PES (2007) ANNEX B - BEST PRACTICE FOR THE CRA DATA COLLECTION

Recommended Methods and Approaches to Improve the Quality of Country and Region Analyses (CRA) Data Returns, and Examples of Best Practice Across Departments.

Recommended methods and approaches

(a) Preparing for the CRA exercise

- Appoint a senior manager to be in charge of data compilation, and to oversee the return of the final CRA data.
- Ensure that the Statistics Heads of Profession is aware of their role in the quality assurance process of the final CRA return. This year we ask that HoPs, or HoP delegate, **submit a completed form** accompanying the CRA return to:

  (1) Confirm they are content that the data has been produced to National Statistics standards in accordance with the guidance described in Annex C;

  (2) Comment on the process and methodologies involved in producing the figures, and identify any weaknesses in the allocation methods. We intend to publish a statement on the quality of CRA data in PESA 2008. In order to do this it is helpful if they, or another senior statistician, are involved in the process.

- Ensure that communication takes place at a senior level within the department, so that awareness of the exercise goes beyond those staff who are directly involved with data compilation for the CRA return, and includes:
  - those involved in the department's various regional policy interests;
  - those aware of detailed accounting data (which may record actual regional spending data);

- Involve departmental statistical staff, who may be able to advise on methods and use other relevant data sources where directly measured data is not available.

- Read the Treasury's guidance and consider how this applies to your data.

(b) Compiling the CRA return

(i) Involve others – don't confine the exercise to the central finance team

- For larger departments, or where departmental spending is spread over a substantial number of sub-programmes, co-ordinate the CRA return centrally, but delegate completion down to programme managers and those staff with the best overview of what regional data exists, including NDPBs and regional offices if necessary.

Example: ***CLG*** *(for environment and housing). A coordinated, decentralised system of briefing everyone on what's required, then splitting up the form and despatching the relevant sections to programme managers who then do the same as necessary, going all the way down the line to their NDPBs if necessary to extract the relevant data which is then passed back up the chain.*

- Where grants go to NDPBs for distribution to private sector recipients (e.g. much of DCMS 'culture' spending, BERR science budget going through research councils), ask the NDPBs to allocate their spending by residence of recipient, or else provide information that will enable this to be done.
- Ensure that those downstream asked to provide returns (programme managers, NDPBs) understand what is being asked of them, and have the information and guidance they need to do their allocations properly (i.e. Treasury guidance on rules for allocation, data from form relevant to that spending – e.g. whether spending is classed as transfers, or services to individuals, or collective services).

(ii) Use information from non-finance sources, including appropriate indicators (but not population shares)

- Consider what relevant data could be used for each (component of each) programme object group. Use data from other sources besides departmental central finance.

Example: ***DoH.*** *Data is extracted from Primary Care Trusts' accounting system on the geographical location of patients treated.*

- Where allocation of spending is formula driven, use those formulae as the basis for estimating a regional breakdown if directly measured data is not available.
- Where directly measured data is not available, use an indicator appropriate to that type of spending. However, don't use the obvious ones like population or GDP proportions - they are unlikely to be appropriate for any spending that has been classed as identifiable by region.
- Where CG provides central services in support of LA spending (e.g. schools education) consider using LA spending data as an indicator.

(c) Improving data sources

- In departmental accounting systems, record some information on where spending takes place as a matter of course.

Example: ***Forestry Commission.*** *Have unique regional codes on their ledgers*

- For transfer payments (current grants, subsidies, capital grants), collect data on postcode of recipients. Where grants are paid out by NDPBs, encourage NDPBs to collect postcode data for recipients.

- Where payments go through a 'head office' of some kind, ask 'head office' recipients for location information on the final recipients.

*Example: **DEFRA (Rural Payment Agency).** "Direct payments under CAP are based on postcodes per region. In preparing the Treasury return (RPA) get their technicians to sort all payments by postcode, and allocate them to regions." (McLean Report, paragraph 4.9.4).*

(d) CRA data is National Statistics

The outturn CRA data that you hold and supply are covered by the National Statistics protocols.

We accept that departments' aggregate expenditure data normally originate in their own accounting systems, and that this data is not covered by National Statistics protocols. Therefore, access to this data both for internal and external (e.g. Main Estimates) purposes does not need to be restricted.

However, the accounting data will normally have been statistically processed in order to generate the regional split of numbers. Since the outturn data published in the CRA in PESA are published as National Statistics it follows that the underlying departmental data **showing a regional split** should also be seen as National Statistics.

The implication of treatment as National Statistics is that access restrictions to the regional data should apply in accordance with the Code of Practice until publication in PESA. In particular:

- Data should not be released into the public domain until PESA has been published. PESA will be published 5 weeks after the Budget – we will notify you of this when the date is announced to Parliament. Once PESA has been published, no further access restrictions need be observed on grounds of National Statistics, even though the DR tables will not have yet have been published.

- The CRA data, and associated briefing, may, however, be provided to Ministers and special advisors up to 5 days in advance of the PESA publication for briefing purposes.

The exceptions to treating CRA data fully as National Statistics are:

- Estimated outturn and plans data (2007-08 onwards, for PESA 2008), since only outturns are National Statistics;

- Where the country and regional data that the department provide are actually held on a country and regional basis for operational reasons. In that case, the normal partial derogations from the National Statistics protocols for management information apply where people need to have access to data in the course of their normal work.

Please contact Martin Phillips (020 7270 5988) with any queries you have on this National Statistics guidance.