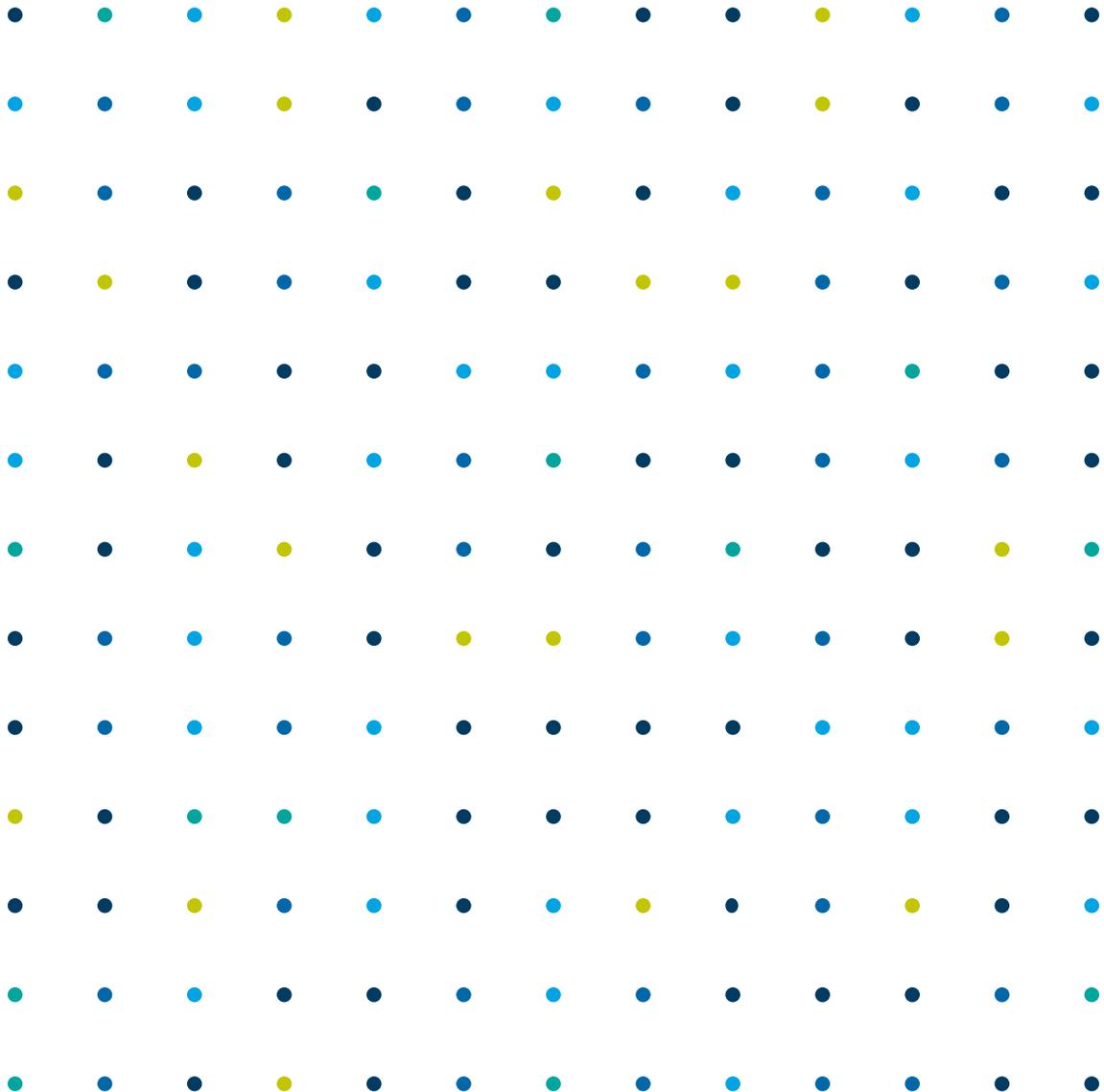


Annual report and accounts

2021/22



UK Statistics Authority

Annual report and accounts 2021-2022

For the period 1 April 2021 to 31 March 2022

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Note

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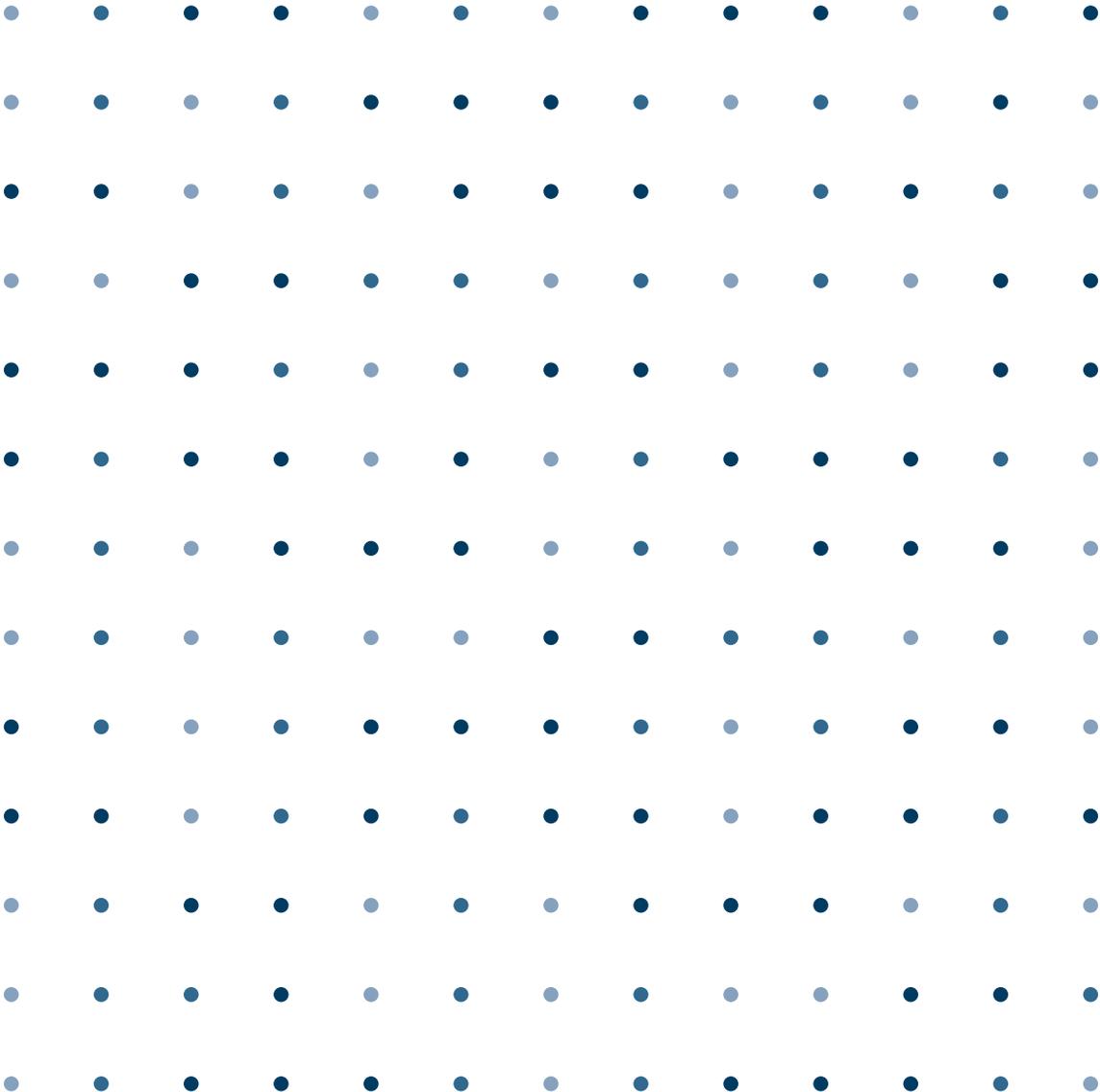
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Chair's foreword

This is our annual report and accounts for the year 2021/22, and the first I have the pleasure to introduce as Chair of the UK Statistics Authority. In the weeks since my appointment on 1 June I have toured our sites and met with colleagues, learning about what has undoubtedly been a fascinating year for official data and analysis.

The achievements of the Authority in the past year are many, and I have been hugely excited to learn more about them. Once again, the Office for National Statistics (ONS) has been playing a key role informing the fight against COVID-19 as the Government navigated its way out of pandemic restrictions and through the emergence of the Omicron variant. The dedication and pace with which colleagues across the statistical system provided insights that shaped government decision-making and the course of the pandemic has been of great credit to the Authority. It also is proof that Radical and Ambitious, two of our key organisational principles, are not just something we say but something we act on in everything we do. Working by these principles secured us substantial funding to continue the Coronavirus Infection Survey, for example, and has cemented our reputation in the UK and abroad as an innovative and capable institution that delivers data for the public good. Our National Statistician, Professor Sir Ian Diamond, will provide more detail on that next.

The Authority has also taken its Inclusive principle to heart, as we now see the fruits of last year's digital-first Census. In the Spring we were able to share some early data with government to help plan for the arrival of refugees from Ukraine, and at the end of June we released our much-anticipated population estimates.

This is a proud moment for all involved as we see Census findings put to work to inform and serve communities around the country. For almost 200 years the Census has provided the most comprehensive and accurate portrait of the population and we now need to look radically but carefully at how best to achieve that goal in the future.

Across the Authority there are many examples of impressive work, such as the Office for Statistics Regulation's (OSR) efforts to promote data transparency and unpack the lessons of the pandemic for health statistics; the hugely promising Integrated Data Service launching its private beta stage; the signing of a new Concordat for Statistics with central and devolved governments; and much more that I am eager to support.



As I step into the role of Chair of the UK Statistics Authority, I want to pay tribute to my predecessor, Sir David Norgrove, for leaving the organisation in great shape. Under his careful watch, official statistics have become more important and better trusted than ever before. It is a huge honour to be taking over from him as Chair and to begin to evaluate our progress against the strategy he and our senior leadership team set two years ago, Statistics for the Public Good. I thank Sir David for his years of service, and I also want to repeat his thanks to everyone working in the ONS, OSR and the Government Statistical Service (GSS) for their hard work and achievements over the last 12 months, as well as to our partners, stakeholders and the millions of participants in our surveys and research for their contributions. It is a real privilege to see how it all comes together, and I look forward to the year ahead.



Sir Robert Chote
Chair, UK Statistics Authority
July 2022

Chief Executive's report

I am proud to present the UK Statistics Authority's Annual Report and Accounts for the financial year ending in March 2022. Not only is this an important document to meet our statutory obligations; providing transparency and accountability for the use of our public resources, but it also provides me with an opportunity to reflect on all the incredible achievements of the organisation over the past 12 months.

We have made progress with our radical, ambitious, inclusive and sustainable strategy across our areas of our delivery.

The ONS concluded the operational phase of the 2021 Census, achieving a 97% response rate, with 89% responding online. This exceeded all expectations during a national lockdown. The Census gives us a brilliant, detailed snapshot of the nation and how we were living during the pandemic. Census statistics underpin vital decisions on the allocation of public services and resources. The results from Census 2021 provide a key bridge from the past to the future as we work to deliver more frequent, relevant and timely statistics to better understand population change in local areas this year and beyond.

The Ambitious, Radical and Inclusive Economic Statistics Programme (ARIES) and Economic Statistics have continued to deliver improvements to the core national accounts, trade and investment statistics along with our suite of faster indicators, and has delivered significant improvements to GDP, including the implementation of double deflation. Experimental model-based estimates of regional GDP have improved regional economic data and made economic growth changes available five months earlier.

Our COVID-19 Infection Survey (CIS) has continued to provide a gold standard in evidence to inform the Government's response to the pandemic. The scope and nature of this evidence produced through CIS flexed in response to need, including the publication of two estimates a week during the emergence of the Omicron variant in December and January. Associated data on behavioural responses, workforce absences and impact on household finances and living standards have also been delivered.

Additionally, we used new data and methods to incorporate the Test, Trace and Vaccinations Programme into measures of healthcare output in the National Accounts, and stood up an Over 50s Lifestyle Survey in just 11 days after cross government collaboration to design, test and launch the survey of 20,000 50-70 year-olds.



Our survey transformation work continues at pace, with the Labour Force Survey taking an “on-line” first approach supported by other modes of collection (e.g. telephone and face to face interviews). The survey will be flexible so it can be changed quickly to remain relevant and responsive to key priorities. The increased sample and new design will enable a reliable monthly estimate for the first time and provide robust and timely estimates for key characteristics of the Labour Market such as disability and ethnicity.

Underlying all of this remains our ongoing commitment to build resource sustainability and efficiency of the ONS and broader statistical system, with a particular focus on automation, improvements in business surveys and improving the efficiency of government’s usage of data.

At the same time, we have made significant investment in our data infrastructure, launching the alpha build of the Integrated Data Programme Analysis Platform, which was quickly followed by the launch of an initial Private Beta in October 2021; The Initial Public Beta (IPB) release of the Integrated Data Service is scheduled for mid-July 2022. This release builds on the capabilities offered by the New Private Beta release, on the 30th April and will bring further enhancements to the technology, security and wider service capability to be extended to analysts outside of Government.

Within the Data Science Campus, we delivered a series of Masterclasses for Ministers, Select Committees, Permanent Secretary and Senior Leaders across government strengthening data literacy, launched the cross-government Data Science Graduate Programme, and developed real time indicators at the local level from CCTV traffic camera images which was awarded the Geography in Government overall and innovation awards. These regularly published statistics are the first to be produced from machine learning techniques applied to image data. Adding to this diverse portfolio, the Data Science Campus have been working with the ONS’s Prices and Methodology areas to respond quickly and inclusively to the cost-of-living squeeze as experienced by the least well off. The Data Science Campus remains a critical component of our organisational capability to act at pace allowing us to explore, embed and enable new approaches to statistical production and analysis.

We have and will continue to adapt our statistics in this way to ensure our outputs represent the ever-changing landscape of the UK. To do that, the Inclusive Data Taskforce launched a consultation and subsequently published a detailed implementation plan responding to the 46 specific recommendations following extensive engagement and collaboration.

We also showcased a prototype UK Climate Change Statistics Portal at the COP26 UN Climate Change summit in Glasgow alongside the Met Office, providing a dashboard of indicators, three ‘explainer’ articles and access to detailed data. We completed a coordinated programme of 10 climate related statistical and

analytical outputs around COP26 covering emissions in 2020, energy efficiency of homes, business actions, local authority emissions and woodland cover, low emission vehicles and UK natural capital estimates.

Statistics for the Public Good makes clear that to maximise its impact, the statistical system must increase opportunities for partnership with the rest of government, academia and the private sector. With this in mind, we have expanded our collaborative partnerships including the launch of a strategic partnership with the Alan Turing Institute, worked with the Department for Education on their Unit for Future Skills, and delivered research through the Economic Statistics Centre Of Excellence (ESCOE) partnership.

Through engagement with the centre of government, we and the work of the Policy Liaison Unit are better able to reflect the data needs of policy makers. For instance, at the onset of the Russian invasion of Ukraine, the ONS provided crucial insights on Ukrainian diaspora in the UK and real-time economic impacts of sanctions. We were also able to launch the UK Humanitarian Response Insight Survey, to rapidly inform the UK's response to the Russian invasion of Ukraine and the subsequent evacuation of individuals fleeing Ukraine.

A new National Statistician's Committee for Advice on Standards for Economic Statistics (NSCASE) was established to provide statistical governance outside the European framework, and we published the Sustainable Development Goals (SDG) annual report, making good progress on reporting indicators, closing challenging data gaps, doubling the amount of headline data reported and increasing disaggregation.

The National Statistician's Expert User Advisory Committee met for the first time on 28 March to discuss cross-cutting issues and providing strategic advice about how the UK statistical system can best maximise effective engagement to enable the UK Statistics Authority and the wider system to use data in a radical, ambitious, inclusive and sustainable way.

We convened, in November 2021, a summit on public engagement with a range of groups working on administrative data use, most notably in health, and have a programme to improve both public engagement and decision making in data use.

Together, these achievements in our planned work also enable us to have the flexibility in our resources to produce analysis in response to urgent data needs, such as:

- 1.** supporting the statistical and data requirements for the Union
- 2.** building an analysis of the upcoming statistical requirements for the levelling up agenda
- 3.** supply chain disruption, publishing analysis on HGV drivers and providing the Cabinet Office with the latest data and information impacts on availability of essential goods to inform decisions

4. developing an evidence pack that synthesises cross government data on Violence against Women and Girls
5. working closely with the Office for Veteran Affairs to improve veteran suicide statistics, data collection and analysis
6. we also published the GSS subnational data strategy which demonstrates our ambition and commitment to delivering granular and timely subnational statistics that support targeted decision making

We have continued to adapt the operations of the organisation to ensure our business is fit for the future. We made a commitment as part of our Spending Review settlement to identify 10% of efficiency from our core funding over the course of the period. In the past year we have concluded a review of the ONS's enabling functions, professionalising the corporate centre which will generate millions of pounds of efficiency through the Spending Review. The ONS has established an efficiency framework to deliver the remaining suite of efficiencies.

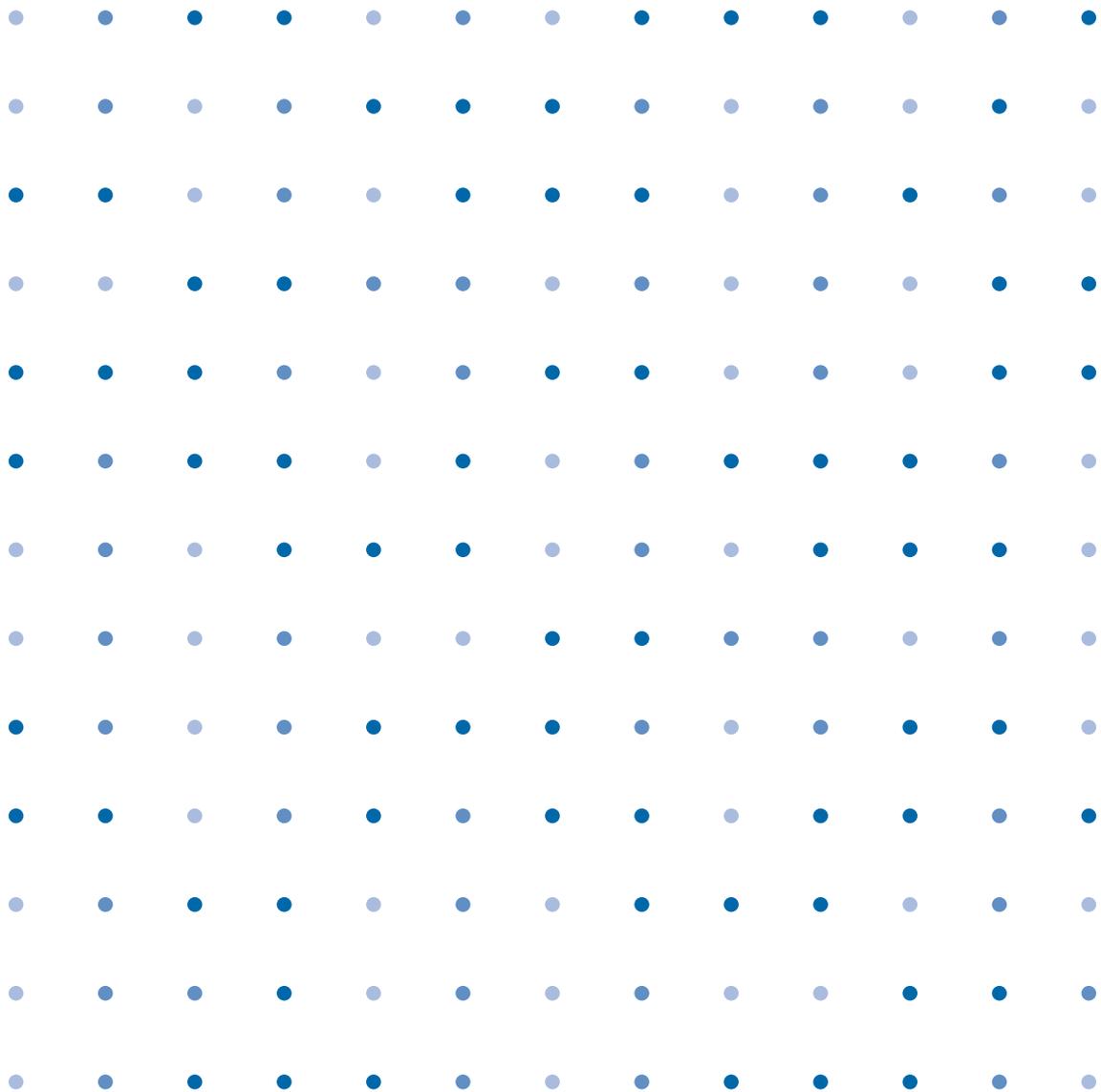
In embracing the Civil Service's hybrid working approach, we have launched a project to 'Evolve the Workplace' to modernise our estate, giving colleagues a contemporary space to collaborate as we gradually return to the office. In addition to improving our existing spaces we have set up a new Economic Campus in Darlington, giving us a presence in the North East of England, and we have confirmed the move of our London office from Drummond Gate to Marsham Street, as part of the wider Civil Service aim to consolidate its office estate in London as part of the Levelling Up agenda.

It is a privilege to highlight some of the incredible work across the ONS and the wider UK Statistical Authority, supporting our collective mission to deliver statistics for the public good.



Professor Sir Ian Diamond

National Statistician
UK Statistics Authority
July 2022



89%

Public confidence
in official statistics

1,024

Statistical releases
from ONS in 2021/22

66,500

National print stories
informed by ONS and its
statistical outputs.

11.9 Million

ONS website sessions
in 2021/22

Inflation

Most searched for
statistical theme
on ONS website

97% overall

2021 Census response rate
and over 90% in each local
authority

89%

2021 Census digital
response rate

11

Users of the Integrated
Data Service private beta
as of 31 March 2022

445,457

Members of public participating in COVID Infection Survey (at time of reporting)

4,596,349

Number of visits made to households participating in COVID Infection Survey (at time of reporting)

70%

Staff engagement score in 2021/22

19,268 hours

Hours of training delivered by Data Science Campus faculty team

114

Parliamentary questions answered

1,700

Freedom of information requests answered

996,095

Online data collection responses received (outside of the 2021 Census)

414

New Analysts recruited to ONS



Purposes and activity

Statutory framework

The UK Statistics Authority (the Authority) was established under the Statistics and Registration Service Act 2007 (the Act) and on 1 April 2008 formally assumed its powers.

The Authority is an independent statutory body. It operates at arm's length from government as a non-ministerial department and reports directly to the UK Parliament, the Scottish Parliament, the National Assembly for Wales and the Northern Ireland Assembly.

The work of the Authority is further defined under the secondary legislation made under the Act by the UK Parliament or devolved legislatures.

Statutory objective

The Authority has a 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
- regulating quality and publicly challenging the misuse of statistics

Official statistics are for the benefit of society and the economy as a whole; not only in government policy making and the evaluation of government performance, but also informing the direction of economic and commercial activities. Statistics provide valuable data and evidence for analysts, researchers, public and voluntary bodies, enabling the public to hold to account all organisations that spend public money, and informing wider public debate. The Authority wants to see official statistics enabling sound policy, decisions and providing a firm evidence base for decision-making both inside and outside of government.

Statistics for the Public Good

On 16 July 2020, the Authority launched its strategy for the UK official statistics system for the five years 2020 to 2025. The strategy can be found in full on the Authority's website¹. The collective mission of our official statistics system is:

High quality data and analysis to **inform** the UK, **improve lives** and **build the future.**

¹ <https://uksa.statisticsauthority.gov.uk/statistics-for-the-public-good/>

Functions

The Statistics for the Public Good strategy covers the principal elements of the UK official statistics system for which the Authority has oversight. The Authority provides professional oversight of the Government Statistical Service (GSS), and has exclusive responsibility for its two executive arms, the Office for National Statistics (ONS) and the Office for Statistics Regulation (OSR). The National Statistician also leads the cross government Analysis Function.

The Government Statistical Service (GSS)

The GSS is a UK network, spread across a whole range of public bodies, including the devolved administrations and UK government departments which produces and analyses statistics. It includes professional statisticians, data scientists, geographers, researchers, economists, analysts, operational delivery staff, IT specialists and other supporting roles. The GSS is also a part of the cross-government Analysis Function, which has built a community of analysts of various professional backgrounds working to provide the evidence base for understanding the biggest challenges of the day. Both the Analysis Function and the GSS are also led by the National Statistician.

The Office for National Statistics (ONS)

The ONS is the Authority's statistical production function and is part of the GSS. Led by the National Statistician, the ONS is the UK's internationally recognised National Statistical Institute and largest producer of official statistics. The ONS produces data, statistics and analysis on a range of key economic, social and demographic topics.

Office for Statistics Regulation (OSR)

The OSR is the Authority's independent statutory regulator. Led by the Director General for Regulation, OSR ensures that statistics are produced and disseminated in the public good and aims to increase public confidence in the trustworthiness, quality and value of statistics produced by governments. OSR also reports publicly on system-wide issues and on the way statistics are being used, celebrating when the standards are upheld and challenging publicly when they are not.

The legislation which established the UK Statistics Authority requires strict separation of the functions of production and regulation, where those involved in the production of statistics are not involved in the assessment of statistics against the code. The Director General for Regulation reports directly to the Chair of the Authority and produces a separate annual performance report. More detail about OSR, including its approach, its governance and an assessment of its effectiveness is set out in the Annex to this document.

Overview

The UKSA strategy

The UK Statistics Authority (UKSA) strategy - Statistics for the Public Good² – sets the direction for the UK official statistics system for the next five years with its overarching mission to deliver:

High quality data and analysis to **inform** the UK, **improve lives** and **build for the future**

The strategy describes four strategic drivers that underpin the mission statement – UKSA must be:

Radical in taking opportunities to innovate and collaborate, using data for the public good

Ambitious in setting out to answer the critical research questions the public needs the Government to answer, and informing the decisions that citizens, businesses and civil society take

Inclusive in its approach to workforce, talent management, and the design of data, statistics and analysis

Sustainable in delivering a unique service in a way which delivers value for money with lasting benefits and minimises impact on the environment, all through partnership and collaboration

The UKSA strategy is supported by business plans produced by each constituent part of the statistical system.

² <https://uksa.statisticsauthority.gov.uk/wp-content/uploads/2020/07/UKSA-2020-1.png>

The ONS strategic business plan

The ONS strategic business plan, originally published alongside the UKSA strategy in July 2020³, and subsequently updated in 2021⁴ sets out how ONS will contribute towards delivery of the UKSA strategy, including in response to the challenges presented by the COVID-19 pandemic, and delivering against priorities such as net-zero, levelling up economic opportunity across the country, social mobility, and an ageing population.

The Strategic Business Plan sets out how the ONS will deliver in line with the four strategic drivers - Radical, Ambitious, Sustainable and Inclusive as set out in the UKSA strategy – working in partnership with the GSS, data providers and the analytical and research community.

The plan also sets out the structure through which we deliver against our commitments. It details eight strategic objectives – each owned by a member of the ONS senior leadership team. This is further supported by delivery Tiers made up of our Accountability Framework Objectives (AFOs) – and five transformation programmes:

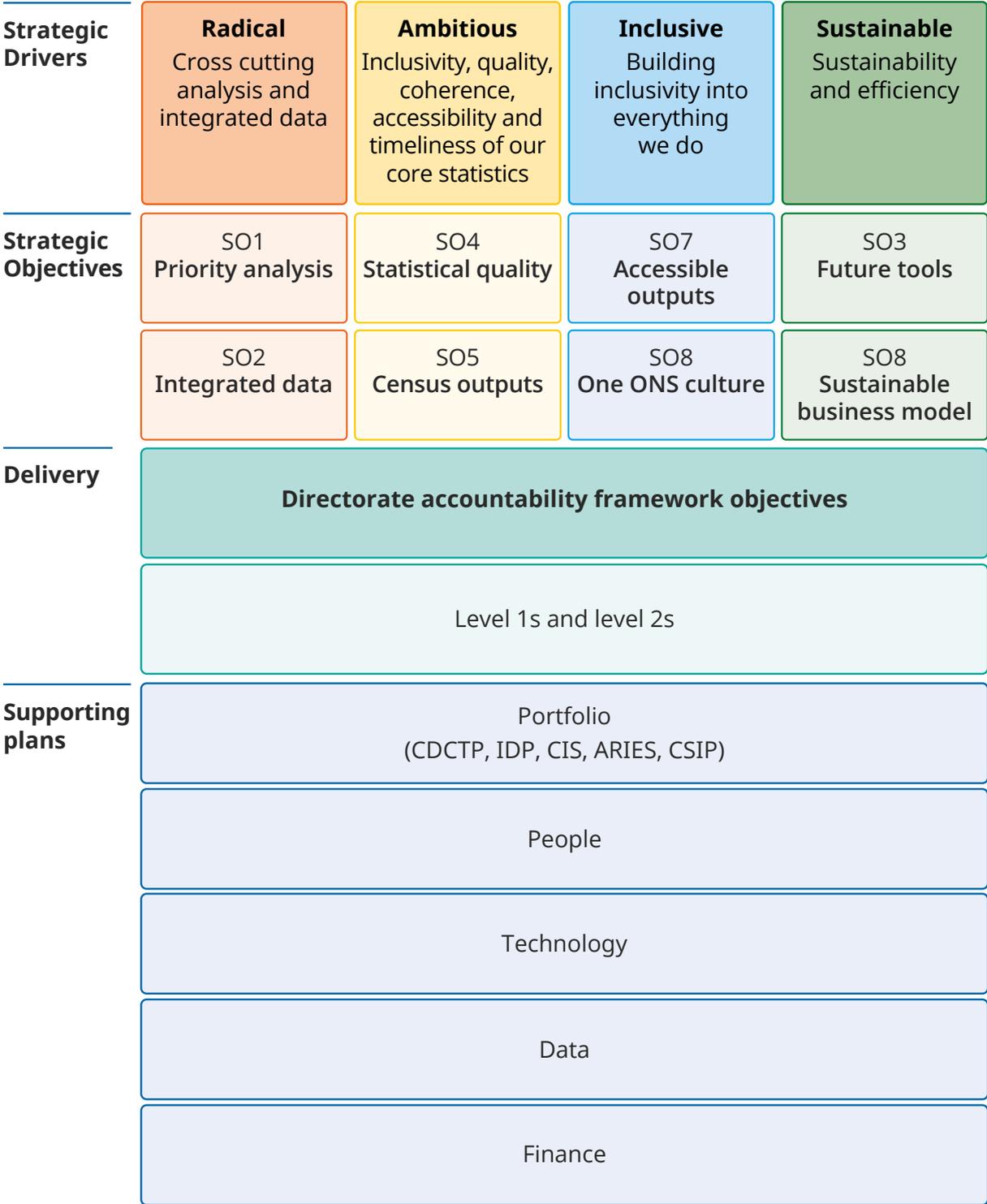
- Census and Data Collection Transformation Programme (CDCTP)
- Integrated Data Services Programme (IDSP)
- Covid19 Infection Survey (CIS)
- Ambitious, Radical and Inclusive Economic Statistics (ARIES)
- Corporate Services Improvement Programme (CSIP)

Figure 1 below provides a visual representation of the structure showing the alignment from the Strategic Drivers through to the delivery mechanisms and supporting plans

3 <https://uksa.statisticsauthority.gov.uk/wp-content/uploads/2020/07/ONS-Business-Plan-2020.pdf>

4 <https://uksa.statisticsauthority.gov.uk/publication/office-for-national-statistics-strategic-business-plan/>

Figure 1: ONS strategic business plan taxonomy



The OSR business plan

The OSR also published its business plan in May 2021. This set out the independent role, governance, vision, mission and core objectives for OSR. Performance against this business plan for 2021/22 is set out in the Annex to this document.

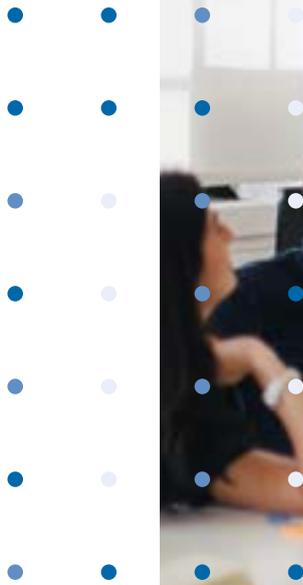
Performance analysis

We have continued to make significant progress during Financial Year 2021/22 - the second year of our strategy. We have delivered a wide range of achievements as set out in more detail below.

As with all government departments we have worked with HM Treasury colleagues through the Comprehensive Spending Review 2021 (SR21) exercise which aimed to settle departmental budgets for the period 2022/23 to 2024/25. This exercise has been vitally important in securing ongoing support, placing the organisation on a sustainable footing and facilitating the delivery of our strategy for the next three financial years.

As the year has progressed, we have ensured that our work in supporting the country's response to the COVID-19 pandemic continued but on a more sustainable basis whilst pivoting to address broader economic and societal questions. We completed the data gathering phase of Census 2021 with a higher than anticipated response rate and world leading level of digital responses. This is a major achievement particularly in the context of the ongoing pandemic. We have now exited the significant third-party contracts and delivery mechanisms associated with the data collection exercise and have moved to the next phases of the programme including data analysis and dissemination.

The following sections of the report provide an overall summary assessment of performance against our strategic objectives and key milestones for 2021/22 as set out in the latest iteration of our Strategic Business Plan. We also provide a more detailed narrative highlighting the key achievements in the period by strategic objective on pages 24 to 33.



Summary assessment of performance by strategic objective

The strategic objectives (SOs) were developed as part of the ONS's initial strategic business plan that was published in July 2020 and have been iterated, and rationalised, to maintain relevance to current and expected future operational context, and to support clarity of accountability. Each SO contributes to all four strategic drivers, with the strongest association shown in more detail below.

Performance against the SOs is monitored monthly through internal governance using the mapping of individual AFOs to each SO⁵ as a mechanism to track progress and flag issues. The table below provides an assessment of the status of each of the eight SOs in March 2022. The green rating indicates that more than 70% of the AFOs that align to that SO were reporting either "complete" or "on track" at the time of reporting.

This end of year position is an upward trend when compared to 2020/21.

