### Minutes

### Meeting of Friday 19 December 2008 Board Room, Statistics House, Islington

### Present

### **UK Statistics Authority**

Sir Michael Scholar (Chair) Lord Rowe-Beddoe (Deputy Chair, ONS) Professor Sir Roger Jowell (Deputy Chair, Official Statistics) Mr Partha Dasgupta Ms Karen Dunnell Ms Moira Gibb Sir Alan Langlands Professor Steve Nickell Professor David Rhind

### Secretariat

Mr Robert Bumpstead Mr Mervyn Stevens

### **Other Attendees**

Mr Richard Laux (Monitoring and Assessment, UK Statistics Authority)

### **Apologies**

Mr Richard Alldritt Mr Steve Newman

### 1 Apologies for absence

1.1 Apologies had been received from Mr Richard Alldritt and Mr Steve Newman.

### 2 Declarations of interest

- 2.1 Mr Dasgupta noted that the Pension Protection Fund, of which he was Chief Executive, was one of the bodies listed in the draft second Official Statistics Order (paper [SA(08)47], item 9 below).
- 2.2 Lord Rowe-Beddoe declared that he would be sitting on a House of Lords ad-hoc Committee on the Barnett Formula.
- 2.3 Professor Rhind reminded the meeting that he was a member of the Court of the Bank of England with particular reference to the item about the modernisation of the National Accounts (item 6 below).

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

- 3.1 The minutes of the previous meeting on 27 November 2008 were accepted as a true and fair account of that meeting.
- 3.2 The Chair reported to the Authority on recent events concerning the publication of statistics about knife crime. Earlier in the month the Chair had written to the Permanent Secretary at No.10 Downing Street, Mr Jeremy Heywood, concerning the premature, selective and irregular release of statistics about knife crime. In his reply Mr Heywood acknowledged that insufficient attention had been paid to the views of statisticians about whether to publish this information.
- 3.3 The Chair had asked the Authority's Monitoring and Assessment Team to investigate the matter further, with a view to publishing their findings.

### 4 Reports from Committee Chairs

### Office for National Statistics (ONS) Board

- 4.1 Lord Rowe-Beddoe, Deputy Chair (ONS) had recently held a constructive meeting with the Chair of the British Retail Consortium (BRC). Potential areas where the ONS and the BRC could work together had been identified.
- 4.2 The ONS London property portfolio continued to be the subject of on-going discussions with colleagues across government.

### Audit Committee

- 4.3 Professor Rhind reported that the Audit Committee had met on 4 December 2008. A review of the provision of internal audit services was planned for early in 2009. The Audit Committee had discussed two internal audit reports and were considering what general lessons could be learned from these. The external audit of the Authority had been contracted by the National Audit Office to Mazars.
- 4.4 One post on the Audit Committee was vacant. The Chair of the Authority would be working with the Chair of the Audit Committee to fill this post in the near future.

### **Risk Committee**

4.5 Professor Nickell reported that the second meeting of the Risk Committee had been held on 4 December 2008. The Committee had considered risks arising to the Authority from its Monitoring and Assessment function and the management of risks across the Government Statistical Service (GSS). Statistical Heads of Profession had been asked to complete a short questionnaire to provide the Committee with information about how statistical risks were managed in each department.

4.6 The Committee had also considered how the Authority might most effectively engage with stakeholders in pursuit of its objectives. It was agreed that the Board of the Authority would consider this matter in the New Year.

### 5 Publication of 2011 Census White Paper

5.1 Ms Dunnell reported that the 2011 Census White Paper had been published on 11 December. A press conference had been held on the same day to promote the launch. The meeting heard an update on other aspects of the 2011 Census including the development of an address register.

### 6. National Accounts Modernisation

- 6.1 The Authority discussed and agreed proposals for further engagement with the Bank of England and HM Treasury in respect of the modernisation of the National Accounts.
- 7. Arrangements for Publication of the Code of Practice and Monitoring Reports 2 and 3 [SA(08)45]
- 7.1 Mr Laux introduced a paper which presented the material associated with the launch of the Code of Practice for Official Statistics, the Report on the Consultation and the Principles and Procedures for Assessment (Monitoring Report 2), and the Priorities for Designation as National Statistics (Monitoring Report 3).
- 7.2 The Authority approved the proposals and agreed that all three documents would be published on 6 January 2009. Further detailed comments on the materials would be passed on to Mr Laux.

### 8. Monitoring and Assessment Note 3: Presentation of Statistics [SA(08)46]

- 8.1 Mr Laux introduced a paper which considered the presentation of statistics in statistical first releases. The paper included a draft Monitoring and Assessment Note on the matter.
- 8.2 It was agreed that the Note should be published on the Authority's website soon after publication of the Code of Practice, subject to incorporation of suggested drafting points.
- 8.3The meeting heard that the publication *Plain Figures* was widely regarded as a benchmark for presentational standards of official statistics. The volume had last been updated in 1996. It was therefore agreed that the National Statistician would consider arrangements for producing an updated version.

### 9. Consultation on the Second Official Statistics Order [SA(08)47]

- 9.1 Mr Bumpstead presented a paper which set out the Cabinet Office's formal consultation with the Authority about a second Official Statistics Order. The draft Order specified the names of non-Crown Bodies whose statistics would be brought within the scope of official statistics. The meeting understood that it was the government's intention to lay the Order before Parliament in January. It would take effect from 1 April 2009.
- 9.2 The Authority noted the draft Order and draft Explanatory Memorandum and agreed it was content for the proposals to proceed.
- 9.3 The bodies listed in the order should produce statistics in accordance with the new

Code of Practice. The meeting understood that the National Statistician would establish links with these bodies to support them in doing this, including establishing links to Heads of Profession in the GSS.

