
Director General for Regulation

Iain Bell and Jonathan Athow
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Dear Iain and Jonathan,

Statistics on City Regions

In March 2016, we convened, with Centre for Cities, a roundtable event about statistics on city-regions with the dual purposes of hearing from users what their needs were and from producers what might be done to address them.

We have been looking at the progress made to address users' needs since that roundtable – consulting both users and producers. We are grateful to ONS staff Roma Chappell, Richard Prothero and James Harris whom we spoke to as part of our review and who generously gave their time to help. We are publishing our findings today and I wanted to share these with you in advance.

We are delighted to have identified a range of positive improvements you have made. We welcome ONS's role in making new data available and making existing data available more quickly, including publishing Gross Value Added in just under 12 months from the reference period, an improvement of roughly a year. We were pleased to have helped to facilitate what seems to be a useful relationship between ONS and Centre for Cities.

It is also evident that the topic of data for cities and regions has gained considerably in currency since the Roundtable, with more City Deals emerging. This was highlighted at a recent 'City Analytics' event at NESTA, which discussed developments in Local Authority data, and the importance given to 'place' in the Government's Industrial Strategy.

One of the needs expressed by users at the Roundtable was better access to existing government data, both survey and administrative data, at the city-region level in formats that allow the 'linking' of different data sets. We think there is more work to do here across Government, although we did hear of some good examples: we will report on issues around data linkage in July based on a separate piece of work we have been undertaking. Through the city-regions work we were told that the Secure Research Service had helped users in the GLA to get connected to the wealth of city data that ONS holds to provide insight about London. However, we also heard that the process of becoming approved to access data at the city-region level in some other departments was lengthy and unnecessarily bureaucratic.

I am copying this letter to HoPs in relevant departments and to Chief Statisticians in Devolved Nations who I'm sure would wish to be aware of these findings. I commend the progress to date and encourage you to continue to invest in this important area.

Your sincerely

A handwritten signature in black ink, appearing to read 'Ed Humpherson', written in a cursive style.

Ed Humpherson
Director General for Regulation

Annex

Improving Statistics on City Regions – our evaluation of the impacts

Background In November 2014, then Chancellor George Osborne made a speech about the ‘Northern Powerhouse’ marking the beginning of a significant devolution of powers, funding and policy-making responsibility away from Whitehall to city-regions. It was clear that decisions around economic development, infrastructure, skills, health and welfare were increasingly going to be made at the city-region level. People would thus require greater understanding of economic, social, and cultural circumstances of individual city-region areas. Without such data, the potential of devolution might not be fully realized.

Our key intervention to improve city-region statistics and data was to convene, alongside the Centre for Cities, a roundtable event on 10 March 2016 on the topic of ‘Improving Policy-making with City-Region statistics’. We wanted to hear from users what their needs were around data and from producers what might be done to address these. We published a [note on the outcomes](#) of this roundtable.

Our overall assessment of the progress following the event is that there is plenty of evidence of significant improvements in meeting users’ needs, but perhaps not in all priority areas. There is valuable collaboration between ONS and the Centre for Cities. Centre for Cities itself is producing impressive analysis by linking ONS data with data from other sources. Economic and social analysis for cities is now yielding very interesting results.

Some outcomes of the work accomplished by ONS and its partners following our roundtable include:

Timeliness - some city-regions statistics are more-timely, for example:

- Gross Value Added estimates at the regional, sub-regional and city-region levels, which had been emerging nearly 2 years after the end of the reference year are now available in just under 12 months
- New regional short-term indicators will produce quarterly GDP for the English Regions when ONS introduces them later this year

The driver of the timeliness of economic statistics, like most statistics, is the availability of source data, much from large-scale surveys. Users of city-region statistics acknowledged that little could be done in the short term. However, the availability of HMRC data e.g. VAT data has the potential to improve timeliness of data in the future.

Access to ‘raw’ data and to small-geography data –the evidence is clear that there is better access to small geography data and more is to come in the pipeline with the best example being ONS’s flexible geographies project¹.

Gaps in data - ONS has addressed gaps and continues to develop the offering with plenty in the pipeline. The development of statistics in this area is impressive.

Capacity – A very significant effort has been and is being made to support capacity in city-regions, with engagement initiated by ONS with for example Greater Manchester Combined Authority, the West Midlands Combined Authority and through Regional Economic Forums.

Access to existing government data, both survey and administrative data, is important for research, evaluation and policymaking at the city-region level. Being able to access data in a format that allows the ‘linking’ of different data-sets would be ideal. There are some good examples of linking data, for example the Centre for Cities collaborated with ONS and obtained extra data which helped look at city centres, in contrast with the rest of cities. In a separate piece of work² we have been investigating the UK statistical system’s ability to provide greater insight to users via linked data and will be reporting our initial findings in July.

We find that while ONS’s progress on city-regions statistics is impressive, this has not been replicated across government. There are some good examples of initiatives such the Ministry of

¹<https://www.ons.gov.uk/census/censustransformationprogramme/census2021outputs/2021dataproductions/flexibledisseminationtool>

² <https://www.statisticsauthority.gov.uk/publication/systemic-review-outline-data-linkage/>

Housing, Communities and Local Government's work through the Cabinet Office's What works? Network³. Also, BEIS are working with Local Economic Partnerships (LEPs) on developing relevant data. But anecdotally we were told that some departments are less willing to deal with local bodies. There is a reported guardedness by some departments around data sharing and significant barriers in getting access to data. The Secure Research Service⁴ is trying to break down such barriers. We also heard from some researchers trying to access HMRC's Datalab facilities⁵ who face considerable issues in accessing data.

Since the roundtable there have been other important positive developments to help develop better city regions statistics and data including:

- Growth in Local Authorities' cities analysis using their own data. 'Offices of Data Analytics' have been created in a number of Local Authorities/ city regions
- At the UK level, the UK Government has highlighted the role of local growth and the importance of 'place' in developing and delivering the government's industrial strategy. Good data is essential to delivering the new strategy

Conclusion

Overall ONS saw the roundtable event and subsequent follow up events as useful and well timed. The events helped to provide extra impetus and showed commitment and engagement.

We have written to ONS, copying the Heads of Profession for Statistics of the other principal producers of statistics about city-regions, summarising our assessment of progress to date⁶.

We have commended ONS progress to date and encourage them to continue to invest in this important area.

³ <http://www.whatworksgrowth.org/>

⁴ <https://www.ons.gov.uk/aboutus/whatwedo/paidservices/virtualmicrodatalaboratoryvml>

⁵ <https://www.gov.uk/government/organisations/hm-revenue-customs/about/research>

⁶ Insert reference