⁵ Each AFO is mapped to one or more SOs depending on the contribution the AFO makes towards delivery of the SO. By tracking progress of the AFO we are able to extrapolate the performance against the SO.

1



Priority analysis

Priority deliverables: ARIES, Covid Infection Survey

Main strategic contribution: Radical

2021/22 rating: Green

Working with new and existing partnerships to deliver inclusive, engaging and timely analysis and statistics on priority economic, social and environmental issues including on the impacts of the pandemic and the lives of those missing from our existing data sources.

2



Integrated data

Priority deliverables: Delivery of IDSP data services

Main strategic contribution: Radical

2021/22 rating: Green

In collaboration with the GSS, Government Analysis Function and wider government, deliver a ground breaking, safe, secure and trusted integrated data service with associated data governance that drives the integration of Government data and the provision of cross-cutting analysis for the public good, and facilitates the evaluation of policy effectiveness.

3



Future tools

Priority deliverables: IDSP platform, Prioritised legacy replacement

Main strategic contribution: Sustainable

2021/22 rating: Green

To develop and future-proof the ONS's statistical, analytical and data management tools, technologies and policies to meet the changing requirements of the business, at pace and with innovation to the fore.

4



Statistical quality

Priority deliverables: Labour market transformation, Prices transformation, GDP, Crime, Inclusive data task force

Main strategic contribution: Ambitious

2021/22 rating: Green

Drive improvements in the inclusiveness, quality, coherence, accessibility and timeliness of our priority statistics and outputs and set best practice for the development of UK statistical frameworks.

5



Census outputs

Priority deliverables: Census outputs, Transformation of population and migration statistics, to support 2023 Recommendation

Main strategic contribution: Ambitious

2021/22 rating: Green

To deliver outputs from the 2021 Census and a revised system of population and migration statistics, working towards a robust recommendation on the future of the Census in 2023.

6



Sustainable business model

Priority deliverables: Efficiencies framework

Main strategic contribution: Sustainable

2021/22 rating: Green

To implement a sustainable and ambitious business model that enables ONS to deliver against the ambitions in the UKSA strategy using resources (people, funding & infrastructure) effectively and efficiently, while continuously improving ONS's corporate services and systems so they are fit for the future.

7



Accessible outputs

Priority deliverables: IDSP dissemination capacity

Main strategic contribution: Inclusive

2021/22 rating: Green

To deliver an efficient, targeted, accessible, inclusive and flexible publication and two-way engagement model that promotes understanding, provides information that our key stakeholders and the wider UK need, and informs organisational delivery.

8



One ONS culture

Priority deliverables: People plan

Main strategic contribution: Inclusive

2021/22 rating: Green

To create an inclusive, collaborative, engaged and healthy working environment and a 'One ONS' culture where employees of different backgrounds, grades, characteristics and ways of thinking are consistently empowered and inspired to innovate, share learning and deliver their best work.

Key deliverables

Our Strategic Business Plan also set out a high-level timeline of key deliverables. The table below gives the milestones for the 2021/22 financial year and their status at March 2022.

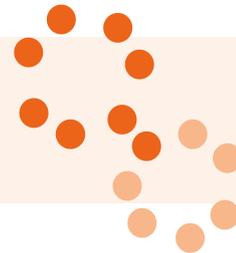
Date	Milestone	Programme / Directorate	Status
May 2021	Develop unified corporate systems innovation strategy and development prioritised roadmap	Corporate Services Improvement Programme	Completed - November 2021
June 2021	Launch a multi-disciplinary analytical hub to respond with pace and flexibility to the priorities of our partners and stakeholders in Government and Beyond	Public Policy Analysis	Completed - June 2021
September 2021	Integrated Data Service for Government Consumers (Private Beta)	Integrated Data Programme	Completed – October 2021
September 2021	Changes to meet international legislative requirements for Gross National Income implemented	Ambitious, Radical and Inclusive Economic Statistics Programme	Completed - September 2021
September 2021	Publish the recommendations of the Inclusive Data Taskforce	Public Policy Analysis	Completed - February 2022
October 2021	Trade improvements implemented in ANA 2021	Ambitious, Radical and Inclusive Economic Statistics Programme	Completed – October 2021
October 2021	GDP estimates using double deflation integrated in National Accounts	Ambitious, Radical and Inclusive Economic Statistics Programme	Completed - September 2021
December 2021	Expand the multi-disciplinary cross ONS analytical hub to 60 FTE	Public Policy Analysis	Completed - December 2021
February 2022	All code of practice requirements met to enable National Statistics Accreditation of 2021 Census Outputs	Census and Data Collection Transformation Programme	Re-baselined to June 2022
March 2022	All required census data processing and statistical quality assurance tasks completed to enable the recommendation to National Statistician to proceed with publication of initial findings	Census and Data Collection Transformation Programme	Re-baselined to June 2022
March 2022	Integrated Data Service for Accredited (Non-Gov) Consumers (Initial Operating Capability - Public Beta)	Integrated Data Programme	Re-baselined to June 2022
March 2022	Outputs of Census 2021 - first release of the high-level population estimates	Census and Data Collection Transformation Programme	Re-baselined to June 2022



Overall performance narrative by strategic objective

Radical

Cross cutting analysis and integrated data



Strategic Objective 1 – Priority analysis

A key strategic objective which is intrinsically linked to our mission as an organisation is to provide time-critical analysis and statistics on priority economic, social and environmental issues. We have developed our capacity to respond at pace, using our relationships across government and with other partners to provide the data and analysis needed to aid decision makers – whatever the question. Key to the achievement of this objective is the need to develop and maintain the necessary structures, capability and capacity to deliver. Significant steps have been made during the year to enable this including the establishment and growth of our Analytical Hub. The Hub works in tandem with established capability in our Data Science Campus and across our business areas to aid in our response to urgent priorities.

During the year we have been able to respond quickly to provide data and insights across a range of socio-economic themes including:

- supply chain disruption, publishing analysis on HGV drivers and providing the Cabinet Office with the latest data and information impacts on availability of essential goods to inform decisions
- developing an evidence pack that synthesises cross government data on violence against women and girls
- working closely with the Office for Veteran Affairs to improve veteran suicide statistics, data collection and analysis
- publishing the GSS subnational data strategy

Given the ongoing prevalence of COVID-19 through 2021/22 much of our focus remains on critical pandemic related analysis. We have continued to deliver “gold standard evidence” in the form of the COVID-19 Infection Survey (CIS) that continues to inform the government response to the pandemic including significant regional variations. The scope and nature of the evidence produced through CIS has flexed in response to need, including the publication of two estimates a week during the emergence of the Omicron variant in December 2021 and January 2022. We have worked with colleagues across government to ensure that we can place the survey on a more sustainable financial footing through 2022/23 in light of constrained funding availability.

We have tailored our analysis using associated data on behavioural responses, workforce absences and impact on household finances and living standards to deliver a rounded view on the impacts of the pandemic on society.

The second phase of the School Infection Survey was delivered within school settings with the final round of testing involving the recruitment of 173 schools and just over 12,500 pupils for Antibody Testing and questionnaire completion. Four publications have been released on data collected during the first two testing rounds, including questionnaire data on Long Covid and Mental Health, data on antibodies collected in the early part of the study and vaccination data linked to other data sets.

We have used new data and methods to incorporate the Test, Trace and Vaccinations Programme into measures of healthcare output in the National Accounts, and stood up an Over 50s lifestyle survey in just 11 days after cross government collaboration to design, test and launch the survey of 20,000 workless 50-70 year olds.

We cannot operate in isolation and many of the achievements made to date rely on us working with partners across government and beyond. To that end and directly aligned to our strategy we have expanded our collaborative partnerships including the launch of a strategic partnership with the Alan Turing Institute and continued our long-standing relationships through our Economic Statistics Centre of Excellence (ESCOE). We have expanded our internal Policy Liaison Unit

to build wider relationships across government policy makers to better reflect the data needs to help drive decision making. We have also worked closely with other government departments on joint initiatives including the Department for Education on their Unit for Future Skills.

Strategic Objective 2 – Integrated data

ONS have been leading the drive to provide faster and wider collaborative analysis of complex data for the public good through delivery of the Integrated Data Programme (IDP). Led by ONS, this programme is a collaborative initiative with the GSS, Government Analysis Function and wider Government, and will build a comprehensive data service, underpinned by a secure and trusted infrastructure that will enable Government to make best use of its data assets and unlock the potential of linked data. The IDP will accelerate our progress in data sharing and analysis and provide a model that is fit for purpose to tackle the Government priorities now and in the future; one of the key ambitions of the national data strategy.

The successful delivery of the Alpha build of the Integrated Data Service in July 2021 was quickly followed by the launch of an Initial Private Beta in October 2021 which was accessible to analysts across Government, with pilot projects used to test and demonstrate new capabilities such as data virtualisation.

The Secure Research Service was integrated into the Programme and enabled early progress of Analytical Lighthouse Projects, including:

- the “towns and high streets” project – a collaboration with Ordnance Survey to digitally identify the high streets of Great Britain for the first time and provide new data and analysis to inform local policy-making
- the “COVID-19 risk factors for death and hospitalisation” created a unique, linked data resource that combined Census, healthcare and death registration data and enabled fast production of essential insights into health inequalities to inform government priorities

The Dissemination component of the service was successfully used to host climate change data (<https://climate-change.data.gov.uk>) in support of COP 26.

Alongside these successes, the programme has begun its transition into full service and in early 2022, appointing the chosen vendor to deliver the next phase of the cloud technology services, and agreed a set of design principles for the services web presence that will provide a “front of house” capability for users. This capability will form a New Private Beta release, to be followed by further releases during 2022.



Ambitious

Inclusive, quality, coherence, accessibility
and timeliness of our core statistics



Strategic Objective 4 – Statistical quality

Delivering high quality and timely statistics sits at the heart of what we do. To support our relentless drive for improved quality and granularity of our statistics, we initiated the new Ambitious, Radical, Inclusive Economic Statistics programme which has now received support from HM-Treasury for the current Spending Review period, enabling us to continue our 10-year transformation journey. The programme has delivered significant improvements to the core national accounts, trade and investment and the faster indicators suite, including full implementation of double deflation (international best practice) into Gross National Product. Experimental model-based estimates of regional GDP have improved regional economic data and made economic growth changes available five months earlier.

Our drive for innovation is reflected with new publications including: new data and methods to incorporate the Test, Trace and Vaccinations programmes into measures of healthcare output in the National Accounts (in collaboration with DHSC, the NHS, BEIS and HMT); several topical articles which have informed the discussion around the economic impact of COVID-19 and the recovery period; new experimental subnational Foreign direct investment statistics; and the launch of a new collaboration with the Office for Veteran Affairs to improve veteran suicide statistics, data collection and analysis.

We have continued to develop our international presence with the establishment of a new National Statistician's Committee for Advice on Standards for Economic Statistics (NSCASE) to provide statistical governance outside the European framework, and we published the Sustainable Development Goals (SDG) annual report, making good progress on reporting indicators, closing challenging data gaps, doubling the amount of headline data reported and increased disaggregation.

Within the Data Science Campus, we delivered a series of Masterclasses for Senior Leaders to Ministers and Permanent Secretaries with 11 Permanent Secretaries and 1,175 civil service senior leaders enrolled (as at July 2021) strengthening data literacy across leaders, launched the cross government Data Science Graduate Programme, and developed real time indicators at the local level from CCTV traffic camera images which was awarded the Geography in Government overall and innovation awards. These regularly published statistics are the first to be produced from machine learning techniques applied to image data.

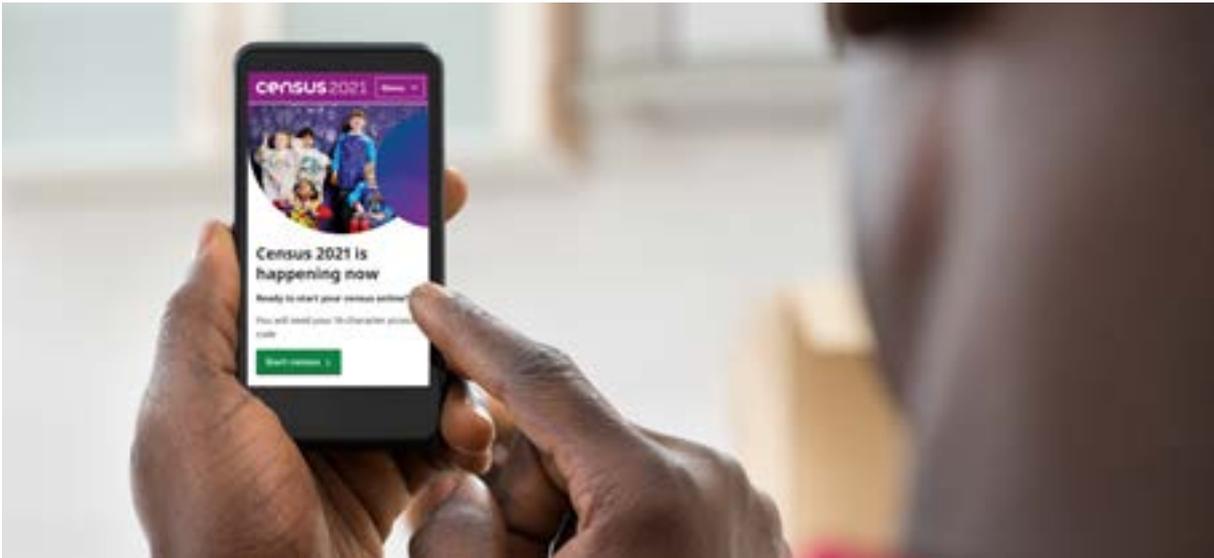
Through our strategy we aim to embed inclusivity as a concept across everything that we do, including the data we use and statistics we publish. Linked inherently to the “inclusive” driver as well as quality of our outputs, findings from the Inclusive Data Taskforce consultation, were published and provide far reaching, strategic recommendations for creating a step change in the availability of data and analysis on inclusivity in UK society. A detailed implementation plan responding to the 46 specific recommendations was also published to drive forward this work across the statistical system.

Strategic Objective 5 – Census outputs

Census 21 was the first Census where completion was primarily through an electronic questionnaire, allowing the public to complete the survey online at a scale never before seen. Return rates at the end of census collection phase surpassed 97% of households with 88.9% of responses made electronically, and more than 90% in every local authority across England and Wales. This response exceeded expectations in the most difficult of circumstances during a national lockdown, and the work to process the data and turn it into quality outputs is now underway. In the same year, we successfully transferred the 1921 Census to the National Archives as part of our statutory duties.

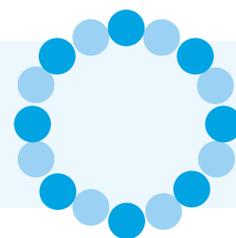
While we continue to work towards the first release of Census outputs in June 2022, we are building towards the 2023 Recommendation on the future of the Census, and published new research and data on population and migration to demonstrate the use of administrative data-based ways of measuring migration and population that will help to build the most accurate picture of our society.

Our achievements across both the Radical and Ambitious strategic principles with rapid development of new statistics and analysis would not have been possible without significant cross-government, cross-GSS and collaborative working involving all four nations of the United Kingdom. Similarly, within the ONS our successes have only been possible due to the joint working of colleagues across the organization. Without the technological platforms, methodologies and architecture, dissemination capabilities and the work of our core functional support staff we would not have been able to make such significant progress against our strategic objectives in the period.



Inclusive

Building inclusivity into everything we do



Strategic Objective 7 – Accessible outputs

Data from the ONS has never been more in demand or achieved such public prominence and scrutiny. Demand for our statistics and data has never been higher as illustrated by the public confidence in statistics (89% of those able to express a view trust the ONS), demand from the press and the extent of usage of our website.

Our commitment to “promote understanding and provide the information that our key stakeholders, users and the wider UK public need” means getting crucial data and insight into the hands of users easily and quickly to support decision-making. In support of this aim, we convened, in November 2021, a summit on public engagement with a range of groups working on administrative data use, most notably in health, and have a programme to improve both public engagement and decision making in data use. We also developed the National Statistician’s Expert User Advisory Committee, which met for the first time on 28 March 2021 and discussed the Integrated Data Service, the ONS website, and priorities for transforming access to data and statistics to improve the user experience. We have also embarked on a transformation journey of the ONS web estate and dissemination service, with a review of the ONS web estate, gap analysis and comparison with other institutions, and a user-led consultation now complete.

A demonstration of how our information can be made more accessible was the prototype UK Climate Change Statistics Portal launched ahead of the COP26 UN Climate Change summit in Glasgow and showcased at the summit with the Met Office. The portal provided a dashboard of indicators, three ‘explainer’ articles and access to detailed data. We also completed a coordinated programme of 10 climate related statistical and analytical outputs around COP26 covering emissions in 2020, energy efficiency of homes, business actions, local authority emissions and woodland cover, low emission vehicles and UK natural capital estimates.

Strategic Objective 8 – One ONS culture

Our pursuit of an inclusive, collaborative, engaged and healthy working environment resulted in the UK Statistics Authority being awarded Gold in Mind’s Workplace Wellbeing Index 2020-21, demonstrating that we have successfully embedded mental health into policies and practices while demonstrating long-term, in-depth commitment to colleagues’ wellbeing. In addition to this accolade, ONS made the Working Families Benchmarking Index top 30 employers for the second successive year reflecting our continued commitment to creating a brilliant workplace for all our colleagues whatever their needs. We were short-



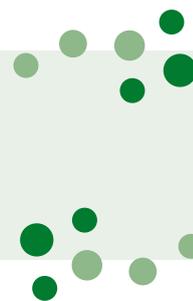
listed for various external awards including for the CIPD Wales “Best Diversity and Inclusion” and “Best Resourcing and Talent Management” categories; and as finalists for three Welsh contact centre awards: Best COVID-19 strategy, customer engagement and small in-house team.

Our Locations and Dynamic Workplaces programme has made excellent progress over the year to create a modern and inclusive environment, through policy, training, technology, equipment, automation, resourcing and communication, and has been recognised by the Smarter Working Awards. Our new Flexible Working Framework was launched in November 2021, putting some of the changes implemented during the pandemic on a long-term sustainable basis, and the Evolving the Workplace programme continues to make progress towards updating our offices to better reflect our future ways of working.

The results of the 2021 People Survey show a continuation of the record high levels of staff engagement from 2020, with overall engagement levels well above the Civil Service average and higher than the Civil Service benchmark against six of the nine themes.

Sustainable

Building a sustainable and efficient business model



Strategic Objective 3 – Future tools

Keeping pace with the ever-growing demand for faster, and more granular outputs means ensuring that our statistical, analytical and data management tools, technologies and policies are constantly updated to meet the changing requirements of the business and our users. The importance of our infrastructure was highlighted this year with the Data Access Platform, its data and statistical outputs being designated “nationally critical” within government sector of operations.

A new vision and strategy for all surveys across ONS has been developed within the ONS Survey Strategy which details four pillars: Joined up Data Acquisition; Fully Inclusive by Design; Efficient Sustainable Operation; and Productionised Integrated Capability. Alongside this, we continue to make progress on moving surveys online including moving over 37,000 Annual Business Survey forms to an electronic questionnaire, and we have appointed a supplier to build the Statistical Business Register, moving us away from 20-year old technology and replacing the Inter-Departmental Business Register to provide a much-improved sampling frame for business surveys.

As part of the ARIES programme we have appointed a third-party service provider to design a proof of concept for a new cloud-based solution to the Prices Alternative Data Sources project. By using new sources of alternative data such as web-scraping and scanner data, Consumer Prices Index, including owner occupiers’ housing costs and Consumer Prices Index will be transformed to provide new insight into consumer behaviour.

Our Data Science Campus continues to drive forward innovations, including the development of real-time indicators at the local level from CCTV traffic camera images – work that was awarded the Geography in Government overall and innovation awards, presented by Princess Anne at the Royal Geographical Society. These regularly published statistics are the first to be produced from machine learning techniques applied to image data.

Strategic Objective 6 – Sustainable business model

In January 2021 we established a formal review into our corporate enabling functions – Building Ambitious Sustainable Enablers (BASE) - to ensure our supporting functions were in the best shape to support the delivery of Statistics for the Public Good; to ensure our organisation was set up to deliver in a sustainable way; and to ensure that our resources were directed towards the delivery of the ONS’ defined outcomes in its Strategic Business Plan.

During 2021/22 we have delivered on the primary objectives of this review which include the consultation on and establishment of a new organisational model across six core functions. This new model – to be fully implemented in Spring/Summer 2022 – will rationalise and streamline key back-office structures and generate significant benefits including a contribution towards our efficiency targets.

The review has been a critical driver for our refreshed strategic business plan (published in June 2022) setting out an agreed set of statistical and analytical priorities alongside an integrated schedule for programme delivery on the back of a successful Spending Review. This is further underpinned by the Review recommendations to adopt a new Demand Management Framework and a new suite of common objectives that have been developed and rolled out across the ONS Senior Civil Service covering Delivery, Finance, Risk, Collaboration and Inclusive Leadership.

In order to maximise the use of resources we established a framework mechanism and governance structure in year to identify, assure, monitor and track efficiency delivery across the Spending Review 2021 (SR21) timeline. This centralised mechanism works with defined efficiency project owners to maximise sustainable cost savings throughout the organisation.

Our aim is to achieve 10% sustained efficiency by the end of 2024/25 against our baseline operating costs of around £220m. The cost savings will be realised incrementally and used by the organisation to progress organisational priorities and inherent cost pressures not funded through SR21. The savings will be generated through structural alignment and rationalisation in our core and support services; through refined approaches in our commercial strategy; through more cost-effective use of our estate; and through process re-engineering and automation. Whilst the cost savings will begin to crystallise from April 2022 onwards a significant amount of preparatory work has been required in this period to give us the best chance of success.

One of our strategic programmes which is linked to both the objectives of the BASE Review and the Efficiency Framework is the Corporate Systems Improvement Programme (CSIP). It aims through reviewing the relationship between corporate data, processes and technology to implement modern, standardised and future-proof corporate systems and process infrastructure to support the delivery of efficient operations across the whole of corporate services. This is a multi-year programme but has delivered further incremental benefits and enhancements during 2021/22. These include the development of a pilot work force planning solution; implementation of a cloud-based data archiving solution; process reviews across our commercial, finance and human resources functions; and prototype solutions to feed a roadmap of priority projects aimed at more cost effective and enhanced corporate services.

Sustainability at an organisational level is not just about ensuring we live within our means. It is also about ensuring we have the resources, capabilities and facilities to enable delivery. During 2021/22 we have actively participated in the wider rationalisation of government estate exercises. We have transferred our sites at Newport and Titchfield to the Government Property Agency (GPA) and served notice on our London building tenancy in order to move to aid in the consolidation of government estate in London. Through our Locations and Dynamic Workplaces programme we have invested in our estate to enable an overall reduction in our 'footprint' by 2024/25 leading to cost savings as we hand back parts of our building for re-use by GPA. We have established the new Darlington Economic Campus, in order to have a presence in the North East of England, aligning to the Levelling Up and Northern Powerhouse agendas.

By continuing to work on our offering as an organisation; our cultural evolution through the 'One ONS' concept; together with a longer term recognition of hybrid working and a strategy to continually review our locations; we aim to attract and maintain the skills and capabilities we need to build sustainability.

Summary

2021/22 was the second year of our multi-year Strategy and Strategic Business Plan. We have continued to deliver and improve our core outputs and build the foundations for our future while responding to priority demands to inform key policy decisions across Government, including the continued operation and evolution of the COVID-19 Infection Survey and ancillary work. The success of Census 21 demonstrated our commitment to transforming how we collect data without compromising on quality, and significant progress in the delivery of the Integrated Data Programme has solidified the cross-Government drive to release the potential of shared data. We have secured commitment from wider Government to the transformation of our Economic and Public Policy statistics and analysis which enables us to progress at pace, and we have put in place the building blocks for an inclusive and sustainable business model.

Our achievements over the year have required us to think collectively as 'One ONS'. The front-line successes have only been possible through the hard work of those involved in the process from end to end – survey collection, data ingest and processing through our data architecture and technical infrastructure, analysis and dissemination. All supported by our back-office functions – our procurement, human resource, finance and planning capabilities.

Challenges we have faced

The introduction to this section and the assessment of performance has highlighted the significant progress the organisation continues to make against the radical, ambitious, inclusive and sustainable drivers. As we emerge from

the direct challenges imposed by the COVID-19 pandemic we are transitioning to a new way of working that incorporates the positive aspects of being able to work anywhere, with the advantages of a transformed office space adapted for hybrid working.

As we strive to deliver ever more accessible, timely, high-quality outputs, we are dependent on our ability to engage and collaborate across Government to secure access to the data that underpins not only our core outputs, but also our transformation agenda. Maintaining and building these relationships will continue to be a key focus for ONS to unlock the potential of integrated data and to decrease our reliance on survey collection and the associated user-burden.

Our People plan clearly sets out the importance of our staff to the delivery of the UKSA strategy and ONS business plan. The challenge to attract and retain critical skillsets has been a priority focus for ONS in the last financial year and is set to continue into the next year with national labour market supply issues, in particular for the DDaT profession, but also analytical and project delivery disciplines. ONS is not alone in this challenge and will need to be innovative and deploy a wide range of initiatives to ensure we can continue to attract and retain the best people.

As the profile of ONS has increased since our successful response to the pandemic, so has the demand for our services – whether this is accessing or improving the timeliness and granularity of existing outputs or developing new outputs. This increased demand, while a positive reflection of the reputation of the organisation and the recognition of the importance of quality evidence to inform decision-making, it comes with the additional challenge of managing that demand whilst maintaining a pin sharp focus on our core strategy. Our new prioritisation, demand management and strategic resourcing frameworks will support this requirement, but there is still work to do to embed these into the culture of the organisation.

There is also an emerging opportunity to recognise and effectively utilise the value of the ONS brand and outputs to contribute towards the sustainability of the organisation. ONS holds a unique position within Government and is a trusted interface with other sectors. Our products are in high demand and yet we continue to deliver with constrained resources. This presents both a challenge and a potential opportunity for the future of ONS.

Whilst this section provides a summary of the key challenges we have faced in 2021/22, we set out our key ongoing risks within the Governance Statement on pages 60 to 63.



COVID-19 impacts

The impacts of the pandemic can be summarised under two broad headings – how the organisation has continued to assist in the nation’s response and recovery to the pandemic; and how the pandemic has impacted upon us as an organisation including how we have interacted with our third-party suppliers.

Assisting the wider response to the pandemic

The preceding paragraphs in this section of the report go into detail as to the role ONS has played in assisting in the UK’s response and recovery to the pandemic. The organisation has changed dramatically, with a significant increase in demand for statistics and analysis and expansion of its remit through its response to COVID-19 with a major focus on understanding the economic and social impact. This has however continued to place a significant strain at times on our people and resources. Whilst we have managed to make good progress across our strategic aims there is no doubt that our work related to COVID-19 has needed to take precedence at times over our other plans where we have faced constraints.

We have incurred significant additional costs associated with operating the COVID-19 Infection Survey, wider ancillary studies and the enhanced Opinions and Lifestyle Survey. These major activities have been funded in their entirety through central government or other government departments.

Internal impact

We have continued to manage impacts on our organisation, our staff and our ways of working as a direct result of the continuation of the pandemic through 2021/22. These impacts have continued to reduce capacity at times stretching our resources. A significant positive aspect has been our ability to effectively work remotely when needed to, helping transform how and where we work

through our Evolving the Workplace programme. This is a testament to our ongoing investment in technology and infrastructure capabilities and the work of our IT services building positive outcomes from the learning we have taken from the pandemic.

Impacts on operational costs

Costs for office equipment and further IT equipment (such as laptops and peripherals) increased as expected in facilitating initial wholesale working from home and enabling ongoing hybrid working arrangements. We have also experienced additional facilities management costs associated with ensuring our estate is kept safe for those who have needed to access our site for critical activity or more widely in line with the periodic lockdown easing.

Netting off this additional cost is continued significant operational saving due to our inability to travel on official business either between our sites or elsewhere. This has changed during 2021/22 as the situation in respect of lockdowns across the nations has varied. However, as part of our cost management approach in 2021/22 we have reflected the anticipated ongoing reduced need to travel in reductions to organisational budgets.

We have continued to aid our staff during periods where we have not been able to permit wholesale access to our estate – again in line with central government guidance from Cabinet Office – in terms of increased costs that our staff have incurred as a result of working at home.

Looking ahead

The 2021 Spending Review (SR21) has established multi-year budgets across government. The outcomes of SR21 have driven prioritisation across the organisation and the latest Strategic Business Plan refresh in readiness for 2022/23.

The multi-year Spending Review settlement has provided more certainty, enabling us to plan into the longer term. Our strategic principles remain the same although we have reviewed our strategic objectives, streamlining them to improve clarity and ensure clear accountability for their delivery at the most senior levels in the organisation.

Our prioritisation framework has been developed to inform the development of the 2022/23 objectives. The 2022/23 business planning round involved numerous collaborative workshops to ensure that priorities were agreed, and cross-ONS dependencies were highlighted at an early stage in the planning cycle to support 'enabling' areas of ONS to develop practical schedules for delivery. With agreed priorities and a one-ONS plan in place, the business will also move to a new rolling quarterly planning process to not only improve flexibility and responsiveness to changing priorities, but to also reduce and spread effort over the year. We published our refreshed Strategic Business Plan in June 2022.

Key performance indicators (KPIs)

We developed a set of Key Performance Indicators (KPIs) as part of our Strategic Business Planning during 2020/21. We have iterated these KPIs during 2021/22 to ensure that we maintain their ongoing fitness for purpose and relevance to organisational activity as it evolves. The KPIs are disaggregated by Strategic Driver and complement the progress reporting against our strategic objectives (as set out in Section 2.5 above) through our internal governance. Our performance against the KPIs for 2021/22 is set out below.

Radical

Indicator	Target	2021-22 Performance	2020-21 Performance	Note
Data Science Campus research experimental research	>= 30%	39% monthly average from April 2021 - March 2022	31% monthly average from September 2020 - March 2021	1
Secure Research Service number of users	4,076	5,270 users as of 31 March 2022	4,075 users as of 31 March 2021	2
Secure Research Service number of projects	576	581 live projects as of 31 March 2022	575 live projects as of 31 March 2021	3
Data acquisition priorities	Progress made	74% rated Green 'On track' or complete as of 31 March 2022	70% rated Green 'On track' or complete as of 31 March 2021	4
Media coverage	n/a	As of 31 March 2022: 7,931 mentions in media, 23% of which featured ONS spokesperson.	n/a	5

Notes:

1. The Data Science Campus is involved in experimental research and supporting ONS delivery. This KPI measures how much of their time is spent on experimental research projects aligned to the Radical pillar of the ONS strategy.
2. The goal is to increase the number of users Year on Year. The target is set at the figure as of 31 March 2021 plus one. The methodology used for this KPI has changed since last year and so the figures presented here are not comparable to the figures published in the previous annual report.
3. The goal is to increase the number of projects Year on Year. The target is set at the figure as of 31 March 2021 plus one. The methodology used for this KPI has changed since last year and so the figures presented here are not comparable to the figures published in the previous annual report.
4. This KPI was established to provide an indication of how we are performing against a key enabler for this strategic driver. No target has been set for this KPI currently although significant progress has been made.
5. This figure shows the total mentions of ONS and its outputs in the media landscape. Percentage shows what proportion of these mentions featured a comment from an ONS spokesperson. There is no target set for media coverage. This indicator was not tracked last year so no comparison is possible.

Ambitious

Indicator	Target	2021-22 Performance	2020-21 Performance	Note
Major Errors	0	7 major errors reported between April 2021 and March 2022	10 major errors reported between April 2020 and March 2021	5
Statistical concerns escalated to the OSR and National Statistician	0	0 statistical concerns that required escalation between January 2022 and March 2022.	n/a	6
Social Surveys	Maintain response rates	2,560 Monthly responses for March 2022 Labour Force Survey Wave 1	2,885 Monthly responses for March 2021 Labour Force Survey Wave 1	7
COVID19 Infection Survey	Swabs within range 161,100 to 196,900 Bloods within range 121,500 to 148,500.	179,555 Monthly UK Swabs as of March 2022. 156,225 Monthly UK Bloods as of March 2022.	389,179 Monthly UK Swabs as of March 2021. 54,343 Monthly UK Bloods as of March 2021.	8

otes:

- 5 – Errors and Breaches are two indicators measuring the quality of our outputs. The errors reported represent less than one per cent of our total statistical releases in the period. For context these errors are defined as those which, for example, could affect an important aspect of a release, or lead a user to misinterpret the statistics. As set out in the Governance Statement we are improving our approach to managing quality risks and strengthening the assurance system that operates to manage them. All errors were swiftly corrected and communicated to users.
- 6 – Statistical Concerns refers to ‘Reporting concerns under the code of practice’. The deputy Head of Profession will decide if a concern needs to be escalated to the Office for Statistics Regulation and the National Statistician. Data is only available from January 2022 and is not comparable to Statistical Breaches that were reported last year.
- 7 – Monthly responses are monitored to reflect the level of engagement with our key social surveys. We are yet to establish a numerical target level for this KPI. During the period April 2021 to March 2022 the annual responses were 35,614 compared with 33,145 for the preceding 12 months which reflects an increase of 7.4%.
- 8 – Measures the number of Monthly UK Swabs and Monthly UK Bloods under the COVID19 Infection Survey – these are counts of results, including void tests, in the preceding 28 day period. The current target range is within 10% of 179,000 for swabs and within 10% of 135,000 for bloods. The target range over the life of the survey has varied and a significant decline in the number of swabs from 2021 is expected. Bloods for March 2022 were slightly outside the target range.

Inclusive

Indicator	Target	2021-22 Performance	2020-21 Performance	Note
ONS Staff Diversity - Ethnicity	By 2025 – 11% of ONS staff are from an ethnic minority	As of March 2022: 7.9% of ONS staff are from an ethnic minority	n/a	9
ONS Staff Diversity - Sex	By 2025 - 50% of staff at each grade, and 50% of staff overall are female	As of March 2022: <ul style="list-style-type: none"> 57% of ONS staff are female At least 50% of staff at all grades, except for Grade 6 (43%) and SCS (41%), are female 	n/a	10

Notes:

9 – Figures on ethnicity are calculated using data from declarations from ONS staff. The straight-line trend to our 2025 target gives us a target of 8.2% in March 2022 - 0.3 percentage points higher than the current figure. No comparison to last year is available as this target was not in place at that time. We have amended our targets since last year and introduced this indicator to help drive change.

