
Ed Humpherson, Director General for Regulation

David Bailey
Head of Public Sector Division
ONS
(by email)

30 September 2019

Dear David

OSR Review of the Public Value of Devolved Public Finance statistics

As you know, OSR recently concluded [a review](#) of the public value of public finance statistics for the devolved administrations (DAs) and the regions. The complexity of new fiscal frameworks and the associated need to make public finance statistics for the DAs and the regions more easily understood was one of the factors that prompted us to conduct our review. We welcomed the input that you and your colleagues provided to this review

We undertook the review in two parts, the first focused on the coherence and transparency of devolved public finance statistics and the second focused on statistics on public sector investment for DAs alone. The outputs from the review are all available on our website and linked via the associated [blog](#) we published.

The review also helped to augment an assessment we conducted of HM Treasury's [Public Expenditure Statistical Analysis: Country and Regional Analysis](#) statistics and the assessment report can be found at [this link](#). We trust that in enhancing the public spending statistics, HM Treasury will significantly improve the public value not just of these statistics but also [your Country and Regional Public Sector Finance statistics](#) to the benefit of all users.

You may also be interested in the results of a second phase of the review on statistics on public sector investments for DAs; we published the findings in a second presentation and a link can be found [here](#). Generally, across the DAs we found a mixed response to introducing better public sector investment data in the different nations, with some being enthusiasts for better public sector investment data in the different nations and some who were unsure that there are clear uses for such data.

We found that ONS produce useful and plentiful data on devolved public finances but there is room for greater insights from the data. We recommended that ONS should

- work with DAs to develop more compelling narratives from the data through designing presentation to suit the internet and deploying better platforms to present other parties' analysis using ONS data after release. I was very much encouraged to see recently that an [inaugural Wales Fiscal Analysis](#) conference was held at the start of July in Cardiff followed by the publication of the second [Government Expenditure and Revenue Wales report 2019](#) based on ONS Country and Regional Public Sector Finance data. This is an example of exactly the kind of initiative that we encouraged in our review.
- be more transparent about how it encourages external challenge in the coherence and transparency of their country and regional public finance statistics.

I know that you spoke to our statistical regulator responsible for the review but do feel free to contact us if you would like any further information about how we see this benefiting the interpretation of these statistics.

I would welcome your feedback on our review and would be really interested to hear your take on the development of devolved public finance statistics over the medium term,

We also understand that at some point, ONS would like to put these statistics forward for assessment with a view to National Statistics status. We would be interested in the outline timescales you have for that if possible, by the end of October?

Yours sincerely

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

Ed Humpherson
Director General for Regulation