



**Public Administration
and Constitutional Affairs
Committee**

From the Chair
William Wragg MP

Baroness Neville-Rolfe
Minister of State, Cabinet Office
Via email only

4th July 2023

Dear Baroness Neville-Rolfe

Review of the UK Statistics Authority

Thank you for your recent letter regarding the launch of a review of the independent UK Statistics Authority (the Authority).

As you are of course aware, the Public Administration and Constitutional Affairs Committee is responsible for scrutinising the work of the Authority on behalf of Parliament and supporting its independence in safeguarding the production and publication of official statistics for the public good.

We therefore read the review Terms of Reference with great interest. We welcome the appointment of Professor Denise Lievesley CBE as lead reviewer, and look forward to supporting her in this important work and contributing fully to the review.

I have asked Committee staff to arrange a meeting for me with Professor Lievesley.

Yours ever

William Wragg MP
Chair, Public Administration and Constitutional Affairs Committee



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Commencement of the Independent Review of the UK Statistics Authority (UKSA)

Dear William,

Further to my letter of 17 November 2022 I'm pleased to inform you that I have appointed Denise Lievesley as Lead Reviewer for the Independent Review of the UKSA, and the review is now formally underway.

Denise's impressive career includes serving as the Chief Executive of the English Health and Social Care Information Centre, the Director of Statistics at UNESCO and the President of the Royal Statistical Society. More recently she was Executive Dean of the Faculty of Social Science and Public Policy and Professor of Social Statistics at King's College London and Dean of Green Templeton College, University of Oxford, where she remains an Honorary Fellow.

The terms of reference for the review have been published today on [gov.uk](https://www.gov.uk) along with a call for evidence. I attach the terms of reference for your convenience.

I look forward to providing the committee with further updates as the review progresses.

Warm regards

Lucy Neville-Rolfe

Baroness Neville-Rolfe DBE CMG



Review of the UK Statistics Authority: Terms of Reference

Background

1. The [Public Bodies Review Programme](#) delivers on commitments made in the Declaration on Government Reform to increase the effectiveness and efficiency of public bodies. Reviews of public bodies assure the public and ministers that arm's length bodies (ALBs) remain useful and necessary. Reviews provide independent challenges to ensure that ALBs are effectively delivering services that meet the needs of citizens; that they are doing so as efficiently as possible; and that they have clear governance and lines of accountability.
2. The UK Statistics Authority (UKSA) was established by the *Statistics and Registration Service Act 2007* with a statutory objective to promote and safeguard the production and publication of official statistics that 'serve the public good'. The main part of the UKSA is the Office for National Statistics (ONS) which is the UK's largest producer of official statistics on a range of key economic, social and demographic topics. The National Statistician acts as the Permanent Secretary and Principal Accounting Officer.
3. The UKSA also contains a regulatory function called the Office for Statistics Regulation (OSR) which aims to increase public confidence in the trustworthiness, quality and value of statistics.
4. The last review of the UKSA/ONS was the 2016 '[Independent review of UK economic statistics](#)' so it is right that an independent assessment is now made of how the organisation is performing, to provide assurance and offer fresh challenges.

Scope

5. The review is organised according to the quadrants identified by the Public Bodies Review Programme - efficacy, governance, accountability and efficiency. The review will be conducted according to the published [Guidance on the undertaking of Reviews of Public Bodies](#) which should be read in conjunction with these Terms of Reference.
6. UKSA has recently committed to significant efficiencies as part of the Spending Review process. This review will not duplicate recent efficiency reviews or seek to identify significant savings on top of the existing efficiencies that UKSA is already implementing.
7. The following themes indicate the key issues the review should cover. The Lead Reviewer will have discretion to consider other issues that arise during the course of the review.

Theme 1: Efficacy

The review will focus on the outcomes for users of the Authority's work. It will explore whether the UKSA is producing statistics that respond to genuine user need, for example producing high quality, respected official statistics to support the government to manage the economy, drive growth, productivity and Government efficiency, and informing international trade policy, given its underpinning remit is to promote statistics for the public good.

8. The review will cover the public bodies review requirements, including:
 - Whether the UKSA and its constituent parts have clear remits and mandates and remain relevant; whether the delivery model is correct to deliver effective outcomes; and whether the UKSA has the correct systems and knowledge in place, including adherence to the [Public Sector Equality Duty](#).
 - Whether the UKSA has clear, measurable performance indicators.
9. In addition to the public bodies review requirements, the review should consider:
 - The extent to which UKSA produces high quality, respected official statistics to support the government to manage the economy, drive growth, productivity and Government efficiency, and inform international trade policy.
 - The extent to which government needs for official statistics are being understood, anticipated, prioritised, selected and met by UKSA and how this compares with wider user prioritisation. Whether the form and functions of UKSA are optimised to ensure the right balance between quality and value for money.
 - The way UKSA communicates statistics to users, and the balance of emphasis put on production of statistics versus providing analysis and interpretation.
 - The extent to which ONS is taking full advantage of developments in data science capabilities and techniques to support improvements to quality and efficiency, across a range of its statistics that can make greater use of new forms of data.