10 – Figures on sex are calculated using data from declarations from ONS staff. No comparison to last year is available as this target was not in place at that time. We have amended our targets since last year and introduced this indicator to help drive change.

Sustainable

Indicator	Target	2021-22 Performance	2020-21 Performance	Note
Greening government commitments	Achieve 7/7 targets	Achieved 6/7 targets. We failed to achieve the 'Water usage' target.	Achieved 5/5 targets	12
ONS Staff Levels	In line with programme requirements	Staff increased by 315 compared to 2020/21	Staff increased by 729 compared to 2019/20	13
ONS Financial Position	Remain within key control totals	All financial control total targets met	All financial control total targets met	14

Notes:

12 – Data detailed in this report cover the period April 2021 to March 2022. The seven targets are direct building emissions-tCO₂e, paper purchased, water consumption, greenhouse gas (GHG) emissions, waste produced, international flights and domestic flights. The targets are set centrally and there is a wider remit since 2020-21 which is why there are two additional targets. ONS failed to meet the water usage target primarily due to several significant leaks in pipework across the ONS estate. Most leaks have now been fixed with some ongoing work to resolve the remaining issues.

13 – Staff increases largely relate to the increase in activity associated with programs in our portfolio: Census 2021; the COVID19 Infection Survey and wider analysis; ARIES and the Integrated Data Programme.

Resources and organisation

Financial management

We have continued to improve our internal business processes, raising financial awareness, providing expert advice and guidance and reporting key financial information through 2021/22.

Our income and expenditure remain significantly higher in 2021/22 than is traditionally the case and income has increased since 2020/21 as a result of the Programme funding received for the COVID-19 Infection Survey (CIS), Integrated Data Programme (IDP) and the Ambitious Radical Inclusive Economic Statistics (ARIES) Programme.

We have successfully managed our financial control totals for the year – which given continued increased scale and complexity is positive. We have returned un-utilised programme funding to HM Treasury through the Supplementary Estimates fiscal event (November 2021) during the year as part of our responsible approach to managing our finances. We will introduce a greater internal challenge in future years as part of our Supplementary Estimates preparation as part of our ongoing improvement to financial management.

We have complied with all HM Treasury expenditure control approvals processes, secured a comprehensive multi-year Spending Review (SR21) settlement and managed the standard annual fiscal events within the required timescales. Given the nature of our funding sources and operations in 21/22 – particularly in relation to the pandemic – we have needed to assist other government department colleagues in navigating their own internal governance, providing financial information and reporting expenditure including through variance analysis.

There were no specific efficiency targets set by the organisation or included within the HM Treasury budgetary settlement for financial year 2021/22.

However, we have operated within core budgets that were frozen at 2020/21 levels in the 2020 Spending Review with the organisation having absorbed the impacts of cost inflation incurred during the year.

We have been able to re-purpose cost savings associated with decreased travel during the pandemic to meet increased costs associated with the pandemic – increased analysis associated with the UK response; increased cleaning and other safety measures across our estate; increased requirement for office equipment and IT to support working at home - without the need to call on central government emergency funding. We have also invested in an Evolving the Workplace project to ensure our Estate is fully equipped for hybrid working.

We managed to deliver savings within a number of our ring-fenced Programme budgets in 2021/22 whilst maintaining delivery, most notably relating to the Census 21 data collection activities. We also received a larger than anticipated

VAT reclaim in relation to the significant uplift in CIS income leading to under expenditure against our baseline. We were able to secure significant cost savings through the re-procurement of third party services under the CIS programme in June 2021 which we were able to pass on to the funding department UKHSA.

Spending Review 2021 (SR21) provided us with a multi-year settlement over the three financial years 2022-23 through to 2024-25. The settlement provides funding certainty and supports the ongoing delivery of our strategy through a continuation of baseline funding plus specific programme funding allocations. We have set ourselves a challenging efficiency delivery agenda for the SR21 period which includes a need for all of our business areas to absorb the impacts of inflation and deliver sustained cost savings associated with discrete efficiency driving projects. We will use the efficiencies delivered to resolve inherent operational cost pressures and to progress wider organisational priorities that were not funded through the SR21 settlement.

The Office for Statistics Regulation's (OSR's) budget forms part of the Authority's wider accounts and whilst it is not disclosed separately in this report, defined parameters are applied in internal reporting.

Financial outcome

Total Departmental Expenditure Limit (DEL) for Resource expenditure reduced from £458.9m in 2020/21 to £448.9m in 2021/22. This figure is net of income and includes ring-fenced resource expenditure (depreciation). The reduction is due to a combination of offsetting movements with noteworthy items including the CDCTP Programme with expenditure decreasing following the Census Day in March 2021, and additional income being received for statistical research. These net resource expenditure reductions were partly offset with additional funding approved by HM Treasury for expenditure on IDSP and ARIES Programmes.

Taking the position gross of income receipts the expenditure figures increased to £867.1m in 2020/21 and £902.1m in 2021/22 respectively. These increases reflect an uplift in our expenditure funded via income from UKHSA in relation to CIS. Our 2021/22 financial statements include a full year's income and expenditure for the Programme which was initiated in 2020/21. Integrated Data Service Programme (IDSP) expenditure has also accelerated with the Full Business Case approved by HM Treasury in August 2021 and progress made against delivery plans. Significant Census and Data Collection Transformation Programme (CDCTP) expenditure also continued throughout 2021/22 as we progressed through the operational phases of Census 2021, albeit at lower levels than in 2020/21.

For a second consecutive year primarily as a result of CIS, our income increased from £408.2m in 2020/21 to £453.2m in 2021/22. This income was received from UKHSA in 2021/22. UKHSA is an executive agency, sponsored by the Department of Health and Social Care who previously supplied ONS with CIS income finding.

Capital expenditure during the year increased by £12.9m to £25.3m in 2021/22 (£12.5m in 2020/21). Our capital expenditure is made up of £13.7m investment in development of assets and £11.7m of expenditure classified as capital expenditure under the European System of National and Regional Accounts (ESA10). The latter is not classified as capital expenditure under International Financial Reporting Standards (IFRS). The £12.9m increase in capital expenditure reflects an increase in our research work classified as capital expenditure (under ESA10), work on our Estate to ensure it is fully equipped for hybrid working and IDSP capital developments.

Further information on our financial outturn is provided in the Financial Summary section on pages 71 to 72 and in our Accounts in chapter 4.



People capability

The Authority launched its five-year strategic plan in July 2020. Within the Authority we maintain a clear commitment to the development of all our people and ensuring skills development is accessible to all through a combination of accessible solutions that promote “learning in the flow of work” and ensuring those who may need a more focused approach benefit from publicised skills pathways and Diversity into Leadership programmes. Our approach has a strong focus on skills development that is both current and future focused and is aligned to our strategic resourcing framework.

The Authority is committed to the development of the professional skills and capabilities of all its people, which it supports through a blended learning approach. It is important that individuals can develop a lasting and fulfilling career through the Authority, supporting both attraction and retention of high calibre employees. We have matured our approach to career pathways;

and these are now accessible to all as skills pathways that support individuals to understand not only what they need to develop, but how to access that development. We have strengthened our commitment to the professional agenda by implementing dedicated support teams by profession to help individuals reach their full potential.

To develop and maintain an inclusive workforce, the Inclusion and Diversity plan was launched in 2020. Inclusion and Diversity is integral to the way in which the Learning Academy works; not only through ensuring all learning is fully accessible but by continuing to build on our knowledge and skills. The Learning Academy has strengthened its inclusion offer by building and launching an inclusion pathway that helps individuals navigate through developing their skills and knowledge in this area. The Academy has also added an additional dedicated Diversity into Leadership programme, Disability into Leadership, to supplement the well-established Women into Leadership and maturing Ethnic Minority into Leadership programmes.

The Authority's approach to developing adaptive leaders, who understand the external environment, plan ahead, can flex and adjust, engender trust and inspire each other is through the adoption of an ambitious leadership programme. We are building and strengthening the leadership skills across the Authority through a range of learning interventions from Future and Senior Leaders Schemes; Leadership Development Pathways and New to Managing People in ONS. We continue to strengthen our approach to Talent Management with talent and career development boards held from SCS to Grade 7. Succession planning has been a key priority in 21/22.

The Authority continues to support the government's apprenticeship initiatives by identifying roles within the organisation that can be filled by an apprentice and for AO to EO roles the Authority is taking an "apprentice first" approach.

The Authority adopts a continuous learning approach, encouraging personal growth and allowing colleagues to harness each other's professional expertise. Working collaboratively across government we are building the skills of our professional staff by providing pathways for learning to support their continuous development. The Authority balances its approach between short term development and future skills requirement on a 3 to 5 year horizon to ensure that the Authority can ensure it has the right people with the right skills in the right jobs to deliver the Authority's strategy.

Through our Learning Academy we provide skills and development opportunities through job shadowing, coaching, mentoring, secondments and loans.

In 2021, the government mandate has strengthened the functional agenda and we continue to build and mature our development and talent management approach for the Government Analysis Function to upskilling analysts across government using a OneAnalysis approach. This remains a key initiative as we go into 2022.

Corporate responsibility

Anti-corruption and anti-bribery measures

The Authority is committed to upholding high standards of honesty and integrity in all its activities. We operate a zero tolerance policy approach to those who commit fraud and all cases of irregularity are investigated and dealt with appropriately. All staff are required to act with honesty, integrity and to safeguard the public resources they are responsible for.

The Authority Counter Fraud Team maintains a Fraud, Bribery and Corruption policy which is made available to all staff via the internal intranet. The policy establishes clear expectations in terms of roles and responsibilities and what processes they need to follow to report any concerns regarding fraud, bribery and corruption. The team has undertaken a fraud risk assessment which identifies areas where the Authority may be susceptible to fraud and the controls in place to ensure the risks of fraud are minimised. This included running a number of fraud risk assessment workshops and training sessions. This assessment will be regularly reviewed and feeds into a fraud workplan and supports the identification of areas for proactive fraud work led by the Fraud Officer. The team also provide fraud reports at least twice a year to the Audit and Risk Assurance Committee. The counter-fraud team has not identified any material fraud for the period. The Authority continues to work on its commitments regarding counter-fraud, bribery and corruption, and to develop awareness and detection across the department.

All senior leaders in the organisation – interpreted here as members of the Senior Civil Service – are required to sign a declaration of interests and confirm a statement on related parties. In addition, all members of the procurement profession who hold contractual delegation are also required to sign the declaration. The Commercial Assurance Group which makes recommendations on commercial agreements convenes once a month as part of the Authority's internal governance model.

Part of the standard agenda is a requirement of all members present to declare any specific interests in relation to any of the items for discussion at that meeting.

An ongoing register is maintained of all hospitality and gifts offered to Authority staff. All staff are aware of the civil service rules and the internal policy around acceptance of hospitality or gifts including the requirement to declare any offer. This register is periodically reviewed by the Authority Audit and Risk Assurance Committee to ensure adherence to policy. The last review took place in June 2022.

Other information in the public interest

Responding to members of the public

There have been zero complaints in 2021/22 (2020/21 zero) about the Authority by the Parliamentary Ombudsmen. All complaints have been resolved internally.

Whistleblowing arrangements

Making sure the Authority's staff feel able to come forward with concerns is important in ensuring effective governance and management across the Authority.

The Authority's Whistleblowing and Raising a Concern Policy encourages employees to raise concerns about wrongdoing, advises on the protection afforded to whistle blowers, and provides reassurance that concerns will be investigated responsibly and professionally. The Authority has also trained Nominated Officers in place who can be approached in relation to concerns. The policy and supporting guidance are accessible on the Authority's intranet.

Respect for human rights

The Authority fully complies with the Human Rights Act 1998.

The realisation of human rights correlates with the availability of sound official statistics. Statisticians play a critical role in supporting evidence-based policy and measuring civil, economic, political and social rights. In accordance with internationally accepted standards, starting with the Universal Declaration of Human Rights, the dissemination of relevant information is essential to meet peoples' right to information and delivering on related entitlements to trustworthy statistics. Upholding rights, such as the rights to privacy and to be registered as well as the rights of statisticians themselves is vital to ensure robustness and independence in official statistical systems.

The Authority recognises these challenges and has established a clear Statement of Principles to ensure that we:

- exercise our statutory responsibilities in a fair, proportionate and accountable way, with due regard for principles of privacy and appropriate degrees of internal and external scrutiny
- work in a collaborative, transparent and fair manner with data suppliers, civil society and the general public, responding to any concerns or opportunities as they arise
- reinforce our full accountability to the UK Parliament and the devolved legislatures in exercising our statutory responsibilities

Sustainable development

It is the policy of the UK Statistics Authority (including the Office for National Statistics, its Executive Office) to conduct its operations in a manner that reflects a commitment to the protection of the environment, embeds the principles and priorities of the Government’s sustainable development strategy and complies with environmental laws and regulations.

Our Sustainable Development Policy states this will be met by:

- achieving continual improvement in environmental performance
- considering the environmental impact of our operations and prevent pollution and reduce carbon emissions
- aiming to meet the targets (KPIs) established by the Greening Government Commitments
- meeting all environmental legislative requirements
- complying with sustainable reporting requirements

Environmental performance

The Government’s Greening Commitments (GGC) have challenged us to reduce the environmental impact of our estate and operations. This section presents our progress against these KPIs and targets for reducing greenhouse gas emissions, such as carbon and waste, on a yearly basis with the ultimate goal of net zero by 2050. During 2021 the baseline was reset to 2017/2018 with a change to the collection of direct emissions and flight data. Compared to the baseline, the initial results for 2021/22 are showing an 89% reduction in Greenhouse Gas Emissions (GHG).

Summary

Annual Performance - 2021-22	Whole estate								
	Whole estate	Direct building emissions	Waste		Water	Paper purchased	Domestic flights	International flights	
	tCO2e	tCO2e	Total Tonnes	% Sent to Landfill	% Waste Recycled	Total m3	Reams A4 Equivalent	tCO2e	No. Flights
2021-22	1,254	237	111	9.30%	52.20%	13,754	9,215	5	146
Baseline	4,878	605	359	4.30%	69.20%	15,037	34,860	100	174



Reduce our emissions

The Authority has been tasked with reducing the overall emissions by 38% and direct emissions by 43%.

The Greening Government Commitments (GGC) also challenges the Authority to reduce domestic flights by 30% against the new baseline figures from 2017/2018. The Authority has a travel policy which mandates that the cheapest method of transport be employed for any journey, which could encourage domestic air travel between the South East, North East and Scotland and Northern Ireland. Previous intervention projects have been put in place, however during the pandemic most flights were not operating resulting in much lower figures. Since flights have recommenced mid 2021 there has been a slow but steady increase in domestic flights but they are still well within target. GGC reporting is recording the number of international flights however it is worth noting that many of these flights are part of a FCDO funded division and therefore are being highlighted and demonstrated on an individual basis.

Improve our waste management

All information communication technology (ICT) equipment is disposed of via an established contract which helps ensure that all redundant ICT equipment is re-used or recycled responsibly.

The Authority has successfully reduced its overall tonnage of waste by 69% against the baseline figures. The Authority has also reduced paper use by 73% which is well ahead of a GGC target of a 50% reduction.

Water use

In 2021/2022, water consumption has been reduced by 8% against the baseline figures. This is on target for GGC despite having to rectify some substantial water leaks during this period.

Sustainable procurement

The Authority's standard Terms and Conditions requires all suppliers to comply with our Sustainable Development Policy, which includes, but is not limited to, the conservation of energy, water, wood, paper and other resources, a reduction in waste, the phasing out of the use of ozone depleting substances and the minimisation of the release of greenhouse gases, volatile organic compounds and other substances damaging to health and the environment.

With the recent changes to procurement policy, the Authority has been able to fully embrace social value within a tender, placing it as a significant, mandated element of any evaluation. Key to the success of the implementation of social value is the ongoing work with our supply base to develop specifications and requirements that have sustainability at their heart.

The Authority extensively uses Public Sector Framework arrangements collaboratively managed by Government Organisations such as the Crown Commercial Service (CCS) and the Government Digital Services' (GDS). The CCS and GDS Frameworks aim to encourage small and medium sized enterprises and local businesses to bid for work with support available to them if required. The Authority continues to support the engagement of small and medium-sized enterprises (SMEs) across our contract base.

The requirements of the Government Buying Standards are issued to the Commercial Services team on a quarterly basis via the Commercial Update, which is a comprehensive review of all Procurement news and legislation. The quarterly updates also provide information from across the Commercial Team such as data from the Cabinet Office approved Commercial Pipeline as these assist the Team in reviewing opportunities that may be of interest to smaller or local business ensuring appropriate timetables and market engagement are utilised.

Food and catering

The provision of food and catering to colleagues and occupiers of the Authority's estate has remained impacted by the COVID-19 Pandemic.

Basic catering services recommenced during the year, and all catering providers' staff came off furlough when the scheme concluded. All contractors are required to adhere to our sustainable development policy, but covid secure arrangements have impacted this with the re-introduction of packaging that had previously been eradicated from the service.

The Authority will work with the catering providers to eradicate single use plastics, where possible during 2022/23 as the controls in place during the pandemic are removed from the Authority offices.

Sustainable construction

The Authority’s refurbishment and construction works are designed and built with the objective of improving the performance of the estate, and in so doing contribute to achievement of greening government commitments target. For example, the installation of LED light fittings as standard, low flow taps and carpets with recycled backing. All contractors are required to complete a sustainability questionnaire used as part of the tender process and are required to source materials in line with the GBS.

Our Evolving the Workplace (Etw) programme has reused existing furniture where possible, and any surplus has been given to communities and charities with the residual planned for sustainable recycling through specialist vendors.



Biodiversity

The Authority complies with The Environment (Wales) Act 2016 Section 6 on Biodiversity. It does not have any responsibility for Sites of Special Scientific Interest but takes such action as it can, to promote, conserve and enhance biodiversity for example by specification of environmentally friendly measures in its Grounds Maintenance contract.

Project work is currently underway to increase our biodiversity credentials through the installation of beehives at both Newport and Titchfield offices, along with a wildflower area at Newport to increase local pollination opportunity.

Climate change adaptation

The Authority's sustainable development action plan considers the long-term implications of its operations in relation to climate change. This action plan is updated yearly and assesses any risks of climate change, how the estate may require necessary adaptation, is robust in the face of changing weather, extreme events and sea level rises from climate change.

Sustainable governance and decision making

Our sustainable development policy and action plan are embedded within our overall governance and decision making. Since 2017/18, when our Environmental Champions' Group was initiated, many improvement projects have been identified, elevated and presented to senior management for approval.

Examples of these projects are:

- removal of single use plastics across the estate
- a staff engagement project for World Environment Day (5 June), to improve recycling and plastic reduction.
- electric vehicle charging points have been installed at Newport during 18/19, and Titchfield late 2019/20. Due to the increase in demand, there will be potential to install further points.

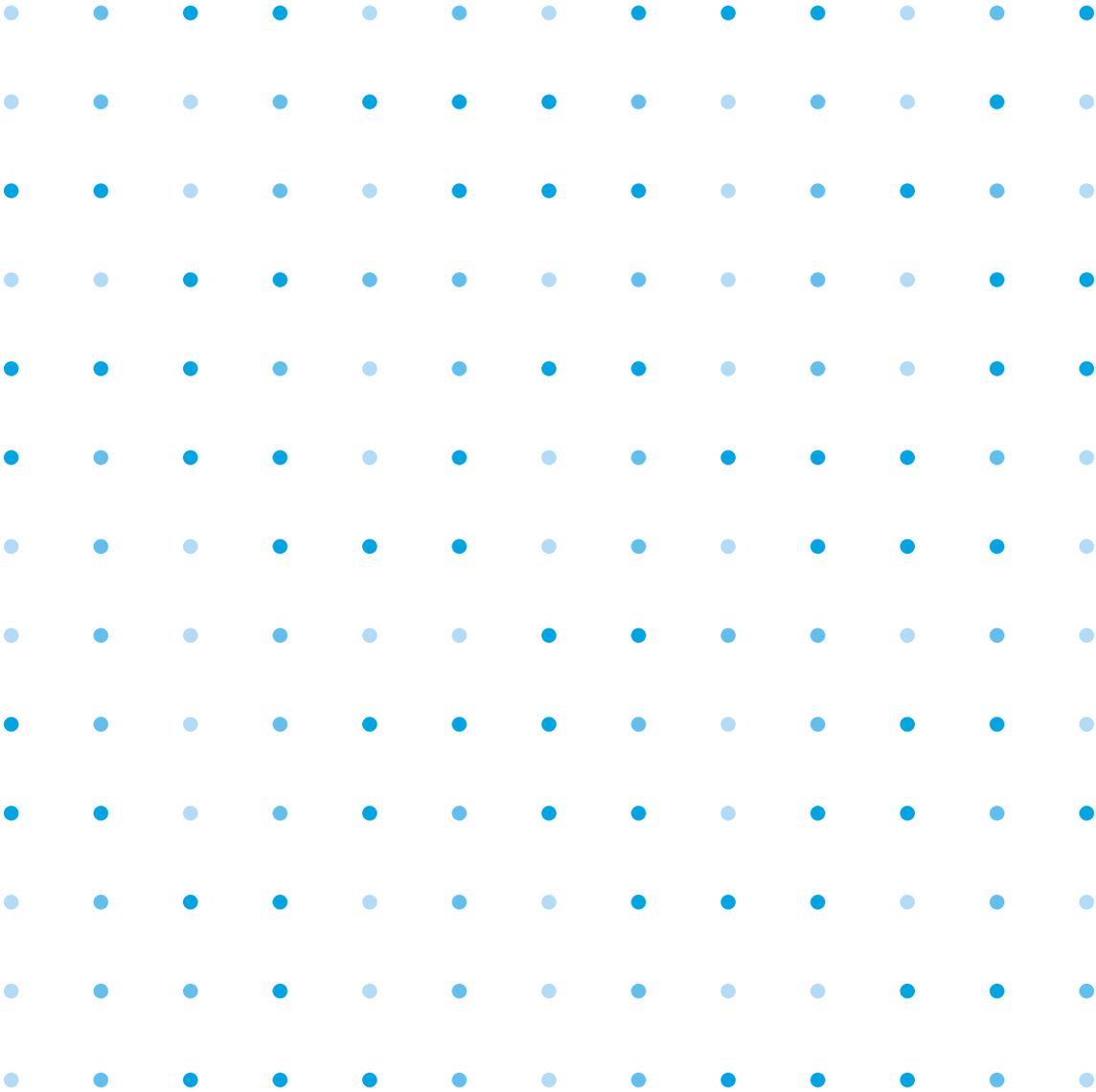
Rural proofing

Our estate is not positioned in rural areas, nor do the estate's operational policies affect rural areas.



Professor Sir Ian Diamond

National Statistician
UK Statistics Authority
6 July 2022



Statement of Accounting Officer's responsibilities

Under the Government Resources and Accounts Act 2000, HM Treasury has directed the Authority to prepare for each financial year resource accounts detailing the resources acquired, held or disposed of during the year and the use of resources by the Authority during the year.

The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Authority and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by HM Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts
- prepare the accounts on a going concern basis
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable

HM Treasury has appointed the Permanent Secretary of the Authority as Accounting Officer of the Authority.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Authority's assets, are set out in *Managing Public Money* published by HM Treasury.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the Authority's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.



Governance statement

Responsibilities

As Accounting Officer, I have responsibility for maintaining effective governance and a sound system of internal control to support the achievement of the Authority's policies, aims and objectives. As part of this role I safeguard the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me. This statement sets out the key challenges faced by the UK Statistics Authority (the Authority), the issues which have arisen, the remaining risks, and the system of control to manage these risks. Our Governance Statement supports the description of our performance provided in the Annual Report (Chapter 2) which sets out our strategy and the progress we have made towards delivery.

In line with commitments made by the Authority to the Public Administration and Constitutional Affairs Committee, I appointed Mr Ed Humpherson as an Additional Accounting Officer, with responsibility for the OSR budget, from 1 June 2020. The appointment was made in accordance with Section 5, subsection 8 of the Government Resources and Accounts Act 2000 and carries with it the responsibility for ensuring that resources approved by the UK Statistics Authority Board for the Office for Statistics Regulation are used for the purposes intended.

Compliance with the Corporate Governance Code

I have assessed the Authority's compliance with the corporate governance in the Central Government Departments' Code of Good Practice 2017. The code focuses on governance arrangements for ministerial departments and there are elements, such as ministerial chairmanship of the Board (Section 1.1), which are not directly relevant to the Authority due to our statutory framework and status as a non-ministerial department. However, we comply with the spirit and principles of the code.

Role of the Authority Board during 2021/22

The UK Statistics Authority Board (Authority Board) has the statutory objective of promoting and safeguarding the production and publication of official statistics that 'serve the public good'. In accordance with the 2007 Act, the Authority

Board is comprised of a majority of non-executive directors (including a Chair) appointed through open competition, and three executive members, as set out in the 2020/21 Governance and Committees of the Board table.

The post of Chair of the UK Statistics Authority is a Crown appointment. Sir David Norgrove was appointed by HM The Queen following an open competition and subject to a pre-appointment hearing by the Public Administration and Constitutional Affairs Committee and a formal debate on the floor of the House of Commons. Sir David took up his post on 1 April 2017 and his term of appointment ended on 31 March 2022.

Governance and Committees of the Authority Board during 2021/22

During 2021/22 sub-committees, which supported the Authority Board in its work and reported to it met as follows:

Audit and Risk Assurance Committee

Chaired by Nora Nanayakkara and met six times.

It's purpose is to support the Authority Board and the Authority's Accounting Office in their responsibilities for risk management, control and governance.

Regulation Committee

Chaired by Professor Anne Trefethen and met five times.

To oversee the programme of assessment of sets of official statistics against the Code of Practice plus other work related to assessment and regulation.

Remuneration Committee

Chaired by Sir David Norgrove and met two times.

To determine 2020/21 performance bonuses for the members of the Senior Civil Service employed by the Authority and to consider other staff pay issues.

Topics covered by each committee

Authority Board

Strategy and Business planning; Board effectiveness; Census 2021; COVID-19 Infection Survey and Surveillance Studies; Climate Change statistics portal; Crime Statistics; Economic Statistics transformation; EU Exit Statutory Instrument; Governance of Economic Statistics; Government Statistical Service; Inclusive Data Taskforce; Integrated Data Service Programme; Interventions Policy; Media Strategy; Migration Statistics; National Statistics Designation; Review of Release Times; Spending Review 2021; Strategic resourcing; Strategic Risks; Sub-national data; User Engagement.

Audit and Risk Assurance Committee

Annual Report and Accounts; Business planning; Census and Data Collection Transformation Programme; COVID-19 Infection Survey; Committee effectiveness; Corporate Governance Assurance; External Audit; Finances; Fraud; Integrated Data Service Programme; Internal Audits; Portfolio Management; Risk and Assurance (including risk management); Security; Statistical quality; Legacy transformation.

Regulation Committee

Analytical Leadership; Annual Business Plan and Regulatory Programme; Annual Review of Casework; Interventions Policy; Levers and Mechanics of Change; National Statistics Designation Review; ONS Annual Economic Surveys and the Assessment of the Annual Business Survey; OSR Maturity Model; Risk Management; Horizon Scanning; Review of Release Times; Committee Effectiveness; Transparency; Compliance checks and Rapid Reviews; Assessments: 2021 Census in England and Wales and 2021 Census in Northern Ireland; Systemic Reviews: Children and Young People Statistics; Review of Migration Statistics; Climate Change Statistics; Loneliness Statistics; Improving Health And Social Care Statistics – lessons learned from the COVID-19 pandemic; Review of Income-based Poverty Statistics; Transport Accessibility Statistics.

Remuneration Committee

Senior Civil Service performance moderation (base pay and non-consolidated performance related award).

Attendance at the Authority Board and its sub-committees

Members	Authority Board	Audit and Risk Assurance Committee	Regulation Committee	Remuneration Committee
Non-executive members				
Sir David Norgrove Chair	10/10		5/5	2/2
Ms Sian Jones Deputy Chair	9/10	5/6		2/2
Professor David Hand	3/3		1/1	
Professor Sir John Aston	8/8	4/4		
Ms Helen Boaden	10/10		5/5	
Richard Dobbs	10/10		5/5	
Professor Jonathan Haskel	7/10		5/5	
Nora Nanayakkara	9/10	6/6		
Professor Sir David Spiegelhalter	10/10	2/2	4/4	
Professor Ann Trefethen	9/10		5/5	2/2
Executive members				
Professor Sir Ian Diamond Chief Executive and National Statistician	10/10	6/6		2/2
Mr Ed Humpherson Director General for Regulation	10/10		5/5	
Ms Sam Beckett Deputy Chief Executive and Second Permanent Secretary	10/10			

Board effectiveness review

This year's board effectiveness review was overseen by the Chair of the Authority Board. A survey was undertaken that sought members' views on:

- processes for agreeing business plans
- adequacy of information provided to the Board, to allow it to monitor performance and progress
- board composition and culture
- support for members
- areas of focus for the coming year

The outcome of the survey was discussed at the board meeting in September 2021. The responses indicated an improvement in the operation of the Board in a number of areas including business planning and risk discussions. The Chair continued to provide an open and supportive culture to allow an inclusive, open and challenging environment for discussion. The Board considered important strategic issues focusing on the delivery of the strategy, Statistics for the Public Good. Members indicated that in the coming year, delivery of the strategy should continue to be the area of focus including legacy transformation, the Integrated Data Service, COVID-19 Infection Survey, statistics transformation and the trustworthy communication of quality statistics.

Assurance over the quality of information

The Authority Board recognised the need to ensure it receives sound advice and information to enable informed decisions to be made.

The Secretariat works with teams to ensure the information provided is of a good quality, with a template used for committee papers, structured to ensure risks and resource implications are highlighted and to ensure sufficient engagement and challenge during discussions.

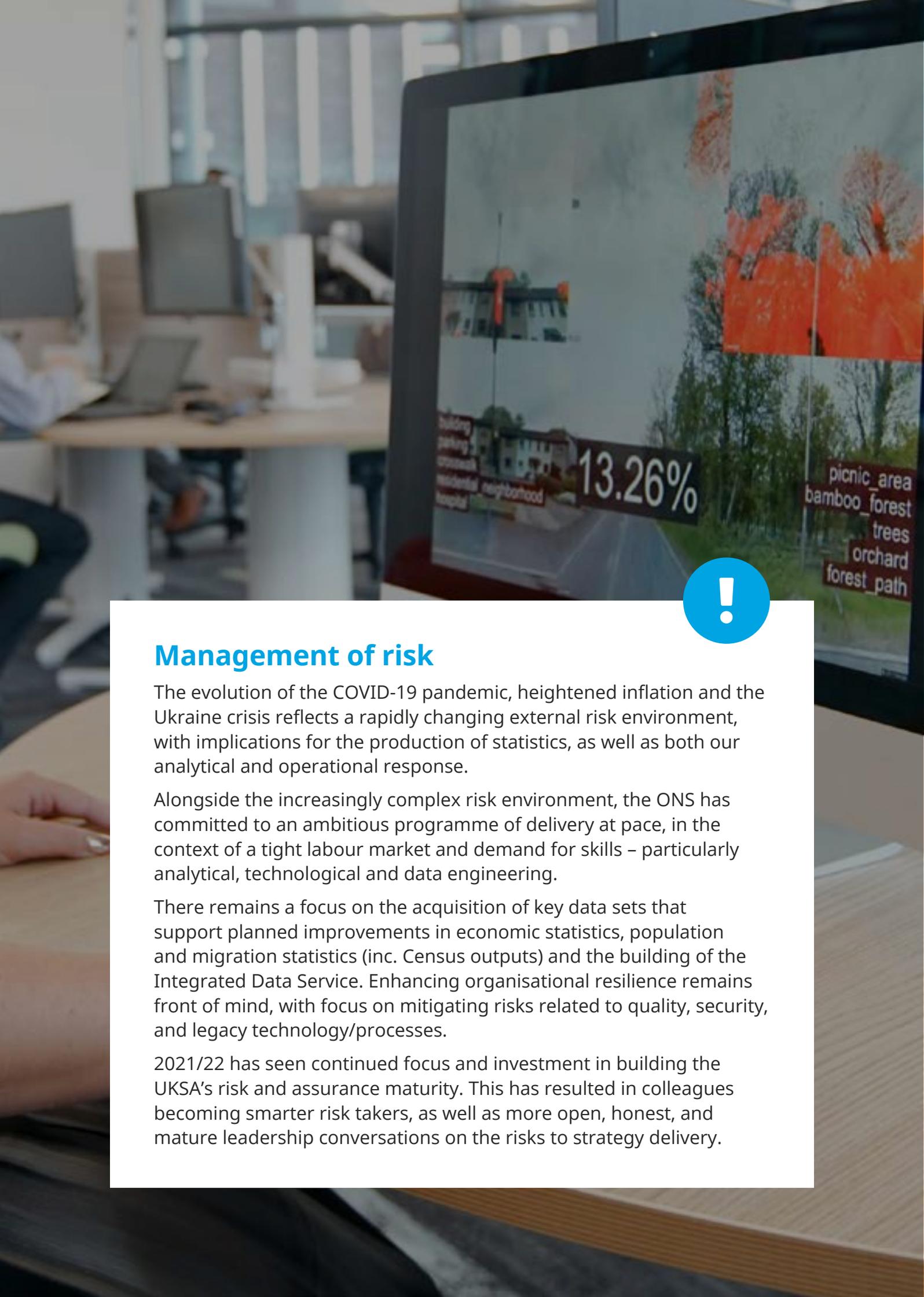
The structure and information contained in regular agenda items are reviewed annually as part of the board effectiveness review.

An Integrated Performance and Finance Report is provided to the Authority Board in each meeting to aid decision making and the Strategic Risk framework has been discussed throughout 2021/22. Overall, the Authority Board has been content with the quality of the data it has been provided with during the year.

