

TREASURY SUB-COMMITTEE INQUIRY INTO THE EFFICIENCY PROGRAMME IN  
CHANCELLOR'S DEPARTMENTS – OFFICE FOR NATIONAL STATISTICS

Submission by Professor David Rhind, Chair of the Statistics Commission

Treasury Committee press notice 34 announced the Sub-Committee's intention to undertake an inquiry into the efficiency programme in the Chancellor's departments. This submission sets out the views of the Statistics Commission in relation to the Office for National Statistics.

The Statistics Commission has had correspondence with the Financial Secretary to the Treasury and with the Office for National Statistics in recent months on matters which relate to the efficiency of ONS and its financial position more generally. These letters are appended but I would also like to make a few general observations.

The Statistics and Registration Service Bill provides for the future Statistics Board to have 'the objective of promoting and safeguarding the production and publication of official statistics that serve the public good.' The Commission believes that in order to carry out that role effectively, the Statistics Board will need to ensure that scrutiny – including Parliamentary scrutiny - of statistical priorities and of the performance/efficiency of ONS is informed by the public availability of full information on forward plans, on the analysis of risk and on associated financial and staffing provision. At present, little information of this kind is in the public domain and our recent correspondence has largely been seeking to establish whether it could now be made available.

The information to be published in future will need to be sufficient to allow Parliament, users of statistics and other interested parties to understand, and to challenge should they wish, the decisions and priorities adopted within the statistical service under its new and more independent form of governance.

While we have welcomed the announcement of a five-year funding settlement for ONS of £1.2 billion (my letter to the Financial Secretary of 17 April), we have concluded that we cannot judge the adequacy of that settlement to sustain the quality of official statistics from the information that is now publicly available. We have asked the National Statistician (my letter of 23 April) for indicative budgets for ONS major programmes of work, covering both the recent past and the forward years, so that

interested parties can form a view on the nature and severity of the pressures ONS is facing. The ten-year cycle of the Census means that little can be made of the aggregate annual funding figures until the Census element is extracted from the totals.

We have asked for the National Statistician's view of the adequacy of the 2007-08 funding settlement to meet the immediate work programme and for information on the consultation process used in arriving at the priorities for the 2007-08 work programme.

We have also requested, and recently been provided, documentary information on ONS's own analysis of the risks facing major programmes. We have yet to fully consider the papers provided but will respond to ONS when we have. We take the view that, following the passage of the Statistics and Registration Service Bill, such analyses should be placed in the public domain as a matter of routine; not least to facilitate public engagement on statistical planning – a key to future improvement and to serving the public good.

In an earlier letter to the Financial Secretary (1 February) I expressed concern on behalf of the Commission about the compounding of risks associated with demands of the current legislative changes, the modernisation programme, the reduction in staff numbers required by efficiency targets, the relocation of staff to Newport and the build up to the 2011 Census.

It may be of interest to note that the Government's 1998 consultation paper '*Statistics: a Matter of Trust*' which laid the ground for the creation of many of the current arrangements, stated that "the financial arrangements must be open and their effects on statistical activity transparent." We believe there is still some way to go on this.