

Assessment of Regional Accounts Statistics produced by the Office for National Statistics (ONS)

Thank you for the opportunity to respond to this consultation. As a network of researchers and analysts from within the public sector, the South West Observatory values the opportunity to assess existing data and statistical products. This response has been compiled from the comments of local authority officers in the South West, mainly from within Economic Development teams, in response to a request from the UK Statistics Authority. Officers within the South West Regional Development Agency's Economics and Evidence team also provided input.

1. Why are these statistics of interest to you? (Please indicate which of the statistics you use, how you use them or how you would like to be able to use them).

Responses stated a reliance on the GVA and GDHI for all reports, intelligence briefings and in responding to queries about the local economy from a wide range of stakeholders.

The need for evidence-based policy making and economic development interventions continues whether undertaken solely by the public sector, the private sector or, in the case of the newly formed Local Enterprise Partnerships (LEPs), a combination of the two. Specific examples provided on how these two datasets are used to give evidence include:

- Successful LEP applications in the South West, including the Heart of the South West, Gloucestershire, West of England, and Cornwall
- Regional Growth Fund bids
- The evidence base for all South West Unitary Authorities' Local Economic Assessments (a statutory duty)
- To support funding bids and projects – e.g. Somerset County Council has recently submitted a joint bid (with Devon, North Somerset and Torbay) to Broadband Delivery UK (BDUK) for funding to roll out superfast broadband across the County
- Somerset is the location for the proposed development of a new nuclear reactor at Hinkley Point C. Regional Accounts data, and specifically GVA, will be crucial to assessing and monitoring the impact of this proposal
- GDHI is used within local area profiles (to district authority level)

The data is primarily used at NUTS3 (local authority) level, but with selected NUTS2 (South West) and NUTS1 (UK and England). Specific measures used include data on headline GVA (£m), GVA per head, GVA per head indices, headline GDHI (£m), GDHI per head and GDHI per head indices.

2. How well do these statistics meet your needs? (e.g. comprehensiveness, level of detail available, presentation, accessibility, timeliness, commentary, explanation of methods.) How could they be improved?

One issue associated with the datasets is timeliness. Both statistics involve a significant time lag, particularly at the NUTS3 level. At present the latest GVA data available relates to 2008 (almost 3 years out of date). It is appreciated that all top-down economic data will involve time lags, but the one for local level GVA data seems excessive. More up to date data would be highly beneficial, particularly now as policy has shifted more towards local economic development - more timely economic intelligence is vital to underpinning any strategy, particularly in informing LEPs as they develop, and initiatives such as Enterprise Zones. We would also like to know whether the more up to date regional data (by 1 year) will now be adjusted to include LEP geographies.

The Regional Accounts do not provide data for GVA per full-time equivalent job, which is a key statistic for economic development purposes. At present annual analysis commissioned

by the South West RDA, in the form of an 'input-output' model called 'Econ-i', is relied upon to provide these figures. Econ-i also provides a more detailed industry breakdown than the published ONS figures, which is very useful in monitoring change in sectors over time. Such detailed information would also be of use to the emerging LEPs, particularly in identifying and monitoring Enterprise Zones. However, given the imminent closure of the RDAs, there are no further updates for Econ-i planned, and no funding attached to the continuation of the model. We would strongly urge ONS to look into filling this gap, and would be happy to liaise directly with ONS on this.

3. *How satisfied are you with the way that the producer team in the Office for National Statistics (ONS) engages and consults with you as a user? (For example, if you have had any communication with them about these statistics in response to email enquiries, at user days, consultations.)*

Where officers have been in direct contact with ONS on these statistics, they reported that they were satisfied with the speed and quality of the response. Several however have had no direct contact with ONS regarding these statistics until now.

Contact between ONS and the local authority officers in the past has often been through the ONS Regional Statistician. The Regional Statistician provided a schedule for the data release, a briefing on the data, support for users, and some quality assurance. This function has gone with the end of the provision of a Regional Statistician service. This was considered very useful to our network in interpreting the information; a function providing some similar local-level support in the future would be welcomed.

Users expressed an interest in being kept informed and consulted on future changes to these statistics.

4. *It may be useful for us to share your comments with ONS, to enable them to take account of your views as they develop the statistics. Please indicate clearly whether you are happy for us to pass your comments and contact details on.*

The South West Observatory, and the local authority officers contributing to this response, are happy for these comments to be passed on, and to be contacted directly for any further discussion. Please contact Sarah Hardwick at the Observatory (contact details below) in the first instance should you wish to discuss this response in more detail.

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