



Office for
National Statistics
Swyddfa
Ystadegau Gwladol

Office for National Statistics

Accounting Officer Assessment

Future of Population and Migration Statistics – Outline Business
Case, due 10th February 2023

Sir Ian Diamond, National Statistician
10th February 2023

Accounting Officer Summary

Accounting Officer Memorandum: Future of Population and Migration Statistics

Background and context

The proposed Future of Population and Migration Statistics (FPMS) Programme will build on the realisation of benefits from Census and Data Collection Transformation Programme, bringing together the technology, research and capability developed to provide a responsive population and migration statistical system.

This new system will provide an opportunity to move away from a ten yearly Census cycle, creating the potential for further significant efficiencies for the exchequer by providing more rapid information and hence obviating the need for the existing Census approach.

A key objective of CDCTP is to provide a recommendation on the future of population and migration statistics. In building a framework of evidence for the recommendation, a set of proofs of concepts to measure the population and its characteristics were developed. The initial stage of this new programme will look to embed these proofs of concepts providing a foundation from which a wider social statistics system can be implemented, with a view of embedding outputs into business as usual.

The CDCTP programme has provided new technological capability for the collection of data, its processing and dissemination. This capability provides a foundation for the future population and migration system and will be further enhanced where needed.

In recent years the population has changed rapidly, internal and international migration has played an important role with externalities such as Brexit and the Covid-19 pandemic fuelling the change. Through the work completed by CDCTP, the FPMS programme will be able to provide more frequent estimates of the population and its characteristics, providing users with a greater insight of population change.

Stakeholder benefits for the 2021 Census are estimated in the region of £5.4 billion and will be realised by 2031. The proposed FPMS programme would accelerate the realisation and provide additional benefits to stakeholders.

The ONS would like to start the programme now to maintain momentum. Knowledge and expertise used for CDCTP can be maintained and developed under FPMS. A key aim of FPMS would be to remove reliance on transformation programmes and to embed this new statistical system as business as usual.

The overall aim will be to have a system that provides flexible and robust responses to rapid policy problems as well as routine population statistics used to underpin revenue allocations. Implementing the techniques and exploiting the data now will realise the CDCTP benefits sooner and allow improves resource allocation leading to better economic and social outcomes.

Assessment against the Accounting Officer standards

Regularity

The ONS is the UK Statistics Authority's (UKSA) statistical production function. The UKSA was established under the Statistics and Registration Service Act 2007 and 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 secondary legislation made under the Act by the UK Parliament or the devolved legislatures.

Spend on the Future Population and Migration System is additive to the UKSA Spending Review 21 settlement (letter dated 13th January 2021), which sets out that "Funding for Census-related activity beyond the CDCTP will be considered on receipt of a business case following the National Statistician's 2023 Census decision". ONS is bringing forward submission of this business case by a year to maintain momentum and expertise surrounding the proofs of concepts, accelerating the realisation of benefits from the Census, providing users with more responsive population and migration statistics.

Spend as part of the programme is within the ONS ambit¹, specifically: "undertaking and commissioning statistical research, and assisting statistical research by providing access to data", and "providing analysis of statistics to enhance understanding".

Propriety

The FPMS programme is being established while the ONS complete delivery of the Census and Data Collection Transformation Programme (CDCTP). Given the close alignment of the two programmes, the Strategic Outline Case is being overseen by the CDCTP Programme Board and SRO. Given the strategic importance of this programme for the long-term stability of social statistics, this programme will be included on the ONS portfolio and as such, be subject to regular oversight through both programme governance (including the programme board) and the revised ONS central governance (including the new Executive Committee). Regular updates on the programme will also be provided to the UKSA Board.

The programme Strategic Outline Business Case has been subject to rigorous internal governance including review by Subject Matter Experts (known as ONS Key Holders), approval by the ONS Portfolio Investment Committee, and CDCTP Programme Board.

The Senior Responsible Owner – Ruth Studley appointed by Professor Sir Ian Diamond as ONS Accounting Officer has overseen the development of the business case and maintains accountability for its delivery.

The programme will be part of the Government Major Projects Portfolio (GMPP). ONS will provide IPA with a risk potential assessment and an Integrated Assurance and Approvals Plan

¹ The Statistic's Board ambit is as follows:

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

to help determine whether the programme meets the criteria for GMPP. As the anticipated programme budget exceeds UKSA Spend Controls, the programme will require approval through the Treasury Approval Process, with HM Treasury and IPA which has been scheduled for 7 March 2023. If the programme is on-boarded to the GMPP it will be regularly assured by the IPA and will also be subject to UKSA Internal Audit reviews that are reported to the UKSA Audit and Risk Assurance Committee.

Value for Money

In developing the economic case for FPMS, in line with the Green book, a short and long list of options has been developed. The short list is shown below along with the cost, benefits, and benefit to cost ratio.

In line with the ONS Strategy of being radical and ambitious while maximising quality statistical outputs for our users and delivering value for money, option 4 'Transform and Deliver' is the preferred option. We expect that the 'Transform and deliver' option is to provide the best return on investment and best meet the strategic needs of the ONS and Government as well as users of population and migration statistics. While embedding the research from the 2023 recommendation into business as usual, it will provide the opportunity to refine the business case for full business case for the Future of Population and Migration Statistics.

Through seed funding, Local Authorities, Government Departments and other stakeholders will have access to more frequent dynamic population estimates, giving them the opportunity to allocate funding and unlock economic growth opportunities quicker than the existing system allows.

