

# Public Administration and Constitutional Affairs Committee

Oral evidence: Governance of Statistics, HC 1820

Tuesday 2 April 2019

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Members present: Sir Bernard Jenkin (Chair); Ronnie Cowan; Mr Marcus Fysh; Kelvin Hopkins; Dr Rupa Huq; Mr David Jones; David Morris; Eleanor Smith.

Questions 344 - 500

## Witnesses

I: Sir David Norgrove, Chair, UK Statistics Authority; John Pullinger, National Statistician, UK Statistics Authority; and Ed Humpherson, Director General for Regulation, UK Statistics Authority.

Written evidence from witnesses:

- [UK Statistics Authority](#)
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## Examination of witnesses

Sir David Norgrove, Chair, UK Statistics Authority; John Pullinger, National Statistician, UK Statistics Authority; and Ed Humpherson, Director General for Regulation, UK Statistics Authority.

Q344 **Chair:** Welcome to this final session on the governance of statistics, and could I just invite our witnesses to identify themselves for the record?

**Sir David Norgrove:** I am David Norgrove. I chair the UK Statistics Authority.

**Ed Humpherson:** I am Ed Humpherson. I am the Head of the Office for Statistics Regulation.

**John Pullinger:** I am John Pullinger, the National Statistician.

Q345 **Chair:** Thank you for being with us. We have a lot to get through you will



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be pleased to hear. If we can keep our questions short maybe we can encourage you to give short and crisp answers, and I will pull you up a little bit if I feel it is rambling.

I will plunge straight in. The 2007 Act gives UKSA the objective of “promoting and safeguarding the production and publication of official statistics that serve the public good”. What do you understand to be the meaning of those words?

**Sir David Norgrove:** Perhaps I can start by saying how sad we were to see the death of Paul Flynn, who was a very good friend particularly of ONS in Newport. It is sad not to see him here.

**Chair:** Thank you very much. Yes, we are missing him.

**Sir David Norgrove:** In terms of the public good, it is not defined in the Act but we would see it, I suppose, in two parts. Ed might want to come in here because he is giving some real thought to this, but the first thing is maintaining trust in official statistics and the second aspect—and I wrote to you, Chair, about that a few weeks ago—which goes with it is ensuring that official statistics are best placed to support understanding and decision-making. Ed, do you want to add anything?

**Ed Humpherson:** Yes. When we think about the public good role of statistics, we think about it being put into action in three quite distinct ways. There is a traditional view that statistics serve the public good by providing policymakers with sound evidence on which to base their decisions, and that is certainly an important role that statistics can play to support the public good.

There are two other senses in which statistics serve the public good, which are, in my view, equally important—perhaps more important for me in my work. The first is that official decision-makers—people in Government Departments, the Bank of England and so on—are just one category of people who use statistics to make decisions. There is a wide range of other actors: businesses, trade unions, trade associations, community groups and charities, who all make active decisions about the things that they focus on using statistics—civil society I suppose you would call it most broadly.

Beyond that there is a further sense in which statistics serve the public good, which is in helping inform the perceptions that citizens have of the world and the society that they live in. These may not necessarily be the product of active study of a particular set of official statistics. They may be perceptions formed from hearing other people use statistics in the media or on social media, but they are very important, for example, in people’s understanding of the nature of the economy, living standards, levels of crime and so on. For my work at the Office for Statistics Regulation, it is the latter two—those wider civil society users and the broad citizenry—that we focus on and which our new code of practice highlights very strongly.



Q346 **Chair:** Mr Pullinger, anything to add to that?

**John Pullinger:** Just briefly, first, they help people across the country—in England, Wales, Scotland and Northern Ireland—understand what is going on in the country, in the economy and in society, and very specifically they help decision-makers make good decisions and you in Parliament to hold them to account.

Q347 **Chair:** How have you consulted with users and the general public to determine what the public good is understood to mean?

**Sir David Norgrove:** Is that in terms of the statistics that we are providing or in terms of understanding what the public good is?

Q348 **Chair:** I think in terms of understanding what the public good embodied in statistics is meant to mean. Does the public have the same understanding as you or, indeed, your users? How have you consulted users and the public about that understanding?

**Sir David Norgrove:** It is more in terms of trying to understand more clearly what it is they want to know—what people want to understand about society and the economy—and then responding to that. I would say that one of the achievements of the last few years has been to put that objective absolutely at the heart of both sides of the operation. It runs right through both Better Statistics, Better Decisions and through the code of practice that Ed has mentioned just now.

In practical terms, it means that promoting better understanding is now absolutely at the heart of what ONS, and GSS more widely, tries to do. How is that achieved? It is achieved through a whole range of things from user groups through to the convening power that OSR and ONS both possess.

Q349 **Mr David Jones:** Sir David, could you tell us how the UKSA Board ensures independent regulation of official statistics?

**Sir David Norgrove:** We ensure a very clear separation between production and regulation. The Regulation Committee—which is chaired by one of the non-executive directors and has four non-executive directors and the head of OSR on it—meets separately from the rest of the organisation. It is not attended by any member of the production teams and it takes those decisions in an entirely independent way.

In terms of the operation of OSR itself, the Bean Review has done us a service in terms of ensuring greater apparent separation of production and regulation in terms of the branding, for example—the name Office for Statistics Regulation—but also in terms of delivery of a separate strategy, a separate budgeting process and very separate staffing.

Q350 **Mr David Jones:** Do you believe that the structure that you have just described is the most efficient structure for the purpose of regulation?



**Sir David Norgrove:** It is not for me to judge whether it is working well, but from my perspective, in practical terms, it does work well and it is working increasingly well. If you just measure it in terms of, for example, the de-designation of statistics, there were two de-designations between foundation in 2013 and there have been 33 since. There has been a real and marked acceleration in the pressure put on producers to improve their statistical outputs.

I would say that the other aspect to it, which is increasingly productive, is OSR using its convening power to look at broad areas of statistics rather than individual statistical series—health statistics are one example there.

Q351 **Mr David Jones:** Mr Humpherson, from your perspective?

**Ed Humpherson:** Just to build on that answer that the Chair gave, I think about OSR or any organisation that forms independent decisions as requiring four categories of separation: separation of its strategy, separation of its ability to set resources, separation of its capacity to make its own decisions and a separate voice—a separate capacity to communicate.

Not only do we have all four of those separations as OSR, we set our own work programme, we propose our own resourcing to the Regulation Committee, we propose our own decisions with no input from the production side and I am the person who signs off on all our communications. I would say our separations are there and I think they are strengthening as well. They have strengthened over time, particularly since the creation of OSR, which has created a stronger housing for those separate capacities to form our own judgments.

Q352 **Mr David Jones:** Sir David, could you tell us what the non-executive directors of the UKSA Board do? You have already described their role in connection with the sub-committee but, more generally, what is their role?

**Sir David Norgrove:** They are the classic roles of non-executive directors of most organisations, I think, which are to approve the strategy being set by the organisation and help develop it, to oversee the propriety of the organisation and to ensure effective use of resources in delivery of the objectives of the organisation.

Q353 **Mr David Jones:** Would you say it is a mixture of challenge and support?

**Sir David Norgrove:** Yes.

Q354 **Mr David Jones:** To that extent do you find that they are effective?

**Sir David Norgrove:** I think so. You have to judge us by the results, but I do believe that it has delivered by comparison with the structure that was there before 2009. It is widely respected around the world as an institution and as a structure and increasingly imitated.

**Mr David Jones:** Thank you.



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Q355 **Chair:** Just to pick you up on one thing. When my colleague asked you about the effectiveness of the structure, you prefaced your answer by saying, "It is not for me to judge if this is working well".

**Sir David Norgrove:** Clearly we answer to a number of people, including primarily Parliament in functional terms but also to our users. We take very seriously the feedback we get from users on whether it is working well and, by and large, I think they have been positive.

Q356 **Chair:** Right. I understand the point you are making but it is for you to judge, though, isn't it, because you are the Chairman of the organisation?

**Sir David Norgrove:** Yes and I did go on to make that judgment.

Q357 **Chair:** I appreciate that. Thank you. The other point I would just raise is: if I have been advised correctly, when a decision is made to designate or de-designate, that is subject to your agreement as Chair of the Authority. Is that correct?

**Sir David Norgrove:** I sit on the Regulation Committee and I attend it and so I am part of that. I think formally I wasn't aware of that point but, in practice, yes, that has always been the case while I have been chairing it.

**Ed Humpherson:** It is a decision proposed by me, as the board's chief adviser on the assessment of statistics, and approved by the Regulation Committee on behalf of the whole board.

Q358 **Chair:** What questions does that raise as you go through that process of approval? Is OSR's judgment questioned or is it just a rubber stamping exercise?

**Sir David Norgrove:** No, I think we take very seriously the issue of whether the statistics meet the criteria that OSR uses to judge whether something is worthy of the name. If anything, during my time, I would say the Regulation Committee has been more conservative than OSR itself. OSR has been prepared to re-designate and the committee has held back on that judgment.

Q359 **Kelvin Hopkins:** Just to expand a little more on independence. How does UKSA ensure independent regulation specifically of the statistics produced by ONS?

**Sir David Norgrove:** In my experience, ONS is treated exactly like any other producing Department. I have seen no difference between the two.

**Ed Humpherson:** We assess the statistics against the code of practice, form a judgment and propose it to the Regulation Committee. That is what we do for the Scottish Government, the Treasury, and the Welsh Government—all the other 160 other bodies that we assess.

By virtue of it being referenced to the code of practice—which is obviously externally published and a very clear set of criteria—it is very



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easy to test and observe that these criteria are implemented in a very rigorous and consistent way across any statistics producer.

I would also say that there is plenty of evidence of me saying things that are quite uncomfortable for ONS: sharp, critical letters of the way ONS has done things, like income and earnings, crime, migration, and its inflation statistics. There is quite a lot of evidence of not just an in principle challenge but in practice me writing publicly when I have a concern.

**Sir David Norgrove:** Sitting here as the person between these two people, I would say it has not always been sweetness and light between the two of them.

Q360 **Kelvin Hopkins:** That is good in a way. We know you have taken a number of steps to demonstrate the separation of OSR from ONS, but does that include—and we quote from a previous PASC report—“the physical separation of the workplaces of those involved in assessing and monitoring statistics from those involved in production”? That was in our 2013 report by our predecessor committee, PASC.

**Sir David Norgrove:** No. Physically, most of the staff of the OSR sit in the same building as John Pullinger and the senior staff of ONS. I am not convinced myself that that is deleterious to the impact. I am sure it is not deleterious to their effectiveness.

Q361 **Kelvin Hopkins:** Psychologically, the physical separation of offices is significant, isn't it?

**Sir David Norgrove:** It is arguable. I think in practical terms it would not make a difference.

**Ed Humpherson:** It is worth adding that in numerical terms our largest office is in Edinburgh, which is entirely separately located. The Scottish Government are a significant producer of statistics and the Scottish Parliament and Scottish society are very significant users, so it is important for us to have a separate base there as well.

Q362 **Chair:** OSR's largest office?

**Ed Humpherson:** OSR's largest office, in terms of number of people, is in Edinburgh.

Q363 **Chair:** Does that mean the Edinburgh office is adjudicating on UK statistics as well?

**Ed Humpherson:** Yes. We run a relatively site-blind approach, so the person who leads our economic statistics is based in Edinburgh. One of our co-leads in health statistics is based in Edinburgh. When we did work on crime statistics, for example, that was led out of our Edinburgh office because that is where the expertise sat for looking at statistics at a UK level.



