

Supplementary Estimates Memoranda 2020-21

The Statistics Board

1 Overview

1.1 Objectives

The Statistics Board is an independent government body that reports directly to the UK Parliament, the Scottish Parliament, the National Assembly for Wales and the Northern Ireland Assembly.

The Statistics and Registration Service Act 2007 established the Statistics Board (more commonly referenced the UK Statistics Authority (the Authority)) with the statutory objective of “promoting and safeguarding the production and publication of official statistics that serve the public good”. The public good includes:

- informing the public about social and economic matters;
- assisting in the development and evaluation of public policy; and
- regulating quality and publicly challenging the misuse of statistics.

The collective mission of the official statistics system is: to mobilise the power of data to help Britain make better decisions.

The Statistics Board’s remit covers the three principal elements of [the UK official statistics system](#):

- the [Government Statistical Service](#) (GSS), which is the cross-government community of all those involved in the production of [official statistics](#) in the UK
- the [Office for National Statistics](#) (ONS) which is the executive office of the UK Statistics Authority and the largest producer of official statistics in the UK
- the [Office for Statistics Regulation](#) (OSR) which is the regulatory arm of the UK Statistics Authority. It assesses official statistics for compliance with the [Code of Practice for Statistics](#), reports on system-wide issues and on how statistics are used, celebrating when the standards are upheld and challenging publicly when they are not.

Strategic Direction and Key Goals

Statistics Board/UK Statistics Authority (UKSA) Strategy

The ‘Better Statistics, Better Decisions’ Strategy came to an end in March 2019/20. Changes delivered by this Strategy provided the baseline capability that enabled those working in the statistical system to respond to the pandemic with commitment, imagination, flexibility and speed. During the pandemic, ONS has shown the vital importance of high quality, relevant statistics and the strength of our statistical system, its people, its institutions and its legislative framework.

2020/21 saw the launch of the new UKSA Strategy ‘[Statistics for the Public Good: Informing the UK. Improving Lives. Building the Future.](#)’. The new strategy sets out the direction and the core principles to underpin the work of the statistical system over the next five years.

- **Radical** in taking opportunities to innovate and collaborate, using data for the public good. This means seizing opportunities and being prepared to take action, where the risks of inaction are often greater
- **Ambitious** in setting out to answer the critical research questions the public needs answers to, and informing the decisions that citizens, businesses and civil society take. This means anticipating the data, insights and understanding the UK needs, being boldly innovative with our methods and sources, and responding rapidly and transparently to reach the widest audience that we can.
- **Inclusive** in our approach to workforce, talent management, and the design of data, statistics and analysis. This means ensuring our statistics and our workforce reflect the experiences of everyone in our society so that everyone counts, and is counted, and no one is forgotten.
- **Sustainable** in delivering a unique service in a way which delivers value for money through partnership and collaboration. This means supporting and stewarding the UK's statistical infrastructure and collaborating with the expertise of the UK's scientific community, academia, and the commercial sector, learning from each other.

To achieve this, analysts working in the system need to develop their role as communicators. Professional commentary and advice on contemporary issues is what the system is for. Statisticians and analysts should be confident in their ability to provide that impartial view of the world.

Our strategy is an ambitious call to action. It sets out our aims, priorities, mission and values to make the case for change. It is not a detailed blueprint for everything that needs to be done. The different parts of the statistical system will contribute to delivery of the objectives set out in this document, in different ways. They will develop their own business plans setting how their activities relate to this strategy for the statistical system overall. We will ensure that all those involved in official statistics understand how they contribute to the collective mission and objectives. We will provide quarterly reports on progress. We will formally set out progress in our Annual Report to the UK Parliament, the Scottish Parliament, the Welsh Parliament, and the Northern Ireland Assembly, but there will be many other opportunities to do that as the strategy progresses.

