about the exercise of party political influence, possible duplication of resources, a loss of relevance and responsiveness of statistical work to public policy issues, and the time it would take to implement such a model.

2.7 A clear majority of respondents - 70 per cent of those expressing a view - advocated the establishment of an independent Statistics Commission along the lines of that envisaged in model C in the Green Paper. It was felt that such a model offered the best chance of meeting the Government's goal, by introducing the necessary distance between Ministers and statistical operations, improving transparency and the public perception of independence, strengthening the priority-setting and quality assurance processes and providing users with a clear channel to express their views.

2.8 Having carefully considered all the responses to the consultation exercise, as well as the lessons from the various reviews, the Government is persuaded that the best way forward is the creation of a Statistics Commission, independent of both Government and the producers of official statistics. The Commission will provide the appropriate safeguards in relation to the quality of the statistics and their freedom from political interference and will advise Government on such issues if it believes that further measures are necessary.

2.9 A number of respondents argued that the new accountability and governance arrangements should also include an enhanced role for Parliament. The Government agrees that an effective scrutiny role for Parliament within the framework would be desirable in strengthening the new arrangements.

Roles within the new framework

2.10 In the light of the consultation, the Government has decided that the Statistics Commission should be an independent, non-executive body which will publicly advise Ministers on statistical integrity issues related to National Statistics - including priority setting and quality assurance. In performing these roles, the Commission will draw on the views of users and providers of statistics. It will also advise on the scope of National Statistics, covered in Chapter 4.



2.11 In addition, the Government will appoint a Head of National Statistics (hereafter referred to as the National Statistician), with overall professional responsibility for the outputs comprising National Statistics. In fulfilling this role, he or she will work closely with Heads of Profession for Statistics in Departments and will take account of the views of users. In particular, the National Statistician will be responsible for ensuring that the Chancellor of the Exchequer (given his co-ordination responsibilities across National Statistics) and Departmental Ministers are consulted on proposals that impinge on matters of government policy. The National Statistician will also take over the responsibilities of the Director of the Office for National Statistics (ONS), as described in the ONS Framework Document, both with respect to the operation of ONS and as Head of the Government Statistical Service. He or she will continue to have access to the Prime Minister on matters concerning the integrity and validity of official statistics.

2.12 In broad terms, the roles of the main players will be as described below. The Government will produce a Framework for National Statistics which will set out the detailed roles and responsibilities.

National Statistician:

- is the UK government's chief professional adviser on statistical matters;
- has professional responsibility for those outputs comprising National Statistics - including the duty to maintain and demonstrate their integrity, and to promote their coherence and compatibility;
- sets professional standards for National Statistics, including standards for release arrangements and quality assessment, and has the authority to determine whether or not a statistical output meets National Statistics requirements;
- discusses departmental statistical work programmes with Heads of Profession in the wider National Statistics context and, in collaboration with Heads of Profession, collates the statistical work programmes for Departments into a coherent high-level programme for National Statistics which he/she presents to the Commission;
- within the framework of departmental statistical work programmes, and the agreed broad coverage of departmental outputs, has responsibility for the professional integrity of those statistical outputs comprising National Statistics - including responsibility for the timing of their release and for the content and format of that release, taking into account the views of users;

- prepares an annual report for Ministers on the performance of National Statistics which is made available to the Commission.

Heads of Profession (for statistics in departments):

- support the National Statistician in his/her professional responsibilities (while remaining in the formal line management of their departments), including promoting the coherence and compatibility of National Statistics;
- prepare the statistical work programmes for their Departments, in consultation with the National Statistician, and support the National Statistician in devising and delivering a coherent programme for National Statistics;
- have a professional responsibility to the National Statistician, including for agreeing the release arrangements for National Statistics produced by their departments and ensuring that these and agreed professional standards are adhered to;
- have a duty to refer matters related to the professional integrity of National Statistics produced by their departments to the National Statistician.

