

From: Fletcher, Miles
Sent: 14 December 2015 16:49
To: Athow, Jonathan; Athow, Jonathan
Cc: Cameron, Douglas; [REDACTED] [REDACTED] [REDACTED] [REDACTED] national.statistician@statistics.gsi.gov.uk; [REDACTED] Heys, Richard; [REDACTED]
Subject: Re: Note of meeting with [REDACTED] (FT) and [REDACTED] (Times)

Thanks Jonathan

We've agreed a reactive line with [REDACTED] in case of further interest in the 500 jobs issue. It stresses that we shall seek to avoid hard redundancies.

BTW I recall asking [REDACTED] editor whether he thought we were too defensive (this was in the wake of the Carney criticisms). He thought not and said our problem was that quite a few sources had been briefing against us! Hopefully those days are now behind us.

Miles

Miles Fletcher
Head of Media and Public Relations
Office for National Statistics
Direct [REDACTED]
Mob. [REDACTED]

Media Relations Office telephone: +44 (0)845 604 1858/ +44 (0)203 684 5070 (8:30am - 5:30pm Weekdays).
Emergency out of hours (limited service): [REDACTED]

jonathan.athow---14/12/2015 16:25:07---Dear all, Quick note of two conversations with journalists today.

From: [REDACTED]@exchange.ons.gov.uk
To: [REDACTED]@exchange.ons.gov.uk, [REDACTED] exchange.ons.gov.uk, [REDACTED] exchange.ons.gov.uk, [REDACTED]@exchange.ons.gov.uk, [REDACTED] NEWPORT/ONS@ONS, National Statistician@ONS, [REDACTED]@exchange.ons.gov.uk, Robert Bumpstead/LONDON/ONS@ONS, Miles Fletcher/NEWPORT/ONS@ONS, [REDACTED]@exchange.ons.gov.uk,
Cc: [REDACTED] exchange.ons.gov.uk
Date: 14/12/2015 16:25
Subject: Note of meeting with [REDACTED] (FT) and [REDACTED] (Times)

Dear all,

Quick note of two conversations with journalists today.

- 1) [REDACTED] (FT). Pretty straightforward opportunity to catch up.
 - Discussed [REDACTED] review. [REDACTED] thought it a fair report - and setting out quite an ambitious programme of change. Interested in what governance side of review might say (I stayed relatively quiet on that).
 - Made point that SR was tough but fair - need to make savings to recycle into new capabilities. [REDACTED] saw that and need for us to transform IT and data collection.
 - Talked about scope for admin data: said that VAT was important step, but also interested in other data sources such as RTI to get view on labour market.
 - Going with grain of [REDACTED] I flagged announcements on increasing economic capability, including links to academics and need to expand economic capability. Welcomed what we were doing in being more open, e.g. Economic Forum - though wondered if Forum could be shortened or more focused on getting under headlines (and less on recapping recent economic news). He was also keen to know what a final 'London presence' would look like.

- 2) ██████████ (Times). Quite an involved discussion with him (90 minutes) pressing on a number of issues.
- Had to recap over management changes (new DG roles), which had passed him by. Was pushing on the role of UKSA as producer and regulator.
 - He was very interested in our savings (mentioned c20%) and what this would mean. Said we were spending a lot on paper based products (e.g. c1.25m forms from business, with postage costs of c£1m). He asked what it would mean in staff numbers, so used the 500 fewer from staff talks last week. (I think he might well write this up.)
 - Interested in data access - in particular our planned use of VAT data for short-term economic output indicators. (Particularly interested in the fact that 30k paper MBS surveys could be replaced by up to 1m VAT returns).
 - Picked up on our plans for greater use of academics, which lead to a conversation on double deflation (through stressed unclear what effect this would have on growth rates).
 - Also detailed conversation on a couple of issues:
 - RPI. Pressed hard on future of RPI - interested in whether we would switch to ██████████ for RPI. I said focus was on developing CPIH, as thought this was better than RPIJ (or RPI). Said clear RPI was not right approach, but that we recognised that many people used RPI and could not leave them high and dry.
 - Housing associations. Wanted to know about timing of review, and also whether Govt could iterate proposals that would in effect be a commentary on what Govt needed to do on classification. Kept to the line that HA classification was on existing policy and we wanted to avoid being drawn into advice on classification: we had processes and HMT had expertise if they wanted to get advice.
 - Interestingly he reflected that they had been very negative in the past, though at same time said he thought ONS had tendency to be too defensive.

Happy to discuss.

Jonathan Athow | Deputy National Statistician and Director General, Economic Statistics | Office for National Statistics

'phone: ██████████ | mobile: ██████████ Drummond Gate, London, SW1V 2QQ

Private secretary: ██████████ ons.gsi.gov.uk | 'phone: ██████████

From: Athow, Jonathan
Sent: 14 December 2015 16:25
To: Heys, Richard; [REDACTED] Prestwood, [REDACTED]
national.statistician@statistics.gsi.gov.uk; [REDACTED] Fletcher, Miles;
Cameron, Douglas; Heys, Richard; [REDACTED]
[REDACTED] notes.ons.gov.uk; [REDACTED]@notes.ons.gov.uk;
[REDACTED]@notes.ons.gov.uk; Cameron, Douglas
Cc: [REDACTED]
Subject: Note of meeting with [REDACTED] (FT) and [REDACTED] (Times) <RB>

 **Filed.**
In [REDACTED]

Dear all,

Quick note of two conversations with journalists today.

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 - Discussed [REDACTED] review. [REDACTED] thought it a fair report - and setting out quite an ambitious programme of change. Interested in what governance side of review might say (I stayed relatively quiet on that).
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 - Interestingly he reflected that they had been very negative in the past, though at same time said he thought ONS had tendency to be too defensive.

Happy to discuss.

Jonathan Athow | Deputy National Statistician and Director General, Economic Statistics | Office for National Statistics
'phone: [REDACTED] | mobile: [REDACTED] Drummond Gate, London, SW1V 2QQ

[REDACTED]

From: [REDACTED]
Sent: 14 December 2015 10:34
To: nationalstatistician@ons.gov.uk
Subject: FW: Any update on possible JR?

From: Cameron, Douglas
Sent: 14 December 2015 10:22
To: [REDACTED] Athow, Jonathan; [REDACTED]
Subject: RE: Any update on possible JR?

Hi All,

In his call with [REDACTED] on Friday, the subject did not come up.

Therefore, as [REDACTED] says below, we do not have anything further than his conversation with [REDACTED] last week.

Douglas

Douglas Cameron | Private Secretary to the Deputy National Statistician for Data Capability; | UK Statistics Authority
1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: [REDACTED]@ons.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

From: [REDACTED]
Sent: 14 December 2015 09:42
To: [REDACTED] Athow, Jonathan; [REDACTED] Cameron, Douglas; [REDACTED]
Subject: RE: Any update on possible JR?

Hopefully.

[REDACTED] spoke to [REDACTED] on Friday where they covered off the situation with [REDACTED] - all fine.

Don't know if we have any more readout on JR in addition to my conversation with [REDACTED] on Thursday.

Thanks

[REDACTED]

From: [REDACTED]
Sent: 14 December 2015 09:37
To: Athow, Jonathan; [REDACTED]
Cc: [REDACTED]
Subject: RE: Any update on possible JR?

Jonathan,

We have not received anything further on this. My understanding is that HM Treasury and DCLG are going to try to put this to bed.

████

From: Athow, Jonathan

Sent: 14 December 2015 09:08

To: ██████████ ██████████

Cc: ██████████ ██████████

Subject: Any update on possible JR?

████ █████

Was just wondering if we had heard any more on the possibility of a JR around housing associations?

Jonathan Athow | Deputy National Statistician and Director General, Economic Statistics | Office for National Statistics

'phone: ██████████ | mobile: ██████████ Drummond Gate, London, SW1V 2QQ

Private secretary: ██████████ | ██████████ ons.gsi.gov.uk | 'phone: ██████████

[REDACTED]

From: [REDACTED] [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 10 December 2015 12:47
To: [REDACTED] [REDACTED]
Cc: Athow, Jonathan; national.statistician@statistics.gsi.gov.uk
Subject: Re: Classifications <[REDACTED]>

[sent a text to](#) [REDACTED]

[REDACTED] - sorry I missed your call. I'm back now if you want to ring after your meeting.
I will alert [REDACTED] and will pass on your email for the wider points. Not sure how he was planning to phone him directly anyway?
Best wishes
[REDACTED]

UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: [REDACTED] statistics.gsi.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

From: [REDACTED] NEWPORT/ONS
To: National Statistician@ONS, [REDACTED] exchange.ons.gov.uk,
Cc: Jonathan Athow/LONDON/ONS@ONS
Date: 10/12/2015 12:30
Subject: Classifications

I spoke with [REDACTED] at 11.30 as agreed yesterday.

He wanted to discuss

1. The Green Investment Bank
2. Housing Associations

It was a productive discussion on both counts and nothing urgent arose.

However, he said he would probably telephone John to let him know about an emerging issue in relation to 2. - more for information.

If it would be useful I can sight [REDACTED] but if not it will be easy enough to pick up should [REDACTED] call.

I closed our discussion with

3. Classifications workshop for perm sec

He made clear that HMT were supportive of ONS under challenge from OGDs, and we agreed the workshop was a good idea.

Thanks

[REDACTED]

[REDACTED]
Director for National Accounts & Economic Statistics
Office for National Statistics

[REDACTED]

From: [REDACTED]
Sent: 10 December 2015 12:31
To: national.statistician@statistics.gsi.gov.uk; [REDACTED]
Cc: Athow, Jonathan
Subject: Classifications <[REDACTED]>

I spoke with [REDACTED] at 11.30 as agreed yesterday.

He wanted to discuss

1. The Green Investment Bank
2. Housing Associations

It was a productive discussion on both counts and nothing urgent arose.

However, he said he would probably telephone [REDACTED] to let him know about an emerging issue in relation to 2. - more for information.

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I closed our discussion with

3. Classifications workshop for perm sec

He made clear that HMT were supportive of ONS under challenge from OGDs, and we agreed the workshop was a good idea.

Thanks

[REDACTED]

[REDACTED]
Director for National Accounts & Economic Statistics
Office for National Statistics
Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG
T: [REDACTED] E: [REDACTED] ons.gsi.gov.uk

[REDACTED]

From: [REDACTED]
Sent: 03 December 2015 06:11
To: national.statistician@statistics.gsi.gov.uk
Cc: [REDACTED] Athow, Jonathan
Subject: Re: to respond - Classifications

NFA for now

Great, this is enough to be getting on with.

We'll give some thought to the presentation that will have start by covering briefly some basic ground eg concepts and definitions, before moving to classifications, their governance and process etc.

I'd suggest that we have a rehearsal in good time with [REDACTED] as a proxy audience, and we can then refine existing material and address any omissions. Rather than simply supply a presentation for comment.

In terms of attendance I'd suggest myself, [REDACTED] as chair of the classifications cttee and [REDACTED] as the secretariat. We'll see how hmt want to represent themselves.

Thanks

[REDACTED]

▼ National Statistician--02/12/2015 19:46 GMT-- [REDACTED] John mentioned this to [REDACTED] today as you suggested and he was supportive. Here is the draft fly

From: National Statistician
To: [REDACTED]
Cc: [REDACTED] Jonathan Athow
Date: 02/12/2015 19:46 GMT
Subject: Re: to respond - Classifications
Sent by: [REDACTED]

[REDACTED]

[REDACTED] mentioned this to [REDACTED] today as you suggested and he was supportive. Here is the draft flyer that [REDACTED] provided for [REDACTED] in advance. [REDACTED] thought it would work best as a letter to [REDACTED] cc'd Wednesday morning colleagues and is happy with this as a starting point.

The session should be open to Perm Secs and their DGs, including in Scotland, Wales and Northern Ireland. Obviously it would be confidential. [REDACTED] can front it, with you, [REDACTED] and HMT presenting.

Please could you choose a date in a few months' time? Private office can help liaise with other key private offices and we can send the flyer when it is ready (with the necessary changes).

Does this give you enough to take the lead on setting it up? Please let me or [REDACTED] know if you need anything from us at this stage.

Thanks

[REDACTED]

From: National Statistician
To: [REDACTED] NEWPORT/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, National Statistician@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS
Date: 22/11/2015 18:23

Subject: Re: to respond - Classifications
Sent by: [REDACTED]

[REDACTED]
Sorry for the delay in getting back to you on this. [REDACTED] is meeting [REDACTED] on 2 December and will raise with him then. We will be in touch if we need help in advance.

Thanks
[REDACTED]

[REDACTED] | [REDACTED]
UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: [REDACTED] [statistics.gsi.gov.uk](mailto:[REDACTED]@statistics.gsi.gov.uk) | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

From: [REDACTED] NEWPORT/ONS
To: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS,
Cc: National Statistician@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS
Date: 18/11/2015 18:00
Subject: Re: to respond - Classifications

[REDACTED]
Let us know where you get to with this, in case I forget to follow up.

I am also copying [REDACTED] who chairs the classification cttee.

Thanks
[REDACTED]

[REDACTED]
Director for National Accounts & Economic Statistics
Office for National Statistics
Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG
T: [REDACTED] E: [REDACTED] [ons.gsi.gov.uk](mailto:[REDACTED]@ons.gsi.gov.uk)

From: [REDACTED] NEWPORT/ONS
To: National Statistician@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS
Date: 02/11/2015 13:55
Subject: Re: to respond - Classifications

[REDACTED]
I think this would be a very good idea.

As you know we have a busy agenda with classifications e.g. housing associations currently and there is the prospect of difficult discussions around Hinckley point.

We would want to get Treasury committed to the idea before confirming to [REDACTED], so I'd discuss with [REDACTED] first but I'd imagine he would be supportive.

At the seminar we could run through the background, governance and process to classifications; the relationship to

HMT as an intermediary for OGDs and the increasing links with the devolved administrations.

If you let me know once it is confirmed I'll get the team to start thinking about how we should structure the seminar.

Thanks

█

█
Director for National Accounts & Economic Statistics
Office for National Statistics
Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG
T: █ E: █ ons.gsi.gov.uk

From: National Statistician
To: █ NEWPORT/ONS@ONS,
Cc: Jonathan Athow/LONDON/ONS@ONS
Date: 29/10/2015 17:30
Subject: to respond - Classifications
Sent by: █

█

At my mid year review on Tuesday, █ raised the issue of classifications. He said he is still picking up anxiety from some colleagues about decisions we are taking, both the level of engagement we have with policy colleagues and whether some decisions are "too purist". I challenged him on this and he cited the green investment bank as an example. I went on to describe to him the regular meetings we have with the Treasury team and the good positive feedback we are having about that relationship. I also mentioned my own personal involvement in several cases including most recently with █ █ and █ on housing associations and also with the Scottish Government. He encouraged us to continue to be well engaged given the political significance of many of the cases that come our way.

I suggested that I might host a seminar for senior policy colleagues. He thought this might be a good idea, what do you think? If you agree, I will set something up for the New Year.

John

John Pullinger | National Statistician | UK Statistics Authority
1 Drummond Gate, London, SW1V 2QQ | Tel: █
Email: national.statistician@statistics.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

[REDACTED]

From: [REDACTED] [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 02 December 2015 19:46
To: [REDACTED]
Cc: [REDACTED] Athow, Jonathan
Subject: Re: to respond - Classifications

[REDACTED]

John mentioned this to [REDACTED] today as you suggested and he was supportive. Here is the draft flyer that [REDACTED] provided for John in advance. [REDACTED] John thought it would work best as a letter to [REDACTED] cc'd Wednesday morning colleagues and is happy with this as a starting point.

The session should be open to Perm Secs and their DGs, including in Scotland, Wales and Northern Ireland. Obviously it would be confidential. John can front it, with you, [REDACTED] and HMT presenting.

Please could you choose a date in a few months' time? Private office can help liaise with other key private offices and we can send the flyer when it is ready (with the necessary changes).

Does this give you enough to take the lead on setting it up? Please let me or [REDACTED] know if you need anything from us at this stage.

Thanks
[REDACTED]

From: National Statistician
To: [REDACTED] NEWPORT/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, National Statistician@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS
Date: 22/11/2015 18:23
Subject: Re: to respond - Classifications
Sent by: [REDACTED]

[REDACTED]

Sorry for the delay in getting back to you on this. John is meeting [REDACTED] on 2 December and will raise with him then. We will be in touch if we need help in advance.

Thanks
[REDACTED]

[REDACTED] | [REDACTED]
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Email: [REDACTED] statistics.gsi.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

From: [REDACTED] NEWPORT/ONS
To: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS,
Cc: National Statistician@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS
Date: 18/11/2015 18:00
Subject: Re: to respond - Classifications

[REDACTED]

Let us know where you get to with this, in case I forget to follow up.

I am also copying [REDACTED] who chairs the classification cttee.

Thanks

[REDACTED]

[REDACTED]

Director for National Accounts & Economic Statistics

Office for National Statistics

Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG

T: [REDACTED] E: [REDACTED] [ons.gsi.gov.uk](mailto:[REDACTED]@ons.gsi.gov.uk)

From: [REDACTED] NEWPORT/ONS

To: National Statistician@ONS,

Cc: [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS

Date: 02/11/2015 13:55

Subject: Re: to respond - Classifications

John

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We would want to get Treasury committed to the idea before confirming to JH, so I'd discuss with [REDACTED] first but I'd imagine he would be supportive.

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If you let me know once it is confirmed I'll get the team to start thinking about how we should structure the seminar.

Thanks

[REDACTED]

[REDACTED]

Director for National Accounts & Economic Statistics

Office for National Statistics

Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG

T: [REDACTED] E: [REDACTED] [ons.gsi.gov.uk](mailto:[REDACTED]@ons.gsi.gov.uk)

From: National Statistician

To: [REDACTED] NEWPORT/ONS@ONS,

Cc: Jonathan Athow/LONDON/ONS@ONS

Date: 29/10/2015 17:30

Subject: to respond - Classifications

Sent by: [REDACTED]

[REDACTED]

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John

John Pullinger | National Statistician | UK Statistics Authority
1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: national.statistician@statistics.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

[REDACTED]

From: [REDACTED] [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 24 November 2015 16:54
To: [REDACTED]
Cc: national.statistician@statistics.gsi.gov.uk; [REDACTED] [REDACTED]
na.classifications@ons.gsi.gov.uk; [REDACTED] [REDACTED]
Subject: [OFFICIAL SENSITIVE] - Re: URGENT BRIEFING REQUEST: John Meeting with [REDACTED]
[REDACTED] - Wednesday 12pm <[REDACTED]>

Thanks [REDACTED] - John is happy he has what he needs for the meeting. I will get back to you if there is any follow-up.
[REDACTED]

From: [REDACTED] NEWPORT/ONS
To: National Statistician@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS, na.classifications@ONS, [REDACTED]
NEWPORT/ONS@ONS
Date: 24/11/2015 15:20
Subject: [OFFICIAL SENSITIVE] - Re: URGENT BRIEFING REQUEST: John Meeting with [REDACTED] [REDACTED] - Wednesday 12pm <[REDACTED]>

[REDACTED]

[REDACTED] is on shared parental leave today and [REDACTED] is in London so handling this in their absence. Please find attached the final letter which was sent to HMT and CLG. It is quite a detailed letter so probably covers the second part of the request as well.

Happy to discuss,

[REDACTED]
[attachment "Letter to HMT on HA proposal Ref 2015-67.pdf" deleted by [REDACTED] LONDON/ONS]

Economic Statistics Classifications Branch | na.classifications@ons.gov.uk

Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG
| [REDACTED]

From: National Statistician
To: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, na.classifications@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 24/11/2015 13:27
Subject: URGENT BRIEFING REQUEST: John Meeting with [REDACTED] [REDACTED] - Wednesday 12pm
Sent by: [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] office has arranged a chat with John on Wednesday to discuss next steps on Housing Association classifications. [REDACTED] wants to discuss ONS's engagement in the process e.g. with HMT and CLG.

I spoke to you ([REDACTED] yesterday. You said that the letter was finalised after CLG came back to answer the questions. Please could you send me the final fact checked letter we have sent to show to John?

John would also appreciate a plain English description of the things that pushed us to provisionally classify HAs under the proposed policy into the public sector. If this could be linked to the relevant section of the letter that would be helpful.

It would be great to have these two things by 6.30pm today if possible, otherwise by 11am tomorrow. Please let me know if anything is unclear.

Many thanks

[Redacted]

[Redacted] | [Redacted]
UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: [Redacted]
Email: [Redacted] [statistics.gsi.gov.uk](mailto:[Redacted]@statistics.gsi.gov.uk) | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

[REDACTED]

From: [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 24 November 2015 15:40
To: [REDACTED]
Cc: [REDACTED] national.statistician@statistics.gsi.gov.uk; na classifications; [REDACTED]
Subject: Re: [REDACTED] and John Pullinger Meeting - Briefing Request

Dear all

Thanks very much for your help with your help with this. John was very pleased with the emails below (and follow up discussion with [REDACTED] His letter has just been sent to [REDACTED] (attached).



Best wishes

[REDACTED]

UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: [REDACTED] statistics.gsi.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

20/11/2015 11:21:26--- filed, in [REDACTED] for action [REDACTED]

From: [REDACTED] NEWPORT/ONS
To: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] <[REDACTED]@statistics.gsi.gov.uk>,
Cc: [REDACTED] <[REDACTED]@ons.gsi.gov.uk>, [REDACTED] <[REDACTED]@ons.gsi.gov.uk>, "na classifications" <na.classifications@ons.gsi.gov.uk>, "national.statistician@statistics.gsi.gov.uk" <national.statistician@statistics.gsi.gov.uk>, [REDACTED] <[REDACTED]@ons.gsi.gov.uk>
Date: 20/11/2015 11:21
Subject: Re: [REDACTED] and John Pullinger Meeting - Briefing Request

[REDACTED]

[REDACTED] has put together the below good set of responses to [REDACTED] questions.

In my view the only bit that needs changing is the second paragraph in the answer to question 1 which is currently wrong and should read:

The net debt is the total value of the stock of all outstanding 'debt liabilities' (which cover gilts, treasury bills, other bonds, loans and deposits with public bodies) less 'liquid assets' (which are essentially cash deposits).

I tried to edit directly but my blackberry skills let me down!

Both [REDACTED] and I are on leave today but will be in the office on Monday. So if you have any questions and they can wait until Monday then please contact us then. For anything more urgent then please email the copy recipients to this email and hopefully someone can help.

Best regards

[REDACTED]

From: [REDACTED]
To: [REDACTED]
Cc: [REDACTED]

Hi [REDACTED]

Please see my proposed responses below. I would be most grateful if you could have a quick check please...my knowledge of the precise definition of debt may be a bit ropery for example. Also, I can't find Welsh Water on the guide or in the database so am assuming it is a private NFC.

I'm not back in until Monday due to SPL I'm afraid so please let my team know if you would like them to do anything further and send on to [REDACTED] when you are happy.

Many thanks

[REDACTED]

1. What is the definition of public sector net debt, in particular does it include general government plus public corporations net debt.

The public sector consists of units classified in the general government *and* public corporations sector. Thus the public sector net debt is the sum of the net debt of each of these parts.

The net debt is the value of liquid assets (such as cash and shares) held by public units, *less* their liabilities.

2. How are Lloyds and RBS classified?

Lloyds Banking Group consists of a large number of units. Overall, the group is a Private Financial Corporation.

RBS is a Public Financial Corporation. The key reason for this difference is that the government controls the 'majority of the voting interest' in RBS (i.e. it has a controlling share).

At the time that Lloyds was reclassified out of the public sector we published an [explanatory article](#).

3. How are water companies classified and why?

The classification of Water companies varies across the UK. This is because of the different situations in which water companies operate.

Northern Ireland Water Limited is a Central Government body as it is subject to government control (as defined in Chapters 2 and 20 of the European System of Accounts, "ESA10") and customers do not pay for water directly but as part of the wider 'domestic rates', which are taxes. As such, the prices customers face are not economically significant and the body is a non-market producer. A government controlled, no-market producer is classified in the government sector.

Scottish Water is a Public Non-Financial Corporation as it is controlled by government but does bill its customers directly for the water they use. These revenues are not taxes as in NI but payments for the water provided. As Scottish Water covers more than 50% of its running costs from such sales revenues, it is a market producer.

English and Welsh water is provided by private companies - market producers that are not subject to government control. Note that although water companies are relatively closely regulated (e.g. in terms of price inflation), this regulation applies across all providers and is therefore not judged to give government control over their general corporate policy.

4. How are renewable or nuclear energy operators classified and why?

As is the case for any unit, this depends on their characteristics in the context of the rules laid out in ESA10. A useful summary of how units are classified is available on the [ONS website](#). The assessment principally looks at whether or not they are subject to control from government and whether or not they are 'market producers'.

Most renewable and nuclear energy operators in the UK will be Private Non-Financial Corporations but

specific operators of interest can be looked up on the latest [Public Sector Classifications Guide](#) to see if they are in the public sector.

5. If these two are different, why?

If two specific units are classified differently this is due to relevant differences in their characteristics - the control from government that they face and the prices they sell their products at.

6. Check classifications (and justifications) of European companies, including Gas de France, IRI, SNCF, Deutsche Bahn.

All EU members follow the ESA10 law when compiling their National Accounts. When making classification decisions they consider the relevant characteristics of the unit being classified (as prescribed by ESA10) - whether or not they are subject to public control and whether or not they are market producers (i.e. they cover over 50% of costs from sales revenues).

To address the companies listed:

Gas de France was a public corporation but no longer exists as it merged with a rival in 2008 to form GDF Suez. The French State held 80% of GDF and so it was clear that government was in a position to set the corporate policy.

SNCF and Deutsche Bahn are public corporations as they are market producers controlled by government. In both cases the respective governments are the sole shareholders and this clearly gave those governments the ability to determine the companies' corporate policies.

It is relevant to point out here that other EU countries do not base their fiscal frameworks on the 'public sector' (the UK does). Reporting for the EU Excessive Deficit Procedure focusses on 'government debt'. As the above are public corporations they are outside the government sector (due to being market producers) and hence their liabilities do not count towards the key government debt figure.

7. How do risk transfers affect classifications?

Risk transfers are most relevant in 2 situations:

1. securitisation of assets: when government undertakes a securitisation it continues to have economic ownership of the assets and the associated liabilities if it retains liability for any risk, or an entitlement for any aspect of reward associated with the assets. See section V.5 of the [Manual on Government Deficit and Debt \(MGDD\)](#) for details.