ONS Strategic Business Plan

The ONS strategic business plan sets out how it will lead the response to these challenges by increasing capacity, across the statistical and analytical community, to deliver analysis and share integrated data. This, combined with the value of the ONS's economic and social statistics – building on the 2021 Census – and a more inclusive approach and sustainable delivery model for the organisation will help to build the evidence the UK needs to address its major challenges.

The key deliverables for financial year 2020/21 are set out below::

- July 2020 - Inclusion and Diversity Action Plan launched
- October 2020 - Experimental publication of GDP estimates using double deflation
- October 2020 - Scale up the COVID-19 Infection Survey to full capacity
- October 2020 - Trade improvements implemented in Blue Book and Pink Book
- January 2021 - Phase 2 Analytical Lighthouse projects launched under the Integrated Data Programme
- February 2021 - Phase 1 completion of business prices annual chain linking
- March 2021 - Business case developed for future Enterprise Planning Resource solution
- March 2021 - Census 2021
- March 2021 - Deliver the Full Business Case for the Integrated Data Programme

COVID-19 is likely to drive the government's analytical and statistical work for a significant period of time and will require ongoing flexibility in approach. However, the UK also faces economic and social challenges outside of the pandemic, such as net-zero, levelling up economic chances across the country, social mobility, ageing population, future of work, healthy living, human capital and the UK's place in a changing world, which remain as significant now as they were before the crisis.

1.2 Ambit

The Statistic's Board Ambit is as follows:

Departmental Expenditure Limit:

Expenditure arising from:

The collection, preparation and dissemination of economic, social, labour market and other statistics; undertaking data science research, and assisting statistical research by providing access to data; promoting and safeguarding the quality of official statistics, monitoring the production and publication of official statistics; conducting a programme of assessment of existing and candidate National Statistics against the Code of Practice for Official Statistics; **providing analysis of statistics to enhance understanding** ¹; coordinating the design, collection, preparation, supply, quality management of the UK's European statistics, provision of business support and IT services and associated non-cash items. Undertaking of various roles in an international context.

Income arising from:

Provision of social surveys and the provision of other services (statistical and corporate); provision of statistical related IT platforms to other public sector organisations; recovery costs of shared projects; sales of statistical data supply services, analyses and publications; research grants or funding for Data Science and Economical Impact Research; receipts from EU and other overseas contracts; rental income; recovery of Apprenticeship Levy; the provision of business support services and through the sale of fixed assets.

Annually Managed Expenditure

Expenditure arising from:

Creation of provision in respect of onerous contracts; early departure costs; and other provisions and associated non-cash items.

1.3 Spending controls

The Statistics Board's net spending is broken down into several different spending totals, for which Parliament's approval is sought.

The spending totals which Parliament votes are:

- Resource Departmental Expenditure Limit ("**Resource DEL**"): a net limit comprising day to day running costs, less income for statistical data research and property; and includes depreciation (ring fenced budget).

¹ Reflects the changes made to the ambit in the 2020-21 Supplementary Estimate Exercise

- Capital Departmental Expenditure Limit (“**Capital DEL**”): investment in capital equipment/projects.
- Annually Managed Expenditure (“**AME**”): Spending included in departmental budgets, but is difficult to predict, such as Legal or Early departure provisions.
- Net Cash Requirement (“**NCR**”): designed to cover the elements of the above budgets which require the Statistics Board to pay out cash in year.

1.4 Comparison of net spending totals sought

The table below shows how the net spending totals sought (movement) for the Statistics Board compared with the opening budget for this year:

Spending total Amounts sought this year 20/21 (Supplementary Estimate 2020-21)		Compared to original budget this year (Main Estimate 20/21)		Compared to final budget last year (Outturn 2019/20)	
	£m	£m	%	£m	%
Resource DEL	£501.381*	£466.471*	+7.48%	£327.091*	+53.28%
Capital DEL	£13.500	£10.000	+35.00%	£7.601	+77.61%

* includes ringfenced depreciation

A breakdown of spending and income within the net total is shown in section 2.1.

