

# ALLSOPP REVIEW – FIRST REPORT

## Joint response from North East Assembly and Association of North East Councils

### INTRODUCTION

The North East Assembly and Association of North East Councils welcome this opportunity to comment on the Allsopp Review. It is a very full and encouraging piece of work and indeed the decision to undertake this review is itself commendable. The Assembly and Association are involved in discussions with the government about a wide range of issues relating to policy and resource allocation and fully endorse the aim of using regional information to support the regional policy agenda – the application of good quality information is as important as the production of the data

The proposal for ONS or GSS presence within the region is particularly important. It would provide an excellent opportunity to improve the information available to regional organisations and central government. There should be a significant ONS presence within the regions, probably more than one person, located within either the Government Office, or the North East Regional Information Partnership (NERIP), the Regional Observatory.

Some more detailed comments on the report are set out below

1. It is important that data does not just go down to, or is generated at, a regional level but it should also be available at **sub-regional and local authority geography**. This will be of benefit not just to those working in, for example, 'sub-regional information partnerships' but also to those in Government. Offices and RDA's trying to work with their component local authorities and other institutions and organisations.
2. The **Annual Business Inquiry** should be an invaluable source of information on companies and employment but at present it is not. It requires

improvement and expansion to give good quality information at a regional and particularly a sub-regional level; the ONS being required to follow up complaints about accuracy and reliability from sub-regional agencies. Small sample sizes in sub-regions with low business numbers can lead to very substantial inaccuracies when data is grossed up. Whilst this can be partially resolved by the use of rolling averages, there is a strong argument for a minimum sample size per sub-region.

Many errors in the ABI may be due to inaccuracies in the IDBR. Local Authorities are deterred from informing ONS of errors in the IDBR that they would be aware of (from their own local knowledge and business surveys) by **the fee** they must pay **to purchase the IDBR** for their area. [As the methods in which the IDBR can be used by local authorities are already very limited, there is an argument that it should be supplied free to local authorities, with suitable restrictions, on the understanding they will advise ONS immediately of any inaccuracies.] Our guiding principle would be "More accurate information every two or three years would actually be greatly preferable to the data we currently receive every year".

3. With respect to the **Labour Force Survey**, the same comments made with respect to the ABI (2. above) apply, in particular in relation to the need for a minimum sample size per sub-region.

4. **Inland Revenue** and **Customs & Excise data** should be used by ONS as a matter of course. Individual confidentiality is not a logical or valid reason for constraining the use of *aggregate anonymised* data. Indeed much information on employment must surely be residing in the Inland Revenue. This route **should be seriously considered for improving ABI employment estimates**, potentially into a proper count.

5. Everything that is good about **NOMIS** must be carried forward into the new infrastructure. The present system (at University of Durham) should not be switched off until this transfer has been carried out satisfactorily. The facility which NOMIS allows, to create 'saved custom-defined geographies' and

variables, is especially useful to Local Authority users. The ability to download raw data from the ABI should not be lost for those who have signed up to the appropriate Chancellor of Exchequer's notice.

6. We do not accept that the ONS' detailed questions concerning, for example manufacturing, are actually placing unfair **burdens on employers**. Questions asked are all ones that good employers should already possess data for.

7. **Coverage of the Manufacturing sector** should not be downgraded. The manufacturing sector is still important in the North East and while we agree with the need to improve measurement of the service sector, this should not result in a reduction in the quality of manufacturing statistics.

8. The **data quality** for some sectors requires rigorous improvement and standardisation with all the other sectors; this applies particularly to **agriculture** and **construction**.

9. There should be significant **ONS presence in each English Region**; one person is never enough because it does not provide cover at all times (due to holidays and illness). They would be perhaps best placed with Government Regional Offices or with the Regional Observatory.

10. Proper, accurate, data on the **self-employed** is required.

We would welcome further discussion on any of the points raised in this response. Please contact Malcolm Bowes, Assistant Director (Regional Development), North East Assembly & Association of North East Councils, e mail [malcolm@rane.gov.uk](mailto:malcolm@rane.gov.uk) .