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**Ed Humpherson, Director General for Regulation**

Jonathan Athow  
Director General for Economic Statistics  
Office for National Statistics  
(by email)

17 December 2019

Dear Jonathan

**ASSESSMENT OF STATISTICS FROM THE ANNUAL PURCHASES SURVEY**

We have today published our assessment report covering these statistics. We welcome the commitment of you and your teams to this assessment of these important statistics, and I am grateful for the positive contribution of your staff and for their engagement throughout the assessment process.

Understanding what goods and services businesses purchase, and from whom, is essential to building an accurate picture of the economy. I welcome ONS's efforts to reintroduce the survey following the [National Statistics Quality Review of National Accounts](#) to provide better information about purchasing patterns by business.

Our assessment confirms that the quality of outputs from the survey is still being improved. This reflects ONS's own narrative that it would normally be several years before a new survey was producing statistics that could be used with confidence. It also reflects that the Annual Purchases Survey aims to collect variables that do not naturally fit with many businesses' operational models. Our report notes the discrepancy between estimates of intermediate consumption derived from the Annual Purchases Survey and the Annual Business Survey. It is an essential part of demonstrating that the quality of the statistics meets users' needs that these differences are understood, explained well, and are used to further improve the statistics.

We welcome the wide range of work that ONS has already done, is underway and is planned (including engagement with a wide range of people) to investigate and improve the quality of the data collected in the Annual Purchases Survey. In particular, we welcome the move to integrate survey teams and to carry out industry reviews to help understand and improve the quality of data. These initiatives should have positive impacts on quality for a wider range of business survey data. Much of our work so far has focused on understanding the quality of the statistics.

Our report requires a report back by the end of March 2020 on your developments; I look forward to hearing about progress.

Yours sincerely



Ed Humpherson  
Director General for Regulation