Statistics Commission:

- considers and comments to Ministers on the programme for National Statistics, drawing on the views of users and suppliers, and advises on the scope of National Statistics;
- comments on the quality assurance processes of National Statistics, as well as being able to carry out spot checks on departmental or other audits of National Statistics and to carry out or commission its own audits in areas of concern;
- comments on the application of the code of practice for official statistics and other procedures designed to promote statistical integrity;
- prepares and lays before Parliament an annual report on National Statistics, incorporating its comments on the report by the National Statistician, and on how the Commission has discharged its functions.

Ministers:

- respond to views expressed by the Commission on departmental elements of the high-level programme for National Statistics, on the scope of National Statistics or on specific issues;





- produce a co-ordinated Government response to the Commission's views, making this publicly available, and lay before Parliament the annual report produced by the Commission covering the performance of National Statistics and how the Commission has discharged its functions. Treasury Ministers will co-ordinate on cross-departmental statistical issues where there is no clear departmental responsibility for such co-ordination;
- decide departmental statistical collection and programmes, and the resources to be given to them, in the light of the Government's response to the Commission on the National Statistics programme;
- require the National Statistician, Heads of Profession and their staff to make a full professional contribution to National Statistics activities and authorise access to all data within their control for National Statistics purposes, subject to confidentiality considerations.

Parliament might:

- receive an annual report prepared by the Commission covering the performance of National Statistics and how the Commission has discharged its functions;
- scrutinise as it sees fit the performance and operation of Ministers, the Commission and National Statistics.

A role for Parliament

2.13 As described above, the Government believes that a scrutiny role for Parliament within the new arrangements would be desirable. It would be for Parliament itself to decide how this might be achieved.

2.14 As an example, Parliament could utilise the existing departmental Committee structure to hold Ministers accountable for the statistical programmes in individual departments. However, this might imply difficulty in considering cross-cutting statistical issues and could reinforce perceptions of a lack of coherence across the statistical programme. For example, Parliament might wish to scrutinise the practices across Government to ensure statistical integrity, such quality assurance processes or adherence to the statistics code of practice, or broad issues such as the relative weight given to economic and social statistics. Another option, to which the Government is attracted, would be for the scrutiny role on such cross-cutting statistical policy issues to fall to a single Committee with the responsibility to look across all aspects of National Statistics. This role might

be best carried out by an existing Committee, such as the Treasury Committee, given its wide ranging interests in both economic and social outcomes.

2.15 Its role could be centred on the annual report produced by the Commission which would include comments on the performance of National Statistics and details of how the Commission had discharged its functions. In addition to a single Committee carrying out this cross-Government scrutiny role, it would be for other Committees to consider statistical issues in their areas, as they saw fit.

Appointment and size of the Statistics Commission

2.16 The Government will appoint members to the Statistics Commission following a transparent appointments process based on merit, in accordance with the Code of Practice published by the Commissioner for Public Appointments. The Commission will need to be seen to be independent, command authority and embody a good understanding of statistical issues and the value of trustworthy statistics in democratic debate. But it will also have a definite user focus and its members need not be professional statisticians.

2.17 The Government has given careful consideration to the size of the Commission. One option would have been to set up a large Commission, with individuals representing the numerous interest groups in this area. But the establishment of such a Commission would be unwieldy, costly and ineffective. It therefore proposes to set up a Commission of seven members, including the Chairman and, within a set budget, to ask the Commission to recommend to Ministers within six months its own machinery for covering the interests of users and producers of National Statistics - including the arrangements for taking account of country/region and subject matter dimensions. Appointments will be made on a 3 year renewable basis in the steady state, although initially terms of 2-4 years will be used to ensure continuity. The Commission will be supported by a small permanent staff.

2.18 The Government recognises the concerns expressed during the consultation that the new arrangements should be fully funded. Provision has accordingly been made available for this purpose, following the Comprehensive Spending Review.

Securing the new arrangements

2.19 It is essential that the proposed new statistical framework, once established, should in itself remain free from political interference. Neither should the arrangements be gradually eroded over time. Several respondents to the consultation suggested that the only way that the new arrangements could be properly safeguarded was by legislation.