Executive Committees during 2021/22

I chair the National Statistics Executive Group (NSEG). The role of NSEG is to support the National Statistician in the exercise of my functions as the Head of the Government Statistics Service (GSS) and Analysis Function, and as Chief Executive of the UK Statistics Authority and ONS, so as to achieve the collective mission and strategic objectives of the official statistics system.

This group met on 9 occasions during 2021/22



Management of risk

The evolution of the COVID-19 pandemic, heightened inflation and the Ukraine crisis reflects a rapidly changing external risk environment, with implications for the production of statistics, as well as both our analytical and operational response.

Alongside the increasingly complex risk environment, the ONS has committed to an ambitious programme of delivery at pace, in the context of a tight labour market and demand for skills – particularly analytical, technological and data engineering.

There remains a focus on the acquisition of key data sets that support planned improvements in economic statistics, population and migration statistics (inc. Census outputs) and the building of the Integrated Data Service. Enhancing organisational resilience remains front of mind, with focus on mitigating risks related to quality, security, and legacy technology/processes.

2021/22 has seen continued focus and investment in building the UKSA's risk and assurance maturity. This has resulted in colleagues becoming smarter risk takers, as well as more open, honest, and mature leadership conversations on the risks to strategy delivery.

Risk management approach

Risk management is inherent in all of our activities and is considered throughout our planning and delivery. The UKSA Risk Management Framework provides our mechanism for the identification and analysis of risk. It also ensures we are able to provide assurance that risks to the delivery of the UKSA Strategy are being managed within risk appetite.

The Authority Board has ultimate accountability for risk management, with responsibility for agreeing our Strategic Risk profile and the associated risk appetite. Updates on the Strategic Risk profile are provided to the Board on a bi-annual basis.

The Audit and Risk Assurance Committee has responsibility for advising the Board on the effectiveness of governance, risk management and the system of internal control. Updates are provided to each ARAC meeting on the evolving Strategic Risk profile, as well as other relevant risk and assurance activities.

Executive accountability for risk management resides with the National Statistician (the Accounting Officer) and their senior leadership team. Executive oversight of risk management resides with the National Statistician's Executive Group (NSEG) committee and its sub-committees. In-depth analysis of the emerging risk environment and Strategic Risk profile is provided to NSEG on a quarterly basis through the Quarterly Strategic Risk and Assurance Report. Strategic Risk updates are provided to each NSEG meeting through the monthly Integrated Performance Report.

The UKSA operates a 'Three Lines of Defence' model to distinguish the different executive responsibilities for risk and assurance:

1. First line

Owns risk and implements controls, as well as operationalising and executive strategic objectives – undertaken by our senior leaders and Directors.

2. Second Line

Responsible for risk reporting to NSEG, ARAC and the Authority Board. As well as giving independent challenge and advice to 1st Line of Defence, including supporting the management of risk and building of assurance mechanisms – undertaken by the Risk and Assurance team, as well as other related functions including the Data Quality Hub, Security and Information Management Team, the Data Protection team and the Planning and Portfolio team.

3. Third line

Provides assurance to the Accounting Officer, ARAC and the Authority Board that risk management and controls are appropriate and effective through independently and objectively evaluating internal controls, risk management and governance processes – undertaken by Internal Audit.

The UKSA Risk Management Framework complies with the Government Finance Function's Orange Book principles for risk management.

Key successes of 2021/22

2021/22 has seen further investment in our Risk and Assurance framework. As this work has developed, we have seen the following improvements:

- an updated and streamlined Strategic Risk profile, with clear executive ownership and associated governance
- enhanced Quarterly Risk and Assurance Reports, providing greater insight and analysis to decision makers
- an updated UKSA Risk and Assurance Policy, clarifying executive accountability and responsibility for risk management
- increased horizon scanning activities to identify emerging risks, including the creation of an ONS Quarterly Risk Council

An internal audit of Strategic Risk management was undertaken in 2021/22 which concluded that risk is now more regularly and robustly discussed at the UK Statistics Authority Board (UKSA) and committees and there is a significant change in the perception of the risk management process as now crucial to ONS decision making.

In 2021/22 the UKSA Risk and Assurance team won the 'Risk Excellence Award' at the Government Finance Function and Internal Audit Awards.

UK Statistics Authority strategic risks

The Strategic Risk profile demonstrates the most significant risks to the successful delivery of the UKSA Strategy and its statutory objectives, owned by the UKSA senior leadership.

The profile is agreed by the Authority Board on an annual basis, with reference to the UKSA Strategy, the ONS Business Plan and the external environment.

UK Statistics Authority Strategic Risks Summary

Independence and trustworthiness

The risk that the statutory independence of the UK Statistics Authority is, or is perceived to be, compromised by political interests or commercial relationships.

Mitigation includes - clear internal governance and oversight of strategy delivery and income streams; regular engagement with Parliament (including through the National Statistician appearing before the Public Administration and Constitutional Affairs Select Committee) and; intervening when statistics are misused.

Keeping pace with the analytical priorities of society

The risk that the UKSA does not identify or prioritise answering the key analytical questions by not sufficiently engaging in, or being aware of, the evolving public policy debate.

Mitigation includes – regular and ongoing stakeholder engagement with the centre of Government; cross-ONS and GSS horizon scanning; the evolving workplan of the Analytical Hub; and faster economic indicators to provide more responsive insight on key priorities.

Security: cyber, information, insider and physical

The risk of information security mismanagement, insider activity, or a cyber-attack or physical attack. With a focus on preventing a major data breach.

Mitigation includes - a suite of physical, technical, people and process security controls (including proactive monitoring through the Security Operations Centre – S.O.C); compliance with the ONS Security Principles and Policies; business continuity planning and; security training and internal awareness campaigns to raise awareness and to reinforce behavioral expectations.

Trust through our communications

The risk that the UKSA does not demonstrate transparency, openness, accessibility, quality, and timeliness in our public communications.

Mitigation includes - proactive communications with stakeholders and the public to build awareness, understanding and acceptance of the ONS' use of data; investment in the ONS website to improve user experience; regular monitoring focused on the accuracy and timeliness of statistical outputs and; a suite of controls ahead of media releases to reduce the risk of publishing in error.

Data access and usability

The risk that the UKSA does not have or is unable to obtain regular and sustainable access to the required administrative data (admin and survey) to deliver on its commitments and ambitions; and/or it is unable to process acquired data due to usability or quality issues.

Mitigation includes - the building of the Integrated Data Service to support cross-government sharing of data and efficient access to datasets; the Data Pipeline Service Design project to optimise data acquisition requests and efficiencies in data processes and; established Data Principles, policies and standards to ensure data integrity and security.

Quality statistics

The risk that the quality (and/or perception of quality) of UKSA output diminishes due to the scope, nature and focus of statistics changing, in addition to the use of wider data sources, the streamlining of processes, legacy technology and updated methodological approaches.

Mitigation includes – the Statistical Quality Maturity Model (SQMM) to assess process, methods, and systems in output areas; Quality Deep Dives to review the quality of a set of statistics and; the ONS Quality Improvement Strategy and Divisional Quality Improvement Actions Plans.

Our people

The risk that the UKSA is unable to build a workforce that is agile and adaptable to change; we are unable to attract, mobilise and retain individuals with the best analytical and professional skills; we are unable to build a diverse and inclusive pool of talent and/or; we are unable to enhance the sustainability, wellbeing and resilience of our workforce.

Mitigation includes – strategic resourcing; enhancements to our recruitment offering; embedding the Inclusion and Diversity Plan, to create a diverse and inclusive workforce and; Delivery of the Location and Dynamic Working Programme (including return to the office and evolving the workplace etc.), to create places of work where skills are best accessed and realised.

Ability to accurately measure population and migration

The risk that the UKSA fails to provide a credible evidence base for the 2023 Census recommendation by Parliament due to a lack of robust and responsive population and migration statistics.

Mitigation includes – the delivery of a set of tools and methods that allow admin data to be fully utilised to produce high quality Census outputs; the creation of a roadmap for establishing and delivering a robust set of evidence required to support the 2023 recommendation and drive forward the transformation of population and social statistics and; the Social Statistics Transformation, Analysis and Research programme to the wider transformation of population statistics.

Technological resilience

The risk that the UKSA technology estate (inc. software, systems, services, and platforms) is unreliable, obsolescent, or no longer supported.

Mitigation includes – an ongoing programme of upgrades and patching across the ONS IT estate to address identified flaws and vulnerabilities in applications and software, as well as the ONS Digital and Technology Strategy which contains a strategic roadmap that identifies the reduction in reliance on Legacy systems, and migration to Cloud native technologies.

Delivery of strategic ambition

The risk that the UKSA is not adequately funded and/or is not internally structured in a way that enables it to respond with agility, both to prioritise resources and deliver the portfolio (existing and new/emerging demands).

Mitigation includes – the submission to and approval of a Spending Review bid that aligns to key priorities and delivery of the UKSA Strategy; the BASE Review and project plan to implement the findings to provide effective structures and balance across the enabling and frontline delivery services; an Efficiencies Programme and framework for facilitating and managing delivery of efficiencies and; Portfolio management – prioritising demands, as well as understanding dependencies and delivery constraints.

Collaboration with strategic partners

The UKSA fails to make the most of, or take, opportunities to collaborate across Government (inc. the GSS), and with appropriate external partners.

Mitigation includes – Government colleagues being members of a number of UKSA governance committees; the building of the Integrated Data Service; the ONS Research Strategy, to including how we collaborate with external partners, e.g., Wellcome Trust and; collaborations through the Secure Research Service.

Inclusivity in our statistics and analysis

The risk that the UKSA's presentation of society is not inclusive and reflective of all aspects of the UK's rapidly changing economy, demographics, and policy priorities.

Mitigation includes - responding to the recommendations of the Inclusive Data Taskforce and ensuring that our workforce is inclusive and representative of society at large.

Public health monitoring, analysis, and reporting

The risk that the UKSA's remit is unclear in public health monitoring and surveillance and/or it is unable to adequately resource to deliver.

Mitigation includes – regular engagement with public health authorities including SAGE and the UKHSA; the development of an ONS Health Analysis Strategy, building on the success of the COVID-19 Infection Survey and; the support of the Analytical Hub to enable agile and flexible responses required to deliver priority outputs.

Data and security management

The security of staff and data is a top priority for the UK Statistics Authority (UKSA) and its executive agency, the Office for National Statistics (ONS).

November 2021 saw the launch of a revised Security and Information Strategy – Evolving A Resilient ONS 2021 - 2023. The strategy is designed to support the UKSA ambitions through a radical evolution of our security and information measures that moves security to a higher level of maturity and resilience while enabling ONS to achieve its ambitions. To enable this the strategy identifies six key objectives, which we are already on a pathway to deliver – secure ONS business transformation; build stronger internal security understanding and relationships; empower business areas to make more security decisions within an overarching framework of protection; highlight security risk more clearly with appropriate mitigation choices; demonstrate ongoing security assurance and increase maturity through resilience.

This has been an important year for security and data management, with the UK England and Wales Census being secured, transformation of the internal

Data Access Platform (DAP) for improved statistics and the creation of a new Integrated Data Service (IDS) for cross-government data analysis. Advances in cloud technology security assurance and improved risk management have been key for ensuring these have been appropriately protected as befitting their Authority and wider Government priority.

Security and Information Management as a whole have contributed significantly to the design, build and operation of the England and Wales 2021 Census; from the initial design work, leading into build, then test into the final operation and now into decommissioning. In addition, we obtained independent assurance of the security being implemented through a detailed third-party specialist review, which concluded that the Authority had a comprehensive security programme in place designed to reduce the risk of compromise to the Census and citizen data. To support this Security and Information Management also provided a 24 hour, 7 days a week protective monitoring service to monitor events and initiate planned responses to any malicious activity.

The Coronavirus pandemic and the Authority's response have been major factors in our data security activity. While our work with other Government departments to acquire data continued, substantial work was performed in acquiring datasets from new sources to support Coronavirus analysis for the Government. The security of these new and existing sources of data has remained a priority for the Authority.

During the pandemic Security and Information Management quickly adapted our work, methods, and support for wider ONS colleagues that successfully enabled a move to home working in secure ways and then the return to the office. This brought new security challenges for ONS, which collectively we worked hard to find solutions to keep the whole of ONS working securely and safely. This was particularly important in the fast but considered policy changes made to bring new sources of data in and provide secure options to enable the immediate ingest, processing and dissemination of this for Government and public benefit.

The overall security of our systems, in particular our key data management environment, the DAP, remains critical. Within the review period DAP became UK Government - Critical National Infrastructure, outlining the importance of the platform and the levels of security assurance applied.

The security and data assurance of the IDS, a new platform approach for the secure sharing and use of Government data for analysis and research, was a key programme throughout the period. Substantial focused work has supported the launch and operation of a prototype and two different Private Betas. Transforming the security of DAP and IDS using modern techniques and technology supports the Authority and wider Government transformation of statistics, and our ongoing success in operating these.

Our support to the Digital Economy Act continues through the security assessment of potential data processors under Act and Code of Practice.

Maintaining high levels of security protection for public data used in research is a key requirement for the Authority. Our experts have assessed organisations for accreditation this year to ensure strong security controls are in place to host and process data, with the Research Accreditation Panel making a determination on the formal accreditation. In addition, several annual assessments have been performed on accredited organisations to ensure that their security environment remains strong, with appropriate improvements being implemented.

Public confidence and support for the provision of data is critical, including the acceptability of legislation such as the Digital Economy Act. We recognise that a data or cyber breach in the management of data could impact this significantly. To support our approach to managing these areas, we have made significant investment in protective technology, monitoring services and vulnerability testing together with staff training and development. This has included extensive engagement with the National Cyber Security Centre and with key Government department security teams. Enhanced security training is now a mandatory requirement for all staff, with substantial effort being put into behavioural security to provide staff with the awareness needed so they play a stronger part in the defence of the Authority.

Security and Information Management have made significant progress over the last year to fully implement an office wide, modern Business Continuity Management System (BCMS). This has created for the first time a single organisation view of business priority outputs and their underpinning technology and service needs which are now embedded into a resilient service response.

Information management

Management of the Authority's documents and records throughout their lifecycle, and according to information legislation, continues to be a priority. The document management system that enables greater functionality for the storage and sharing of operational information was upgraded during 2020/21. The document management system has been supported by a new document and records management policy which has been revised to allow for ongoing management of personal data in the upgraded system in support of compliance and accountability with data protection legislation.

With significant levels of confidential data collected and acquired for use in official statistics, information management and confidentiality are critical considerations where people, processes and systems interface with the external world. Staff working in some parts of the Authority have access to a range of business and personal data to produce high quality, accurate statistics. There is a recognised, strong cultural understanding that information must be handled lawfully, accurately and securely, supported by strong legal, technological, and business processes.

We continue to make available a range of documents that describe how the Authority looks after and uses data for the public benefit. These include the strategic approach to data use; a comprehensive data management framework to describe how the Authority manages and governs data practices to ensure we protect the confidentiality and security of data we hold and meet our legal obligations; a range of data management policies; and a transparent register of the data sources we acquire from other organisations that support the production of our statistics and research.

Successful digitalisation of the 1921 Census returns documentation was a significant achievement through the period, following a migration of the paper records to The National Archives. This work has run in parallel with selecting Census 2021 datasets for permanent preservation for 100 years.

The data protection auditing, and compliance monitoring service continues to report on all activities across the Authority from a data protection perspective, also supporting the work of the Data Protection Officer in providing guidance, training and awareness of data protection requirements.

I am required to report any significant breaches relating to personal data to the Information Commissioner's Office (ICO). There have been no such incidents during 2021/22.

Developments in the control environment

Operating throughout the COVID-19 pandemic has proven the importance of internal controls in supporting, and improving our organisational resilience. A strong internal control environment facilitates the UKSA's effective and efficient operation, by enabling it to respond appropriately to the Strategic, Programme and Operational risks to the achievement of our objectives. Additionally, an effective system of internal control helps us to ensure the quality of both internal and external reporting. Of increasing importance, it supports us to ensure compliance with applicable law and regulations, as well as our internal policies.

During 2021/22 we made significant investment and improvements within the internal control environment. These include:

- the continued embedding of the 2021 revised governance framework and structure of the sub-committees below the National Statistician's Executive Group, placing the Strategic Objectives and Strategic Risks at the core of their Terms of Reference to provide robust oversight and challenge
- continued improvements in the oversight of organisational management, with an integrated approach to reporting, and assurance over, progress against our strategic business plan, objectives, risks and finances
- investment in risk and assurance capability, both in the central Risk and Assurance team and Internal Audit team, as well as across the organisation; with strengthened lines of defence as a result. This year has seen a particular focus on statistical quality and security

- the creation of Risk Appetite Metrics and Assurance Maps across a number of the UKSA's priority Strategic Risks. With regular challenge on metric performance as well as assessing the adequacy of assurance frameworks
- an enhanced focus on the investigation of incidents and control failures, as well as addressing assurance gaps identified by undertaking targeted reviews
- a revised demand management and prioritisation approach, as well as the inclusion of Strategic Risk mitigation in the post-Spending review planning process

These developments have provided organisational stability to manage the ongoing and changing demands placed upon us. We will continue to invest in this area to maintain the confidence and integrity of our internal control framework.

A revised Governance Assurance Statement, signed by each of our Directors was developed this year to ensure and maintain focus on core areas of internal control, including; People; Risk; Governance; Security; Statistical Quality; Portfolio Management; Commercial and Finance Management, and has confirmed the adequacy of the control environment operating each of their respective areas.

Assurances from Internal Audit

The Internal Audit function provides the National Statistician and the Audit and Risk Assurance Committee with a clearer view on any emerging risks. The internal audit programme is closely linked to the key risks of the Authority. Arrangements are in place to ensure that the National Statistician is made aware of any significant issues which indicate that key risks are not being effectively managed. The Internal Audit service complies with the Public Sector Internal Audit Standards.

Opinion of the Head of Internal Audit

In my role as Head of Internal Audit (HIA), I am required to provide an overall opinion based on my professional judgement, which is supported by the outcomes of the 2021/22 Internal Audit Programme of work. However, my annual opinion also recognises the wider control and operating environment within the Authority, the level and extent of change, and the way in which the organisation is managing and responding to its key risks. The opinion I provide reflects the status of the risk, control and governance environment, based at the point in time in which the work was undertaken.

The impact of the COVID-19 pandemic, both on the priorities and business activities of the organisation and on internal audit's ways of working, has continued to be felt during the year. However, the level of disruption has diminished and working practices have stabilised such that we have been able to carry out the annual programme of work substantially as planned. There has been a change in HIA during the year as the former acting HIA moved internally

to become Head of Assurance, thus retaining continuity and institutional knowledge within the broader Internal Audit, Risk and Assurance function.

Risk management has continued to improve, as demonstrated by our 'Moderate' February 2022 audit report following the implementation of a substantial number of actions agreed in our 2019/20 'Limited' audit opinion. Now that the governance and reporting mechanisms are well established for the strategic risks, work remains to turn attention to improving operational risk management mechanisms. The tone from the top continues to be very supportive, which is helping to further drive risk management maturity. In addition, the recent staffing additions to the Risk and Assurance team are starting to bear fruit as capacity increases, notably with the continued development of assurance maps to gain a more complete understanding of existing assurance arrangements to inform further improvement activity.

There has continued to be a strong level of engagement from senior leaders and management when planning reviews, supporting audit fieldwork, and in the process of agreeing value adding management actions to strengthen the control environment. I have also been impressed with the spirit of openness with which the UKSA executive leadership volunteered ideas for audit reviews as part of the audit planning round for 22/23.

The trend towards more positively rated audit reports observed last year has been maintained over the last 12 months. As shown in the table in section 3.1, we have again issued three 'Limited' reports, with the remainder 'Moderate' or 'Substantial'. There are however areas where improvement is still needed. We noted in our reviews of legacy IT reduction (Transformation of Output Areas) and data acquisition and processing (Data Pipeline), that such complex challenges require prolonged effort. These processes have been subject to negatively rated audit reports previously, and while progress has been made, at times the complexity of the problems and resource constraints have limited management's ability to achieve their full ambitions.

Past HIA opinions have raised the issues of working in silos and ineffective collaboration. Our audit work indicates that in several cases real improvements are being made to address this. For instance, DST and Security are working more closely together, bringing security in earlier in projects to achieve 'secure by design' objectives. We also noted the collaborative approach to IT legacy reduction between technology and statistical quality teams, directing efforts to reduce our legacy estate to drive up quality standards. We did find some processes where there is potential to drive efficiency and reduce risk by improving collaboration further, for example in the Data Pipeline where enhancements in supporting systems, processes and communication are underway.

The total number of incomplete or superseded audit actions reported in our action follow up reporting has reduced from last year, representing improved performance by the business in closing actions on time. There has been a

deterioration in the rating of audit action follow up reports, with two quarters reporting 'good' and two quarters of 'reasonable' progress (compared with all 'good' in the prior year). However, this is more due to the way the opinion is calculated (total incomplete and superseded actions as a % of total actions) rather than an actual deterioration in performance.

I am pleased to report that the improvements in the framework of governance, risk management and internal controls observed in the prior year have been maintained, and there is evidence of continuing improvement in areas such as cross-organisational collaboration and resource prioritisation.

Overall, my opinion on the framework of governance, risk management and controls is "moderate" for 2021/22 financial year.

Opinion of the Chair of the Audit and Risk Assurance Committee

Based on the work of the Committee during the year and the assurance work carried out by the External and Internal Auditors, it is my opinion that the Authority's governance and control framework is generally effective.

The Committee accepts the overall moderate opinion from the Head of Internal Audit, which reflects the work and effort across the organisation on joint working and achieving improved accountability and ownership of cross organisational risks, which were issues highlighted in previous HIA opinions. This progress has been achieved as a result of the commitment of the Accounting Officer and the Senior Leadership Team to working as 'One ONS', which has been a key enabler of continued progress this year.

The significant developments in risk and assurance have been underpinned by the revised executive governance framework which has a critical role in the oversight, challenge and cross organisational management of risk.

This is the second year of a moderate opinion from the Head of Internal Audit, which builds upon the early successes achieved last year in the three areas below. Improvements have been sustained, in the following three areas highlighted in 2020/21, with continued development this year:

- strengthening risk and oversight functions
- developing the culture of ownership and accountability
- strengthening governance

In the coming year, the Committee anticipates the continued constructive and proactive engagement of the Executive in responding to Internal Audit reports and recognising the function's strategic value in its business partnering role. In order that the Committee and in turn, the Board can continue to benefit from the assurance that Internal Audit offers, it will be important that the quality of constructive engagement with Internal Audit on agreed actions is upheld. Pace

of progress in mitigating risks in programmes such as Census, IDP and legacy management will be key in realising the organisation's strategic objectives. Proactive efforts on the part of management to deliver on commitments made to the Committee will be a key indicator of the developing maturity of the risk and assurance framework and the culture of accountability and ownership.

The roll out of the risk framework by the Risk and Assurance Team will be key to further improvements in the effective management of cross organisational risks to underpin the delivery of the business plan.

Overall conclusion

In conclusion, the UK Statistics Authority's approach to governance, risk management and control is generally effective. We have developed our approach across each of these areas during the year and I am pleased that this progress has been reflected in the assurance work that has been delivered through the year.

During 2022/23 we will continue to embed the improvements in our approach and focus on further developing our assurance activities to match the ambitions we have for the organisation and ensure that we keep pace with these activities.



Professor Sir Ian Diamond

Accounting Officer

6 July 2022

Summary financial information

Key Financial Outturns

The key financial outturns for 2021/22 are shown below:

Resources	2021/22 Estimate £'000	2021/22 Outturn £'000	Variance £'000
Departmental Expenditure Limit – Resource	515,139	448,889	66,250

The Authority has utilised 87 per cent of its Resource funds throughout the year in progressing its strategic and operational objectives. The above figures include both ring-fenced and non-ring-fenced resources. The Authority utilised 71 per cent of its non-ring-fenced funding (Depreciation and Amortisation).

From a ring-fenced resource perspective, the key variances relate to lower than anticipated expenditure through strategic programmes with CDCTP being the most significant contributor. The CDCTP variances are driven ultimately by a lower than anticipated cost to carry out the Census Field operations both in terms of staffing costs and third-party service provision; a lower-than-expected utilisation of a specific severance budget; and a lower use of programme contingency.

Departmental Expenditure Limit – Capital

Resources	2021/22 Estimate £'000	2021/22 Outturn £'000	Variance £'000
Capital	27,081	25,278	1,803

The Authority has been able to utilise 93 per cent of its Capital funds throughout the year using this funding to continue to transform our IT systems; capitalise research where appropriate in the context of ESA10; and to ensure our estate reflects our changing requirements.

Depreciation and Amortisation

Resources	2021/22 Estimate £'000	2021/22 Outturn £'000	Variance £'000
Depreciation	8,000	5,606	2,394
Amortisation	7,299	5,230	2,069
Total	15,299	10,836	4,463

The Authority has robust financial controls in place for asset management and we have been able to plan effectively for the utilisation of our assets. During the year we have continued to review our assets which verified the continued useful economic life.

Annually Managed Expenditure

Resources	2021/22 Estimate £'000	2021/22 Outturn £'000	Variance £'000
Annually Managed Expenditure – Resource	8,400	(5,835)	14,235

The Annually Managed Expenditure saving is attributed to a reduction in the level of provisions created during the period compared to that anticipated during the Estimate process. This is primarily related to all costs for a voluntary exit scheme carried out in 2021/22 being accrued for, rather than generating a provision as initially planned. The Authority also planned to create a provision in 2021/22 in relation to unredeemed survey incentive vouchers, but the value of vouchers unredeemed at period-end and for which expenditure could not be accrued, was of less value than initially anticipated.

Included within the resource expenditure are staff costs which are analysed in the staff report. This shows the number of full-time equivalent staff (FTEs) and their costs, which include wages, social security and pension costs. Employees are Civil Servants to whom the conditions of the Superannuation Acts of 1965 and 1972 and subsequent amendments apply.

The Remuneration Report (page 78) provides further information on the relevant schemes.

In accordance with IAS24 Related Party Disclosures, all executive directors, non-executive directors and deputy directors are required to complete declarations that they have not entered into agreements or undertaken any material transactions with a related party during the year. Further information is in note 17 of the accounts.

The accounts of the Authority are audited by the Comptroller and Auditor General and his Certificate and Report to the House of Commons is presented in the Annual Accounts at pages 106 to 112.

The financial statements are audited in accordance with International Standards on Auditing (UK and Ireland) issued by the Accounting Practices Board, and in accordance with the Government Resource and Accounts Act 2000.

Audit fees charged in the accounts amount to £111,600 (2020/21 £96,500). There were no non-audit fees charged in 2021/22 (2020/21 nil).

	2017/18 Outturn £'000	2018/19 Outturn £'000	2019/20 Outturn £'000	2020/21 Outturn £'000	2021/22 Outturn £'000	2022/23 Forecast £'000
Resource DEL						
Programme expenditure	249,775	280,124	307,999	458,851	448,889	360,183
Total resource DEL	249,775	280,124	307,999	458,851	448,889	360,183
<i>Of which:</i>						
Staff costs ¹	151,537	167,311	188,809	252,780	298,541	253,416
Purchases	106,460	116,592	135,652	602,696	592,702	370,120
Income	(29,565)	(25,493)	(30,311)	(408,204)	(453,190)	(283,700)
Depreciation ²	10,573	10,480	7,576	7,603	5,606	20,347
Amortisation ³	10,770	11,234	6,273	3,976	5,230	-
Resource AME						
Provisions	(4,663)	3,215	(787)	10,221	5,382	8,400
Utilised provisions	(719)	(765)	(1,078)	(250)	(11,217)	-
Total resource AME	(5,382)	2,450	(1,865)	9,971	(5,835)	8,400
<i>Of which:</i>						
Take up of provisions	499	3,215	2,348	10,791	5,435	8,400
Release of provision	(5,162)	-	(3,135)	(570)	(53)	-
Utilisation of Provisions	(719)	(765)	(1,078)	(250)	(11,217)	-
Total resource budget	244,393	282,574	306,134	468,822	443,054	368,583
<i>Of which:</i>						
Depreciation and Amortisation ²	21,343	21,714	13,849	11,579	10,836	20,347
Capital DEL						
Programme expenditure	17,118	17,556	6,835	12,525	25,278	32,859
Total capital DEL	17,118	17,556	6,835	12,525	25,278	32,859
<i>Of which:</i>						
Purchase of assets	17,118	17,556	6,835	13,177	25,401	32,859
Capital Grants Received	-	-	-	(652)	(123)	-
Capital AME	-	-	-	-	-	-
Total capital budget	17,118	17,556	6,835	12,525	25,278	32,859
Total departmental spending³	240,168	278,416	299,120	469,768	457,496	381,095
<i>Of which:⁴</i>						
Total DEL⁴	245,550	275,966	300,985	459,797	463,331	372,695
Total AME	(5,382)	2,450	(1,865)	9,971	(5,835)	8,400

The Statistics Board Total departmental spending, 2017/18 to 2022/23

Notes

- £11,744,000 of staff costs associated with research and development have been analysed as capital expenditure in the Core Tables in accordance with European System of Accounts 2010 Assets and Liabilities (ESA10).
- Includes impairments.
- Total departmental spending is the sum of the resource, AME and the capital budget excluding depreciation. Similarly total DEL is the sum of resource and capital DEL less depreciation. AME covers the cost of provisions.
- 2017/18 total departmental spending and DEL in the published accounts contained depreciation which has now been removed

	2017/18 Outturn £'000	2018/19 Outturn £'000	2019/20 Outturn £'000	2020/21 Outturn £'000	2021/22 Outturn £'000	2022/23 Forecast £'000
Assets of which:						
Non-current assets	68	16	50	52	96	56
Current assets	21,451	21,878	24,723	132,310	90,260	45,739
Intangible assets:						
Software licences	2,798	2,539	1,892	1,570	3,562	5,275
In-house development and applications under construction	18,401	12,397	9,646	10,006	7,311	10,827
Tangible assets:						
Property plant and equipment	51,565	52,811	47,190	46,820	15,141	62,758
	94,283	89,641	83,501	190,758	116,370	124,655
Current liabilities	(33,185)	(44,281)	(46,212)	(163,265)	(93,576)	(56,428)
Non-current liabilities	(2,009)	(4,148)	(2,556)	(2,390)	(511)	(40,846)
Capital employed	59,089	41,212	34,733	25,103	22,283	27,381

Note

Capital employed is a measure of the value of the assets that add to the Authority's ability to support its future business activities. It represents the Authority's investment in its continuing operation. The significant increase in the Authority's current assets and liabilities in 2021/22 and 2020/21, is attributed to receivables and payables relating to the delivery of the COVID Infection Survey.

Prompt payment target

The Authority is committed to both the Chartered Institute of Credit Management and the Department for Business, Energy and Industrial Strategy's prompt payment code. The policy sets out that all invoices should be paid in accordance with contractual conditions.

Where no conditions exist, payment will be made within 30 working days of the receipt of goods or services, or the presentation of a valid invoice, whichever is the later. We made payments in accordance with this policy in 93 per cent of transactions for the year ended 31 March 2022 (95 per cent in 2020/21). The performance is measured in accordance with HM Treasury guidelines.

In addition to the 30 days target we endeavor to pay small and medium sized enterprises within five days. We achieved payment in accordance with this policy in 85 per cent of transactions for the year, (82 per cent in 2020/21) compared to a target of 80 per cent.

Directors' report

The requirements of the Directors' report are covered by the following:

The UK Statistics Authority is a non-ministerial department, operating at arm's length from Government and reporting directly to Parliament and the devolved legislatures. The Cabinet Office retains residual ministerial responsibilities for the UK Statistics Authority.

The composition of the Authority Board and its sub-committees is set out in the Governance Statement (pages 53 to 70).

The Executive Directors of the UK Statistics Authority are set out in the Remuneration Report (pages 78 to 89).

The Authority maintains a Register of Interests of its Board members. The Register of Interests is maintained on the UK Statistics Authority website at: <https://uksa.statisticsauthority.gov.uk/the-authority-board/>

It is updated at least annually. The onus is on individual members of the Authority to determine other interests that should be disclosed and to make known to the Chair and Secretariat any subsequent changes in those interests. At the start of every meeting of the Authority Board, members will be asked to declare any interests in the business on the agenda. Members should similarly make an interest known should it arise during the business of the meeting.

Personal data related incidents are described in the Governance Statement (page 66).

Other disclosures are promulgated by HM Treasury through Public Expenditure System papers.

Financial reporting to Parliament

This report forms part of the annual reporting process to Parliament. Further, and as part of the reporting process the Authority also prepares estimates of its expenditure with the Main Estimate in the early part of the financial year, and the Supplementary Estimate normally published in February. Details can be found at: <https://www.gov.uk/government/collections/hmt-main-estimates>

Engagement and transparency

The Authority believes that transparency is a key condition and driver for the delivery of our services. As a publicly funded organisation, we have a duty to our stakeholders to be transparent about our business operations and outcome.

To provide transparency across its operations the Authority published information which is regularly updated on its own website and /or the UKSA website.

This includes:

- expenses and hospitality received by board members and senior directors
- organisation charts
- details of senior and junior posts and senior staff salaries
- details of payments to suppliers each month over £25,000
- monthly prompt payment information
- exception reporting

The Authority has a central email enquiry point, authority.enquiries@statistics.gov.uk. Enquiry handling is managed by the Secretariat. There is also a central telephone enquiry line 0845 604 1857.

The Authority operates transparently and openly. It publishes the minutes and papers of its meetings, and correspondence regarding issues of public concern and information about other aspects of its work on its website www.statisticsauthority.gov.uk.

Contractual arrangements

The Authority continues to work across circa. 250 3rd party agreements to deliver its business. All contracts are tiered using a segregation tool that follows Government Commercial Operating Standards (GCOS) best practice and this allows the Authority to determine the level of engagement to successfully deliver the required contractual outcomes.

The segregation tool categorises contracts into 3 tiers: Gold; Silver; and Bronze, where Gold receives the highest level of input and scrutiny from commercial contract managers, as they are considered key to delivering our operational goals. With the successful delivery and close of Census contracts there are fewer Gold agreements than previous years, and the COVID-19 Infection Survey contract remains our most significant contract by a factor of many times.

