

REQUEST FOR DIRECTOR DECISION – DD1249

Title: ONS London Statistical Support

Executive Summary:

The GLA has a memorandum of understanding with the Office for National Statistics (ONS) to supply statistical support for London. In part, the statistical support takes the form of two ONS staff with specialist knowledge to work with the GLA. The arrangement seeks to improve the evidence base for economic policy making in London and was taken on by the GLA following the folding of the London Development Agency (LDA) into GLA.

Decision:

That the Executive Director of Communities & Intelligence approves expenditure of up to £140,000 to pay for London Statistical Support from the Office for National Statistics in 2014/15.

AUTHORISING DIRECTOR

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.
It has my approval.

Name: Jeff Jacobs

Position: Executive Director

Signature:

Date: 13 August 2014

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1 The GLA has a memorandum of understanding with the Office for National Statistics (ONS) around supplying statistical support for London.
- 1.2 In part, the statistical support takes the form of two ONS staff with specialist knowledge working with the GLA. The arrangement seeks to improve the evidence base for economic policy making in London.
- 1.3 The arrangement was taken on by the GLA following devolution and the functions of the London Development Agency (LDA) being taken on by the GLA.

2. Objectives and expected outcomes

- 2.1 The ONS London Statistical Support is governed by a MOU between the GLA and ONS. A 6-monthly meeting is held between senior officials at ONS and the GLA to monitor the relationship. Alongside this, quarterly performance meetings are held between ONS and GLA staff to review progress against objectives (set on an annual basis) and to align workstreams effectively going forward.
- 2.2 The overarching objective of the ONS London Statistical Support is to support the economic evidence base for London. The exact year-to-year objectives vary depending on the needs in any particular year. In the last year for instance the ONS London Statistical Support has provided significant support in the delivery of the London Living Wage calculation, Low Pay in London (GLA Economics report and Assembly Committee paper) and the development of a GLA agreed definition for science and technology sectors (for the LEP) for example. In the year ahead the main objective for the team is the successful delivery of the London Business Survey in October 2014. Again alongside this the team will be required to provide ad-hoc, as well as planned, analysis and advice on a range of issues (including London Living Wage, general statistical support to the Examination in Public and development of the GLAs employment projections).

3. Equality comments

- 3.1 Whilst there are no direct equality impacts the analysis conducted by the ONS London Statistical Support team may well highlight equality issues in London.

4. Other considerations

- a. Links to strategies and Mayoral and corporate priorities
- 4.1 ONS London Statistical Support aids delivery of the objectives of the Mayor's Economic Development Strategy and various other strategies. For instance, data provided by the ONS London Statistical Support team is crucial to the delivery of the GLA's employment projections which are integral to the London Plan and are also used in the Transport Strategy and Economic Development Strategy. Access to data provided by the ONS London team also provides added value in many other

policy areas (for instance IDBR data has been used in the development of the GLA's policy on Enterprise Zones).

b. Impact assessments and Consultation

4.2 None required.

c. Risk

4.3 Without the ONS London Statistical Support the GLA would not have access to the specialised knowledge and data required for many areas of work. This would result in additional costs (to access the required data and specialised knowledge) and, arguably, lower quality/less robust results, jeopardising the quality and robustness of the Mayor's strategies/policies.

4.4 In 2013/14, discussions about the ONS Statistical Support arrangement led the legal team to advise that secondment agreements should be put in place between the ONS and GLA. It was noted that such secondment arrangements were likely to result in an increase to the GLA's establishment list (especially if the two ONS staff remained based at City Hall). In 2013, the cost of this provision to the GLA for the full year was £140,000.

The arrangement between ONS and the GLA (and previously LDA) that has now existed for around 6 years is not a secondment agreement but an MOU between the GLA and ONS. It is clear from the MOU, and from past precedent (i.e. the relationship between ONS and the RDAs) that the ONS staff are ONS employees, managed by the ONS and governed by ONS processes. So for example, when the RDAs closed down it was clear that the ONS was responsible for the future of the ONS staff.

As a result, we have continued to operate without a formal secondment agreement and these staff remain off the GLA's establishment list. Moreover, the staff have now moved to separate offices in Pimlico (so away from the GLA). We consider it is clear that they are ONS, rather than GLA, employees and that the risk of the contrary position being found is extremely low to non-existent.

4.5 Terminating the ONS London Statistical Support agreement would result in a reputational risk to the GLA around its commitment to statistics.

5. Financial comments

5.1 Approval is being sought to fund the ONS London Statistical Support team as detailed within the main body of this report, the commitment for which transferred to the GLA following the abolition of the LDA.

5.2 The full year cost of the proposal to the GLA is £140,000, which will be funded from the ONS budget held within the Intelligence Unit for 2014-15. Any changes to this proposal including budgetary implications will be subject to further approval via the Authority's decision-making process.

5.3 The Intelligence Unit within the Communities & Intelligence Directorate will be responsible for managing this initiative and ensuring that the associated expenditure complies with the Authority's Financial Regulations, Contracts & Funding Code and Expenses & Benefits Framework.

6. Legal comments

Legal Power

- 6.1 Section 34 of the Greater London Authority Act 1999 allows the Authority, acting by the Mayor, to do anything which is calculated to facilitate, or is conducive or incidental to, the exercise of any functions of the Authority exercisable by the Mayor. In this case, the secondment of ONS staff to GLA may reasonably be seen as being calculated to facilitate and conducive and incidental to the GLA performing its' various functions. In particular, the secondment should provide GLA with better statistical support that will assist in policy making by the Mayor under his section 30 power, that is for the promotion of economic development, social development and environmental improvement in Greater London.

Second arrangement

- 6.2 The legal team has previously advised that the arrangement between ONS and the GLA (particularly when the ONS staff were based at City Hall – not the case now) is a classic secondment arrangement which should properly be formalised by the way of a tri-party Secondment Agreement. The Memorandum of Understanding is not legally binding on the parties and would not preclude the ONS employees from attempting to bring an employment tribunal claim against the GLA. The GLA has considered this risk and concluded that the risk of any claim is low and therefore the GLA intends to continue with the arrangement as it currently stands accepting any risk.

Appendices and supporting papers:

- Appendix A - Memorandum of understanding between the GLA and ONS (February 2011) – attached.

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

Note: This form (Part 1) will either be published within one working day after approval or on the defer date.

Part 1 Deferral:**Is the publication of Part 1 of this approval to be deferred? NO**

If YES, for what reason:

Until what date: (a date is required if deferring)

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer:

Matthew Waite has drafted this report in accordance with GLA procedures and confirms that:

✓

Assistant Director/Head of Service:

Andrew Collinge has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

Financial and Legal advice:

The Finance and Legal teams have commented on this proposal, and this decision reflects their comments.

✓

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature

Date