2.20 The Government acknowledges the arguments for legislation but has decided to implement the new arrangements on a non statutory basis in order to secure the benefits as soon as possible. Demands on legislative time are considerable and likely to remain so. The Government has however already indicated that it will consider the case for statistics legislation if necessary and appropriate, and intends to ask the Statistics Commission to review the need for legislation after its first two years and to report back to the Government. Any emerging requirement for statistical legislation would need to be assessed against other priorities.

Chapter 3: Demonstrating Integrity

Delivering on Quality



3.1 It is essential to establish the right framework for priority setting and quality assurance. Quality must be at the centre of all that the official statistician does, ensuring that his or her work is authoritative and respected. Relevance, accuracy, timeliness, clarity, accessibility and consistency must all be achieved. The Statistics Commission will have the power to comment on the quality assurance processes of National Statistics, as well as being able to carry out spot checks on departmental or other audits of National Statistics and to carry out its own audits in areas of concern. This will help in scrutinising the effectiveness of existing and future statistical operations.

3.2 The recent review of the revisions to the Average Earnings Index (AEI) has provided lessons on how further quality improvements can be delivered across National Statistics:

- There should be careful project management of statistical changes and adequate technical expertise available at essential times during the process;
- There needs to be more active involvement of statistical methodologists and other specialists, as appropriate, in assessing the quality of current methods and the impact of methodological changes to statistics, and more systematic and regular involvement of outside statistical expertise and the users of statistics at all stages of any programme to improve or change important statistics; the involvement of outside experts in the process of developing or changing statistics should not be perceived as a threat to the independence and integrity of statistics - indeed it is an opportunity to increase the quality and integrity of National Statistics;
- The management of each programme of change should be critically reviewed at each stage;
- Keeping users of statistical series informed throughout any process of change is vitally important and, more generally, formalising relationships with users through written service level agreements should be pursued where there are clear benefits.

The changes within ONS following the AEI review and their relevance to National Statistics more widely are discussed in Annex B.

3.3 “*Statistics: A Matter of Trust*” proposed that all outputs designated as part of National Statistics should be clearly marked as such. Since many of



the statistics produced by the Government Statistical Service are used for many purposes, to attempt to “kitemark” each statistic for every use made of it would raise significant practical difficulties. But the Government does agree that it is essential to inform users of the quality of National Statistics so that they can assess their appropriateness for the intended use.

3.4 An early priority for the National Statistician, supported by Departmental Heads of Profession, will be to plan for the development of methodology and quality assurance across National Statistics and to introduce standard quality assurance processes. The Statistics Commission will then be able to advise Ministers on these processes and their application.

Ensuring Freedom from Political Interference

3.5 The other key element to demonstrating integrity is to ensure that official statistics are produced without political interference and that that is clearly recognised by users. The new framework is designed to ensure that the professional responsibility for National Statistics is clearly separated from the responsibilities of Ministers. The National Statistician will set professional standards for National Statistics, including standards for release arrangements and quality assessment, and will have the authority to determine whether or not a particular statistical output meets National Statistics requirements.

3.6 The National Statistician will at an early stage develop a Code of Practice for National Statistics (which he or she will then maintain) which builds on the current code of practice for official statistics. Implementation of a sound and consistent policy on the release of data is particularly important. This policy needs to cover both the handling of, and access to, data within Government (beyond those immediately engaged in compiling the statistics) and the release of statistics more widely. It will be designed to ensure timeliness, fairness, openness and efficiency. Any ministerial comment on statistics will always be issued in separate news releases so that they are clearly distinguished from the National Statistics themselves.

3.7 The Statistics Commission will be able to comment on the Code of Practice and its application, and on other procedures designed to promote statistical integrity.

