
Chair of the UK Statistics Authority, Andrew Dilnot CBE

Rt. Hon. Eric Pickles MP
Secretary of State for Communities and Local Government
Department for Communities and Local Government
Eland House
Bressenden Place
LONDON
SW1E 5DU

23 April 2013

Dear Secretary of State,

**STATISTICAL EXPENDITURE REPORT: REGIONAL STATISTICS PUBLISHED BY THE
DEPARTMENT FOR COMMUNITIES AND LOCAL GOVERNMENT**

I enclose a report by the UK Statistics Authority reviewing your department's decision to cease publication of statistics at a regional level.

Whilst recognising the need to find savings in all departments, the Authority has concluded that DCLG may not have given sufficient consideration to the consultation responses in respect of the value to users of the regional statistics previously published by the Department.

It would have been helpful if further detail of the responses had been included in the report of the consultation, and if the relationship between the views expressed by respondents and the decision subsequently announced had been clearer.

In the light of this, it would now be helpful if the DCLG Head of Profession were to review the decision in respect of regional statistics against the consultation responses. The Code of Practice for Official Statistics requires all government departments to "ensure that the relevant statistical Head of Profession has the sole responsibility for deciding on... the content ... of statistical releases." We interpret this to include the appropriate level of geographical disaggregation at which the statistics should be made available to users.

I am copying this to Jil Matheson, the National Statistician, and to David Fry at DCLG.

Yours sincerely



Andrew Dilnot CBE

UK STATISTICS AUTHORITY

Statistical Expenditure Report 8: Regional statistics published by the Department for Communities and Local Government

*Statistical Expenditure Reports review significant changes to UK official statistics.
This report has been prepared and issued independently by the UK Statistics Authority.*

In September 2012 the Department for Communities and Local Government (DCLG) published a report, *Changes to the Department's statistics on Land Use Change, Local Authority Housing Statistics and Regional Outputs: Summary of consultation responses*¹, which included the intended action following the consultation. The report stated that the Department would cease the publication of summary statistics by region² in its outputs from October 2012 onwards (except where the publication date had already been announced). It said that the Department would begin to present alternative sub-national geographic data in 2013 and that this would be fully in place by the end of the year.

The paper followed a consultation exercise between January and April 2012 on proposed changes to three areas of statistics: Land Use Change Statistics; Local Authority Housing Statistics; and Regional Statistics. DCLG received 75 responses regarding changes to regional statistics, including from local authorities, central government, professional groups, academia, and voluntary sector organisations. The September 2012 report included a summary of responses to the other two elements of the consultation but included very little information about the response to the 'regional statistics' element.

The report said: "recognising that the majority of respondents still see some benefit in regional statistics, we will, where possible, make data available that allows users to create their own regional statistics. For example, in some cases, local authority data will be published from which regional aggregates could be derived".

The Statistics Authority is concerned that DCLG may not have given sufficient consideration to the responses received to this aspect of the consultation, and consequently may not have given full weight to the value to users of the direct provision of regional statistics. It would have been helpful if further detail had been included in the September 2012 report, for example:

- the broad characteristics of respondents;
- individual comments against the consultation questions where possible;
- the impact that these changes are expected to have on users; and
- a detailed plan for the transition from regional statistics to those for other geographies – the arrangements put in place leave an undefined period where users may be left unable to obtain regional statistics or to aggregate existing statistics to meet their requirements.

¹ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/8413/2218749.pdf

² The Government Offices for the Regions (GORs) were established across England in 1994 and, in 1996, became the main classification used in the presentation of regional statistics. Prior to this, Standard Statistical Regions (SSRs) were the primary classification, with eight defined areas. Scotland, Wales and Northern Ireland were not subdivided into GORs but were presented alongside the English regions for UK wide comparisons.

The Statistics Authority recognises that all government departments need to take steps to control costs and that these may involve stopping services or data which are valued by users. However, in the light of the points above and the more detailed considerations set out below, the Statistics Authority encourages the Department to review its decision to cease the publication of regional statistics.

The statistics covered

The statistics in question are those produced by the Department for Communities and Local Government (DCLG) which include a sub-national presentation. Regional statistics have historically been presented using a geographical split consistent with the boundaries of the statistical regions identified in European legislation - the Nomenclature of Territorial Units for Statistics (NUTS)³ - which was consistent with the Government Offices for the Regions (GORs), established in 1994⁴. GORs were built from complete unitary and county authority boundaries, and so reflected administrative boundaries. The Government Offices themselves were closed at the end of March 2011.