Supplier performance is reviewed in accordance with Government Procurement Guidelines including monthly reviews to strategically monitor the financial stability of the business, Key Performance Indicators, and to share lessons learned to improve delivery across the whole portfolio.

Social value has been delivered through ONS commercial activity in projects such as CIS to provide additional benefits for the local communities they serve. For example, producing a more inclusive and accessible recruitment procedure to improve opportunities for groups in under-represented areas.

The COVID-19 Infection Survey has successfully delivered greater value for the public purse over the last 12 months as a result of an effective re-procurement in April 2021. To further exploit the opportunity for value and to provide a more efficient programme, the Authority will begin to collect data digitally in financial year 2022/23.

The Commercial Insights team has driven compliance and value throughout the commercial cycle, supporting contract managers and standardising processes to drive efficiency. Engaging the market will continue to be key in managing supply chain risk through a difficult geo-political period.

Remuneration report

The remuneration report is presented in accordance with Civil Service Employer Pension Notice guidance.

Service contracts

The Constitutional Reform and Governance Act 2010 requires Civil Service appointments to be made on merit on the basis of fair and open competition. The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise.

Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Further information about the work of the Civil Service Commission can be found at www.civilservicecommission.org.uk

Remuneration policy

The Remuneration Committee concluded the pay arrangements for the UK Statistics Authority's Senior Civil Servants. The committee's membership is set out in the Governance Statement.

The UK Statistics Authority Senior Civil Service (SCS) salary arrangements follow the guidance set out by the Cabinet Office in response to the Senior Salaries Review Body. SCS pay consists of two elements: a consolidated increase to base pay and a non-consolidated bonus payment. Both elements are performance-related and determined by an individual's performance in the previous appraisal year.

The remuneration for the National Statistician is not agreed by the Authority's Remuneration Committee but is determined independently.

Remuneration (including salary) and pension entitlements

The following sections provide details of the remuneration and pension interests of the Executive and Non-Executive Directors of the UK Statistics Authority and the Office for National Statistics.

Remuneration of Executive Directors for the UK Statistics Authority and the Office for National Statistics, 2021/22 and 2020/21 (audited)

Senior directors	2021/22 Salary	2020/21 Salary	2021/22 Pension benefits	2020/21 Pension benefits	2021/22 Total	2020/21 Total
Name and title	£'000	£'000	£'000	£'000	£'000	£'000
Professor Sir Ian Diamond National Statistician Statistics Authority Fixed- term contract 22 October 2019 to 31 March 2023	160-165 + bonus 15-20	160-165	65	63	245-250	225-230
Ms Sam Beckett Second Permanent Secretary and Deputy Chief Executive Statistics Authority From 10 September 2020	150-155	80-85 (fte 150-155)	25	97	175-180	180-185
Alison Pritchard Deputy National Statistician for Data Capability From 1 October 2020	125-130 + bonus 10-15	60-65 (fte 125-130)	44	77	180-185	135-140
Jonathan Athow Deputy National Statistician for Economic Statistics Left Authority 03 October 2021	60-65 (fte 125-130) +bonus 10-15	125-130	14	59	85-90	180-185
Iain Bell Deputy National Statistician for Population and Public Policy Left Authority 30 June 2021	30-35 (fte 125-130) + bonus 5-10	125-130 + bonus 10-15	6	63	40-45	200-205
Ed Humpherson Director General for Regulation	150-155 + bonus 10-15	150-155 + bonus 10-15	30	72	190-195	235-240
Peter Benton Deputy National Statistician and Director General for Health, Population and Methods from January 2022 Director Population and Public Policy Operations to December 2021	100-105 + bonus 10-15	95-100	18	46	125-130	140-145
Michael Keoghan Deputy National Statistician for Economic and Social Statistics From 17 January 2022	25-30 (fte 130-135)	-	7	-	30-35	-

Senior directors	2021/22 Salary	2020/21 Salary	2021/22 Pension benefits	2020/21 Pension benefits	2021/22 Total	2020/21 Total
Name and title	£'000	£'000	£'000	£'000	£'000	£'000
Simon Sandford-Taylor Director Digital Services and Technology	95-100	95-100	29	42	125-130	135-140
Tom Smith Director Data Science Campus Left Authority 06 March 2022	125-130(fte 135-140) + bonus 5-10 Taxable expenses 0-5	135-140 Taxable expenses 0-5	50	53	185-190	185-190
Sarah Henry Director Methods, Data and Research	95-100	95-100 Taxable expenses 0-5	39	39	135-140	135-140
Emma Rourke Director Health Analysis and Pandemic Insights	75-80 (fte 95-100) + bonus 10-15 Taxable expenses 0-5	60-65 (fte 95-100) Taxable expenses 0-5 (fte 0-5)	31	24	120-125	80-85
Owen Brace Director Communications and Digital Publishing	95-100	95-100	38	38	135-140	135-140
Nick Bateson Director Finance, Planning and Performance	120-125 + bonus 10-15	120-125 + bonus 10-15	34	54	165-170	185-190
Elizabeth McKeown Director Public Policy Analysis	95-100 + bonus 5-10	95-100 + bonus 10-15	25	45	125-130	150-155
Philippa Bonay Director People and Business Services	105-110 + bonus 5-10	105-110 + bonus 0-5 Taxable expenses 0-5	42	42	155-160	150-155
Grant Fitzner Chief Economist and Director Macroeconomic Statistics and Analysis	105-110	105-110	48	41	155-160	145-150
Darren Morgan Director Economic Statistics Production and Analysis	95 -100 + bonus 5-10	95-100	17	47	115-120	140-145
Nicola Tyson-Payne Director Population and Public Policy Transformation Left authority 31 July 2021	30-35 (fte 90-95) + bonus 0-5	90-95 + bonus 10-15	12	37	45-50	140-145
Peter Stokes Interim Director Integrated Data Programme From 14 December 2020	90-95 + bonus 5-10	25-30 (fte 90-95)	91	40	190-195	65-70

Senior directors	2021/22 Salary	2020/21 Salary	2021/22 Pension benefits	2020/21 Pension benefits	2021/22 Total	2020/21 Total
Name and title	£'000	£'000	£'000	£'000	£'000	£'000
Alex Lambert Director of Surveys From April 2021	90-95 + bonus 5-10	-	79	-	175-180	-
Donna Leong Director of Economic Statistics Change From 19 April 2021	90-95 (fte 95-100)	-	34	-	125-130	-
Fiona James Director Data Growth and Operations From 21 February 2022	5-10 (fte 90-95)	-	9	-	15-20	-

Notes

No directors had significant interests that would have influenced their decision making.

Notes to the remuneration tables (current and previous board members)

Where a member of the Board served for only a part of a year, the full time equivalent (FTE) figure is also shown in brackets.

The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) less (the contributions made by the individual). The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights.

Salary

Non-Executive Directors are paid a fee, plus expenses, and have no pension entitlement.

'Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made by the Department and thus recorded in these accounts.

Benefits in kind

None of the above received benefits in kind.

Bonus payments

Bonuses are based on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the previous appraisal year in which they become payable to the individual. The bonuses reported in 2021-22 relate to performance in 2020-21 and the comparative bonuses reported for 2020-21 relate to the performance in 2019-2020.

Remuneration of Non-Executive Directors of the UK Statistics Authority 2021/22 and 2020/21 (audited)

Senior directors Name and title	2021/22 Salary £'000	2020/21 Salary £'000
Sir David Norgrove Chair of UK Statistics Authority Fixed contract From 1 April 2017 to 31 March 2022	55-60	55-60
Ms Sian Jones Deputy Chair Fixed Contract From 12 December 2018 to 1 July 2024	30-35	30-35
Mr Richard Dobbs Non-Executive Director Fixed Contract From 27 May 2020 to 26 May 2023	15-20	10-15 (fte 15-20)
Professor Sir David Spiegelhalter Non-Executive Director Fixed Contract From 27 May 2020 to 26 May 2023	15-20	10-15 (fte 15-20)
Professor David Hand OBE FBA Non-Executive Director Fixed Contract From 1 April 2013 to 1 July 2021	0-5 (fte 15-20)	15-20
Professor Jonathan Haskel Non-Executive Director Fixed Contract From 1 February 2016 to 31 January 2023	-	-
Ms Nora Nanayakkara Non-Executive Director Fixed Contract From 1 July 2016 to 1 July 2024	15-20	15-20
Professor Anne Trefethen FBCS FREng Non-Executive Director Fixed Contract From 7 June 2018 to 31st December 2022	15-20	15-20
Ms Helen Boaden Non-Executive Director Fixed Contract From 30 May 2019 to 31 December 2022	15-20	15-20
Professor John Aston Non-Executive Director Fixed Contract From 1 July 2021 to 30 June 2024	10-15 (fte 15-20)	-

Notes

In addition to the Non-Executive Directors of the UK Statistics Authority, Tim Watkinson and Julia Mundy have been appointed as Independent Non-Executive Directors to the Audit and Risk Assurance Committee. Professor Jonathan Haskel provides his services free of charge since September 2018.

Fair pay (audited)

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce.

	2021/22			2020/21		
	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
Salary component	23,880	30,705	38,338	23,053	29,540	37,024
Total pay and benefits	23,880	30,855	38,888	23,053	29,790	37,474
Pay ratio	7.64:1.00	5.91:1.00	4.69:1.00	7.05:1.00	5.45:1.00	4.34:1.00

The mid-point banded remuneration of the highest-paid director in the Authority in the financial year 2021/22 was £182,500 (2020/21: £162,500). This was 5.91 times (2020/21: 5.45 times) the median remuneration of the workforce, which was £30,855 (2020/21: £29,790).

No employees received remuneration in excess of the highest-paid director in either 2021/22 or 2020/21. The lowest staff remuneration in 2021/22 was £18,833 (2020/21: £18,041).

Percentage change in total salary and bonuses for the highest paid director and the staff average

	2021/22		2020/21	
	Total salary and allowances	Bonus payments	Total salary and allowances	Bonus payments
Staff average	0.4%	14.6%	6.5%	7.9%
Highest paid director	0.0%	40.0%	0.0%	12,500.0%

The percentage change from previous financial year in respect of the highest paid director is based on the mid-point of their banded total salary and bonus payments. The percentage change in the staff average figures, is calculated as total salary and bonus payments in the period, divided by the FTE number of employees (excluding the highest paid director).

Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

The Authority implemented the August 2020 pay award in 2021/22 which increased the average staff remuneration. The increase in ratios between

highest paid director and the staff lower/upper and median remuneration categories is attributed to the highest paid director receiving a bonus in 2021/22. The highest paid director's salary did not increase between 2020/21 and 2021/22. The significant percentage change in 2020/21 for highest paid director bonus payments is attributed to no bonus payments being made in 2019/20

Pension benefits (audited)

The following table identifies pension benefits for Executive Directors of the UK Statistics Authority and the Office for National Statistics.

Details of the Civil Service Pensions Scheme can be found on page 86.

Senior Directors	Real increase in pension and related lump sum at pension age	Accrued pension at pension age as at 31 March 2022 and related lump sum	Cash equivalent transfer value at 31 March 2021	Cash equivalent transfer value at 31 March 2022	Real increase in cash equivalent transfer value
Name and title	£'000	£'000	£'000	£'000	£'000
Professor Sir Ian Diamond National Statistician Statistics Authority Fixed- term contract 22 October 2019 to 31 March 2023	2.5-5	5-10	0	0	-13
Ms Sam Beckett Second Permanent Secretary and Deputy Chief Executive Statistics Authority From 10 September 2020	0 -2.5 plus a lump sum of 0	65 – 70 plus a lump sum of 140 - 145	1248	1325	4
Alison Pritchard Deputy National Statistician for Data Capability From 1 October 2020	2.5-5	40-45	659	724	25
Jonathan Athow Deputy National Statistician for Economic Statistics Left Authority 03 October 2021	0-2.5	50-55	759	773	3
Iain Bell Deputy National Statistician for Population and Public Policy Left Authority 30 June 2021	0 -2.5 plus a lump sum of 0	50 -55 plus a lump sum of 100 -105	834	839	1
Ed Humpherson Director General for Regulation	0 -2.5 plus a lump sum of 0	75 80 plus a lump sum of 55 -60	1176	1251	6
Peter Benton Deputy National Statistician and Director General for Health, Population and Methods from January 2022 Director Population and Public Policy Operations to December 2021	0 – 2.5 plus a lump sum of 0	40 -45 plus a lump sum of 75-80	676	719	4

Senior Directors	Real increase in pension and related lump sum at pension age	Accrued pension at pension age as at 31 March 2022 and related lump sum	Cash equivalent transfer value at 31 March 2021	Cash equivalent transfer value at 31 March 2022	Real increase in cash equivalent transfer value
Name and title	£'000	£'000	£'000	£'000	£'000
Michael Keoghan Deputy National Statistician for Economic and Social Statistics From 17 January 2022	0 - 2.5 plus a lump sum of 0	45 -50 plus a lump sum of 80 -85	738	746	2
Tom Smith Director Data Science Campus Left Authority 06 March 2022	2.5-5	15-20	154	193	25
Simon Sandford-Taylor Director Digital Services and Technology	0 – 2.5	25-30	376	412	12
Sarah Henry Director Methods, Data and Research	0 – 2.5	10-15	117	150	23
Emma Rourke Director Health Analysis and Pandemic Insights	0-2.5	5-10	84	108	15
Owen Brace Director Communications and Digital Publishing	0-2.5	20-25	209	238	17
Nick Bateson Director Finance, Planning and Performance	0-2.5 plus a lump sum of 0	35-40 plus a lump sum of 55 -60	472	511	9
Elizabeth McKeown Director Public Policy Analysis	0 – 2.5 plus a lump sum of 0	30 -35 plus a lump sum of 50-55	385	415	6
Philippa Bonay Director People and Business Services	2.5-5	15-20	206	240	21
Grant Fitzner Chief Economist and Director Macroeconomic Statistics and Analysis	2.5-5	10-15	133	179	34
Darren Morgan Director Economic Statistics Production and Analysis	0-2.5 plus a lump sum of 0	40 – 45 plus a lump sum of 85-90	684	727	2
Nicola Tyson-Payne Director Population and Public Policy Transformation Left authority 31st July 2021	0-2.5	5-10	67	74	6
Peter Stokes Interim Director Integrated Data Programme From 14 December 2020	2.5 – 5 plus a lump sum of 5-7.5	30-35 plus a lump sum of 55 - 60	373	455	58

Senior Directors	Real increase in pension and related lump sum at pension age	Accrued pension at pension age as at 31 March 2022 and related lump sum	Cash equivalent transfer value at 31 March 2021	Cash equivalent transfer value at 31 March 2022	Real increase in cash equivalent transfer value
Name and title	£'000	£'000	£'000	£'000	£'000
Alex Lambert Director of Surveys From April 2021	2.5 – 5 plus a lump sum of 5 - 7.5	25 – 30 plus a lump sum of 45 - 50	366	441	49
Donna Leong Director of Economic Statistics Change From 19 April 2021	0 – 2.5 plus a lump sum of 0 – 2.5	25 -30 plus a lump sum of 40-50	467	518	21
Fiona James Director Data Growth and Operations From 21 February 2022	0-2.5	20-25	254	261	5

Note

The posts held by the non-executive Directors of the UK Statistics Authority are non-pensionable.

Civil Service pensions

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis with a normal pension age equal to the member’s State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined alpha. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: 3 providing benefits on a final salary basis (classic, premium or classic plus) with a normal pension age of 60; and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 switch into alpha sometime between 1 June 2015 and 1 February 2022. Because the Government plans to remove discrimination identified by the courts in the way that the 2015 pension reforms were introduced for some members, it is expected that, in due course, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period (and this may affect the Cash Equivalent Transfer Values shown in this report – see below). All members who switch to alpha have their PCSPS benefits ‘banked’, with those



with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a defined contribution (money purchase) pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of classic, premium, classic plus, nuvos and alpha. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of

pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus, 65 for members of nuvos, and the higher of 65 or State Pension Age for members of alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes, but note that part of that pension may be payable from different ages.)

Further details about the Civil Service pension arrangements can be found at the website www.civilservicepensionscheme.org.uk

Cash equivalent transfer values

A cash equivalent transfer value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Board member and senior official off-payroll engagements

The following table identifies off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2021 and 31 March 2022.

	2021/22 Number of engagements
Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	-
Total number of individuals off-payroll that have been deemed "board members, and/or, senior officials with significant financial responsibility", during the financial year.	-

Other information

Compensation for loss of office (audited)

No Director received compensation for loss of office during 2021/22.

Payments to past directors (audited)

No payments were made to past directors other than in respect of employment or other contractual service for the company other than as a director.

Staff report

Staffing structure

Staff numbers (audited)

	2021/22 Total FTE	Permanently employed FTE	Others FTE	2020/21 Total FTE
Objective statistical services	5,126	4,836	290	4,536
Census Field Staff	1,521	-	1,521	1,488
Total	6,647	4,836	1,811	6,024

Note

Statistical Staff numbers are calculated using the average number of staff on the payroll each month rather than at year end. Census Field Staff numbers are calculated using the average number of staff on the payroll each week.

Staff costs (audited)

	2021/22 Total £'000	Permanently employed Staff £'000	Others £'000	2020/21 Total £'000
Statistical services staff costs	193,669	183,685	9,984	167,782
Census field staff costs	43,964	-	43,964	27,623
Social security costs	18,407	18,407	-	14,955
Census field staff social security costs	3,180	-	3,180	1,940
Other pension costs	48,273	48,273	-	40,118
Census field staff other pension costs	1,655	-	1,655	1,561
Tax and levies	904	904	-	753
Census tax and levies	233	-	233	125
Total	310,285	251,269	59,016	254,857
Less recoveries in respect of outward secondments	(197)	(197)	-	(310)
Total net costs	310,088	251,072	59,016	254,547

Note

Statistical Services staff costs include £11,744,000 of research and development costs which are analysed as capital expenditure in the Statement of Parliamentary Supply, SOPS1 and SOPS2.

Capitalised Staff Costs (audited)

	2021/22 Cost £'000	FTE	2020/21 Cost £'000	FTE
Survey Data Collection (SDC)	-	-	1,198	33
Data Access Platform (DAP)	-	-	16	2
Clerical Matching	8	1	10	3
Total	8	1	1,224	38

Notes for Capitalised Staff Costs on page 90

The 2021/22 salary figures reflect a net yearly cost of £168,000 of accrued holiday and flexi pay, and PRP of £80,000. In addition to the £251,072,000 reported total net costs, £8,000 of salary costs were categorised as capital expenditure (£1,224,000 2020/21) and not included in the operating cost statement.

Staff numbers as at 31 March 2022 (audited)

Contract type	2021/22 Headcount	FTE	2020/21 Headcount	FTE
Permanent employment contract	5,628	5,026	5,198	4,615
Fixed term employment contract	241	231	341	334
Census Field Staff (Fixed Term)	-	-	20,565	15,341
Paid secondment or loan in	15	15	9	9
Total	5,884	5,272	26,113	20,299

Staff loaned as at 31 March 2022

Grade	2021/22 <12 months	>12 months	Total	2020/21 Total
SCS1	-	-	-	1
Grade 6	-	1	1	1
Grade 7	1	1	2	2
SEO	2	-	2	2
SRO	1	-	1	2
HEO	3	-	3	-
Total	7	2	9	8

Staff hosted as at 31 March 2022

Grade	2021/22 <12 months	>12 months	Total	2020/21 Total
SCS 1	-	-	-	2
Grade 6	-	1	1	2
Grade 7	1	1	2	3
HEO	2	-	2	2
EO	1	-	1	-
Total	4	2	6	9

Those less than 12 months to projected end date are considered short term assignments. The average duration of staff redeployments is less than 12 months. The cost of staff on short term loan is included in the staff costs above and Chapter 4, note 3. All staff costs are programme costs.

Staff turnover

	2021/22	2020/21	2019/20
Civil Service Turnover	14%	6%	13%
Departmental Turnover	10%	9%	16%

Note

Civil Service Turnover captures staff leaving the Civil Service as a whole and Departmental Turnover captures staff leaving the Authority but remain in the Civil Service. Turnover percentages are calculated as the number of leavers within that period divided by the average number of staff in post over the period.

Contingent workers as at 31 March 2022

Contingent worker type	Total	2020/21 Total
Agency worker	119	235
Contractor	227	227
Consultant	25	30
Service worker	134	173
Total	505	665

Staff composition as at 31 March 2022

Grade	Headcount		FTE	
	Female	Male	Female	Male
AA/AO	895	626	631.6	454.2
EO	472	259	433.0	251.6
HEO	771	537	728.2	528.0
SEO	645	505	606.7	497.7
Grade 7	449	409	428.1	405.4
Grade 6	94	126	88.5	124.0
SCS Pay Band 1 (Deputy Director)	25	36	24.6	35.3
SCS Pay Band 2 (Director)	7	7	6.8	7.0
SCS Pay Band 3 (Director General)	1	3	1.0	3.0
Permanent Secretary	1	1	1.0	1
Total	3,360	2,509	2,949.5	2,307.2

Note

15 employees (15 FTE) have no data recorded under gender on our system and are not included in the Staff Composition table above. Full Headcount figure is 5884 and FTE 5272. The two Permanent Secretaries are Sir Ian Diamond and Sam Beckett.

Number of Senior Civil Service staff by SCS pay band (average for the year)

SCS Pay Band	2021/22 Headcount	FTE	2020/21 Headcount	FTE
SCS Pay Band 1 (Deputy Director)	61	60	59	57
SCS Pay Band 2 (Director)	14	14	13	12
SCS Pay Band 3 (Director General)	4	4	4	4
Permanent Secretary	2	2	2	2
Total	81	80	78	75

Off payroll engagements

The following table identifies all off-payroll engagements as at 31 March 2022 for more than £245 per day for a period longer than six months.

	Number of existing engagements as at 31st March 2022
Number of existing engagements as of 31 March 2022	184
<i>Of which:</i>	
Number that have existed for less than one year at the time of reporting	66
Number that have existed between one - two years at the time of reporting	71
Number that have existed between two - three years at the time of reporting	20
Number that have existed between three - four years at the time of reporting	21
Number that have existed for four years or more at the time of reporting	6

The following table details the total number of off-payroll engagements in excess of £245 per day for a period longer than six months (between the 1 April 2021 and 31 March 2022).

	Number 2021/22
Number of new engagements, or those that reached six months in duration, between 1 April 2021 and 31 March 2022	210
<i>Of which:</i>	
Number assessed as inside the scope of IR35	128
Number assessed as outside the scope of IR35	82
Number engaged directly (via PSC contracted to department) and are on the departmental payroll	-
Number of engagements reassessed for consistency/assurance purposes during the year.	-
Number of engagements that saw a change to IR35 status following the consistency review	-

Sickness absence

Average working days lost during 2021/22 is 5.6 (2020/21 was 4.3).

Reporting compensations for employee departures (audited)

Exit package cost band	Total number of compulsory redundancies agreed within the year		Total number of other departures agreed within the year		Total value of exit packages agreed within the year by cost band £'000	
	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21
< £10,000	-	-	4	-	24	-
£10,000 – £25,000	-	-	14	-	194	-
£25,000 – £50,000	-	-	20	-	748	-
£50,000 – £100,000	-	-	35	-	2,253	-
Total number of exit packages by type (total cost)	-	-	73	-	3,219	-

During the financial year 2021/22 we ran a targeted Voluntary Exit Scheme which resulted in 71 applicants accepting offers of exit. All offers were accepted in March 2022, therefore costs will be attributed to financial year 2021/22. The last day of service for leavers will be June 2022.

In addition, there were two VR exits in December 2021 due to organisational change (ESG Target Operating Model).

Redundancy and other departure costs have been paid in accordance with the provision of the Civil Service Compensation Scheme, a statutory scheme under the Superannuation Act 1972. Exit costs are accounted for in full for the year of departure. Where the department has agreed early retirements, the additional costs are met by the department and not the Civil Service pension scheme.

Ill-health retirement costs are met by the Pension Scheme and are not included in the table.

Employee matters

Employment, training and support for people with disabilities

The Authority is committed to being an equal opportunities employer. As part of this commitment, the Authority gives full and fair consideration to the employment, training, support and progression of colleagues with a disability.

The Authority applies the Recruitment Principles of the Civil Service Commission, appointing candidates on merit through fair and open competition.

Recruitment and selection training is provided to all interviewers. The Authority has achieved the highest-level accreditation Level 3 Disability Confident Leader status and offers an interview to all those who declare a disability and meet the minimum selection criteria.

The Authority's policies require that managers must consider and make workplace adjustments to enable an employee with a disability to attend work and carry out their role effectively.

Such adjustments are recorded on a Workplace Adjustments Passport and are kept under regular review. There is an active Disability Network, supported by senior champions, focused on removing any barriers within the workplace, and celebrating key disability awareness days throughout the year across the organisation.

The Authority promotes a number of cross-government talent schemes that seek to attract colleagues with disabilities, as well as those from other underrepresented groups. These include the Future Leaders Scheme (FLS) and Senior Leaders Scheme (SLS). The bespoke Disability Empowers Leadership Talent scheme, also known as DELTA, is available to anyone with a disability or long-term health condition who gains a place on the cross-government FLS. As part of our Diversity into Leadership programme we also offer a specific development route, called disABILITY into Leadership, focused on supporting the career development of colleagues with disabilities.

Monitoring spending on consultancy and temporary staff

Professional services external resources can generally be split into two broad categories. Temporary staff includes temporary workers and specialist contractors who are used to cover business-as-usual or service delivery activities within the Authority. Consultancy includes staff who provide objective advice relating to strategy, structure, management or operations of the Authority and may include the identification of options with recommendations.

Expenditure on consultancy increased from £6.0m in 2020-21 to £10.3m in 2021-22 and expenditure on contractors increased from £28.4m in 2020-21 to £36.1m in 2021-22. Further information can be found in Note 4 to the accounts.

Spend on consultancy and the need for temporary staff is largely dependent on the nature of projects being undertaken and the expertise required. The beginning of 2021-22 saw an increase to Census Field activities following Census Day on 21 March 2021. This was the primary contributor to an increase in temporary staff costs from the previous year, increasing from £27.6m in 2020/21 to £44.0m in 2021/22, as disclosed in Note 3 to the accounts.

Workplace health, safety and welfare

The Health and Safety (H&S) framework of governance, risk management and performance for the Authority is reviewed on an annual basis. The resulting compliance report was signed off by People Committee.

The report highlighted the significant H&S input that has been required and delivered during this reporting period in response to the Covid-19 pandemic and supporting key operations including Census and the Covid Infection Survey.

It was reported that 23 of the 25 statutory H&S compliance areas were marked green, 2 areas are amber due to the continued attention required, specifically the Covid Secure arrangements and rollout of a new DSE Application to support Hybrid working, which is being rolled out across the Authority.

The Authority has an up-to-date Health and Safety Policy, which has been amended to ensure that it remains aligned to legislation and takes account of organisational changes. All necessary risk assessments, inspections, maintenance, cleaning and testing regimes were in place.

The Authority is especially aware that it needs to ensure it protects our Field Force against the H&S risks they encounter outside the office environment and often working alone. Suitable and sufficient H&S management arrangements were developed and implemented for the 2021 Census, permanent Field Force and Covid Infection Survey.

In terms of the wellbeing of our people, three of the four wellbeing-related questions in the 2021 People Survey showed improved scores against the 2020 results. Our overall PERMA score, a holistic measure of positive wellbeing, remained static at 74% which represents a strong outcome in the context of ongoing challenges related to the pandemic. We have approached wellbeing as an underlying priority that wraps around all of our People Survey and engagement activity. Our wellbeing offer is wide-ranging and dynamic across the organisation, and we have been recognised for our leading practices in this area, for example in our achievement of a Gold Award from MIND. We have also embedded wellbeing in our approach to hybrid working, and continue to develop new initiatives to support the mental and physical health of our employees.

Equality, diversity and inclusion overview

Our strategic intent is to create 'Statistics for the Public Good', and to deliver this intent effectively it is vital that we create a working environment which embodies inclusion and diversity at its core, and a workforce that reflects the public it serves.

Compliance with the Equality Act 2010 remains a core tenet, as we align policies, processes and infrastructure to its principles. Our Equality Impact Assessments (EIAs) play a key role in helping us ensure that Inclusion is hardwired into all our practices. Further information on our commitment to the Public Sector Equality Duty is available on the Authority's website.

'Inclusion' is a central pillar in our People Plan. Our ambition is to drive an inclusive culture in which everyone feels valued, that they belong and have an equal opportunity to contribute to the organisation's purpose. Our Strategy and Strategic Business Plan also echo our ambition to be inclusive in everything we do.

Our more detailed Inclusion Plan outlines our intention to:

- build a coordinated approach to Inclusion and Diversity across the organisation
- hardwire Inclusion and Diversity into everything we do
- build representation of underrepresented groups and support their career progression
- continue to build the Authority's reputation as an inclusive employer.
- improve and develop our evidence base

This plan was launched in November 2020 and we have made significant progress to date, notably in the development of our evidence base, strengthening our governance and coordination, and being recognised for our practices by external benchmarking experts including MIND and Working Families.

Equality, diversity and inclusion infrastructure

Governance

Our Inclusion & Diversity Steering Group (IDSG) leads on evaluating new initiatives, and progress against existing commitments and issues. The Group consists of colleagues from across our employee diversity networks and other key stakeholders. IDSG reports to our People Committee, the governance body responsible for people matters. People Committee is attended by key senior leaders, chaired by our Second Permanent Secretary, and includes colleagues chosen to represent diverse viewpoints.

Networks

Our employee diversity networks continue to add essential value and insight to our inclusion agenda and play a key role in supporting the organisation to improve our processes and policies. Each recognised employee network is led by a team of volunteers with dedicated roles and responsibilities, and a sponsor from the senior leadership team. The networks also play an active role in raising awareness and creating a learning environment around inclusion. This includes expert guest panels, sharing blogs on lived experience, identifying and sharing best practice, organising recognition for key calendar events and linking with other government departments' networks.

Benchmarking and collaborating

We continue to ensure that our policies and practices are robust and in line with leading industry standards by participating in external benchmarking exercises.

The Authority achieved the GOLD Award in the Mind Workplace Wellbeing Index 2021 and has successfully retained our position in the Working Families Top 30 Employers List for 2021. We also hold Leader status through the Disability Confident scheme. We continue to identify opportunities for more collaboration

and shared initiatives with the Cabinet Office and other government departments, and to work with other expert organisations such as Business in the Community to improve our practices.

Measuring progress

Workforce diversity data is monitored at both business unit and organisational level and progress is measured on a regular basis via an interactive dashboard. Declaration rates are steadily increasing and colleagues are continuously encouraged to contribute information to support a stronger evidence base that drives our interventions.

In addition to our workforce demographic data, progress is measured through a combination of sources including new people dashboards, insights from our employee diversity networks, listening groups, internal targeted pulse surveys and the annual Civil Service People Survey.

The People Survey provides an overall score for Inclusion and Fair Treatment, and the Authority has recorded an improvement in our score in 2021 from 85% to 86%. With the publication of the revised Civil Service Inclusion & Diversity strategy, we continue to closely align our approach to measuring and evaluating our success with the wider Civil Service set of standards.

Workforce diversity data and progress against targets as at 31 March 2022

Whilst all employees in the Authority are strongly encouraged to make a positive declaration within each of these diversity measures there is no obligation to do so. The percentage of employees who have declared is 87.4.%. The following data is collated from those who have made a declaration.

UK Statistics Authority (all grades)	Mar-20	Mar-21	Mar-22
Females	55.8%	56.7%	57.2%
Ethnic minority groups	6.0%	7.1%	7.9%
Employees with disabilities	15.4%	16.9%	16.7%
LBGO*	4.9%	5.4%	5.9%

*Lesbian, Gay, Bisexual and 'Other'

Senior Civil Service Measures (SCS)	Mar-20	Mar-21	Mar-22
Females in SCS Pay Band 2	35.3%	35.0%	45.0%
All SCS			
Female	38.0%	40.5%	42.0%
Ethnic minority groups	6.7%	2.7%	4.2%
Employees with disabilities	13.2%	12.0%	13.8%

Feeder grade measures	Mar-20	Mar-21	Mar-22
Grade 6			
Female	39.1%	39.9%	42.7%
Ethnic minority groups	0.8%	2.5%	3.6%
Employees with disability	6.5%	7.9%	9.5%
Grade 7			
Female	50.1%	50.7%	52.3%
Ethnic minority groups	5.7%	5.0%	7.3%
Employees with disability	9.9%	11.0%	12.1%

The Authority has a long-term ambition to be representative of the society we serve. We have set a headline workforce representation target to increase ethnic minority representation by 1 percentage point a year, with an ambition to reach 11% by 2025. The annual target has been achieved for March 2022. Efforts to increase the diversity of the applicant base for our vacancies and to minimise any bias within our recruitment and selection processes will continue to be a priority focus to ensure positive progress continues.

Trade union facility time

Organisations are required to publish trade union facility time data. Trade union facility time is a legal entitlement and is allocated by the Authority. Total time spent on union activities should equate to no more than 0.1% of the total pay bill and no-one should spend more than 50% of their time on such activities.

The total number of employees who were trade union representatives during the year was 50.

Percentage of time	2021/22 Number of employees	2020/21 Number of employees	2019/20 Number of employees
0%	-	-	10
1-50%	50	49	30
51%-99%	-	-	-
100%	-	-	-

The cost to the Authority of trade union facility time represents 0.03% of the pay bill of £310,285,000 (2020/21 0.04% of the pay bill £254,857,000).

Statement of Outturn against Parliamentary Supply

In addition to the primary statements prepared under IFRS, the Government Financial Reporting Manual (FReM) requires the Authority to prepare a Statement of Outturn against Parliamentary Supply (SOPS) and supporting notes.

The SOPS and related notes are subject to audit, as detailed in the Certificate and Report of the Comptroller and Auditor General to the House of Commons.

The SOPS is a key accountability statement that shows, in detail, how an entity has spent against their Supply Estimate. Supply is the monetary provision (for resource and capital purposes) and cash (drawn primarily from the Consolidated fund), that Parliament gives statutory authority for entities to utilise. The Estimate details supply and is voted on by Parliament at the start of the financial year.

Should an entity exceed the limits set by their Supply Estimate, called control limits, their accounts will receive a qualified opinion.