2. in Public Private Partnerships (PPPs - commonly called PFI deals in the UK) and concessions - these schemes relate to the building/operation of an assets on behalf of government. Here ONS is required to establish which party has *economic ownership* (which may differ from legal ownership) over the assets in accordance with rules in ESA10 and sections VI.1,4 of the MGDD. This involves assessing whether or not the private party is bearing 'most of the risks and almost all of the current benefits associated with the assets'. If it is found that government is shouldering risk or taking benefits which would otherwise accrue to the private partner then the rules require that government is judged to be the economic owner and hence that the asset, and associated liabilities, are recorded in the government accounts.

It is also worth pointing out that even if the PPP company is judged to be the economic owner of the assets, that unit is subject to the same control test outlined above and may be a public unit if government has powers over it (e.g. through share-holding, golden shares, or vetoes).

Where government offers guarantees this is explicitly taking on some or all of the risk faced by investors and so is likely to lead to a public classification.

██████ | ████████ National Accounts Classifications | na.classifications@ons.gov.uk

Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG

██████ ons.gov.uk | ████████

----- Forwarded by ████████ NEWPORT/ONS on 18/11/2015 18:26 -----

From: National Statistician
To: ████████ NEWPORT/ONS@ONS,
Date: 18/11/2015 17:46
Subject: Fw: ████████ and John Pullinger Meeting - Briefing Request
Sent by: ████████

From: [REDACTED] NEWPORT/ONS
To: National Statistician@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS,
Date: 12/11/2015 18:20
Subject: Re: [REDACTED] and John Pullinger Meeting - Briefing Request <[REDACTED]>

Thank you for the readout. That is very positive.

In this briefing I think it would be useful to draw out the market sector definition, and a reminder that the eu focuses on General Govt to the extent that public sector is not even published. So edf and sncf if public corporations are not 'on the books'.

Thanks

[REDACTED]

From: National Statistician
To: [REDACTED]
Cc:
Date: 12/11/2015 17:54 GMT
Subject: [REDACTED] and John Pullinger Meeting - Briefing Request
Sent by: [REDACTED]

[REDACTED]

I had an interesting discussion with [REDACTED] yesterday. I'm very grateful for your team's briefing, which was really valuable for my preparation.

He started by thanking you for your work on housing association classifications. He was is particularly interested in how classifications can vary between two similar entities. There are a few follow up questions i.e. requests for briefing. I wanted to make sure I was giving him the precise answers. Please could you therefore send me a draft submission for OL by close next Friday, which I can then send to him within two weeks of my meeting? Here are the questions we need to cover and attached below is a note of the meeting. Please keep it concise but be as technical as you need to be. Contact [REDACTED] of anything needs clarifying as she was there as well.

1. What is the definition of public sector net debt, in particular does it include general government plus public corporations net debt.
2. How are Lloyds and RBS classified?
3. How are water companies classified and why?
4. How are renewable or nuclear energy operators classified and why?
5. If these two are different, why?
6. Check classifications (and justifications) of European companies, including Gas de France, IRI, SNCF, Deutsche Bahn.
7. How do risk transfers affect classifications?



Best wishes
John

John Pullinger | National Statistician | UK Statistics Authority
1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: national.statistician@statistics.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

[REDACTED]

From: [REDACTED] [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 24 November 2015 13:28
To: [REDACTED] [REDACTED] [REDACTED] [REDACTED] na.classifications@ons.gsi.gov.uk
Cc: [REDACTED] [REDACTED] [REDACTED] [REDACTED]
Subject: URGENT BRIEFING REQUEST: John Meeting with [REDACTED] [REDACTED] - Wednesday 12pm

[REDACTED] [REDACTED]

[REDACTED] office has arranged a chat with John on Wednesday to discuss next steps on Housing Association classifications. [REDACTED] wants to discuss ONS's engagement in the process e.g. with HMT and CLG.

I spoke to you ([REDACTED]) yesterday. You said that the letter was finalised after CLG came back to answer the questions. Please could you send me the final fact checked letter we have sent to show to John?

John would also appreciate a plain English description of the things that pushed us to provisionally classify HAs under the proposed policy into the public sector. If this could be linked to the relevant section of the letter that would be helpful.

It would be great to have these two things by 6.30pm today if possible, otherwise by 11am tomorrow. Please let me know if anything is unclear.


Many thanks

[REDACTED]

[REDACTED] | [REDACTED]
UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: [REDACTED] [statistics.gsi.gov.uk](mailto:[REDACTED]@statistics.gsi.gov.uk) | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

[REDACTED]

From: [REDACTED] [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 23 November 2015 15:52
To: national.statistician@statistics.gsi.gov.uk
Subject: [OFFICIAL SENSITIVE] - Phone call with [REDACTED] [REDACTED] - Housing Association Classifications - Wednesday 12pm

 **filed, in [REDACTED] for info**
tweaked filed version after talking to [REDACTED]

John
[REDACTED] office called to arrange this chat with you on Wednesday. Apparently he couldn't do straight after WMC as he is meeting the PM.

[REDACTED] has been briefed by [REDACTED]. He wants to "touch-in" with you as things are coming to a head internally on the proposals to get Housing Associations back off the balance sheet. [REDACTED] wants to discuss how ONS can be as helpful as possible in the process i.e. engagement with HMT and CLG.

I hope this is helpful. On the back of this we aren't going to commission any briefing from the team. But we will double check the latest from our side and let you know.

[REDACTED]

[REDACTED] | [REDACTED]
UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: [REDACTED]@statistics.gsi.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: @UKStatsAuth

From: [REDACTED]
Sent: 23 November 2015 09:18
To: [REDACTED]
Subject: Daily Media Summary - 23 November 2015

Daily Media Summary – 23 November 2015

PUBLIC FINANCE – ONS figures for October published on Friday showing a £1.1bn rise in public sector net borrowing last month were described as the ‘worst October borrowing in six years’ by the Mail and [BBC](#), who also said that the Chancellor is unlikely to meet his borrowing target as did the [Telegraph](#). The Standard said the figures were a ‘shocker’ ahead of the Autumn Statement. The Financial Times says the Chancellor faces four challenges to reducing the deficit before the next election, one of which is the extra £4bn a year in extra borrowing that will come from the ONS’s reclassification of housing associations, also mentioned by the Times. The Guardian said ‘deficit blow signals tougher Osborne cuts’ while the times said that ‘Borrowing piles pressure on Osborne’. The i said the Chancellor would need a ‘minor miracle to keep on track’. Also in the Star, Independent, Observer, [Bloomberg](#), [City AM](#), [Sky](#),

HEALTH – The i covered Friday’s report on healthy life expectancy with the headline ‘Kensington’s rich face 25 more years of health than poor’ and that those in the poorest parts of England can expect an extra decade of poor health. The Express said ‘How being rich ensures you’ll remain healthy and live longer’ and said that some parts of the north had lower life expectancies than people living in Columbia, Lebanon and Peru. The Telegraph said the figures that there could be a quarter of decade difference between people living a ‘few streets away’ and the figures were ‘exposing the rich-poor divide’. The Mirror described the figures as ‘Britain’s sick divide’ but described the ‘astonishing figures uncovered by the Mirror’ as an exclusive. The Sun used the headline ‘Inequality Street’. ONS statistician Jamie Jenkins also did an interview with BBC Radio Oxford.

BERD – The [Telegraph](#) mentioned the latest ONS figures of research and development, showing a 5% rise, saying that ‘R&D spending rises as fears of UK falling behind persist’.

INFLATION – On page two of Saturday’s Financial Times in the ‘Chart that tells a story’ sector, they outline what are the main reasons behind the current deflation and explain that when you drill down into the figures there are better news for some sectors, such as clothing, which have seen prices rise.

ABORTION – The [Evening Standard](#) said figures from the ONS ‘revealed’ that abortions to under 16’s were at their lowest rate for years. The figures were released following a Freedom of Information request by the paper.

JOBS – The Times used ONS figures, which showed that the number of men who did not want a full-time job had reached one million and was rising, in an article which says that many are choosing to go part-time in order to spend more time with their children.

CBI – City AM interviews [REDACTED] a former UK Statistics Authority non-executive director.

Social Media Summary - Friday 20 November

Public sector finances

[REDACTED] [@dsmitheconomics](#)

Public sector borrowing October up £1.1bn on year earlier, disappointing; fiscal year so far down £6.6bn to £54.3bn: <http://www.ons.gov.uk/ons/rel/psa/public-sector-finances/october-2015/stb-psf-october-2015.html>
<https://twitter.com/dsmitheconomics/status/667636668963405824>

Worst October borrowing in 6 years means heading for £80bn this year, not £69.5bn, though numbers prone to revision: http://www.ons.gov.uk/ons/dcp171778_424619.pdf

<https://twitter.com/██████████economics/status/667644648618385408>

██████████
In financial year to date borrowing was down just £6.6bn to £54.3bn (ONS data just released). At that rate hitting target this yr unlikely

<https://twitter.com/██████████/status/667637350340632576>

Spending hasn't been falling but RISING. From Apr to Oct £402.6 billion, an increase of £4.5 billion, much of it due to state pension rises

<https://twitter.com/██████████/status/667641390197825537>

Government way off target for cutting borrowing in line with OBR forecast/Osborne's target (ONS data)

<https://twitter.com/██████████/status/667642875686068224>

RBS Economics @RBS_Economics

Public sector borrowing £6.6bn less than this time last year. Chart via @ONS

https://twitter.com/RBS_Economics/status/667637386042613760

██████████
Deficit reduction isn't working. Borrowing £1.1bn higher in October than last year. Osborne's not going to like that ahead of aut stmt

<https://twitter.com/██████████/status/667638120674934784>

Keep this up and Osborne will overshoot his borrowing target for this year by £10bn

<https://twitter.com/██████████/status/667640082241835009>

██████████
Britain's public finances show worst October deficit since 2009 – live <http://qu.com/p/4eci9/stw>

<https://twitter.com/██████████status/667640286928084992>

██████████
The UK government just had its biggest October of borrowing since 2009 <http://on.ft.com/1lychuE>

<https://twitter.com/██████████/status/667640979650912256>

██████████
UK net government debt at the end of October was £1.5tr or 80.5% of GDP, up £70.4bn from the same time last year

<http://on.ft.com/1lychuE>

<https://twitter.com/██████████/status/667646015244210177>

Life expectancy

██████████
New @ONS research out now, shows yet again link bw affluence and good health

<https://twitter.com/██████████y/status/667640402070134784>

Moving postcodes from E3 to SW11 has increased female healthy life expectancy 10 years #London #Inequality

<https://twitter.com/██████████status/667643032523681792>

Herefordshire CAB @HfdsCAB

In #Herefordshire, inequality in healthy life expectancy between men in most and least deprived areas was 7.5 years.

<https://twitter.com/HfdsCAB/status/667641002870644736>

██████████
Thinking of moving? Wokingham has highest healthy life expectancy for men (70) and second highest for women (70.8) in new ONS figures.

<https://twitter.com/██████████/status/667640653724196864>

██████████
[Moves to Richmond]

<https://twitter.com/██████████/status/667640787681849344>

How reassuring to know I spent the second decade of my life living in Wokingham...

[https://twitter.com/\[REDACTED\]/status/667641150300413952](https://twitter.com/[REDACTED]/status/667641150300413952)

Socialist Economic B @SocEconB

Life expectancy accurate indicator of general prosperity. Staggering difference of 24.6yrs in K&C! #Allinitttogether

<https://twitter.com/SocEconB/status/667647296243376128>

Kent Counts @UniKentQStep

How long will you live in good health? Great interactive tool from @ons - <http://ow.ly/USE9P>

<https://twitter.com/UniKentQStep/status/667683077108465664>

Debt and deficit

[REDACTED] @Walmerian

Straight forward explanation of public debt, without any hyperbole such as "oh my god, that debt is massive!".

<https://twitter.com/Walmerian/status/667428911702233089>

<http://visual.ons.gov.uk/the-debt-and-deficit-of-the-uk-public-sector-explained> ... Thank you @ONS for a clear and neutral explanation of public sector debt and the deficit

[https://twitter.com/digita\[REDACTED\]/status/667653849012953088](https://twitter.com/digita[REDACTED]/status/667653849012953088)

BCUIM @BCUIM

Office for National Statistics offers a simple explanation of UK public debt & deficit - (big numbers!)

<http://visual.ons.gov.uk/the-debt-and-deficit-of-the-uk-public-sector->

<https://twitter.com/BCUIM/status/667707081840029696>

<http://visual.ons.gov.uk/the-debt-and-deficit-of-the-uk-public-sector-explained> ... Thank you @ONS for a clear and neutral explanation of public sector debt and the deficit

[https://twitter.com/digita\[REDACTED\]/status/667653849012953088](https://twitter.com/digita[REDACTED]/status/667653849012953088)

Census consultation

CfSocialScience @CfSocialScience

@ONS responses to Census proposals <http://www.ons.gov.uk/ons/guide-method/census/2021-census/consultations/index.html>

<https://twitter.com/CfSocialScience/status/667374911946694656>

IAITH cyf. @IAITH

First response on 2021 Census consultation by @ONS available here: <http://www.ons.gov.uk/ons/guide-method/census/2021-census/consultations/index.html>

<https://twitter.com/IAITH/status/667369548241379328>

MSc conference

Surrey Sociology @SurreySociology

Today we'll be tweeting from our MSc conference - first up is [REDACTED] from @ONS #SurreySociology

<https://twitter.com/SurreySociology/status/667643412150140928>

Census data not shared with the public for 100 years - [REDACTED] from @ONS #SurreySociology

<https://twitter.com/SurreySociology/status/667646212254887936>

2011 Census - @ONS produced 8 billion cells of data #SurreySociology
<https://twitter.com/SurreySociology/status/667651032562929664>

Recommendation from @ons for 2021 Census: online collection with integrated use of administrative & survey data #SurreySociology
<https://twitter.com/SurreySociology/status/667653664820092928>

rounds off her excellent talk with some useful tips for applying for government research jobs #SurreySociology
<https://twitter.com/SurreySociology/status/667656940193976320>

ASC conference

The ASC @ascorg

Robert Fry and Zoe Hartland of ONS .. The development of visual ONS #ascconf
<https://twitter.com/ascorg/status/667720291720798208>

#ascconf check <http://visual.ons.gov.uk> - great website
<https://twitter.com/AskiaJerry/status/667727022999904256>

Other ONS mentions

Good Practice WAO @GoodPracticeWAO

How would you start to put a modern intranet together? Here's @ons' story <http://bit.ly/1lwG07h> #internalcomms #digital
<https://twitter.com/GoodPracticeWAO/status/667365760122159104>

Greetings Today Mag @greetingstoday

Black Friday blip - looming US-led event sees minor hit on sales figures as YOY estimates rise @ONS @PowaTechLtd
<http://www.greetingstoday.co.uk>
<https://twitter.com/greetingstoday/status/667353867882012672>

Remarkable how much UK public sector has shrunk over past 5 years
<http://www.theguardian.com/politics/2015/nov/19/how-the-uk-civil-service-has-changed-in-10-charts>
<https://twitter.com/ /status/667377759556104192>

| Swyddog Cyswilt â'r Cyfryngau
Stakeholder Management and Communication Division | Rheoli Rhanddeiliaid a Is-adran Chyfathrebu

Room 1.101 | Ystafell 1.101
Office for National Statistics | Swyddfa Ystadegau Gwladol
Government Buildings | Adeiladau'r Llywodraeth
Cardiff Road | Heol Caerdydd
Newport | Casnewydd
NP10 8XG
Telephone | Ffôn:

From: [REDACTED]
Sent: 23 November 2015 09:10
To: National Statistician
Subject: FOR INFO: Media monitoring

Dear colleagues

Please see attached a summary of this weekend's coverage:

Significant mentions of the Authority/ONS:
None

Routine coverage of outputs:

- There was widespread reporting of last week's public sector finance figures, covered by most outlets alongside commentary on the upcoming Autumn Statement. The Times described the release as "the worst public borrowing figures" since 2009, "and all on the eve, too, of George Osborne's autumn statement." The Independent took a similar line, describing the figures as the weakest in six years. Elsewhere, the FT and the Mail both note that ONS's recent decision to reclassify housing association as public sector bodies means that it is highly improbable that the Chancellor will be able to achieve his borrowing target for 2015/16.
Friday: Evening Standard 47
Saturday: the Times 2+53+54+55, the Star 2, Daily Mail 10, the Independent 43, BBC online, FT 3, Daily Mail 90, Guardian 41, Telegraph 39, the i 54,
Sunday: the Observer 14, the Times 30,
Monday: the FT 2
- There is some continuing reporting of last week's retail sales figures. which saw sales fall by more than had been expected.
Friday: City AM 25, BBC online, Guardian 43,
- There is also continuing reporting of last week's analysis of life expectancy. Most outlets note that men who live in the richest parts of Kensington and Chelsea, can expect to live almost a quarter of a century longer than their male counterparts in the most deprived parts of the London borough.
Saturday: the i 22, Daily Express 26, Telegraph 20
- The Times notes that ONS will release its second estimate of GDP for Q3 on Friday.
Monday: the Times 42
- The Guardian flags that ONS figures on divorce are due out soon, in a broader piece on recent research by Resolution, showing children agree divorce can be for the best.
Monday: the Guardian 14, FT 8.
- Daily Telegraph cites ONS data on employment and earnings, in a piece on a growth in financial sector jobs. Elsewhere, the Independent cites ONS figures on the gender pay gap. The Times considers the increasing number of men who are working part time.
Saturday: the Times 21
Sunday: the Telegraph 61, the Times 13, the Observer 54
Monday: the Telegraph 5
- There is some continuing reporting of consumer price inflation and house price data; several outlets focus on deflation, while the Sunday Times, the Mail and the Telegraph report that the average cost of a house in London is now above £500,000.
Saturday: Financial Times 2, the Telegraph 2, Daily Mail 91
Sunday: the Times 4+8, the Independent 62,

Other stories

- City AM runs a piece on [REDACTED] appointment as the [REDACTED] noting her position at the UK Statistics Authority.

From: [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 22 November 2015 18:24
To: [REDACTED]
Cc: [REDACTED] national.statistician@statistics.gsi.gov.uk; [REDACTED] Athow, Jonathan
Subject: Re: to respond - Classifications

[REDACTED]
Sorry for the delay in getting back to you on this. John is meeting [REDACTED] on 2 December and will raise with him then. We will be in touch if we need help in advance.

Thanks
[REDACTED]

UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: [REDACTED] statistics.gsi.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

18/11/2015 18:00:01---filed, in RB for action [REDACTED]

From: [REDACTED] NEWPORT/ONS
To: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS,
Cc: National Statistician@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS
Date: 18/11/2015 18:00
Subject: Re: to respond - Classifications

[REDACTED]
Let us know where you get to with this, in case I forget to follow up.

I am also copying [REDACTED] who chairs the classification cttee.

Thanks

[REDACTED]
[REDACTED]
Director for National Accounts & Economic Statistics
Office for National Statistics
Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG
T: [REDACTED] E: [REDACTED] ons.gsi.gov.uk

From: [REDACTED] NEWPORT/ONS
To: National Statistician@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS
Date: 02/11/2015 13:55
Subject: Re: to respond - Classifications

John

I think this would be a very good idea.

As you know we have a busy agenda with classifications e.g. housing associations currently and there is the prospect

of difficult discussions around Hinckley point.

We would want to get Treasury committed to the idea before confirming to [REDACTED], so I'd discuss with [REDACTED] first but I'd imagine he would be supportive.

At the seminar we could run through the background, governance and process to classifications; the relationship to HMT as an intermediary for OGDs and the increasing links with the devolved administrations.

If you let me know once it is confirmed I'll get the team to start thinking about how we should structure the seminar.

Thanks

[REDACTED]

[REDACTED]
Director for National Accounts & Economic Statistics
Office for National Statistics
Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG
T: [REDACTED] E: [REDACTED] [ons.gsi.gov.uk](mailto:[REDACTED]@ons.gsi.gov.uk)

From: National Statistician
To: [REDACTED] NEWPORT/ONS@ONS,
Cc: Jonathan Athow/LONDON/ONS@ONS
Date: 29/10/2015 17:30
Subject: to respond - Classifications
Sent by: [REDACTED]

[REDACTED]

At my mid year review on Tuesday, [REDACTED] [REDACTED] raised the issue of classifications. He said he is still picking up anxiety from some colleagues about decisions we are taking, both the level of engagement we have with policy colleagues and whether some decisions are "too purist". I challenged him on this and he cited the green investment bank as an example. I went on to describe to him the regular meetings we have with the Treasury team and the good positive feedback we are having about that relationship. I also mentioned my own personal involvement in several cases including most recently with [REDACTED] [REDACTED] Macpherson and [REDACTED] on housing associations and also with the Scottish Government. He encouraged us to continue to be well engaged given the political significance of many of the cases that come our way.

I suggested that I might host a seminar for senior policy colleagues. He thought this might be a good idea, what do you think? If you agree, I will set something up for the New Year.

John

John Pullinger | National Statistician | UK Statistics Authority
1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: national.statistician@statistics.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

[REDACTED]

From: [REDACTED]
Sent: 20 November 2015 11:01
To: [REDACTED]
Cc: [REDACTED] na classifications;
national.statistician@statistics.gsi.gov.uk; [REDACTED]
Subject: Re: [REDACTED] and John Pullinger Meeting - Briefing Request <[REDACTED]>

 **filed, in [REDACTED] for action**
[REDACTED]

[REDACTED] [REDACTED] has put together the below good set of responses to [REDACTED] questions.

In my view the only bit that needs changing is the second paragraph in the answer to question 1 which is currently wrong and should read:

The net debt is the total value of the stock of all outstanding 'debt liabilities' (which cover gilts, treasury bills, other bonds, loans and deposits with public bodies) less 'liquid assets' (which are essentially cash deposits).

I tried to edit directly but my blackberry skills let me down!

Both [REDACTED] and I are on leave today but will be in the office on Monday. So if you have any questions and they can wait until Monday then please contact us then. For anything more urgent then please email the copy recipients to this email and hopefully someone can help.

Best regards

[REDACTED]

▼ [REDACTED] [REDACTED] 18/11/2015 19:40 GMT---Hi [REDACTED] Please see my proposed responses below. I would be most grateful if you could have a quic

From: [REDACTED]
To: [REDACTED]
Cc: [REDACTED]
Date: 18/11/2015 19:40 GMT
Subject: Fw: [REDACTED] and John Pullinger Meeting - Briefing Request

Hi [REDACTED]

Please see my proposed responses below. I would be most grateful if you could have a quick check please...my knowledge of the precise definition of debt may be a bit ropey for example. Also, I can't find Welsh Water on the guide or in the database so am assuming it is a private NFC.

I'm not back in until Monday due to SPL I'm afraid so please let my team know if you would like them to do anything further and send on to [REDACTED] when you are happy.

Many thanks

[REDACTED]

1. What is the definition of public sector net debt, in particular does it include general government plus public corporations net debt.

The public sector consists of units classified in the general government *and* public corporations sector. Thus the public sector net debt is the sum of the net debt of each of these parts.

The net debt is the value of liquid assets (such as cash and shares) held by public units, *less* their liabilities.

2. How are Lloyds and RBS classified?

Lloyds Banking Group consists of a large number of units. Overall, the group is a Private Financial Corporation.

RBS is a Public Financial Corporation. The key reason for this difference is that the government controls the 'majority of the voting interest' in RBS (i.e. it has a controlling share).

At the time that Lloyds was reclassified out of the public sector we published an [explanatory article](#).

3. How are water companies classified and why?

The classification of Water companies varies across the UK. This is because of the different situations in which water companies operate.

Northern Ireland Water Limited is a Central Government body as it is subject to government control (as defined in Chapters 2 and 20 of the European System of Accounts, "ESA10") and customers do not pay for water directly but as part of the wider 'domestic rates', which are taxes. As such, the prices customers face are not economically significant and the body is a non-market producer. A government controlled, no-market producer is classified in the government sector.

Scottish Water is a Public Non-Financial Corporation as it is controlled by government but does bill its customers directly for the water they use. These revenues are not taxes as in NI but payments for the water provided. As Scottish Water covers more than 50% of its running costs from such sales revenues, it is a market producer.

English and Welsh water is provided by private companies - market producers that are not subject to government control. Note that although water companies are relatively closely regulated (e.g. in terms of price inflation), this regulation applies across all providers and is therefore not judged to give government control over their general corporate policy.

4. How are renewable or nuclear energy operators classified and why?

As is the case for any unit, this depends on their characteristics in the context of the rules laid out in ESA10. A useful summary of how units are classified is available on the [ONS website](#). The assessment principally looks at whether or not they are subject to control from government and whether or not they are 'market producers'.

Most renewable and nuclear energy operators in the UK will be Private Non-Financial Corporations but specific operators of interest can be looked up on the latest [Public Sector Classifications Guide](#) to see if they are in the public sector.

5. If these two are different, why?

If two specific units are classified differently this is due to relevant differences in their characteristics - the control from government that they face and the prices they sell their products at.

6. Check classifications (and justifications) of European companies, including Gas de France, IRI, SNCF, Deutsche Bahn.

All EU members follow the ESA10 law when compiling their National Accounts. When making classification decisions they consider the relevant characteristics of the unit being classified (as prescribed by ESA10) - whether or not they are subject to public control and whether or not they are market producers (i.e. they cover over 50% of costs from sales revenues).

To address the companies listed:

Gas de France was a public corporation but no longer exists as it merged with a rival in 2008 to form GDF Suez. The French State held 80% of GDF and so it was clear that government was in a position to set the corporate policy.

SNCF and Deutsche Bahn are public corporations as they are market producers controlled by government. In both cases the respective governments are the sole shareholders and this clearly gave those governments the ability to determine the companies' corporate policies.

It is relevant to point out here that other EU countries do not base their fiscal frameworks on the 'public sector' (the UK does). Reporting for the EU Excessive Deficit Procedure focusses on 'government debt'. As the above are public corporations they are outside the government sector (due to being market producers) and hence their liabilities do not count towards the key government debt figure.

7. How do risk transfers affect classifications?

Risk transfers are most relevant in 2 situations:

1. securitisation of assets: when government undertakes a securitisation it continues to have economic ownership of the assets and the associated liabilities if it retains liability for any risk, or an entitlement for any aspect of reward associated with the assets. See section V.5 of the [Manual on Government Deficit and Debt \(MGDD\)](#) for details.