Option No.	Option Description	Cost (£m) Pre-optimism bias	Benefits (£m)	Net Present Social Value (£m) / Benefit Cost Ratio (e.g. 3:1)
1	<p>'Pause and wait'</p> <p>This option would retain the current system for population and migration statistics for two-years. A business case would be prepared to cover the implementation of a new system starting in 25/26. The option is cost neutral for two years but carries the noticeable risk of loss of momentum and knowledge gained through the transformation to date via CDCTP.</p>	£0m in 23/24	£0m in 23/24	0:0 in 23/24
2	<p>'Transform and deliver C' seed funding</p> <p>The first of our seed funding options, would see the start of operationalisation of the research and proofs of concepts completed by CDCTP and begin embedding it as part of Business as Usual, thereby beginning the delivery of a new statistical system. This will include:</p>	<p>£22.50m in 23/24</p> <p>£25.84m in 24/25</p> <p>Total: £48.33m</p>	£250m additional benefits per year when compared with Census.	10:1 over two years

	<ul style="list-style-type: none"> • Mid-year population estimates produced from the Dynamic Population Model, showing the stock of the population. In 23/24 these will be experimental statistics published alongside existing National Statistic Method. In 24/25 the aim is for the DPM method to replace existing method and to receive National Statistics status. Population flows would not be covered in this option. • Transformed migration statistics with national statistics status, currently experimental. <p>This option would result in a full business case in 24/25 being submitted for the transformation of the complete social statistics system</p>			
3.	<p>‘Transform and deliver B’ seed funding</p> <p>The second of our seed funding options. This option would include all that would be delivered under A and would again see the start of operationalisation of the research and proofs of concepts completed by the CDCTP and begin embedding it as part of Business as Usual, thereby beginning the delivery of a new statistical system. This option would include:</p> <ul style="list-style-type: none"> • Mid-year population estimates produced from the Dynamic Population Model, showing the stock of the population. In 23/24 these will be experimental statistics published alongside existing National Statistic Method. In 24/25 the aim is for the DPM 	<p>£27.03 in 23/24</p> <p>£30.06 in 24/25</p> <p>Total: £57.78</p>	<p>£250m additional benefits per year when compared with Census for mid-year estimates</p> <p>Plus additional benefits from topic information which is estimated at an increase of 25% or £62.5m</p>	<p>11:1 over two year period.</p>

	<p>method to replace existing method and to receive National Statistics status. Population flows would not be covered in this option.</p> <ul style="list-style-type: none"> Transformed migration statistics with national statistics status, currently experimental. Multivariate analysis and products covering the following topics: <ul style="list-style-type: none"> Income Ethnicity. Publish experimental household statistics in year one with year two being national statistics. 		<p>Total benefits £312.5m per year</p>	
4	<p>‘Transform and deliver A’ seed funding</p> <p>The full seed funding, or C option would see the start of operationalisation of the research and proofs of concepts completed by CDCTP and begin embedding it as part of Business as Usual, thereby beginning the delivery of a new statistical system.</p> <p>This option includes:</p> <ul style="list-style-type: none"> Mid-year population estimates produced from the Dynamic Population Model, showing the stock of the population. In 23/24 these will be experimental statistics published alongside existing National Statistic Method. In 24/25 the aim is for the DPM method to replace existing method and to receive National Statistics status. Population flows would not be covered in this option. 	<p>£35.67m in 23/24</p> <p>£38.62 in 24/25</p> <p>Total: £74.49</p>	<p>£250m additional benefits per year for mid year estimates when compared with Census</p> <p>Plus additional benefits from topic information which is estimated at an increase of 25% or £62.5m</p> <p>Plus an additional 50% for</p>	<p>12:1 over two year period</p>

	<ul style="list-style-type: none"> • Transformed migration statistics with national statistics status, currently experimental. • Multivariate analysis and products covering the following topics: <ul style="list-style-type: none"> ○ Income ○ Housing ○ Ethnicity. • Census Data Asset published, year one experimental, year two national statistic. • Extend research on protected characteristics, qualifications and veterans. • Publish research on daytime population, to provide experimental statistics in 24/25. • Publish experimental household statistics in year one with year two being national statistics. • Further research responding to user needs. 		Census Data Asset £125m Total £437.5 per year	
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Feasibility

The Future of Population and Migration Statistics programmes is aligned with both government and ONS best practice and follows the principles and processes set out within Managing Successful Programmes (MSP) therefore meeting the standard approach used within the project delivery profession. SSS will operate under the delegated authority of the ONS Portfolio Investment Committee (PIC) to whom it will report progress against plans and escalate decisions which fall outside its tolerance. As with other programmes within the ONS portfolio SSS will work within the ONS wide governance framework and will adhere to the guidance and advice of the portfolio management function. As a strategic programme, it will play a collaborative part in the planning and prioritisation activities across the organisation as a whole and help set the roadmap which will deliver the commitments outlined as part of the ONS strategic business plan.

Confidence to deliver against key objectives is high. The research for the 2023 recommendation has been well received and engagement with local authorities show a high interest in the resulting products.

Conclusion

As the Accounting Officer for the ONS I considered this assessment of the Future of Population and Migration Statistics Programme and approved it on 21 June 2023.

I have prepared this summary to set out the key points which informed my decision. If any of these factors change materially during the lifetime of this project, I undertake to prepare a revised summary, setting out my assessment of them.

This summary will be published on the government's website (GOV.UK). Copies will be deposited in the Library of the House of Commons, and sent to the Comptroller and Auditor General and Treasury Officer of Accounts.

A handwritten signature in black ink, appearing to read 'Ian Diamond', written in a cursive style.

Sir Ian Diamond

21 June 2023

