

Email response from Glyn Jones, Chief Statistician, Welsh Government dated 12 February 2020

Dear Ed,

Thank you for your letter of 30 September 2019 regarding the OSR Review of the Public Value of Devolved Public Finance statistics. I apologise for the delay in responding.

The Review provided useful insights and good ideas for future developments in this area. We also welcome the regulatory review of HM Treasury's Country and Regional Analysis publication. This is a useful compendium of comparative statistics on public expenditure and any improvements to it would be beneficial.

As the Review notes, devolved public finance is a complex area. This was true before the recent devolution of certain areas of taxation and is even more so now. There is a distinction to be made between public finance statistics at a sub-UK level and devolved public finance statistics. For example, the ONS Country and Regional Public Sector Finances release provides an interesting breakdown of the overall public finances across the UK countries and English regions, but does not provide an analysis of devolved finances - as it does not distinguish between different tiers of Government. I am not suggesting that it should, as that would require a level of complexity that would make it considerably less accessible. We would be keen to work closely with ONS on the work you describe to improve the accessibility of public finance data to ensure that these complex issues are considered carefully in the presentation.

The Welsh Government's focus is on producing statistics and other finance outputs that relate to devolved public finances in Wales. We publish a wealth of information on the various aspects of Welsh Government and local government finance. In addition, the Welsh Revenue Authority publishes detailed statistics on the two fully devolved taxes in Wales – Land Transaction Tax and Landfill Disposals Tax. We are also discussing with HM Revenue and Customs the future publication of outturn statistics for the Welsh Rates of Income Tax, when they become available in 2021.

The different elements of devolved finance are brought together in our budget publications and accounts. In addition, the new Welsh Taxes Outlook published by the Office for Budget Responsibility in December provides a detailed report on the prospects for the devolved taxes and will be updated alongside future Welsh Government budgets.

The Welsh Government publishes information on investment in budget documents and in the infrastructure investment plan. Details of the asset and liability position are included in the consolidated accounts. The same is true for local authorities in Wales. There is also a large volume of information on the physical infrastructure in the National Infrastructure Commission's reports, published in November last year.

We do not have any immediate plans to develop a dedicated statistical product on government assets and liabilities, as we do not think there is sufficient demand in Wales to make this a priority. In terms of a community of interest in public finance

statistics we have a number of connections with the analytical community in Wales and we will look to strengthen this engagement to ensure we maintain a live understanding of user need. However I would note that both through these connections and more broadly, both informally and via advisory groups and conferences, this particular requirement has not been raised as an issue.

One area of focus for the Welsh Government recently has been public engagement on devolved taxation and raising awareness of how this links to public expenditure. An account of this activity is set out in the Tax Policy Report published alongside the Welsh Government's draft Budget in December. In this context, we will continue to consider how we might best present information on the devolved public finances in ways that are as accessible as possible.

This is an important area of government statistics and I am glad the OSR has been able to focus on it. I would be happy to discuss future developments, both relating to Welsh Government products and those published by other statistics producers in the UK.

Regards
Glyn