2. in Public Private Partnerships (PPPs - commonly called PFI deals in the UK) and concessions - these schemes relate to the building/operation of an assets on behalf of government. Here ONS is required to establish which party has *economic ownership* (which may differ from legal ownership) over the assets in accordance with rules in ESA10 and sections VI.1,4 of the MGDD. This involves assessing whether or not the private party is bearing 'most of the risks and almost all of the current benefits associated with the assets'. If it is found that government is shouldering risk or taking benefits which would otherwise accrue to the private partner then the rules require that government is judged to be the economic owner and hence that the asset, and associated liabilities, are recorded in the government accounts.

It is also worth pointing out that even if the PPP company is judged to be the economic owner of the assets, that unit is subject to the same control test outlined above and may be a public unit if government has powers over it (e.g. through share-holding, golden shares, or vetoes).

Where government offers guarantees this is explicitly taking on some or all of the risk faced by investors and so is likely to lead to a public classification.

██████ | Head of National Accounts Classifications | na.classifications@ons.gov.uk

Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG

██████ ons.gov.uk | ██████ ██████

----- Forwarded by ██████ ██████ NEWPORT/ONS on 18/11/2015 18:26 -----

From: National Statistician
To: ██████ ██████ NEWPORT/ONS@ONS,
Date: 18/11/2015 17:46
Subject: Fw: ██████ and John Pullinger Meeting - Briefing Request
Sent by: ██████

From: ██████ NEWPORT/ONS
To: National Statistician@ONS, ██████ ██████ NEWPORT/ONS@ONS, ██████ NEWPORT/ONS@ONS,
Date: 12/11/2015 18:20
Subject: Re: ██████ and John Pullinger Meeting - Briefing Request <██████>

Thank you for the readout. That is very positive.

In this briefing I think it would be useful to draw out the market sector definition, and a reminder that the eu focuses on General Govt to the extent that public sector is not even published. So edf and sncf if public corporations are not 'on the books'.

Thanks

From: National Statistician
To: [REDACTED]
Cc:
Date: 12/11/2015 17:54 GMT
Subject: [REDACTED] and John Pullinger Meeting - Briefing Request
Sent by: [REDACTED]

[REDACTED] [REDACTED]

I had an interesting discussion with [REDACTED] yesterday. I'm very grateful for your team's briefing, which was really valuable for my preparation.

He started by thanking you for your work on housing association classifications. He was is particularly interested in how classifications can vary between two similar entities. There are a few follow up questions i.e. requests for briefing. I wanted to make sure I was giving him the precise answers. Please could you therefore send me a draft submission for [REDACTED] by close next Friday, which I can then send to him within two weeks of my meeting? Here are the questions we need to cover and attached below is a note of the meeting. Please keep it concise but be as technical as you need to be. Contact [REDACTED] of anything needs clarifying as she was there as well.

1. What is the definition of public sector net debt, in particular does it include general government plus public corporations net debt.
2. How are Lloyds and RBS classified?
3. How are water companies classified and why?
4. How are renewable or nuclear energy operators classified and why?
5. If these two are different, why?
6. Check classifications (and justifications) of European companies, including Gas de France, IRI, SNCF, Deutsche Bahn.
7. How do risk transfers affect classifications?



Best wishes
John

John Pullinger | National Statistician | UK Statistics Authority
1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: national.statistician@statistics.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

From: [REDACTED]
Sent: 18 November 2015 18:00
To: [REDACTED] CN=[REDACTED] OU=LONDON/O=ONS@[REDACTED]; [REDACTED]
Cc: national.statistician@statistics.gsi.gov.uk; [REDACTED] Athow, Jonathan
Subject: Re: to respond - Classifications

 filed, in [REDACTED] for action

Let us know where you get to with this, in case I forget to follow up.

I am also copying [REDACTED] who chairs the classification cttee.

Thanks

[REDACTED]
[REDACTED]
Director for National Accounts & Economic Statistics
Office for National Statistics
Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG
T: [REDACTED] E: [REDACTED]@ons.gsi.gov.uk

02/11/2015 13:55:57---John I think this would be a very good idea.

From: [REDACTED] NEWPORT/ONS
To: National Statistician@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS
Date: 02/11/2015 13:55
Subject: Re: to respond - Classifications

John

I think this would be a very good idea.

As you know we have a busy agenda with classifications e.g. housing associations currently and there is the prospect of difficult discussions around Hinckley point.

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At the seminar we could run through the background, governance and process to classifications; the relationship to HMT as an intermediary for OGDs and the increasing links with the devolved administrations.

If you let me know once it is confirmed I'll get the team to start thinking about how we should structure the seminar.

Thanks

[REDACTED]
Director for National Accounts & Economic Statistics
Office for National Statistics

▼ National Statistician---29/10/2015 17:30:01---[REDACTED] At my mid year review on Tuesday, [REDACTED] [REDACTED] raised the issue of classifications. He said h

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To: [REDACTED] NEWPORT/ONS@ONS,
Cc: Jonathan Athow/LONDON/ONS@ONS
Date: 29/10/2015 17:30
Subject: to respond - Classifications
Sent by: [REDACTED] [REDACTED]

[REDACTED]

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I suggested that I might host a seminar for senior policy colleagues. He thought this might be a good idea, what do you think? If you agree, I will set something up for the New Year.

John

From: [redacted] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 16 November 2015 12:47
To: national.statistician@statistics.gsi.gov.uk
Cc: Athow, Jonathan; [redacted] [redacted] [redacted]
Subject: Re: FOI: On Housing Associations Classification

[redacted] and I have now given you access to copies of the emails and documents. I have left the starred ones as I think these are after the announcement. I will double check.

▼ National Statistician---13/11/2015 15:56:31-- [redacted] Please see attached document. Please let me know you are unable to read them and someone in the

From: National Statistician
To: [redacted] NEWPORT/ONS@ONS,
Cc: Jonathan Athow/LONDON/ONS@ONS, [redacted] LONDON/ONS@ONS, National Statistician@ONS
Date: 13/11/2015 15:56
Subject: Re: FOI: On Housing Associations Classification
Sent by: [redacted]

Please see attached document. Please let me know you are unable to read them and someone in the team will change the permissions. We need to decide about the scope of the FOI and there will be a lot of redaction needed. Also, I'm afraid there is a lot of duplication.

UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: [redacted]
Email: [redacted] [statistics.gsi.gov.uk](mailto:[redacted]@statistics.gsi.gov.uk) | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

▼ [redacted] [redacted] 11/11/2015 12:23:57---Dear All, Further to my email below could you please provide any documentation by end of Monday, 16

From: [redacted] NEWPORT/ONS
To: Jonathan Athow/LONDON/ONS@ONS, [redacted] LONDON/ONS@ONS, Miles Fletcher/NEWPORT/ONS@ONS, National Statistician@ONS, [redacted] NEWPORT/ONS@ONS, Vanessa Holden/LONDON/ONS@ONS, [redacted] NEWPORT/ONS@ONS, [redacted] NEWPORT/ONS@ONS,
Date: 11/11/2015 12:23
Subject: Re: FOI: On Housing Associations Classification

Dear All,

Further to my email below could you please provide any documentation by end of Monday, 16 November 2015.

Thanks

Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG
| [REDACTED]

▼ [REDACTED] [REDACTED] 11/11/2015 10:19:36---From: [REDACTED] [REDACTED] NEWPORT/ONS To: National Statistician@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, L

From: [REDACTED] [REDACTED] NEWPORT/ONS
To: National Statistician@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] [REDACTED] LONDON/ONS@ONS, Miles Fletcher/NEWPORT/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] [REDACTED] NEWPORT/ONS@ONS
Date: 11/11/2015 10:19
Subject: FOI: On Housing Associations Classification

Dear All,

We have received a freedom of information request in relation to the recent classification decision on Housing Associations.

The request reads;

"Further to your recent announcement, I would like to ask you all for documents, minutes of meetings and supporting documentation, as well as relevant written and electronic correspondence regarding the classification of private registered providers of social housing in England as public sector entities."

Can you please therefore forward any relevant communication that can be included in this request.

Kind regards,

[REDACTED]

Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG
| [REDACTED]

From: [REDACTED]
Sent: 16 November 2015 09:27
To: National Statistician
Subject: Daily Media Summary - 16 November 2015

Our apologies for the lateness of this morning's summary. Unfortunately we experienced a number of technical hitches which delayed the process. Thank you for your patience.

Daily Media Summary - Monday 16 November 2015

PUBLIC SECTOR FINANCE - Both Geoff Ho in the [Sunday Express](#) and Kathryn Cooper in the Sunday Times look ahead to Friday's Public Sector Finance release, predicting that the chancellor is set to miss his full-year borrowing forecast by either £5bn or £6bn, with Kathryn Cooper saying that Britain 'remained stuck in mild deflation at -0.1%' in October, which would mark 'the longest run of flat or falling prices since ONS records began in 1950'. Also in [This Is Money](#).

CONSTRUCTION - The Daily Express, the Daily Telegraph, and the Times report on the third consecutive monthly decline in output in the construction industry in September according to ONS figures. Both the Express and the Telegraph comment on the contrast with recent surveys from within the sector suggesting 'higher levels of activity across house building, civil engineering and commercial building work'. The [Financial Times](#) also reported that 'the number of homes under construction rose 19% in 2014/15...according to official statistics'. Also covered by [Reuters](#) and [Sky News](#).

PRICES - Looking ahead to this week's prices releases, the Mail on Sunday predicts the 'biggest price falls seen since the 1960s', saying that analysts at Capital Economics 'expect deflation of 0.2%', compared with last month's 0.1%. The figures are also used in the Sunday Telegraph in a piece headlined 'don't allow robots to ruin lives'. Roger Baird in the [Daily Express](#), however, says that inflation is expected to remain at -0.1%, and that 'some economists argue that prices might have stabilised in October, which may lift inflation back to zero'. The Financial Times also predicts a rise of 0.1%.

PENSION AGE - [REDACTED] in the [Daily Telegraph](#) reports that a planned rise in the state pension age could be put on hold, predicting that next month's life expectancy projections will show a fall in longevity. This prediction, he says, was compiled by pensions consultants Towers Watson using ONS data and methodology. Also repeated in the Sunday Telegraph.

CHILDLESSNESS - In a lengthy article titled 'have you fallen for a non-family guy?' in the [Mail on Sunday](#) that looks at the lack of men who actively want children, Leah Hardy quotes ONS figures saying 'one woman in five today in childless at the age of 45'. ONS figures were also used by Rachael Bletchly in the Daily Mirror's [People](#) section in a piece titled 'childless and happy'.

Social Media Summary - Friday 13 November 2015

Construction

[REDACTED]
Q3 .@ONS construction output 2.2% lower than in Q2 & 0.1% lower than a year ago (same as GDP 1st est).
#UKeconomy
<http://bit.ly/1GZW8le>
[https://twitter.com/\[REDACTED\]/status/665099874808012800](https://twitter.com/[REDACTED]/status/665099874808012800)

.@ONS public house building in Q3 was 12.6% lower than in Q2 & 23.3% lower than a year ago.
#UKeconomy
#ukhousing
<http://bit.ly/1GZW8le>
[https://twitter.com/\[REDACTED\]/status/665101106205360128](https://twitter.com/[REDACTED]/status/665101106205360128)

Reuters UK Verified account @ReutersUK

UK construction output falls for third month in September - ONS <http://reut.rs/1ktgWac>
<https://twitter.com/ReutersUK/status/665102443697610752>

Confirmation from the #ONS that construction output fell by 2.2% in Q3 compared to Q2
http://www.ons.gov.uk/ons/dcp171778_423547.pdf
<https://twitter.com/██████████/status/665100649332408320>

2.2% quarter-on-quarter output fall in construction -http://www.ons.gov.uk/ons/dcp171778_423547.pdf ... - but 6% hike in regular pay http://www.ons.gov.uk/ons/dcp171778_421089.pdf Puzzling.
<https://twitter.com/██████████/status/665101807748796416>

@bbc

@PinsentMasons: Gov't will be deeply disappointed by @ONS construction output figs - falling 0.2% Sept = 3rd consec mnthly fall
<https://twitter.com/bbcxaxter/status/665161897419894785>

Pinsent Masons Infra @pm_infra

interviewed by @BBCBusiness on latest @ONS #construction output stats <http://bbc.in/S7RiDt>
https://twitter.com/pm_infra/status/665166186431254528

New work down 2.2% Q-on-Q in @ONS stats but worth noting that Q3 2015's reading is still the second highest recorded since Q1 2008
<https://twitter.com/cninsight/status/665108964724621312>

brickonomics @brickonomics

Note when reading #ONS construction data that there was reclassification of a major firm from March
<http://brickonomics.building.co.uk/2015/10/the-curious-incident-of-the-2-billion-boost-to-the-uks-official-annual-construction-output/> ... 1/2
<https://twitter.com/brickonomics/status/665118851412180993>

2/2 Excluding this, the fall 2014 Q3 to 2015 Q3 would have been nearer 1.5%. And growth in infrastructure far below that posted
<https://twitter.com/brickonomics/status/665119229109211136>

Other ONS mentions

The @ons survey shows non-financial service sector increase of 10.7%; 2013 -2014 was 5th consecutive annual increase <http://ow.ly/UzOwJ>
<https://twitter.com/██████████/status/665084646011617280>

Has the @ONS decision to classify housing associations as public sector opened the way for their privatisation?
<http://on.ft.com/1HKQdBB>
<https://twitter.com/██████████/status/664912727069061120>

BITC Cymru @BITCCymru

Great news that @ONS are now starting their 4th year of #volunteering at St David's in Newport
<https://twitter.com/BITCCymru/status/665100552519311360>

All safely on the coach heading to @ONS in Newport. ██████████ is preparing his poetry recital
<https://twitter.com/██████████/status/665098177566101504>

Our listicle has made the long list for Information is Beautiful Awards! :-)
<https://twitter.com/StatsLiz/status/665122441107238912>

[REDACTED]
Office for National Statistics | Swyddfa Ystadegau Gwladol
Room 1.101 | Ystafell 1.101
Government Buildings | Adeiladau'r Llywodraeth
Cardiff Road | Heol Caerdydd
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NP10 8XG

Tel: [REDACTED]

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Media Relations Office telephone: +44 (0)845 604 1858 or +44 (0)203 684 5070 (8:30am - 5:30pm
Weekdays)

Emergency out of hours (limited service): [REDACTED]

From: [redacted] <[redacted]@ons.gsi.gov.uk>
Sent: 16 November 2015 08:54
To: national.statistician@statistics.gsi.gov.uk
Cc: Athow, Jonathan; [redacted] CN=[redacted] OU=LONDON/O=ONS@ONS;
[redacted]
Subject: Re: FOI: On Housing Associations Classification

Many thanks, I have been able to open the link. The request is for the current classification only. Don't worry about the duplication we will sort it out. You will have access to the final list of emails to be sent so you can advise on any further reductions.

National Accounts Classifications Branch | na.classifications@ons.gov.uk

Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG

▼ National Statistician---13/11/2015 15:56:31---[redacted] Please see attached document. Please let me know you are unable to read them and someone in the

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Sent by: [redacted]

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To: Jonathan Athow/LONDON/ONS@ONS, [redacted] LONDON/ONS@ONS, Miles Fletcher/NEWPORT/ONS@ONS, National Statistician@ONS, [redacted] NEWPORT/ONS@ONS, Vanessa Holden/LONDON/ONS@ONS, [redacted] NEWPORT/ONS@ONS, [redacted] NEWPORT/ONS@ONS,
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████████

National Accounts Classifications Branch | na.classifications@ons.gov.uk

Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG

| ██████████

▼ ██████████ ██████████ 11/11/2015 10:19:36---From: ██████████ ██████████ NEWPORT/ONS To: National Statistician@ONS, Jonathan Athow/LONDON/ONS@ONS, ██████████ NEWPORT/ONS@ONS, L

From: ██████████ ██████████ NEWPORT/ONS
To: National Statistician@ONS, Jonathan Athow/LONDON/ONS@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ ██████████ LONDON/ONS@ONS, Miles Fletcher/NEWPORT/ONS@ONS,
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████████

National Accounts Classifications Branch | na.classifications@ons.gov.uk

Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG

| ██████████

From: [redacted] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 13 November 2015 15:57
To: [redacted]
Cc: Athow, Jonathan; [redacted] national.statistician@statistics.gsi.gov.uk
Subject: Re: FOI: On Housing Associations Classification

Please see attached document. Please let me know you are unable to read them and someone in the team will change the permissions. We need to decide about the scope of the FOI and there will be a lot of redaction needed. Also, I'm afraid there is a lot of duplication.



UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: [redacted]
Email: [redacted] statistics.gsi.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

11/11/2015 12:23:57---Dear All, Further to my email below could you please provide any documentation by end of Monday, 16

From: [redacted] NEWPORT/ONS
To: Jonathan Athow/LONDON/ONS@ONS, [redacted] LONDON/ONS@ONS, Miles Fletcher/NEWPORT/ONS@ONS, National Statistician@ONS, [redacted] NEWPORT/ONS@ONS, Vanessa Holden/LONDON/ONS@ONS, [redacted] NEWPORT/ONS@ONS, [redacted] NEWPORT/ONS@ONS,
Date: 11/11/2015 12:23
Subject: Re: FOI: On Housing Associations Classification

Dear All,

Further to my email below could you please provide any documentation by end of Monday, 16 November 2015.

Thanks

National Accounts Classifications Branch | na.classifications@ons.gov.uk

Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG

11/11/2015 10:19:36---From: [redacted] NEWPORT/ONS To: National Statistician@ONS, Jonathan Athow/LONDON/ONS@ONS, [redacted] NEWPORT/ONS@ONS, L

From: [redacted] NEWPORT/ONS
To: National Statistician@ONS, Jonathan Athow/LONDON/ONS@ONS, [redacted] NEWPORT/ONS@ONS, [redacted] LONDON/ONS@ONS, Miles Fletcher/NEWPORT/ONS@ONS,
Cc: [redacted] NEWPORT/ONS@ONS, [redacted] NEWPORT/ONS@ONS
Date: 11/11/2015 10:19
Subject: FOI: On Housing Associations Classification

Dear All,

We have received a freedom of information request in relation to the recent classification decision on Housing Associations.

The request reads;

"Further to your recent announcement, I would like to ask you all for documents, minutes of meetings and supporting documentation, as well as relevant written and electronic correspondence regarding the classification of private registered providers of social housing in England as public sector entities."

Can you please therefore forward any relevant communication that can be included in this request.

Kind regards,

■

National Accounts Classifications Branch | na.classifications@ons.gov.uk

Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG

■

[REDACTED]

From: Holden, Vanessa
Sent: 13 November 2015 14:40
To: National Statistician
Subject: FOR INFO: Forward planner <[REDACTED]>
Attachments: Weeks beginning 16 November.pdf

for [REDACTED]
Dear colleagues,

Please see attached a forward planner for the upcoming two weeks.

We have several high profile releases next week: Inflation statistics on Tuesday; the Annual Survey of Hours and Earnings (ASHE) on Wednesday, and Public Sector Finances on Friday.

Over the next couple of weeks, we also expect to publish submissions to both the recent Census and consumer prices consultations.

Finally, some of you may be interested to note that [REDACTED] [REDACTED] and his review team will be in Newport on Monday.

Thanks as always to all contributors - please do let me know if any additions or feedback.

Kind Regards

[REDACTED]

[REDACTED] | Central Policy Secretariat | UK Statistics Authority | 1 Drummond Gate, London, SW1V 2QQ
Tel: [REDACTED] | Email: [REDACTED]@statistics.gov.uk Web: www.statisticsauthority.gov.uk Twitter: @UKStatsAuth

(See attached file: Weeks beginning 16 November.pdf)

From: [REDACTED] [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 13 November 2015 10:49
To: CN=[REDACTED] OU=LONDON/O=ONS@ONS; [REDACTED] [REDACTED]
Subject: Fw: FOI: On Housing Associations Classification

----- Forwarded by [REDACTED] LONDON/ONS on 13/11/2015 10:49 -----

From: [REDACTED] [REDACTED] NEWPORT/ONS
To: Jonathan Athow/LONDON/ONS@ONS, [REDACTED] LONDON/ONS@ONS, Miles Fletcher/NEWPORT/ONS@ONS, National Statistician@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS,
Date: 11/11/2015 12:23
Subject: Re: FOI: On Housing Associations Classification

Dear All,

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Thanks

National Accounts Classifications Branch | na.classifications@ons.gov.uk

Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG
| [REDACTED] 45 5706

▼ [REDACTED] [REDACTED] 11/11/2015 10:19:36---From: [REDACTED] [REDACTED] NEWPORT/ONS To: National Statistician@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, L

From: [REDACTED] [REDACTED] NEWPORT/ONS
To: National Statistician@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS, Miles Fletcher/NEWPORT/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 11/11/2015 10:19
Subject: FOI: On Housing Associations Classification

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The request reads;

"Further to your recent announcement, I would like to ask you all for documents, minutes of meetings and supporting documentation, as well as relevant written and electronic correspondence regarding the classification of private registered providers of social housing in England as public sector entities."

Can you please therefore forward any relevant communication that can be included in this request.

Kind regards,



National Accounts Classifications Branch | na.classifications@ons.gov.uk

Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG



From: [REDACTED]
Sent: 13 November 2015 09:46
To: National Statistician
Subject: FOR INFO: Media monitoring 13 November

Dear colleagues

Please find attached today's press cuttings.

Significant mentions:

- The Financial Times reports that the Chancellor is considering privatising the government's stake in housing associations in order to 'inject life' into Britain's housing market and to rid the government of around £60bn of debt recently assigned to the UK's balance sheet as a result of the ONS reclassification of housing associations as public bodies. Elsewhere in the same paper, Jonathan Guthrie questions the value of the privatisation as currently conceived and suggests more targeted ways of resolving a difficulty created by what he calls 'ONS abacus-rattlers'. Financial Times 1, 3 & 24.

Routine reporting of ONS statistics:

- The Daily Mail reports ONS statistics showing that the over 65s are now becoming increasingly 'tech savvy', with a third of the age group now on the internet every day, 10 per cent using social media and 20 per cent using online banking. Daily Mail 70.
- In the Spectator, ONS figures showing that 37 per cent of the UK's wealth is locked into property are used in a piece speculating that the 'buy to let boom' is over. Spectator 34.
- The Evening Standard argues 'let's build on green belt to ease squeeze on commuters', citing ONS house price figures in the south-east and east regions, with the average price of houses rising 5.3 times and 6.6 times average earnings respectively over the past decade. Evening Standard 61.
- The Guardian reports ONS figures released in February showing a reversal of the trend since 2007 of falling suicide rates among men in a piece suggesting the recent rise in suicide rates is linked to debt and joblessness. Guardian 19.

Other main issues today:

- The Daily Mail cites Treasury figures showing the growing gulf in public spending per head of population between England (£8,638 per head last year) and Scotland (£10,374 per head last year), an 8 per cent increase in 2014/15.
- In the Times, [REDACTED] discusses infant mortality statistics in the context of a recent pledge by the health minister to halve the number of baby deaths, reporting that one in every 200 babies are stillborn in the UK, placing the country 'second last among 35 rich countries in preventing such deaths'. Also reported in the Daily Telegraph. Times 4, Daily Telegraph 22.
- The Daily Mirror reports statistics from the Malnutrition Task Force revealing that 46,000 vulnerable elderly people have lost access to their meals on wheels service as a result of government cuts, as spending on the service has almost halved since 2010-2011 (£42m to £22m).
- The Daily Telegraph runs a small piece reporting traffic statistics released by the Department for Transport showing an increase in traffic to 316 billion miles of traffic over the 12 month period to September. Daily Telegraph 4.
- [REDACTED] in the Independent reports a joint analysis of government figures by the Independent and the mental health charity Mind showing that under new benefit rules the number of mentally ill people who have had their benefits stopped has increased by 668%, from 2,507 in 2011-12 to 19,259 in 2014-15. Independent 16.

- The Office for Rail and Road has released figures, reported in the Metro, showing an increase to an 11-year high in the number of incidents of train drivers going through stop signals. Metro 7.
- In the Daily Mail, Larisa Brown reports a 'staffing crisis' in the Armed Forces as a result of government cuts, which will reduce the size of the Armed Forces from 102,000 to 82,000 by 2018. The report cites falling numbers across the Royal Navy, the Royal Marines and the Royal Air Force. Daily Mail 12.
- The Financial Times reports official figures showing that the supply of new housing in England has increased by a quarter in the past year owing to government attempts to boost housebuilding, with a 19 per cent rise in the number of homes under construction in 2014-15 on the previous year and a 10% increase in Right to Buy sales of council properties. Financial Times 3.



Central Policy Secretariat
UK Statistics Authority
1 Drummond Gate, London, SW1V 2QQ
Tel: [REDACTED]
Email: [REDACTED]@statistics.gsi.gov.uk

From: [REDACTED]
Sent: 12 November 2015 18:01
To: national.statistician@statistics.gsi.gov.uk; [REDACTED]
Subject: Re: [REDACTED] and John Pullinger Meeting - Briefing Request <[REDACTED]>

Thank you for the readout. That is very positive.

In this briefing I think it would be useful to draw out the market sector definition, and a reminder that the eu focuses on General Govt to the extent that public sector is not even published. So edf and sncf if public corporations are not 'on the books'.

Thanks

[REDACTED]

▼ National Statistician---12/11/2015 17:54 GMT---[REDACTED] I had an interesting discussion with [REDACTED] yesterday. I'm very grateful for your t

From: National Statistician
To: [REDACTED]
Cc:
Date: 12/11/2015 17:54 GMT
Subject: [REDACTED] and John Pullinger Meeting - Briefing Request
Sent by: [REDACTED]

[REDACTED]

I had an interesting discussion with [REDACTED] yesterday. I'm very grateful for your team's briefing, which was really valuable for my preparation.

He started by thanking you for your work on housing association classifications. He was is particularly interested in how classifications can vary between two similar entities. There are a few follow up questions i.e. requests for briefing. I wanted to make sure I was giving him the precise answers. Please could you therefore send me a draft submission for OL by close next Friday, which I can then send to him within two weeks of my meeting? Here are the questions we need to cover and attached below is a note of the meeting. Please keep it concise but be as technical as you need to be. Contact [REDACTED] of anything needs clarifying as she was there as well.