1.5 Key drivers of spending changes since the original budget this year

The net Resource DEL has increased by £34.91m from the original 2020/21 budget. The main reasons for the increase are:

- Increase in-year funding (+£22.300m) for Census and Data Collection Transformation Programme (CDCTP). Driven by risk assessment and mitigation planning in the context of the COVID-19 pandemic and the findings from the Census 2021 rehearsal exercise. There is no change to the overall programme full lifecycle cost of £906m.
- Increase funding (+£15.000m) for Integrated Data Programme (IDP) as per Business Case approval in July 2020. This supports ONS’ ongoing contribution to the government’s National Data Strategy to unlock the power of data across government and the wider economy, while building trust in its use.
- Increase funding (+£0.250m) for Budget Cover Transfer with Department for International Trade for Communications
- Increase funding (+£4.860m) for Budget Cover Transfer with Cabinet Office for LMS-O and OPN work (Opinions survey) to improve survey response rates providing further insights in light of the COVID-19 pandemic and for DSA Funded roles.

The net Capital DEL funding increases by £3.500m as we continue to invest in IT Infrastructure, Research & Development and Major works property projects. This offset by a corresponding reduction in Resource DEL funding.

Further detail is provided in section 2.1

1.6 New policies and programmes; ambit changes

There are currently no new policies or programmes applicable to the Statistics Board.

There has been a slight adjustment to the UKSA ambit wording, to ensure the ambit is sufficiently broad to cover us for existing and future activity. The ambit change is to include the wording – “providing analysis of statistics to enhance understanding” – as set out in 1.1 above.

1.7 Spending and income trends

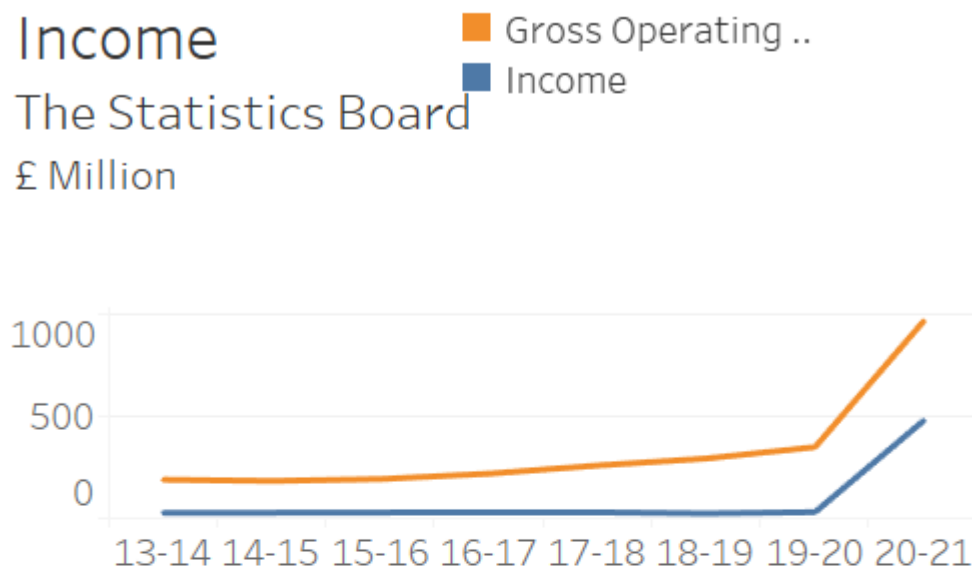
The charts below show the overall expenditure trends for the last nine years. The main driver for the increase in operating costs over the period is the delivery of the 2021 Census which is due to take place in March 2021. However, the spike in expenditure and income in 20/21 also reflects the work the Authority is undertaking in response to the COVID-19 pandemic through the COVID-19 Infection Survey (CIS) and wider studies. During the year, we designed, piloted and stabilised the ongoing delivery of CIS to provide ongoing surveillance on rates of COVID-19 infection in the community and defined settings such as schools as part of the wider studies.