DCLG has indicated that it intends to focus on lower level geographies - characterised by the formation of Local Enterprise Partnerships - meaning that it is no longer appropriate to recognise in the statistics the boundaries of the disbanded GORs. The establishment of Local Enterprise Partnerships (LEPs) - voluntary partnership groupings of local authorities and businesses - was announced in October 2010; there are currently 39 in operation. However, LEP areas may overlap - so a local authority may appear in more than one LEP area; conversely, some local authorities may not be a member of any LEP area (though they may join a LEP). Thus, LEP areas are not ideal for many statistical purposes.

We understand that other Government departments and agencies have agreed that regional statistics continue to have a role and that they intend to continue to produce and use official statistics at the regional level.

Government proposals

In January 2012, DCLG issued a public consultation⁵ seeking users' views on three aspects of the Department's statistics:

1. Land Use Change Statistics: The data that should be collected, and the method of collection to ensure that the statistics meet users' needs while maximising value for money.
2. Rationalised Collection of Local Authority Housing Statistics: That the collection of housing data from local authorities be rationalised to reduce the burden of providing data returns to central government.
3. Publication of Regional Statistics: That regional statistics would no longer be published following the closure of the Government Office Network.

The consultation document put forward the case for the cessation of regional statistics produced by the Department, with local authority level data being the main focus of statistical data issued by the Department.

³ <http://www.ons.gov.uk/ons/guide-method/geography/beginner-s-guide/eurostat/relationship-of-nuts-to-uk-administrative-geographies.html>

⁴ Scotland, Wales and Northern Ireland were not sub-divided into regions but were listed alongside the 9 English regions for UK comparisons.

⁵ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/8409/2063220.pdf

The consultation asked four questions about the publication of regional statistics:

1. whether users agreed with the proposal to end publication of statistics at this level;
2. what alternative presentation of data would be useful;
3. how the presentation being suggested is used or would be used; and
4. what the impact of stopping publication at the regional level would be.

As outlined in the Department's response to the consultation (**Annex 1**) the Department will address some of the issues raised by the response to the consultation by presenting additional sub-national geographic data in its publications where this is appropriate, or by directing users to local authority level data. The Department will also consider including statistics for Local Enterprise Partnerships (LEPs) and upper tier authorities in some releases. However, some aspects of this are unclear:

- the timescale for this work;
- the particular statistics that the proposals may apply to;
- how comparable data will be produced (for example, to account for the changing coverage of LEPs and overlaps between LEP areas);
- whether additional geographies will need to be produced for the provision of data to Eurostat.

Statistics Authority view

1. We are concerned that DCLG may not have given sufficient consideration to the responses received to the consultation in respect of the value to users of the department publishing regional statistics, and consequently may not have given full weight to this in making its decision. It would have been helpful if further detail had been included in the report, and if the relationship between the views expressed by respondents and the decision subsequently announced had been made clearer. In particular, we think the following should be published:

- individual responses where possible;
- the impact that these changes are expected to have on users, including the European Commission;
- a detailed plan for the transition from regional statistics to other geographies; and
- guidance for users to allow them to aggregate data to the regional level.

2. For statistics to remain relevant they should reflect current concepts and entities (such as LEPs) - but producers should also support users by maintaining data that enable the analysis of longer term trends and comparisons. Other producers of official statistics present information at the regional level, and users find this helpful. The changes made by CLG sit uncomfortably with Principle 4 practice 6 of the Code of Practice for Official Statistics⁶ which says:

“Promote comparability within the UK and internationally by, for example, adopting common standards...(including common geographic referencing and coding standards). Make the reasons for any deviations from standard models publicly available”.

3. The decision to take steps to enable users to compile their own regional statistics, for example from local authority level data, is likely to mitigate problems for some users.

⁶ <http://www.statisticsauthority.gov.uk/assessment/code-of-practice/code-of-practice-for-official-statistics.pdf>

However, compared with the direct presentation of regional statistics, this approach does not seem consistent with Principle 8 practice 6 of the Code of Practice:

“Ensure that official statistics are disseminated in forms that enable and encourage analysis and re-use”.

4. The nature of the Ministerial statement that accompanied the announcement of the decision to cease publishing regional statistics (**Annex 2**) might be seen to raise questions about whether the decision was based on statistical or political considerations, and hence whether Principle 3 practice 3 of the Code of Practice had been fully observed:

“Ensure that the relevant statistical Head of Profession has the sole responsibility for deciding on statistical methods, standards and procedures, and on the content and timing of statistical releases”.

5. Whilst the Statistics Authority does recognise that all government departments need to take decisions to control costs and that such decision may adversely affect the service to users of statistics in some cases, it would be helpful if the Department were to review its decision to cease the publication of regional statistics and set out the evidence from the consultation and the advice of the Head of Profession for statistics.