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Q364 **Chair:** They are also working alongside ONS officials?

**Ed Humpherson:** Not in Edinburgh.

Q365 **Chair:** It is a completely separate ONS office in Edinburgh?

**Ed Humpherson:** Yes.

Q366 **Kelvin Hopkins:** What examples can you give of OSR or the UKSA Board reporting publicly on concerns relating to statistics produced by ONS on their own initiative, rather than responding to concerns raised by others, as with student loans?

**Sir David Norgrove:** Yes. I referred to the way in which OSR has dramatically accelerated the de-designation of statistics. In the last six years—actually, I think five—there have been 33 de-designations as opposed to two in the previous four or five years, so there is a dramatic acceleration there. I have not been through to look at which of those were of their own volition rather than generated externally, but my guess would be the majority—actually, I think that is not quite true. Certainly, from the figures I have looked at, the proportion of internally generated de-designations has increased but it is still a minority.

Q367 **Kelvin Hopkins:** Thank you. Finally, from my little group here. In our evidence sessions, UKSA has been criticised for not acting with sufficient foresight. How do you as a board identify emerging issues?

**Sir David Norgrove:** I will ask Ed to expand on that, but some of it comes from external commentary and some of it comes from internal observation. It is very hard to distinguish between the two because very often people inside are noticing a problem at the same time as people outside are noticing a problem.

**Ed Humpherson:** If I can, I would like to supplement that and supplement your earlier answer. You asked about evidence that we act to point out shortcomings in ONS without any prior notification by an external complaint. That is quite a common feature of our work. For example, in recent weeks I wrote to the Deputy National Statistician for Economic Statistics expressing real disappointment about how little progress had been made to improve income and earnings statistics. That was not prompted externally. That was prompted by my own team reviewing progress and concluding that the progress was disappointing, particularly against the big question of how well ONS was painting a picture of living standards and the experience of living standards.

Just to give another example: the issue of crime statistics published by ONS. You will recall as a Committee that, following some very good work that this Committee did and our own analysis, crime statistics were de-designated, and then for some time ONS would publish two measures of crime side by side: the police recorded crime measure, which was de-designated, and the continued national statistics of the Crime Survey.



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In November 2017, with no external prompting, I wrote to the Deputy National Statistician and said, "That can't carry on". I said, "These statistics matter to people". That goes go back to the earlier point about going beyond the expert users. These statistics matter to people and presenting two sources side by side with no real guide to users as to which to place more weight on is not helpful.

Since that point, the crime statistics release has become much more curatorial in giving ONS's view as to which of these different measures gives the better signal. That is an example of me, with no prompting, reaching the conclusion proactively that things that ONS was doing needed to be improved.

More generally—I am sorry to give a long answer but that was to an earlier question—on foresight, we have a structure where we look at the different sectors of statistical production, like housing, health, crime and justice and economic statistics. My team will constantly be identifying systemic issues that may require not just an individual assessment but a broader response.

It is that work that led us to look at housing statistics. We published a comprehensive review of housing statistics. It led us to look at data linkage. We published a system-wide review of data linkage and we have done quite a lot of work on health statistics, because my team proactively is saying there is an issue with statistical production and whether it is serving the public good in this area. None of those things were directly prompted by an external complaint.

Q368 **Kelvin Hopkins:** Just a comment if I may. I have long been concerned about preserving the time series and making sure that they are historically consistent as well, and making arbitrary changes from time to time devalues that to a certain extent. Anyway, it is just a comment. Thank you.

**Sir David Norgrove:** There is a general point, which is not just about regulation, which is that the crime example that Ed gives I think is an instance of a broader change in approach. Where, instead of focusing on individual statistical series, both the OSR and ONS and others have become much better at looking at the broad picture that statistics are telling, putting them together and presenting that story in a way that can be understood better. Using the statistics to tell the story rather than just publishing individual data series, so that broader strategic look at health statistics or crime statistics or trade statistics has been an important development over the last few years.

Q369 **Chair:** This is all terribly helpful. I just want to clarify one or two things. I think we produced our police recorded crime report in 2013. Is that right?

**Ed Humpherson:** I believe it was early 2014.

Q370 **Chair:** Early 2014, and you gave your advice to ONS about the side by side publication of police recorded crime and the National Crime Survey,



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when?

**Ed Humpherson:** November 2017.

Q371 **Chair:** Yes. I am sure in the intervening period, at some stage when the Authority was in front of this Committee, I complained about the lack of explanation in the rise of police recorded crime, because of better recording, being very misreported. I certainly discussed it with you, Chairman, and that is a three-year time lag. There must have been a lot of discussion about that before you acted. Would you say that was fair?

**Ed Humpherson:** There was certainly a lot of internal challenge from me to the National Statistician and his teams. What triggered me writing in November 2017 was not so much what was going on in that conversation between regulator and regulatee but looking at the broader public debate, the extent to which these crime statistics were, in my view, leading to a description and public debate about crime that was not being well informed by the statistics. It was at that point that I decided that I needed to challenge more firmly and publicly.

Q372 **Chair:** The letters you write formally are routinely published?

**Ed Humpherson:** Yes.

Q373 **Chair:** Is there a discussion before a letter is sent and how long might that discussion go on for?

**Ed Humpherson:** As a matter of natural justice, I will always notify anybody of my intention to write and give them a broad outline. A letter like that does not have a long clearance process. If it is connected with a substantive review, a full assessment, we of course share the assessment with the relevant party.

Q374 **Chair:** In the case of PRC, how long did the discussion go on for before you finally wrote?

**Ed Humpherson:** I would have to check back but I would say, probably, between the crime release being published, me deciding to write and then notifying ONS of the decision to write, it would be a matter of days.

Q375 **Chair:** It would be a matter of days?

**Ed Humpherson:** Yes.

Q376 **Chair:** I think you indicated that there had been a lot of discussion going on before that time around the issue.

**Ed Humpherson:** Around the issue, yes.

Q377 **Chair:** How much do you think there is a transparency question about that kind of discussion between the regulator and the regulated part of the business of UKSA?



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**Sir David Norgrove:** The same thing applies not just with ONS but with Government Departments and other producers of statistics. This is not just about ONS.

**Chair:** Correct, yes.

**Sir David Norgrove:** There is a place for the regulator to have a discussion with the people who are producing the statistics, to assess whether what they are doing they can explain and whether they can justify that before you weigh in with a public letter.

Q378 **Ronnie Cowan:** Just to you, Mr Humpherson. You head up the OSR and hold the position of Head of Assessment?

**Ed Humpherson:** Yes.

Q379 **Ronnie Cowan:** What does the OSR regulation do that is different from the Monitoring and Assessment team that existed previously?

**Ed Humpherson:** We certainly deploy the same tool of assessment—the tool that is written into the Act—so that is consistent. There are two important differences in how OSR conducts the work compared to its predecessor. In the first iteration of the Authority's life, the assessments were reasonably heavily focused on the process of producing statistics and compliance of producers with a set of fairly unchanging requirements. Since OSR has come in we have widened how we assess to focus much more on the quality of the statistics and, increasingly, their value. By "their value" we mean all of the things I have been talking about for the public good. How they are informing the public.

Q380 **Ronnie Cowan:** Can you define "quality"?

**Ed Humpherson:** Yes. We think about quality in three senses. Is there evidence that the statistics are materially misleading—are giving a misleading picture of what they intend to describe? Are they the best available estimate by reference to standard statistical practices around sampling and non-sampling and quality assurance? Most crucially, we look for there being in the producer a strategy for improvement—in other words, that the producer itself takes continuous improvement to heart and wants to put in place changes and improvements in quality. So that is what we look for when we look at quality.

Q381 **Ronnie Cowan:** Does OSR then play a more proactive role?

**Ed Humpherson:** I would contend that we do, and if you look at our recent assessments, they have a much greater focus on the quality of statistics than the Monitoring and Assessment Team's assessments did before the creation of OSR, yes.

Q382 **Ronnie Cowan:** Do you have the resources to play a more proactive role?

**Ed Humpherson:** Our resources have increased since the OSR was created. We are not a big office. When we were created we were 20



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people and we are now closer to 30: 29 people. The reason for the increase is to enable us to have at least two people on each of the main domains of statistics, like economic statistics and health statistics and so on.

I did not give my second answer as to why we were different, so if I can come back to that. This was an important insight from the Bean Review, which is: it is all very well to assess one set of statistics after another—and if you look at the Authority's history under monitoring and assessment there were about 300 different assessment reports and a long canon of work. Many of the issues about statistics serving the public do not derive from an individual set of statistics but from how groups of statistics come together to give people insight into, say, the housing market or the performance of the health system.

Since OSR has been created we have focused on that systemic perspective: how statistics come together to create a rounded picture as we have done on the assessment of individual statistics. That systemic focus has been a signature, I would say, of OSR. David, do you want to add anything to that?

**Sir David Norgrove:** No, I agree with that. Health statistics and migration statistics would both be examples of where OSR played a very helpful role in convening producers and users to think about whether the statistics about an area are coherent and complete and whether the plans for filling in gaps are adequate. That in turn has spawned a lot of work and, in the case of health for example, OSR has now handed off that work to ONS to continue to develop the suite of statistics.

Q383 **Ronnie Cowan:** When talking about your resources as well you said 29 people?

**Ed Humpherson:** Yes.

Q384 **Ronnie Cowan:** It does not seem that huge to me, given the job you have to do.

**Ed Humpherson:** One of the reasons that we are able to provide the assurances we can is the code of practice and the extent to which it is embedded across all of the over 150 producers. It is there, living by, complying with, following this code of practice as a common set of standards for the production of statistics and, indeed, other forms of data that create the bedrock. In the absence of this as a common set of standards, we would need to be much bigger.

Q385 **Ronnie Cowan:** Did you say there are 160 organisations that feed into you?

**Ed Humpherson:** Of that order, yes.

Q386 **Ronnie Cowan:** Yes. On the 29 people, you must have a breakdown of their jobs. Are they all economists or statisticians?



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**Ed Humpherson:** We have some functional specialists, so we have a functional specialist who is a communications person, and a functional specialist who leads on business operations and how we manage ourselves. The majority of people come from an analytical background. Some are statisticians, others are economists, some are social researchers, but they all come from a quantitative background. I myself am actually a chartered accountant and have a background in audit and evaluation, as opposed to statistics. The core skillset is forming judgments about how organisations are delivering on their objectives. That skillset can come from a range of sources, of which statistics is just one.

Q387 **Eleanor Smith:** Sir David Norgrove, do you see yourself primarily as a producer of official statistics or the regulator?

**Sir David Norgrove:** I don't think that I would put either of them in that sense. My role is determined by the Act in terms of safeguarding and producing statistics for the public good, so both of them are there.

Q388 **Eleanor Smith:** Right. We observe that the UKSA annual report is presented jointly by yourself and Mr Pullinger, who is responsible for producing the statistics, but the OSR report comes directly from yourself, Mr Humpherson, who is responsible for the regulation. Does that suggest that you are less involved in the regulation?

**Sir David Norgrove:** No, I don't think so. Ed can speak on the extent to which he perceives me as being involved in regulation. The way I think of it, regardless of what the Act says, is that we have two chief executives. One is the chief executive for regulation and the other person is the chief executive for ONS and the Government Statistical Service, and I regard them as both critical to the success of the UKSA. Ed, you might want to talk about how far you see me as being involved in regulation.