### 10. UK Statistics Authority Annual Report 2008/09 [SA(08)48]

- 10.1Mr Bumpstead introduced a paper which outlined plans for producing and publishing the Authority's first Annual Report and Accounts.
- 10.2The meeting considered ways in which the Annual Report could be made as accessible and informative as possible and endorsed the proposals.

### 11. The Authority's Forward Agenda for 2009 [SA(08)49]

11.1The Chair introduced a paper which presented a forward agenda for Authority meetings in the early part of 2009. The proposals were approved subject to various agreed drafting revisions.

### **12. Responding to Issues of Public Concern: House Price Indices** [SA(08)50]

- 12.1Mr Laux presented a paper which summarised issues around house price information and included proposals for considering ways in which these statistics might be improved.
- 12.2It was agreed that a letter would be sent to the relevant minister proposing that a group be set up to be chaired by the National Statistician to further consider the matter. The group should report back to the Authority in March 2009.

### 13. Any other business

13.1There was no other business.

## Agenda

## Friday, 19 December, 2008 Board Room, Statistics House, London, 11:15 - 12:45

## Chair:Sir Michael ScholarApologies:Mr Steve Newman, Mr Richard Alldritt

1	Minutes and matters arising from previous meeting Declarations of interest	Meeting of 271108
2	Reports from Committee Chairs	Lord Rowe-Beddoe Professor David Rhind Professor Steve Nickell
3	Publication of 2011 Census White Paper	Oral Report Ms Karen Dunnell
4	National Accounts Modernisation	Oral Report Sir Michael Scholar
5	Arrangements for Publication of the Code of Practice and Monitoring Reports 2 and 3	SA(08)45 Mr Richard Laux
6	Monitoring and Assessment Note 3: First Releases	SA(08)46 Mr Richard Laux
7	Consultation on the Second Official Statistics Order	SA(08)47 Secretariat
8	UK Statistics Authority Annual Report 2008/09	SA(08)48 Secretariat
9	The Authority's Forward Agenda for 2009	SA(08)49 Secretariat
10	Responding to Issues of Public Concern: House Price Indices	SA(08)50 Mr Richard Laux
11	Any other business	

### Next Meeting: Friday, 16 January, 2009 Statistics House, London, 11:15 - 15:00

SA(08)45

## Arrangements for the Publication of the Code of Practice and Monitoring Reports 2 and 3

### Purpose

- 1. This paper presents the material associated with the launch of the Code of Practice for Official Statistics (Code) and the Report on the Consultation and the Principles and Procedures for Assessment (Monitoring Report 2), and Priorities for Designation as National Statistics (Monitoring Report 3)
- 2. The three documents will be published on 6 January 2009.

### Recommendations

- 3. Members of the Authority are invited to comment on:
  - i. the single covering letter to recipients of the Code and one or both of the Reports (see Annex A);
  - ii. the draft press notice (Annex B), and;
  - iii. two separate letters from the Chair to various Ministers stemming from the Priorities report, one of these being the formal Notification under section 16 of the Act (Annex C), and the other being to those Ministers who will receive a letter but not a formal Notification as such (Annex D).

### Discussion

- 4. A list of people and organisations to send copies of the reports to is being drawn up. The Code will be most widely circulated, including to National Statistical Institutes and international statistical organisations.
- 5. The Financial Times has declined our offer of an accompanying article on 'the importance of statistics at this difficult time for UK' by the Chair. Other possibilities for publication are under discussion.
- 6. The procedure involved in laying a Notification before Parliament is being considered with the Cabinet Office.

### Monitoring and Assessment Team, December 2008

### List of Annexes

- Annex A Covering letter to recipients of the Code
- Annex B Draft press notice 6 January
- Annex C Letter 1 Formal notification
- Annex D Letter 2 Acknowledgment of intent to submit statistic for Assessment

### Annex A – Covering letter to recipients of the Code



UK Statistics Authority Statistics House Islington London EC1R 1UW

Tel: 0845 604 1857 E-mail: authority.enquiries@statistics.gov.uk www.statisticsauthority.gov.uk

Chair of the UK Statistics Authority, Sir Michael Scholar KCB

6 January 2009

Dear colleague

### UK STATISTICS AUTHORITY'S CODE OF PRACTICE FOR OFFICIAL STATISTICS

The UK Statistics Authority was established in April 2008 and has the statutory objective of promoting and safeguarding the production and publication of official statistics that serve the public good.

I have pleasure in enclosing a copy of the first edition of the Authority's Code of Practice for Official Statistics. The preparation of this Code is a requirement of the *Statistics and Registration Service Act 2007*. Its publication is a significant milestone for the Authority and follows extensive public consultation.

The Code will serve as the benchmark of good practice for all bodies that produce official statistics. The Authority's Monitoring and Assessment Team will use the Code as its primary tool in reviewing the production of these statistics across all relevant official bodies. The Code has been specifically designed to support the statutory assessment function and the Authority will shortly initiate a programme of formal assessment of all existing sets of National Statistics.

The Code also serves to define the standards that the Authority commits itself to uphold in order to promote the confidence of Parliament and the general public in official statistics. The National Statistician, who leads the Government Statistical Service, and the Head of Assessment, are both statutory office holders and members of the Authority Board, and have specific responsibilities in this regard.

Also published today is a report on the consultation on the Code of Practice and on the Principles and Procedures for Assessment, and a report *Priorities for Designation as National Statistics.* The latter report sets out the first recommendations of the Authority in relation to sets of statistics that are not currently treated as National Statistics but, in the Authority's judgement, should now be considered for that designation.