CDEL expenditure trends reflect the build of digital assets as part of Spending Review 2015 together with the gradual movement away from capital build to cloud based technologies since the end of 2018-19. The latest increase in capital spend reflects the increase in our research work classified as capital expenditure (under ESA10 protocols) and the acquisition of additional IT equipment to support workforce growth and wider working at home during the pandemic.

Gross Operating Costs and Income

The Statistics Board

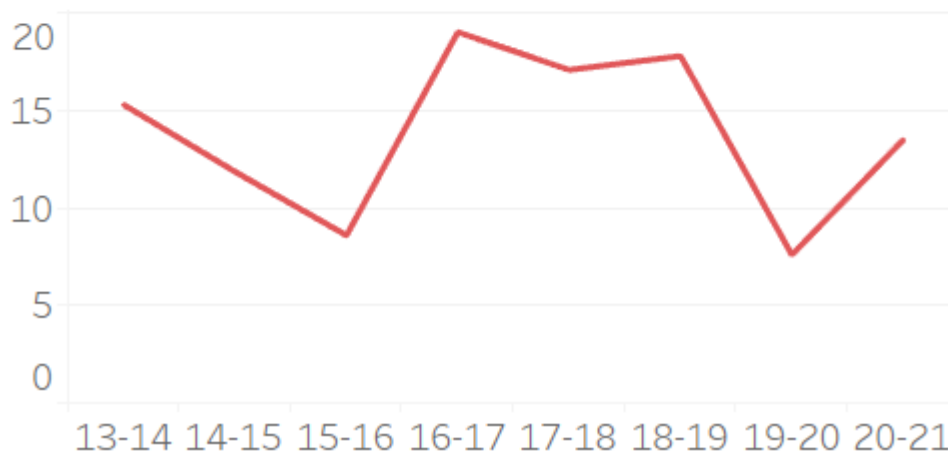
£ Million



Capital DEL spend

The Statistics Board

£ Million



1.8 Administration costs and efficiency plans

The Statistics Board does not have Administration budget, all funding is classed as programme.

Our efficiency targets are included (net) within our control totals for the Spending Review. We will operate within all control totals across this period therefore achieving our financial targets

1.9 Funding: Spending Review and Budgets

In addition to the Funding allocated to the Statistics Board for 2020/21 through the 2019 Spending Round, the Authority received the following additional Resource DEL funding at the Mains Estimate 2020/21:

- £3.350m from Department for International Trade to improve the provision of trade and investment statistics.
- £8.000m rollover budget from the Census and Data Collection Transformation Programme 19/20 Contingency.
- £6.500m Reserve Call.
- £5.000m for Integrated Data Programme (IDP) as agreed in the Budget March 2020.
- £0.405m for Data Quality as agreed in the Budget March 2020.

2 Spending and income detail

2.1 Explanations of changes in spending and income

The table below shows how spending plans compare with the opening budget for 2020/21 as agreed in the 2020/21 Main Estimate:

		<i>This year (2020/21 Supp Estimates budget sought)</i>	<i>Last year (2020/21 Mains Estimates budget approved)</i>	<i>Movement</i>		<i>Is movement significant? see explanation, note number</i>
Subhead		£ million			%	
A	Resource DEL	501.381	466.471	+ 34.91	+ 7.48	1
B	Capital DEL	13.500	10.000	+3.50	+35.000	2
C	Resource AME	22.3000	1.000	+21.3	+223	3

Note 1:

Resource DEL has increased by £34.91m; the main contributor to this increase is the draw down of £22.3m funding in relation to the Census Data Collection Transformation Programme (CDCTP). There is no change to the overall programme full lifecycle cost of CDCTP (£906m), with the proposed increase in year utilising under expenditure in prior years together with a re-modelling of likely resources required in future years. An additional £15m is also drawn down in relation to the Integrated Data Programme (IDP) which was requested within the IDP business case approved in July 2020.