**Ed Humpherson:** I think you have described it exactly as I see it: that I feel as though I am empowered to be the chief executive of the regulator. Like any chief executive, I have non-executives who both hold me to account and support me in equal measure. That is how I think the OSR operates as a separate executive office headed by me.

Q389 **Eleanor Smith:** What about the public confidence in the official statistics? Could that be increased if the OSR was entirely separate, as it would then no longer feel that there was a conflict?

**Sir David Norgrove:** I don't know that that would make any difference one way or the other. Public confidence in statistics is, as we measure it, very high. The weakness is in confidence in the Government's use of statistics, not in their trust of the independence and quality of official statistics themselves.

Q390 **Eleanor Smith:** Can I put in a caveat there as well? In regards to the users and the consultants, when do you do that and who do you consult with in regards to the general public? I want to know who the users are



that you consult with in that regard.

**Sir David Norgrove:** Is this in terms of regulation or in terms of production?

**Eleanor Smith:** Yes, in terms of both; production.

**Sir David Norgrove:** In terms of production, I will ask John to talk about it from the point of view of ONS and GSS more generally. For example, ONS runs and backs over 20 user groups for different kinds of statistics. I would say that one of John's achievements in the last few years has been to make ONS much more outward looking than it has been in the past. I would not say user responsiveness yet runs through the organisation like a stick or rock, in the way that it really needs to, but a huge amount of progress has been made. John?

**John Pullinger:** I took on this job in 2014, which was just after this Committee had produced its report on "Communicating Statistics". A key element for me in that was in the title: "Not just true but also fair". It is not about the truth of the production of statistics but whether that should present a fair view to the people understanding them. Therefore, we have put that at the heart of the strategy for the production of statistics. It is not about producing statistics. It is about helping people make choices in their lives, as individuals or as senior officials in the Bank of England or the Government, for example.

The criterion by which I would wish to be judged is whether what we are producing helps people make those choices. Therefore, feedback from this Committee from, for example, the Bank of England or the Treasury is very important to me. Equally, feedback from the public on whether they actually understand the current condition of the population and of the economy is very important too.

For example, rather than consulting people on our statistics, we look at measures of how well informed the public feels. A particular example of that: Ipsos MORI does a study that it describes as the Index of Ignorance, which actually measures the gap between people's perceptions of reality on issues like immigration, for example, and how close they are to our statistics. What I say inside the office is, "Our job isn't done until we close that gap", so we need to look at which groups in the community, for example, are misunderstanding immigration, and try to find ways where we can help them understand it better.

That may often be reaching out to particular community groups in different parts of the country. It may be looking at the kinds of social media or other media that those groups consume and trying to get those statistics much more closely aligned to the sorts of things they are consuming. A change of mindset is the way I would describe it. Start from the personal understanding of statistics and then work back from that.

Q391 **Eleanor Smith:** The measurement of that is by—



**John Pullinger:** The measurement of that?

**Eleanor Smith:** Yes.

**John Pullinger:** In relation to decision makers, it is their testimony back to us on whether we are giving them what they need to make good choices. In relation to the public—because we are clearly talking about a large number of people—it is this perception gap between what people think is going on and what is really going on, and in that latter one we certainly still have a huge amount of work to do.

Q392 **Chair:** Thank you. Just to return to the previous question about public confidence and the inherent conflict in the role as Chair. This is genuinely not to try to put you on the spot in any way. It is legend that the first Chair of UKSA lay in the bath for hours agonising over this conundrum, as he put it. To the extent that you are conflicted, how much do you feel that conflict?

**Sir David Norgrove:** I said to this Committee at my confirmation hearing that for me regulation would always come first, because my primary objective is to try to increase trust in official statistics. From that point of view, even before I began the job, I had an order of priorities and that is a very easy guide to follow.

Q393 **Chair:** To go back to Eleanor's very first question, you initially said, "I don't see it like that", and she asked, "Do you feel to be primarily a regulator or a producer?" You, as is your statutory duty, try to square the circle. Now you are saying that, when it comes to the crunch, you are primarily the regulator.

**Sir David Norgrove:** No, I am not saying I am primarily a regulator but if there is a conflict between the two then regulation comes first.

**Chair:** Very helpful. Thank you very much. Moving on.

Q394 **Mr David Jones:** Yes, and to continue the same point, how does the UKSA Board ensure that it is not drawn into ONS management issues to the detriment of its role as a regulator?

**Sir David Norgrove:** With a non-executive board there is always a risk of non-executives feeling that they would like to get down into the dirt and run the organisation. Part of that is about the choice of non-executives, and when I am interviewing potential non-executives one of my very important criteria is: do they understand the difference between non-executive and executive roles?

After that I think it is about my chairing of the board and making sure that that separation is properly maintained. It is a difficult thing because non-executives have to be able to understand the organisation in order to be able to do their jobs properly.

In my time, I have not felt that as an issue. Indeed, at least John and the team would tell me that they found the non-executives very helpful, both



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in challenging and in supporting. We have non-executives who are experts in particular areas and they have probed in the areas of their expertise, I think without getting in the way. On the census, for example, or on IT we have people who are very expert and they have been very helpful. John, I don't know whether you would agree with that. You are the man who would suffer.

**John Pullinger:** Yes. I do agree with that. The one challenge that I face is making sure non-execs do understand the business needs, so the census is a very good example there. The Authority is legally responsible for the census. It is a massive operation, so how do I help the non-executives understand what matters and how they can be confident that things are on track without them becoming executive? Clearly, we have discussions at the board table and at our Audit and Risk Committee, but also to lay on opportunities for the non-executives to get to know the team, to see the staff in action and to feel what it is like to run a big operation like the census. Then they can be much more confident in being responsible as an executive but also leaving the executive job to me and my colleagues.

**Sir David Norgrove:** As you would expect, a key part of this is having an effective suite of indicators, of measuring the right things to signal to the non-executive directors whether or not things are on track. Most obviously that applies to the census, so are contracts being let at the right time? Are tests being run at the time that they were planned to be run? It also applies to the day to day operations of the organisation, so how many statistics are not published at 9.30 as they are expected to be? How many statistics need to be changed afterwards because there has been an error? All that is measured very carefully.

Q395 **Mr David Jones:** How do you ensure that you achieve a good allocation of time and resources as between the ONS and the OSR?

**Sir David Norgrove:** OSR proposes its own budget to the Regulation Committee, and that budget, as far as I know, has never been refused.

Q396 **Mr David Jones:** Have you had any discussions with the board about varying the structures that you currently operate under?

**Sir David Norgrove:** No, I don't think so.

Q397 **Mr David Jones:** To a certain extent you are constrained by legislation, I suppose.

**Sir David Norgrove:** The structure is set in the Act.

Q398 **Mr David Jones:** Is there any room for flexibility?

**Sir David Norgrove:** In practice it has been adopted flexibly, in the sense that formally the National Statistician is the chief executive of the Authority. In practice, as I said earlier, we behave as if the chief executives are equal and separate.



Q399 **Dr Rupa Huq:** Good morning. I have a question for each of you individually: who are you each accountable to? Can we start at this end?

**Ed Humpherson:** The way I think about it is in several tiers, I suppose. On a month-to-month basis I am accountable to the Regulation Committee—those non-executive directors of the Authority Board who particularly oversee my work, in terms of proposing a good work programme that we deliver against.

As a tier up from that I am clearly accountable here to Parliament, but not just to this Parliament, to all four Parliaments of the UK. I have in the past given evidence to the Scottish Parliament. I was in the Scottish Parliament a couple of weeks ago talking to MSPs about our work. It is very important that we have the UK perspective.

I think there is another tier beyond that, which is accountability to the people who use statistics—those user groups—and the way that I want to hold my team and myself to account is to think, “When we make an intervention, when we conduct an assessment, when we conduct a systemic review, do the people who use those statistics recognise improvements in statistics as a result?” We indeed go and ask them exactly that question to get the feedback, and in a way that sort of tier of the public user is the one that mostly on a day-to-day basis guides our work. Therefore, I think of it in those three tiers.

Q400 **Dr Rupa Huq:** In that order and there is no Northern Ireland Assembly at the moment.

**Ed Humpherson:** There is no Northern Ireland Assembly. That is quite true. Were there to be a Northern Ireland Assembly we would want to have the same kind of engagement with them that we have with this Parliament and the other Parliaments in the UK, yes.

Q401 **Dr Rupa Huq:** Sir David?

**Sir David Norgrove:** I would say much the same. In my case, I am accountable to Parliament, as Chair of the UKSA. I would say I am also accountable to my board. I take seriously the feedback that I get from members of the board. I invite that regularly. Whenever I have an appraisal with the non-executive directors, I ask them for their feedback about my performance. I think that is important too. I am quite happy to have it and I do get it outside the regular annual review, so there is accountability there.

There is an accountability to the public to deliver the statutory objective, which is I suppose a shorter way of saying what Ed has just said. I am also aware that, although I am not the accounting officer—John is the accounting officer—I hold a degree of accountability to the Cabinet Office, as the sponsoring Department and, through them, to the Treasury for the proper use of public resources.



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**John Pullinger:** Simply, I am the chief executive of an organisation, so I am responsible to the board of this organisation. As David said, the board is accountable to the Parliament of the UK. I am also a civil servant. I am a permanent secretary civil servant, so I am responsible for upholding the civil service values of honesty, integrity, impartiality and objectivity.

Q402 **Dr Rupa Huq:** Who is the UKSA Board accountable to?

**Sir David Norgrove:** The UKSA Board is accountable through me to Parliament in exactly the same way.

Q403 **Dr Rupa Huq:** When there is a power vacuum somewhere—no Northern Ireland Assembly, for example—then there are alternative structures?

**Sir David Norgrove:** We have the same issue with Northern Ireland that everybody else does. We try to maintain very close relations with the people who work in statistics in Northern Ireland. We have had one or two—I can't remember which—board meetings in Belfast in the last two years and met the people responsible for Northern Ireland's statistics there. The Head of Profession for Northern Ireland has also attended a board meeting in London. I have also attended a committee that is chaired by John, which brings together the Heads of Profession for each of the Administrations.

**John Pullinger:** Would you like me to say a little bit more about that? A body that was set up as part of the devolution settlement is what we called the Inter Administration Committee. It was set up specifically to ensure that statistics work across the Administrations, whether or not there is a functioning Assembly. That is made up of me and the Chief Statisticians of each of the three devolved countries. We meet quarterly, so we are meeting in Cardiff next week, for example.

In relation specifically to Northern Ireland, as well as meeting my counterpart, Siobhan Carey, in Northern Ireland, I meet regularly with the head of the Northern Ireland Civil Service, David Sterling, just to make sure we are in touch with the broader administration of Northern Ireland.

Q404 **Dr Rupa Huq:** Chris Giles, when he participated in the CPI Advisory Committee, commented that, "The ONS found it helpful that there was an advisory Committee when it was doing things that ONS thought were a good idea. When it was disagreeing with ONS's view, it found it to be deeply unhelpful and therefore buried it". Why does UKSA not report openly when it disagrees with its advisory panels?

**Sir David Norgrove:** Sorry, I wasn't around at the time of that issue. I wasn't aware of it but, John, you must have been.

**John Pullinger:** Following the previous governance structures, including the one that Chris Giles was part of, there was a review of the governance of prices statistics that was led by Sir Adrian Smith who was a non-executive member of the board at the time. He proposed a



complete revamp of that to make sure that we were being open and transparent about the way we thought about prices statistics.