Yours sincerely

### Sir Michael Scholar KCB

SA(08)45 – Arrangements for Publication of the Code and Monitoring Reports 2 and 3

### Annex B - Draft Press Notice – 6 January

This document was published on 6 January 2009

To see the document go to:

http://www.statisticsauthority.gov.uk/news/authority-publishes-new-code-of-practice-and-note-on -release-of-knife-crime-statistics.pdf

### Annex C - Letter 1 - Formal notification

Dear [Secretary of State]

## Statistics and Registration Service Act 2007: Notification in relation to statistics on [name]

This letter is notification under section 16 of the above Act, which states that:

(1) Where in the case of any official statistics other than statistics produced by the Board:

(a) the appropriate authority has not under section 12(1) requested the Board to assess and determine whether the Code of Practice for Statistics has been complied with, and

(b) the Board is of the view that it would be appropriate for it to do so, the Board must notify the appropriate authority accordingly.

(2) Where the appropriate authority is a Minister of the Crown, the Board must lay a copy of its notification under subsection (1) before Parliament.

I understand that you are the appropriate authority for [name of stats]. This set of statistics is not currently designated as a National Statistic and is not therefore subject to formal assessment against the Code of Practice. Following a review of around 340 undesignated statistics, the Authority has decided to notify you that we are of the view that [name] should be assessed against the Code with a view to designation.

In accordance with subsections (3) to (5) of section 16 of the Act, I would be grateful if you could now provide me with one of the following:

(a) a statement that you intend to make a request for assessment under section 12(1), including a timetable for making the request **or** 

(b) a statement that you do not intend making such a request, giving your reasons.

A copy of this notification is being laid before Parliament in accordance with section 16(2) above. Section 16(3) of the Act requires that a copy of your statement in response to this notification should also be laid before Parliament.

I enclose a copy of the *Code of Practice for Official Statistics* and a copy of the report *Priorities for Designation as Official Statistics*, which sets out the background to this notification.

[Yours etc]

Sir Michael Scholar

(Copies to Permanent Secretary and Statistics Head of Profession)

### Annex D - Letter 2 - Acknowledgment of intent to submit statistic for Assessment

Dear [Secretary of State/Cabinet Secretary in Scotland]

### [Name of statistic]

The UK Statistics Authority (Authority) was established under the *Statistics and Registration Service Act 2007* with a remit to publish a Code of Practice for Statistics and to assess and determine whether official statistics comply with the Code. Those that do comply are designated as 'National Statistics'. Statistics that were already designated under the previous arrangements for National Statistics continue to be designated until such time as they are assessed against the new Code.

The Act requires the Authority to assess other official statistics against the Code of Practice when requested to do so, but the request must come from the relevant Minister, a Northern Ireland department or from the National Statistician (depending on which body produces the statistics). Section 16 of the Act provides that where no such request has been received, but the Authority considers that an assessment would be appropriate, it must notify the relevant Minister and lay a copy of its notification before Parliament.

My purpose in writing to you now is to draw your attention to the above set of official statistics, which is currently undesignated but which we judge to be an important candidate for National Statistics status. We are aware that its status is being considered within [name of department] and that a request for designation may be forthcoming. Such a request would be welcome and we would not wish to pre-empt it by invoking the procedure set out in section 16 of the Act. We therefore look forward to hearing from you in due course.

For information, I am enclosing a copy of the *Code of Practice for Official Statistics* and a copy of the report *Priorities for Designation as Official Statistics*, which sets out the background to this letter. We will be reviewing undesignated statistics again towards the end of next year, and in some cases where we have not notified Ministers under section 16 on this occasion, we will consider the possibility of doing so again.

[Yours etc]

Sir Michael Scholar

(Copies to Permanent Secretary and Statistics Head of Profession)

SA(08)46

## Monitoring and Assessment Note 3: Presentation of Statistics

### Purpose

1. This paper presents proposals for a Monitoring and Assessment Note on the presentation of statistics. It addresses an area where the Monitoring and Assessment Team considers that the Government Statistical Service (GSS) has some progress to make in becoming compliant with the forthcoming *Code of Practice for Official Statistics*.

### Timing

2. The Note could be published on the Authority's website soon after the Code of Practice is published on 6 January.

### Recommendations

- 3. The Authority is invited to:
  - i. endorse the use of the detailed criteria listed in paragraph 4 below for the assessment of Code-compliance;
  - ii. agree the content of the draft Monitoring and Assessment Note (Annex A) and its publication, and;
  - iii. comment on the role the Authority should play in updating Plain Figures.

### Discussion

- 4. The Statistics Commission reported on a review of a range of statistical first releases in March 2008, in *Releasing Official Statistics: A Review of Statistical First Releases*. The report considered a purposive sample of releases. An evaluation of these releases against six criteria was conducted. The six criteria were:
  - i. clear identification of the statistics that are being released;
  - ii. commentary that is helpful and presents the key messages;
  - iii. commentary that is objective, balanced and professionally sound;
  - iv. commentary that discusses the statistics in the context of their likely uses;
  - v. readily available metadata about the statistics in the release, and;
  - vi. statistical presentation that is professional and helpful.
- 5. The review found that, in general, statistical releases fared quite well for objectivity and professionalism, but did less well when "relating the strengths and weaknesses of the statistics to the uses to which they are likely to be put".
- 6. The Monitoring and Assessment Team has revisited some of the releases and found isolated cases of improvement, generally minor, but many areas where practices continue to fall short of the standards we consider necessary. The forthcoming Code of Practice particularly emphasises the frank, impartial and accessible way that statistics should be presented, in order to meet user needs. The Monitoring and Assessment Team intends to use the criteria listed above, with their detailed practices as described in the Statistics Commission's report, as the basis for assessment.
- 7. The Monitoring and Assessment Team considers that the *Plain Figures* volume, which was widely regarded as the benchmark for presentation standards in the GSS and was mostly recently republished in 1996, could be updated to reflect technological advances

