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Allsopp Review Consultation  
Room 3/19  
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1 House Guards Road  
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**RE: FIRST ALLSOPP REPORT**

Dear Review Team

The comments below are from me as a private individual, but are based on my extensive past experience working as an official statistician for the ONS, Bank of England and the IMF. I trust they will be helpful in formulating your final report and recommendations.

First let me congratulate you on the report, and its ability to see positive ways forward rather than just the negatives of inadequate and withdrawn statistical series. I would take issue with some of the comments in the opening chapters, which equate the needs of English regions (an artificial administrative construct) with those of the UK countries (a political and national reality). Nevertheless I agree with the substantive conclusions on needs and means of addressing them.

The under-resourcing and past neglect of the regional accounts, is worryingly reminiscent of the problems documented by Martin Weale over the average earnings index; including changes to methodology without proper appraisal of their effects; and neglect from senior management of oversight of the figures and the area of work as a whole. I wonder if there other dark and neglected corners of national statistics with major problems waiting to emerge into the limelight?

I agree your recommendation to switch to a production-based approach for regional accounts; while retaining the income measures as supplementary. There will presumably need to be a simplified annual balancing process; to produce the definitive single current price estimate of GVA (or GDP). Perhaps the headline figure should switch to GDP with incomes measures still using GVA or gross household disposable income.

In achieving a high quality production estimate for English regions it will clearly be necessary to expand the ABI sample size. However it seems to me that ONS are being naive in their figures in Annex A2. Your report clearly demonstrates that the main data problem is poor allocation to regions of data collected from national enterprises with local sites spread over several regions. Asking these companies to allocate some key data such as turnover, wages; capital expenditure etc to region will solve many of the data problems, without the need for such a large increase in overall sample size and compliance cost.

I strongly support your plea for ONS staff to have direct access to administrative returns such as tax and VAT records. Indeed I did think there was European legislation in place, which ensured that national statistical offices could have such access. If this is not sufficient; then your report might need to press for new UK statistical legislation to put such rights of access (and subsequent confidentiality) beyond dispute.

Your recommendation for a regional presence for ONS or the GSS is an interesting one. My first reaction was that this would not help; but your discussion of their potential role on data scrutiny in chapter 10 convinced me otherwise. Their role in achieving high response rates and promoting the importance of statistics in the region could also be important. To undertake all of these roles the persons heading the regional presence would need to be relatively senior and experienced, and not necessarily a professional statistician. Skills such as a good feel for hard and soft data and interpretation of trends; a good understanding of national accounts; plus a strong outgoing personality, would be more important than their professional background.

Your report rightly emphasises (yet again) the imbalance in compliance costs and input resources between the manufacturing and services sectors of the economy. If table 11.1 were re-presented on a GSS basis, including the trade statistics system, the conclusion would be even more glaringly obvious. I am not sure if resources can be switched (because of EU legislation); but I hope they can be, at least in the medium term.

Finally I welcome your suggestions for a greater role and ONS support for user groups at 10.13, but was disappointed not to see it listed as a recommendation.

Yours Sincerely

PHILIP TURNBULL