Sir Adrian's review suggested we have two bodies, both of which are advisory bodies to me as National Statistician. One is a stakeholder advisory committee. That brings together the various interest groups who are users of prices statistics, so the Government, the Bank of England, the trade unions and various other organisations that have a particular interest in the pensions' industry, for example.

In parallel to that there is a technical advisory committee that brings together experts who can help advise me on the right formula and methodology to use for the prices statistics. That came into being subsequent to Chris Giles's experience, and I have not heard that accusation levelled since. Indeed, on some of the most contentious issues, I have found it helpful when the advisory committee has given me minority views and alternative viewpoints that have been expressed in the committee so that I can understand the diversity of opinion and, believe me, there is often not much consensus in some of the most difficult areas of prices statistics and reasonable people can have different views. Hearing those views helps me to judge what the most appropriate way forward is and I give my advice to the board accordingly.

**Q405 Dr Rupa Huq:** Does UKSA really listen to the advice of such panels? You said that the structures are there but what changes as a result?

**Sir David Norgrove:** The National Statistician is the board's adviser on statistics and, indeed, if we were to disagree with the advice of the National Statistician the Act requires us to lay a report before Parliament. Those advisory groups are advisory groups to the National Statistician not to the Authority.

**John Pullinger:** Very specifically, if I may, since these groups have been in place, we have very actively developed two quite distinctive use cases for prices statistics in order to give users of statistics the information they need. There is a group of users who want to understand prices from an economic perspective and we have developed the CPIH indicator as our headline measure to capture that, which wasn't in the same state five or six years ago.

We have also developed an indicator that specifically helps to measure the impact of prices on households. That did not exist at all before and, from first principles and on the advice of the two panels, we have developed this as an experimental indicator at the moment but we hope and expect to bring that to full production in the months and years ahead.

**Q406 Ronnie Cowan:** Are there ways in which the current legislation inhibits you fulfilling the role of UKSA?

**Sir David Norgrove:** I have thought about that. I would pick out two areas that are problematic. One is around pre-release access. The



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Committee knows that the year before last, in 2017, ONS ceased pre-release access for ONS statistics, but the legislation prescribes that the relevant Secretaries of State can determine pre-release access for the statistics produced by their Departments, so that is one thing that I think is potentially damaging to trust.

The other area is that the only statistic required to be produced by ONS in the legislation is the RPI, and that can only be changed with, in effect, the authority of the Chancellor of the Exchequer.

**Ronnie Cowan:** It is fair to say we are going to touch on RPI later. Should I—

**Chair:** I wouldn't get drawn on that at this stage.

Q407 **Ronnie Cowan:** Somebody will deal with that later on. I would love to, but I am under orders. Does anybody else have a view on this? No. How could legislation be changed? In your opinion, how would legislation be changed to make you a more effective organisation?

**Sir David Norgrove:** As I think I hinted at earlier, the legislation is remarkably good in terms of the objectives it sets for the production of statistics, the role of the UKSA and the independence it gives to us, which is not quite unique. I think it is close to being unique around the world and is widely admired. I addressed a conference of Commonwealth heads of statistics a few months ago. Talking to people, there was widespread envy of our structure and, in fact, at the other end of the scale, we have seen a few examples of statistical institutes where the heads are at risk of imprisonment now for doing their jobs. The way in which the legislation gives that independence and allows UKSA to criticise politicians for their use of statistics is a remarkable achievement. It is a remarkable self-denying ordinance really.

Q408 **Ronnie Cowan:** You currently lay reports before Parliament.

**Sir David Norgrove:** Yes.

Q409 **Ronnie Cowan:** In what ways have you used this?

**Sir David Norgrove:** Of course, we lay our regular reports before Parliament—the annual report, for example. In terms of criticism, as far as I know, we have not done that yet and nor has the board had to lay a report before Parliament where it disagreed with the advice of the National Statistician.

Q410 **Ronnie Cowan:** Could you use this power more often to highlight issues?

**Sir David Norgrove:** If it involves criticising people it is a kind of nuclear weapon. It is probably more effective and better used as a threat than the reality.

Q411 **Ronnie Cowan:** Don't start on nuclear weapons. We are going to be here all day—a difference of opinion.



**Sir David Norgrove:** Yes.

Q412 **Ronnie Cowan:** Why don't you use that power then? Do you think it is easy enough?

**Sir David Norgrove:** The stick behind the back is often more effective than actually waving it in somebody's face.

Q413 **Ronnie Cowan:** Better than active co-operation, conversation and negotiation, like the EU?

**Sir David Norgrove:** Let me give you an example. The Digital Economy Act gives ONS the power to require organisations to give it their statistics, to give it their data. We could lay notices—and, in fact, in one case we have—to require the production of statistics. That is an undesirable thing to do because forcing people to give you their data means they would incur costs in doing that and you need their help to understand the data and to maintain them. Unless you do it with full co-operation you are likely to lose out, so I think that kind of activity is there, and if necessary one would use it, but it is not a desirable thing to do.

Q414 **Ronnie Cowan:** Does that not then water down the opportunities to be constructively critical?

**Sir David Norgrove:** No, I don't think so. If you forgive the metaphor, you can poke people in the eye without hitting them over the head.

**Ronnie Cowan:** You are a very violent man. I get your point.

Q415 **Chair:** Thank you. This goes to the heart of public confidence in what the Authority does and how it does it. You have this obligation to lay a report before Parliament where there is a disagreement between UKSA and the National Statistician or a government department. That tends to encourage the conversation to remain private; otherwise—as you describe it—it is a nuclear weapon. Yet you also say that just routinely laying reports voluntarily would also somehow spoil the conversation, that it is better if it happens in private. What do you think about this tension between doing things in public and doing things in private? That seems to me to be at the heart of how much public confidence they have in you as an organisation. You may be protecting the reputation of statistics and Government Departments, the Treasury and the Bank of England, and to rampage around and wreck public confidence in statistics would be irresponsible, so there is a balance to be struck. How have you convinced yourself that you have struck the right balance here?

**Sir David Norgrove:** I am not aware of an example where we have not got what we wanted in the end. Sometimes it takes a bit longer than we would have liked, but we get there. In terms of obtaining data, for example, we are in the process of discussions with a number of people about obtaining data. Causing them to incur cost and change their priorities—those things are better carried out as a discussion.



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In terms of the quality of statistics, I think we have been very public about that. I am not aware of any case where we have been aware of a problem and not drawn attention to that in public through a letter, either from me, if it involved a public figure, or from Ed, as head of OSR, if it were a problem at the official level.

Q416 **Chair:** You obviously think about it deeply.

**Sir David Norgrove:** Yes.

**Ed Humpherson:** I could add something to that. The way I think about your question is that the outcome I really want is that statistics serve the public and I think compliance with the code delivers that, secures it. What I want is that the producers of statistics, in Government Departments and in ONS, do that as a matter of course. I want them to have this so ingrained in their mindset, their culture and their approach that on a day-to-day basis, absent any regulatory oversight intervention, they are doing the right thing. Of course, the world is not ideal. That does not happen as a matter of course in all cases.

I think of our interventions as being us stepping in, in those cases where the producer needs some encouragement to be reminded of what it needs to do to do the right thing. If those initial representations don't secure the outcome, I will then make our representations public as a further lever on them, to indicate that this matters, that it is important that they serve the public in ways that we think are important.

**Sir David Norgrove:** What I would like to reassure you is that this is not a warm and cuddly process. This is a process of rigorous thought against criteria and then robust challenge.

**Chair:** Thank you.

Q417 **Mr David Jones:** I would like to turn to the issue of the Retail Price Index. Of course, UKSA has faced a lot of criticism particularly in the context of the report of the Economic Affairs Committee of the House of Lords, which reported that, in publishing an index that it admits is flawed but refuses to fix, the Authority could be accused of failing in its statutory duties. You will be aware, too, that there has been a considerable degree of criticism from people such as Chris Giles, who wrote that, "ONS and UKSA have constructed an edifice of excuses for failing to act. The UKSA has been candid in admitting the RPI is a bad measure of inflation, but refuses to do anything about it". In evidence to this Committee he said, "Unelected officials currently appear above the law, making distributional decisions that are properly for Government and MPs". By any standard, this is very heavy criticism. Have you carried out a formal exercise to learn the lessons of that criticism?

**Sir David Norgrove:** First of all, I should declare an interest in that I have an RPI-linked pension. Secondly, as a preliminary to this, this whole area of course is hugely market sensitive. We are carefully considering



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the recommendations of the House of Lords' report and will reply later this month.

Q418 **Chair:** I assure you, we are not seeking to extract any statements of intent about how the matter is going to be resolved. The last thing we want you to do is say anything that would have an effect on the markets.

**Sir David Norgrove:** Thank you.

Q419 **Mr David Jones:** What we would be more interested in is what you are doing to learn the lessons of that criticism?

**Sir David Norgrove:** What I would say—if I just conclude the thought—is that in discussing the past it is very hard to say that in a way that does not carry implications for the future, and so I want to say to anybody who might be listening or read this later that nothing I say should be taken as any indication of what we might or might not say in the reply to the House of Lords.

Q420 **Chair:** If you feel that we are asking a question that prejudices that, please say so because that is not our purpose.

**Sir David Norgrove:** Yes. In terms of the process, this began right back in 2010 with the change in clothing prices, although that of course is not the only problem with the RPI. In fact, there are half a dozen issues of various scales of question marks that lead one to doubt the usefulness of the RPI as a measure of inflation. But the changing clothing prices triggered a focus on the RPI.

That then continued for several years through reviews by UKSA itself and externally by two separate reviewers, including Paul Johnson and—as John has already mentioned—Adrian Smith. Those came to a conclusion in late 2016, and in 2017 the OSR re-designated CPIH as a national statistic. Therefore, we are talking about a period since the middle of 2017 and we are now at the beginning of 2019.

Q421 **Mr David Jones:** Do you dispute that you failed to act, as Mr Giles put it?

**Sir David Norgrove:** I do.

Q422 **Mr David Jones:** Do you accept that as a consequence of the House of Lords' report primarily, UKSA has sustained reputational damage but, also, the other criticisms that this Committee has heard?

**Sir David Norgrove:** It clearly was a critical report. We are considering how best to respond to it.

Q423 **Mr David Jones:** You have indicated that you hope to make an announcement later this month about RPI, but when do you anticipate you will be able to say how you will be responding to the precise criticism that was set out in that report?



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**Sir David Norgrove:** We will be responding to the report during the course of April.

Q424 **Mr David Jones:** Your response to the report will cover the whole range of issues that were identified in the House of Lords' report?

**Sir David Norgrove:** Yes.

Q425 **Mr David Jones:** Would you accept that it took the House of Lords' report before UKSA took any action at all in connection with the matters that were referred to there?

**Sir David Norgrove:** That is a kind of wife-beating question, if I may say so. I think we will be responding to the report this month.

Q426 **Mr David Jones:** I don't want to press you too hard on this and I fully understand the market sensitivity that you referred to, but Chris Giles described in his evidence the absence of discussions on RPI in your published board minutes. Can you explain that absence, given the potential for damage to public confidence in UKSA?

**Sir David Norgrove:** I was surprised by that. Seven out of 10 of the board meetings last year discussed the RPI and I think that evidence also said that we had not discussed the RPI at the meeting after the publication of the House of Lords' report, which was difficult because at that stage those minutes had not been published, so I cannot quite see how the witness knew that. In fact we did discuss it at that meeting.

Q427 **Mr David Jones:** Are you satisfied that all the board minutes are published promptly?

**Sir David Norgrove:** No, and we dropped the ball in the second half of last year. There was a change of staff and it did not get picked up appropriately by the new person, so we are now back to publishing once the minutes have been approved by the following meeting.