1. What is the definition of public sector net debt, in particular does it include general government plus public corporations net debt.
2. How are Lloyds and RBS classified?
3. How are water companies classified and why?
4. How are renewable or nuclear energy operators classified and why?
5. If these two are different, why?
6. Check classifications (and justifications) of European companies, including Gas de France, IRI, SNCF, Deutsche Bahn.
7. How do risk transfers affect classifications?



Best wishes
John

██████████

From: ██████████ on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 12 November 2015 18:00
To: ██████████@digital.ons.gov.uk
Subject: Re: ██████████ Meeting Note / Actions - RESPONSE THURSDAY PLEASE

John
At least we can point out that everyone was right when we reply. That will be a nice starting point I think!
I have confirmed the questions with ██████████'s office and just emailed ██████████ and ██████████
Thanks
██████████

▼ john.pullinger---12/11/2015 17:18:28---██████████ Just for fun (?) I read the latest public finance release. It seems that we send debt based o

From: ██████████@digital.ons.gov.uk
To: National Statistician@ONS,
Date: 12/11/2015 17:18
Subject: Re: ██████████ Meeting Note / Actions - RESPONSE THURSDAY PLEASE

██████████
Just for fun (?) I read the latest public finance release. It seems that we send debt based on general government to Eurostat (a lower figure) and report public sector (the higher figure) domestically? No idea why we should do this but it does explain why both ██████████ and I were scratching our heads about the difference - and also perhaps means everyone was right in what they said at the meeting. NB also it seems that banks are excluded altogether by virtue of being financial institutions.
We still need chapter and verse from the team in the form of a submission as your email suggested.
John

Sent from my iPad

On 12 Nov 2015, at 09:26, National Statistician <national.statistician@statistics.gsi.gov.uk> wrote:
John

Here is a brief write up of your meeting with OL yesterday. Underneath is a suggested email to send out. I wasn't sure whether you wanted to send the whole write up to them as well. It would provide context but I wanted to err on the side of caution. I know I won't have understood everything so grateful for your corrections and additions.

Thanks
██████████

Wednesday 11th November 2015

██████████ PS (plus two others from ██████████'s office)

- ██████████ thanked the team for their work on housing classifications.
- ██████████ had general questions about public v private classifications or the "definition of the state". ██████████ said that classifications were based on a range of factors, including: domestic judgement rather than Eurostat definitions; market activity; nature of economic activity; and how debt is measured.

- [redacted] asked if they could decide to do something differently. [redacted] confirmed it was a matter for HMG to decide which statistics to use for a particular purpose. For example different inflation figures are used for different upratings.
- What is the definition of public sector net debt? Q1
- How are Lloyds and RBS classified? Q2
- Water companies are regulated and provide an essential service. Water rates are not related to how much is used. Some people have meters. Neither methods are classed as a tax. How are water companies classified and why? Q3
- Operators of renewable or nuclear energy receive flows of money. People are charged by a standing charge plus a meter. Also not a tax. How are these companies classified and why? Q4
- If they are different, why? People cannot do without either and they must pay otherwise it is a criminal offence. Q5
- Check classifications (and justifications) of European companies, including Gas de France, IRI, SNCF, Deutsche Bahn. Q6
- Provide a note on how risk transfers affect classifications. Q7

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Best wishes

John

[redacted] | [redacted]
 UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: [redacted]
 Email: [redacted] [statistics.qsi.gov.uk](mailto:[redacted]@statistics.qsi.gov.uk) | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

For information on the work of the UK Statistics Authority, visit:
<http://www.statisticsauthority.gov.uk>

Please Note: Incoming and outgoing email messages are routinely monitored for compliance with our policy on the use of electronic communications

From: [redacted] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 12 November 2015 17:55
To: [redacted]
Subject: [redacted] and John Pullinger Meeting - Briefing Request

[redacted]

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John Pullinger | National Statistician | UK Statistics Authority
1 Drummond Gate, London, SW1V 2QQ | Tel: [redacted]
Email: national.statistician@statistics.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

From: [REDACTED] [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 12 November 2015 09:11
To: [REDACTED]@digital.ons.gov.uk
Subject: Meeting Note / Actions - RESPONSE THURSDAY PLEASE

John

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Wednesday 11th November 2015

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[REDACTED]

From: [REDACTED] <[REDACTED]@ons.gsi.gov.uk>

Sent: 11 November 2015 12:24

To: Athow, Jonathan; [REDACTED] Fletcher, Miles;
national.statistician@statistics.gsi.gov.uk; [REDACTED] [REDACTED] [REDACTED]

Subject: Re: FOI: On Housing Associations Classification

response sent 13 Nov

Dear All,

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Thanks

National Accounts Classifications Branch | na.classifications@ons.gov.uk

Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG

11/11/2015 10:19:36---From: [REDACTED] NEWPORT/ONS To: National Statistician@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, L

From: [REDACTED] NEWPORT/ONS
To: National Statistician@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS, Miles Fletcher/NEWPORT/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 11/11/2015 10:19
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Kind regards,

National Accounts Classifications Branch | na.classifications@ons.gov.uk

Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG

From: [REDACTED]
Sent: 10 November 2015 09:56
To: National Statistician
Subject: FOR INFO: Media monitoring 10 November

Dear colleagues

Please find attached today's press cuttings.

Significant mentions:

- On Twitter, [REDACTED] has suggested that the **UK Statistics Authority might look into how DWP migration statistics**, to be discussed during a speech to be given by [REDACTED] Cameron later today, were produced ([https://mobile.twitter.com/\[REDACTED\]/status/664008764648005633](https://mobile.twitter.com/[REDACTED]/status/664008764648005633)). [REDACTED] at the Times has also tweeted the methodological note accompanying the statistics ([https://mobile.twitter.com/\[REDACTED\]times/status/663980864624320512](https://mobile.twitter.com/[REDACTED]times/status/663980864624320512)) and asked for comments.

In the printed press, the Daily Express and the Times reported these figures as showing that 43 per cent of EU migrants claim either in work or out of work benefits during their first four years in the UK, at a cost to the tax payer of £530 million in 2013. The Times nuance this by reporting information from Oxford University's Migration Observatory that only 14 per cent of the total number claim tax credits, "the government's priority for reform". Daily Express 7, Times 1, 29.

- In the Guardian, [REDACTED] referenced **ONS data on housing associations** in the context of a critique of the Government's housing policy. [REDACTED] argued "what an irony that last week the Office for National Statistics decreed [housing associations] are now so firmly under the thumb of government setting their rules and rents that they have been redesignated as public bodies". Guardian 37.

Routine reporting of ONS statistics:

- A number of papers cited **ONS mortality data** released yesterday, focusing on the increase in the number of dementia-related deaths, which have 'trebled in a decade'. [REDACTED] in the Daily Telegraph argued that the ONS data showed dementia is becoming 'ever more prominent', while the Daily Mirror reported that ONS figures showed three times as many women die from Alzheimer's than from breast cancer. The Sun reported that the mortality statistics revealed that 501,424 people died last year, a fall of one per cent on 2013. The statistics were also reported in the Times and the Daily Express. Daily Telegraph 12, Sun 8, Daily Mirror 7. Times 6, Daily Express 9.

Other main issues today:

- The Independent discussed Home Office calculations based on **census figures**, which have been used to help determine police force funding allocations. The report focused on two variables within the 2001 and 2011 census measuring urban deprivation, suggesting there had been some confusion about which variable was used. Independent 10.
- The Daily Mirror today includes a piece reflecting on cuts in the further education sector, and the potential closure of 4 in 10 colleges, as a result of official figures uncovered by Labour that show **spending will be cut in the sector by 40% as a result of the spending review**. Daily Mirror 4.
- The Daily Mail focuses on a 'generation of have-it-all women is cracking up under stress', reflecting official figures that show a total of **70 million working days a year are lost due to stress**. Daily Mail 23.
- The Guardian and the Times discuss the recent **retail sales monitor released by the British Retail Consortium** and KPMG, suggesting shoppers are waiting for 'Black Friday' discounts - the day after US Thanksgiving on the 27th November. The Sun takes a different angle on a similar theme, reporting that many businesses are planning to ban workers from taking the day as holiday to take advantage of the sales. Guardian 30, Times 46, Sun 41.
- The Daily Telegraph and the Daily Express both quote Tesco's CEO [REDACTED] at the CBI annual conference, who warned that retailers are facing a 'lethal cocktail' in the form of the increasing costs of **business rates and rising wages**. Daily Telegraph 1, Daily Express 47.

- [REDACTED] in the Financial Times reflected on the recent OECD report that showed the UK's **cancer survival rates** were on a par with those in Chile and Poland. Financial Times 1.

Kind regards,

[REDACTED]

[REDACTED]

Central Policy Secretariat
UK Statistics Authority
1 Drummond Gate, London, SW1V 2QQ

Tel: [REDACTED]

Email: [REDACTED]@statistics.gsi.gov.uk

From: [REDACTED]
Sent: 10 November 2015 08:51
To: National Statistician
Subject: Daily Media Summary - 10 November 2015

Daily Media Summary - 10 November 2015

DEATHS 'Dementia death trebles in 10yrs' headlines The Sun this morning reporting on yesterday's [mortality statistics](#). It says dementia is now being 'the biggest killer of women', as 34,000 died from it last year and 'overall it claimed more than 51,000 lives'. [The Daily Mirror](#) headlines 'Big C is still the nation's biggest killer' as the disease 'accounts for a third of all deaths'. It also draws attention to dementia being the biggest killer of women, as 'three times as many women die from Alzheimer's than from breast cancer', and heart disease being the 'No1 killer' of men. Elsewhere, [The Guardian's](#) bike blog looks at 'How cyclists are most likely to die'. Also in The Times, [Daily Express](#), [Daily Telegraph](#), Daily Mail and [Sky Online](#).

HOUSING ASSOCIATIONS [REDACTED] in writes in [The Guardian](#) that 'Housing is the next target in Cameron's war on welfare' and that 'for the many people who can't afford to own a home, the new housing bill will have a devastating impact'. She says, about housing associations, 'What an irony that last week the ONS decreed they are now so firmly under the thumb of government setting their rules and rents that they have been redesignated as public bodies. At a stroke their £60bn of borrowing has been added to George Osborne's national debt – so they sold their souls for illusory independence'.

RETAIL The British Retail Consortium released their retail sales figures yesterday, showing a 0.2% drop in sales last month. Both [The Guardian](#) and Times run similar stories saying that shoppers are holding off in anticipation of the Black Friday sales.

TRADE [Full Fact](#) have taken a look at the claim made by the pro-EU Stronger In campaign that 'Half of everything we sell to the rest of the world we sell to Europe' and cite ONS throughout. They conclude that whilst the claim was correct for a few years ago, it was not for last year.

Social Media Summary - Monday 09 November

Mortality Statistics: Deaths Registered in England and Wales

[REDACTED]
What a morbid way to celebrate my 10,000th tweet - new @ONS death rate data. Still, good news story!
[https://twitter.com/\[REDACTED\]/status/663700647431286784](https://twitter.com/[REDACTED]/status/663700647431286784)

[REDACTED]
Male mortality rate 36% higher than female (Eng/Wales). @ONS M/F gap falling but still too high for men. 1 solution: bit.ly/1I93oHR
<https://twitter.com/pbmenshealth/status/663661831727292417>

[REDACTED]
194 cyclists were killed on their bikes in England & Wales last year (162 men; 32 women) ons.gov.uk/ons/publicatio... (table 5.19)
[https://twitter.com/\[REDACTED\]/status/663658832715976704](https://twitter.com/[REDACTED]/status/663658832715976704)

[REDACTED]
Wow! Didn't know that! Wonder what the top five are? And where men are for dementia?
[https://twitter.com/\[REDACTED\]/status/663654492957724672](https://twitter.com/[REDACTED]/status/663654492957724672)

Life Expectancy

Surrey News

Just over decade ago #LifeExpectancy for a 65-year-old man in #Surrey was 17.1yrs. Now it's 20yrs, @ONS figures show bit.ly/1OyZwwb

<https://twitter.com/SurreyNews/status/663677063065444352>

Equal Pay Day

RSG Plc

Today is #equalpayday - the day women stop earning relative to average men's salaries. Statistics from @ONS goo.gl/48Yx0q #jobs

https://twitter.com/RSG_Plc/status/663718985985351680

[REDACTED]
Just to clarify, women in 20s and 30s get paid more per hour as per @ons - @UndercoverMutha

http://www.ons.gov.uk/ons/dcp171778_385428.pdf ...

[https://twitter.com/\[REDACTED\]/status/663716393498632192](https://twitter.com/[REDACTED]/status/663716393498632192)

Population Estimates

cocoandghosty3

ONS DATA on increasing population size & implications UK pop June 2014= 64,596,800 bbc.co.uk/news/uk-332667...

<https://twitter.com/cocoandghosty3h/status/663571782436278272>

[REDACTED]
Office for National Statistics | Swyddfa Ystadegau Gwladol
Room 1.101 | Ystafell 1.101
Government Buildings | Adeiladau'r Llywodraeth
Cardiff Road | Heol Caerdydd
Newport | Casnewydd
NP10 8XG
Telephone: [REDACTED]

twitter.com/ONS facebook.com/statisticsONS

Media Relations Office telephone: +44 (0)845 604 1858 or +44 (0)203 684 5070 (8:30am - 5:30pm Weekdays)

Emergency out of hours (limited service): [REDACTED]

From: [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 09 November 2015 13:14
To: [REDACTED]@digital.ons.gov.uk
Subject: Fw: Scottish government - classifications & regulation briefing
Attachments: Briefing for John Pullinger on Scotland.docx; [REDACTED] - Briefing on Hub Infrastructure Delivery Model Meeting 14.10.15.docx

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Reason for assessment: new units

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The ONS will establish the correct statistical classification of two hospitals being constructed under the Scottish Government NPD model for PPPs: Edinburgh Children's Hospital and the Dumfries and Galloway Royal Infirmary.

----- Forwarded by [REDACTED] NEWPORT/ONS on 09/11/2015 12:47 -----

From: na classifications
To: National Statistician@ONS, [REDACTED] NEWPORT/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] <[REDACTED]@ons.gsi.gov.uk>, na classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS
Date: 09/11/2015 10:15
Subject: Re: Scottish government<[REDACTED]>
Sent by: [REDACTED]

[REDACTED]

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[REDACTED]

National Accounts Classifications Branch | na.classifications@ons.gov.uk

Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG

[REDACTED]

From: [REDACTED] NEWPORT/ONS
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Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] <[REDACTED]@ons.gsi.gov.uk>, na classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS
Date: 06/11/2015 17:52
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[REDACTED]

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Hope this helps clarify. Give me a ring if you wish to discuss.

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[REDACTED]

[REDACTED] | Head of Public Sector Accounts | Government, Corporations & Classifications Division | Office for National Statistics | Government Buildings | Cardiff Road | Newport | Wales | NP10 8XG | Room 1.264 | Phone: [REDACTED] | Mobile: [REDACTED]

From: [REDACTED] NEWPORT/ONS
To: National Statistician@ONS, na.classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] [REDACTED] <[REDACTED]@ons.gsi.gov.uk>
Cc: [REDACTED] NEWPORT/ONS@ONS
Date: 06/11/2015 17:24
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Cc:	[Redacted]
Date:	06/11/2015 16:07 GMT
Subject:	to respond - Scottish government
Sent by:	[Redacted]

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UK Statistics Authority | Central Policy Secretariat (CPS) | Statistics House | Cardiff Road | Newport NP10 8XG
 Tel: [Redacted] | Email: [Redacted] statistics.gsi.gov.uk Web: www.statisticsauthority.gov.uk Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

For information on the work of the UK Statistics Authority, visit: <http://www.statisticsauthority.gov.uk>

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Legal Disclaimer: Any views expressed by the sender of this message are not necessarily those of the UK Statistics Authority

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Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes.

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(See attached file: Briefing for John Pullinger on Scotland.docx)(See attached file: [REDACTED] - Briefing on Hub Infrastructure Delivery Model Meeting 14.10.15.docx)

----- Forwarded by [REDACTED] NEWPORT/ONS on 09/11/2015 12:47 -----

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To: National Statistician@ONS, [REDACTED] NEWPORT/ONS@ONS,

Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] [REDACTED] <[REDACTED]@ons.gsi.gov.uk>, na classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS

Date: 09/11/2015 10:15

Subject: Re: Scottish government-[REDACTED]

Sent by: [REDACTED]

[REDACTED]

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Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG

▼ [REDACTED] 06/11/2015 17:52:01--- [REDACTED] We discussed and agreed that the key classification which will be of interest to [REDACTED]

From: [REDACTED] NEWPORT/ONS

To: National Statistician@ONS, [REDACTED] NEWPORT/ONS@ONS,

Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] <[REDACTED]@ons.gsi.gov.uk>, na classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS

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██████████ | ██████████ | Government, Corporations & Classifications Division | Office for National Statistics | Government Buildings | Cardiff Road | Newport | Wales | NP10 8XG | Room 1.264 | Phone: ██████████ | Mobile: ██████████

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To: National Statistician@ONS, na.classifications@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ <██████████@ons.gsi.gov.uk>, Cc: ██████████ NEWPORT/ONS@ONS
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Sent: 09 November 2015 10:15
To: national.statistician@statistics.gsi.gov.uk; [redacted]
Cc: [redacted] na.classifications@ons.gsi.gov.uk;
[redacted] Athow, Jonathan
Subject: Re: Scottish government <[redacted]>

sent to iPad

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[REDACTED]

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[REDACTED]

From: [REDACTED] [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 07 November 2015 17:51
To: [REDACTED]@digital.ons.gov.uk
Subject: Briefing
Attachments: Key Elements of Structure and Professional Accountability - Nov 2015 JW.docx; SG - EU Statistical regulations @15-10-15.xlsx; Scottish government balance of competencies.pdf; 20151020 - Classification of Hub Infrastructure Delivery Model.pdf; John Pullinger 02102015.docx; 151014 [REDACTED] - Letter on Hub Infrastructure Delivery Model.docx; 151108 Itinerary Trip Details for [REDACTED] & [REDACTED] travelling to Edinburgh & Glasgow.docx; 151110 [REDACTED] DFM Scotland.pdf

Hi John

I've updated the attached briefing (I deleted the previous email from your account to avoid confusion!). It includes the information you asked for about classification and DFM's recent appearances. Note that DFM was asked about classification on Wednesday last week. I had a conversation with [REDACTED] about what they are doing and have written that up in the beginning section. I hope this is all you need but if you want something else, please let me know.

Also attached is the itinerary, balance of competencies thing that [REDACTED] thought you might be interested in and the attachments referred to in the briefing (the spreadsheet is linked to the brief on Europe from [REDACTED] and I'm sure you can guess where the classification bit fits in).

The most recent letters to and from [REDACTED] you asked for are also attached.

[REDACTED] thought you should see the updated (from the paper she had submitted for IAC) diagram from [REDACTED] which the DFM has had in his briefing. [REDACTED] had had some IT difficulties so he couldn't send this through on Friday but said he'd try again. I'll send it through if I get it.

Are you happy for me to send [REDACTED] the briefing I've sent to you? He understands it wouldn't be for sending to DFM or circulated more widely.

Have a good trip,

[REDACTED]

PS - [REDACTED] said he has to go to another event first thing on Monday morning. He will be coming to the Census Committee, he'll just be a bit late

[REDACTED] | [REDACTED]
UK Statistics Authority | Central Policy Secretariat (CPS) | Statistics House | Cardiff Road | Newport NP10 8XG
Tel: [REDACTED] Email: [REDACTED] statistics.gsi.gov.uk Web: www.statisticsauthority.gov.uk Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

For information on the work of the UK Statistics Authority, visit: <http://www.statisticsauthority.gov.uk>

Please Note: Incoming and outgoing email messages are routinely monitored for compliance with our policy on the use of electronic communications

From: [REDACTED]
Sent: 06 November 2015 17:52
To: national.statistician@statistics.gsi.gov.uk; [REDACTED]
Cc: [REDACTED] na.classifications@ons.gsi.gov.uk; [REDACTED]
Subject: Athow, Jonathan
Re: Scottish government

 **Filed.**
 **filed, used in briefing, NFA**

We discussed and agreed that the key classification which will be of interest to [REDACTED] is that on the hospitals being built under the Scottish Government NPD model. This was announced in the classifications forward work plan with an expected completion date of November 2015. The guide can be found here:

<http://www.ons.gov.uk/ons/rel/na-classification/national-accounts-sector-classification/classification-update-and-forward-workplan--september-2015/index.html>

The classifications team are still working towards this timescale and a case document was sent to the Scottish Future's Trust this week for fact checking prior to being sent out to members of the Economic Statistics Classification Committee (ESCC) next week. As explained in the letter to [REDACTED] it is the intention of ONS to consider this case at the ESCC meeting in November.

Please note that, John Pullinger should be careful to not give a firm promise that we will be able to announce a classification decision at the end of November as the nature of classification decisions is that they are complex and sometimes more discussion and information are required (including at times consultation with Eurostat) before a final decision can be reached. That said we are doing everything possible to expedite this classification with the aim of being able to conclude in November.

With regard to pre-announcement we do not standardly pre-announce which classifications will be reported in the regular monthly classification updates. We took the exceptional step of pre-announcing that the 'housing associations' classification would be published on 30 October and there was a suggestion that this practice might be extended but there has not been a chance to discuss this further, so as things stand there would be no pre-announcement of the classification for the two hospitals being built under the NPD model (other than that provided in the classification forward workplan).

Finally, you may like to note that the recent classification of 'Housing Associations' only related to England and we have not announced a date when we would look at the similar Scottish housing providers although we are aware that Scottish Government officials are currently considering whether there are similar public sector controls in Scotland or not.

Hope this helps clarify. Give me a ring if you wish to discuss.

Best regards

[REDACTED]

[REDACTED] | [REDACTED] | Government, Corporations & Classifications Division | Office for National Statistics | Government Buildings | Cardiff Road | Newport | Wales | NP10 8XG | Room 1.264 | Phone: [REDACTED]

 [REDACTED] 06/11/2015 17:24:31---We have already announced the current classification of housing associations (HAs) under existing po

From: [REDACTED] NEWPORT/ONS
To: National Statistician@ONS, na.classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] <[REDACTED]@ons.gsi.gov.uk>,
Cc: [REDACTED] NEWPORT/ONS@ONS

We have already announced the current classification of housing associations (HAs) under existing policy.

██████████ or ██████████ copied here, can point you to that if still online. Otherwise I will find it monday.

We have provided a provisional classification to hmt of HAs under proposed policy.

We are finalising a draft letter to hmt on this fact-checking with dclg as well etc.

We do not comment on nor publish provisional classification advice provided in confidence to ogds.

Once legislation and other changes take effect then we would review the classification of HAs under new policy.

Ring on bberry if that would be helpful.

Thanks

██████████

▼ National Statistician---06/11/2015 16:07 GMT---Hello Just a quick question. John is going to meet with the Deputy First Minister of Scotland next T

From: National Statistician
To: na classifications
Cc: ██████████ ██████████
Date: 06/11/2015 16:07 GMT
Subject: to respond - Scottish government
Sent by: ██████████ ██████████

Hello

Just a quick question. John is going to meet with the Deputy First Minister of Scotland next Tuesday. He thinks there will be a lot of interest in classifications. We have had briefing through already but John would like to know when we are going to announce the decision and whether we have pre-announced this.

If you could get back to me asap that would be very helpful.

Thank you,

██████████

[REDACTED]

From: [REDACTED]
Sent: 06 November 2015 17:05
To: national.statistician@statistics.gsi.gov.uk; na.classifications@ons.gsi.gov.uk; [REDACTED]
Cc: [REDACTED]
Subject: Re: Scottish government

 **Filed.**

We have already announced the current classification of housing associations (HAs) under existing policy.

[REDACTED] or [REDACTED] copied here, can point you to that if still online. Otherwise I will find it monday.

We have provided a provisional classification to hmt of HAs under proposed policy.

We are finalising a draft letter to hmt on this fact-checking with dclg as well etc.

We do not comment on nor publish provisional classification advice provided in confidence to ogds.

Once legislation and other changes take effect then we would review the classification of HAs under new policy.

Ring on bberry if that would be helpful.

Thanks

[REDACTED]

▼ National Statistician---06/11/2015 16:07 GMT---Hello Just a quick question. John is going to meet with the Deputy First Minister of Scotland next T

From: National Statistician
To: na.classifications
Cc: [REDACTED]
Date: 06/11/2015 16:07 GMT
Subject: to respond - Scottish government
Sent by: [REDACTED]

Hello

Just a quick question. John is going to meet with the Deputy First Minister of Scotland next Tuesday. He thinks there will be a lot of interest in classifications. We have had briefing through already but John would like to know when we are going to announce the decision and whether we have pre-announced this.

If you could get back to me asap that would be very helpful.

Thank you,

[REDACTED]

From: [REDACTED]
Sent: 03 November 2015 17:34
To: national.statistician@statistics.gsi.gov.uk; [REDACTED]
Subject: Re: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations <[REDACTED]>

Hi [REDACTED]

I will contact CLG when I am back in the office on Thursday afternoon.

Thanks

[REDACTED]

▼ National Statistician---03/11/2015 16:59 GMT---[REDACTED] - thanks for the update - looks positive. It would be good if [REDACTED] could contact CLG on Thursda

From: National Statistician
To: [REDACTED]
Cc: National Statistician; [REDACTED] Jonathan Athow; [REDACTED]
Date: 03/11/2015 16:59 GMT
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: [REDACTED]

[REDACTED] - thanks for the update - looks positive.
It would be good if [REDACTED] could contact CLG on Thursday, so that we are doing all we can and John can tell [REDACTED] when he next talks to her (maybe tomorrow morning at Perm Secs).
Thanks

[REDACTED]

▼ [REDACTED] 03/11/2015 16:49:40---[REDACTED] Thanks for this. [REDACTED]

From: [REDACTED] NEWPORT/ONS
To: National Statistician@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 03/11/2015 16:49
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

[REDACTED]

Thanks for this. [REDACTED] and [REDACTED] is also off this week so it might be best for [REDACTED] to pick up when he is back from [REDACTED] on Thursday (if he would be happy to).

However, I have just had the below from my opposite number at HM Treasury. He was on leave last week but it seems he is back to coordinating things now so hopefully things will move more smoothly going forward.