The format of the SOPS mirrors the Supply Estimates, published on gov.uk, to enable comparability between what Parliament approves and the final outturn.

The SOPS contain a summary table, detailing performance against the control limits that Parliament have voted on, cash spent (budgets are compiled on an accruals basis and so outturn won't exactly tie to cash spent) and administration.

The supporting notes detail the following: Outturn by Estimate line, providing a more detailed breakdown (note 1); a reconciliation of outturn to net operating expenditure in the SOCNE, to tie the SOPS to the financial statements (note 2); a reconciliation of outturn to net cash requirement (note 3); and an analysis of income payable to the Consolidated Fund (note 4).

The SOPS and Estimates are compiled against the budgeting framework, which is similar to, but different from, IFRS. An understanding of the budgeting framework and an explanation of key terms is provided on pages 40 to 42, in the financial review section of the performance report. Further information on the Public Spending Framework and the reasons why budgeting rules are different from IFRS can also be found in chapter 1 of the Consolidated Budgeting Guidance, available on gov.uk.

The SOPS provides a detailed view of financial performance, in a form that is voted on and recognised by Parliament. The financial review, in the Performance Report, provides a summarised discussion of outturn against estimate and functions as an introduction to the SOPS disclosures.

Summary tables (audited)

Summary table 2021-22, all figures presented in £000's

Type of Spend	SoPS Note	Outturn			Estimate			Outturn vs Estimate, saving/(excess)		Prior Year Outturn Total 2020-21
		Voted	Non-Voted	Total	Voted	Non-Voted	Total	Voted	Total	
Departmental Expenditure Limit										
Resource	1.1	448,889	-	448,889	515,139	-	515,139	66,250	66,250	458,851
Capital	1.2	25,278	-	25,278	27,081	-	27,081	1,803	1,803	12,525
Total		474,167	-	474,167	542,220	-	542,220	68,053	68,053	471,376
Annually Managed Expenditure										
Resource	1.1	(5,835)	-	(5,835)	8,400	-	8,400	14,235	14,235	9,971
Capital	1.2	-	-	-	-	-	-	-	-	-
Total		(5,835)	-	(5,835)	8,400	-	8,400	14,235	14,235	9,971
Total Budget										
Total Resource	1.1	443,054	-	443,054	523,539	-	523,539	80,485	80,485	468,822
Total Capital	1.2	25,278	-	25,278	27,081	-	27,081	1,803	1,803	12,525
Total Budget Expenditure		468,332	-	468,332	550,620	-	550,620	82,288	82,288	481,347
Non - Budget Expenditure	1.1	-	-	-	-	-	-	-	-	-
Total Budget and Non Budget		468,332	-	468,332	550,620	-	550,620	82,288	82,288	481,347

Note

Figures in the areas outlined in thick line cover the voted control limits voted by Parliament. Refer to the Supply Estimates guidance manual, available on gov.uk, for detail on the control limits voted by Parliament.

Net Cash Requirement 2021/22 (audited)

All figures presented in £000's

Item	SoPS Note	Outturn	Estimate	Outturn vs Estimate, saving/(excess)	Prior Year Outturn Total 2020-21
Net Cash requirement	3	486,195	526,921	40,726	460,376

Notes

Although not a separate voted limit, any breach of the administration budget will also result in an excess vote. The Authority's net expenditure is classed as programme costs. There are no administration costs. Explanations of variances between estimates and outturn are given in the Management Commentary on pages 71 to 72.

The notes on pages 102 to 105 form part of these accounts.

Notes to the parliamentary supply, 2021/22 (£000's)(audited)

SOPS 1 – Outturn detail by Estimate Line

For the period ending 31 March 2022

SOPS 1.1 Analysis of resource outturn by estimate line

Type of Spend	Outturn				Estimate			Outturn vs Estimate, saving/ (excess)	Prior Year Outturn Total 2020-21
	Programme				Total	Virements	Total inc Virements		
	Gross	Income	Net	Total				Voted	
Spending in Departmental Expenditure Limit (DEL)									
Voted expenditure									
A. Programme Expenditure	902,079	(453,190)	448,889	448,889	515,139	-	515,139	66,250	458,851
Total voted DEL	902,079	(453,190)	448,889	448,889	515,139	-	515,139	66,250	458,851
Total spending in DEL	902,079	(453,190)	448,889	448,889	515,139	-	515,139	66,250	458,851
Spending in Annually Managed Expenditure (AME)									
Voted expenditure									
Provisions	(5,835)	-	(5,835)	(5,835)	8,400	-	8,400	14,235	9,971
Total voted AME	(5,835)	-	(5,835)	(5,835)	8,400	-	8,400	14,235	9,971
Total spending in AME	(5,835)	-	(5,835)	(5,835)	8,400	-	8,400	14,235	9,971
Total resource	896,244	(453,190)	443,054	441,352	523,539	-	523,539	82,187	468,822

Note

The programme costs within the annually managed expenditure reflect the utilisation of provisions and impairments charged to Annually Managed Expenditure (AME).

SOPS 1.2 Analysis of capital outturn by estimate line

Type of spend (Capital)	Gross	Income	Net total	Total	Virements	Total inc virements	Outturn vs Estimate, saving/ (excess)	Prior Year Outturn Total 2020-21
Spending in Departmental Expenditure Limits (DEL)								
Voted expenditure								
A. Programme Expenditure	25,278	-	25,278	27,081	-	27,081	1,803	12,525
Total voted DEL	25,278	-	25,278	27,081	-	27,081	1,803	12,525
Total spending in DEL	25,278	-	25,278	27,081	-	27,081	1,803	12,525
Spending in Annually Managed Expenditure (AME)								
Voted expenditure	-	-	-	-	-	-	-	-
Total voted AME	-	-	-	-	-	-	-	-
Total spending in AME	-	-	-	-	-	-	-	-
Total capital	25,278	-	25,278	27,081	-	27,081	1,803	12,525

Note

The total Estimate columns include virements. Virements are the reallocation of provision in the Estimates that do not require parliamentary authority (because Parliament does not vote to that level of detail and delegates to HM Treasury). Further information on virements is provided in the Supply Estimates Manual, available on gov.uk. The outturn vs estimate column is based on the total including virements. The estimate total before virements have been made is included so that users can tie the estimate back to the Estimates laid before Parliament.

SOPS 2 – Reconciliation of outturn to net operating expenditure

Item	Reference	Outturn Total	Prior Year Outturn Total 2019-20
Total resource outturn	SOPS 1.1	443,054	468,822
Add			
Expenditure which meets the European Statement of Accounts 2015 definition of research and development: Staff Costs (permanent)		11,744	2,077
Capital Grants Expense		30,200	-
Less			
Capital Grants Received		(123)	(652)
Total		41,822	1,425
Net operating expenditure in Consolidated Statement of Comprehensive Net Expenditure	SOCNE	484,876	470,247

Note

As noted in the introduction to the SoPS above, outturn and the Estimates are compiled against the budgeting framework, which is similar to, but different from, IFRS. Therefore, this reconciliation bridges the resource outturn to net operating expenditure, linking the SoPS to the financial statements. Capital grants received and capital grants expense are budgeted for as CDEL, but accounted for as income and expenditure on the face of the SOCNE, and therefore function as reconciling items between Resource and Net Operating Expenditure. £123k of capital grants received relate to property works funded by the Government Property Agency (GPA). £30,200k of capital grants expense relate to the transfer of the Authority's freehold properties, which were transferred off balance sheet to the GPA during 2021/22.

SOPS 3 – Reconciliation of net resource outturn to net cash requirement

For the period ending 31 March 2022

Item	Reference	Outturn Total	Estimate	Outturn vs Estimate, saving/ (excess)
Total Resource outturn	SOPS 1.1	443,054	523,539	80,485
Total Capital outturn	SOPS 1.2	25,278	27,081	1,803
Adjustments to remove non-cash items:				
Depreciation and amortisation	4	(10,836)	(15,299)	(4,463)
New provisions and adjustments to previous provisions	4	(5,383)	(8,400)	(3,018)
Other non-cash items	4	(942)	-	942
Adjustments to reflect movements in working balances:				
Increase/(decrease) in receivables	9	(34,909)	-	34,909
Increase/(decrease) in trade and other payables	11	65,624	-	(65,624)
Increase/(decrease) in other financial liabilities	14	108	-	(108)
Other movements in working capital not reflected in operating costs		(7,019)	-	7,019
Use of provisions	12	11,217	-	(11,217)
Total		17,863	(23,699)	(41,562)
Net cash requirement		486,195	526,921	(40,726)

Note on page 104

As noted in the introduction to the SOPS above, outturn and the Estimates are compiled against the budgeting framework, not on a cash basis. Therefore, this reconciliation bridges the resource and capital outturn to the net cash requirement.

SoPS 4 Amounts of income to the consolidated fund

SoPS 4.1 Analysis of income payable to the consolidated fund

There is no income payable to the consolidated fund.

SoPS 4.2 Consolidated fund income

The authority does not collect income as an agent of the consolidated fund.

Parliamentary Accountability Disclosure (audited)

Special payment and losses

For the period ending 31 March 2022

	Number	2021/22 £'000	Number	2020/21 £'000
Ex-gratia claims	25	3	11	1

There are no individual cases of special payments or losses over £300,000 (2019/20: No cases) which need separate disclosure as required by Managing Public Money.

Fees and charges

The Authority is not subject to statutory fees and charges.

Remote contingent liabilities

None identified.

Disclosure of information to the auditors

The responsibilities of an Accounting Officer include confirming that as far as he is aware there is no relevant audit information of which the auditors are unaware and that he has taken steps he ought to have taken to make himself aware of any relevant audit information, and to establish that the auditors are aware of that information.



Professor Sir Ian Diamond

Accounting Officer

6 July 2022

The Certificate and Report of the Comptroller and Auditor General to the House of Commons

Opinion on financial statements

I certify that I have audited the financial statements of the UK Statistics Authority for the year ended 31 March 2022 under the Government Resources and Accounts Act 2000. The Department comprises the core Department and its agency. The financial statements comprise: the Department's

- Statement of Financial Position as at 31 March 2022
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended
- the related notes including the significant accounting policies

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Department's affairs as at 31 March 2022 and its net expenditure for the year then ended
- have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions issued thereunder

Opinion on regularity

In my opinion, in all material respects:

- the Statement of Outturn Against Parliamentary Supply properly presents the outturn against voted Parliamentary control totals for the year ended 31 March 2022 and shows that those totals have not been exceeded
- the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements of Public Sector Entities in the United Kingdom. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of the UK Statistics Authority in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the UK Statistics Authority's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the UK Statistics Authority's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the UK Statistics Authority is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

Other information

The other information comprises information included in the Annual Report, but does not include the financial statements nor my auditor's certificate and report thereafter. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements

Matters on which I report by exception

In the light of the knowledge and understanding of the UK Statistics Authority and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- I have not received all of the information and explanations I require for my audit
- adequate accounting records have not been kept by the UK Statistics Authority or returns adequate for my audit have not been received from branches not visited by my staff
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns
- the Governance Statement does not reflect compliance with HM Treasury's guidance

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records
- the preparation of the financial statements and Annual Report in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view
- ensuring that the Annual Report and accounts as a whole is fair, balanced and understandable
- internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error
- assessing the UK Statistics Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the UK Statistics Authority will not continue to be provided in the future

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, we considered the following:

- the nature of the sector, control environment and operational performance including the design of the UK Statistics Authority's accounting policies
- Inquiring of management and those charged with governance, including obtaining and reviewing supporting documentation relating to the UK Statistics Authority's policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the UK Statistics Authority's controls relating to the UK Statistics Authority's compliance with the Government Resources and Accounts Act 2000, Managing Public Money, and the Supply and Appropriation (Main Estimates) Act 2021
- discussing among the engagement team and involving relevant internal specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud

As a result of these procedures, I considered the opportunities and incentives that may exist within the UK Statistics Authority for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, and completeness of expenses. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override.

I also obtained an understanding of the UK Statistics Authority's framework of authority as well as other legal and regulatory frameworks in which the UK Statistics Authority operates, focusing on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the UK Statistics Authority. The key laws and regulations I considered in this context included Government Resources and Accounts Act 2000, Managing Public Money, Supply and Appropriation (Main Estimates) Act 2021, General Data Protection Regulation, tax legislation, employment law and relevant statute pertaining to the delivery of services.

Audit response to identified risk

As a result of performing the above, the procedures I implemented to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements
- enquiring of management, the Audit and Risk Assurance Committee concerning actual and potential litigation and claims
- reading and reviewing minutes of meetings of those charged with governance and the Board and internal audit reports
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business
- using analytical procedures to identify any unusual or unexpected relationships
- inspecting transactions in the period prior to and following 31 March 2022 to verify revenue had been recognised in the correct accounting period
- inspecting transactions in the period prior to and following 31 March 2022 to verify expenditure had been recognised in the correct accounting period
- evaluating accruals posted as at 31 March 2022 and verifying accruals are appropriate and accurately recorded

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain appropriate evidence sufficient to give reasonable assurance that the Statement of Outturn against Parliamentary Supply properly presents the outturn against voted Parliamentary control totals and that those totals have not been exceeded. The voted Parliamentary control totals are Departmental Expenditure Limits (Resource and Capital), Annually Managed

Expenditure (Resource and Capital), Non-Budget (Resource) and Net Cash Requirement.

I am also required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

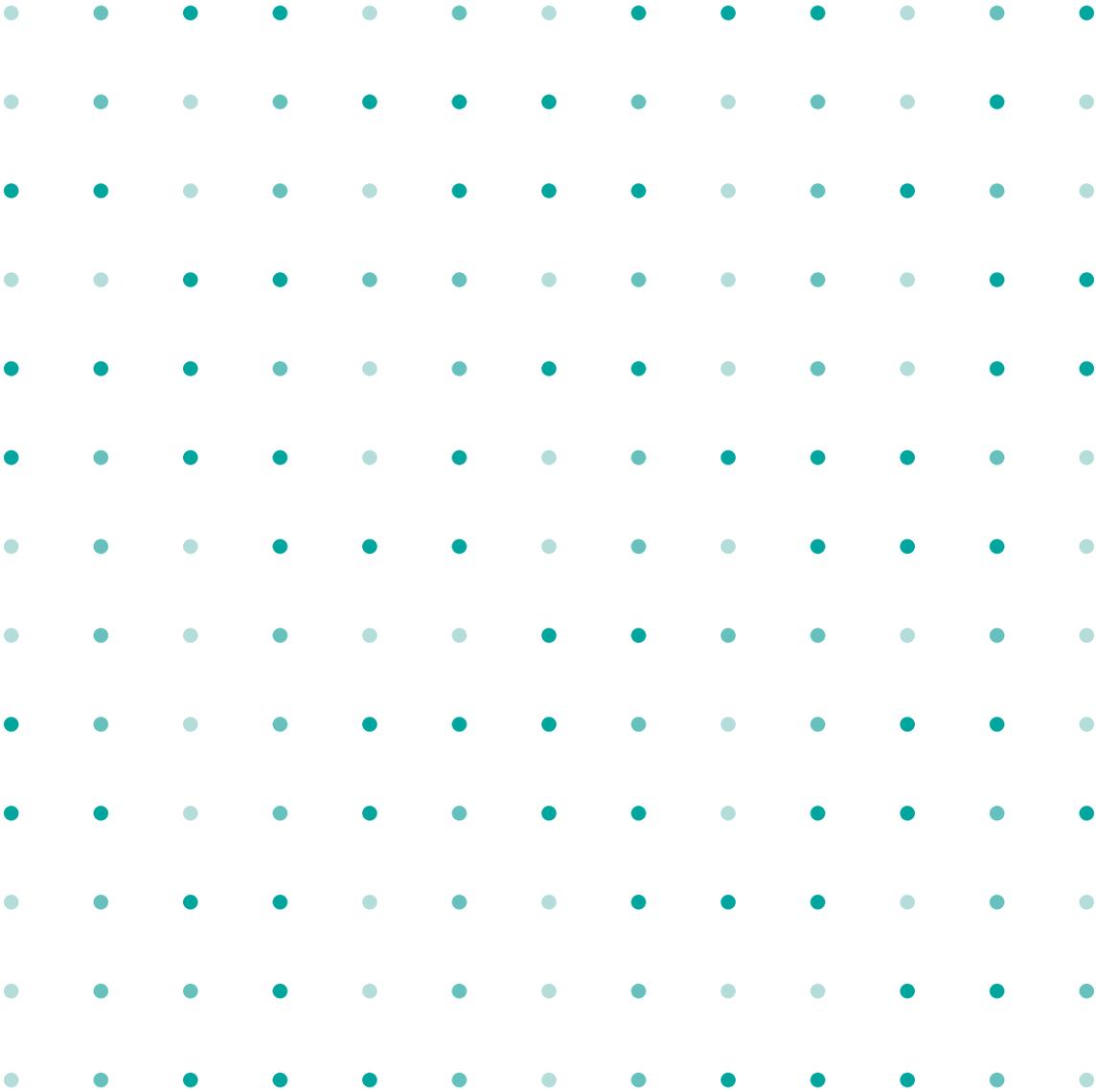
Report

I have no observations to make on these financial statements.

Gareth Davies

Comptroller and Auditor General
National Audit Office
12 July 2022

157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP



Statement of Comprehensive Net Expenditure

For the Year to 31 March 2022

	Note	2021/22 £'000	2020/21 £'000
Revenue from contracts with customers	5	(446,442)	(403,916)
Other operating income	5	(6,748)	(4,288)
Capital grants received	5	(123)	(652)
Total operating income		(453,313)	(408,856)
Staff costs	3	310,285	254,857
Purchase of goods and services	4	580,544	602,349
Depreciation and impairment charges	4	10,836	11,579
Provision expense	4	5,382	10,221
Other operating expenditure	4	31,142	97
Total operating expenditure		938,189	879,103
Net operating expenditure		484,876	470,247
Net expenditure for the year		484,876	470,247
Other comprehensive net expenditure			
Net (gain)/loss on revaluation of property, plant and equipment		4,647	(137)
Net (gain)/loss on revaluation of intangible assets		(473)	(8)
Comprehensive net expenditure for the year		489,050	470,102

Note

The notes on pages 118 to 149 form part of these accounts.

Statement of Financial Position

as at 31 March 2022

	Note	2021/22 £'000	2020/21 £'000
Non-current assets			
Property, plant and equipment	6	15,141	46,820
Intangible assets	7	10,873	11,576
Financial assets	9	96	52
Total non-current assets		26,110	58,778
Current assets			
Trade and other receivables	9	47,480	85,762
Other current assets	9	28,611	25,282
Cash and cash equivalents	10	14,169	21,266
Total current assets		90,260	132,310
Total assets		116,370	190,758
Current liabilities			
Trade and other payables	11	(86,226)	(151,850)
Provisions	12	(7,240)	(11,304)
Other financial liabilities	14	(111)	(111)
Total current liabilities		(93,576)	(163,265)
Total assets less current liabilities		22,794	27,493
Non-current liabilities:			
Provisions	12	(291)	(2,062)
Other financial liabilities	14	(220)	(328)
Total non-current liabilities		(511)	(2,390)
Assets less liabilities		22,283	25,103
Taxpayers' equity and other reserves:			
General Fund		19,437	13,820
Revaluation Reserve		2,846	11,283
Total equity		22,283	25,103

Note

The notes on pages 118 to 149 form part of these accounts.



Professor Sir Ian Diamond

Accounting Officer

UK Statistics Authority

6 July 2022

Statement of Cash Flows

For the period ending 31 March 2022

	Note	2021/22 £'000	2020/21 £'000
Cash flows from operating activities			
Net operating expenditure		(484,876)	(470,247)
Adjustment for non-cash transactions	4	47,360	21,897
Decrease/(Increase) in trade and other receivables	9	34,909	(94,603)
(Decrease)/Increase in trade payables	11	(65,624)	106,477
(Decrease)/Increase in other financial liabilities	14	(108)	439
Decrease/(Increase) in amounts due to the Consolidated Fund for Supply		7,098	(12,986)
Increase/(Decrease) in capital accruals relating to investing activities	6, 7	(1,337)	(250)
Change in working capital			
Use of provisions	12	(11,217)	(250)
Write-off of GPA funded AUC		(77)	-
Other movements in working capital		(2)	(2)
Net cash (outflow)/inflow from operating activities		(473,875)	(449,525)
Cash flows from investing activities			
Purchase of property, plant and equipment	6	(9,603)	(7,091)
Purchase of intangible assets	7	(4,053)	(4,009)
Increase/(Decrease) in capital accruals relating to investing activities	6, 7	1,337	250
Net cash (outflow)/inflow from investing activities		(12,319)	(10,850)
Cash flows from financing activities			
From the Consolidated Fund (Supply) – current year		479,096	473,361
Net Financing		479,096	473,361
Net increase/(decrease) in cash and cash equivalents in the period before adjustments from payments to the Consolidated Fund		(7,097)	12,986
Net increase/(decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund		(7,097)	12,986
Cash and cash equivalents at the beginning of the period		21,266	8,280
Cash and cash equivalents at the end of the period		14,169	21,266

Note

The notes on pages 118 to 149 form part of these accounts

Statement of Changes in Taxpayers' Equity

For the period ending 31 March 2022

	Note	General Fund £'000	Revaluation Reserve £'000	Total Reserves £'000
Balance at 1 April 2020		21,137	13,596	34,733
Net Parliamentary Funding		473,361	-	473,361
Comprehensive net expenditure for the year	SoCNE	(470,247)	-	(470,247)
Auditor's Remuneration	4	97	-	97
Transfers between reserves		2,458	(2,458)	-
Net (loss) on revaluation of property, plant and equipment	6	-	137	137
Net gain on revaluation of intangible assets	7	-	8	8
Amounts issued from the Consolidated Fund for supply but not spent at year end		(21,266)	-	(21,266)
Deemed supply	10	8,280	-	8,280
Balance at 31 March 2021		13,820	11,283	25,103
Net Parliamentary Funding		479,096	-	479,096
Comprehensive net expenditure for the year		(484,876)	-	(484,876)
Auditor's Remuneration	4	112	-	112
Write-off of GPA funded AUC		(77)	-	(77)
Transfers between reserves		4,263	(4,263)	-
Net loss on revaluation of property, plant and equipment	6	-	(4,647)	(4,647)
Net gain on revaluation of intangible assets	7	-	473	473
Amounts issued from the Consolidated Fund for supply but not spent at month end	10	(14,168)	-	(14,168)
Deemed supply	10	21,266	-	21,266
Balance at 31 March 2022		19,437	2,846	22,283

Note

The General Fund is used to account for all financial resources, except for capitalised assets.

The Revaluation Reserve records unrealised gains and losses on revaluation of assets. The notes on pages 118 to 149 form part of these accounts.

Notes to the Accounts

1. Statement of Accounting Policies and Accounting Convention

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards.

The 2021/22 Government Financial Reporting Manual (FReM) applies International Financial Reporting Standards (IFRS), adapted or interpreted for the public sector. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the UK Statistics Authority for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Authority are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

In addition to the primary statements prepared under IFRS, the FReM also requires the Authority to prepare two additional primary statements. The Statement of Outturn Against Parliamentary Supply and supporting notes show outturn against Estimate in terms of the net resource requirement and the Net Cash Requirement.

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment and in-house software.

The Authority is primarily resourced by funds approved by the House of Commons through the annual Appropriation Act. Resources are drawn down each month to meet expenditure requirements and are credited to the General Fund. The functional currency for the UK Statistics Authority is pounds sterling; the Authority keeps a small balance of sterling and euros as well as shopping vouchers and postage stamps.

Going concern

The Authority anticipates continued funding to promote and safeguard the production of official statistics that serve the public good, as evidenced by the inclusion of financial provision for that service in the SR21 settlement agreement with HM Treasury. This is sufficient evidence that the Authority remains a going concern in accordance with the continuity of service principle outlined within the FReM.

Property, plant and equipment

Property, plant and equipment (PPE) assets include buildings, computers, and associated equipment, office machinery, and furniture and fittings.

Civil Estate property is occupied in Newport, Titchfield and Christchurch. Ownership of the land and buildings was transferred to the Government Property Agency on 30th September 2021 at current market value using professional valuations.

Expenditure on the short-term property lease at Drummond Gate is stated at current cost by using indices taken from the Authority's publication "Price Index Numbers for Current Cost Accounting".

All other PPE assets are re-valued from the beginning of the quarter of acquisition. These assets are stated at current costs by using indices taken from the Authority's publication Price Index Numbers for Current Cost Accounting.

PPE assets must exceed the capitalisation threshold of £5,000 (excluding VAT) and have a life greater than one year.

Intangible assets

Intangible assets consist of software licenses and in-house developed software. Software licenses are not re-valued and are included at depreciated historical cost.

In-house developed software is stated at current costs by using indices developed by the Office for National Statistics (ONS) National Accounts Division.

In House Developed Software assets must exceed a capitalisation threshold of £50,000 (excluding VAT) and have a life greater than one year.

Software Licenses must exceed a capitalisation threshold of £5,000 (excluding VAT) and have a life greater than one year.

Statistical records

Statistical information has built up over many years and is stored for reference purposes. No attempt is made to value this data, as there is no realistic way of doing so that would arrive at a meaningful valuation. The cost of storing and maintaining the data is charged to the Statement of Comprehensive Net Expenditure as incurred.

Depreciation and amortisation

Depreciation is calculated so as to write off the re-valued cost of assets over the estimated useful economic life on a straight-line basis (except where otherwise indicated), as follows:

Classification	Depreciation/Amortisation methodology
Civil Estate Land	Not depreciated
Leasehold property	Over the term of the lease
Computer assets	Between three and seven years
Office machinery	Between four and seven years
Furniture and fittings	Between four and ten years
In-house developed software	Between two and six years
Software licenses	Between two and six years

Note

In-house developed software is assigned a useful economic life (UEL) of between two and six years at the time of capitalisation. Technical circumstances can change for an asset during its life, resulting in the UEL being extended and therefore exceeding six years on occasion.

For property, plant and equipment a full year's depreciation is charged in the year of acquisition with the exception of building refurbishments where depreciation is charged from the quarter in which the assets are completed.

In-house developed software and applications are amortised between a range of two and six years, (subject to an annual review), charged from the quarter in which the assets are completed.

Perpetual software licenses are amortised on a straight-line basis over a life of four years. Where software licenses are over a specific period they are depreciated over this useful life.

Each group of assets is reviewed annually for impairment.

Assets in the course of construction

Assets under construction are capitalised as appropriate where meeting the requirements of IAS 16 or IAS 38 and transferred out of assets under construction into the relevant category of PPE or intangibles on completion.

Research and development

The Authority undertakes certain research into statistical and survey methodology. Costs are charged to the Statement of Comprehensive Net Expenditure as they arise.

As required under European System of Accounts (ESA) 10 Research and Development costs are charged to Capital within the Statement of Parliamentary Supply. The reconciliation between the Statement of Comprehensive Net Expenditure and the Statement of Parliamentary Supply is shown at SOPS Note 2.

Assets held for sale

Assets held for sale comprise properties, plant and equipment that are no longer in operational use and are available for immediate sale in their present condition and are being actively marketed. The assets are classified from non-current to current assets at sales prices less costs to sell. Assets held for sale are not depreciated.

Revenue from contracts with customers

Under IFRS 15, key judgements in determining the recognition and timing of revenue recognition are identified at the point when:

- control of goods and services is transferred under contractual arrangements and services to the customer
- performance obligations are satisfied, whether at a point in time or over time

Most of the Authority's performance obligations relate to services satisfied over time.

The Authority applies the five-stage model for the recognition of revenue from contracts with customers:

Step 1 – Identify the contract(s) with a customer.

Step 2 – Identify the performance obligations in the contract.

Step 3 – Determine the transaction price.

Step 4 – Allocate the transaction price to the performance obligations in the contract.

Step 5 – Recognise revenue when the Authority satisfies a performance obligation.

The application of the model depended on the facts and circumstances presented in a contract with a customer and requires the exercise of judgement. Revenue related to performance obligations recognised over time as the service is rendered is measured by reference to either input (resources consumed in satisfying a performance obligation) or output (measurements of value to the customer of services transferred) methods.

The Authority recognises revenue using an input method based on overheads incurred. Revenue is calculated by reference to reliable estimates and total expected costs. Revenue and associated margin are therefore recognised progressively as costs are incurred. The Authority has determined this method faithfully depicts the Authority's performance in transferring control of the services to the customer.

If the overtime criteria for revenue recognition are not met, revenue is recognised at the point in time that control is transferred to the customer, when the Authority has right to payment on delivery.

Prices are calculated in accordance with Managing Public Money.

Foreign exchange

The Authority conducts a small number of transactions which are denominated in a foreign currency which are reviewed in accordance with IAS 21 and 39 (derivatives).

Transactions, other than Euros, are translated into sterling at the exchange rate ruling on the date of each transaction. Assets and liabilities denominated in Euros are translated into sterling at the exchange rate ruling at the date of the Statement of Financial Position.

Leases

Leases are reviewed in accordance with IAS 17. The total cost of operating leases is expensed in equal instalments over the life of the lease. Assets held under finance leases are capitalised as non-current assets at the inception of the lease, with a corresponding liability being recognised for the lower of the fair value of the leased asset and the present value of the minimum lease payments. Finance lease payments are apportioned between the reduction of the lease liability and finance charges in the Statement of Comprehensive Net Expenditure to achieve a constant rate of interest on the remaining balance of the liability. Assets held under finance leases are depreciated over the shorter of the estimated useful life of the asset and the lease term.

In March 2020 the UK Statistics Authority extended an agreement to lease a floor at Drummond Gate. The lease is for a period of five years with a break clause after 3 years. We do not consider the lease term to represent a major part of the remaining economic life of the building. In addition, the lease agreement does not include any terms which transfer substantially all the risks and rewards of ownership to the UK Statistics Authority. We have therefore classified the lease as an operating lease.

Following the transfer of freehold properties to the Government Property Agency, the Authority entered into 15-year lease agreements at sites occupied in Newport, Titchfield and Christchurch, commencing October 2021. The terms of these lease agreements do not include the substantial transfer of risks and rewards associated with the premises and the lease term is less than the remaining economic life of the freeholds. We have therefore recognised these leases as operational.

The Authority has also entered into an agreement to occupy premises in Edinburgh, with a lease period running for 25.5 years from October 2019. The terms of occupation do not include the substantial transfer of risks and rewards associated with the premises and the lease term is less than the remaining economic life of the building. We have therefore recognised this lease as operational.

Financial instruments

The Authority does not hold any complex financial instruments.

The only financial instruments included in the accounts are receivables and payables. Trade receivables are recognised at their amortised cost less expected credit losses in accordance with IFRS 9.

Provisions and early departure costs

The Authority provides for legal or constructive obligations which are of uncertain timing or amount at the Statement of Financial Position date on the basis of best estimate of the expenditure required to settle the obligation. Where the effect of time value is significant, provisions are discounted using the discount rates published by HM Treasury. These provisions are reviewed each year in accordance with IAS 37.

The Authority meets the responsibility of additional costs of employees who take voluntary early severance or who retire early by paying the amounts required over the period between early departure and normal retirement date. The Authority provides for this in full when the early retirement programme becomes binding.

The Authority recognises a liability for early departure costs where an obligation to pay employees exists.

The Authority recognises the obligation as a provision in the financial statements when:

- the scheme has been announced
- it has created a valid expectation that it will fulfil the obligations of the scheme

The Authority recognises the obligation as an accrued liability in the financial statements when:

- a formal signed agreement with the member of staff is in place
- the member of staff has agreed a specified leaving date

In the circumstances where we have not met the criteria listed above the exit costs will be recognised in the following financial years.

Trade receivables

Trade receivables are recognised at their amortised cost less expected credit losses in accordance with IFRS 9. Expected credit losses are based on the Authority's expectation of recovery at the year end.

Staff costs

Under IAS19 Employee Benefits, all staff costs must be recorded as an expense as soon as the organisation is obliged to pay them. This includes the cost of any untaken leave at the year end.

Cash and Cash Equivalents

The Authority holds balances of cash and cash equivalents in a readily realised form; these include cash balances, shopping vouchers and postage stamps.

VAT

Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

Programme Expenditure

Net expenditure for the year is analysed in the Statement of Comprehensive Net Expenditure between income and operating costs. The classification of expenditure and income as programme follows the definition of programme costs set out in HM Treasury Consolidated Budgeting Guidance, and as voted by Parliament in the Treasury's Supply Estimate.

Pensions

Past and present employees are covered by the provisions of the Principal Civil Service Pension Schemes as described in notes to the accounts and in the Authority's Remuneration Report. The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) are unfunded, except in respect of death in service or ill health retirement. Employees can opt to open partnership pension accounts, a stakeholder pension with employer contributions ranging from 8% to 14.75 % depending on the Employee's age. The Authority recognises the expected costs of these elements on a systematic and rational basis over a period during which it benefits from employees' services by payment to the Principal Civil Service Pension Schemes (PCSPS) of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution elements of the schemes, the Authority recognises the contribution payable for the year.

Contingent liabilities

In addition to contingent liabilities disclosed in accordance with IAS 37, the Authority discloses for parliamentary reporting and accountability purposes certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, but which have been reported to Parliament in accordance with the requirements of Managing Public Money.

Where the time value of money is material, contingent liabilities which are required to be disclosed under IAS 37 are stated at discounted amounts and the amount reported to Parliament separately noted. Contingent liabilities that are not required to be disclosed by IAS 37 are stated at the amounts reported to Parliament.

Accounting Estimates and Judgements

In preparation of the Authority's financial statements, management has made estimates and judgements that impact the amounts being reported for assets and liabilities as at the date of the Statement of Financial Position and amounts reported against income and expenditure during the year. Uncertainties are inherent in business activities, and as such, some elements of financial statements cannot be measured precisely and therefore can only be estimated. Estimation involves judgements based on the latest available, reliable information.

Definitions

Estimate

A tentative evaluation and rough calculation, of value, quantity or size. These would include:

- Depreciation
- Revaluations
- Provisions
- Accruals

Judgement

The capacity to assess situations or circumstances shrewdly and to draw sound conclusions. These would include:

- Revenue from contracts with customers
- Useful Economic Life and Impairment of In-house Software Intangible Assets
Useful Economic Life

Revenue from contracts with customers

Judgements are applied to measurement and timing of revenue recognition and related balances for contract assets, trade receivables and accrued and deferred income in the context of satisfaction of performance obligations over time or at a point in time.