**Mr David Jones:** Thank you.

Q428 **Kelvin Hopkins:** What processes do you have in place to make sure that commitments you have made, in response to reviews such as the Johnson Review or the Bean Review, have actually been delivered?

**Sir David Norgrove:** We have a regular assessment of looking at the recommendations that have been made and comparing progress against them. On the Johnson Review, for example, we did that I think early last year and I think we are well on the way to delivering the recommendations in the Johnson Review.

Q429 **Kelvin Hopkins:** Is information published in a systematic way?

**Sir David Norgrove:** Yes.

Q430 **Kelvin Hopkins:** Similarly, do you have a process for following up on commitments to implement recommendations from Select Committees such as PACAC or our predecessor, PASC?



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**Sir David Norgrove:** As far as I know we do. We take the recommendations of all committees very seriously and do follow up and respond to them.

Q431 **Chair:** On the question of the Bean Review, it recommended as follows, that a, “high-level group comprising representatives of HM Treasury, the Bank of England and other key stakeholders and users should be established to facilitate frank and open discussion with the UKSA Board”. What kinds of conversations take place or have been taking place with these stakeholders and in what forums?

**Sir David Norgrove:** In terms of that group, it has met either two or three times while I have been the Chair. We had a meeting a few months ago—the last one—and the main item on the agenda was to share with that group the first thinking around the development of the next stage of the Better Statistics, Better Decisions strategy.

Q432 **Chair:** Do you chair the meeting yourself?

**Sir David Norgrove:** I do.

Q433 **Chair:** Is that with your regulatory hat on or your production hat on?

**Sir David Norgrove:** That is primarily about production. That is about how well our plans meet the needs of those users.

Q434 **Chair:** The RPI CPI User Group raised concerns about the role of the inflation tripartite group. Can you set out for the record what you think that group does?

**Sir David Norgrove:** As far as I know, it is a rather low level group that works on technical issues—

**Chair:** Perhaps it is a question for Mr Pullinger.

**Sir David Norgrove:** —and it was addressed, I think, by Adrian Smith in his review, but John?

**John Pullinger:** Yes. David has described it. It is now a four party group rather than a tri party group because it is also—

**Chair:** A tetra party group?

**John Pullinger:** Yes. It also includes the Office for Budget Responsibility. It is a space where colleagues from ONS can share with the Treasury, the Bank and the OBR some of the changes that will be coming through in our prices statistics, many of which are commercially sensitive or potentially market moving, so it is designed to be an opportunity just to check out what our plans are and what our progress is. The key advisory groups are the ones that I described in answer to Dr Huq earlier that bring all the stakeholders together but this specific group is just a group of those four parties to look at things that are of the character that I have described.



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Q435 **Chair:** Just to understand this, the tetrapartite group discusses technical matters that may have influence on the reported RPI figure. Is that correct?

**John Pullinger:** Yes.

Q436 **Chair:** Does it make a recommendation to change some element of RPI that might have an effect on the pricing of RPI? Does it make recommendations?

**John Pullinger:** Not that I have ever heard. The only groups that make the recommendations are the advisory groups that I have described.

Q437 **Chair:** The decision to recalculate clothing inflation, which had such a big effect on RPI, was not taken by this tetrapartite group.

**John Pullinger:** Not as far as I know, but this is a long way back. In my time I have not heard of any example. That group has certainly not made a recommendation to me.

Q438 **Chair:** So who does make that decision?

**John Pullinger:** About the indices? Under the Act, I make recommendations to the board on how we calculate all of our statistics including prices statistics. In reaching my views, I am advised by my Stakeholder Advisory Group and Technical Advisory Group and that is the decision-making tree.

Q439 **Chair:** Robert Chote referred in his evidence to the high-level stakeholder engagement group set up following the Bean Review, which meets twice a year, which you referred to, Sir David. Does that make recommendations about what should be counted in or counted out of the RPI figure?

**Sir David Norgrove:** No.

Q440 **Chair:** What does it discuss?

**Sir David Norgrove:** Sorry, Chair, are you talking about the tetrapartite group or the senior—

Q441 **Chair:** No. I am back to the high-level group.

**Sir David Norgrove:** The high-level group. In my time it has been mostly a way for ONS to talk to senior people from the Bank, the Treasury, IFS and so on about the plans for the development of economic statistics.

Q442 **Chair:** It must have discussed RPI as a very difficult issue.

**Sir David Norgrove:** I took note of it. There was no substantive discussion.

Q443 **Chair:** It is not a place where understandings are shared about the difficulty of grappling with this issue.



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**Sir David Norgrove:** No.

Q444 **Chair:** So where do those conversations take place?

**Sir David Norgrove:** What conversations are you—

Q445 **Chair:** We know that the RPI issue is very vexed and very difficult. Presumably there has to be some discussion between the Bank of England and the Treasury and ONS about how to resolve this difficulty. Where do those discussions take place?

**Sir David Norgrove:** The main conversations on statistical aspects are within UKSA and ONS. We are very clear that the statistical decision-making on statistical integrity lies with ONS and UKSA with OSR.

Q446 **Chair:** What discussions took place between UKSA and Treasury before the Chancellor made his statement in the Spring Statement?

**Sir David Norgrove:** In the Spring Statement? Over the past months I have met a number of senior Treasury officials and I also met the Chancellor.

Q447 **Chair:** So these are informal discussions?

**Sir David Norgrove:** It depends what you mean by informal.

Q448 **Chair:** They are not minuted and you do not publish any minutes of them?

**Sir David Norgrove:** No. It would be entirely inappropriate on an issue like this to publish minutes of those kinds of discussions.

Q449 **Chair:** Regulators do talk to their subjects about matters of concern but it would usually be recorded somewhere in the regulator's log book, if you like, that such a discussion had taken place and that either action was going to be taken or what next action the regulator would take.

**Sir David Norgrove:** That has not been my experience in chairing other regulators.

**Chair:** Moving on to Eleanor Smith.

Q450 **Eleanor Smith:** The Bean Review focused attention on economic statistics and the needs of the powerful stakeholders including the Treasury and the Bank of England. Has this been at the expense of other sectors and types of users including some of those outside of Government?

**Sir David Norgrove:** I do not believe so. The Treasury and the Bank of England are concerned only with one part of ONS's output and not with large other areas of statistical production. The focus there has been on economic statistics but it has not been to the detriment of the development of other forms of statistics.



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**Ed Humpherson:** When we conduct our systemic reviews of something like policing or the justice system or housing we are not being driven because Ministers and policymakers are saying to us, "There is a deficiency in the statistics". It is because the users are informing us of that. It is very much a user-driven approach—the systemic work that we do.

Q451 **Eleanor Smith:** What benefits from the Bean Review have you disseminated across the breadth of the statistical system?

**Sir David Norgrove:** I think the development of OSR was a product of the Bean Review, which has been helpful across the statistical system, but large parts of the Bean Review were about technical development of economic statistics that are of no relevance to the rest.

Q452 **Eleanor Smith:** What about additional resources? Did the Bean Review lead to developing an economics statistics then?

**Sir David Norgrove:** Sorry, I missed—

Q453 **Eleanor Smith:** What additional resources did the Bean Review lead to for developing economic statistics?

**Sir David Norgrove:** I think I would have to turn to John for that.

**John Pullinger:** Two specific things have come out of it. The first is the establishment of the Economic Statistics Centre of Excellence that was resourced following the Bean Review and was a recommendation of the Bean Review. That is a consortium of several academic organisations to give us the best brains in the business, helping us work out answers to knotty problems like how you measure productivity. The second specific thing that came out in terms of financing was financing for what we call the Data Science Campus, which has just published its two-year review last week. That gave us money to invest in the kind of innovative capabilities around data science to think in different ways about how we measure complex problems.

Those were two very specific elements that came out of it, but more broadly it gave us the catalyst for what is now the Digital Economy Act to demonstrate there is a strong case for giving access to information from both public and private sector bodies to understand these complex questions. It helped open doors with organisations that have data that we can use. I know in the retail sector, the banking sector and so on that there is a very clear use case set out by someone—there is a statue of Charlie Bean that says that we are all part of solving this problem about how we understand the modern economy of the UK.

Q454 **Eleanor Smith:** Do you have enough resources to safeguard the public good for the rest of the statistical system including the areas of how migration, crime statistics—

**John Pullinger:** I think any chief executive would say they would love to have more resources but I think partly because of Charlie Bean's review,



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partly because of the fact we are heading towards the census, we have been able to make a good case to say that I feel that I can do a decent job with the resources that I have. If you look at the questions facing the country you could always have more. A very particular example since the referendum in 2016 has been very clear, and this is a subject of interest to the Chairman: our trade statistics need improving and we have been able to go to the Government and say, "Look, this is a key part of government policy where statistics could be improved and that has a price tag" and we have had extra resourcing specifically for that.

We are looking at where you can make a gain. We are making the case but inevitably at a time of strained public finances we have to cut our cloth according to what the country can afford.

**Sir David Norgrove:** The bold decision that John and my predecessor on the board took was to use the structure, the IT and the systems that were being developed for the census, as the basis for transforming the whole organisation—so abolishing separate IT systems, delivering different sets of statistics and putting them all on the platform that was being developed for the census. That is different from any previous census where in effect the census platform was either outsourced or it was junked. That is quite bold because we are changing a lot of things at the same time so it puts strain on the organisation and it also puts strain on the organisation in the sense that instead of having the census delivered by a separate group of people who are solely focused on the census and can act independently from the rest of the organisation it means that the whole organisation has to work together now to deliver the census.

Q455 **Chair:** I have been reflecting on the earlier answers and I do not want to trespass on anything that would have any disruptive effect but I just want to understand—I am trying to understand: the RPI problem has persisted for a very long time and you have been very transparent that it has finished up with you having conversations with the Chancellor of the Exchequer about getting the Government to commit to do something about it. To what extent do you feel it is the Treasury's responsibility and not UKSA's responsibility—this may be a question to Mr Pullinger—and that in the end altering the inflation rate is asking too much of you in some way to take responsibility for unilaterally deciding to alter the inflation rate? Is that how you feel about it?

**Sir David Norgrove:** Could I just answer that because I think it is a function of the legislation.

Q456 **Chair:** This is what I want to get to the heart of. Absolutely right.

**Sir David Norgrove:** The legislation prescribes that if, on the advice of the National Statistician, UKSA wants to change the measurement or construction of the RPI, UKSA is then required to consult the Governor of the Bank of England on the question whether that would lead to material detriment to bondholders. If the answer to that is yes then UKSA has to



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write to the Chancellor of the Exchequer to seek his permission. I would just like to go back to something you said about the meeting that I had with the Chancellor. I would not want you to take from that an assumption that we have gone to the Government to seek a change.

Q457 **Chair:** I perfectly understand. I am not intruding on that conversation, and I think it is perfectly proper that such conversations should take place, but I think we should know they are taking place and so you quite correctly place it on the record and I am grateful for that. Given that there has been a standoff for some years between UKSA and either the Bank of England or the Treasury or both—I do not know—what is the obligation in statute on UKSA to resolve that standoff by going public with its concern?

**Sir David Norgrove:** I would not describe it as a standoff. The policy adopted by UKSA, I think in 2016, was to publish indices that were preferred measures of inflation, to make it clear that the RPI was an inadequate measure of inflation and to encourage people to move away from the RPI and to stop using it. There is some evidence of that happening—for example, in the Government's use of the RPI in particular areas, like the uprating of business rates—but it is happening rather slowly.