Kind regards

[REDACTED]

[REDACTED]

I met with DCLG today to discuss. They will make proposed changes to the draft letter. In terms of the mismanagement assessment apparently there is legal precedent for this and it is clearly understood. I have asked them to share with me to determine whether it would be robust enough.

[Redacted]

[Redacted]

[Redacted] | Government Financial Reporting Team |
HM Treasury | 2/Red | 1 Horse Guards Road | London | SW1A 2HQ | [Redacted]

[Redacted] | Head of National Accounts Classifications | na.classifications@ons.gov.uk

Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG
[Redacted] ons.gov.uk | [Redacted]

▼ National Statistician--03/11/2015 12:49:04-- [Redacted] I just checked. The best person to follow up with in CLG is [Redacted]
[Redacted] Housing Efficiency

From: National Statistician
To: [Redacted] NEWPORT/ONS@ONS,
Cc: National Statistician@ONS, [Redacted] NEWPORT/ONS@ONS, [Redacted] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS,
[Redacted] NEWPORT/ONS@ONS, [Redacted] NEWPORT/ONS@ONS, [Redacted] NEWPORT/ONS@ONS
Date: 03/11/2015 12:49
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: [Redacted]

[Redacted]
I just checked. The best person to follow up with in CLG is [Redacted] ([Redacted] Housing Efficiency and Reform) - he can then make sure the right people are able to meet with you.

[Redacted] communities.gsi.gov.uk and his phone number is [Redacted]

Best wishes

[Redacted]

▼ [Redacted] 03/11/2015 10:54:39--- Have emailed CLG Thanks [Redacted]

From: [Redacted] NEWPORT/ONS
To: National Statistician@ONS,
Cc: [Redacted] NEWPORT/ONS@ONS, [Redacted] NEWPORT/ONS@ONS, [Redacted] LONDON/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [Redacted] NEWPORT/ONS@ONS, [Redacted] NEWPORT/ONS@ONS, [Redacted] NEWPORT/ONS@ONS
Date: 03/11/2015 10:54
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations-<[Redacted]>

Thanks [Redacted]

It is true that the response to the draft letter was sent by HM Treasury and we are waiting for them to get back to us.

Are DCLG able to suggest someone for us to work with directly?

[Redacted]

[Redacted] | Head of National Accounts Classifications | na.classifications@ons.gov.uk

▼ National Statistician--03/11/2015 09:55:20-- [REDACTED] [REDACTED] John was grateful for your emails. Please be reassured that he thinks you are doing a bri

From: National Statistician

To: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS,

Cc: [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, na classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, National Statistician@ONS

Date: 03/11/2015 09:55

Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

Sent by: [REDACTED]

[REDACTED] [REDACTED]

John was grateful for your emails. Please be reassured that he thinks you are doing a brilliant job on this. He agrees that it is important and proper to stick to fact checking only, so apologies if my email wasn't clear on that.

John said the frustration seems to lie between CLG and HMT. He suggested trying to get in touch with CLG directly, rather than going through HMT, who will all be busy with the SR and Autumn Statement. Ultimately we need the Government to check and clear the letter so we can finalise it, so anything we can do to help that happen would continue our accommodating approach.

I hope this helps.

[REDACTED] | [REDACTED]
UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: [REDACTED] statistics.gsi.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

From: National Statistician

To: [REDACTED] NEWPORT/ONS@ONS,

Cc: [REDACTED] NEWPORT/ONS@ONS, National Statistician@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, na classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS

Date: 02/11/2015 16:59

Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations <[REDACTED]>

Sent by: [REDACTED]

Thanks all. I will pass to John and get back to you.

From: [REDACTED] NEWPORT/ONS

To: [REDACTED] NEWPORT/ONS@ONS,

Cc: [REDACTED] LONDON/ONS@ONS, National Statistician@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, na classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS

Date: 02/11/2015 16:46

Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations <[REDACTED]>

I would like to support the points made by [REDACTED] and [REDACTED]

In addition, in our draft letter on the provisional classification, we have been clear on the key points in the proposed policy where there remained sufficient controls to indicate public sector control.

I think this is a key point for DCLG i.e. we have not introduced anything but only advised on what was put forward to us.

Treasury plays a key role here in advising departments on likely classification and helping them to develop policy.

Thanks

[REDACTED]

[REDACTED]

Director for National Accounts & Economic Statistics

Office for National Statistics

Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG

T: [REDACTED] E: [REDACTED] ons.gsi.gov.uk

From: [REDACTED] NEWPORT/ONS
To: [REDACTED] LONDON/ONS@ONS,
Cc: National Statistician@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, na.classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS,
Date: 02/11/2015 16:38
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

[REDACTED]

As discussed, please can you provide the below response from myself and [REDACTED] (Chair of the ESCC) to John on this matter:

It is not the case that significant new issues arose when finalising the letter. The chain of events were that:

- HMT/DCLG provided us with information on the changes they were proposing to make to the existing housing legislation as a 'policy proposal' (changes which they hoped would lead to a private sector classification);
-
- we convened a special NACC meeting to consider the policy proposal and NACC recommended that there were still sufficient controls in place to indicate public sector control;
-
- we drafted a letter explaining the NACC view of the 'policy proposal' and setting out in detail the reasons for this outcome. We also met with HM Treasury and DCLG to provide explanation of our position and agreed at that meeting to provide the letter as a draft for fact-checking and so that they could highlight any aspects which they feel are not clear.
-
- the response to that was to send us three documents; two which simply seemed to provide additional detail but with no clear impact on the advice provided, and a third with a number of questions of the form 'if we do X, will it be ok?, if we do Y will it be OK?'. At no point have they advised us that any aspect of the draft letter is unclear.
-
- In response, a member of my team got in touch with them asking for clarification of how they believed the information provided should alter our understanding of the proposal - as of now their response to this is still outstanding despite us repeatedly reminding HM Treasury that the 'ball is in their court'.
-

My team member also provided some points on the questions they raised. However, I think we need to be clear that the ONS has a longstanding policy of not considering/commenting (as an organisation) on questions which essentially take the form of 'what should be do to get X into the private sector?'. The reason for this is that we do not engage in policy formation and such answers essentially tell them what policy they should choose. Essentially, if we tell them what the policy should be, we then cannot possibly undertake a full and robust neutral assessment of the final policy - we essentially end up 'marking our own homework'.

Therefore, the service we provide takes a form where they provide details of the policy as they intend to implement it, we assess it in the usual way, and then we provide a response saying 'if you implement the policy as described to us, here is how it would be classified, and this is why'. If the outcome is not what they had wished (i.e. the classification is 'public'), there is an incentive for them to want to submit multiple marginally different versions of the policy in order to 'edge it over the line'. For this reason they are allowed only 'one bite of the cherry' - we will only consider the policy proposal again if there are significant and material changes. I discussed this with HM Treasury in our catch-up earlier and they believe that any further changes to the policy proposal would be marginal and hence would not lead us to reassess.

This is precisely the process which the PRPs proposal has been through - they told us "we intend to implement this deregulatory package", NACC considered it and responded saying "if you do, you can expect PRPs to remain in the public sector - and here are the reasons why". Their response to their draft letter did not raise any concerns about the clarity with which these reasons were laid out.

Of course, they do not like this result and would prefer that we could be more "helpful" by answering their questions and, in essence, telling them what form the policy should take to achieve a private reclassification of PRPs. Nevertheless, as set out above, this is not advice that we can provide while robustly discharging our central duty to ensure the correct classification of units and transactions in the statistics. The HM Treasury classification team exists to provide such advice but it is my understanding that DCLG do not much like the advice they have been given. Even so, that does not mean our Treasury colleagues are wrong!

Finally, I would like to highlight that we have been very accommodating in 'fast-tracking' the assessment of this policy proposal and in sharing the draft letter to ensure it is clear, factually correct, and will meet their needs. It seems from the tone of [REDACTED] conversation with John that the issue is mainly around DCLG not liking, or agreeing, with our classification conclusion rather than a more substantive issue of ONS not understanding pertinent factual details. In our view, we need to be careful that we remain helpful while still ensuring that we do not get involved in policy formulation, ie. we need to as quickly as possible issue a final letter informing DCLG/HMT of our classification conclusion based on the evidence that was presented to NACC and only amend this view if there were any factual errors in the understanding of NACC and not based on any subsequent changes that DCLG/HMT may be proposing to make to the legislation.

I do hope the above is clear and the reasons for our long-established approach to policy proposals come through. I [REDACTED] would be happy to meet to discuss further if you wish.

Kind regards

[REDACTED]

[REDACTED] | Head of National Accounts Classifications | na.classifications@ons.gov.uk

Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG
[REDACTED] ons.gov.uk [REDACTED]

▼ [REDACTED] 02/11/2015 15:19:26--- [REDACTED] Thanks for the feedback on John's meeting.

From: [REDACTED] NEWPORT/ONS
To: National Statistician@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, na.classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 15:19
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

[REDACTED]

Thanks for the feedback on John's meeting.

I note that [REDACTED] will speak to you at 3:30pm about this. You may like to note ahead of this thatv

Thanks

██████████

██████████ | Head of Public Sector Accounts | Government, Corporations & Classifications Division | Office for National Statistics | Government Buildings | Cardiff Road | Newport | Wales | NP10 8XG | Room 1.264 | Phone: ██████████
██████████ | Mobile: ██████████

▼ National Statistician--02/11/2015 12:10:06--██████████ ██████████ John had his chat with ██████████

From: National Statistician
To: National Statistician@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS,
Cc: ██████████ NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, ██████████ NEWPORT/ONS@ONS, na.classifications@ONS, ██████████
██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS
Date: 02/11/2015 12:10
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: ██████████

██████████ ██████████

John had his chat with ██████████

The Housing and Planning Bill has its second reading today. 19 November is the critical date for getting all documents to the House, including Government amendments. We therefore need to get the letter agreed urgently.

██████████ is keen for her CLG experts to talk to our experts. She wants a technical discussion on the facts. Will that happen in today's meeting with HMT? If not, how can we make it happen?

We need the letter to be totally clear so the Government can take the necessary steps to secure the right classification. She was concerned about new issues arising while in the process of finalising the letter. For example stocks transfers, financial arrangements with local authorities, appointments with officers and managers, S106 agreements. We therefore need to ensure no other issues will crop up at a later date.

Please do call me if this is unclear. And if ██████████ is in London today, a chat would be helpful.

Best wishes

██████████

██████████ | ██████████
UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: ██████████
Email: ██████████ statistics.qsi.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

▼ National Statistician--02/11/2015 11:19:43--Hi ██████████ - really helpful. I have passed this to John. If you're in Drummond Gate, please pop by to sa

From: National Statistician
To: ██████████ NEWPORT/ONS@ONS,
Cc: ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, National Statistician@ONS, na.classifications@ONS, ██████████
██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, ██████████
██████████ NEWPORT/ONS@ONS
Date: 02/11/2015 11:19
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: ██████████

Hi [REDACTED] - really helpful. I have passed this to John. If you're in Drummond Gate, please pop by to say hello.
Kind regards

[REDACTED]

02/11/2015 11:14:00---Hi all, [REDACTED] is correct that this is the latest state of play. I was very clear with [REDACTED] that

From: [REDACTED] NEWPORT/ONS
To: [REDACTED] NEWPORT/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS, National Statistician@ONS, na.classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 11:14
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

Hi all,

[REDACTED] is correct that this is the latest state of play. I was very clear with [REDACTED] that the ball is in their court as we are awaiting their further explanation before we can finalise the draft. Thus, if ministers want to push for the final letter to be published they need to push DCLG to provide the response to us in order that we can send them the final letter.

I will bring this up at my catch-up with HM Treasury this afternoon.

Kind regards

[REDACTED]

[REDACTED] | Head of National Accounts Classifications | na.classifications@ons.gov.uk


Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG
ons.gov.uk | [REDACTED]

02/11/2015 10:32:30---[REDACTED] / [REDACTED] I've just picked up on this email chain.

From: [REDACTED] NEWPORT/ONS
To: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS,
Cc: National Statistician@ONS, na.classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 10:32
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

[REDACTED] / [REDACTED]

I've just picked up on this email chain.

The draft letter on the policy proposal is here: 
This is currently with HMT/DCLG for fact checking. [REDACTED] and I both spoke to [REDACTED] at HMT (who reports to [REDACTED] last week and he confirmed he was trying to clarify whether there were any factual inaccuracies (as DCLG sent an email in response, but it was not clear from the letter whether they were identifying any factual errors). We are not expecting any response until this week.

The below letter that [REDACTED] has sent you is the classification decision for the current situation.

Hope this helps clarify.

Best regards

██████████
██████████ | Head of Public Sector Accounts | Government, Corporations & Classifications Division | Office for National Statistics | Government Buildings | Cardiff Road | Newport | Wales | NP10 8XG | Room 1.264 | Phone: ██████████
██████████

▼ ██████████ 02/11/2015 10:23:07---██████████ We're having trouble locating the final draft letter that was sent to HMT: ██████████ is on paterni

From: ██████████ NEWPORT/ONS
To: ██████████ LONDON/ONS@ONS,
Cc: National Statistician@ONS, na classifications@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS
Date: 02/11/2015 10:23
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

██████████
We're having trouble locating the final draft letter that was sent to HMT: ██████████ is on paternity leave and ██████████ is not available at the moment.

The text below is what was agreed between ██████████ ██████████ ██████████ and ██████████ as an accurate and fair summary of the meeting, and was approved by me. So it is essentially the final draft.

Given your timing suggest you use this and we will come back with the final draft.

Thanks

██████████

▼ na classifications---29/09/2015 20:53:16---██████████ ██████████ ██████████ As agreed, below is the letter I intend to present to HM Treasury in the morning

From: na classifications
To: ██████████ NEWPORT/ONS@ONS,
Cc: ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS
Date: 29/09/2015 20:53
Subject: Draft letter to HM Treasury
Sent by: ██████████ ██████████

██████████ ██████████ ██████████
As agreed, below is the letter I intend to present to HM Treasury in the morning. Please let me know ASP if you would like any alterations (they have already been asking for it).

In particular, please can ██████████ and ██████████ satisfy themselves that this presents all of the "sufficient" indicators of control and that, in combination, the other controls (including the rent control) would not cumulatively indicate control?

Kind regards

██████████

Dear ██████████

As you are aware, the ONS has undertaken a review of the statistical classification of "Housing Associations" to establish whether these bodies should continue to be recorded as Private Non-Financial Corporations or if the recording should change following legislative and regulatory changes brought about through the 2008 Housing

Regeneration Act (HRA 2008) and/or the 2011 Localism Act (LA 2011). Additionally, the review ensures that the treatment is consistent with the latest 2010 European System of Accounts (ESA 2010), which entered force in September 2014.

First, it is important to be clear that the review applies specifically to "Private registered providers" of social housing (incl. registered housing associations) in England - which include the majority of English housing associations (those being registered with the Homes and Communities Agency as providers of social housing). Thus, while this has colloquially been referred to as a classification review of "Housing Associations", the conclusions apply to all bodies subject to the relevant regulations (whether they are housing associations or otherwise) and do not apply to those housing associations (as defined in the 1985 Housing Associations Act) not registered with the Homes And Communities Agency (HCA) as they are not subject to the regulatory regime.

Additionally, it is necessary to be clear that "private registered providers" is the official term for these bodies and does not prejudge or otherwise impact the statistical classification decision.

The ONS National Accounts Classifications Committee (NACC) convened to discuss the classification of private registered providers of social housing in England on 29 Sept 2015. As part of this assessment, NACC also reviewed the Central Government (S.1311) classification of the HCA which regulates social housing providers.

Pursuant to established procedure, NACC considered classifications in the context of internationally agreed rules in the European System of Accounts 2010 (ESA 2010) and the accompanying Manual on Government Deficit and Debt 2014 (MGDD 2014). After detailed discussion, NACC concluded the following:

- that the HCA should remain classified to the Central Government (S.1311) subsector. In judging this, NACC cited the following;
 - the HCA meets the conditions necessary to be classified as an institutional unit by incurring liabilities and holding assets, entering into contracts and exhibiting sufficient decision making autonomy
 - the HCA is subject to public sector control in accordance with control indicators described in ESA 2010, Chapter 20.309. Specifically, NACC cited HM Government's ability to appoint and remove all board members and key personnel, and the fact that HM Government approves all funding as sufficient indicators of public sector control
 - given the above, and its primary function as a regulator, the pre-existing classification of HCA as a Central Government unit remains valid

- that all private registered providers should be considered as institutional units as they have the ability to incur liabilities and hold assets on their own account, enter into contracts and exhibit sufficient decision making autonomy

- that all private registered providers are subject to public sector control in accordance with control indicators outlined in ESA 2010, Chapter 20.309 and MGDD 2014 I.2.3,15 (applying to for-profit registered providers) and ESA 2010, Chapter 2.39 and MGDD 2014 I.2.3,17 (applying to not-for-profit registered providers). In concluding this, NACC reasoned that:
 - HM Government's consent powers (exercised through the HCA, section 172-194 of the HRA 2008) over disposals of social housing assets and to direct the use of disposal proceeds is an indicator of public sector control through enabling instruments/excessive regulation;
 - this public sector influence is reinforced by HM Government's consent (again exercised via the HCA under section 186 of the HRA 2008) over disposals of housing stock following a registered provider's deregistration with the HCA;
 - HM Government's consent powers (exercised through the HCA under section 160-166 of the HRA 2008) over the voluntary winding-up, dissolution and restructuring of a registered provider is an indicator of public sector control through enabling instruments/excessive regulation;-

- HM Government's powers (exercised through the HCA under section 246-252 and 269 of the HRA 2008) over the management of a registered provider, in particular the power of the HCA to appoint managers and officers to the provider, is an indicator of public sector control through the appointment of officers/key personnel and/or through enabling instruments/excessive regulation.

- that registered providers meet the prescribed conditions detailed in ESA 2010 Chapter 2 and 20 to be classified as market producers *en masse*. In making this judgement, NACC stated that there is sufficient evidence to suggest that registered providers are charging economically significant prices in accordance with ESA 2010 20.23

Consistent with this, NACC ~~concluded~~recommended that registered providers in England should be classified to the Public Non-Financial Corporations (S.11001) subsector for the purpose of national accounts. The Director of National Accounts & Economic Statistics has approved this recommendation and the classification applies. This treatment is with effect from the date of enforcement of the Housing and Regeneration Act 2008 - 22 July 2008.

I trust this provides sufficient explanation of the decision reached. Please do get in touch with

Sincerely,

██████████

██████████
Director for National Accounts & Economic Statistics

Office for National Statistics

Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG

T: ██████████ E: ██████████ ons.gsi.gov.uk

▼ ██████████ 02/11/2015 10:06:45---Thanks ██████████

From: ██████████ LONDON/ONS

To: ██████████ NEWPORT/ONS@ONS, National Statistician@ONS,

Cc: na.classifications@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS,

Jonathan Athow/LONDON/ONS@ONS

Date: 02/11/2015 10:06

Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

Thanks ██████████

Apparently ██████████ was going to chase the treasury to speed up their fact checking so the letter could be ready should the Ministers decide they do want to publish it. Does anyone know how that went? We have seen ██████████ email saying they asked follow-up questions.

John is talking to ██████████ at 11:15 today so would like to know the latest position.

Thanks
██████████

██████████ | ██████████
UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: ██████████
Email: ██████████ statistics.gsi.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

▼ ██████████ 02/11/2015 10:00:50---I'd be grateful if you could send a copy of the current draft letter on the provisional classificati

From: ██████████ NEWPORT/ONS

To: na.classifications@ONS, ██████████ LONDON/ONS@ONS,

Cc: ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, Jonathan

I'd be grateful if you could send a copy of the current draft letter on the provisional classification of HAs that is being finalised with HMT to [REDACTED] copied here, and also a link as to what was published on Friday for their current classification.

Thanks

[REDACTED]

[REDACTED]
Director for National Accounts & Economic Statistics

Office for National Statistics

Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG

T: [REDACTED] M: [REDACTED] E: [REDACTED] [ons.gsi.gov.uk](mailto:[REDACTED]@ons.gsi.gov.uk)

▼ [na classifications---28/10/2015 09:16:48---](#) Attachments filed All,

From: na classifications

To: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS,

Date: 28/10/2015 09:16

Subject: [OFFICIAL SENSITIVE] - to read - Fw: Official market sensitive - follow up to letter on Housing Associations

Sent by: [REDACTED]

 **Attachments filed**

All,

Further to [REDACTED] earlier email (sent 8.53am), I have already provided comments to HMT colleagues on their clarifications (set out in the attachments). **Therefore, you do not need to take action at this time.**

HMT's first paper presents specific questions and confirmation of aspects of our letter, whilst the other two papers provide further information. HMT have not raised a specific objection, nor have they clarified what it is they want us to do with the additional information provided, but I have pursued this (see forwarded email).

I shall arrange a meeting to discuss the next steps on the deregulation package which should arrive in your inbox shortly.

Best regards,

[REDACTED]

----- Forwarded by [REDACTED] NEWPORT/ONS on 28/10/2015 09:10 -----

From: na classifications

To: [REDACTED] NEWPORT/ONS@ONS,

Date: 28/10/2015 09:00

Subject: Fw: Official market sensitive - follow up to letter on Housing Associations

Sent by: [REDACTED]

----- Forwarded by [REDACTED] NEWPORT/ONS on 28/10/2015 08:59 -----

From: na classifications
To: [REDACTED] hmtreasury.gsi.gov.uk,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] hmtreasury.gsi.gov.uk, [REDACTED] HMTreasury.gsi.gov.uk,
[REDACTED] hmtreasury.gsi.gov.uk, na classifications@ONS
Date: 22/10/2015 15:38
Subject: Re: FW: Official market sensitive - follow up to letter on Housing Associations
Sent by: [REDACTED]

[REDACTED]

I have provided comments in track changes to the first paper raising specific questions/clarifications. As usual, these are just my opinions and do not reflect the ESCC's thoughts.

On the other attachments, the information is useful to gauge a more informed understanding of the regulatory framework within which RPs operate, but I fail to see what it is you wish for us to clarify.

Nonetheless, I would comment that information under the "scope" heading appears to be in objection to ESA 2010, and not ONS' application of the legislation. Owing a fiduciary duty to a specific company may well imply that an officer works in the interests of that company, but this does not mean that the process by which they were appointed (or their appointer) has no influence over their actions.

Further, MGDD I.2.3, 17 a) states that the "right to appoint [the] officers" is an indicator of public sector control. This differs to ESA 20.309 which states the right to appoint a majority of officers as an indicator of public sector control.

For information, would you be able to clarify:

1. whether the regulator can revoke it's general consent at any time; and
2. whether all officer appointments (or removals) are made by an independent advisor, or whether it is only in the case of a public inquiry that an independent member makes the recommendation/decision?

Happy to discuss,

[REDACTED]

[REDACTED] 22/10/2015 10:05:12---Hi All, This was sent last night to [REDACTED] He is on SPL can it still be dealt with in his absence plea

From: [REDACTED] hmtreasury.gsi.gov.uk
To: na classifications@ONS; [REDACTED] NEWPORT/ONS@ONS,
Cc: [REDACTED] HMTreasury.gsi.gov.uk, [REDACTED] hmtreasury.gsi.gov.uk, [REDACTED] hmtreasury.gsi.gov.uk
Date: 22/10/2015 10:05
Subject: FW: Official market sensitive - follow up to letter on Housing Associations

Hi All,

This was sent last night to [REDACTED] He is on SPL can it still be dealt with in his absence please? [REDACTED]
[REDACTED] so can you ensure you to copy all the recipients in on any responses.

Many thanks,

[REDACTED]

[REDACTED] | Government Financial Reporting Team |
HM Treasury | 2/Red | 1 Horse Guards Road | London | SW1A 2HQ | [REDACTED]

From: [REDACTED] - HMT
Sent: 21 October 2015 20:36
To: [REDACTED]@ons.gsi.gov.uk
Cc: [REDACTED] - HMT; [REDACTED] - HMT; [REDACTED] - HMT
Subject: Official market sensitive - follow up to letter on Housing Associations

[REDACTED]

With apologies for the delay, please find attached a note from us, in response to your earlier letter. Apologies that it is not formatted formally, but I thought the important thing was to get you the questions. I also attach two notes from the Regulator, referred to in the first note.

[REDACTED] | Housing, Planning and Cities Team
|HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ | [REDACTED] | www.hm-treasury.gov.uk

This email and any files transmitted with it are intended solely for the use of the individual(s) to whom they are addressed. If you are not the intended recipient and have received this email in error, please notify the sender and delete the email. This footnote also confirms that our email communications may be monitored to ensure the secure and effective operation of our systems and for other lawful purposes, and that this email has been swept for malware and viruses.

The original of this email was scanned for viruses by the Government Secure Intranet virus scanning service supplied by Vodafone in partnership with Symantec. (CCTM Certificate Number 2009/09/0052.) This email has been certified virus free.

Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes.

This email was scanned by the Government Secure Intranet anti-virus service supplied by Vodafone in partnership with Symantec. (CCTM Certificate Number 2009/09/0052.) In case of problems, please call your organisations IT Helpdesk.

Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes. [attachment "151013 letter to ONS draft fin.docx" deleted by [REDACTED] NEWPORT/ONS] [attachment "151013 response on management officers.docx" deleted by [REDACTED] [REDACTED] NEWPORT/ONS] [attachment "151013 note on disposal consents.docx" deleted by [REDACTED] [REDACTED] NEWPORT/ONS]

From: [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 03 November 2015 12:49
To: [REDACTED]
Cc: national.statistician@statistics.gsi.gov.uk; [REDACTED] Athow, Jonathan; [REDACTED]
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

I just checked. The best person to follow up with in CLG is [REDACTED] (Housing Efficiency and Reform) - he can then make sure the right people are able to meet with you.

[REDACTED] communities.gsi.gov.uk and his phone number is [REDACTED]

Best wishes

[REDACTED]

03/11/2015 10:54:39--- Have emailed CLG Thanks [REDACTED]

From: [REDACTED] NEWPORT/ONS
To: National Statistician@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 03/11/2015 10:54
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations-<[REDACTED]>

Thanks [REDACTED]

It is true that the response to the draft letter was sent by HM Treasury and we are waiting for them to get back to us.

Are DCLG able to suggest someone for us to work with directly?

