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The Allsopp Review Team
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Dear Mr Allsopp

Thank you for providing this opportunity for the Association of Regional Observatories to respond to your First Report. The Report contains a number of exciting and considered recommendations, and has been well received in the regions.

Your Review has generated considerable excitement within the regional intelligence community. Recommendations aimed at improving Regional Accounts, creating a regional GSS presence, introducing a regional statistical kitemark, preserving NOMIS functionality, and making greater use of administrative data are particularly welcomed. We are also happy to see recognition in your First Report for the importance of the views and concerns of professional regional users.

This response has been written by a number of regional analysts, and attempts to present a consensus view. As well as remarking on a number of issues raised by your Report, we also note that we are keen to see clear guidance from you on the timetable you envisage for implementation of your recommendations.

Yours sincerely

A handwritten signature in black ink, appearing to read 'P.N.J. Tucker', written in a cursive style.

P.N.J. Tucker
Chair, Association of Regional Observatories

ARO Response to the First Report of the Allsopp Review

The Statistical Framework

The Association of Regional Observatories welcome the First Report of the Allsopp Review, and recognise the excellent analysis and proposals it provides. The Review team have successfully understood the needs of regional users, while giving a thorough account of the statistical and organisational difficulties faced in improving the regional statistical framework. In particular, we welcome recommendations to improve Regional Accounts; create a regional GSS presence; make greater use of administrative data; continue the availability of the functionality that NOMIS currently provides; and promote consistency in regional surveys, particularly through a kitemark scheme. We also welcome the recognition given to the work of regional observatories. Although wider social and environmental statistics fall outside the remit of the Review, we are heartened that a number of Recommendations in the First Report will none-the-less help in improving regional statistical provision in these areas. Overall, it seems that the Review will offer a timely and significant fillip to regional statistics.

Regional Statistical Presence

ARO strongly support the proposal for a 'significant ONS or GSS presence in each English Region'. This exciting proposal ought to be able to provide a significant boost to the quality of regional statistics, and the evidence base generally.

Because the effectiveness of regional statisticians will be influenced by their location and the particular circumstances of the region in which they work, care should be taken to consider how the impact of this resource could be maximised. Not all work locations within the regions would easily permit the desired 'outward-looking role' – organisational size, regional role, and regional perception all play a significant part. An opportunity exists to utilise and strengthen existing regional partnerships in order to optimise the outputs from the regional statistical presence. Ensuring that regional statisticians are "tapped in" to regional partnerships will be necessary if they are to successfully review national datasets, and provide a genuinely 'outward-facing' resource. A situation where statisticians are seen as being merely 'housed in the region' rather than 'regional' must be avoided at all costs.

Because regions and regional organisations differ significantly from each other, the location of the regional statisticians should be allowed to vary by region to ensure effectiveness. Regional organisations probably have the best idea of how this recommendation ought to be implemented in their regions. For this reason, decisions on location should be made primarily within the regions, provided that the desired functions and reporting arrangements can be

met. The most obvious approach for regions to take would be to integrate any new regional resource with existing arrangements for coordination and sharing of regional statistics, where these exist in a suitably strong fashion. In a number of regions, this might be the regional observatory. Formal arrangements could be made to satisfy GSS requirements of independence and Central Government employment, without limiting the impact of this excellent proposal.

For ease of coordination, we propose that a common *function* for these regional statistical teams be defined, along with common reporting arrangements back to the centre. Defining the function should ensure that capacity is not over-diluted. There are natural limits to how uniform arrangements can be, given the existing differences in research structures in each region. Furthermore, the need for total operational simplicity should not be allowed to outweigh the significant benefits that would be gained from allowing some regional variation in implementation of this recommendation.

Intermediate 'Kitemark'

ARO welcome the proposed intermediate form of 'kitemark', which would 'signal that data collection and compilation had been undertaken according to ONS guidance and that the results should be comparable with equivalent figures in other regions'. This initiative would provide a valuable way of promoting standards in regional statistics, and give a significant boost to efforts to promote common approaches. The issue of inter-regional comparability in data is an important one, and ARO welcome recognition of the effort it is putting into promoting integrated working in the regions.