Chapter 4: Other Issues

Scope of National Statistics

4.1 “Statistics: A Matter of Trust” noted that there are three ways of defining the scope of National Statistics - in terms of the people providing the service, the activities or the outputs. It suggested that trust in the outputs, the statistics themselves, was the real goal. The great majority of respondents to the consultation agreed with this approach and the Government has decided to proceed on that basis.

4.2 There is a broad consensus, in which the Government shares, that all current Office for National Statistics publications and public access databases should be within the scope of National Statistics, and that with the agreement of Ministers other statistics currently published by departments should also be included as appropriate. Some respondents to the consultation favoured extending the coverage further - at the extreme to cover all statistics put into the public domain.

4.3 This is not a straightforward issue. A considered expansion would be manageable in terms of the priority-setting and quality assurance processes the Government intends for National Statistics but too ambitious a programme could pose considerable practical difficulties.

4.4 Our intention is therefore to begin by including all ONS publications and public access databases and, with the agreement of Ministers, other statistics published by departments. Details will be published with the Framework for National Statistics.

4.5 The Government will ask the Statistics Commission to keep under review the scope of National Statistics and make periodic recommendations to Ministers. These recommendations will be published. On the basis of the Commission’s recommendations, Ministers will decide whether any changes to the scope of National Statistics are appropriate, publishing their response. The Commission, consulting with the National Statistician, may also wish to advise on how National Statistics best practice and quality assurance processes might be spread to other public sector statistics.

Location of responsibilities

4.6 “Statistics: A Matter of Trust” suggested that the location of National Statistics activities should be determined on a case-by-case basis, weighing up the advantages and disadvantages of their being centralised or left in other government departments or other public bodies. It proposed a set of criteria against which this assessment should be considered. In particular, it suggested that such an assessment take account of the breadth





of the customer and supplier bases, the knowledge base and synergies with other activities.

4.7 The responses to the consultation showed a broad consensus in favour of this balanced approach where statisticians are kept close to policy work in departments where it makes sense to do so. The Government remains attracted to it, believing it important to maintain independent statistical expertise in departments to aid policy development and in the creation of meaningful targets and indicators, but within the stronger framework for statistical work being proposed.

4.8 The Government therefore intends to proceed on this case-by-case basis. It will ask the National Statistician, working with Heads of Profession, to review systematically the location of responsibilities for each block of National Statistics work, against the criteria set out in the Green Paper. He or she will then make recommendations for ministerial consideration and decision.

Devolution

4.9 Under the arrangements for devolution, responsibility for statistics in areas where policy responsibility is to be devolved will lie with the Scottish, Welsh and Northern Ireland administrations. Where policy responsibilities are devolved, increased divergence in policies to reflect the circumstances of particular countries is possible, and it is expected that statistics collected to monitor and inform these policies will reflect this.

4.10 The Government has, however, noted the concerns expressed during the consultation that devolution might result in less consistency and co-ordination of statistics on a UK-wide basis than at present. The Government regards the need for co-ordination and co-operation between all those involved under the new arrangements as vital in order to promote comparable statistics across the UK. Heads of Profession in Scotland, Wales and Northern Ireland will work with the National Statistician to meet users' needs within the arrangements for National Statistics. In particular, this will be essential for statistics required to be submitted on a UK basis to the EU or international bodies. The National Statistician will retain the responsibility to fulfil UK statistical obligations to the EU and international bodies and for EU/international liaison and co-operation on statistical matters. The Statistics Commission will be able to advise on the effectiveness of these arrangements.

4.11 The Statistics Commission will be established to advise Ministers and report to the UK Parliament on these matters. The devolved administrations will subsequently wish to consider the working relationships they wish to establish with the Commission.

Maintaining professional standards



4.12 “*Statistics: A Matter of Trust*” emphasised the Government’s commitment that all statistical work throughout government must match up to the same high professional standards as required for National Statistics, whether it fell within this framework or not.