[REDACTED]

[REDACTED] | Head of National Accounts Classifications | na.classifications@ons.gov.uk

Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG
ons.gov.uk | [REDACTED]

National Statistician---03/11/2015 09:55:20--- [REDACTED] John was grateful for your emails. Please be reassured that he thinks you are doing a bri

From: National Statistician
To: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, na.classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, National Statistician@ONS
Date: 03/11/2015 09:55
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: [REDACTED]

John was grateful for your emails. Please be reassured that he thinks you are doing a brilliant job on this. He agrees

that it is important and proper to stick to fact checking only, so apologies if my email wasn't clear on that.

John said the frustration seems to lie between CLG and HMT. He suggested trying to get in touch with CLG directly, rather than going through HMT, who will all be busy with the SR and Autumn Statement. Ultimately we need the Government to check and clear the letter so we can finalise it, so anything we can do to help that happen would continue our accommodating approach.

I hope this helps.

[Redacted]

[Redacted] | [Redacted]
UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: [Redacted]
Email: [Redacted] statistics.gsi.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

From: National Statistician
To: [Redacted] NEWPORT/ONS@ONS,
Cc: [Redacted] NEWPORT/ONS@ONS, National Statistician@ONS, [Redacted] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [Redacted] NEWPORT/ONS@ONS, na.classifications@ONS, [Redacted] NEWPORT/ONS@ONS, [Redacted] NEWPORT/ONS@ONS
Date: 02/11/2015 16:59
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations - [Redacted]
Sent by: [Redacted]

Thanks all. I will pass to John and get back to you.

[Redacted]

From: [Redacted] NEWPORT/ONS
To: [Redacted] NEWPORT/ONS@ONS,
Cc: [Redacted] LONDON/ONS@ONS, National Statistician@ONS, [Redacted] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [Redacted] NEWPORT/ONS@ONS, na.classifications@ONS, [Redacted] NEWPORT/ONS@ONS, [Redacted] NEWPORT/ONS@ONS
Date: 02/11/2015 16:46
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations - [Redacted]

I would like to support the points made by [Redacted] and [Redacted]

In addition, in our draft letter on the provisional classification, we have been clear on the key points in the proposed policy where there remained sufficient controls to indicate public sector control.

I think this is a key point for DCLG i.e. we have not introduced anything but only advised on what was put forward to us.

Treasury plays a key role here in advising departments on likely classification and helping them to develop policy.

Thanks

[Redacted]

[Redacted]
Director for National Accounts & Economic Statistics
Office for National Statistics
Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG
T: [Redacted] M: [Redacted] E: [Redacted] ons.gsi.gov.uk

From: [Redacted] NEWPORT/ONS

To: [REDACTED] LONDON/ONS@ONS,
Cc: National Statistician@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED]
[REDACTED] NEWPORT/ONS@ONS, na.classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED]
[REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 16:38
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

[REDACTED]

As discussed, please can you provide the below response from myself and [REDACTED] (Chair of the ESCC) to John on this matter:

It is not the case that significant new issues arose when finalising the letter. The chain of events were that:

- HMT/DCLG provided us with information on the changes they were proposing to make to the existing housing legislation as a 'policy proposal' (changes which they hoped would lead to a private sector classification);
-
- we convened a special NACC meeting to consider the policy proposal and NACC recommended that there were still sufficient controls in place to indicate public sector control;
-
- we drafted a letter explaining the NACC view of the 'policy proposal' and setting out in detail the reasons for this outcome. We also met with HM Treasury and DCLG to provide explanation of our position and agreed at that meeting to provide the letter as a draft for fact-checking and so that they could highlight any aspects which they feel are not clear.
-
- the response to that was to send us three documents; two which simply seemed to provide additional detail but with no clear impact on the advice provided, and a third with a number of questions of the form 'if we do X, will it be ok?, if we do Y will it be OK?'. At no point have they advised us that any aspect of the draft letter is unclear.
-
- In response, a member of my team got in touch with them asking for clarification of how they believed the information provided should alter our understanding of the proposal - as of now their response to this is still outstanding despite us repeatedly reminding HM Treasury that the 'ball is in their court'.
-

My team member also provided some points on the questions they raised. However, I think we need to be clear that the ONS has a longstanding policy of not considering/commenting (as an organisation) on questions which essentially take the form of 'what should be do to get X into the private sector?'. The reason for this is that we do not engage in policy formation and such answers essentially tell them what policy they should choose. Essentially, if we tell them what the policy should be, we then cannot possibly undertake a full and robust neutral assessment of the final policy - we essentially end up 'marking our own homework'.

Therefore, the service we provide takes a form where they provide details of the policy as they intend to implement it, we assess it in the usual way, and then we provide a response saying 'if you implement the policy as described to us, here is how it would be classified, and this is why'. If the outcome is not what they had wished (i.e. the classification is 'public'), there is an incentive for them to want to submit multiple marginally different versions of the policy in order to 'edge it over the line'. For this reason they are allowed only 'one bite of the cherry' - we will only consider the policy proposal again if there are significant and material changes. I discussed this with HM Treasury in our catch-up earlier and they believe that any further changes to the policy proposal would be marginal and hence would not lead us to reassess.

This is precisely the process which the PRPs proposal has been through - they told us "we intend to implement this deregulatory package", NACC considered it and responded saying "if you do, you can expect PRPs to remain in the public sector - and here are the reasons why". Their response to their draft letter did not raise any concerns about the clarity with which these reasons were laid out.

Of course, they do not like this result and would prefer that we could be more "helpful" by answering their questions and, in essence, telling them what form the policy should take to achieve a private reclassification of PRPs. Nevertheless, as set out above, this is not advice that we can provide while robustly discharging our central duty to ensure the correct classification of units and transactions in the statistics. The HM Treasury classification team exists to provide such advice but it is my understanding that DCLG do not much like the advice they have been given. Even so, that does not mean our Treasury colleagues are wrong!

Finally, I would like to highlight that we have been very accommodating in 'fast-tracking' the assessment of this policy proposal and in sharing the draft letter to ensure it is clear, factually correct, and will meet their needs. It seems from the tone of [REDACTED] conversation with John that the issue is mainly around DCLG not liking, or agreeing, with our classification conclusion rather than a more substantive issue of ONS not understanding pertinent factual details. In our view, we need to be careful that we remain helpful while still ensuring that we do not get involved in policy formulation, ie. we need to as quickly as possible issue a final letter informing DCLG/HMT of our classification conclusion based on the evidence that was presented to NACC and only amend this view if there were any factual errors in the understanding of NACC and not based on any subsequent changes that DCLG/HMT may be proposing to make to the legislation.

I do hope the above is clear and the reasons for our long-established approach to policy proposals come through. [REDACTED] and would be happy to meet to discuss further if you wish.

Kind regards

[REDACTED]

[REDACTED] | Head of National Accounts Classifications | na.classifications@ons.gov.uk

Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG
[REDACTED] ons.gov.uk | [REDACTED]

▼ [REDACTED] 02/11/2015 15:19:26--- [REDACTED] Thanks for the feedback on John's meeting.

From: [REDACTED] NEWPORT/ONS
To: National Statistician@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, na.classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 15:19
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

[REDACTED]

Thanks for the feedback on John's meeting.

I note that [REDACTED] will speak to you at 3:30pm about this. You may like to note ahead of this thatv

Thanks

[REDACTED]

[REDACTED] | Head of Public Sector Accounts | Government, Corporations & Classifications Division | Office for National Statistics | Government Buildings | Cardiff Road | Newport | Wales | NP10 8XG | Room 1.264 | Phone: [REDACTED]
[REDACTED]

▼ National Statistician---02/11/2015 12:10:06--- [REDACTED] [REDACTED] John had his chat with [REDACTED]

From: National Statistician
To: National Statistician@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, na.classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 12:10

Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: [REDACTED]

[REDACTED] [REDACTED]
John had his chat with [REDACTED]

The Housing and Planning Bill has its second reading today. 19 November is the critical date for getting all documents to the House, including Government amendments. We therefore need to get the letter agreed urgently.

[REDACTED] is keen for her CLG experts to talk to our experts. She wants a technical discussion on the facts. Will that happen in today's meeting with HMT? If not, how can we make it happen?

We need the letter to be totally clear so the Government can take the necessary steps to secure the right classification. She was concerned about new issues arising while in the process of finalising the letter. For example stocks transfers, financial arrangements with local authorities, appointments with officers and managers, S106 agreements. We therefore need to ensure no other issues will crop up at a later date.

Please do call me if this is unclear. And if [REDACTED] is in London today, a chat would be helpful.

Best wishes
[REDACTED]

[REDACTED] | [REDACTED]
UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: [REDACTED] statistics.gsi.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

▼ National Statistician---02/11/2015 11:19:43---Hi [REDACTED] - really helpful. I have passed this to John. If you're in Drummond Gate, please pop by to sa

From: National Statistician
To: [REDACTED] NEWPORT/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, National Statistician@ONS, na classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 11:19
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: [REDACTED]

Hi [REDACTED] - really helpful. I have passed this to John. If you're in Drummond Gate, please pop by to say hello.
Kind regards
[REDACTED]

▼ [REDACTED] 02/11/2015 11:14:00---Hi all, [REDACTED] is correct that this is the latest state of play. I was very clear with [REDACTED] that

From: [REDACTED] NEWPORT/ONS
To: [REDACTED] NEWPORT/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS, National Statistician@ONS, na classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 11:14
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

Hi all,

██████ is correct that this is the latest state of play. I was very clear with ██████ that the ball is in their court as we are awaiting their further explanation before we can finalise the draft. Thus, if ministers want to push for the final letter to be published they need to push DCLG to provide the response to us in order that we can send them the final letter.

I will bring this up at my catch-up with HM Treasury this afternoon.

Kind regards

██████

██████ ██████ | Head of National Accounts Classifications | na.classifications@ons.gov.uk


Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG
██████ ons.gov.uk | ██████

▼ ██████ 02/11/2015 10:32:30---██████ / ██████ I've just picked up on this email chain.

From: ██████ NEWPORT/ONS
To: ██████ NEWPORT/ONS@ONS, ██████ LONDON/ONS@ONS,
Cc: National Statistician@ONS, na.classifications@ONS, ██████ NEWPORT/ONS@ONS, ██████ NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, ██████ NEWPORT/ONS@ONS, ██████ NEWPORT/ONS@ONS
Date: 02/11/2015 10:32
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

██████ / ██████

I've just picked up on this email chain.

The draft letter on the policy proposal is here: 
This is currently with HMT/DCLG for fact checking. ██████ and I both spoke to ██████ at HMT (who reports to ██████ last week and he confirmed he was trying to clarify whether there were any factual inaccuracies (as DCLG sent an email in response, but it was not clear from the letter whether they were identifying any factual errors). We are not expecting any response until this week.

The below letter that ██████ has sent you is the classification decision for the current situation.

Hope this helps clarify.

Best regards

██████

██████ ██████ | Head of Public Sector Accounts | Government, Corporations & Classifications Division | Office for National Statistics | Government Buildings | Cardiff Road | Newport | Wales | NP10 8XG | Room 1.264 | Phone: ██████

▼ ██████ 02/11/2015 10:23:07---██████ We're having trouble locating the final draft letter that was sent to HMT: ██████ is on paterni

From: ██████ NEWPORT/ONS
To: ██████ LONDON/ONS@ONS,
Cc: National Statistician@ONS, na.classifications@ONS, ██████ NEWPORT/ONS@ONS, ██████ NEWPORT/ONS@ONS, ██████ NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, ██████ NEWPORT/ONS@ONS, ██████ NEWPORT/ONS@ONS
Date: 02/11/2015 10:23
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

██████████

We're having trouble locating the final draft letter that was sent to HMT: ██████████ is on paternity leave and ██████████ is not available at the moment.

The text below is what was agreed between ██████████ ██████████ and ██████████ as an accurate and fair summary of the meeting, and was approved by me. So it is essentially the final draft.

Given your timing suggest you use this and we will come back with the final draft.

Thanks

██████████

▼ na classifications---29/09/2015 20:53:16--██████████ ██████████ ██████████ As agreed, below is the letter I intend to present to HM Treasury in the morning

From: na classifications
To: ██████████ NEWPORT/ONS@ONS,
Cc: ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS
Date: 29/09/2015 20:53
Subject: Draft letter to HM Treasury
Sent by: ██████████ ██████████

██████████ ██████████ ██████████

As agreed, below is the letter I intend to present to HM Treasury in the morning. Please let me know ASP if you would like any alterations (they have already been asking for it).

In particular, please can ██████████ and ██████████ satisfy themselves that this presents all of the "sufficient" indicators of control and that, in combination, the other controls (including the rent control) would not cumulatively indicate control?

Kind regards

██████████

Dear ██████████

As you are aware, the ONS has undertaken a review of the statistical classification of "Housing Associations" to establish whether these bodies should continue to be recorded as Private Non-Financial Corporations or if the recording should change following legislative and regulatory changes brought about through the 2008 Housing Regeneration Act (HRA 2008) and/or the 2011 Localism Act (LA 2011). Additionally, the review ensures that the treatment is consistent with the latest 2010 European System of Accounts (ESA 2010), which entered force in September 2014.

First, it is important to be clear that the review applies specifically to "Private registered providers" of social housing (incl. registered housing associations) in England - which include the majority of English housing associations (those being registered with the Homes and Communities Agency as providers of social housing). Thus, while this has colloquially been referred to as a classification review of "Housing Associations", the conclusions apply to all bodies subject to the relevant regulations (whether they are housing associations or otherwise) and do not apply to those housing associations (as defined in the 1985 Housing Associations Act) not registered with the Homes And Communities Agency (HCA) as they are not subject to the regulatory regime.

Additionally, it is necessary to be clear that "private registered providers" is the official term for these bodies and does not prejudice or otherwise impact the statistical classification decision.

The ONS National Accounts Classifications Committee (NACC) convened to discuss the classification of private registered providers of social housing in England on 29 Sept 2015. As part of this assessment, NACC also reviewed the Central Government (S.1311) classification of the HCA which regulates social housing providers.

Pursuant to established procedure, NACC considered classifications in the context of internationally agreed rules in the European System of Accounts 2010 (ESA 2010) and the accompanying Manual on Government Deficit and Debt 2014 (MGDD 2014). After detailed discussion, NACC concluded the following:

- that the HCA should remain classified to the Central Government (S.1311) subsector. In judging this, NACC cited the following;
 - the HCA meets the conditions necessary to be classified as an institutional unit by incurring liabilities and holding assets, entering into contracts and exhibiting sufficient decision making autonomy
 - the HCA is subject to public sector control in accordance with control indicators described in ESA 2010, Chapter 20.309. Specifically, NACC cited HM Government's ability to appoint and remove all board members and key personnel, and the fact that HM Government approves all funding as sufficient indicators of public sector control
 - given the above, and its primary function as a regulator, the pre-existing classification of HCA as a Central Government unit remains valid

- that all private registered providers should be considered as institutional units as they have the ability to incur liabilities and hold assets on their own account, enter into contracts and exhibit sufficient decision making autonomy

- that all private registered providers are subject to public sector control in accordance with control indicators outlined in ESA 2010, Chapter 20.309 and MGDD 2014 I.2.3,15 (applying to for-profit registered providers) and ESA 2010, Chapter 2.39 and MGDD 2014 I.2.3,17 (applying to not-for-profit registered providers). In concluding this, NACC reasoned that:
 - HM Government's consent powers (exercised through the HCA, section 172-194 of the HRA 2008) over disposals of social housing assets and to direct the use of disposal proceeds is an indicator of public sector control through enabling instruments/excessive regulation;
 - this public sector influence is reinforced by HM Government's consent (again exercised via the HCA under section 186 of the HRA 2008) over disposals of housing stock following a registered provider's deregistration with the HCA;
 - HM Government's consent powers (exercised through the HCA under section 160~~2~~-166 of the HRA 2008) over the voluntary winding-up, dissolution and restructuring of a registered provider is an indicator of public sector control through enabling instruments/excessive regulation;-
 - HM Government's powers (exercised through the HCA under section 246-252 and 269 of the HRA 2008) over the management of a registered provider, in particular the power of the HCA to appoint managers and officers to the provider, is an indicator of public sector control through the appointment of officers/key personnel and/or through enabling instruments/excessive regulation.

- that registered providers meet the prescribed conditions detailed in ESA 2010 Chapter 2 and 20 to be classified as market producers *en masse*. In making this judgement, NACC stated that there is sufficient evidence to suggest that registered providers are charging economically significant prices in accordance with ESA 2010 20.23

Consistent with this, NACC ~~concluded~~recommended that registered providers in England should be classified to the Public Non-Financial Corporations (S.11001) subsector for the purpose of national accounts. The Director of National

Accounts & Economic Statistics has approved this recommendation and the classification applies ~~This treatment~~ is with effect from the date of enforcement of the Housing and Regeneration Act 2008 - 22 July 2008.

I trust this provides sufficient explanation of the decision reached. Please do get in touch with

Sincerely,

██████

██████████
Director for National Accounts & Economic Statistics
Office for National Statistics
Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG
T: ██████████ M: ██████████ E: ██████████ ons.gsi.gov.uk

▼ ██████████ 02/11/2015 10:06:45---Thanks ██████████

From: ██████████ LONDON/ONS
To: ██████████ NEWPORT/ONS@ONS, National Statistician@ONS,
Cc: na.classifications@ONS; ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS,
Jonathan Athow/LONDON/ONS@ONS
Date: 02/11/2015 10:06
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

Thanks ██████████

Apparently ██████████ was going to chase the treasury to speed up their fact checking so the letter could be ready should the Ministers decide they do want to publish it. Does anyone know how that went? We have seen ██████████ email saying they asked follow-up questions.

John is talking to ██████████ at 11:15 today so would like to know the latest position.

Thanks

██████████

██████████ | ██████████
UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: ██████████
Email: ██████████ statistics.gsi.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

▼ ██████████ 02/11/2015 10:00:50---I'd be grateful if you could send a copy of the current draft letter on the provisional classificati

From: ██████████ NEWPORT/ONS
To: na.classifications@ONS; ██████████ LONDON/ONS@ONS,
Cc: ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS
Date: 02/11/2015 10:00
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

I'd be grateful if you could send a copy of the current draft letter on the provisional classification of HAs that is being finalised with HMT to ██████████ copied here, and also a link as to what was published on Friday for their current classification.

Thanks

██████████

██████████
Director for National Accounts & Economic Statistics
Office for National Statistics
Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG
T: ██████████ M: ██████████ E: ██████████ ons.gsi.gov.uk

▼ na classifications---28/10/2015 09:16:48--- Attachments filed All,

From: na classifications
To: ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS,
Date: 28/10/2015 09:16
Subject: [OFFICIAL SENSITIVE] - to read - Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: ██████████

 **Attachments filed**

All,

Further to ██████████ earlier email (sent 8.53am), I have already provided comments to HMT colleagues on their clarifications (set out in the attachments). **Therefore, you do not need to take action at this time.**

HMT's first paper presents specific questions and confirmation of aspects of our letter, whilst the other two papers provide further information. HMT have not raised a specific objection, nor have they clarified what it is they want us to do with the additional information provided, but I have pursued this (see forwarded email).

I shall arrange a meeting to discuss the next steps on the deregulation package which should arrive in your inbox shortly.

Best regards,

██████████

----- Forwarded by ██████████ NEWPORT/ONS on 28/10/2015 09:10 -----

From: na classifications
To: ██████████ ██████████ NEWPORT/ONS@ONS,
Date: 28/10/2015 09:00
Subject: Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: ██████████

----- Forwarded by ██████████ NEWPORT/ONS on 28/10/2015 08:59 -----

From: na classifications
To: ██████████ hmtreasury.gsi.gov.uk,
Cc: ██████████ NEWPORT/ONS@ONS, ██████████ hmtreasury.gsi.gov.uk, ██████████ HMTreasury.gsi.gov.uk, ██████████ hmtreasury.gsi.gov.uk, na.classifications@ONS
Date: 22/10/2015 15:38
Subject: Re: FW: Official market sensitive - follow up to letter on Housing Associations
Sent by: ██████████

██████████

I have provided comments in track changes to the first paper raising specific questions/clarifications. As usual, these are just my opinions and do not reflect the ESCC's thoughts.

On the other attachments, the information is useful to gauge a more informed understanding of the regulatory framework within which RPs operate, but I fail to see what it is you wish for us to clarify.

Nonetheless, I would comment that information under the "scope" heading appears to be in objection to ESA 2010, and not ONS' application of the legislation. Owing a fiduciary duty to a specific company may well imply that an officer works in the interests of that company, but this does not mean that the process by which they were appointed (or their appointer) has no influence over their actions.

Further, MGDD I.2.3, 17 a) states that the "right to appoint [the] officers" is an indicator of public sector control. This differs to ESA 20.309 which states the right to appoint a majority of officers as an indicator of public sector control.

For information, would you be able to clarify:

1. whether the regulator can revoke it's general consent at any time; and
2. whether all officer appointments (or removals) are made by an independent advisor, or whether it is only in the case of a public inquiry that an independent member makes the recommendation/decision?

Happy to discuss,

█

▼ █ 22/10/2015 10:05:12---Hi All, This was sent last night to █ He is on SPL can it still be dealt with in his absence plea

From: █ hmtreasury.gsi.gov.uk
To: na.classifications@ONS, █ NEWPORT/ONS@ONS,
Cc: █ HMTreasury.gsi.gov.uk, █ hmtreasury.gsi.gov.uk, █ hmtreasury.gsi.gov.uk
Date: 22/10/2015 10:05
Subject: FW: Official market sensitive - follow up to letter on Housing Associations

Hi All,

This was sent last night to █ He is on SPL can it still be dealt with in his absence please? █
█ so can you ensure you to copy all the recipients in on any responses.

Many thanks,

█

█
█ | Government Financial Reporting Team |
HM Treasury | 2/Red | 1 Horse Guards Road | London | SW1A 2HQ | █

From: █ - HMT
Sent: 21 October 2015 20:36
To: █ ons.gsi.gov.uk
Cc: █ - HMT; █ - HMT; █ - HMT
Subject: Official market sensitive - follow up to letter on Housing Associations

█

With apologies for the delay, please find attached a note from us, in response to your earlier letter. Apologies that it is not formatted formally, but I thought the important thing was to get you the questions. I also attach two notes from the Regulator, referred to in the first note.

[REDACTED] | [REDACTED] | Housing, Planning and Cities Team
[REDACTED] | HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ | [REDACTED] | www.hm-treasury.gov.uk

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Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes.

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Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes. [attachment "151013 letter to ONS draft fin.docx" deleted by [REDACTED] NEWPORT/ONS] [attachment "151013 response on management officers.docx" deleted by [REDACTED] NEWPORT/ONS] [attachment "151013 note on disposal consents.docx" deleted by [REDACTED] NEWPORT/ONS]

[REDACTED]

From: [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 03 November 2015 09:55
To: [REDACTED]
Cc: [REDACTED] Athow, Jonathan; [REDACTED] na.classifications@ons.gsi.gov.uk; [REDACTED] national.statistician@statistics.gsi.gov.uk
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

[REDACTED]

John was grateful for your emails. Please be reassured that he thinks you are doing a brilliant job on this. He agrees that it is important and proper to stick to fact checking only, so apologies if my email wasn't clear on that.

John said the frustration seems to lie between CLG and HMT. He suggested trying to get in touch with CLG directly, rather than going through HMT, who will all be busy with the SR and Autumn Statement. Ultimately we need the Government to check and clear the letter so we can finalise it, so anything we can do to help that happen would continue our accommodating approach.

I hope this helps.
[REDACTED]

UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: [REDACTED] statistics.gsi.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

From: National Statistician
To: [REDACTED] NEWPORT/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, National Statistician@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, na.classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 16:59
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations <[REDACTED]>
Sent by: [REDACTED]

Thanks all. I will pass to John and get back to you.
[REDACTED]

From: [REDACTED] NEWPORT/ONS
To: [REDACTED] NEWPORT/ONS@ONS,
Cc: [REDACTED] LONDON/ONS@ONS, National Statistician@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, na.classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 16:46
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations <[REDACTED]>

I would like to support the points made by [REDACTED] and [REDACTED]

In addition, in our draft letter on the provisional classification, we have been clear on the key points in the proposed policy where there remained sufficient controls to indicate public sector control.

I think this is a key point for DCLG i.e. we have not introduced anything but only advised on what was put forward to us.

Treasury plays a key role here in advising departments on likely classification and helping them to develop policy.

Thanks

██████████
██████████
Director for National Accounts & Economic Statistics
Office for National Statistics
Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG
T: ██████████ M: ██████████ E: ██████████ ons.gsi.gov.uk

From: ██████████ NEWPORT/ONS
To: ██████████ LONDON/ONS@ONS,
Cc: National Statistician@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ LONDON/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, ██████████
██████████ NEWPORT/ONS@ONS, na.classifications@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, ██████████
██████████ NEWPORT/ONS@ONS
Date: 02/11/2015 16:38
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

██████████
As discussed, please can you provide the below response from myself and ██████████ (Chair of the ESCC) to John on this matter:

It is not the case that significant new issues arose when finalising the letter. The chain of events were that:

- HMT/DCLG provided us with information on the changes they were proposing to make to the existing housing legislation as a 'policy proposal' (changes which they hoped would lead to a private sector classification);
-
- we convened a special NACC meeting to consider the policy proposal and NACC recommended that there were still sufficient controls in place to indicate public sector control;
-
- we drafted a letter explaining the NACC view of the 'policy proposal' and setting out in detail the reasons for this outcome. We also met with HM Treasury and DCLG to provide explanation of our position and agreed at that meeting to provide the letter as a draft for fact-checking and so that they could highlight any aspects which they feel are not clear.
-
- the response to that was to send us three documents; two which simply seemed to provide additional detail but with no clear impact on the advice provided, and a third with a number of questions of the form 'if we do X, will it be ok?, if we do Y will it be OK?'. At no point have they advised us that any aspect of the draft letter is unclear.
-
- In response, a member of my team got in touch with them asking for clarification of how they believed the information provided should alter our understanding of the proposal - as of now their response to this is still outstanding despite us repeatedly reminding HM Treasury that the 'ball is in their court'.
-

My team member also provided some points on the questions they raised. However, I think we need to be clear that the ONS has a longstanding policy of not considering/commenting (as an organisation) on questions which essentially take the form of 'what should be do to get X into the private sector?'. The reason for this is that we do not engage in policy formation and such answers essentially tell them what policy they should choose. Essentially, if we tell them what the policy should be, we then cannot possibly undertake a full and robust neutral assessment of the final policy - we essentially end up 'marking our own homework'.