Using the proposed regional 'kitemark' as a mark of a certain quality level (i.e. having taken ONS guidance) and of some degree of impartiality will be fairly straightforward. It might be beneficial, as part of this scheme, to issue guidance as to the purposes for which kitemarked statistics would be fit. Tying the kitemark recommendation to the need for comparable statistics between regions is complex. The *level* and *type* of comparability needed to attain kitemark status needs to be clearly defined. Use of standard sample frames might be relatively straightforward; truly comparable statistics might necessitate the need for complete sets of standardised questions and question modules for use in regional surveys. Balancing the competing demands of real statistical comparability with regional flexibility will be difficult.

It is accepted that the practicalities of the kitemark scheme will need to be left to ONS, the regions, and others to work out. Already, it is important to be cognisant of the desire of some Central Government departments to publish some 'kitemarked' statistics under a less onerous regime than that of National Statistics. The principles and protocols of a regional statistics

kitemark are likely to be considerably different from those used in putting together 'not-quite-National' statistics, and so there may be a need for two, distinct, new kitemark schemes.

The Sub-National in National Surveys

Recommendations 23¹ and 25² are strongly welcomed. National surveys ought, as a norm, to produce results for the regions. At the same time, where robust and non-disclosive information for certain variables is available only for some regions or sub-regions, this ought to be released.

Assessing Micro-Regional Data Needs

A mechanism for establishing priorities and assessing demands for micro-regional data is much needed. The Association of Regional Observatories are particularly pleased with the suggestion that 'regional bodies should play a significant part in balancing competing demands'. ARO look forward to offering significant support to this process, and to any group that may be formed.

The characteristics of this group will need to be worked out, but some observations include: (1) Both the regional users' group and the liaison group will need to remain relatively small; having a representative from each regional organisation would be unwieldy. (2) Broadly speaking, the regional users' group should act where clear consensus exists, and attempt to identify and build this consensus. (3) Membership of the group ought to be limited primarily to experts, although major regional and sub-regional interests must be represented. (4) Members of the regional users' group would exercise power delegated to them from regional organisations. (5) ONS ought to sit on the regional users' group with observer or advisor status; the position of GSS regional statisticians would need to be agreed, but it is envisaged that they would be able to sit as members.

While the structure and mechanisms recommended for the group are important, perhaps more significant will be appropriate integration into high-level ONS and Departmental decision making processes. The mere presence of senior members on the group will not guarantee that decisions are followed-up, given the complex arrangements within ONS and elsewhere for developing work programmes. Clear guidance on how implementation of this

1 *"When designing new surveys, the ONS and other bodies should take full account of the need for regional and sub-regional data. How precisely this is done will depend on the particular circumstances, but cases of surveys that produce robust results only for the UK as a whole and not for regions should be the exception rather than the rule."*

2 *"The current policy is that data included in the Neighbourhood Statistics Service should be available for all areas. However, in some cases there may be good reasons why data are not available for all areas. Within reasonable bounds, we do not believe this should prevent their inclusion on a central system."*

recommendation ought to fit with existing ONS decision-making processes would be welcomed.

Early implementation of this recommendation, to complement the valuable work already done to liaise with regional users by ONS Regional and Local Division, and with local authority users through CLIP, would be welcomed.

Administrative Data

ARO welcome **Recommendations 40³ and 41⁴**, which call for greater ONS access to, and use of, administrative data for statistical purposes. It will, of course, be important to be explicit about both quality issues and changes to series caused by administrative directives (such as can happen with claimant count data).

There may also be a possibility for savings across Government if Departments and agencies joined up their data gathering efforts. There may be scope to mention the Home Office, ODPM, DEFRA, DfES, DWP, and DTI, as well as the Small Business Service and LSC, in this regard. Work to examine the potential for collaboration in data collection and use should not fall exclusively on ONS, and could bring substantial savings and improvements.

User Groups

We agree with the comments about user groups made in the First Report, and with **Recommendation 38⁵**, which calls for a higher level of resources to be devoted to building capacity in areas including user liaison. Our experience is indeed that user groups only work if there is a clear focus on the tasks to be achieved, and when the group knows that its views will hold sway.