Theme 2: Governance

The review will consider the governance arrangements including the adequacy of the independence of UKSA and whether there is any conflict between the production and regulation functions it performs. The review will also consider the UKSA approach to UK-wide data, board effectiveness reviews and board diversity.

10. The review will cover the public bodies review requirements, including:
 - Whether the UKSA board has a clearly articulated purpose, drives efficiency and effectiveness and supports the delivery of the government's wider objectives.
 - The processes by which UKSA board members are appointed, whether the UKSA board has the correct balance of skills and experience, and the procedures to ensure board members work to the highest standards.

- The arrangements in place for finance, risk management and internal control.
- Whether the UKSA board is open, transparent, accountable and responsive in its communications with the public and other key stakeholders.

11. In addition to the public bodies review requirements, the review should consider:

- Whether the UKSA is operating at an appropriate 'length of arm' to ensure the right balance between alignment with government priorities and the need for technical expertise and impartiality.
- The roles of the ONS, the OSR, how they work with the UKSA Board, whether there is any conflict between the production and regulation functions, and how all parties maintain the necessary degree of separation required. This section should consider whether the regulatory regime requires reform to deliver public confidence in statistics and whether the current legislative structure for the UKSA is fit for purpose.
- How the UKSA works in relation to supporting policy development across government. This section should include how the UKSA manages its role with ministers and ministerial department officials, and the governance of decisions about what emerging topics to prioritise.
- How well the UKSA performs its wider role with respect to the whole UK official statistics system, including relationships with the devolved administrations and the effectiveness of efforts by UKSA to improve the coherence of UK-wide data.
- Whether the arrangements put in place after leaving the EU are appropriate for enabling the UKSA to assess if UK statistics are internationally comparable, with a particular focus on fiscal and economic statistics produced by ONS.
- Whether the UKSA has arrangements in place for identifying changes in statistical reporting after leaving the EU. This could include whether any statistical measures inherited from Eurostat can be improved or removed to better suit the circumstances of the UK, consistent with the highest statistical standards.
- The system of pre-release access to statistics and the impact of changes to the regime introduced by the National Statistician in 2017, including whether it had the desired impact on public and market perceptions.

Theme 3: Accountability

The review will focus on the adequacy of accountability arrangements with the Cabinet Office and whether ministers have enough assurance to meet their duties as set out in Managing Public Money.

12. The review will cover the public bodies review requirements, including:

- Whether there is an effective and appropriate relationship between the UKSA and the Cabinet Office as the sponsor department, bearing in mind the status of the UKSA as a non ministerial government department, the requirements in Managing Public Money, and the role of the Minister for the Cabinet Office.

- How the accountability of UKSA to Parliament is understood and whether it is effective. This section should include how UKSA works with PACAC and whether the committee is satisfied with the relationship.
- Compliance against the relevant functional standards, for example, digital, data and technology and the analysis function.

Theme 4: Efficiency

The government has asked all ALBs to consider additional efficiencies contributing to an overall reduction in spending, in the context of existing settlements and the 2022 Autumn Statement.

13. The UKSA has already committed to achieving efficiencies over the current spending review period, including efficiencies worth 10% of its baseline budget in 2024/25. As part of the Efficiency and Savings review that was announced at Autumn Statement 2022, the UKSA are looking to deliver further efficiencies in 2023/24 and 2024/25. Therefore, this review will not seek to identify further efficiencies on top of the existing plans for the spending review period but will assess if the UKSA's plan to deliver the current commitments is feasible and any opportunities for longer term efficiencies. This section of the review will also cover the following public body review requirements:
 - Adherence to existing financial guidelines including Managing Public Money, the Financial Reporting Manual and Cabinet Office Spend Controls.
 - Possibilities to both improve the productivity of the UKSA's workforce.
 - How future-proofed the UKSA is in its plans to develop or attract a cadre of senior civil servants, ensuring an appropriate balance between turnover in senior appointments to ensure groupthink does not develop, and the need to retain deep technical expertise at senior levels.

Arrangements for the review

14. The Review will report to the Minister of State in the Cabinet Office responsible for UKSA (Baroness Neville-Rolfe DBE CMG).
15. The Lead Reviewer will be Professor Denise Lievesley CBE. As part of her review she will be supported by relevant subject matter experts.
16. The review will be supported by a secretariat within the Cabinet Office. There will be an open and transparent 'one team' approach between the review team and the UKSA. The UKSA should work in an open and transparent manner with the review team to ensure all relevant information is shared.
17. The review will consult widely, including seeking views from devolved administrations.
18. The review will avoid duplication. Separate formal assessments take place for major programmes including the Census and Data Collection Transformation Programme and the Integrated Data Service programme.

19. The review will take account of the requirements of the Public Sector Equality Duty.
20. The Lead Reviewer should ensure that the UKSA is informed of, and has the chance to comment on, the findings and recommendations of the review. The Lead Reviewer should provide their report and recommendations to the Minister of State in the Cabinet Office, who will then consider the report and respond to it.
21. We envisage that the review will publish a final report in late 2023.