Therefore, the service we provide takes a form where they provide details of the policy as they intend to implement it, we assess it in the usual way, and then we provide a response saying 'if you implement the policy as described to us, here is how it would be classified, and this is why'. If the outcome is not what they had wished (i.e. the classification is

'public'), there is an incentive for them to want to submit multiple marginally different versions of the policy in order to 'edge it over the line'. For this reason they are allowed only 'one bite of the cherry' - we will only consider the policy proposal again if there are significant and material changes. I discussed this with HM Treasury in our catch-up earlier and they believe that any further changes to the policy proposal would be marginal and hence would not lead us to reassess.

This is precisely the process which the PRPs proposal has been through - they told us "we intend to implement this deregulatory package", NACC considered it and responded saying "if you do, you can expect PRPs to remain in the public sector - and here are the reasons why". Their response to their draft letter did not raise any concerns about the clarity with which these reasons were laid out.

Of course, they do not like this result and would prefer that we could be more "helpful" by answering their questions and, in essence, telling them what form the policy should take to achieve a private reclassification of PRPs. Nevertheless, as set out above, this is not advice that we can provide while robustly discharging our central duty to ensure the correct classification of units and transactions in the statistics. The HM Treasury classification team exists to provide such advice but it is my understanding that DCLG do not much like the advice they have been given. Even so, that does not mean our Treasury colleagues are wrong!

Finally, I would like to highlight that we have been very accommodating in 'fast-tracking' the assessment of this policy proposal and in sharing the draft letter to ensure it is clear, factually correct, and will meet their needs. It seems from the tone of [redacted] conversation with John that the issue is mainly around DCLG not liking, or agreeing, with our classification conclusion rather than a more substantive issue of ONS not understanding pertinent factual details. In our view, we need to be careful that we remain helpful while still ensuring that we do not get involved in policy formulation, ie. we need to as quickly as possible issue a final letter informing DCLG/HMT of our classification conclusion based on the evidence that was presented to NACC and only amend this view if there were any factual errors in the understanding of NACC and not based on any subsequent changes that DCLG/HMT may be proposing to make to the legislation.

I do hope the above is clear and the reasons for our long-established approach to policy proposals come through. [redacted] would be happy to meet to discuss further if you wish.

Kind regards

[redacted]

[redacted] | Head of National Accounts Classifications | na.classifications@ons.gov.uk

Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG
[redacted] ons.gov.uk | [redacted]

02/11/2015 15:19:26--- [redacted] Thanks for the feedback on John's meeting.

From: [redacted] NEWPORT/ONS
To: National Statistician@ONS,
Cc: [redacted] NEWPORT/ONS@ONS, [redacted] NEWPORT/ONS@ONS, [redacted] LONDON/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [redacted] NEWPORT/ONS@ONS, na.classifications@ONS, [redacted] NEWPORT/ONS@ONS, [redacted] NEWPORT/ONS@ONS
Date: 02/11/2015 15:19
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

[redacted]

Thanks for the feedback on John's meeting.

I note that [redacted] will speak to you at 3:30pm about this. You may like to note ahead of this thatv

Thanks

██████████ | Head of Public Sector Accounts | Government, Corporations & Classifications Division | Office for National Statistics | Government Buildings | Cardiff Road | Newport | Wales | NP10 8XG | Room 1.264 | ██████████

▼ National Statistician---02/11/2015 12:10:06---██████████ ██████████ John had his chat with ██████████

From: National Statistician
To: National Statistician@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS,
Cc: ██████████ NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, ██████████ NEWPORT/ONS@ONS, na.classifications@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS
Date: 02/11/2015 12:10
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: ██████████

██████████ ██████████
John had his chat with ██████████

The Housing and Planning Bill has its second reading today. 19 November is the critical date for getting all documents to the House, including Government amendments. We therefore need to get the letter agreed urgently.

██████████ is keen for her CLG experts to talk to our experts. She wants a technical discussion on the facts. Will that happen in today's meeting with HMT? If not, how can we make it happen?

We need the letter to be totally clear so the Government can take the necessary steps to secure the right classification. She was concerned about new issues arising while in the process of finalising the letter. For example stocks transfers, financial arrangements with local authorities, appointments with officers and managers, S106 agreements. We therefore need to ensure no other issues will crop up at a later date.

Please do call me if this is unclear. And if ██████████ is in London today, a chat would be helpful.

Best wishes
██████████

██████████ | ██████████
UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: ██████████
Email: ██████████ statistics.qsi.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: @UKStatsAuth

▼ National Statistician---02/11/2015 11:19:43---Hi ██████████ - really helpful. I have passed this to John. If you're in Drummond Gate, please pop by to sa

From: National Statistician
To: ██████████ NEWPORT/ONS@ONS,
Cc: ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, National Statistician@ONS, na.classifications@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, ██████████ NEWPORT/ONS@ONS
Date: 02/11/2015 11:19
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: ██████████

Hi ██████████ - really helpful. I have passed this to John. If you're in Drummond Gate, please pop by to say hello.
Kind regards
██████████

02/11/2015 11:14:00--Hi all, [REDACTED] is correct that this is the latest state of play. I was very clear with [REDACTED] that

From: [REDACTED] NEWPORT/ONS
To: [REDACTED] NEWPORT/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS, National Statistician@ONS, na.classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 11:14
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

Hi all,

[REDACTED] is correct that this is the latest state of play. I was very clear with [REDACTED] that the ball is in their court as we are awaiting their further explanation before we can finalise the draft. Thus, if ministers want to push for the final letter to be published they need to push DCLG to provide the response to us in order that we can send them the final letter.

I will bring this up at my catch-up with HM Treasury this afternoon.

Kind regards

[REDACTED]

[REDACTED] | Head of National Accounts Classifications | na.classifications@ons.gov.uk


Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG
ons.gov.uk | [REDACTED] [REDACTED]

02/11/2015 10:32:30-- [REDACTED] / [REDACTED] I've just picked up on this email chain.

From: [REDACTED] NEWPORT/ONS
To: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS,
Cc: National Statistician@ONS, na.classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 10:32
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

[REDACTED] / [REDACTED]

I've just picked up on this email chain.

The draft letter on the policy proposal is here: 
This is currently with HMT/DCLG for fact checking. [REDACTED] and I both spoke to [REDACTED] [REDACTED] at HMT (who reports to [REDACTED] last week and he confirmed he was trying to clarify whether there were any factual inaccuracies (as DCLG sent an email in response, but it was not clear from the letter whether they were identifying any factual errors). We are not expecting any response until this week.

The below letter that [REDACTED] has sent you is the classification decision for the current situation.

Hope this helps clarify.

Best regards

[REDACTED]

██████████ | Head of Public Sector Accounts | Government, Corporations & Classifications Division | Office for National Statistics | Government Buildings | Cardiff Road | Newport | Wales | NP10 8XG | Room 1.264 | Phone: ██████████
██████████ | Mobile: ██████████

▼ ██████████ 02/11/2015 10:23:07--██████████ We're having trouble locating the final draft letter that was sent to HMT: ██████████ is on paterni

From: ██████████ NEWPORT/ONS
To: ██████████ LONDON/ONS@ONS,
Cc: National Statistician@ONS, na classifications@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, ██████████
██████████ NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, ██████████ ██████████ NEWPORT/ONS@ONS, ██████████ ██████████ NEWPORT/ONS@ONS
Date: 02/11/2015 10:23
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

██████████

We're having trouble locating the final draft letter that was sent to HMT: ██████████ is on paternity leave and ██████████ is not available at the moment.

The text below is what was agreed between ██████████, ██████████, ██████████ and ██████████ as an accurate and fair summary of the meeting, and was approved by me. So it is essentially the final draft.

Given your timing suggest you use this and we will come back with the final draft.

Thanks

██████████

▼ na classifications---29/09/2015 20:53:16--██████████ ██████████ ██████████ As agreed, below is the letter I intend to present to HM Treasury in the morning

From: na classifications
To: ██████████ NEWPORT/ONS@ONS,
Cc: ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS
Date: 29/09/2015 20:53
Subject: Draft letter to HM Treasury
Sent by: ██████████ ██████████

██████████ ██████████ ██████████

As agreed, below is the letter I intend to present to HM Treasury in the morning. Please let me know ASP if you would like any alterations (they have already been asking for it).

In particular, please can ██████████ and ██████████ satisfy themselves that this presents all of the "sufficient" indicators of control and that, in combination, the other controls (including the rent control) would not cumulatively indicate control?

Kind regards

██████████

Dear ██████████

As you are aware, the ONS has undertaken a review of the statistical classification of "Housing Associations" to establish whether these bodies should continue to be recorded as Private Non-Financial Corporations or if the recording should change following legislative and regulatory changes brought about through the 2008 Housing Regeneration Act (HRA 2008) and/or the 2011 Localism Act (LA 2011). Additionally, the review ensures that the

treatment is consistent with the latest 2010 European System of Accounts (ESA 2010), which entered force in September 2014.

First, it is important to be clear that the review applies specifically to "Private registered providers" of social housing (incl. registered housing associations) in England - which include the majority of English housing associations (those being registered with the Homes and Communities Agency as providers of social housing). Thus, while this has colloquially been referred to as a classification review of "Housing Associations", the conclusions apply to all bodies subject to the relevant regulations (whether they are housing associations or otherwise) and do not apply to those housing associations (as defined in the 1985 Housing Associations Act) not registered with the Homes And Communities Agency (HCA) as they are not subject to the regulatory regime.

Additionally, it is necessary to be clear that "private registered providers" is the official term for these bodies and does not prejudge or otherwise impact the statistical classification decision.

The ONS National Accounts Classifications Committee (NACC) convened to discuss the classification of private registered providers of social housing in England on 29 Sept 2015. As part of this assessment, NACC also reviewed the Central Government (S.1311) classification of the HCA which regulates social housing providers.

Pursuant to established procedure, NACC considered classifications in the context of internationally agreed rules in the European System of Accounts 2010 (ESA 2010) and the accompanying Manual on Government Deficit and Debt 2014 (MGDD 2014). After detailed discussion, NACC concluded the following:

- that the HCA should remain classified to the Central Government (S.1311) subsector. In judging this, NACC cited the following;
 - the HCA meets the conditions necessary to be classified as an institutional unit by incurring liabilities and holding assets, entering into contracts and exhibiting sufficient decision making autonomy
 - the HCA is subject to public sector control in accordance with control indicators described in ESA 2010, Chapter 20.309. Specifically, NACC cited HM Government's ability to appoint and remove all board members and key personnel, and the fact that HM Government approves all funding as sufficient indicators of public sector control
 - given the above, and its primary function as a regulator, the pre-existing classification of HCA as a Central Government unit remains valid

- that all private registered providers should be considered as institutional units as they have the ability to incur liabilities and hold assets on their own account, enter into contracts and exhibit sufficient decision making autonomy

- that all private registered providers are subject to public sector control in accordance with control indicators outlined in ESA 2010, Chapter 20.309 and MGDD 2014 I.2.3,15 (applying to for-profit registered providers) and ESA 2010, Chapter 2.39 and MGDD 2014 I.2.3,17 (applying to not-for-profit registered providers). In concluding this, NACC reasoned that:
 - HM Government's consent powers (exercised through the HCA, section 172-194 of the HRA 2008) over disposals of social housing assets and to direct the use of disposal proceeds is an indicator of public sector control through enabling instruments/excessive regulation;
 - this public sector influence is reinforced by HM Government's consent (again exercised via the HCA under section 186 of the HRA 2008) over disposals of housing stock following a registered provider's deregistration with the HCA;
 - HM Government's consent powers (exercised through the HCA under section 160-166 of the HRA 2008) over the voluntary winding-up, dissolution and restructuring of a registered provider is an indicator of public sector control through enabling instruments/excessive regulation;-

- HM Government's powers (exercised through the HCA under section 246-252 and 269 of the HRA 2008) over the management of a registered provider, in particular the power of the HCA to appoint managers and officers to the provider, is an indicator of public sector control through the appointment of officers/key personnel and/or through enabling instruments/excessive regulation.

- that registered providers meet the prescribed conditions detailed in ESA 2010 Chapter 2 and 20 to be classified as market producers *en masse*. In making this judgement, NACC stated that there is sufficient evidence to suggest that registered providers are charging economically significant prices in accordance with ESA 2010 20.23

Consistent with this, NACC ~~concluded~~recommended that registered providers in England should be classified to the Public Non-Financial Corporations (S.11001) subsector for the purpose of national accounts. The Director of National Accounts & Economic Statistics has approved this recommendation and the classification applies. This treatment is with effect from the date of enforcement of the Housing and Regeneration Act 2008 - 22 July 2008.

I trust this provides sufficient explanation of the decision reached. Please do get in touch with

Sincerely,

■■■■ ■■

■■■■
Director for National Accounts & Economic Statistics

Office for National Statistics

Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG

T: ■■■■ M: ■■■■ E: ■■■■ [ons.gsi.gov.uk](mailto:■■■■@ons.gsi.gov.uk)

▼ ■■■■ 02/11/2015 10:06:45---Thanks ■■■■

From: ■■■■ LONDON/ONS

To: ■■■■ NEWPORT/ONS@ONS, National Statistician@ONS,

Cc: na.classifications@ONS, ■■■■ NEWPORT/ONS@ONS, ■■■■ NEWPORT/ONS@ONS, ■■■■ NEWPORT/ONS@ONS,

Jonathan Athow/LONDON/ONS@ONS

Date: 02/11/2015 10:06

Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

Thanks ■■■■

Apparently ■■■■ was going to chase the treasury to speed up their fact checking so the letter could be ready should the Ministers decide they do want to publish it. Does anyone know how that went? We have seen ■■■■ email saying they asked follow-up questions.

John is talking to ■■■■ at 11:15 today so would like to know the latest position.

Thanks

■■■■

■■■■ | ■■■■
UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: ■■■■
Email: ■■■■ statistics.gsi.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

▼ ■■■■ 02/11/2015 10:00:50---I'd be grateful if you could send a copy of the current draft letter on the provisional classificati

From: ■■■■ NEWPORT/ONS

To: na.classifications@ONS, ■■■■ LONDON/ONS@ONS,

Cc: ■■■■ NEWPORT/ONS@ONS, ■■■■ NEWPORT/ONS@ONS, ■■■■ NEWPORT/ONS@ONS, Jonathan

I'd be grateful if you could send a copy of the current draft letter on the provisional classification of HAs that is being finalised with HMT to [REDACTED] copied here, and also a link as to what was published on Friday for their current classification.

Thanks

[REDACTED]

[REDACTED]
Director for National Accounts & Economic Statistics

Office for National Statistics

Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG

T: [REDACTED] M: [REDACTED] E: [REDACTED] [ons.gsi.gov.uk](mailto:[REDACTED]@ons.gsi.gov.uk)

▼ [na classifications---28/10/2015 09:16:48---](#) Attachments filed All,

From: na classifications

To: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS,

Date: 28/10/2015 09:16

Subject: [OFFICIAL SENSITIVE] - to read - Fw: Official market sensitive - follow up to letter on Housing Associations

Sent by: [REDACTED]

 **Attachments filed**

All,

Further to [REDACTED] earlier email (sent 8.53am), I have already provided comments to HMT colleagues on their clarifications (set out in the attachments). **Therefore, you do not need to take action at this time.**

HMT's first paper presents specific questions and confirmation of aspects of our letter, whilst the other two papers provide further information. HMT have not raised a specific objection, nor have they clarified what it is they want us to do with the additional information provided, but I have pursued this (see forwarded email).

I shall arrange a meeting to discuss the next steps on the deregulation package which should arrive in your inbox shortly.

Best regards,

[REDACTED]

----- Forwarded by [REDACTED] NEWPORT/ONS on 28/10/2015 09:10 -----

From: na classifications

To: [REDACTED] NEWPORT/ONS@ONS,

Date: 28/10/2015 09:00

Subject: Fw: Official market sensitive - follow up to letter on Housing Associations

Sent by: [REDACTED]

----- Forwarded by [REDACTED] NEWPORT/ONS on 28/10/2015 08:59 -----

From: na classifications
To: [REDACTED] hmtreasury.gsi.gov.uk,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] hmtreasury.gsi.gov.uk, [REDACTED] HMTreasury.gsi.gov.uk,
[REDACTED] hmtreasury.gsi.gov.uk, na classifications@ONS
Date: 22/10/2015 15:38
Subject: Re: FW: Official market sensitive - follow up to letter on Housing Associations
Sent by: [REDACTED]

[REDACTED]

I have provided comments in track changes to the first paper raising specific questions/clarifications. As usual, these are just my opinions and do not reflect the ESCC's thoughts.

On the other attachments, the information is useful to gauge a more informed understanding of the regulatory framework within which RPs operate, but I fail to see what it is you wish for us to clarify.

Nonetheless, I would comment that information under the "scope" heading appears to be in objection to ESA 2010, and not ONS' application of the legislation. Owing a fiduciary duty to a specific company may well imply that an officer works in the interests of that company, but this does not mean that the process by which they were appointed (or their appointer) has no influence over their actions.

Further, MGDD I.2.3, 17 a) states that the "right to appoint [the] officers" is an indicator of public sector control. This differs to ESA 20.309 which states the right to appoint a majority of officers as an indicator of public sector control.

For information, would you be able to clarify:

1. whether the regulator can revoke it's general consent at any time; and
2. whether all officer appointments (or removals) are made by an independent advisor, or whether it is only in the case of a public inquiry that an independent member makes the recommendation/decision?

Happy to discuss,

[REDACTED]

▼ [REDACTED] 22/10/2015 10:05:12---Hi All, This was sent last night to [REDACTED] He is on SPL can it still be dealt with in his absence plea

From: [REDACTED] hmtreasury.gsi.gov.uk
To: na classifications@ONS, [REDACTED] NEWPORT/ONS@ONS,
Cc: [REDACTED] HMTreasury.gsi.gov.uk, [REDACTED] hmtreasury.gsi.gov.uk, [REDACTED] hmtreasury.gsi.gov.uk
Date: 22/10/2015 10:05
Subject: FW: Official market sensitive - follow up to letter on Housing Associations

Hi All,

This was sent last night to [REDACTED] He is on SPL can it still be dealt with in his absence please? Today is my last day in until Monday 2nd November so can you ensure you to copy all the recipients in on any responses.

Many thanks,

[REDACTED]

[REDACTED] | Government Financial Reporting Team |
HM Treasury | 2/Red | 1 Horse Guards Road | London | SW1A 2HQ | [REDACTED]

From: [REDACTED] - HMT
Sent: 21 October 2015 20:36
To: [REDACTED]@ons.gsi.gov.uk
Cc: [REDACTED] - HMT; [REDACTED] - HMT; [REDACTED] - HMT
Subject: Official market sensitive - follow up to letter on Housing Associations

[REDACTED]

With apologies for the delay, please find attached a note from us, in response to your earlier letter. Apologies that it is not formatted formally, but I thought the important thing was to get you the questions. I also attach two notes from the Regulator, referred to in the first note.

[REDACTED] | [REDACTED] | Housing, Planning and Cities Team
[HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ | [REDACTED] | www.hm-treasury.gov.uk

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Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes.

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Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes. [attachment "151013 letter to ONS draft fin.docx" deleted by [REDACTED] NEWPORT/ONS] [attachment "151013 response on management officers.docx" deleted by [REDACTED] [REDACTED] NEWPORT/ONS] [attachment "151013 note on disposal consents.docx" deleted by [REDACTED] [REDACTED] NEWPORT/ONS]

From: [REDACTED]
Sent: 03 November 2015 08:35
To: National Statistician
Subject: Daily Media Summary - 3 November 2015

Daily Media Summary - Tuesday 3 November 2015

CURRENT ACCOUNT - [REDACTED] in the [Financial Times](#) headlines "'financial engineering' behind current account deficit" amid claims by incoming governor of Ireland's central bank, Philip Lane, that Britain's "economic weakness was likely to have been overstated in official figures", due to the behaviour of companies seeking "tax advantages". He urges "statistical agencies" (he refers specifically to "both the ONS and international agencies" in the online piece) to collect cross-border transaction data in order to better understand the financial operations of multinationals. [Ed Conway](#) in the Times warns that "alarm bells are ringing in the engine room of the British economy" and claims the theory that the current account deficit has been caused by poor overseas investments is supported by ONS data. Also in the Times, [Oliver Kamm](#) looks at politicians' focus on the budget deficit, rather than the current account deficit, which he says could fuel a further fall in domestic savings, which "can't go on."

MANUFACTURING - Markit PMI data claims to show an increase in manufacturing activity in October "consistent with quarterly growth of 1%", a "vast improvement" on the latest ONS figures showing the sector "contracted by 0.3% quarter on quarter from July to September". Reported on [BBC Online](#) and in the [Financial Times](#).

WELL-BEING - ONS statistician Rachel O'Brien appeared on [Radio France](#) on Sunday, discussing October's release on [mental health and well-being in children](#), and the range of factors that can have an impact.

RENTAL PRICES - The Metro, in its Property News section, highlights ONS figures showing a rise in rental prices of 2.7% in the last year across the UK, and 4.1% in London, claiming that a lack of rental properties is to blame.

LIVING WAGE - Peter Hill's 'by the way' column in the Daily Express slightly misquotes ONS data, saying that "six million workers in Britain are earning less than a living wage", which he claims is a "direct result of mass immigration", which allows employers to "get away with paying less than minimum wages". (The relevant ONS data suggests 6m jobs, rather than workers).

Social Media Summary - Monday 2 November 2015

Alternative Measures of Real Household Disposable Income and the Saving Ratio

[REDACTED]
Warning, only for the very keen... good to see ONS working on more meaningful measures of disposable incomes
[ons.gov.uk/ons/dcp171776_...
https://twitter.com/\[REDACTED\]/status/661119708876431360](https://twitter.com/[REDACTED]/status/661119708876431360)

[REDACTED]
New @ONS work suggests saving ratio is -ve once homeowners' 'imputed rents' are removed. All measures trending down
[https://twitter.com/\[REDACTED\]RF/status/661118108288081920](https://twitter.com/[REDACTED]RF/status/661118108288081920)

[REDACTED]
Britain's net cash savings ratio has been negative since 2013. From this ONS report: [ons.gov.uk/ons/dcp171776_...
https://twitter.com/\[REDACTED\]Sky/status/661114971393273856](https://twitter.com/[REDACTED]Sky/status/661114971393273856)

[REDACTED]
Latest data from @ONS shows continued decline in the Saving Ratio [ow.ly/U7C1c
https://twitter.com/\[REDACTED\]/status/661124578329141248](https://twitter.com/[REDACTED]/status/661124578329141248)

[REDACTED]
If you count interest payments as spending decision not income, stagnation looks worse.
[ons.gov.uk/ons/dcp171776_... @ONS](https://twitter.com/[REDACTED]@ONS)

<https://twitter.com/joeAlane/status/661126326418542592>

Nowcasting Household Income

Sandwell FS Hub

The 2014/15 value of income for non-retired households is £28,100, £800 below its 2007-08 level? #needtobudget
ow.ly/U7z1j

[https://twitter.com/\[REDACTED\]/status/661118938756071424](https://twitter.com/[REDACTED]/status/661118938756071424)

Stunning that non-retired household median #incomes still below pre-crisis levels. Big fall was 2010-2013 @ONS

[https://twitter.com/\[REDACTED\]/status/660924269602414592](https://twitter.com/[REDACTED]/status/660924269602414592)

Housing Associations

Review by @ONS concludes housing associations are public sector adding 60bn to Gov debt overnight!

<http://www.insidehousing.co.uk/business/regulation/risk-and-judgements/housing-associations-reclassified-as-public-sector/7012511.article?adfesuccess=1> ...

[https://twitter.com/\[REDACTED\]/status/661116386513715201](https://twitter.com/[REDACTED]/status/661116386513715201)

England: Housing associations reclassified as public sector by ONS - Scottish Housing News
scottishhousingnews.com/6323/england-h...

[https://twitter.com/\[REDACTED\]/status/661115973588672512](https://twitter.com/[REDACTED]/status/661115973588672512)

ONS reclassifies housing associations as public bodies -paving way towards privatisation of social housing:
leftfootforward.org/2015/11/ons-re...

<https://twitter.com/exiledWolfe/status/661115917129154561>

Left Foot Forward

ONS reclassifies housing associations as public bodies: leftfootforward.org/2015/11/ons-re...

<https://twitter.com/LeftFootFwd/status/661105382685720576>

Parliament today: IDS @ DWP questions. Housing Bill 2nd reading, few days after ONS concluded £60bn H. assoc
debt to be added to uk nat debt

[https://twitter.com/\[REDACTED\]/status/661103123432382464](https://twitter.com/[REDACTED]/status/661103123432382464)

Brennan

Why the @ONS decision could spell end for social housing: gu.com/p/4dn89/stw by @colinwiles via
@GuardianHousing #ukhousing

[https://twitter.com/\[REDACTED\]/status/660743289814020096](https://twitter.com/[REDACTED]/status/660743289814020096)

A colossal decision: @ONS determines that #HousingAssociations in England should be reclassified as public bodies.
gu.com/p/4dn89/stw

<https://twitter.com/WorkLabinsights/status/661185020099432448>

The @CommunitiesUK pledges to overturn @ONS decision to reclassify housing associations as public sector
bodies: insidehousing.co.uk/dclg-pledges-m...

[https://twitter.com/\[REDACTED\]/status/661201964789821440](https://twitter.com/[REDACTED]/status/661201964789821440)

UK Trade

In 2014 UK bought £28,000,000,000 worth of goods from USA USA will be begging UK for a trade deal when we
#LeaveEU ons.gov.uk/ons/publicatio...

[https://twitter.com/\[REDACTED\]/status/661193176083005440](https://twitter.com/[REDACTED]/status/661193176083005440)

Retail Sales

Pi Datametrics

Online UK retail sales have jumped 13% year on year for #blackfriday. Are you prepared? #seo
ons.gov.uk/ons/dcp171778_...