### SA(08)46 - Monitoring and Assessment Note 3: Presentation of Statistics

and modern publication means. For instance, we consider that opportunities to exploit the connectivity of the internet through the user community (commonly referred to as 'Web 2.0') can significantly enhance the presentation and understanding of statistics. Furthermore, we consider that such an updated volume could be promoted throughout the GSS as the standard to be met in the publication of statistics.

### Mark Pont, Monitoring and Assessment Team, December 2008

### **List of Annexes**

### Annex A - Draft Monitoring and Assessment Note on the Presentation of Statistics

# Annex A - Draft Monitoring and Assessment Note on the Presentation of Statistics

This document will be published on the UK Statistics Authority website in due course.

Published Monitoring and Assessment Notes are available at:

http://www.statisticsauthority.gov.uk/assessment/monitoring-and-assessment-notes/index.html

SA(08)47

## Consultation on the Second Official Statistics Order

### Purpose

1. This paper covers the Cabinet Office's formal consultation with the UK Statistics Authority about a second Official Statistics Order.

### Timing

2. The Cabinet Office intend to lay the draft Order and Explanatory Memorandum when Parliament returns from recess on 12 January. It is intended that the Order should come into force on 1 April 2009.

### Recommendations

- 3. The Authority is invited to consider and comment on:
  - i. the draft Official Statistics Order 2009 (Annex B);
  - ii. the draft Explanatory memorandum to the Official Statistics Order (Annex C).

### Discussion

- 4. Cabinet Office conducted an informal consultation with the Authority about a Second Official Statistics Order in the autumn. The Committee for Official Statistics considered the government's proposals at its meeting of 13 October [Paper SA(COS)(08)08].
- 5. Since that meeting Cabinet Office lawyers have reviewed the Order. As a result of these investigations the following bodies have been removed from the Order, because: they are already crown bodies; will not exist from 1 April 2009; do not produce statistics; or are private companies and not public bodies.
  - Citizens Advice
  - Commission for Integrated Transport
  - Countryside Agency
  - Higher Education Funding Council for England
  - Legal Services Commission
  - Low Pay Commission
  - National Housing and Planning Advice Unit
  - Prisons and Probation Ombudsman for England and Wales
  - Universities and Colleges Admissions Service
- 6. A second group of bodies were not included in the earlier draft but are now included in the Order. These are bodies that: will come into existence by 1 April 2009 (some replacing bodies in the first list) or were previously omitted by mistake. They are:
  - Care Quality Commission
  - Commission for Rural Communities
  - Consumer Council for Water
  - Homes and Communities Agency
  - Regulator of Social Housing

### Secretariat, December 2008

### List of Annexes

- Annex A Covering Letter from the Cabinet Office to the Authority about the Consultation
- Annex B Draft Official Statistics Order 2009
- Annex C Draft Explanatory Memorandum to the Official Statistics Order 2009
- Annex D List of Bodies in the Order

Annex A – Covering Letter from the Cabinet Office to the Authority about the Consultation



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Robert Bumpstead Head of Secretariat UK Statistics Authority Statistics House Myddelton Street LONDON EC1R 1UW

10 December 2008

## The Official Statistics Order 2009

Dear Robert,

We have discussed how the Cabinet Office will consult with the UK Statistics Authority on the Official Statistics Order 2009. You suggested that we could send you the draft order for circulation among the appropriate members of UKSA, so that a recommendation could be made to the board at its meeting on 19 December.

I enclose a copy of the draft order. Also enclosed is a document giving the names some of these bodies are better known as, as well as making clear which bodies have been carried forward from the 2008 order, which have been dropped and which are newly introduced. A draft of the explanatory memorandum is included, which will accompany the order when it is laid in Parliament. This memorandum is not yet complete because it needs to include a section describing UKSA's response to this consultation.

You will remember we updated you on our progress with this order in September. The paper I sent then explained the process we had used to compile this list and there have been no changes to the process since then. The most important matters to update you on since then are as follows.

Firstly we have decided to revoke the first order and replace it, rather than simply amend it (which is what I told you was our intention in September). This means that many of the bodies in this new order are simply those from the first order. As I mentioned above, I have included a document which makes it clear which bodies are new.

Secondly we have decided to arrange for the order to come into force on 1 April 2009. This is so we can accommodate various changes to bodies (particularly relating to housing and to heath and social care) that take place on that date. This will be the first anniversary of the first order's coming into force and we now expect our annual updates to take place regularly on this date.



Finally we have not included the Bank of England in the order. This will not be a surprise to you as we have been updating each other on this matter, but you may like to know that we have been discussing this with the Treasury and they are happy for you to continue your negotiations with the Bank.

I look forward to hearing from you after the board meets on 19 December.

Yours sincerely,

Sumit Rahman Statistical Reform Team

### Annex B - Draft Official Statistics Order 2009

When this document is laid before the UK Parliament a copy will be uploaded on the Authority website.

To see published documents about Official Statistics Orders go to:

http://www.statisticsauthority.gov.uk/uk-statistical-systems/organisations/index.html

### Annex C - Draft Explanatory Memorandum to the Official Statistics Order 2009

When this document is laid before the UK Parliament a copy will be uploaded on the Authority website.