Q458 **Chair:** It begs the question, doesn't it, about why as a regulator for nine years the regulator has taken no regulatory action? At least until 2016 it took no regulatory action.

**Sir David Norgrove:** It took regulatory action in the sense that it thought about alternative courses of action, consulted about them and then took a decision, and the decision followed the weight of the responses that it received in the consultation. It then consulted further—

Q459 **Chair:** What was the decision it took?

**Sir David Norgrove:** As I said, to develop alternative measures of inflation and to allow the—

Q460 **Chair:** But it was not a decision about RPI?

**Sir David Norgrove:** —RPI to wither. To maintain it as a legacy measure but not to update it fundamentally. That was the decision that was taken.

Q461 **Chair:** I am sorry; I hope I am not intruding on the price sensitive matter, but if you feel it should not be treated as a legacy measure, where has that been publicly expressed?

**Sir David Norgrove:** It was expressed at the time, and several times since, that it was part of the decision set that was reviewed by Paul Johnson in 2015.

Q462 **Chair:** If the Government has refused to treat it as a legacy measure, where is the regulatory action against the Government for misusing this statistic?



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**Sir David Norgrove:** The Government has ceased to use the RPI in some areas but not in others, although it has declared in, I think, the Autumn Statement, its intention to move away from the RPI at the appropriate time.

Q463 **Chair:** Finally, Mr Humpherson, you say you write letters to ONS when you are not happy with the accuracy of a statistic. How many letters have you written to ONS and the National Statistician about the inaccuracy of RPI?

**Ed Humpherson:** Before my time, my predecessor removed the National Statistics designation from RPI. To go back to my earlier answer to Mr Cowan, why was that? It was because it was clearly not the best available estimate. It clearly failed that test. It was probably misleading and above all there was no strategy for improvement. The ONS commitment was plainly to persist in producing something with no commitment to improve it. So we removed the National Statistics designation.

ONS's strategy at that point was to shift from the use of the RPI and encourage others to do so towards CPIH and it asked us to give a view on CPIH. Again, before my time, CPIH was designated as a National Statistic. Within about six months of my arrival, it became obvious that CPIH should not have been designated as a National Statistic. I removed the designation. I wrote on several occasions to the National Statistician with concerns about CPIH as a measure not simply on the best available estimate side of it, but also on the question of what the strategy for price statistics was more generally.

It was only when both the technical issues and the use case that John described earlier came out that we felt ready to re-designate CPIH. I should say, if there was any doubt from our earlier evidence, that this was a source of friction. The ONS was not happy that I was not granting the designation to CPIH. It was not what it was hoping we would do, but we took the decision that it was not yet ready.

Q464 **Chair:** I am still confused about why. Did you write any letters to the Government complaining about their use of RPI and the way they were employing RPI?

**Ed Humpherson:** No, we did not.

Q465 **Chair:** Should you not have done so? I am looking into the past here. If RPI was being used for a purpose that it is not fit for isn't that something UKSA should do?

**Ed Humpherson:** I have reflected on this. It is important to think about things that one could have done differently. I think that what I have just outlined to you, I hope with some force, about the regulatory stance on both RPI and CPIH I think it is apparent from the evidence you have had from others that that was not stated clearly and unequivocally enough. My reflection is that we should have stated more clearly the things that I have just outlined to you throughout the process.



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Q466 **Chair:** Thank you. Anything to add, Sir David?

**Sir David Norgrove:** I do not think so, no.

**Chair:** So we move on to Kelvin Hopkins.

Q467 **Kelvin Hopkins:** My questions are for Mr Pullinger. The Bean Review recommended that, and I quote: "The independence of departmental statistics Heads of Profession should be reinforced", to resist the pressure on public bodies to present data in ways that showed them in a good light. How do you support Heads of Profession and GSS statisticians to resist those pressures?

**John Pullinger:** Okay. It is clearly a very important question for Heads of Profession working in Government Departments because they are employees of their ministries as well and therefore accountable to their Secretary of State as well as being accountable to me for statistical integrity. When each Head of Profession is appointed I make very clear their responsibilities under the code of practice. The revamp of the code of practice that Ed Humpherson has taken forward has been a very useful opportunity to reinforce, not just to Heads of Profession but to their colleagues in Government, that statistical integrity does matter.

They know they always have a line of sight to me. This follows the discussion that Mr Cowan had with the Chair. The odd examples when the stick has been wielded have effect across the system. There was one example where I had cause to write publicly to my counterpart who was responsible for housing statistics where I was anxious about a proposal coming from that Department to reduce the quality of housing statistics and that resulted in the statistics being retained. There are clear teeth in that support that I have.

My job is to uphold them, and I work with my permanent secretary colleagues to make sure that they are also supporting them. At the same time we also have the regulator acting independently looking at where the statistics may not be being used as well as they might be in the Department. A recent case would be the Department for Education—that case study is set out in our recent evidence to the Committee: as a consequence of interventions from the Office for Statistics Regulation, the Head of Profession in the Department for Education has had a much more influential role working with the Minister's office, working with the media office in that Department to ensure that statistics coming out from that Department have the necessary levels of trustworthiness, quality and value. This is where we have the upholding side of my role in supporting Heads of Profession in Department acting alongside the regulatory role of Ed in a way that means those Heads of Profession have the strength they need to push for good statistical practice in their organisation.

Q468 **Kelvin Hopkins:** I am tempted to ask—and you may not be able to answer—but have you detected any examples of tension between the Heads of Profession and their Departments? One understands they are loyal to their Department but also they are statisticians with integrity.



Any examples of pressure being put on them?

**John Pullinger:** The way I described it in relation to myself I think also applies to Heads of Profession. I do not think I have had examples of pressure, but I am well aware of many occasions where Ministers have not liked what I am doing because you are putting out uncomfortable truths about the success of a policy that is tricky. The fact we have a code of practice that is very well-established and the fact that there is clearly a regulator watching has meant that from both the positive side and from the threat side there is something that keeps the system honest. That is not to say on a daily basis it is not tricky and I have very regular conversations with Heads of Profession about how to navigate some of these waters because they are tricky.

A specific thing that has helped in the last year—and it came out of a review that I did on how we communicate statistics—is that we now have a director level head of communications. He sits in ONS but he is really the supporter of the whole of the GSS. He works with the directors of communications in the Ministries who are often very close to their Ministers, very much involved in presenting the Minister's message, to help them understand that it is in their Minister's best interests to tell the statistics honestly and by the way there is also a code of practice that they need to follow.

Q469 **Kelvin Hopkins:** It is a phrase we use a lot in this Committee: "speaking truth to power".

**John Pullinger:** Yes, and it is jolly hard.

Q470 **Kelvin Hopkins:** Indeed. It has been reported in evidence to this inquiry that the status of Heads of Profession has been diminished. What are you doing to ensure that Heads of Profession and GSS test assessors are the right level of seniority to influence the organisations they work in?

**John Pullinger:** I wrote to the Chair about this and that caused me to do a bit of devilling about what has happened over a long period of time. I went right the way back to the 1966 Estimates Committee that led to the creation of the Government Statistical Service as we know now. From that period and the period from 1966 up to about 1980 there was a four-fold growth in professional statisticians in Government including at the highest levels.

What my devilling showed me is that while the numbers of statisticians have continued to grow and are probably now about three times as big as they were even at that high point, the numbers of people in Government Departments at the highest level have diminished. There is only so much I can do about that but one specific thing I have been able to do about it is within ONS. So the structure I have created in ONS effectively means that all of us at the top three levels of ONS have a system-wide set of responsibilities. I have mentioned my director of communications. His role is across the whole of the system and similarly in other areas. We now have within ONS more than ever people at those higher levels who



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have the responsibility across the system. I think if you look at it that way we now have as much influence or seniority in the civil service as has ever been the case, even though Heads of Profession as individuals are often lower down.

The second part of my answer to the question is that while they are not necessarily at the most senior place in the organisation they certainly have a very senior voice because they alone have the responsibility for the form, content and timing of every official statistic that comes out from that Department and no one can say otherwise and they have my backing to do that.

My third answer to your question is a more interesting one and I think it perhaps goes to the broader interest of this Committee about the way the whole civil service works. I think there is a shift going on about the way the whole business of evidence is valued in the civil service and it is not just about statistics. It is about how statistics sits alongside economics, social research and science disciplines more generally. A real shift in the last two or three years has been the creation of something that we are calling the analysis function within Government. There is now an Analysis Function Board that I chair that has the Government's chief economist, chief social scientist, chief scientific adviser on it, looking at whether we have the collective capability to bring truth to power, in the sense of a good evidence base to make decisions. I think that is the way forward and I think we do have large numbers of people at the most senior levels responsible for that.

We are creating a standard for analysis in Government that should be published later this month for the first time to raise the bar and say, "It is not good enough if things are done analytically that do not follow the code of practice for statistics or the Green Book or the Magenta Book or the various other standards" and have a much stronger voice across the civil service for upholding those.

**Q471 Kelvin Hopkins:** Very interesting answers. I have to say that it is my impression that there has been a diminution of public trust in Government statistics, particularly since the referendum. Leaving that on one side, how does your programme of work extend across the GSS to support the statisticians in Departments across Government? You have touched on that in a way but perhaps you can elaborate a little more.

**John Pullinger:** First, can I respond to the question of public trust because we do measure that on a regular basis? The latest report has just come out and it is showing the best levels of public trust we have had, which was a great fillip to us given some of the challenges in the public debate around the referendum. We have 88% of people having public trust in ONS. We have 85% of people having public trust in—

**Q472 Kelvin Hopkins:** They trust ONS but not Government.



**John Pullinger:** As the Chair said earlier, the statistics are trusted; it is the use of those statistics by the Government or by media that is slightly less strongly supported.

Q473 **Chair:** Can I just tease something out there? Does that suggest that more public discussion about the veracity of statistics and more dispute about whether the statistics are right or wrong actually strengthens public engagement with statistics and does not undermine public trust in statistics, because there has been much more dispute in recent years about statistics?

**John Pullinger:** I am going to avoid being tempted into correlation versus causality here—

**Chair:** Yes, I appreciate that.

**John Pullinger:** —but I observe the two things are going hand in hand.

Q474 **Chair:** It would be interesting to have some evidence on that in your surveys.

**John Pullinger:** It is tricky though. It is tricky. We are sampling the public and there is quite a lot fine grain data that we can drill down to but I doubt whether it is going to give us a conclusive answer to that question, although it will help us think about where we still have work to do.

On Mr Hopkins' question about the GSS, it is a challenging one because we do have a hybrid system, but something that I have been very keen to do is to uphold that system, because I think it serves the country well. The fact we have good quality professional statisticians in large numbers in each of the main Ministries of State and indeed 160 organisations across the country is a great strength that many other countries do not have and the fact we have a common professional cadre of people who are following the same code of practice is a great strength.

We also have ONS, which is a very significantly sizeable body. It has the backing of legislation and the authority behind it. What I have tried to do is to work out how we get the best value out of that hybrid. A good example here, which I accept is still work in progress, would be health statistics where, as a result of several interventions from the regulator expressing concerns about things like accident and emergency data, the regulator initially convened a series of roundtables with leaders from the health sector saying, "Look, what can we do to improve this?" Having identified the problem quite precisely, it very deliberately passed the ball to me, so my organisation now chairs a group of health statistics providers asking, "How do we get a common view of things like smoking or obesity or some of the other public health questions and not be so bothered about what institution people come from but what is the collective evidence base that we need?" I see that as a place where we still recognise that a lot of the technical expertise rests within



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Departments but that you need the independence of ONS to convene it and make that a reality.