3 *"Administrative data, if used wisely, appear to offer opportunities to increase the quality and analytical power of key National Statistics, as well as reducing the associated compliance costs. More generally, within the important constraints of adequate protection for sensitive information and limiting use to solely statistical purposes, we believe there is considerable scope for the Government to make better use of the information that it holds. The ONS and the Government should explore the extent to which tax and other administrative sources could replace business survey data, considering ways in which the legal, administrative and confidentiality barriers could be overcome."*

4 *"We recommend in particular that the Government should develop mechanisms whereby the ONS and the statistical services in the devolved administrations could have greater access to the information collected by the two Revenue Departments. On the other hand, the ONS should investigate how information on the IDBR could be made more widely available, subject to appropriate safeguards on confidentiality and use only for statistical purposes. Either of these may require changes to existing legislation, or indeed new legislation."*

5 *"A higher level of resources should be devoted to building methodological, user liaison and ICT capacity to the level necessary for compliance with the wider recommendations in this Report."*

Stable Geographies

Recommendation 24⁶, on the advantage afforded by stable geographical definitions, is welcomed. It may be that ONS needs to have strong support from local authorities before finalising definitions for the middle and upper bands of Super Output Areas. It need not be that the same criteria for setting SOAs are used in rural and urban areas. Local views are important in terms of the long-term acceptability of the boundaries and their continued use.

Population Statistics

Migration Statistics

Recommendation 20⁷, supporting moves to improve internal migration information, is warmly endorsed. The creation of a National Population Register should – in time – achieve this. In the meantime, ensuring that statistics on internal migration join-up with those on intra-UK migration is of particular concern. At present a key problem with ONS population estimates is that international migrants tend to be 'left' in the authority they were initially thought to have moved to, even though they may have moved on before getting registered with the NHS.

Developing Regional Accounts

Regional Accounts

ARO welcome the discussion of Regional Accounts in the First Report, and are satisfied that major difficulties with GVA estimates – such as difficulties with income surveys, and problems with the ABI – are identified. ARO also recognise and value the work ONS have already undertaken to improve the quality of sub-national GVA figures. For users, the First Report increases understanding of the methodologies underlying the Regional Accounts, and the necessary steps to increase accuracy and timeliness. The First Report, by placing Regional Accounts in the context of the broader regional policy agenda, clearly sets out a programme for the development of measurement of GVA using the production method and major components of the income and expenditure approaches that are fit-for-purpose, rather than seeking to stretch a single measure for multiple uses. We support all the key

6 "The NUTS hierarchy is now widely accepted across a broad range of statistical and administrative bodies. It should ideally be the standard, at the very least at the NUTS 1 level, unless there are overriding operational reasons to do otherwise. We welcome the ONS' proposals for a more stable small-area geography. Any new classifications that are introduced should where possible be built up from this proposed geography."

7 "Resolution of concerns with population statistics is of crucial importance from the perspective of regional and local policymakers. We welcome the programme of work set out in the Quality Review of 'International Migration Statistics', and recommend further that the ONS develops its programme of research in order to establish how intra-UK migration can also be estimated more accurately."

recommendations with respect to improving the Regional Accounts, which clearly reflect the results of the extensive work and consultation undertaken by the Allsopp Review team.

The problem with apportionment of multi-plant activities to regions is a serious one, and the Review is right to give this issue substantial attention. Despite the problems associated with this, which the First Report notes, it might be that the only real way to be confident in this area is to do some surveying at a plant level, even if only to test the proposed statistical apportionment model. We support **Recommendation 8**⁸ in calling for a serious examination of the methodology used for apportioning reporting-unit returns to regions.

ARO recognise that a step-change is required to improve the quality and timeliness of the Regional Accounts. Priority may initially be given to the key NUTS-1 GVA estimates, but regional strategies and programmes often require information at smaller spatial levels. Sub-regional GVA estimates would clearly benefit from better methods of allocating Reporting Unit returns to regions, particularly if this was supplemented by more Local Unit accounting data. The concerns expressed in the First Report around the validity of sub-regional GVA do indeed suggest a need for investment in a broader range of economic statistics to provide alternative measures at these levels. Over time the involvement of GSS members in validating regional data will lead to greater focus on lower levels of spatial and industrial information, complementing the current 'top-down' processes with 'bottom-up' detail. Importantly, it should also assist in the vital task of accumulating evidence on effective policy interventions to contribute to Regional Economic Strategies.

Transforming regional economic performance is a long-term project in which RDAs play a key role. Therefore, whilst short-term measures of GVA would be of interest in monitoring progress, a range of short-term indicators should suffice. Timeliness is, of course, of importance, and **Recommendation 14**⁹ is welcomed. The pre-requisite is for accurate annual benchmark GVA figures, in both current prices and (chained) volume terms. It is of course hoped that in future key PSA targets are set for measures that already exist, rather than

8 "The ONS should, as a matter of priority, review the methodology for apportioning reporting-unit returns to regions. This appears to be a significant source of volatility and uncertainty in the aggregate estimates of regional GVA. Such a review should be complemented by case studies of some of the largest enterprises to indicate whether there is justification in the current practice of allocating the returns of large enterprises according to the observed behaviour of small firms. It should also consider whether some local-unit reporting of accounting information should be introduced."