To see published documents about Official Statistics Orders go to:

http://www.statisticsauthority.gov.uk/uk-statistical-system/organisations/index.html

### Annex D - Bodies on first order that are not to be included in second order

Bodies excluded because not producing significant national level statistics

British Hallmarking Council Fleet Air Arm Museum Hearing Aid Council National Army Museum Royal Air Force Museum Royal Marines Museum Royal Naval Museum Royal Navy Submarine Museum

### Bodies excluded because they will be abolished on or before 1 April 2009

Commission for Healthcare Audit and Inspection Commission for Social Care Inspection Commission for the New Towns Housing Corporation Urban Regeneration Agency

The first two bodies in this list are replaced by the Care Quality Commission (as a result of the Health and Social Care Act 2008). The Commission for the New Towns, Urban Regeneration Agency and Housing Corporation are replaced by the Homes and Communities Agency and Tenants Services Authority (referred to in legislation as the Regulator of Social Housing). This is as a result of the Housing and Regeneration Act 2008.

### List of bodies in the second order

Arts Council of England\* Audit Commission for Local Authorities and the National Health Service in England Board of the Pension Protection Fund\* British Tourist Authority\* [known as Visit Britain] British Transport Police Authority\* Care Quality Commission\* Certification Officer Chief Constable of the Police Service of Northern Ireland Coal Authority Commission for Architecture and the Built Environment\* Commission for Rural Communities\* **Competition Commission\* Consumer Council for Water\*** Consumer Panel established under section 16 of the Communications Act 2003 **Design Council** 

English Sports Council\* [known as Sport England] **Environment Agency\*** Financial Services Authority\* Gambling Commission\* Gas and Electricity Consumer Council Health and Social Care Information Centre Health Protection Agency Her Majesty's Inspectors of Constabulary Higher Education Statistics Agency Historic Buildings and Monuments Commission for England\* [known as English Heritage] Homes and Communities Agency\* Independent Police Complaints Commission Joint Nature Conservation Committee\* Judicial Appointments Commission\* Learning and Skills Council for England Museums, Archives and Libraries Council\* National Consumer Council\* National Lottery Commission\* National Patient Safety Agency National Policing Improvement Agency National Treatment Agency Natural England\* Natural Environment Research Council Northern Ireland Policing Board Nuclear Decommissioning Authority\* Office of Communications Parole Board Pensions Regulator\* Police Ombudsman for Northern Ireland Probation Board for Northern Ireland Rail Passengers Council\* [known as Passenger Focus] Regulator of Social Housing\* [known as the Tenants Services Authority] School Food Trust\* Student Loans Company Sustainable Development Commission\* Training and Development Agency for Schools\* **UK Film Council\*** United Kingdom Atomic Energy Authority\* Youth Justice Board for England and Wales

\*New bodies not included in our original 2008 order.

SA(08)48

## The UK Statistics Authority's Annual Report 2008/09

### Purpose

 This paper presents proposals for the UK Statistics Authority's first Annual Report. It follows an initial discussion of the matter at the Authority's meeting on 27 November.

### Timing

2. It is intended to publish the report in July 2009.

### Recommendations

3. The Authority is invited to:

- i. endorse the proposal for a single report and accounts, comprising distinct sections which reflect the Authority's different areas of responsibility;
- ii. consider and comment on the outline structure of the report (summarised at Table 1);
- iii. consider and comment on the proposed process to steer the Report through the Authority's committees (described at paragraphs 13 and 14).

### Discussion

- 4. Under the terms of the Statistics Act the Authority is required to produce a report at the end of each financial year "on what it has done during the year, what it has found during that year, and, what it intends to do during the next financial year" (section 27 (1)). The report is to be laid before the UK Parliament and the devolved legislatures (section 27 (2)).
- 5. The Authority is also required to lay its annual accounts before Parliament under the Government Resource and Accounts Act 2000 (section 6(4)).
- 6. To fulfil these obligations for the year 2008/09 it is proposed to produce a single UK Statistics Authority Annual Report and Accounts.
- The report will, in effect, be the successor to three different reports produced in 2007/08 and in previous years. These are the Office for National Statistics (ONS) Annual Report and Accounts; the National Statistics Annual Report, and; the Statistics Commission's Annual Report.
- 8. The main bulk of the report will continue to be the ONS report, together with the Accounts. The Accounts will be presented as one consolidated set, that is, covering all Authority expenditure (about 98% of which is attributable to ONS).
- 9. The report will contain some new elements:
  - a statement by the Chair;
  - a section on the work of the non-ONS part of the Authority, which could include an introduction by the Head of Assessment, and;
  - a section on the work of the Government Statistical Service (GSS), with an introduction by the National Statistician. This would replace the current National Statistics Annual Report.

- 10. While the report will mainly be retrospective, both the ONS and non-ONS parts of the report will also include an element of high-level plans for the year ahead, in accordance with the Act and as a basis on which to report progress the following year.
- 11. The table below summarises the previous and potential new reporting arrangements.