DCLG response⁷ to the consultation about the publication of regional statistics

Chapter 3: Statistics at Regional Level

This part of the consultation focused on the Department's proposal to end the publication of statistics at the level of the former Government Offices for the Regions and to seek views on alternative geographical presentations.

In total, 75 written responses were received from local authorities, Central Government, professional networks and associations, academia, voluntary sector organisations and other respondents.

In light of the responses received, and taking into account the rationale for the original proposal, the Department has decided to include additional sub national geographies where appropriate in its statistical publications, promote local authority level data, and end the publication of regional statistics.

The Government's policies use alternative sub-national geographies, for example the Local Enterprise Partnerships, or operate at the local level, for example the New Homes Bonus. Use of the former Government Office regional boundaries no longer provides a coherent framework for considering policies following the abolition of the Government Office network, the Regional Development Agencies and Regional Strategies.

The Department will plan for the inclusion of statistics for Local Enterprise Partnerships and upper tier authorities in those releases where it would be appropriate and meaningful to do so. We recognise that there are some challenges associated with the Local Enterprise Partnership geography, including a changing membership over time which hinders temporal comparisons and the difficulty in assessing patterns across the country given the relatively large number of Local Enterprise Partnerships. We will explore ways in which our presentation of statistics can address these challenges.

Recognising that the majority of respondents still see some benefit in regional statistics, we will, where possible make data available that allows users to create their own regional statistics. For example, in some cases, local authority data will be published from which regional aggregates could be derived.

We will cease publication of summary statistics by region in all Departmental statistics outputs published from October 2012 onwards where they would not cause a change to the pre-announced publication date. We will move towards presenting data by alternative sub-national geographies from 2013 and the Department plans to have completed the implementation of changes by the end of that year.

⁷ <https://www.gov.uk/government/consultations/rationalising-statistics-land-use-change-and-housing-and-regional-data>

**Statement by the Rt Hon Eric Pickles MP in the House of Commons
– 18 September 2012⁸**

The Secretary of State for Communities and Local Government (Mr Eric Pickles): I would like to update hon. Members on changes to the publication of the Department's statistics.

Today my Department has announced its response to the consultation on proposed changes to the Department's statistics. From October this year, we will no longer publish statistics at a Government office regional level. Instead the Department will plan to publish, where appropriate, statistics for local enterprise partnerships and upper-tier local authorities, complementing existing statistics by local authority.

The coalition Government have abolished regional government. The unelected regional assemblies/regional chambers, the Government offices for the regions, the regional FiReControl programme, the regional development agencies have been terminated, as is intended for the regional spatial strategies, subject to the strategic environment assessment process outlined in my statement of 3 September 2012, *Official Report*, Column 5WS.

The Government office regions were an inefficient tier of administration based on arbitrary boundaries. They did not reflect the areas that local residents most identified with, nor were they areas with common economic problems and market conditions, nor were they the most sensible boundaries for co-ordinating functions such as fire and resilience.

The continuing use of the former Government office regional boundaries no longer provides a coherent framework for assessing public policy. Many of the Government's policies now use alternative local geographies, for example local enterprise partnerships, the new homes bonus and city deals. Publishing statistics at a regional level is no longer necessary or informative, and we see little point in producing statistics at taxpayers' expense for their own sake.

The old regional classifications are also misleading—they fail to quantify both the pockets of deprivation that can exist within regions or the differences between rural and urban England, and there is an inconsistency of approach to the size and population of each government region. They are arbitrary lines on a map that have no resonance—in contrast to England's long-standing cities, boroughs and counties which have a real sense of local identity and popular support, dating back centuries in many cases. England has no history of regional government, whereas it does have a great tradition of local governance that this Government wish to strengthen.

There is also a European dimension to the regions in the form of Eurostat's nomenclature of units for territorial statistics standard (the appropriately named "NUTS regulations"). It is the view of Ministers that the NUTS1 hierarchy is no longer appropriate for structural funds in England moving forward from 2014. Ministers reject the notion of a "Europe of the Regions" where nation states and national Parliaments are sidelined, and replaced with distant regional governments answerable only to a federal European super-state. Dismantling such arbitrary, unelected regional administrative structures will assist in that goal.

⁸ <http://www.publications.parliament.uk/pa/cm201213/cmhansrd/cm120918/wmstext/120918m0001.htm>

Ministers have carefully considered all the representations made in the consultation. I would note that, for the purposes of historic comparisons, nothing prevents academics and other interested parties from compiling and analysing the open local authority data by the old regional government boundaries if they wish.