

Review of Statistics for Economic Policymaking

Response to the Allsopp Report by Optimal Solutions Ltd

1. The socio - economic performance of the Devolved and Regional administrations is seen as increasingly important as the Government seeks to encourage sustainable regional economic growth. The Review of Statistics for Economic Policymaking is a key input to this process and we therefore welcome its production and views.
2. The Government's objective of economic growth at regional level will require the development and implementation of a range of new policies and frameworks. The impact of these on economic growth will need to be measured in a systematic manner to ensure that the Government's success criteria are being met and seen to be correct through transparency and access.
3. Such information will also allow the Government and the regions to;
 - Attract funding from UK and European sources based on actual need,
 - Develop cross cutting policy initiatives to improve service delivery and cost-effectiveness,
 - Target policies in the areas of greatest need,
 - Monitor and refine policies based on actual outcomes,
 - Assess relative performance and transfer best practice,
 - Demonstrate value for money.
4. The Report makes many strong recommendations, which, if implemented, will support economic growth by improving the quality of data available on regional performance by linking existing statistical data with administrative data.
5. It also recommends that the scope of the Neighbourhood Statistics Services includes an expanded range of economic data, and that it be available for different geographies up to and including NUTS1 regions.
6. In practice, the data required to support the Government's objectives will be held in a variety of different formats on different systems in many organisations. The Report recognizes and acknowledges the complexity of data related issues and mentions inter alia; data standards, level of detail, data quality, consistency and comparability.
7. The Report also acknowledges the need for a common framework and platform, and proposes the Neighbourhood Statistics Service be expanded for this purpose. We welcome this recommendation. The Report does not however explicitly recognise geography as the common feature that links the disparate datasets in a meaningful way.
8. We believe that the geographic, or spatial, component is central to managing data in a way that will support regional economic growth and the concept of regional 'fairness'.

9. Based on Optimal Solution's experience with Devolved Government (we developed the Neighbourhood Statistical Service for Northern Ireland) the critical activities will be;
 - Linking different datasets using geography as the common component, i.e. address or national grid reference,
 - Developing analytical tools to support the formulation of evidence-based policies targeted at areas of greatest need,
 - Making the data available to stakeholders,and
 - Developing robust methodologies for monitoring the outcomes of policies.
10. In our experience, linking datasets using geography (point 1) will require positive action to ensure that those collecting and managing statistical and administrative data adopt and implement a common geographic framework.
11. The main issues associated with a common framework will be the processes, timescales and costs of bringing existing and new datasets into the Neighbourhood Statistics framework, and the likely benefits of doing so.
12. Assuming that more economic data is made available through Neighbourhood Statistics, the requirements of professional users for software tools will need to be assessed to ensure that the required functionality is available (point 2). This needs to include identification and recognition of the characteristics of the main user and interest groups at an early stage.
13. It is also highly likely that expanding the range of economic data available will attract additional demand from new groups, hitherto unidentified, whose needs will also need to be recognised and catered for at some future stage.
14. A key requirement is the availability of analytical software capable of supporting cross cutting initiatives. Such tools will need to be capable of optimizing policy interventions in a way that maximises outcomes (across a range of service measures) for a given level of investment. This will allow policies to be developed and refined over time in response to their effectiveness, as measured by outcomes in service performance and cost-effectiveness.
15. The development of analytical software could be time consuming and costly and there is a need to make use of existing Government thinking in this area.

Optimal Solutions works extensively with devolved administrations designing and developing software solutions for decision support, including the management and analysis of data to support this process.