9 "There should be a measure of annual regional GVA growth, based on short-term inquiries, that is more timely than the ABI or income-based approaches. The ONS should put together proposals involving discussion of any need for current short-period surveys to be boosted."

requiring the development of new statistics – and for this reason we enthusiastically endorse [Recommendation 39](#)¹⁰.

Full Regional Supply-Use Tables

Some regional analysts have expressed concern that the First Report appears to rule out on cost grounds, full regional Supply and Use tables. Such tables would be useful in improving the accuracy of production-based GVA estimates. They would also allow more flexibility in interpreting SIC categories (since industries can produce multiple outputs). More critically, they would allow insight into the functioning of the UK system of regional economies. There is a feeling in some quarters that merely providing more accurate figures for the GVA targets is not in itself sufficient to allow proper evaluation of regional policy actions (either *ex ante* or *ex post*). For example, How should policymakers interpret a slow rate of growth in regional GVA? This may, or may not, come as a result of policy failure; unless we more accurately discover what is driving regional GVA, we may not know.

As the First Report notes, Input-Output Supply and Use tables, as part of a wider Input-Output framework, can be used to ‘interpret the consequences of various ‘shocks’ to the economy on both the supply and demand sides’. The examples given in the First Report in relation to the uses that can be made of Input-Output tables – namely ‘the adverse effects of foot and mouth disease, or the positive effects of an increase in tourism’ – are both very much a subject of policymaking at the regional level. Improved understanding of the functioning of regional economies would certainly inform the production of Regional Emphasis Documents, requested by Treasury as part of the Spending Review.

Regional economies are likely to be highly open to inter-regional and international trade, and external shocks are likely to be a key driver of regional economic performance, at least in the short- to medium-run. Scottish IO Accounts for 2001 list inter-regional exports as the largest single source of final demand¹¹. It is implausible that the English regions will be less open than this, and highly likely that inter-regional trade is even more important in these cases. There is a feeling that we would, ideally, want to understand the principal element in final demand in seeking to support economic policy in each region.

10 *"As targets need to be measurable, there are benefits from ONS or GSS experts being involved at an early stage of the development of targets, to advise on any associated measurement difficulties. All suggestions for new Public Service Agreement targets should therefore set out how performance can be measured, based on early consultation with the relevant analysts."*

¹¹ These suggest that, across all industry sectors, imports amount to around 42 per cent of total intermediate purchases, with imports from the rest of the UK making up almost two-thirds of this. Exports make up around 47 per cent of final demand, with exports to UK regions contributing around half of this. In these accounts, inter-regional exports are a slightly larger source of final demand than household consumption, and 1.3 times as large as total Government Consumption.

The costs of gaining Supply-Use information may be high, but the Scottish case suggests that these costs are not insurmountable. Certainly many regional users are forced to pay consultancy fees for impact models that are based on ultimately unreliable estimates of the key variable, which high quality official estimates would make redundant. Taking account of such cost savings, and the savings from policy errors associated with having to base decisions on unreliable impact assessments and associated evaluation exercises, it is not obvious that such a resource would not yield a net gain. The difficulty of constructing full Regional Accounts, when there are no tax, currency, or other significant borders between UK regions is well understood. Nonetheless, some regional analysts believe that the huge benefits would outweigh the considerable costs.

Labour Market and Business Statistics

Labour Market Intelligence

In addition to the welcome recommendations for improved liaison and coordination between Central Government and regional bodies in assessing data needs, there is room to make separate recommendations in the area of Labour Market Intelligence (LMI). RDAs have responsibilities for regional skills frameworks, and so have clear needs for data in this area. In fact, skills are one of the primary concerns of regional policy. Sometimes there is a sense that coordination around LMI (where there is substantial DfES, LSC, Sector Skills Development Agency, and DWP involvement) is not as it should be. Major projects have been run in this area with little concern shown for regional data needs at the design stage, leading to entirely avoidable duplication and waste. Greater efforts could also be made in disseminating data to regional bodies. The Partnership Agreement on Skills and Economic Intelligence was an important development in this regard, but enforcement has not been accorded sufficient priority. A clear recommendation in this area might bring serious improvement to the regional statistical framework, in a field of significance to RDAs and others, at relatively little cost.