### Table 1 - Past and Future Reporting Arrangements

### Past

### Future

Section 1 The UK Statistics Authority Annual Report -Statement by the Chair

Report 1 Introduction by the Chair of the Statistics Commission Statistics Commission Annual Report and Accounts

Report 2 Introduction by the Chief Executive of ONS ONS Annual Report and Accounts

Report 3 Introduction by the National Statistician National Statistics Annual Report Statement by the Chair

Introduction by the Head of Assessment M & A and Secretariat Report

Section 3 Introduction by the Chief Executive of ONS ONS Report

Section 4 Introduction by the National Statistician GSS/Official Statistics Report

Section 5 Authority Annual Accounts

- 12. The intention is *not* to produce a very lengthy composite report but to streamline each section. As an approximate guide, the scrutiny and secretariat section might be a dozen pages in length and the GSS/Official Statistics Section perhaps half a dozen or less. The ONS section would form the bulk of the report. However, the aim was also to refresh this element and not necessarily to replicate the form and content of previous ONS Annual Reports.
- 13. ONS Finance and Planning Division will continue to organise production of the report and accounts. The Authority secretariat will provide the non-ONS elements of the report and steer the report through the Authority's committee structure. This can include consideration of a draft of the report by the Board of the Authority in May and sign-off of the report by the Authority's Audit Committee in June.
- 14. It is also suggested that this process involve early consideration of relevant sections by the Authority's sub-committees, the ONS Board and the Committee for Official Statistics.

### Secretariat, December 2008

SA(08)49

## The Authority's Forward Agenda for 2009

### Purpose

- 1. This paper has two purposes: to present the Authority's forward agenda for the first few months of 2009, and, to stimulate discussion about topics members would wish to see the Authority address over the course of next year as a whole.
- 2. To aid discussion a summary table of all the items considered by the Board of the Authority in 2008 is also included as an annex to this paper.

### Recommendations

- 3. Members of the Authority are invited to:
  - i. note the items considered at the eleven Authority meetings held during 2008 listed at **Annex A**;
  - ii. consider and comment on the tentative forward agenda for the first part of 2009 as presented at **Annex B**;
  - iii. consider what other topics the Authority should discuss during 2009.

### Secretariat, December 2008

### List of Annexes

Annex A - Items considered by the Board of the UK Statistics Authority in 2008 Annex B - Forward agenda for the UK Statistics Authority for the first part of 2009

Ref.	Date	Item No.	Title/Issue	Category	Substantive Paper
-	02/02/2008	Oral Report	Statistics Board Administrative Arrangements	Authority	No
2		SB(08)01	Issues and Priorities for the Statistics Board	Authority	Yes
e		SB(08)02	Launch	Authority	Yes
4		SB(08)03	Branding	Authority	Yes
5		SB(08)04	Publication Hub	Statistical System	Yes
9		SB(08)05	Scope of Official Statistics	Statistical System	Yes
7		SB(08)06	Pre-release Access to Statistics	Statistical System	Yes
8	21/02/2008	Oral Report	Executive Membership of the UK Statistics Authority	Authority	No
6		UKSA(08)01	Pre-release Access to Statistics	Statistical System	Yes
10		UKSA(08)02	Office for National Statistics Location Strategy and Plans	SNO	Yes
1		UKSA(08)03	Staffing for the UK Statistics Office	Authority	Yes
12		UKSA(08)04	UK Statistics Authority Funding and Budget	Authority	Yes
13		UKSA(08)05	Assessment and Designation	Assessment	Yes
14		UKSA(08)06	Governance	Authority	Yes
15		UKSA(08)07	Transparency	Authority	Yes
16		UKSA(08)08	Communication Strategy	Authority	Yes
17	18/03/2008	SA(08)09	2011 Census	SNO	Yes
18		Oral Report	Public Trust in Official Statistics	Statistical System	No
19		Oral Report	Engaging with Stakeholders	Authority	No
20		SA(08)10	Blue Book 2008	ONS	Yes
21		SA(08)11	UK Statistics Authority Risk Management	Authority	Yes
22		SA(08)12	Statistical Work Programme - Background Paper	ONS	Yes
23		Oral Report	Transparency Policy	Authority	No
24		Oral Report	Launch Arrangements	Authority	No
25	18/04/2008	Oral Report	Appointment of Head of Assessment	Assessment	No
26		SA(08)13	Blue Book 2008	ONS	Yes
27		SA(08)14	Recommendations/Advice to UK Statistics Authority Contained in Reports of the Statistics Commission	Authority	Yes
28		SA(08)15	Census 2011	SNO	Yes
29		SA(08)16	UK Statistics Authority - Forward Work Programme	Authority	Yes
30		SA(08)17	Work Programme 2007/8 to 2011/12: Accounting for the £1.2 billion	ONS	Yes
31		SA(08)18	Approved Researcher and ONS Research Data Access	ONS	Yes
32	16/05/2008	SA(08)19	Consultation on the Code of Practice and Related Procedures	Assessment	Yes
33	20/06/2008	SA(08)20	Inter Administration Committee	Statistical System	Yes
34		SA(08)21	Consultation Document on the Code of Practice	Assessment	Yes
35		SA(08)22	Census 2011 White Paper	ONS	Yes
36		SA(08)23	Priorities for Assessment Work Programme	Assessment	Yes
37		SA(08)24	Engaging External Stakeholders	Authority	Yes
38		Oral Report	Recent Issues around Migration Statistics	ONS	No
39		Oral Report	Pre-release Access	Statistical System	No
40		Supplementary	Data Sharing	Statistical System	No
41		Supplementary	Official Statistics	Statistical System	No
42		Supplementary	Blue Book	SNO	No
43		Supplementary	ONS Board Report & Terms of Reference	ONS	No
44		Supplementary	Notes of the Authority Strategy Workshop - Friday 16th May 2008	Authority	No
45	11/07/2008	SA(08)25	Risk Workshop Discussion	Authority	Yes
46		SA(08)26	Developments with the Publication Hub	Statistical System	Yes
47		SA(08)27	The UK Statistics Authority's Public Face	Authority	Yes

