
Ed Humpherson, Director General for Regulation

Grant Fitzner
Chief Economist & Director of Macroeconomic Statistics and Analysis
Office for National Statistics
(by email)

17 May 2021

Dear Grant

Assessment of UK Productivity Statistics

We have completed our assessment of ONS's UK productivity statistics. I am grateful for the positive contribution and engagement from your team throughout the assessment process.

UK productivity statistics are crucial in understanding how the UK economy is performing locally, nationally and in comparison to other countries. It is important that economic and business policymakers have a clear picture of productivity to develop effective policies to foster and support productive economic growth.

Overall, we found ONS's statistics and data on productivity to be useful, easy to navigate and relevant. They support understanding of the UK economy and the economic welfare of its citizens. Our assessment report acknowledges that ONS has continued to produce and develop productivity statistics during the pandemic, despite significant resource pressures and restricted data access. We welcome the potential offered by ONS's Management and Expectations Survey to examine the impact of COVID-19 on the main components of productivity – inputs, outputs and prices.

ONS's recent move to a productivity economic commentary to replace several separate bulletins is a positive step towards telling a clearer and more holistic story of movements in productivity. Additionally, the publication of guides to explain multi-factor productivity statistics (MFP) in language that is accessible benefits users. ONS needs to go further and establish what the barriers to the adoption of MFP by the policy community and include in its upcoming development plan ways of encouraging the use of MFP amongst such users.

We found that the statistics could provide further value if user engagement was more effective, particularly in clearly linking development priorities to the feedback ONS receives through engagement. While ONS was good before the pandemic at sharing its work outwardly, there is room for improvement in the way it openly takes on board feedback from different sources. We look forward to the results from the user survey launched in April 2021.

ONS has acknowledged the challenges of measuring the economy during the pandemic and has warned that there may be revisions. Users would further benefit from ONS providing expert judgement on the scale of the increased uncertainty or advice about how it might change the reliance they place on the data.

Please feel free to discuss any aspect of this assessment with me or my team at any time. I am copying this letter to Jonathan Athow, Deputy National Statistician for Economic Statistics and Josh Martin, Head of Productivity Statistics.

Yours sincerely

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

Ed Humpherson

Director General for Regulation