Labour Force Survey

ARO endorse **Recommendation 16** regarding the need to 'review whether existing arrangements [to boost the Labour Force Survey] are leading to detailed geographical data of adequate quality, given the differing allocation of resource between countries'. As part of this review, we would suggest that sample distribution by areas is closely scrutinised. The funding structure of LFS sample boosts has led to a significant imbalance in the LFS sample by area, leaving some areas and local authorities poorly served in terms of sample size and reliability of estimates.

Notwithstanding concerns about sample sizes, LFS remains a resource that is yet to be exploited to the full. More emphasis needs to be placed on disseminating data that is collected but not currently published. No workplace or origin-destination data is published. Regional data is caught between two stools - national publications can't contain much regional data, whilst NOMIS focuses on data that is generally robust at local level and excludes data that would actually be acceptable at regional level. ONS should explore the potential to publish more data from, and analysis of, this valuable source.

ARO endorse [Recommendation 17](#)¹² and welcomes ongoing work by ONS to reconcile ABI and LFS based estimates of employment.

NOMIS

ARO strongly and fully support [Recommendation 26](#)¹³ – that 'ONS should ensure that the analytical requirements of NOMIS users are met' in any migration of labour market statistics onto the Neighbourhood Statistics platform, and that 'until this is possible, NOMIS or an equivalent system should be retained separately and adequately resourced'.

It is imperative that the recommended 'maintenance' of NOMIS is at a suitable level. It is to be noted that until the recent addition of a labour area profiling facility, no new datasets or utilities had been developed on NOMIS for some time. It also remains a source of concern that key datasets available through NOMIS have yet to be re-based to the 2001 Census. It is suggested that ONS and others take considerable care to identify the functionality and service levels expected by professional users of labour market information, both during this transitional period and afterwards. Considerable strength of feeling exists around this issue in the user community.

The comments made in the First Report about the Neighbourhood Statistics service are noted, and it is agreed that this is a potentially powerful platform. [Recommendation 22](#)¹⁴,

12 "Divergences between LFS and ABI estimates of employment continue to cause concern to users. Ongoing investigations concerning discrepancies between the 'workforce jobs', ABI- and LFS- based estimates of employment at national and regional levels should be pursued as a matter of urgency. In the longer term, we hope that the project to improve the industry detail on the LFS should help to resolve such discrepancies."

13 "Future development of the Neighbourhood Statistics Service, including the introduction of economic statistics, should take full account of the needs of professional users. Accordingly, the ONS should ensure that the analytical requirements of NOMIS users are met in the new framework. Until this is possible, NOMIS or an equivalent system should be retained separately and adequately resourced to maintain service to users."

14 "The considerable work undertaken in recent years to develop the Neighbourhood Statistics Service shows what can be possible, although not without a price. We support the aim of the ONS to continue development of the Service. We recommend that this should include scope to cover an expanded range of economic data, which could be presented at a range of different geographies below and up to NUTS 1 regions, to become the key central resource for micro-regional data. Where possible, data for small

which calls for urban-rural tagging of data, and suggests that a separate portal be constructed for regional users (say, “*Regional Statistics*”) is supported. Serious concerns do exist around the timeliness of release of data onto Neighbourhood Statistics, and it is hoped and believed that difficulties in this area can be overcome, and that NOMIS has demonstrated that timeliness is possible without risking disclosure.

Income Data

The First Report suggests that there is no strong demand for regionalisation of income measures. Some regional users disagree with this. There is a need for income information at a regional and sub-regional level for monitoring both poverty and affluence. There is evidence that there are significant regional disparities in income distributions, but the difficulty at present is that sample sizes mean figures, and particularly comparisons over time, are often not robust. We welcome proposals to increase the sample size of the Expenditure and Food Survey to allow a source of good quality income data at a regional level.

Businesses Below the VAT Threshold

Given the policy significance afforded to entrepreneurship, greater efforts are needed to properly assess the contribution of businesses below the VAT threshold. A unified approach to this issue will be important if common sample frames in business surveys are to be adopted (perhaps by enhancing the common frame that would be provided, as recommended, by the IDBR). Efforts to obtain information on micro-businesses might also serve to help ensure that official statistics keep pace with the changing structure of the UK economy – it seems important that *some* level of data is available for businesses of *all* sizes. It would also be worth assessing the coverage of the IDBR, before adopting it as part of this process.