Annex A - Items Considered by the Board of the UK Statistics Authority in 2008

		l itle/issue	Category	Substantive Paper
48	SA(08)28	Progress with Assessment	Assessment	Yes
49	Oral Report	Census 2011 Update	ONS	No
50	Supplementary	Audit Committee Terms of Reference	Authority	No
51	Supplementary	Committee for Official Statistics Terms of Reference	Authority	No
52	Supplementary	Submission: Census update	ONS	No
53	Supplementary	Register of Members' Interests	Authority	No
54 19/09/2008		Reports from Committee Chairs	Authority	No
55	SA(08)29	The UK Statistics Authority's Public Statements	Authority	Yes
56	SA(08)30	Management Arrangements for Monitoring Reports	Assessment	Yes
57	SA(08)31	Census 2011 Update	SNO	Yes
58	SA(08)32	Data Sharing	Statistical System	Yes
59	SA(08)33	Pre-release Access to Official Statistics	Statistical System	Yes
60	SA(08)34	Publication Hub Press Briefings	Statistical System	Yes
61	Supplementary	Key Stakeholder Accounts	ONS	No
62	Supplementary	Risk Committee Draft Terms of Reference	Authority	No
63	Supplementary	Draft Minutes of July Committee for Official Statistics Meeting	Authority	No
64	Supplementary	Summary Report of July ONS Board meeting	Authority	No
65		Forthcoming ONS releases	ONS	No
66 23/10/2008	-	Reports from Committee Chairs	Authority	No
67	SA(08)35	Consultation on the Code of Practice - Emerging Issues	Assessment	Yes
68	SA(08)36	The Initial Programme of Assessments	Assessment	Yes
69	SA(08)37	Update on Monitoring Report 3: Official Statistics Not Currently Designated as National Statistics	Assessment	Yes
70	Oral Report	Census 2011	ONS	No
71	SA(08)38	Identifying and Strengthening the User Voice	Statistical System	Yes
72	SA(08)39	The UK Statistical System	Statistical System	Yes
		Governance of the Authority's Scrutiny Function	Statistical System	Yes
74 27/11/2008	-	Reports from Committee Chairs	Authority	No
75	SA(08)41	Responding to Issues of Public Concern	Authority	Yes
76	SA(08)42	Code of Practice - Report on the Consultation and the Principles and Procedures for Assessment	Assessment	Yes
17	SA(08)43	The Assessment and Designation Process	Assessment	Yes
78	SA(08)44	Monitoring Report 3 - Priorities for Designation as National Statistics	Assessment	Yes
79	Oral Report	Census 2011	ONS	No
80	Oral Report	The UK Statistics Authority's Annual Report	Authority	No
		Summary Report of October ONS Board Meeting	SNO	No
82 19/12/2008			Authority	No 202
03 04			SND	Yes
04			CND -	res
85	SA(08)45	Arrangements for Publication of the Code of Practice and Monitoring Reports 2 and 3	Assessment	Yes
86	SA(08)46	Monitoring and Assessment Note 3: First Releases	Assessment	Yes
87	SA(08)47	Consultation on the Second Official Statistics Order	Statistical System	Yes
88	SA(08)48	UK Statistics Authority Annual Report 2008/09	Authority	Yes
89	SA(08)49	The UK Statistics Authority's Forward Agenda for 2009	Authority	Yes
06	Oral Report	Responding to Issues of Public Concern: House Price Indices	Assessment	Yes
91	Supplementary	Summary Report of November ONS Board Meeting	ONS	No
92	Supplementary	Minutes of the December Audit Committee Meeting	Authority	No
93	Supplementary	Correspondence between the UK Statistics Authority Chair and Ms. Jenny Church	Authority	No
94	Supplementary	Correspondence between the UK Statistics Authority Chair and Mr John Pullinger	Assessment	No

Meeting	Monitoring and Assessment	ONS	Authority Secretariat
January 16	1. Priorities for Monitoring Reviews (MR) in 2009	1. Launch of the Publication Hub Mark II	1. Operational effectiveness of the Authority's committees - discussion paper
	<ol> <li>Strengthening the User Voice - revised MR specification</li> <li>Long term planning - revised MR specification</li> </ol>	2. Progress with Data Sharing Orders	
February 20	1. <i>Improving Migration</i> <i>Statistics</i> - emerging findings of MR	1. The Census beyond 2011	1. The Authority's communication strategy
	2. Barriers to Improving Trust in Crime Statistics - specification for MR	2. Office for National Statistics (ONS) Planning and Finance 2008/09 to 2011/12	2. Annual report overall outline
March 20	1. Assessment work programme and plans	1. Census 2011 and data security	1. Operational effectiveness of the Authority's committees - paper for agreement
	2. Update on first Assessment report		1. Authority (non-ONS) budget/business plan 2008/09
	3. <i>Improving Migration</i> <i>Statistics</i> - Emerging Findings of MR		
April 17		1. Census 2011 outputs and users	
May 15			1. Draft Annual Report
June 19	1. Improving Migration Statistics - Final MR		
July 17			

## Annex B - Forward agenda for the UK Statistics Authority for the first part of 2009

SA(08)50

## Responding to Issues of Public Concern: House Price Indices

### Purpose

1. This paper summarises and explains press coverage of the Land Registry's release on 28 November of the latest month's house price information, and includes a draft letter from Sir Michael to Jack Straw, Secretary of State for Justice and Lord Chancellor. (The Ministry of Justice is responsible for the Land Registry).