Depreciation

Class of Asset	Estimated Life of Asset (Depreciation)
Civil Estate Land	Not depreciated
Freehold property	
Newport	Average component life of 17 years
Titchfield	Average component life of 14 years
Christchurch	Buildings one and three, three years and building four, 16 years
Refurbishment of leasehold property at Drummond Gate	Over the remaining term of the lease (expires in January 2025)
Office machinery	Between four and seven years
Computer hardware	Between three and seven years
Furniture and fittings	Between four and ten years
In-house developed software (intangible asset)	Between two and six years
Software licences (intangible asset)	Between two and six years
Assets under construction	Not depreciated

Note

In-house developed software is assigned a useful economic life (UEL) of between two and six years at the time of capitalisation. Technical circumstances can change for an asset during its life, resulting in the UEL being extended and therefore exceeding six years on occasion. Freehold buildings were depreciated up to September 2021, after which they were transferred to the Government Property Agency.

Revaluations

The Authority uses the indexation method (modified historic cost accounting) to adjust the value of its other tangible assets, namely Drummond Gate refurbishment costs, Office Machinery, Computer Hardware and Furniture and Fittings. Indexation is used to adjust the asset values to take into consideration market factors. This provides an estimate of their value based on judgements about the economy by the Office for National Statistics.

Increases in valuation are credited to the Revaluation Reserves. Negative revaluations, called impairments are in the first instance written off against previously upward revaluations taken to the revaluation reserves. Where no previous revaluation reserves exist the impairments are written off as an expense in the Statement of Comprehensive Net Expenditure.

The indexation method is an estimate as it deals with categories as a whole, without consideration for individual assets.

Intangible Assets Useful Economic Life

Applicable expenditure incurred in the development of internally created software is capitalised and recognised as an intangible asset if the criteria set out in the relevant accounting standards are met. The Authority has made judgements and assumptions when assessing whether a project meets these criteria and recognises an intangible asset, whether purchased or built in-house (at cost) if, and only if:

- the Authority intends to complete the asset and bring it into use
- the Authority has the ability to use the asset
- there are adequate technical, financial and other resources to complete the development and use the asset
- it is probable that the future economic benefits that are attributable to the asset will flow to the entity
- the cost of the asset can be measured reliably

Having recognised the costs and determined the economic life attributable to an intangible asset by applying IAS 38, the Authority undertakes an annual review of in-house developed software by applying IAS 36, adapted by HM Treasury for the public sector. The software does not generate future cash flows; its purpose is the support of future service potential and where an asset is not held for the purpose of generating cash flow, the value of the asset is assumed to equal the cost of replacing the asset, unless there has been a reduction in the service level. The Authority gauges the continued service potential of each in-house developed software asset by referring to the following factors:

- management information from the in-house software, including usage statistics where available
- future plans highlighted by the ONS Strategic Roadmap and the Digital, Technology and Methodology transformation plan
- information technology reviews
- business area expectations and intelligence of ongoing requirements
- the estimated remaining useful economic life of the asset

The remaining economic lives for intangible assets are estimated at between two and six years for internal projects.

A reduction in the value of in-house developed software or impairment of assets in the course of construction, resulting from decisions undertaken by the Authority in the course of normal business operations is charged to Departmental Expenditure Limit (DEL). Normal business operation covers all loss and damage to assets that result from management or staff action and the actions of third parties.

Provisions

IAS 37 defines and specifies the accounting for and disclosure of provisions, contingent liabilities, and contingent assets.

A provision is a liability of uncertain timing or amount. The liability may be a legal obligation or a constructive obligation. A constructive obligation arises from the Authority's actions, through which it has indicated to others that it will accept certain responsibilities, and as a result has created an expectation that it will discharge those responsibilities.

The Authority recognises a provision if it is probable that an outflow of cash or other economic resources will be required to settle the provision. If an outflow is not probable, the item is treated as a contingent liability.

A provision is measured at the amount that the Authority would rationally pay to settle the obligation at the end of the reporting period. Risks and uncertainties are considered in measuring a provision which is discounted to its present value.

Provisions related to voluntary exits

Provisions for voluntary exits and related accruals, are recognised in line with the accounting policies.

Provision for Bad Debts

This is based on judgement of the expected credit losses. The value of the debt is maintained by invoice based on its age and efforts are made to recover the debts by contacting the customer. The judgement of expected credit losses is based on historical general recovery rates and any known information regarding specific debts. The recognition of expected credit losses will result in a bad debt being charged against the provision. This will increase the amount of expenditure to the Statement of Comprehensive Net Expenditure in year (an increased charge to provision for bad debt) and correspondingly reduce the level of Trade Receivables held within the Current Assets (within the Statement of Financial Position).

Provision for Potential Claims

The value for provisions for tribunals and personal injury claims are based on ongoing cases at the year end and their likelihood of an outcome, with the probabilities being derived from the judgement of legal expertise the authority has employed. For example, the value of a provision for an ongoing case has been calculated based on the overall claim multiplied by the probable outcome, if there is considerable doubt over the value and timing of the claim it should be treated as a contingent liability and as such not disclosed in the financial statements. All provisions are reviewed each year in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets. The key principle

established by IAS 37 is a provision should be recognised only when there is a present obligation resulting from past events. Planned future expenditure cannot be recognised.

Provision for Unredeemed Survey Incentive Vouchers

The Authority issues shopping vouchers to survey respondents as an incentive to complete certain surveys and is billed for the cost of these vouchers once the voucher has been redeemed by the recipient. Vouchers issued to survey respondents have a three-month expiry date so an estimated judgement is made, based on redeemed rates during the year, of the probable value of unredeemed vouchers at year end that will be redeemed before expiring. As the expenditure relates to the past event of issuing the vouchers and the cash outflow is not certain, the estimated value of vouchers redeemed before expiring are accounted for as a provision.

Estates Dilapidations

The terms of any lease that the Authority has entered into states that the building should be returned in a fit state to the landlord. At any such time the Authority should consider whether there is any liability to return the property to its original state and commence discussion with the landlord. Negotiations with the landlord will precede any such provision for dilapidations and be based on the estimated cost of returning the property back to its original state.

The accounting treatment for Potential Claims and Dilapidations is to charge the costs to the Statement of Net Comprehensive Expenditure in the accounting period they arise, along with increasing the provision balances held on the Statement of Financial Position. When an actual payment is made relating to these specific entries, the actual payment is made against the provision with no charge to the Statement of Net Comprehensive Expenditure.

Discounting of long term provisions

Where the effect of time value is significant, provisions are discounted at the following rates:

	General Provisions Nominal Rates	Inflation	Post-Employment Benefits Real Rate
Year 1	0.47%	4.0%	(1.3)%
Year 2	0.47%	2.6%	(1.3)%
Year 3	0.47%	2.0%	(1.3)%
Year 4	0.47%	2.0%	(1.3)%
Year 5	0.47%	2.0%	(1.3)%

Note

These rates are published by HM Treasury.

Accruals

Accruals are an accounting methodology that records income and expenditure when they occur; ensuring costs are recorded in the same period as the activity regardless of when cash is exchanged. The term accrual refers to any individual entry recording income and expense in the absence of a cash transaction.

These occur throughout the year to ensure monthly reporting is as complete as possible, but its primary purpose is to ensure the Annual Accounts represent a true and fair view of the Authority's financial position.

When goods or services are received prior to the financial year end but the invoice is not expected until the following financial year, an accrual is made to ensure that the charge is recognised in the correct accounting period. Other goods and services will require a quote previously provided such as a capital item to be delivered or calculation, such as a timesheet multiplied by the hourly rate for an employment agency accrual.

Holiday and flexi leave pre-payments and accruals are calculated by comparing the expected year-end balance against the actual balance at 31 March. The expected balance is calculated by spreading the entitlement evenly over the year taking into consideration the leave year start date for each member of staff. This is compared to the actual balance held; the balance is valued by grade using staff planning rates.

The Authority is currently compliant in meeting its reporting requirements relating to estimates and judgements and where these estimates change, they are amended within the guidelines of accounting standard IAS 8.

Standards Not Yet Adopted

IFRS 16

IFRS 16 provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases with the exception of short-term and low value leases. Assets and liabilities will be recognised on a 'right to use' basis, and are identified by being explicitly specified in a contract, or implicitly specified at the time it is made available for use by the Authority.

Due to the COVID-19 pandemic and resulting resource pressure being experienced by departments, the Financial Reporting Advisory Board (FRAB) and HM Treasury agreed that the mandatory effective date for IFRS 16 in central government was to be deferred from 1 April 2021 to 1 April 2022.

The Authority will adopt the IFRS 16 Lease Standard from 2022/23 in line with the mandatory effective date of 1 April 2022. The Authority anticipates the deferral and future implementation of the standard will impact on the Statement of Financial Position, primarily due to the transfer of its freehold assets to the Government Property Agency (page 139). The transfer and subsequent lease back of the assets will require a lease liability and recognition of right of use assets (an estimated £44.1m asset and liability before discounting in relation to the three freehold assets transferred). All other current lease commitments, for which IFRS 16 will apply, will amount to an estimated £0.8m right of use asset and liability before discounting is applied.

IFRS 16 liabilities will be measured using the single HM Treasury nominal discount rate for leases, the rate for the full calendar year 2022 is 0.95%. From the 1 April 2022, the Authority will recognise total IFRS 16 right of use assets and liabilities at a present value of £42.2m.

2. Segmental Information of Expenditure and Income

The following information is regularly provided in order to inform the decision making by the National Statistician's Executive Group and the primary Chief Operating Decision Maker (CODM) of the UK Statistics Authority to make decisions regarding planning, resource allocation and income, as well as performance monitoring.

	2021/22					2020/21				
	Gross Expenditure £'000	Customer Contracts Income £'000	Other Income £'000	Total Income £'000	Net Expenditure £'000	Gross Expenditure £'000	Customer Contracts Income £'000	Other Income £'000	Total Income £'000	Net Expenditure £'000
Reportable segments										
Corporate support	50,373	(24,384)	(2,386)	(26,770)	23,603	72,643	(17,041)	(3,288)	(20,329)	52,314
Data growth and operations	19,900	(147)	(3)	(150)	19,750	15,375	(439)	-	(439)	14,496
Data science campus	5,620	(76)	(12)	(88)	5,532	5,660	(902)	-	(902)	4,758
Digital services and technology	89,936	-	-	-	89,936	82,262	-	-	-	82,262
Economic Statistics	25,615	(155)	(1,146)	(1,301)	24,313	20,007	(171)	(197)	(368)	19,639
Health analysis and pandemic insight	416,000	(398,291)	(801)	(399,092)	16,908	372,229	(365,710)	(62)	(365,772)	6,457
Health population and methods transformation	129,828	(95)	(86)	(181)	129,647	145,569	(47)	(69)	(116)	145,455
Integrated data programme and service	12,234	-	(54)	(5,916)	6,318	5,281	(4,623)	-	(4,623)	658
Leadership	1,838	-	-	-	1,838	1,051	-	-	-	1,051
Macroeconomic statistics and analysis	24,256	-	(975)	(975)	23,279	23,059	(152)	(215)	(367)	22,692
Methodology and quality	14,199	-	(51)	(51)	14,148	11,513	-	-	-	11,513
Public policy analysis	20,656	(3,434)	(572)	(4,006)	16,650	14,547	(2,818)	(268)	(3,086)	11,461
Surveys	77,625	(14,000)	(783)	(14,783)	62,842	81,824	(12,013)	(841)	(12,854)	68,970
UK Statistics Authority	2,613	-	-	-	2,613	(2,541)	-	-	-	(2,541)
Total	890,693	(446,444)	(6,869)	(453,313)	437,380	853,561	(403,916)	(4,940)	(408,856)	444,705

Note

Internal restructure meant a revised list as to that previously published

Census related expenditure and income reported in the Segmental Information Table

	2021/22			2020/21		
	Gross Expenditure £'000	Total Income £'000	Net Expenditure £000	Gross Expenditure £'000	Total Income £'000	Net Expenditure £000
Reportable segments						
Corporate support	18,923	-	18,923	*34,220	-	*34,200
Data growth and operations	4,762	-	4,762	*4,553	-	*4,553
Digital services and technology	30,418	-	30,418	*31,535	-	*31,535
Economic statistics	1,200	-	1,200	*157	-	*157
Health analysis and pandemic insight	673	-	673	*258	-	*258
Health population and methods transformation	124,665	-	124,665	*140,081	-	*140,081
Integrated data programme and service	1	-	1	*0	-	*0
Leadership	-	-	-	*28	-	*28
Macroeconomic statistics and analysis	170	-	170	*14	-	*14
Methodology and quality	4,326	-	4,326	*3,780	-	*3,780
Public policy analysis	2,416	-	2,416	*622	-	*622
Surveys	21,159	-	21,159	*26,132	-	*26,132
Total	208,713	-	208,713	*241,380	-	241,380

Note

*20/21 Census numbers restated due to updated mapping to latest Authority Programme Hierarchy

Reconciliation between segment information and net operating cost in the statement of comprehensive net expenditure.

		2021/22			2020/21		
	Note	Gross Expenditure £'000	Total Income £'000	Net Expenditure £000	Gross Expenditure £'000	Total Income £'000	Net Expenditure £000
Total reported by segment		890,693	(453,313)	437,380	853,561	(408,856)	444,705
Reconciling items							
Depreciation	4	10,836	-	10,836	11,579	-	11,579
Provisions created in year	12	5,435	-	5,435	10,791	-	10,791
Provisions not required in year	12	-	-	-	(563)	-	(563)
Unwinding discount on provisions	4	(53)	-	(53)	(7)	-	(7)
Performance related pay year end accrual	3	80	-	80	300	-	300
Loss on disposal of equipment	4	830	-	830	-	-	-
Land and buildings transfer to GPA	-	30,200	-	30,200	-	-	-
Movement in holiday pay	9 & 11	168	-	168	3,442	-	3,442
Statement of comprehensive net expenditure		938,189	(453,313)	484,876	879,103	(408,856)	470,247

Note

Net assets are not reported separately to the CODM.

3. Staff Numbers and related Costs

For the period ending 31 March 2022

	Permanently employment Staff £'000	Others £'000	2021/22	2020/21
			Total £'000	Total £'000
Statistical services staff costs	183,685	9,984	193,669	167,782
Census field staff costs	-	43,964	43,964	27,623
Social security costs	18,407	-	18,407	14,955
Census field staff social security costs	-	3,180	3,180	1,940
Other pension costs	48,273	-	48,273	40,118
Census field staff other pension costs	-	1,655	1,655	1,561
Tax and Levies	904	-	904	753
Census tax and levies	-	233	233	125
Total	251,269	59,016	310,285	254,857
Less recoveries in respect of outward secondments	(197)	-	(197)	(310)
Total net costs	251,072	59,016	310,088	254,547

Note Statistical Services Staff Costs includes £11,744,000 of research and development costs which are analysed as capital expenditure in the Statement of Parliamentary Supply, SOPS 1 and SOP2.

Staff numbers

	Permanently employment Staff FTE	Others FTE	2021/22	2020/21
			Total FTE	Total FTE
Objective statistical services	4,836	290	5,126	4,536
Census Field	-	1,521	1,521	1,488
Total	4,836	1,811	6,647	6,024

Note Statistical services staff numbers are calculated using the average number of staff on the payroll each month rather than at year end. Census Field staff numbers are calculated using the average number of staff on the payroll each week.

Capitalised staff costs

	2021/22		2020/21	
	Cost £'000	FTE's	Cost £'000	FTE's
Survey data collection	-	-	1,198	33
Data access platform	-	-	16	2
Clerical matching	8	1	10	3
Total	8	1	1,224	38

Note The 2021/22 salary figures reflect a net yearly cost of £168,000 of accrued holiday and flexi pay, and PRP of £80,000. In addition to the £251,072,000 reported total net costs, £8,000 of salary costs were categorised as capital expenditure (£1,224,000 2020/21) and not included in the operating cost statement.

4. Programme costs

	2021/22			2020/21		
	Census £'000	Other £'000	Total £000	Census £'000	Other £'000	Total £000
Rentals under operating leases						
Other operating leases	31	2,450	2,481	-	977	977
Hire of plant and machinery	4,196	198	4,394	1,159	311	1,470
	4,227	2,648	6,875	1,159	1,288	2,447
Non-cash items						
Depreciation	1,401	9,435	10,836	*1,344	*10,235	11,579
Grant expense	-	30,200	30,200	-	-	-
Unwinding and rewinding of discount on provisions	-	(53)	(53)	-	(7)	(7)
External audit fee	-	112	112	-	97	97
Loss on disposal of equipment	-	830	830	-	-	-
Net new provisions changed in year/(net release of provisions)	-	5,435	5,435	-	10,228	10,228
	1,401	45,959	47,360	*1,334	*20,553	21,897
Payments for carrying out surveys	557	288,042	288,599	*(2)	*275,923	275,921
Survey incentives	1,382	122,135	123,517	*781	*98,891	99,672
Other expenditure	41,759	9,095	50,854	*78,718	6,247	84,965
Information technology	15,842	30,864	46,706	*19,061	27,707	46,768
Contractors	17,141	18,950	36,091	*17,706	*10,679	28,385
Consultancy	6,114	4,223	10,337	*5,008	1,057	6,065
Miscellaneous fees	3,025	4,359	7,384	*5,715	3,876	9,591
Travel and subsistence	3,133	1,819	4,952	*1,453	*839	2,292
Telecommunications	2,441	1,552	3,993	2,716	1,914	4,630
Accommodation	30	3,800	3,830	*379	*8,994	9,373
Postage	180	2,769	2,949	*383	*2,409	2,792
External training	448	2,356	2,804	*202	*2,482	2,684
Marketing and media	2,054	(171)	1,883	*24,633	*680	25,313
Hospitality	398	252	650	1,120	30	1,150
Stationery	62	231	293	*82	*208	290
Exchange rate (gains)/losses	-	10	10	-	(10)	(10)
Ex-gratia payments	1	3	4	-	1	1
	94,567	490,289	584,856	*157,955	*441,947	599,902
Total programme costs	100,195	538,896	639,091	*160,458	*463,788	624,246

Note

There were no non-audit fees incurred in 2021/22 (2020/21 nil).

*20/21 Census numbers restated due to updated mapping to latest Authority Programme Hierarchy

5. Income

For the period ending 31 March 2022

	2021/22 £'000	2020/21 £'000
Customer contracts	446,442	403,916
Other	6,753	4,127
Capital grants received	123	652
EU income	(5)	161
Total	453,313	408,856

An analysis of income from services provided external and public sector customers is as follows:

	2021/22			2020/21		
	External £'000	Public sector £'000	Total £'000	External £'000	Public sector £'000	Total £'000
Customer contracts	7,506	438,936	446,442	5,150	398,766	403,916
Other	558	6,195	6,753	329	3,798	4,127
Capital grants received	-	123	123	-	652	652
EU income	(5)	-	(5)	161	-	161
Total	8,059	445,254	453,313	5,640	403,216	408,856

6. Property, plant and equipment

For the period ending 31 March 2022

	Land £'000	Building £'000	Computers £'000	Office machinery £'000	Furniture and fittings £'000	Assets Under Construction £'000	Total £'000
Cost or Valuation							
At April 2020	8,690	25,003	22,609	767	5,071	1,862	64,002
Additions	-	-	2,310	944	916	2,921	7,091
Transfers	-	2,548	-	-	-	(2,548)	-
Disposals	-	-	(665)	(46)	(278)	-	(989)
Revaluations	555	(2,352)	(56)	(43)	75	-	(1,821)
At 31 March 2021	9,245	25,199	24,198	1,622	5,784	2,235	68,283
Depreciation							
At April 2020	-	33	14,438	436	1,900	-	16,807
Charged in year	-	1,945	4,828	366	464	-	7,603
Disposals	-	-	(665)	(46)	(278)	-	(989)
Revaluations	-	(1,924)	(41)	(24)	31	-	(1,958)
At 31 March 2021	-	54	18,560	732	2,117	-	21,463
Cost or Valuation							
At April 2021	9,245	25,199	24,198	1,622	5,784	2,235	68,283
Additions	-	-	1,809	71	4,860	2,863	9,603
Transfers	-	1,830	-	-	-	(1,830)	-
Disposals	(9,060)	(21,140)	-	(7)	(1,390)	-	(31,597)
Revaluations	(185)	(5,781)	(237)	(26)	883	-	(5,346)
At 31 March 2022	-	108	25,770	1,660	10,137	3,268	40,943
Depreciation							
At April 2021	-	54	18,560	732	2,117	-	21,463
Charged in year	-	842	3,578	346	840	-	5,606
Disposals	-	-	-	(7)	(560)	-	(567)
Revaluations	-	(814)	(160)	(19)	293	-	(700)
At 31 March 2022	-	82	21,978	1,052	2,692	-	25,802
Net Book Value							
At 31 March 2021	9,245	25,145	5,638	890	3,667	2,235	46,820
At 31 March 2022	-	26	3,792	608	7,447	3,268	15,141
Asset Financing							
Owned	-	26	3,792	249	7,447	3,268	14,782
Leased	-	-	-	359	-	-	359
Net book value at 31 March 2022	-	26	3,792	608	7,447	3,268	15,141

Notes for Property, plant and equipment table on page 138

Included in the £9,603,000 of additions are £1,849,000 of capital creditors. The total amount of capital creditors brought forwards from 2020/21 was £766,000.

The Authority transferred land and buildings to the Government Property Agency (GPA) on 30 September 2021. Further details of the transfer can be found below.

The Authority calculates and publishes indices, which are used to value non-property assets on a quarterly basis.

Transfer of Authority's Freehold Property to GPA

In August 2020, departments received instructions from the Chief Secretary to the Treasury to transfer ownership of their freehold properties to the Government Property Agency (GPA). The Authority completed the transfer of its three freehold properties and associated revaluation reserve to GPA on 30 September 2021 and subsequently leased those properties back from 1 October 2021.

Property	Valuation at Transfer £'000	Revaluation Reserve Transferred £'000
Government Buildings, Newport NP10 8XG	15,675	482
ONS Titchfield, Fareham PO15 5RR	11,800	2,038
ONS Christchurch, Christchurch BH23 3QA	2,725	1,387
Total Transferred	30,200	3,907

The freehold assets listed above, were subject to a professional valuation by Montagu Evans prior to the transfer date of 30 September 2021. Movements in net book value as a result of this revaluation were adjusted prior to the transfer to the GPA and charged to the Authority's revaluation reserve.

Montagu Evans valued the Authority's freehold properties at £30.2m, which compared with a net book value of assets being transferred of £35.4m. The difference of £5.2m was charged to the revaluation reserve prior to transfer.

The freehold assets were transferred to the GPA at nil consideration and in accordance with IAS 20 Accounting for Government Grants and Disclosure of Government Assistance, resulting in a capital grant in kind expense in the Statement of Comprehensive Net Expenditure and a PPE disposal of the same amount.

7. Intangible Fixed Assets

	In house software £'000	Software Licenses £'000	Assets under construction £'000	Total £'000
Valuation				
At April 2020	46,105	7,321	4,015	57,441
Additions	-	1,530	2,476	4,006
Transfers from assets under construction	5,229	-	(5,229)	-
Disposals	(10,434)	(134)	-	(10,568)
Revaluations	285	-	-	285
At 31 March 2021	41,185	8,717	1,262	51,164
Amortisation				
At April 2020	40,474	5,429	-	45,903
Charged in year	2,124	1,852	-	3,976
Disposals	(10,434)	(134)	-	(10,568)
Revaluations	277	-	-	277
At 31 March 2021	32,441	7,147	-	39,588
Valuation				
At April 2021	41,185	8,717	1,262	51,164
Additions	-	3,778	275	4,053
Transfers from assets under construction	1,285	-	(1,285)	-
Disposals	-	-	-	-
Revaluations	2,449	-	-	2,449
At 31 March 2022	44,919	12,495	252	57,666
Amortisation				
At April 2021	32,441	7,147	-	39,588
Charged in year	3,447	1,783	-	5,230
Disposals	-	-	-	-
Revaluations	1,975	-	-	1,975
At 31 March 2022	37,863	8,930	-	46,793
Net book value 31 March 2021	8,744	1,570	1,262	11,576
Net book value 31 March 2022	7,056	3,565	252	10,873

Notes

The net book value of in-house developed software would be £6,547,000 if historic cost accounting had been applied. The Authority calculates indices to value in-house developed software assets on a quarterly basis. The Authority does not revalue software licenses. Included in the £4,053,000 of capital additions are £261,000 of capital creditors and the amount brought forward from 2020/21 is £7,000.

Intangible Fixed Assets – In-house developed software applications

For the period ending 31 March 2022

	CORD	CASPA	CORA	Electronic Data Collection	Virtual Micro Laboratory	Improving Dissemination	Longitudinal Study	Business Prices	Life Events	Data Access Platform	DCTP Business Registers	Clerical Matching	Total In house software
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Valuation													
At April 2020	9,180	17,774	3,691	5,730	272	1,386	715	137	5,734	768	718	-	46,105
Disposals	-	-	(3,691)	(4,370)	(272)	(1,386)	(715)	-	-	-	-	-	(10,434)
Transfers from AUC	-	-	-	4,816	-	-	-	-	-	413	-	-	5,229
Revaluations	74	143	-	11	-	-	-	-	45	6	6	-	285
At 31 March 2021	9,254	17,917	-	6,187	-	-	-	137	5,779	1,187	724	-	41,185
Amortisation													
At April 2020	8,245	16,779	3,691	4,869	272	1,386	715	130	3,853	372	162	-	40,474
Charged in year	203	328	-	379	-	-	-	9	626	402	177	-	2,124
Disposals	-	-	(3,691)	(4,370)	(272)	(1,386)	(715)	-	-	-	-	-	(10,434)
Revaluations	70	143	-	10	-	-	-	(2)	44	7	5	-	277
At 31 March 2021	8,518	17,250	-	888	-	-	-	137	4,523	781	344	-	32,441
Valuation													
At April 2021	9,254	17,917	-	6,187	-	-	-	137	5,779	1,187	724	-	41,185
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from AUC	-	-	-	-	-	-	-	-	-	-	-	1,285	1,285
Revaluations	535	1,037	-	358	-	-	-	-	334	69	42	74	2,449
At 31 March 2022	9,789	18,954	-	6,545	-	-	-	137	6,113	1,256	766	1,359	44,919
Amortisation													
At April 2021	8,518	17,250	-	888	-	-	-	137	4,523	781	344	-	32,441
Charged in year	211	343	-	1,461	-	-	-	-	656	417	188	171	3,447
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Revaluations	499	1,009	-	97	-	-	-	-	282	58	26	4	1,975
At 31 March 2022	9,228	18,602	-	2,446	-	-	-	137	5,461	1,256	558	175	37,863
Net book value 31 March 2021	736	667	-	5,299	-	-	-	-	1,256	406	380	-	8,744
Net book value 31 March 2022	561	352	-	4,099	-	-	-	-	652	-	208	1,184	7,056
Remaining useful economic life	3	1	-	2	-	-	-	-	1	-	2	6	

Notes for Intangible Fixed Assets – In-house developed software applications table on page 141

CORD (Central ONS Repository for Data) is the primary system used to compile the National Accounts including Quarterly National Accounts, Retail Sales Index and Trade (Goods and Services). The CORD platform capability is currently being enhanced to support the processing requirements to deliver the National Accounts in-line with the European System of Accounts 2012 Programme. This will be achieved through progressive improvements in statistical methods, data and system performance.

The Social Survey Repository replaced the Annual Population Survey/ Labour Force Survey re-weighting and Scientific Information Retrieval 2002 systems based in Newport, which currently weight, re-weight, impute, produce derived variables, attach geographies and store the APS and LFS data. It is built on the CASPA platform (Common Architecture for Statistical Processing and Analysis).

CORA (Common Open Road Architecture) was a software platform for the processing of business-related statistical surveys and was replaced by Ingres Open Road software in 2020/21.

The Electronic Data Collection programme (EDC) aims to develop systems, methods and processes to improve the collection, integration and processing of data in relation to the UK's economy and society.

The software is part of an ongoing Data Collection Transformation Programme to modernise antiquated data collection modes, such as paper-based questionnaires, with a range of electronic data collection channels, making further use of the Web and administrative sources.

The Virtual Micro Laboratory (VML) provided a facility for researchers to review and collate administrative data, the Secure Research Service and the Statistical Research Environment have replaced the VML in performing this function.

The Improving Dissemination program has delivered a new, modern website with improved search and navigation. The programme also delivered new internal systems for statistical production areas to release outputs. As the program has delivered the benefits it was designed to achieve, the asset was disposed in 2020/21.

The Longitudinal Study provided valuable social research which linked life events and Census data back to 1971. The programmes aim was to improve the analysis of occupational mortality and provide better information on fertility and birth rates. Census and Admin Data now provides this research as part of the Census Data Collection Transformation Programme.

The Business Prices programme provides additional functionality to include more respondents in line with Prices Surveys.

The Life Events software replaces the legacy system for processing and quality assuring life events registrations. The data held relates to registrations of Births, Deaths, Abortions, and Birth Notifications.

The software itself is an interim step towards the inclusion of Life Events on a corporate platform in 12 months time. Due to the short time period until the transfer onto Corporate Platforms.

DCTP Business Registers is a result of a Project Review in 2017-18, where three separate components, the Address Index, the Business Index and the Statistical Business register were reviewed and combined within one project. The development provides a new capability for ONS, increases efficiency, joins up across ONS and government, and puts ONS at the forefront of data management in government. This project will create high quality statistics, where discontinuities between the current and future system can be explained to an appropriate level of granularity. It will enable the ONS milestone of making short-term surveys integrated and online.

Data Access Platform (DAP) - The ONS Strategy is to utilise new data sources and processing techniques to enable us deliver "Better Statistics, Better Decisions" this means utilising Big Data, bringing in data from other departments and companies, being able to explore that data and link it together to gain new insights. DAP is an enabler for that strategy, giving the ONS the tools and technology it needs to securely store all our data and the processing power to make use of it.

Intangible Fixed Assets

For the period ending 31 March 2022

In-house developed software applications – Assets Under Construction

	DAP £'000	Survey Data Collection £'000	Clerical Matching £'000	Total Assets Under construction £'000
Valuation				
At April 2020	397	3,618	-	4,015
Additions	16	1,199	1,261	2,476
Transfers from AUC	(413)	(4,816)	-	(5,229)
At 31 March 2021	-	1	1,261	1,262
Valuation				
At April 2021	-	1	1,261	1,262
Additions	-	-	275	275
Transfers from AUC	-	-	(1,285)	(1,285)
At 31 March 2022	-	1	251	252

Note

Assets under construction are not revalued or depreciated.

8. Financial Instruments

For the period ending 31 March 2022

As the cash requirements of the Authority are met through the Estimates process, financial instruments play a more limited role in creating and managing risk than would apply to a non-Public Sector body of a similar size. The majority of financial instruments relate to contracts for non-financial items in line with the Authority's expected purchase and usage requirements. The Authority is, therefore, exposed to little credit, liquidity or market risk. The Authority revalues outstanding Euro transactions at year end.

Currency risk

	2021/22 Non-interest bearing financial assets £'000	2021/22 Non-interest bearing financial liabilities £'000	2020/21 Non-interest bearing financial assets £'000	2020/21 Non-interest bearing financial liabilities £'000
Gross financial assets / liabilities Euro	1	8	-	6

9. Trade Receivables and Other Assets

as at 31 March 2022

	2021/22 £'000	2020/21 £'000
Amounts falling due within one year:		
Trade receivables	47,480	82,711
Deposit and advances	-	-
Other receivables	-	3,051
Prepayments and accrued income	28,611	25,282
	76,091	111,044
Amounts falling after more than one year:		
Deposits and advances	96	52
	76,187	111,096

Total Trade Receivables Outstanding

	2021/22 £'000	2020/21 £'000
1-30 days	47,444	82,659
31-60 days	36	52
	47,480	82,711
Statement of Financial Position		
Deposits and advances falling due after more than one year	96	52
Trade and other receivables	47,480	82,711
Other current assets	28,611	28,333
Total	76,187	111,096

Note

2021/22 figures reflect a net yearly decrease of £646,000 in the value of pre-paid holiday and flexi pay. The Authority calculates the holiday and flexi prepayment at the year end with the figure being reflected in the category of prepayments and accrued income. 2021/22 Trade receivables include £43,473,000 (2020/21 £82,299,000) of receivables relating to contracts with customers. 2021/22 Prepayments and accrued income include £19,825,000 (2020/21 £12,769,000) of receivables relating to contracts with customers.

In accordance with IFRS 9 the Authority has reviewed its activities and concluded as a standalone non-ministerial body it does not hold complex financial instruments.

The only financial instruments included in the accounts are receivables and payables.

Trade receivables are recognised at their amortised cost less credit loss. The Authority primarily transacts with public sector bodies, historically outstanding debts are recovered.

The Authority's payment terms are thirty days. At 31 March 2022 £36,000 debt is outstanding over thirty but less than 60 days, all of which is allocated to public sector bodies which it does not consider a credit risk.

10. Cash and Cash Equivalents

For the period ending 31 March 2022

	2021/22 £'000	2020/21 £'000
Balance at 1 April	21,266	8,280
Net change in cash and cash equivalent balances	(7,097)	12,986
Balance at 31 March 2021	14,169	21,266
The following balances at 31 March were held at:		
Government Banking Service accounts	12,588	20,183
Commercial banks and cash in hand	5	5
Cash equivalents	1,576	1,078
Balance at 31 March 2022	14,169	21,266

11. Trade Payables and Other Current Liabilities

For the period ending 31 March 2022

	2021/22 £'000	2020/21 £'000
Amounts falling due within one year:		
Other taxation and social security	4,857	8,209
Trade payables	6,861	15,004
Other payables	3,750	-
Accruals and deferred income	56,590	107,371
Amounts issued from Consolidated Fund for supply but not spent at year end	14,169	21,266
Total	86,226	151,850

Note

2021/22 figures reflect a net yearly increase of £356,000 of accrued holiday and flexi pay. The Authority calculates the holiday and flexi accrual at year end with the figure being reflected in the category of accruals and deferred income. 2021/22 Accruals and deferred income balance includes £14,855,000 liabilities arising from contracts with customers (2020/21 £0).