A more recent example would be housing. Homelessness statistics have been in the news recently. Indeed the Chair has recently written expressing concern about homelessness statistics. We now have a kind of similar group looking at housing statistics that has—like health—the added dimension of separate systems in Scotland, Wales and Northern Ireland as well as the UK where there is a great natural experiment to learn from the fact we do things differently—how do we bring that data together so that we have a learning system?

My short answer to your question is that we are trying to see how we use the role that ONS has as a convener to bring together different organisations that have ministerial or other public responsibilities to think about what the collective evidence base the country needs is and how we can get it.

Q475 **Chair:** Mr Pullinger, I am afraid that was a very interesting answer but it was a very long one.

**John Pullinger:** I am terribly sorry, Chair.

Q476 **Chair:** We are running out of time. We have a bit more to get through, so I ask if you can all give very quick answers, but I do value what you have told us. Mr Hopkins—

**Ed Humpherson:** Even in spite of that, can I make a quick additional comment on what the National Statistician has just said? First, both of those examples, health and housing and homelessness, were triggered by initial reviews and analysis done by the Office for Statistics Regulation where our perspective on the statistics were that they were not doing the job that they should do and that is what led to the baton being passed over.

Secondly, we talked about the Heads of Profession; this addition of the code of practice, the second version, is much stronger on the expectations of the role played by Heads of Profession. They were mentioned twice in the first version in different places in passing. They have a whole principle devoted to the role that they must play not simply in signing off statistical releases but determining what should be produced and challenging misuse within their organisations. We have very heavily strengthened our expectations on Heads of Profession.

Q477 **Kelvin Hopkins:** I have lots of questions but I will abstain from them. Do you have sufficient powers to promote better statistical practice and increased public good for statistics produced outside ONS?

**John Pullinger:** Yes, I think we do have. We have, as the Chair has said, some very strong legislation here that emphasises the public good and also specifically talks about comprehensiveness so if there are gaps it is our duty to find them and seek to fill them.



Q478 **Kelvin Hopkins:** UKSA's moves to stop pre-release of ONS data have been widely welcomed. What is being done to limit or stop pre-release of data across the rest of the statistical system?

**Sir David Norgrove:** We have been in touch and encouraged withdrawal of pre-release with some limited success but there is a lot further to go with this. It is slightly more complicated in Departments than it is for ONS because a lot of data are just management data, which are about the internal running of the Department and its effectiveness and in that case you would expect Ministers to be taking a close interest in that and be knowledgeable and they would, therefore, tend to know before the general public those kinds of things. There is a grey area between management accounting-type data and statistical data that have a broader interest. I certainly think both in England and in the devolved Administrations a lot more could be done to tighten up on that area.

Q479 **Kelvin Hopkins:** Just a comment at the end of that; it might be that because there are different systems in the different nations of the United Kingdom that you can get some interesting comparisons and you might find some unexpected differences between results that are because of different systems being used or different honesty and different—

**Sir David Norgrove:** Of course, as John said, it is an important argument for maintaining common definitions wherever it is appropriate across the devolved Administrations and within England because if the definitions are different and the statistics are different it is very difficult to assess the effectiveness of different ways of doing things.

Q480 **Dr Rupa Huq:** We were pleased to see yesterday that the board minutes from the last six months came out, so it is encouraging that transparency is taking hold, although they were a little bit short for three to four-hour meetings—a couple of pages. It was a little bit disappointing. It could have been a bit more fulsome of what happened. Can I just ask out of curiosity how diverse the board is?

**Sir David Norgrove:** The board is eight people and I think three are women but in other respects it is not diverse.

Q481 **Dr Rupa Huq:** Ethnically?

**Sir David Norgrove:** No.

Q482 **Dr Rupa Huq:** Quite monolithic?

**Sir David Norgrove:** Yes.

Q483 **Dr Rupa Huq:** Okay. That is interesting. What I wanted to ask is, countries that adopt the UN's Generic Law on Official Statistics require that their statistical bodies have a forward programme published of the work ahead and stuff across the statistical system. Why is there no equivalent across the GSS?

**Sir David Norgrove:** The Better Statistics, Better Decision strategy does cover the whole GSS as does OSR's business plan and strategy. ONS's



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annual business plan certainly covers ONS. I cannot remember the extent that it goes into other Departments' plans.

**John Pullinger:** We publish every year a forward programme and will be publishing our business plan shortly. It does focus on ONS but it will specifically pick out these areas where we are connecting up and integrating the system. In the public policy space, the specific areas of migration, crime, inequalities and inclusion, sub-national analysis, and demography and ageing are five areas that we have highlighted at the moment where we are pushing you to get that connection. Where our system is different is the point the Chair has just made in relation to pre-release access. A lot of the work of statisticians in Departments is about the management of those Departments rather than the publication of official statistics.

Q484 **Dr Rupa Huq:** Would it take not very much to be compliant with the UN generic plan across all Departments?

**John Pullinger:** I think we would say we are complying with it. It was a member of my staff that co-chaired that UN group with my counterpart from Latvia. I can be confident that we have drawn on UK practice in creating that generic statistical law proposition.

Q485 **Dr Rupa Huq:** How much weight do you give to qualitative evidence? Do you triangulate your findings with policies of research as well, which is a valid social science tradition?

**John Pullinger:** Inherent in the structure we now have is to triangulate our findings against everything else to, at the very minimum, cause us to ask questions when something does not quite fit—crime statistics would be a very good example—and to listen to what the whole of the criminological community is coming up with by way of insights, particularly in very tricky areas like domestic violence where we have made a quite significant change to the way we measure. We measured that recently trying to just understand all the evidence, including qualitative evidence, that is available. Fundamentally we are in the business of producing statistics that are quantitative but, yes, we triangulate.

Q486 **Ronnie Cowan:** When is it going to get easier for non-expert users to access statistics?

**John Pullinger:** I think that is probably for me as well. I think it is absolutely essential that we do that. We have put a lot of investment into visualisation in the last few years to bring visual representations of data much more to the forefront in our releases and into working with other media organisations that are producing information on statistics so things come across clearly.

A second thing that we have done as well as visualisation is thinking about what the real message is behind these statistics. It is not just about producing a table that many people struggle to understand, but



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what is the trend and how can you describe it in plain English? This is another big advantage to me in having a director of communications at the top of the office. He has brought together all of our technical people working on the website with the media people that deal with the releases day by day.

**Q487 Ronnie Cowan:** But if people do not know where to go to get the statistics, producing them in a different format is not going to make any difference. How does the man in the street, woman in the street, access this information?

**John Pullinger:** Usually through others. Usually through some other media platform or social media platform that they are getting information from. I think a big part for us is to not only invest in our own website but invest in the way we put our material into other organisations' websites. An example here would be statistics we are producing on mental health. We have worked actively with Mind, for example, to think about the kinds of communications that they are using with people that come to them so that they are finding our statistics in and among content that is of interest to them. Systematically we are trying to do that with especially third sector organisations that have communities that are interested in the topic that we are producing statistics on so that people do not have to be a statistician or need to come to the ONS website to find out the information they are interested in.

**Sir David Norgrove:** I would like to add that I think an important part of this is something that has come up before, which is the way that data are published—not just publishing an individual series of statistics but putting those statistics together into a release that tells the story in a more comprehensive way. I think the Chair raised earlier the issue of crime statistics and I think that has been seen there where certainly there are certain parts of the media that wilfully got hold of the wrong end of the stick and the way that the press release is now put and explained and contextualised I think makes it much more difficult for people to do that and it almost forces them to tell the appropriate story.

**Q488 Ronnie Cowan:** That's fine if you are going to present the story like that, but if as an individual I am on a website that says, "Here are your crime statistics", I would want to know if I could see poverty statistics for that area on the same website. Can I see that? Can I make that easy jump from one to the other in the same place, or do I have to back it all the way back up and go back down another path to get there?

**John Pullinger:** I would like it to be better, straightforwardly. I think we have significantly improved the website in recent years. We have done a lot on visualisation in telling the story, but we have not hit that sweet spot as well as I would like to yet. We need to keep working on it.

**Q489 Kelvin Hopkins:** Brief intervention. As one who has made heavy use of *Social Trends* and other printed publications since the 1970s, I miss those publications now, including those from the House of Commons Library, if



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I may say. Can I make a plea to you to use your policies to try to bring back some of those publications?

**Sir David Norgrove:** John, I think you were editor for *Social Trends*.

**John Pullinger:** I was editor of *Social Trends*. I grew up with *Social Trends* in the 1970s as well and I hope that what we are doing, including with our visualisations in telling the story, is creating *Social Trends* for the modern era. We can go onto a phone and find the kind of things that you would have found in *Social Trends* in a very straightforward way. I think we are getting there, but, as I said to Mr Cowan just now, that is an area where I would like us to do better.

I don't think the future is in producing a volume like *Social Trends* because hardly anyone would have it. We just do not carry around big paper books with us anymore, but we do use our tablets and our phones, and if I can invent something that will deliver that with even more power to enable you to flick from one subject and then find poverty statistics, that is what success would look like for me: an appealing, visual way to find out what is going on. In some areas we are getting there, but it is still a work in progress.

**Kelvin Hopkins:** I am a *Social Trends* anorak and dinosaur, I'm afraid.

Q490 **Mr Marcus Fysh:** I just wanted to understand how, as a management, you are going about helping to develop statisticians so that they are more focused on those external relevancies and ways of engaging with that, rather than perhaps the more traditional view of a statistician who is more interested in the timeliness and presentation of the data itself.

**John Pullinger:** It is a tricky balance because we do need really good technical specialists and not every technical specialist is the greatest communicator. I do not want to turn one thing into another, nor do I want to create some kind of person who does not really exist, but we have made it more central to the competency framework for professional statisticians to be able to communicate. I certainly make it absolutely clear that the job isn't as an academic statistician here; you are an official statistician and your job is not done when you have published your release; your job is only done when it is understood. You have to be bothered about communication.

The key here is to have teams of people and to professionalise the communications part of our organisation as much as we are professionalising the statistical part of the organisation. There will be some people who will bridge both, but I want more deep specialisms in each area. I want more really strong mathematical data scientists who can find meaning from complex data, and I do not expect them to be the most brilliant communicators, but I do expect them to work well in teams. That is probably my real answer to your question: to create teams that together produce the statistics and communicate the statistics we need.



**Q491 Mr Marcus Fysh:** What is UKSA doing to try to help clarify the sorts of roles and responsibilities that are there within the organisation to achieve that understanding by the public of what the process is around developing statistics?

**John Pullinger:** I think I have covered it really. We have very good technical people working in each of the subject domains and they are not all statisticians. In the economic statistics area, for example, we have very dramatically increased the number of professional economists in the organisation. In other areas, we will be looking—though Dr Huq has left—for social scientists who really understand the subject matter that they are working on to work as teams of professionals, but also to professionalise the communications part of it.

We have some absolutely super people in the digital publishing part of the organisation who understand visualisation. They understand how to connect data together in ways that work well for the web. Once we get them working together on problems—"How do you understand crime? How do you understand migration?"—then we start getting this right.

We learn each time. Each time we produce a release, we look at how people are using the data, how many people are using it and how far down the page they get, and we refine it and improve it next time.

**Q492 Mr Marcus Fysh:** In terms of that measurement then, how are you using that data in trying to think how you might engage with the public more in the future?