### Timing

2. For consideration by the Authority at its December 2008 meeting, with a view to sending the letter before the Christmas break and placing it on the Authority's website early in the New Year.

### Recommendations

3. The Authority is invited to comment on the draft letter at Annex A.

### Discussion

4. This is the first topical issue that has arisen since the new arrangements for exploring these were introduced, following discussion at last month's Authority meeting. The remainder of this paper draws extensively upon the information provided by the National Statistician to the Chair.

### Status of LR Index

- 5. A number of different house price indices are published each month. Pre-eminent amongst these are the indices produced by the Halifax Bank and Nationwide Building Society in the private sector; and the indices produced by Communities and Local Government (CLG) and the Land Registry (LR) respectively within government. All of the indices have imperfections of one form or another and none can be regarded as the definitive house price index. None has National Statistics (NS) status at present.
- 6. The CLG index has been in existence for many years and has been progressively improved over time to make it more authoritative. In 2003 it was changed from quarterly to monthly following a substantial increase in sample size and improved methodology. Work is currently being undertaken on seasonal adjustment of the index as a precursor to seeking National Statistics designation.
- 7. The LR index was introduced in November 2006, and draws on the very comprehensive database of house prices that the LR has compiled since 1995. It uses a quite different methodology to the other three indices (which are all based on variations of mix-adjustment) in that it is based on repeat sales of the same property since January 1995.
- 8. Until the LR index was introduced, the CLG index was regarded as the official house price index. However, when the LR index was launched, LR claimed it to be the "official independent house price index", and it is now described on the LR website as the "most accurate independent house price index." There is no clear view as to which index is regarded as the government's official or preferred house price index.
- 9. The CLG index has been included in the Monitoring and Assessment team's review of official statistics not currently treated as National Statistics. Because CLG have already

## SA(08)50 - Responding To Issue of Public Concern: House Price Indices

indicated their intention to seek NS designation for their index, it has not been included in the list of items for immediate action under Section 16 notification - but it is planned that the Authority writes to CLG Ministers about the importance of including the CLG index as a National Statistic (paper [SA(08)45] refers). Authority members will also recall that the adequacy of housing market data was one of the topics on the initial candidate list for Monitoring reports. January's meeting of the Authority will consider a paper on priorities for the next round of Monitoring reports.

### Exclusion of non-market sales

10. A report in The Observer newspaper on 30 November regards the exclusion of repossession properties and properties sold at auction from the LR index as evidence that "Government house price data [are] flawed". The LR does not exclude auction sales from its index, except for repossession properties sold at auction. Repossession properties are typically sold by lenders as commercial transactions below the full market value simply to limit their losses. Judgement as to whether these should be included in the LR index rests on the purpose of the index. For some purposes, it would be right to include such transactions; for others not. We understand that the LR is reconsidering their position on the treatment of repossession sales.

### Monitoring and Assessment Team, December 2008.

### **List of Annexes**

- Annex A Draft letter from the Chair to Jack Straw, Secretary of State for Justice and Lord Chancellor
- Annex B '*Government House Price Data Flawed*' Article from the Observer, 30 November.

SA(08)50 – Responding To Issue of Public Concern: House Price Indices

# Annex A - Draft Letter from the Chair to Jack Straw, Secretary of State for Justice and Lord Chancellor

This correspondence will be published on the UK Statistics Authority website in due course.

Correspondence documents are available at:

http://www.statisticsauthority.gov.uk/reports---correspondence/index.html

### Annex B – Text from article from the Observer, 30 November 2008

Government house price data 'flawed' - Patrick Collinson

The Government's official house price index, produced by the Land Registry, has been accused of misleading homebuyers and policymakers after it emerged that it excludes repossessions and auctions on the grounds that they do not reflect the 'full market value' of the sale.

The latest Land Registry figures, published on Friday, showed a 10.1 per cent annual fall in prices across England and Wales, a considerably more benign figure than the indices from Halifax and Nationwide, which reveal prices falling by 15 per cent and 13.9 per cent respectively.

In the past the gap between the figures has been attributed to time-lag differences. But concern is growing that the Land Registry figures, regarded as the 'gold standard' of house price data and used by the Bank of England in setting interest rates, may be fundamentally flawed, as repossessions are ignored.

More than 45,000 repossessions are expected this year - around 6 per cent of all property sales - and several economists have forecast lenders taking the keys back on as many as 100,000 homes in 2009. The previous record was set in 1991 when the number of repossessions topped 75,000.

A spokeswoman for the Land Registry said: 'Repossessions are excluded as they are "commercial" sales and do not represent full market value.

'Other surveys are based on sample sizes or mortgages or asking prices and so will reflect these differences in their results. The [Land Registry] House Price Index uses a sample size that is larger than all other statistical measures available.'

But critics argue that Land Registry data is giving a false view of the property market in many of Britain's urban centres, where savage price falls in recently built apartment blocks have been driven almost exclusively by repossessions. The price declines are also failing to appear on popular property websites used by buyers searching 'sold prices', as the data feed comes from the Land Registry.

Housing expert Henry Pryor said: 'It means the figures from the Land Registry are just inaccurate. Repossessions make up a significant part of total sales right now and will be making up an even greater number of transactions in the future. Excluding auctions is even harder to justify. Auctions are the closest you can get to the definition of open market value.'

Land Registry data also provides the basis for 'Automated Valuation Models' widely used by major mortgage lenders. During the property boom, lenders began basing mortgage decisions not on traditional - and expensive - valuations by surveyors, but on automated 'comparables' generated using Land Registry data feeds instead. Pryor said that AVMs were becoming severely compromised by both the lack of recent comparables and the exclusion of repossessions.