Official Statistics and Changing Economic Structure

Industrial Classification

It is important not to lose sight of the value that four-digit SIC data have in enabling construction of non-standard ‘clusters’ for analysis. This is important due to the priority placed upon cluster development in Regional Economic Strategies. For this reason, perhaps further examination of what is referred to as the ‘Scottish option’ in Annex 2 – use of mixed levels of industrial stratification dependent upon need – would be beneficial. That said, attempts to bring a more even coverage to the supply of economic statistics, including an increase in information about the service sector, is broadly welcomed.

areas should identify those that cover rural areas, once a consistent definition has been agreed within government. The range of different data, including regional economies and local neighbourhoods, might suggest a suite of different access portals for such an expanded system. But the ‘Neighbourhood Statistics’ badge should be retained for those data most relevant for neighbourhood renewal.”

Changing Economic Structure

The following examples from agriculture serve to illustrate the need for any examination of whether official statistics have kept pace with the changing structure of the UK economy to actually look in some detail at changes *within* each sector, and not just at the balance between sectors. Modern agriculture is multi-functional, commercially oriented, and integrated within a sophisticated 'food chain' and land management system. Historic methods of data collection have failed to keep pace with this change in a number of ways: (1) Multi-functionality of farm outputs creates challenges for the collection of reliable and robust information that are not always met. (2) Response rates to the Agricultural Census have fallen to the extent that it is now a self-selecting survey. (3) Flexible use of labour inputs and variable production of outputs make running an Agricultural Census on 30 June each year less meaningful. (4) The Labour Force Survey doesn't count migrant workers – a significant source of agricultural labour.

Rural policies and targets exist at the regional level, and require evidence and data. Yet, at the regional level, plans to reduce the Farm Business Survey sample to 1700 will limit utility for regional analysis. Also, Regional Accounts do not assign production of food commodities within agriculture to other industry classifications. Therefore, regional estimates of agricultural GVA include income from tourism and food manufacturing and retailing, making the monitoring of structural change at regional level exceedingly problematic.

Clearly, agriculture is only one area in which significant structural change has not quite been matched by changes to official statistics. Regular liaison with users, as well as finding ways to encourage 'blue skies thinking' at institutional level, may be two ways of helping ensure statistics are regularly examined for relevance and coverage.

Implementation of Recommendations

Implementation

The First Report quite rightly makes note of 'the sheer numbers of parties with legitimate interests in regional economic development; the growing importance of the regional devolution agenda; and ... the considerable disjunction between the increasing informational needs and the paucity of present supply' at the regional level. We believe that the recommendations made in the First Report will go a long way towards addressing this last point.

The timescale chosen for implementation is important, and it might be beneficial to identify a number of recommendations for early action. It will also be necessary to continue to involve users while implementing the recommendations of the Review, in order to maintain the significant 'buy-in' that currently exists in the regions. It is understood that the time taken to redesign samples, test new survey constructions, and improve regional and national datasets might mean that improvements are gradual. It must though be noted that there is an urgent need for improvements to regional statistical capability and availability, in sufficient time to feed in to the revision of the Regional Economic Strategies. This would require change by 2005 at the latest.

Perhaps the most effective way to significantly improve the regional statistical framework by 2005 would be to swiftly create a regional statistical presence. ONS or GSS presence in each region would quickly add statistical capacity; immediately open access, and enable improvements, to key datasets; and raise the quality of bespoke surveys carried out in each region. It would also smooth the subsequent implementation of other elements of the First Report. If full implementation of this recommendation by 2005 were impossible, gradual implementation – smaller initial GSS presences, or piloting of arrangements in some regions – should be explored. The regional statistician's role is likely to be an attractive one, and recruitment should succeed in adding capacity and expertise to that which currently exists in the regions. Recruitment from *within* the regions may prove difficult; if GSS staff are transferred, existing skills, areas of expertise, and links, should all be taken into account.

The Review has succeeded, quite properly, in pushing the subject of data and intelligence up the regional agenda. An exciting opportunity now exists not only to improve the regional statistical framework, but for the sponsors of the Review to firmly promote the use of evidence in regional policymaking. Significant momentum currently exists, and so wholehearted and swift implementation of the Review's recommendations would be welcomed in the regions.