In accordance with IFRS 9 the Authority has reviewed its activities and concluded as a standalone non-ministerial body it does not hold complex financial instruments.

The only financial instruments included in the accounts are receivables and payables.

The Authority's standard contractual payment terms are 30 days, creditors are recognised on receipt of goods or services.

The Authority is not in receipt of loans.

12. Provisions for Liabilities and Charges

For the period ending 31 March 2022

	Early Departure Costs £'000	Drummond Gate Dilapidations £'000	Survey Incentives £'000	Other Provisions £'000	Total £'000
Balance at 1 April 2020	809	1,758	-	828	3,395
Provided in year	-	-	9,158	1,633	10,791
Provisions not required written back	(559)	-	-	(4)	(563)
Provisions utilised in the year	(250)	-	-	-	(250)
Unwinding of discount	-	(122)	-	-	(122)
Rewinding of discount	-	115	-	-	115
Balance at 31 March 2021	-	1,751	9,158	2,457	13,366
Balance at 1 April 2021	-	1,751	9,158	2,457	13,366
Provided in year	-	-	5,435	-	5,435
Provisions not required written back	-	-	-	-	-
Provisions utilised in the year	-	-	(9,158)	(2,059)	(11,217)
Unwinding of discount	-	(115)	-	-	(115)
Rewinding of discount	-	57	-	5	62
Balance at 31 March 2022	-	1,693	5,435	403	7,531

Analysis of expected timing of discounted flows

	Drummond Gate Dilapidations £'000	Survey Incentives £'000	Other Provisions £'000	Total £'000
up to 31 March 2023	1,693	5,435	112	7,240
Between 2024 and 2027	-	-	118	118
Between 2027 and 2032	-	-	152	152
Between 2032 and 2036	-	-	21	21
Balance at 31 March 2022	1,693	5,435	403	7,531

Notes for Analysis of expected timing of discounted flows table on page 146

Early Departure Costs

The Authority meets the additional costs of benefits, beyond the normal PCSPS benefits, in respect of employees who retire early by paying the required amounts annually to the PCSPS over the period between early departure and the normal retirement date. The Authority provides for this in full when the Early Retirement programme becomes binding by establishing a provision for the estimated payments.

Drummond Gate Dilapidations

The Lease for a single floor at the Drummond Gate building was renewed in March 2020.

As part of the lease agreement, the Authority has taken on a repairing obligation for the externals of the building and part of the dilapidation until the end of the new lease. The new lease is due to expire in January 2025 with a break clause in January 2023.

The UK Statistics Authority expects to pay a sum in respect of dilapidations under the Terms of the Lease. The provision has been reworded by H.M. Treasury's cumulative discount and inflation rate of 7.06 per cent.

Survey Incentives

The Authority issues shopping vouchers to survey respondents as an incentive to complete certain surveys and is billed for the cost of these vouchers once the voucher has been redeemed by the recipient. Vouchers issued to survey respondents have a three-month expiry date and the Authority will incur expenditure on the element that will be redeemed.

Other Provisions

Ongoing contractual obligations and pending employment tribunals.

13. Capital Commitments

For the period ending 31 March 2022

	2021/22 £'000	2020/21 £'000
Contracted capital commitments	436	392
Total commitments as at 31 March 2022 not otherwise included on these financial statements	436	392

14. Commitments Under Leases

For the period ending 31 March 2022

Operating Leases

The total future minimum Lease payments under Operating Leases are detailed in the table below for each of the following periods.

	2021/22 £'000	2020/21 £'000
Buildings:		
Not later than one year	4,715	1,186
Later than one year and not later than five years	11,715	2,314
More than five years	35,169	973
	51,599	4,473
Other:		
Not later than one year	63	4,041
Later than one year and not later than five years	38	53
Total	101	4,094

Finance Leases

One Finance Lease was entered into during 2020/21, the leased asset is included under Property, Plant & Equipment. The obligations under Finance Leases as at 31 March 2022 are as shown in the table below.

	2021/22 £'000	2020/21 £'000
Property, Plant and Equipment:		
Not later than one year	112	112
Later than one year and not later than five years	225	337
	337	449
Less interest element	(6)	(10)
Present Value	331	439
The carrying value of the leased asset comprises:		
Present value of lease payments at commencement	551	551
Less full year depreciation	(192)	(96)
Net book value	359	455

Other Financial Commitments

For the period ending 31 March 2022

The Authority entered into non-cancellable contracts (which are not Leases or PFI contracts) for Information Management Services, Statistical Services and Facilities Management. As a result the Authority is committed to the following payments.

	Census	Other	2021/22 £'000	Census	Other	2020/21 £'000
Not later than one year	1,887	27,618	29,505	88,806	22,874	111,680
Later than one year and not later than five years	35	2,370	2,405	901	3,078	3,979
Total	1,922	29,988	31,910	89,707	25,952	115,659

16. Contingent Liabilities

For the period ending 31 March 2022

None.

17. Related Party Transactions

For the period ending 31 March 2022

The Authority has had various material transactions with other Government Departments and other Central Government bodies.

The table below shows all Government Department and other Central Government bodies with whom we had total transactions in excess of £1m during the year. The figures below are net of VAT.

	Income £'000	Expenditure £'000	Receivable £'000	Payable £'000
Department of Health and Social Care	420,647	27	46,836	14
Government Property Agency (GPA)	3,901	1,604	3,178	212
Department for Work and Pensions	6,721	23	139	-
HM Treasury	2,966	57	-	1,911
Cabinet Office	500	2,522	297	559
Welsh Government	3,204	1	49	-
HM Revenue and Customs	467	1,890	2	528
Scottish Forestry	1,503	-	356	-
Public Health England	44	1,595	-	-
Intellectual Property Office	1,328	144	24	24
Northern Ireland Statistics and Research Agency	1,506	1,039	547	298
Foreign, Commonwealth and Development Office	959	306	13	44

Note

Board Member and Director remunerations are shown in the remuneration report.

No Board Member, Key Manager, or other related parties have undertaken any further material transactions with the Authority during the financial year 2021/22

The Authority has not identified any further related parties.

18. Events Arising after the Reporting Date

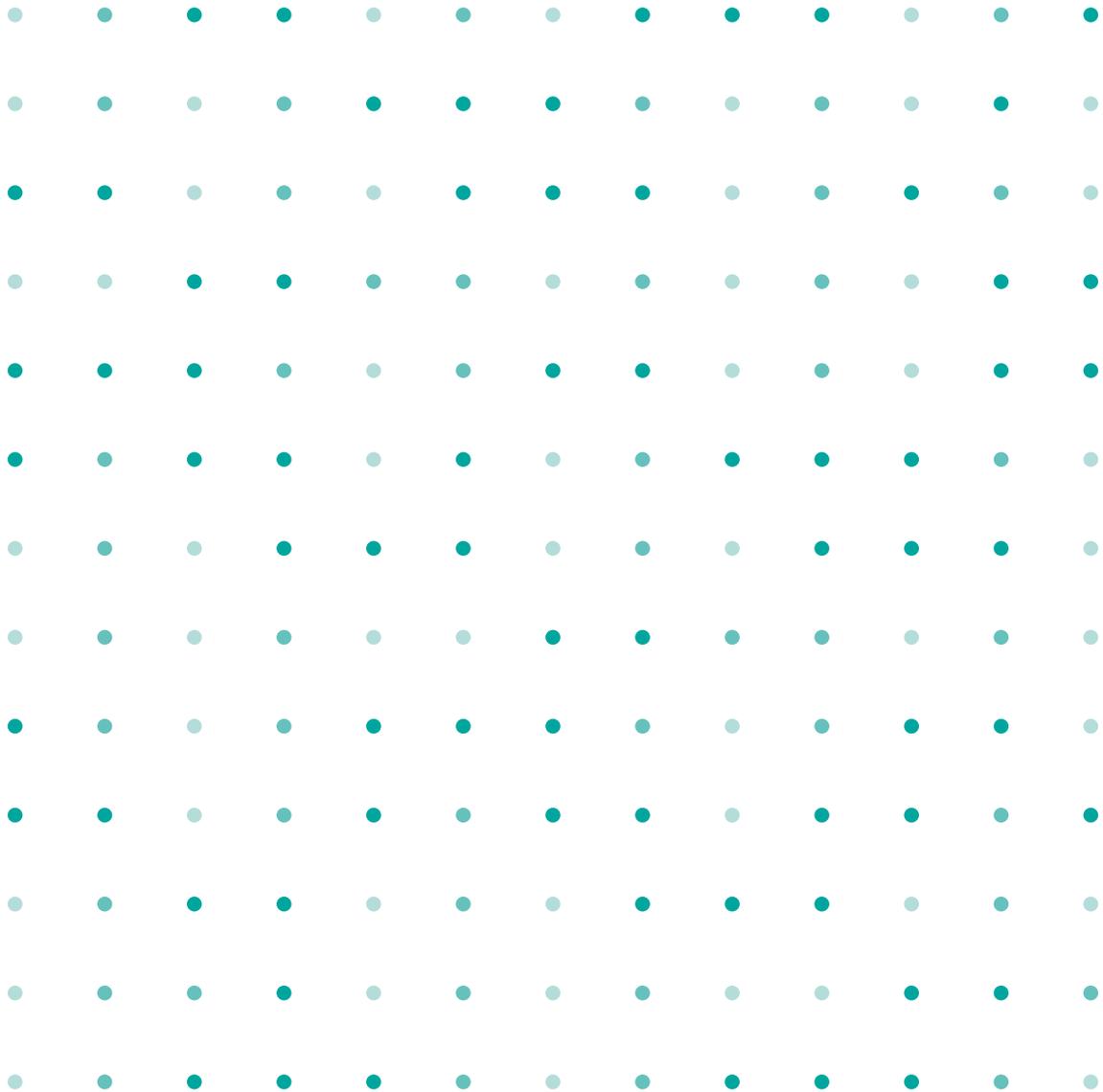
None

19. Date of Authorisation of the Accounts

The Accounts were authorised for issue on the date of the Comptroller and Auditor General's certification.

Annex

Office for Statistics Regulation Annual Report 2021/22



Director General for Regulation's Report

In the Office for Statistics Regulation, we always start with our vision: **that statistics should serve the public good.**

This report illustrates how we have matured as a regulator and continue to build our capability to serve that vision. I would like to thank my team publicly for the drive and commitment they demonstrate to deliver important outcomes from our work, and their mindfulness of how we can do more to optimise our impact.

We have made some important interventions this year and delivered a rich programme of regulatory work that has led to improvements in the trustworthiness, quality and value of statistics. Beyond individual outputs, though, I believe this year we have really started to understand how to take what we have learned and use it to inform and support the statistical system as a whole. We are now operating more strategically, building campaigns around important issues like analytical leadership and intelligent transparency, and we are engaging with a wide range of partners. Our functions – research, policy and standards, and data and methods – are all now well established and contributing not only to our own development but offering thought leadership to the wider analytical community in the UK.

Finally, while I understand that the Office for Statistics Regulation is not a name that is high in the public awareness or trips easily off the tongue, we greatly value the results of the recent Public Confidence in Official Statistics survey which overwhelmingly supported our role and the importance of having a body that speaks out against the misuse of statistics. We see this as a very positive endorsement of our work to support trustworthiness, quality and value.



Ed Humpherson

Director General for Regulation



Our purpose and vision

The Office for Statistics Regulation (OSR) is the Authority's independent regulatory function, established by the Statistics and Registration Service Act (2007).

With offices in England, Scotland and Wales, we provide independent regulation of all official statistics produced in the UK, and aim to enhance public confidence in the trustworthiness, quality and value of statistics produced by government.

We do this by setting the standards official statistics must meet in the Code of Practice for Statistics. We ensure that producers of official statistics uphold these standards by conducting assessments against the Code. Those which meet the standards are given National Statistics status, indicating that they meet the highest standards of trustworthiness, quality and value. We also report publicly on systemwide issues and on the way that statistics are being used, celebrating when the standards are upheld and challenging publicly when they are not.

Our vision is simple:

Statistics should serve the public good.

Delivering the authority priorities for 2020-25

The Authority Strategy set out four priorities for the statistical system for 2020-25:

- build public trust in evidence
- make greater data available in a secure way for research and evaluation
- enhance understanding of social and economic matters
- improve clarity and coherence of communication for maximum impact

As the independent regulator, we work through three delivery channels:



These channels map to the Authority priorities:

	We uphold trustworthiness, quality and value of statistics and data used as evidence	We protect the role of statistics in public debate	We develop a better understanding of the public good of statistics
Build public trust in evidence	✓	✓	✓
Make greater data available in a secure way for research and evaluation	✓		✓
Enhance understanding of social and economic matters	✓	✓	✓
Improve clarity and coherence of communication for maximum impact	✓		✓

Our maturity as a regulator

Each year, in our annual report we draw out a theme where we have gained particular insight about our performance and impact over the year. In 2020/21 we naturally focused on our role in the pandemic. This year, we reflect on how we have matured as a regulator and how that has helped us widen our reach and influence and effect change.

We have grown in size, capability and profile and all have helped us deliver positive outcomes from our work, but fundamental to our increasing maturity is a more strategic approach to regulation. We have widened our reach beyond our regulatory tools and single sets of recommendations, learning from – and building on – these outputs and acting on the systemic issues arising to influence across the statistical system.

Analytical leadership

In early 2021 we published a report setting out the findings from our review looking at how statistical leadership could be strengthened across government. Rather than representing a final output, this report acts as a starting point for further engagement. Over the last year we have engaged through blogs and events on topics such as ‘Empowering statistical leaders’.

The principles which we apply to statistics are valuable more widely, and we are now taking forward our previous work on statistical leadership under a broader ‘analytical leadership’ theme. A new resource on our website brings together our range of continuing work and offers thought leadership to support the community.

Intelligent transparency

Our work on transparency in communicating statistics originated from issues arising in multiple pieces of casework. We took this further by building relationships with producers across government, providing first informal and then formal published guidance which we can now use to support our position. We continue to build our evidence base, highlighting good examples and understanding more about barriers.

We intervene on specific cases where we deem it necessary: for example, in December 2021 our Director General wrote to thank the Head of Profession for Statistics at UK Health Security Agency (UKHSA) for how their team had responded to a lack of transparency around data to support a statement on Covid-19 made by the Secretary of State for Health and Social Care in the House of Commons. We have continued to support the UKHSA Head of Profession as they implement new guidance for their organisation. We are also working with external organisations (for example, a guest blog by Will Moy from Full Fact) and officials in governments (for example, a letter from the Head of UK Civil Service to Permanent Secretaries) to support solutions and make the case for intelligent transparency. The topic was also the first in our new series of events for analysts in government.

Use of statistical models

This year we published guidance on the use of statistical models following the publication of our review of the exam results algorithm in 2020. We then tested our thinking on QCovid® - a different sort of algorithm – and published our findings. This approach has not only improved our understanding but enabled us to build good relationships with key stakeholders in the data science community.

An internal exploration of how we deliver impact as a regulator has also reinforced that it is often our ‘softer’ capabilities that allow us to consolidate our impact and widen our reach. Some highlights in 2021/22 include:

- We have published several guest blogs, including one on [how statisticians can help journalists](#) to help serve the public good (April 2021)
- Our report on [lessons learned from the COVID-19 pandemic](#) highlighted the importance of strong leadership and transparency (October 2021)
- Our Director General for Regulation discussed algorithmic trust and challenges for regulators at the [Validate AI 2021 conference](#) (December 2021)
- We have had a series of successful events - for the government analytical function and for the wider public - including an event on data surrounding children and young people called [Visibility, Vulnerability and Voice](#). And we have increased subscribers to [our newsletter](#) to over 4000 (by end of March 2022)
- Our Director General has increasingly been called upon to give evidence to Parliament including to: [Science and Technology Committee](#) on the use of statistics during the pandemic; Work and Pensions Committee inquiry on children in poverty; Public Administration and Constitutional Affairs Committee inquiry on Coronavirus Act 2020: two years on; Scottish Parliament’s Health, Social Care and Sport Committee inquiry on Data and Digital Services in Health and Social Care Scotland; and opening events for Evidence Week in Westminster and Holyrood
- To strengthen our capability, we have brought in a new Insight and Evaluation Manager this year. We have a range of current Insight projects around transparency, uncertainty, and the use of statistics in evaluation.

We have taken the time to focus on our people within OSR, improving our internal capability and ensuring the continued wellbeing of our colleagues. We have established the OSR Development Programme where two candidates are selected every six months to receive specific support towards their goals and career progression aims. We are proud to have maintained our excellent People Survey results, scoring 77% on the Employee Engagement Index compared to the Civil Service average of 66%. Other strengths were understanding our Organisational Objectives and How My Work Contributes (94%); Working as a Team to improve our service (92%); and Inclusion and Respect (90%).

Our performance

Delivery of the key commitments set out in our 2021/22 Business Plan.

How statistics are produced

We uphold trustworthiness, quality and value of statistics and data used as evidence

2021/22 Highlights

- Our [review of the ONS population estimates and projections](#) focused on the statistics in relation to the Code of Practice (May 2021)
- Following an intervention in 2018, the Police Funding for England and Wales statistics were given [NS designation](#) (July 2021)
- [The state of the UK's statistical system 2020/21](#) report highlighted the impact the pandemic had on the statistical system (July 2021)
- We published our [Guidance for Models](#) which helps to support designing, developing and using models (October 2021)
- We published our [review of climate change statistics](#) and particularly focused on their accessibility and coherence (October 2021)
- We completed the [phase 2 assessment reports](#) for the 2021 Census for England and Wales and Northern Ireland (November 2021)
- A blog explored what we mean by [effective analytical leadership](#) and how TQV supports this (January 2022)
- [The review of transport accessibility statistics](#) allowed us to explore a data gap in transport statistics (February 2022)
- [The review of migration statistics produced by ONS](#) helped us ensure that migration statistics are trusted, high quality and of value (March 2022)

Outputs

	Year ending 31 March 2022
Assessment Reports	12 reports published (compares with 5 the previous year)
Assessments closed*	8 closed
Designations as National Statistics	7 designations, of which: 3 confirmations of existing statistics and 5 new (compares with 3 new designations the previous year)
De-designations	None
Compliance Checks and Rapid Reviews	44 closed (compared with 47 the previous year)
Systemic Reviews	11 reviews published (compared with 7 the previous year)

*An Assessment is closed once we have reached a final decision on designation; the publication of the Assessment report is an interim stage.

Outcomes

Evolving statistical production

Consider implications of decisions made during pandemic – balancing quality with having what we need at the right time – and what this means for our judgement of quality of statistics, including contributing fully to the review of health and social care statistics commissioned by the Public Administration and Constitutional Affairs Committee (PACAC)

Partially delivered: In October 2021 we published our review of health and social care statistics during the pandemic, identifying ten key lessons. We promoted this with a well-attended seminar and have published guest blogs on the topic, including from Sir David Spiegelhalter. We are seeing examples through our regulatory work of producers reevaluating what they can produce, and we challenge where they are not, but our work on considering quality has been more limited than we'd planned, with more to do.

Review impact of pandemic on data collection, including for the UK National Accounts

Partially delivered: We have considered this in our regulatory work – for example, in our Compliance Check of the effect of the pandemic and Brexit on trade statistics we found that ONS compensated well for lack of usual data sources, improving imputation methods and working with others to develop and improve alternative data collections. This is an area where we need to build on what we already know and further embed our thinking into our regulatory guidance.

Examine specific quality concerns, for example – we will undertake an assessment of the Living Costs and Food Survey following concerns over the survey's ability to deliver good quality estimates

Fully delivered: We published our assessment of the Living Costs and Food Survey in July 2021 and ONS committed publicly to deliver on several streams of work to increase the quality and public value of the survey. They are reporting progress each quarter. We continue to pursue requirements from our assessments where we have highlighted quality concerns and want to see more progress – for example, Business Demography.

Continue our assessment of Census 2021

Fully delivered: Following our assessment reports in November 2021, we were able to confirm NS designation of the 2021 Census in Northern Ireland in May 2022, and of the 2021 Census in England and Wales in June 2022.

Granularity of statistics

Review regional statistics to measure changes in regional performance. The Treasury Select Committee has expressed an interest in the regional GDP estimates being assessed for potential National Statistics designation during 2021-22

Fully delivered: We have been working in the public interest on regional disparities and encouraging a statistical system that is more responsive to regional and local demands. We have reviewed key ONS surveys that feed into economics statistics (Annual Business Survey, Business Demography, Annual Purchases Survey); focused on driving improvements in sub-UK economic statistics (ONS Small Area Income Estimates, NISRA BESES statistics, ONS FDI statistics, ONS Regional HFCE statistics, HMT CRA statistics, ONS GVA statistics) and provided evidence to the Treasury Committee's inquiry on regional imbalances in the UK economy. We will continue to review new statistics and data sources from the Department for Levelling Up, Housing and Communities, Office for National Statistics and other data providers as they are developed to ensure that evidence and evaluation is at the forefront of pushing the plans forward.

Establish a framework, strategy and priorities for our role in regulating statistics on inequalities. We will also explore topics that support inclusivity in society – for example, accessibility of transport networks, shining a light on where the granularity of data do not allow us to understand the lived experience

Partially delivered: We have established a cross-cutting Equalities Forum within OSR to draw insights from our regulatory work and identify priorities for regulatory activity. In February 2022 we published a review of transport accessibility statistics, recommending that statistics are improved to better reflect the lived experiences of disabled people, ensuring that everyone who should be is counted and we are looking to our recommendations to drive positive change. We continue to intervene where we identify concerns – for example, writing to ONS in March 2022 about the potential for their 2019 publication 'What is the difference between sex and gender?' to cause confusion, leading to work to provide greater clarity – and to speak publicly – for example, providing oral evidence to Parliament on the role OSR can play in supporting the Inclusive Data Taskforce recommendations from September 2021.

Data gaps

Monitor new COVID-19 data requirements and producer plans for meeting those needs: for example, on survival rates, long-Covid, impacts on births and maternity provision, divorce and families, adult social care, suicides, and mental health. We will look at how far there will be a sufficient evidence base to inform social and economic policy around the long-term consequences of the pandemic, including the impact of COVID-19 on children and young people into the future

Partially delivered: In March 2022 we published a review of children and young people statistics: *Visibility, Vulnerability and Voice: The importance of including children and young people in official statistics*, supported by a public event. Our report explored how well the needs are being met, particularly given the impact of the pandemic on children and young people. We will continue to extend this thinking to other groups and issues.

Understand how well the current statistics and data meet the current and future needs of society and are delivering public value

Partially delivered: This is an ongoing goal. We have maintained reasonable contact with senior decision makers in Government, especially chief scientific advisors and directors of analysis. This provides good intelligence on areas of emerging interest, including crime and AI in government. We have provided thought leadership through various channels, including a blog by our Director General on the importance of evaluation, and holding our own public events as well as contributing to others, in the UK and internationally. Our new programme of events for Analysts in Government should continue to support a widened dialogue around public value.

How statistics are used

We protect the role of statistics in public debate

2020/21 Highlights

- We published our [annual review of UKSA casework in 2020/21](#) which shows we completed 323 cases that year (September 2021)
- [A blog on communicating data](#) explained the importance of clearly explaining any decisions made and context around the data (November 2021)
- We [welcomed a blog by ONS](#) clarifying the data from one of its outputs after it was being misused (January 2022)
- Our [regulatory guidance for the transparent release and use of statistics and data](#) sets out our expectations for both producers and users of statistics (February 2022)
- The [Chair of the UKSA wrote to Alistair Carmichael MP](#) around the use of official crime statistics (February 2022)
- The [Chair of the UKSA also wrote to the Prime Minister](#) around the number of people in work (February 2022)

Outputs

	Year ending 31 March 2022
Cases opened	241 (compares with 323 the previous year)
Time to close a case (days – median)	10 (equal to the previous year)
Time to close a case (days – mean)	18 (compares with 14 the previous year)
Cases still open at year end	8

Outcomes

Respondents in the Public Confidence in Official Statistics 2021 survey were asked to what extent they agree with the statement “it is important for there to be a body such as the UK Statistics Authority to speak out against the misuse of statistics”. The majority (96%) of respondents able to express a view agreed with this statement, with a similar number (94%) agreeing that it is important to have a body who can ensure that official statistics are produced free from political interference. While we are cautious about putting too much weight on these two questions in the survey, these findings may at the very least indicate the public value the independent production of statistics, as well as challenges to the misuse of statistics.

We develop a better understanding of the public good of statistics

2020/21 highlights

- Our [review of mental health statistics in Northern Ireland](#) helped us understand the public value of mental health statistics across the UK (September 2021)
- We have reviewed the National statistics designation and [explained how to make them useful](#) (October 2021)
- Our blog on [what we mean by 'statistics that serve the public good'](#) explores our vision (January 2022)
- We [changed the Code of Practice](#) to allow release at times other than 9.30am where it is shown to better serve the public good (March 2022)

Outputs

Leading a better understanding of the public good is the foundation of our vision. We cannot deliver on our vision of statistics that serve the public without a proper understanding of what this means. Following a phase of wide consultation with analysts and academics – and publication of our findings – we are now focused on understanding the public perspective, with questions on the Public Confidence in Official Statistics Survey due for analysis in summer 2022 and working with ADR UK to procure engagement with the public on perceptions of the public good.

The Authority Board has endorsed the conclusions of two important reviews in the last couple of months – our policy consultation on allowing producers to release statistics at other times than 9.30am under certain conditions, and our review of the NS designation, where we are now in the planning phase for implementation.

There are three dimensions to our data and methods programme: applying data science techniques to support our regulators, including development of a dashboard and using web scraping to support assessments; data and methods in government; and AI policy. As part of consolidating our role in data, we have released the first iteration of guidance on how the Code of Practice can support good practice in designing, developing, and using models, which we plan to develop further in the coming year.

Outcomes

Consolidating our role in data

Review the impact of data linkage on the statistical system to understand how common and effective progress has been since our report in 2019. We are aware of some good examples of progress but we need to get a sense of the landscape

Not delivered: Extensive engagement with key players in the data landscape have given us a much better picture of the current issues and concerns. We're not yet delivering direct outcomes from this work but we have a stronger platform now and we have identified this as a priority for 2022/23.

Follow up on the findings of our review of the approach to developing statistical models designed for awarding 2020 exam results, which identifies lessons for public bodies considering the use of statistical models to support decisions and publish our guidance on statistical models

Fully delivered: In October 2021 we published guidance on how the principles in the Code can support good practice in designing, developing and using models. In March 2022 we tested the lessons that came out of the guidance and of our review of the statistical models designed to award grades in 2020. We applied our lessons learnt to QCovid® - a different sort of algorithm – this provided assurance about the use of the model and identified further lessons which will continue to inform updates to our guidance planned for 2022/23.

Follow up on our Reproducible Analytical Pipelines (RAP) Review

Fully delivered: We are regularly engaging with producers about RAP – for example, producing a video for ONS to use in their training course - and we have started to publish Code Case Studies based on producer experiences. Recent guest blogs confirm how we are helping to facilitate RAP where we can and we have embedded our thinking into how we regulate and our published reports, drawing out recognised good practice and where there is scope to do more.

Public good

Conduct primary research with the public to understand definitions of public good

Fully delivered: When assessing the value of statistics in OSR, two of the key factors we consider are relevance to users and accessibility. The findings from PCOS 2021, published in April 2022, gave much cause for celebration on these measures, while also raising important questions to explore further in our Research Programme on the Public Good of Statistics. We are following up with a series of workshops with the public.

Complete our review of the National Statistics designation, presenting recommendations to the Authority Board and developing and user testing proposed solutions

Fully delivered: We completed our review and we are reframing the designation to focus on its characteristic as an independent review that confirms the statistics comply with the Code by showing trustworthiness, quality, and value. Independent review was one of the benefits of the designation that producers described, providing a different, external perspective on the statistics. It also meets one of the concerns of users, to ensure producers are held to account. The project to refresh the designation is underway.

Our reflections on the state of official statistics

Later in 2022, we will publish a report that sets out the Office for Statistics Regulation's view on the current state of government statistics, based on our work in 2021 and in 2022 so far. In this report, we will set out our view on the current state of statistics and data produced by public bodies. We will highlight examples of statistical producers doing things well which we would like to see continue into the future, and the improvements we would like to see to ensure statistics and data better serve society's needs. Key themes will include how innovation and collaboration across the statistical system has enabled statisticians to be responsive to the public's needs and produce clear and insightful statistics. The sustainability of this success depends on continued intelligent transparency and the workforce being sufficiently resourced and skilled.

We will also reflect on progress on the areas raised in last year's report.

Resourcing

In 2021/22, we delivered an underspend of around £520k on a £3.1m budget. This can broadly be attributed to vacancies. We recruited our new Head of Strategic Development and Impact fairly early in the year but they were not able to join us until March 2022. They are now in post and shaping our development. To allow them flexibility in how they build our development capability, we delayed recruitment of our new Head of Research. The campaign has been launched and we expect to fill the post in summer 2022.

Managing risk

Our corporate risks are focused in four areas that are critical to our strategic intention as an independent regulator to best serve the public good:

- our relevance
- our voice
- our independence
- our capability

Our relevance

Risk: We do not have credibility as a regulator.

Status: Green. Robust mitigations in place. We have good evidence of how we have retained our relevance as a regulator, for example, the pre-emptive guidance we have issued around the design and use of algorithms. The pandemic has been a primary focus but we now see the spectrum of public interest broadening again and we are strengthening our mitigations to be able

to anticipate and prioritise where we can have greatest impact. For example, we have a new horizon scanning approach, and we are going to be drawing more systematically on the intelligence and expertise offered by our non-executive directors and governance structure.

Maintaining our voice

Risk: We do not say the right thing at the right time.

Status: Green/Amber. Robust mitigations in place but as we move into 2022/23 and continue to use our voice around sensitive and important issues, there is an increased risk that there will be more mixed views on the reasonableness of our judgements. Proactive and transparent engagement in support of evidence-led decisions will be important.

Maintaining our independence

Risk: We are perceived by stakeholders not to be able to operate independently as a regulator.

Status: Green/Amber: Robust mitigations in place and we have good evidence of increasing visibility and public confidence in our role as the statistics 'watchdog'. We will inevitably be making sensitive judgements that leave us vulnerable to our independence being questioned but we are confident in our evidence-led approach grounded in the Code.

Building our capability

Risk: We do not have the skills, tools and resources to regulate and uphold the Code.

Status: Green/Amber: Robust mitigations in place. We are increasingly optimistic around our capability having filled key strategic roles this year, and seeing our development functions - research, data and methods, and policy and standards - grow and add real value to our work. We need to be more active in our succession planning and continue to develop our people - strengthening individuals' confidence and skills to drive improvement to meet future needs, and our built-in resilience.

There has been one main engagement with Internal Audit this year: an internal audit of the Office for Statistics Regulation (OSR) Maturity Model. - our performance assessment framework for our 5-year strategic plan and the development of our capability as a regulator. Internal Audit awarded a moderate opinion, finding that while the overarching aim of the maturity model is clearly understood, there were aspects of the maturity model process that were not operating effectively and efficiently, and required ownership and accountability to ensure that it brings the desired value for OSR. We very much appreciated the insights offered by this report and rather than offer quick solutions, we took a fundamental step back to reframe the maturity model which has given us

an approach that supports ownership by our senior leadership team and has strengthened engagement within the team. We provided a detailed report to Internal Audit in January 2022 on the range of activity we have undertaken to date and the steps we are committed to over the coming six months – including finalising our organisational Theory of Change – to satisfy ourselves that our evaluation framework is fully embedded in our planning cycle and providing an objective narrative on our performance and impact.

Looking ahead

Statistics have become more relevant and interesting for the public in the last few years - a stronger need for understanding has been awakened by the pandemic and we see a growing public expectation that decisions affecting all aspects of our lives will be evidenced by statistics that demonstrate trustworthiness, quality and value (TQV). Rooted in our vision for statistics serving the public good, we will focus our regulatory programme in 2022/23 on projects that will improve public understanding of the issues – current and emerging – that people want to be sighted on – for example, the cost of living and the lasting impacts of the pandemic.

We will also develop a stronger focus on data linkage and joining up data for public benefit – we noted earlier in this report that while this has been a long-term interest of ours, during the last couple of years, we may have focused on this less than on the immediate availability and presentation of statistics that helped people understand the pandemic. In 2022/23 we want to track progress on this crucial element of statistics servicing the public good.

We also aim to continue to widen our reach. There is an increasing range of ways that statistics and data are communicated to the public. We want the power of the TQV framework to extend to these new ways, so that public confidence is maintained and enhanced. And we will draw out and share insights from across our activity – providing thought leadership is an important aspect of our role and one we know allows us to reach a wider range of communities, especially when we work with experts and recognised voices in society.

As has been a key theme of this report, OSR's story since foundation in 2017 is one of a determined focus on increasing our capability as a regulator. This year, we will continue our drive to raise our organisational maturity, by focusing on how we generate insight; how we support staff development and leadership; and how we communicate and make accessible our findings.

Further information

Our vision and our OSR Strategic Business Plan 2020 to 2025 set the context for what we aimed to achieve in 2021/22: <https://osr.statisticsauthority.gov.uk/publication/office-for-statistics-regulation-strategic-business-plan/>

Our focus for the year was set out in our [OSR Annual Business Plan 2021/22](#). Our [OSR Annual Business Plan 2022/23](#) provides more information about what we want to achieve in the coming year.

The legislation which established the UK Statistics Authority requires strict separation of the functions of production and regulation, where those involved in the production of statistics are not involved in the assessment of statistics against the Code.

Our work is overseen by the Authority's Regulation Committee. The Committee is chaired by Anne Trefethen, a non-executive director of the UK Statistics Authority Board. Other members are also non-executive members of that Board, together with the Director General for Regulation. No producers of statistics, including ONS executives, are members of the Committee.

The Regulation Committee reviews and approves our strategy, annual business plan, and budget, and approves all key regulatory decisions on assessment against the Code of Practice for Statistics.

For more information about our organisation: what we do and why; how we work and the tools we use; and our broad ambitions for future development, please refer to our published vision statement: www.statisticsauthority.gov.uk/publication/osr-vision/

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