

The Allsopp Review Team
Room 3/19
HM Treasury
1 Horse Guards Road
London
SW1A 2HQ

Friday 13th February 2004

Dear Mr Allsopp,

First Report on “Review of Statistics for Economic Policymaking”

Thank you for providing this opportunity to respond to the First Report on the “Review of Statistics for Economic Policymaking”.

The Countryside Agency welcomes the publication of the First Report, which discusses many issues of relevance to the Countryside Agency’s work in providing the evidence for rural policy formation. These issues include the requirement for consistent and comparable data between regions and the need for more detailed information on the service sector, which has become an increasingly important sector in employment terms in rural areas in recent years.

The Countryside Agency particularly welcomes the recommendation for an extension to the Neighbourhood Statistics service to provide a wider range of economic statistics.

We hope that this submission is considered valuable to the Review.

Yours sincerely,

Ken Roy
Programme Director
Evidence and Analysis
The Countryside Agency

The Countryside Agency submission to the First Report from the “Review of Statistics for Economic Policymaking”

February 2003

The Countryside Agency welcomes this review of regional and local economic statistics, and the publication of the First Report on the “Review of Statistics for Economic Policymaking” in 2003. The Report discusses several issues of particular relevance to the work of the Agency in providing the evidence for rural policy formation. These include a greater sharing of administrative information between the regions to allow consistent and comparative analysis and the need for better coverage of the service sector in the statistical system to reflect the fundamental changes that have occurred recently in the structure of rural economies. However, this should not mean that data collection on the manufacturing sector is diminished, as it remains an important employer across both urban and rural areas.

However, the Agency would like to offer further comment on a number of issues and recommendations raised in the First Report. Firstly, we would like to re-emphasise the need for more sub-regional data to allow for comparisons between rural and urban areas at small geographical levels, where this data is accurate and can remain confidential and robust. Sub-regional and local data on a range of issues (employment levels and characteristics [for example, levels of self-employment, seasonal and part-time employment], business start-ups and failures, skills and education levels, housing, transport, social exclusion and deprivation, ICT and levels of health and crime) is vitally important for policy and strategy formation by a range of regional and sub-regional organisations. Data is therefore required at a small geographical scale, such as NUTS 4 or NUTS 5 level. The use of NUTS statistical units will also allow comparisons to be made with other European regions and localities. Furthermore, data disaggregated for urban and rural areas at a regional level is vitally important. Comparing rural and urban areas nationally hides a great deal of variation across rural areas in the different English regions. This data disaggregated for rural and urban areas must be made routinely available and based on the new rural-urban definitions which will be fully available in Spring 2004.

In terms of data requirements on specific issues, demographic data provides the basis for analysing a number of other important issues, not least, housing and service provision. Data on migration is crucial in promoting a full explanation of the changing economic circumstances of different areas. Detailed, robust data is required on international and inter- and intra-regional migration patterns, on the characteristics of migrants, including their age, sex, economic status, qualifications, experiences and skills, and on more ‘qualitative’ information such as the reasons for migratory movements and the perceptions of those leaving and arriving in an area. As mentioned above, data on migration, and demographic trends more generally, is

crucial in analysing and understanding patterns of service provision at the sub-regional level in both urban and rural areas.

More detailed data is also required on regional and even sub-regional trade levels and patterns, as this is an important factor contributing to the differential economic performance of regions and localities. Wider access to regional data from the IDBR and Annual Business Inquiry is also required, by boosting sample size to increase regional reliability. Improvements are also needed to the method used for collecting business registration information to ensure wider coverage of all businesses, including micro-businesses. Rural businesses in particular tend to be omitted from VAT registration and de-registrations data making it hard to accurately report on business start-up and failure rates in rural areas. However, it is recognised that additional burdens should not be placed on businesses, and particularly small and micro-businesses, which are particularly prevalent in rural areas, to complete data collection surveys.

Furthermore, more robust and consistent data is required on income levels for small geographical areas, recognising that household as well as individual income levels may be particularly important for rural areas. Households make a crucial economic and social contribution to rural areas and are an important decision-making unit. Data from the New Earnings Survey does not adequately provide reliable data on low paid workers and data on a residence, as well as on a workplace, basis would be useful. Further development of the Labour Force Survey is also needed to improve the availability and reliability of regional and sub-regional data and analysis and to collect improved data on household income, earnings and benefits. Accurate, fine-scale data on employment across different sectors is also important, particularly for the public sector and agriculture, which are particularly important sectors in rural areas.

The Countryside Agency welcomes the First Report's recommendation to further develop and expand the provision of micro-regional data through the Neighbourhood Statistics web site beyond the current focus on neighbourhood renewal. In particular it would be useful if Neighbourhood Statistics could provide a range of economic data broken down for rural areas, using the new rural-urban definitions developed by The Countryside Agency, ODPM, DEFRA, the ONS and the National Assembly for Wales. Furthermore, an expansion to the mapping element of the web site would assist in the provision and understanding of sub-regional and local data. As the range of data provided on the site increases a comprehensive search engine should be developed to direct users to appropriate information. It would also be useful for Neighbourhood Statistics to allow the user to explore trends using earlier Census information, adopting both old and new definitions.

However, it is recognised that the Neighbourhood Statistics service may not be able to provide data on all issues, including some of the more important 'qualitative' issues

that may be crucial in contributing to the economic success (or otherwise) of rural economies. These include the local sense of identity, culture or community and the impact of this on the local economy and 'measures' of social capital.

It is important that data is available to accurately reflect regional and local differences and characteristics to adequately and accurately inform regional and local policymaking. Thus data can be both collected and made available for some regions when it is not available for all and sample sizes may be boosted for regions interested in specific topics. At the same time, consistent data must be made available for all regions to enable comparative analysis to be made.