Note 2:

Capital DEL has increased by £3.5m; This budget switch is required to better reflect our cost categorisation in year, driven in the main by the need to purchase additional IT equipment to facilitate working at home. RDEL funding has been reduced in parallel.

Note 3:

Positive movement of Resource AME budget by £21.3m. This is mainly due to CIS which includes participant incentives to ensure ongoing engagement within the survey. These incentive e-vouchers are provided at the point at which COVID-19 tests are administered, but there is uncertainty as to the timing of use of the vouchers by survey participants, within the three-month period they can be claimed. The need to reflect this uncertainty creates the need for financial provisions.

2.2 Ring fenced budgets

Within the totals, the following elements are ring fenced i.e. savings in these budgets may not be used to fund pressures on other budgets.

Resource DEL

Ring fenced budgets Amounts sought this year (Supp Estimate 2020/21)		Compared to final budget 19/20 (Supplementary Estimate 2019/20)		Compared to original 20/21 budget (Main Estimate 2020/21)	
		£ m	%	£m	%
Depreciation	16.3	18.3	-11%	20.3	-20%
ODA	0.3	0.3	0%	0.3	0%
EU Exit	2.4	2.4	0%	2.4	0%
CDCTP	277.3	141.6	96%	255.0	9%

2.3 Changes to Contingent Liabilities

The Statistics Board has not entered any new Contingent Liabilities. The Statistics Board will follow the Cabinet Office Procurement Policy Note in supporting suppliers affected by the Covid-19 restrictions and will apply a risk-based approach in making prepayments.

3 Priorities and performance

3.1 How spending relates to objectives

The Statistics Board does not have Administration budget, all expenditure is classified as programme. Each of the subheads contribute to all corporate objectives, therefore a breakdown on expenditure against each objective has not been provided.

3.2 Measures of performance against each priority

The [Business Plan](#) for the Authority, details the high-level objectives for the Statistics Board and its performance measures.

3.3 Major projects

On the 14th December 2018, a white paper, '[Help Shape Our Future](#)', was published which sets out the content and conduct of the next Census in 2021, including a target to make the centuries old Census a predominantly online survey for the first time in its history.

The Census is part of a larger transformation programme of the way the Office for National Statistics (ONS) collects, processes and shares its data. Investment in re-usable systems and processes will ensure the ONS delivers a legacy beyond just the Census.

Previous Censuses have been shown to deliver many times their cost in indirect benefits, with the return on investment shown to be at least £5 for every £1 spent. Information gathered during the Census will ensure vital public services can be targeted into communities and groups where they are needed, in 2021 and beyond.

IDP was granted 'seed funding' of £5m in the Budget statement 2020 to develop a business case during 2020-21. The business case was developed, and approval given for a total of £20m to progress the programme during this financial year. This programme will be considered further with full business case due for submission in March 2021.

During the year, ONS designed, piloted and stabilised the ongoing delivery of the [COVID-19 Infection Survey \(CIS\)](#) to provide ongoing surveillance of rates of infection. CIS has been judged by the scientific community and wider stakeholders to be a success and provides robust estimates of COVID-19 prevalence in the community – with supporting analytical work in wider settings including schools and universities. Funding for CIS is provided by the Department for Health and Social Care (DHSC) as part of their overall Test and Trace Budget.

4. Other information

4.1 Additional specific information required by the select committee

Not applicable

5. Approval of Memorandum

This memorandum has been prepared with reference to revised guidance to produce Estimates Memoranda for Smaller departments provided by the House of Commons, [Scrutiny Unit](#).²

The information in this memorandum has been approved by the Accounting Officer of the Statistics Board, Sir Ian Diamond

2

<https://www.parliament.uk/documents/commons/Scrutiny/Guidance%20Small%20Depts%20rev%202020.pdf>