4.13 To ensure that this is the case, the Government proposes to maintain and build on existing arrangements for the Government Statistical Service. These arrangements will include:

- mechanisms to share best practice, including developing and maintaining a code of practice as a model for all those involved with official statistical work, not just producers of National Statistics;
- arrangements to quality assure all statistical work - both work leading to the production of National Statistics and other statistical work;
- arrangements for the recruitment of professionally qualified staff; and
- training and development of all staff carrying out statistical work in government.

4.14 In his or her role as the Head of the Government Statistical Service, the National Statistician, with Heads of Profession in Departments, will assess how the arrangements for National Statistics can best be adapted to cover all official statistical work and the additional arrangements which will be necessary to build on existing human resources strategies; particularly with respect to enhancing professional standards across Government.

4.15 The Statistics Commission will be able to keep a watchful eye over these matters and provide advice to ministers if and when it sees fit.



Chapter 5: Next Steps

5.1 The changes outlined in this White Paper represent the most radical reform of official statistics for 30 years. The next few months will be used to prepare for their implementation. The new arrangements will become fully operational at the beginning of the financial year 2000-01.

5.2 The next steps will be:

- the publication of a **Framework for National Statistics** which sets out the full roles and responsibilities of all the key players. The Government intends to publish such a document as soon as possible;
- the appointment of the **independent Statistics Commission**, in accordance with the Code of Practice published by the Commissioner for Public Appointments, and the setting up of administrative support arrangements, including accommodation and a small permanent staff. The Government intends to take this forward immediately with a view to establishing the Statistics Commission early next year. This will enable the Commission to advise Ministers on its own machinery for covering the interests of users in the summer of 2000; and
- the appointment of the **National Statistician** as soon as possible.



Annexes



Annex A

Report on the Consultation

A.1 A summary report on the Green Paper consultation “*Statistics: A Matter of Trust*”, including a list of respondents, is available from the Office for National Statistics, D4/6, 1 Drummond Gate, London SW1V 2QQ. Tel: 020 7-533 6211. Fax: 020 7-533 6219. The report can also be found on the Internet at the ONS web site (www.ons.gov.uk).

A.2 A full set of the individual replies to the consultation is available on request from the same address.

Annex B

Assuring the Quality of National Statistics



B.1 Under the new arrangements, the National Statistician has professional responsibility for those outputs comprising National Statistics - including the duty to maintain and demonstrate their integrity, and to promote their coherence and compatibility. This Annex outlines the arrangements that will exist to support the National Statistician in delivering National Statistics of an assured quality. Enhancing the quality of National Statistics will require the introduction of improvements in some cases. The annex highlights the changes which are already being implemented at ONS to improve quality and transparency and which will help in delivering improved quality more widely across Government.

What is required?

B.2 The National Statistician will have the responsibility for the essential tasks of developing and maintaining the quality assurance framework for National Statistics, spreading good practice on generic techniques, and auditing and helping manage change in processes that produce key outputs.

B.3 Key elements will be:

- transparent planning for the development of methodology and quality assurance;
- an enhanced code of practice for producers of National Statistics, including guidance on professional standards;
- quality improvement plans within each broad area of National Statistics which will feed into the planning process for National Statistics;
- guidance by Heads of Profession on the standards expected at Departmental level;
- improved documentation for each chain of activity leading to a National Statistics output which will then be open to scrutiny;
- better arrangements for involving external methodological and professional advice;
- a programme of thorough reviews of key outputs, at least every five years, with the involvement of methodologists and outside expertise, as appropriate;
- transparent user consultation processes - covering both the scope and quality of statistics;
- a structure that will enable the spreading of methodological good practice.

B.4 In developing the procedures for the reviews of key outputs, the National Statistician will build on existing review procedures, as well as drawing on the lessons of the recent review of average earnings. The purpose of the reviews will be the effective auditing



of National Statistics and the effective management of change processes. They will take a process or set of outputs and subject them to a thorough review to check the understanding of user needs, the quality of outputs, the efficiency of production and burden on suppliers. The review team will advise on implementing desirable change, and quality assuring the result, and identify more general lessons for wider application to other National Statistics. Methodologists will either lead or have a key role with the reviews and other specialists and outside expertise will be drawn on as appropriate. Review reports and resulting action plans will be made generally available; and the methodological improvements introduced will be a major strand each year in the National Statistician's annual report.