**John Pullinger:** A very practical example would be that the executive group looked at our crime statistics release a while ago and ran an algorithm on it, and I think I remember it saying you needed a reading age of 18 to be able to understand it. That is not very helpful, is it? We also discovered that very few people reached below the first half of the first page in a very long release. That gave us the evidence to say, "How do we create a message that people will be able to understand? How do we create a release that people will actually get around to reading and focus our attention on that, rather than producing a very long document that was very difficult to read and also was unlikely to be read?" Again, it is using the evidence from that analysis to continuously improve the product that is going out.

**Q493 Mr Marcus Fysh:** Do you have a particular target in mind for the sort of public profile that you would like the Statistics Authority to have? It has been said that only about 30% of the public even know about the UK Statistics Authority. Do you have a target in mind?

**John Pullinger:** I do not think it is too strong to say that we think that everybody, to be a functioning citizen, ought to be able to understand our statistics, but there is a bigger question of statistical literacy here that I have talked to Mr Hopkins and the Chair about before, and that is a bigger task than us. We can play our part by making our statistics as comprehensible as possible but there is a big job for the education



system of the country to give people that level of mathematical and statistical literacy that will help them operate in a world where numbers are everywhere. There is no point in us being absolutely brilliant if people do not know what a percentage is because you cannot simplify down much below that kind of level. That is a big task. I have been very grateful for the support of this Committee and several Members on it for helping with that, but it needs both sides of that equation to come together.

Q494 **Chair:** We did get one remark from Will Moy, who said, “Nobody knows how well statistics are serving users”. He went on to say that there is no agreement about who the users really are. What is your reaction to that comment, before we put it in our report?

**John Pullinger:** I mentioned a review I did of communication of statistics. I asked Will to lead that review, with Clare Cowan from the Bank of England, precisely because I knew Will would stretch and provoke me, which he did. He produced a review that included this, which I accepted in full and we are seeking to implement.

I read Will’s evidence to the Committee with interest. One thing that he put that I think is right is that we have a very clear message and I hope I am giving you a very clear message today that we want that to happen, we want it to be broad-based and involving all citizens, but how do you make sure that filters down through the whole system? It is a matter of step-by-step, continuous improvement. It has been used several times here. I have been in this job nearly five years and I think we are radically better at doing that now than we were five years ago. Have we finished the job? No, we have not. I will keep accepting the provocation from Mr Moy that we need to do better and keep myself and my colleagues up to scratch by that criterion.

Q495 **Ronnie Cowan:** Hetan Shah, in his evidence, has entirely welcomed the work of the Data Science Campus, which was touched on earlier. Is there a danger in staying small?

**John Pullinger:** I like it being small. We set it up to be a disruptor and to innovate and not be constrained by the reality of official statistics. We talked about continuity of time series. These things matter. We need to have real analytical integrity around the official statistics we produce. What the Data Science Campus has done is showed us that we can innovate radically, we can think completely outside the box about the way we measure different things, and that can then start provoking more ambition in the change across the system.

Q496 **Ronnie Cowan:** You are keeping it small to refine it until you get it correct, and then it would grow?

**John Pullinger:** A value of the Campus is the nimbleness of small size. I want it to keep growing—it could still do with being bigger and we are trying to grow it—but there are things you can do in a small organisation that are just harder in a bigger organisation. You have less management



structure, less stuff to manage. The Data Science Campus, by virtue of its size, can move very quickly and produce innovative results that often can capture the imagination.

It most recently produced faster indicators of change in the economy. That has come out in the last couple of weeks. It is a first attempt, unconstrained by the business of GDP, to think, "How can we find out whether there is a turning point coming?" Certainly, from the Bank of England at one end to various commentators in the media at the other, people are interested in that. A much larger Data Science Campus may not have been so creative or innovative.

Don't get me wrong: I do not want to keep it down. I think it is brilliant. It has done a super job and if you get a moment to read the annual report that came out last week, please do. The more of that, the better, but I see it as a catalyst more than anything. I do not see it becoming the future ONS; I see it as being a small catalyst within the ONS that keeps our sights up as to what is possible.

**Q497 Ronnie Cowan:** We have heard from witnesses about the benefits of supplementing the statistics with HMRC tax data. What do you need to do to make the most of similar opportunities?

**John Pullinger:** In the last year we are now having 600,000 VAT returns powering our mainstream GDP. We are moving from innovation into production in some of the most challenging areas and we will keep doing that. As we move down the road with the Digital Economy Act, we get to understand some of the different sources that are available from different administrative systems. We will mainstream them.

**Q498 Ronnie Cowan:** Sir David Norgrove mentioned the difficulty in taking one system's data and matching it to another system's data. Were there particular difficulties in getting access or transparency from HMRC?

**John Pullinger:** The relationship is everything, as David has said, and we are taking forward our agenda of statistics at a time when everybody who has custody of information is worried about security. Cyber threats are significant. HMRC has some data that needs to be protected. We are operating at a time when data protection legislation, the GDPR, has made everyone rightly concerned about processing data legally and appropriately.

Very straightforwardly, if you are an organisation like HMRC you have a lot of other things on the stocks at the minute, not least how to secure the border and manage flows of goods and services across the country. We have to work with our colleagues in these organisations to think, "How best can we achieve the benefits for statistics in a sustainable and affordable way that will improve things in the future, with the grain of all the other things that are going on around us?" We have changed, through what we are doing, what the future is going to be like. Is it



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taking longer than I would have wished? Well, yes, but there is only so far you can push it without it then being counterproductive.

**Q499 Mr Marcus Fysh:** You said in 2016 that an understanding of users should lead to radical change rather than incremental change. What radical change is needed now to meet the present and future needs of users?

**John Pullinger:** The radical change, in my head, is starting with the questions that people are worrying about rather than starting with the statistics that you have.

I will give a couple of examples. Last year, there was significant concern about student suicides. We were not producing data on that in a way that could really make sense. We worked with organisations like the Samaritans and with various universities to think about what kind of information would help understand what is happening here and produce the numbers. There is a public question there. How do we answer it?

Loneliness would be another question that has been much in the news. There are real concerns about older people feeling lonely as they are getting to later life. We did the analysis and discovered that the people who are feeling the loneliest are younger people, partly down to the influence of social media and so on.

We are listening to the questions raised, not least in this House, and thinking, "What is the statistical evidence we can create?" That is radical for me. Before, we would have done a consultation when a set of users would say, "We would like what you do a little bit more quickly or maybe with a little bit more detail", and you kind of miss the point.

It is the Henry Ford example. If you had just gone out and asked people what they wanted, they would have said, "A faster horse", and you would never have invented the car. We are thinking in that Henry Ford way of what the users want. We are trying to think of the questions they are trying to answer and how we bring together data from all different sources to understand that. I could go on but the Chair likes short answers. I have a dozen examples that are absolutely brilliant.

**Q500 David Morris:** What do you see the big issues in the statistical system in your next five-year strategy to be?

**John Pullinger:** I have hinted at it in some of my earlier answers. In this strategy we have done a pretty good job at rethinking what statistics are from a user point of view back into the organisation, but I observed some of the boundaries breaking down, the boundaries between statistics and modelling, or statistics and economics, and what we really need is evidence. How do we build out, particularly from the code of practice?

Some of the work that Ed has done is already building out much beyond what we traditionally see as official statistics. Do these numbers and does this evidence actually make sense? Are we really analysing what works in public policy and learning the lessons from that? Are we specifically



learning the lessons of devolution? We now have 20 years of different policies on the same subjects in four different jurisdictions. Surely there must be something we can learn from that. I think the next phase of the strategy goes beyond that and thinks, "What is the system that enables us to be a better-evidenced country?"

Then beyond that—and I am speculating here—the world of data is shifting very, very quickly. A lot of what we hear about it is the negative side—the Cambridge Analytica-type stories—but there is the positive side and the way data is transforming whole industries, such as the retail sector. I went to Amazon's development headquarters in Cambridge a couple of months ago and saw how they use the data in that organisation—every transaction makes the next transaction better. There is something in that that is going to improve our public policy. It is not just statistics or evidence; it is the basics of tax collection, the administration of benefits or managing pollution on our streets.

The kinds of infrastructure that we have built in UKSA over the last 10 years will, I think, provide a platform or a place for us in a broader data ecosystem for the country. There may be a broader review, Chair, on that subject, about data as infrastructure for the country and how we can build on something that is happening around us. It is transforming industries; it ought to transform the business of public administration too.

**Sir David Norgrove:** Can I just pick up that point? Clearly, maintaining and improving trust has to be absolutely at the core of what we all do in the next five years, as it was over the last 10. That almost goes without saying but it needs to keep being said.

For me, just picking up John's last point, one of the big challenges for the next five years will be to take advantage of the new ability to bring datasets together from around Government to look at issues in a completely different way, producing data on the way that different Departments' activities impinge on people together as opposed to separately. At the moment, most of our data come from production for the purposes of individual Departments, not the way that one Department's policies affect another Department's policies. The Digital Economy Act and the technical and statistical opportunities that that creates could lead to a fundamental transformation in the coming years of the way that Government works together to tackle the problems of society.

The reason I started there with trust is that one of the challenges for the next five years is going to be maintaining the public's permission for people like ONS to use their data. It is critical that we maintain the trust in order to allow that opportunity to be taken.

**Ed Humpherson:** Can I give an answer from the regulatory perspective in terms of the areas of strategic focus that we will have? There are some areas of continuity. We will continue to assess statistics and continue to focus on their quality and their value as well as their trustworthiness.



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We will do some things to a greater degree, I think, than we have done hitherto. I mentioned in answer to some earlier questions how we have strengthened the role of Heads of Profession. What that is really about is statistical leadership both within ONS but also across Government. We need to emphasise the role of these analytical experts within Government in providing the best possible evidence into public debate.

I also think, building on this question of a world of abundant data, that a safe world in which official statistics are a kind of protected and rather rarefied product, while meanwhile Government publishes lots of other kinds of information, such as management information, open data, financial information—this Committee has done a good report on financial information—and so on, is not really tenable any longer. What I think is implicit in this code and increasingly explicit in how we implement it is that we expect the same standards of trustworthiness, quality and value regardless of how a Government Department badges a particular output.

The reason for that is that when the public, who we have been referring back to, hear a number being used, they do not automatically compartmentalise it into, “That is an official statistic”, or, “That is a piece of management information”. They hear numbers being communicated. I think that wider adoption of the pillars of the code is something we want to emphasise.

Underpinning all of that—this has come up repeatedly today—is the importance of advocating the public good. I hope we have done that. I would like us to do that more because I do not think it is completely clear across the system of Government that the “public good” role of statistics is as celebrated as it could be. We need to do that not simply with advocacy and warm words but with empirical evidence as well.

**Chair:** Thank you very much. You have given us a very full session. I would like to thank you for your candour and your openness, and can I ask you, Sir David, to thank all your staff in UKSA for the work they do? It is not up in the limelight but it is in the headlights and we rely, in Parliament and elsewhere, on the work that is done. Particularly, can I ask the National Statistician to pass the word around Whitehall how much we value the work of statisticians around Whitehall, and we value the independence of the senior statistician in each Department? We see our role here as to help underpin their independence.

In particular, if I may, this may be your swansong in front of this Committee. You are reaching nearly your full term. Thank you for your extraordinary public service in this role. I express a little personal disappointment you are not going to do a second term but it is a very demanding role and you have distinguished yourself in that. Please take the thanks of this Committee for what you have achieved and what you are continuing to work on. Thank you all very much indeed.