B.5 Complementing these reviews will be thorough documentation across National Statistics - including the processes involved with their production, the attributes of quality and fitness for purpose, customer focus and customer and supplier care, and planned improvements and evaluation. Central guidance will be provided on this documentation to ensure a consistency of approach across National Statistics and the documentation will again be accessible to the Statistics Commission and the wider public.

B.6 In addition, the Statistics Commission will be able to apply an outside check. Full co-operation and support will be given across government in any audits required by the Commission to fulfil its functions as laid out in this White Paper and in the Framework for National Statistics.

Improving quality at ONS

B.7 To implement these changes will require a change of emphasis and priorities at ONS. The Government has taken two immediate actions to enhance the quality of the National Statistics produced by ONS. As a first step, the management of the Office for National Statistics has been strengthened to give greater emphasis to quality issues. Following the ONS efficiency review and the review of the Average Earnings Index, the Government accepted proposals from the Director of ONS to strengthen the senior management structure of ONS, including the establishment of a restructured management board.

B.8 A key element in this restructuring is the creation of a new Director of Methodology and Quality at the most senior level tasked with overseeing the systematic strengthening of quality control within ONS. This Board level post has been created to provide a much sharper focus on quality and methodological issues. The immediate task is to implement the conclusions of the review of the Average Earnings Index and to establish the programme of reviews across the whole range of ONS outputs. ONS priorities will need to reflect the outcome of this work. External links to statistical offices in other countries and to research and professional institutes will be significantly strengthened.

B.9 The management board also includes new Directors of Economic and Social Statistics who are responsible and accountable for all ONS statistics in these areas. This will establish greater coherence of National Statistics in both economic and social statistics. It also provides a sounder basis for developing the provision of statistics in cross-cutting areas - in itself, an essential component in ensuring the most appropriate set of outputs in terms of scope and quality for data users.

B.10 As a second step, efficiency savings identified from the ONS efficiency review are to be recycled to generate additional resource to use in strengthening the scope and quality of the statistical outputs produced by ONS. The review identified ways to achieve annual efficiency savings of £20 million that can be used for that purpose.

Improving quality across government

B.11 Heads of Profession have a key role, working with the National Statistician, in delivering quality outside of ONS, including the responsibility for ensuring that agreed professional standards are adhered to in their departments, reviews conducted, appropriate documentation maintained and guidance given to staff producing National Statistics. The National Statistician will depend on the professionalism of Heads of Profession and their staff to deliver in these areas.

B.12 However, it is equally clear that Heads of Profession will also require additional support from ONS in fulfilling their roles effectively. In particular, there will be a need for increased methodological support for producers of National Statistics in departments. The Statistics Commission will be able to comment on the programme, scope and quality assurance and integrity processes across National Statistics and will highlight areas where there is a lack of consistency across Government or where departments fall short of desirable quality or professional standards.

B.13 The restructuring at ONS is designed to provide that additional support. The Director of Methodology and Quality will take forward and promote, in partnership with Heads of Profession, the quality assurance processes for National Statistics. He or she will also restructure the quality and methodology functions within ONS so as to be able to deliver an appropriate level of central support to Heads of Profession in developing consistent quality assurance and methodological standards, and to underpin major methodological developments.

B.14 The new Directors of Economic and Social Statistics are tasked with promoting a more coherent set of National Statistics, not just within ONS but across National Statistics more generally. In doing so, they will work closely with Heads of Profession to identify gaps in coverage and coherence and how they might be addressed. The need for “joined-up” statistics is no less now than it was when ONS was created – there is still a widely perceived need for greater coherence and compatibility across official statistics, for improved presentation and for easier public access. These were key themes in the creation of ONS and will be essential in delivering an effective package of National Statistics.