<https://twitter.com/PiDatametrics/status/661193443486601221>

Regards,



Office for National Statistics

From: [REDACTED]
Sent: 02 November 2015 16:47
To: john.pullinger@digital.ons.gov.uk
Subject: [OFFICIAL SENSITIVE] - Fw: Official market sensitive - follow up to letter on Housing Associations

John - please see email response from [REDACTED] [REDACTED] Hard copy in Green Box.
Best wishes
[REDACTED]

UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: [REDACTED] statistics.gsi.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: @UKStatsAuth
----- Forwarded by [REDACTED] LONDON/ONS on 02/11/2015 16:43 -----

From: [REDACTED] NEWPORT/ONS
To: [REDACTED] LONDON/ONS@ONS,
Cc: National Statistician@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, na.classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS,
Date: 02/11/2015 16:38
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

It is not the case that significant new issues arose when finalising the letter. The chain of events were that:

- HMT/DCLG provided us with information on the changes they were proposing to make to the existing housing legislation as a 'policy proposal' (changes which they hoped would lead to a private sector classification);
- we convened a special NACC meeting to consider the policy proposal and NACC recommended that there were still sufficient controls in place to indicate public sector control;
- we drafted a letter explaining the NACC view of the 'policy proposal' and setting out in detail the reasons for this outcome. We also met with HM Treasury and DCLG to provide explanation of our position and agreed at that meeting to provide the letter as a draft for fact-checking and so that they could highlight any aspects which they feel are not clear.
- the response to that was to send us three documents; two which simply seemed to provide additional detail but with no clear impact on the advice provided, and a third with a number of questions of the form 'if we do X, will it be ok?, if we do Y will it be OK?'. At no point have they advised us that any aspect of the draft letter is unclear.
- In response, a member of my team got in touch with them asking for clarification of how they believed the information provided should alter our understanding of the proposal - as of now their response to this is still outstanding despite us repeatedly reminding HM Treasury that the 'ball is in their court'.

My team member also provided some points on the questions they raised. However, I think we need to be clear that the ONS has a longstanding policy of not considering/commenting (as an organisation) on questions which essentially take the form of 'what should be do to get X into the private sector?'. The reason for this is that we do not engage in policy formation and such answers essentially tell them what policy they should choose. Essentially, if we tell them what the policy should be, we then cannot possibly undertake a full and robust neutral assessment of the final policy - we essentially end up 'marking our own homework'.

Therefore, the service we provide takes a form where they provide details of the policy as they intend to implement it, we assess it in the usual way, and then we provide a response saying 'if you implement the policy as described to us,

here is how it would be classified, and this is why'. If the outcome is not what they had wished (i.e. the classification is 'public'), there is an incentive for them to want to submit multiple marginally different versions of the policy in order to 'edge it over the line'. For this reason they are allowed only 'one bite of the cherry' - we will only consider the policy proposal again if there are significant and material changes. I discussed this with HM Treasury in our catch-up earlier and they believe that any further changes to the policy proposal would be marginal and hence would not lead us to reassess.

This is precisely the process which the PRPs proposal has been through - they told us "we intend to implement this deregulatory package", NACC considered it and responded saying "if you do, you can expect PRPs to remain in the public sector - and here are the reasons why". Their response to their draft letter did not raise any concerns about the clarity with which these reasons were laid out.

Of course, they do not like this result and would prefer that we could be more "helpful" by answering their questions and, in essence, telling them what form the policy should take to achieve a private reclassification of PRPs. Nevertheless, as set out above, this is not advice that we can provide while robustly discharging our central duty to ensure the correct classification of units and transactions in the statistics. The HM Treasury classification team exists to provide such advice but it is my understanding that DCLG do not much like the advice they have been given. Even so, that does not mean our Treasury colleagues are wrong!

Finally, I would like to highlight that we have been very accommodating in 'fast-tracking' the assessment of this policy proposal and in sharing the draft letter to ensure it is clear, factually correct, and will meet their needs. It seems from the tone of [redacted] conversation with John that the issue is mainly around DCLG not liking, or agreeing, with our classification conclusion rather than a more substantive issue of ONS not understanding pertinent factual details. In our view, we need to be careful that we remain helpful while still ensuring that we do not get involved in policy formulation, ie. we need to as quickly as possible issue a final letter informing DCLG/HMT of our classification conclusion based on the evidence that was presented to NACC and only amend this view if there were any factual errors in the understanding of NACC and not based on any subsequent changes that DCLG/HMT may be proposing to make to the legislation.

I do hope the above is clear and the reasons for our long-established approach to policy proposals come through. [redacted] and would be happy to meet to discuss further if you wish.

Kind regards

[redacted]

[redacted] | Head of National Accounts Classifications | na.classifications@ons.gov.uk

Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG
[redacted] ons.gov.uk | [redacted]

From: National Statistician
To: National Statistician@ONS, [redacted] NEWPORT/ONS@ONS, [redacted] NEWPORT/ONS@ONS,
Cc: [redacted] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [redacted] NEWPORT/ONS@ONS, na.classifications@ONS,
[redacted] NEWPORT/ONS@ONS, [redacted] NEWPORT/ONS@ONS
Date: 02/11/2015 12:10
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: [redacted]

[redacted]

John had his chat with [redacted]

The Housing and Planning Bill has its second reading today. 19 November is the critical date for getting all documents to the House, including Government amendments. We therefore need to get the letter agreed urgently.

[redacted] is keen for her CLG experts to talk to our experts. She wants a technical discussion on the facts. Will that

happen in today's meeting with HMT? If not, how can we make it happen?

We need the letter to be totally clear so the Government can take the necessary steps to secure the right classification. She was concerned about new issues arising while in the process of finalising the letter. For example stocks transfers, financial arrangements with local authorities, appointments with officers and managers, S106 agreements. We therefore need to ensure no other issues will crop up at a later date.

Please do call me if this is unclear. And if [redacted] is in London today, a chat would be helpful.

Best wishes

[redacted]

[redacted] | [redacted]
UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: [redacted]
Email: [redacted] [statistics.gsi.gov.uk](mailto:[redacted]@statistics.gsi.gov.uk) | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

For information on the work of the UK Statistics Authority, visit: <http://www.statisticsauthority.gov.uk>

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Legal Disclaimer: Any views expressed by the sender of this message are not necessarily those of the UK Statistics Authority

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Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes.

[REDACTED]

From: [REDACTED]
Sent: 02 November 2015 16:46
To: [REDACTED]
Cc: CN=[REDACTED] national.statistician@statistics.gsi.gov.uk; [REDACTED] Athow, Jonathan; [REDACTED] na.classifications@ons.gsi.gov.uk; [REDACTED]
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations <[REDACTED]>

In GB

I would like to support the points made by [REDACTED] and [REDACTED]

In addition, in our draft letter on the provisional classification, we have been clear on the key points in the proposed policy where there remained sufficient controls to indicate public sector control.

I think this is a key point for DCLG i.e. we have not introduced anything but only advised on what was put forward to us.

Treasury plays a key role here in advising departments on likely classification and helping them to develop policy.

Thanks

[REDACTED]

[REDACTED]
Director for National Accounts & Economic Statistics
Office for National Statistics
Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG
T: [REDACTED] M: [REDACTED] E: [REDACTED]@ons.gsi.gov.uk

02/11/2015 16:38:03-- [REDACTED] As discussed, please can you provide the below response from myself and [REDACTED] (Chair

From: [REDACTED] NEWPORT/ONS
To: [REDACTED] LONDON/ONS@ONS,
Cc: National Statistician@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, na.classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS,
Date: 02/11/2015 16:38
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

[REDACTED]

As discussed, please can you provide the below response from myself and [REDACTED] (Chair of the ESCC) to John on this matter:

It is not the case that significant new issues arose when finalising the letter. The chain of events were that:

- HMT/DCLG provided us with information on the changes they were proposing to make to the existing housing legislation as a 'policy proposal' (changes which they hoped would lead to a private sector classification);
-
- we convened a special NACC meeting to consider the policy proposal and NACC recommended that there were still sufficient controls in place to indicate public sector control;
-

- we drafted a letter explaining the NACC view of the 'policy proposal' and setting out in detail the reasons for this outcome. We also met with HM Treasury and DCLG to provide explanation of our position and agreed at that meeting to provide the letter as a draft for fact-checking and so that they could highlight any aspects which they feel are not clear.
-
- the response to that was to send us three documents; two which simply seemed to provide additional detail but with no clear impact on the advice provided, and a third with a number of questions of the form 'if we do X, will it be ok?, if we do Y will it be OK?'. At no point have they advised us that any aspect of the draft letter is unclear.
-
- In response, a member of my team got in touch with them asking for clarification of how they believed the information provided should alter our understanding of the proposal - as of now their response to this is still outstanding despite us repeatedly reminding HM Treasury that the 'ball is in their court'.
-

My team member also provided some points on the questions they raised. However, I think we need to be clear that the ONS has a longstanding policy of not considering/commenting (as an organisation) on questions which essentially take the form of 'what should be do to get X into the private sector?'. The reason for this is that we do not engage in policy formation and such answers essentially tell them what policy they should choose. Essentially, if we tell them what the policy should be, we then cannot possibly undertake a full and robust neutral assessment of the final policy - we essentially end up 'marking our own homework'.

Therefore, the service we provide takes a form where they provide details of the policy as they intend to implement it, we assess it in the usual way, and then we provide a response saying 'if you implement the policy as described to us, here is how it would be classified, and this is why'. If the outcome is not what they had wished (i.e. the classification is 'public'), there is an incentive for them to want to submit multiple marginally different versions of the policy in order to 'edge it over the line'. For this reason they are allowed only 'one bite of the cherry' - we will only consider the policy proposal again if there are significant and material changes. I discussed this with HM Treasury in our catch-up earlier and they believe that any further changes to the policy proposal would be marginal and hence would not lead us to reassess.

This is precisely the process which the PRPs proposal has been through - they told us "we intend to implement this deregulatory package", NACC considered it and responded saying "if you do, you can expect PRPs to remain in the public sector - and here are the reasons why". Their response to their draft letter did not raise any concerns about the clarity with which these reasons were laid out.

Of course, they do not like this result and would prefer that we could be more "helpful" by answering their questions and, in essence, telling them what form the policy should take to achieve a private reclassification of PRPs. Nevertheless, as set out above, this is not advice that we can provide while robustly discharging our central duty to ensure the correct classification of units and transactions in the statistics. The HM Treasury classification team exists to provide such advice but it is my understanding that DCLG do not much like the advice they have been given. Even so, that does not mean our Treasury colleagues are wrong!

Finally, I would like to highlight that we have been very accommodating in 'fast-tracking' the assessment of this policy proposal and in sharing the draft letter to ensure it is clear, factually correct, and will meet their needs. It seems from the tone of [REDACTED] conversation with John that the issue is mainly around DCLG not liking, or agreeing, with our classification conclusion rather than a more substantive issue of ONS not understanding pertinent factual details. In our view, we need to be careful that we remain helpful while still ensuring that we do not get involved in policy formulation, ie. we need to as quickly as possible issue a final letter informing DCLG/HMT of our classification conclusion based on the evidence that was presented to NACC and only amend this view if there were any factual errors in the understanding of NACC and **not** based on any subsequent changes that DCLG/HMT may be proposing to make to the legislation.

I do hope the above is clear and the reasons for our long-established approach to policy proposals come through. [REDACTED] and would be happy to meet to discuss further if you wish.

Kind regards

[REDACTED]

[REDACTED] | Head of National Accounts Classifications | na.classifications@ons.gov.uk

▼ [REDACTED] 02/11/2015 15:19:26-- [REDACTED] Thanks for the feedback on John's meeting.

From: [REDACTED] NEWPORT/ONS
To: National Statistician@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, na.classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 15:19
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

[REDACTED]

Thanks for the feedback on John's meeting.

I note that [REDACTED] will speak to you at 3:30pm about this. You may like to note ahead of this thatv

Thanks

[REDACTED]

[REDACTED] | Head of Public Sector Accounts | Government, Corporations & Classifications Division | Office for National Statistics | Government Buildings | Cardiff Road | Newport | Wales | NP10 8XG | Room 1.264 | Phone: [REDACTED] | Mobile: [REDACTED]

▼ National Statistician--02/11/2015 12:10:06-- [REDACTED] [REDACTED] John had his chat with [REDACTED]

From: National Statistician
To: National Statistician@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, na.classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 12:10
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: [REDACTED]

[REDACTED] [REDACTED]

John had his chat with [REDACTED]

The Housing and Planning Bill has its second reading today. 19 November is the critical date for getting all documents to the House, including Government amendments. We therefore need to get the letter agreed urgently.

[REDACTED] is keen for her CLG experts to talk to our experts. She wants a technical discussion on the facts. Will that happen in today's meeting with HMT? If not, how can we make it happen?

We need the letter to be totally clear so the Government can take the necessary steps to secure the right classification. She was concerned about new issues arising while in the process of finalising the letter. For example stocks transfers, financial arrangements with local authorities, appointments with officers and managers, S106 agreements. We therefore need to ensure no other issues will crop up at a later date.

Please do call me if this is unclear. And if [REDACTED] is in London today, a chat would be helpful.

Best wishes

UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: [REDACTED] statistics.gsi.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

▼ National Statistician--02/11/2015 11:19:43--Hi [REDACTED] - really helpful. I have passed this to John. If you're in Drummond Gate, please pop by to sa

From: National Statistician
To: [REDACTED] NEWPORT/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, National Statistician@ONS, na.classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 11:19
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: [REDACTED]

Hi [REDACTED] - really helpful. I have passed this to John. If you're in Drummond Gate, please pop by to say hello.
Kind regards
[REDACTED]

▼ [REDACTED] 02/11/2015 11:14:00--Hi all, [REDACTED] is correct that this is the latest state of play. I was very clear with [REDACTED] that

From: [REDACTED] NEWPORT/ONS
To: [REDACTED] NEWPORT/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS, National Statistician@ONS, na.classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 11:14
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

Hi all,

[REDACTED] is correct that this is the latest state of play. I was very clear with [REDACTED] that the ball is in their court as we are awaiting their further explanation before we can finalise the draft. Thus, if ministers want to push for the final letter to be published they need to push DCLG to provide the response to us in order that we can send them the final letter.

I will bring this up at my catch-up with HM Treasury this afternoon.

Kind regards
[REDACTED]

[REDACTED] | Head of National Accounts Classifications | na.classifications@ons.gov.uk


Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG
[REDACTED] ons.gov.uk | [REDACTED]

▼ [REDACTED] 02/11/2015 10:32:30-- [REDACTED] / [REDACTED] I've just picked up on this email chain.

From: [REDACTED] NEWPORT/ONS
To: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS,
Cc: National Statistician@ONS, na.classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan

██████ / ████████

I've just picked up on this email chain.

The draft letter on the policy proposal is here: 
This is currently with HMT/DCLG for fact checking. ██████████ and I both spoke to ██████████ ██████████ at HMT (who reports to ██████████ last week and he confirmed he was trying to clarify whether there were any factual inaccuracies (as DCLG sent an email in response, but it was not clear from the letter whether they were identifying any factual errors). We are not expecting any response until this week.

The below letter that ██████████ has sent you is the classification decision for the current situation.

Hope this helps clarify.

Best regards

████████

██████████ | Head of Public Sector Accounts | Government, Corporations & Classifications Division | Office for National Statistics | Government Buildings | Cardiff Road | Newport | Wales | NP10 8XG | Room 1.264 | Phone: ██████████
██████████ | Mobile: ██████████

▼ ██████████ 02/11/2015 10:23:07--██████████ We're having trouble locating the final draft letter that was sent to HMT: ██████████ is on paterni

From: ██████████ NEWPORT/ONS
To: ██████████ LONDON/ONS@ONS,
Cc: National Statistician@ONS, na classifications@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS
Date: 02/11/2015 10:23
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

████████

We're having trouble locating the final draft letter that was sent to HMT: ██████████ is on paternity leave and ██████████ is not available at the moment.

The text below is what was agreed between ██████████ ██████████ ██████████ and ██████████ as an accurate and fair summary of the meeting, and was approved by me. So it is essentially the final draft.

Given your timing suggest you use this and we will come back with the final draft.

Thanks

████████

▼ na classifications---29/09/2015 20:53:16--██████████ ██████████ ██████████ As agreed, below is the letter I intend to present to HM Treasury in the morning

From: na classifications
To: ██████████ NEWPORT/ONS@ONS,
Cc: ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS
Date: 29/09/2015 20:53

[REDACTED]

As agreed, below is the letter I intend to present to HM Treasury in the morning. Please let me know ASP if you would like any alterations (they have already been asking for it).

In particular, please can [REDACTED] and [REDACTED] satisfy themselves that this presents all of the "sufficient" indicators of control and that, in combination, the other controls (including the rent control) would not cumulatively indicate control?

Kind regards

[REDACTED]

Dear [REDACTED]

As you are aware, the ONS has undertaken a review of the statistical classification of "Housing Associations" to establish whether these bodies should continue to be recorded as Private Non-Financial Corporations or if the recording should change following legislative and regulatory changes brought about through the 2008 Housing Regeneration Act (HRA 2008) and/or the 2011 Localism Act (LA 2011). Additionally, the review ensures that the treatment is consistent with the latest 2010 European System of Accounts (ESA 2010), which entered force in September 2014.

First, it is important to be clear that the review applies specifically to "Private registered providers" of social housing (incl. registered housing associations) in England - which include the majority of English housing associations (those being registered with the Homes and Communities Agency as providers of social housing). Thus, while this has colloquially been referred to as a classification review of "Housing Associations", the conclusions apply to all bodies subject to the relevant regulations (whether they are housing associations or otherwise) and do not apply to those housing associations (as defined in the 1985 Housing Associations Act) not registered with the Homes And Communities Agency (HCA) as they are not subject to the regulatory regime.

Additionally, it is necessary to be clear that "private registered providers" is the official term for these bodies and does not prejudice or otherwise impact the statistical classification decision.

The ONS National Accounts Classifications Committee (NACC) convened to discuss the classification of private registered providers of social housing in England on 29 Sept 2015. As part of this assessment, NACC also reviewed the Central Government (S.1311) classification of the HCA which regulates social housing providers.

Pursuant to established procedure, NACC considered classifications in the context of internationally agreed rules in the European System of Accounts 2010 (ESA 2010) and the accompanying Manual on Government Deficit and Debt 2014 (MGDD 2014). After detailed discussion, NACC concluded the following:

- that the HCA should remain classified to the Central Government (S.1311) subsector. In judging this, NACC cited the following;
 - the HCA meets the conditions necessary to be classified as an institutional unit by incurring liabilities and holding assets, entering into contracts and exhibiting sufficient decision making autonomy
 - the HCA is subject to public sector control in accordance with control indicators described in ESA 2010, Chapter 20.309. Specifically, NACC cited HM Government's ability to appoint and remove all board members and key personnel, and the fact that HM Government approves all funding as sufficient indicators of public sector control
 - given the above, and its primary function as a regulator, the pre-existing classification of HCA as a Central Government unit remains valid

- that all private registered providers should be considered as institutional units as they have the ability to incur liabilities and hold assets on their own account, enter into contracts and exhibit sufficient decision making autonomy
- that all private registered providers are subject to public sector control in accordance with control indicators outlined in ESA 2010, Chapter 20.309 and MGDD 2014 I.2.3,15 (applying to for-profit registered providers) and ESA 2010, Chapter 2.39 and MGDD 2014 I.2.3,17 (applying to not-for-profit registered providers). In concluding this, NACC reasoned that:
 - HM Government's consent powers (exercised through the HCA, section 172-194 of the HRA 2008) over disposals of social housing assets and to direct the use of disposal proceeds is an indicator of public sector control through enabling instruments/excessive regulation;
 - this public sector influence is reinforced by HM Government's consent (again exercised via the HCA under section 186 of the HRA 2008) over disposals of housing stock following a registered provider's deregistration with the HCA;
 - HM Government's consent powers (exercised through the HCA under section 160-166 of the HRA 2008) over the voluntary winding-up, dissolution and restructuring of a registered provider is an indicator of public sector control through enabling instruments/excessive regulation;-
 - HM Government's powers (exercised through the HCA under section 246-252 and 269 of the HRA 2008) over the management of a registered provider, in particular the power of the HCA to appoint managers and officers to the provider, is an indicator of public sector control through the appointment of officers/key personnel and/or through enabling instruments/excessive regulation.
- that registered providers meet the prescribed conditions detailed in ESA 2010 Chapter 2 and 20 to be classified as market producers *en masse*. In making this judgement, NACC stated that there is sufficient evidence to suggest that registered providers are charging economically significant prices in accordance with ESA 2010 20.23

Consistent with this, NACC ~~concluded~~recommended that registered providers in England should be classified to the Public Non-Financial Corporations (S.11001) subsector for the purpose of national accounts. The Director of National Accounts & Economic Statistics has approved this recommendation and the classification applies. This treatment is with effect from the date of enforcement of the Housing and Regeneration Act 2008 - 22 July 2008.

I trust this provides sufficient explanation of the decision reached. Please do get in touch with

Sincerely,

■■■■

■■■■
 Director for National Accounts & Economic Statistics

Office for National Statistics

Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG

T: ■■■■ M: ■■■■ E: ■■■■ ons.gsi.gov.uk

▼ ■■■■ 02/11/2015 10:06:45---Thanks ■■■■

From: ■■■■ LONDON/ONS

To: ■■■■ NEWPORT/ONS@ONS, National Statistician@ONS,

Cc: na.classifications@ONS, ■■■■ NEWPORT/ONS@ONS, ■■■■ NEWPORT/ONS@ONS, ■■■■ NEWPORT/ONS@ONS,

Jonathan Athow/LONDON/ONS@ONS

Date: 02/11/2015 10:06

Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

Thanks [REDACTED]

Apparently [REDACTED] was going to chase the treasury to speed up their fact checking so the letter could be ready should the Ministers decide they do want to publish it. Does anyone know how that went? We have seen [REDACTED] email saying they asked follow-up questions.

John is talking to [REDACTED] at 11:15 today so would like to know the latest position.

Thanks
[REDACTED]

[REDACTED] | [REDACTED]
UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: [REDACTED] [statistics.gsi.gov.uk](mailto:[REDACTED]@statistics.gsi.gov.uk) | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

02/11/2015 10:00:50---I'd be grateful if you could send a copy of the current draft letter on the provisional classificati

From: [REDACTED] NEWPORT/ONS
To: na classifications@ONS, [REDACTED] LONDON/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS
Date: 02/11/2015 10:00
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

I'd be grateful if you could send a copy of the current draft letter on the provisional classification of HAs that is being finalised with HMT to [REDACTED] copied here, and also a link as to what was published on Friday for their current classification.

Thanks
[REDACTED]

[REDACTED]
Director for National Accounts & Economic Statistics
Office for National Statistics
Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG
T: [REDACTED] M: [REDACTED] E: [REDACTED] [ons.gsi.gov.uk](mailto:[REDACTED]@ons.gsi.gov.uk)

na classifications---28/10/2015 09:16:48--- Attachments filed All,

From: na classifications
To: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS,
Date: 28/10/2015 09:16
Subject: [OFFICIAL SENSITIVE] - to read - Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: [REDACTED]

 **Attachments filed**

All,

Further to [REDACTED] earlier email (sent 8.53am), I have already provided comments to HMT colleagues on their clarifications (set out in the attachments). **Therefore, you do not need to take action at this time.**

HMT's first paper presents specific questions and confirmation of aspects of our letter, whilst the other two papers provide further information. HMT have not raised a specific objection, nor have they clarified what it is they want us to do with the additional information provided, but I have pursued this (see forwarded email).

I shall arrange a meeting to discuss the next steps on the deregulation package which should arrive in your inbox shortly.

Best regards,

[REDACTED]

----- Forwarded by [REDACTED] NEWPORT/ONS on 28/10/2015 09:10 -----

From: na classifications
To: [REDACTED] NEWPORT/ONS@ONS,
Date: 28/10/2015 09:00
Subject: Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: [REDACTED]

----- Forwarded by [REDACTED] NEWPORT/ONS on 28/10/2015 08:59 -----

From: na classifications
To: [REDACTED] hmtreasury.gsi.gov.uk,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] hmtreasury.gsi.gov.uk, [REDACTED] HMTreasury.gsi.gov.uk,
[REDACTED] hmtreasury.gsi.gov.uk, na classifications@ONS
Date: 22/10/2015 15:38
Subject: Re: FW: Official market sensitive - follow up to letter on Housing Associations
Sent by: [REDACTED]

[REDACTED]

I have provided comments in track changes to the first paper raising specific questions/clarifications. As usual, these are just my opinions and do not reflect the ESCC's thoughts.

On the other attachments, the information is useful to gauge a more informed understanding of the regulatory framework within which RPs operate, but I fail to see what it is you wish for us to clarify.

Nonetheless, I would comment that information under the "scope" heading appears to be in objection to ESA 2010, and not ONS' application of the legislation. Owing a fiduciary duty to a specific company may well imply that an officer works in the interests of that company, but this does not mean that the process by which they were appointed (or their appointer) has no influence over their actions.

Further, MGDD I.2.3, 17 a) states that the "right to appoint [the] officers" is an indicator of public sector control. This differs to ESA 20.309 which states the right to appoint a majority of officers as an indicator of public sector control.

For information, would you be able to clarify:

1. whether the regulator can revoke it's general consent at any time; and
2. whether all officer appointments (or removals) are made by an independent advisor, or whether it is only in the case of a public inquiry that an independent member makes the recommendation/decision?

Happy to discuss,

[REDACTED]

22/10/2015 10:05:12---Hi All, This was sent last night to [REDACTED] He is on SPL can it still be dealt with in his absence plea

From: [REDACTED] hmtreasury.gsi.gov.uk
To: na.classifications@ONS; [REDACTED] NEWPORT/ONS@ONS,
Cc: [REDACTED] HMTreasury.gsi.gov.uk, [REDACTED] hmtreasury.gsi.gov.uk, [REDACTED] hmtreasury.gsi.gov.uk
Date: 22/10/2015 10:05
Subject: FW: Official market sensitive - follow up to letter on Housing Associations

Hi All,

This was sent last night to [REDACTED] He is on SPL can it still be dealt with in his absence please? [REDACTED]
[REDACTED] so can you ensure you to copy all the recipients in on any responses.

Many thanks,

[REDACTED]

[REDACTED] | Government Financial Reporting Team |
HM Treasury | 2/Red | 1 Horse Guards Road | London | SW1A 2HQ | [REDACTED]

From: [REDACTED] [REDACTED] - HMT
Sent: 21 October 2015 20:36
To: [REDACTED] ons.gsi.gov.uk
Cc: [REDACTED] [REDACTED] - HMT; [REDACTED] [REDACTED] - HMT; [REDACTED] [REDACTED] - HMT
Subject: Official market sensitive - follow up to letter on Housing Associations

[REDACTED]

With apologies for the delay, please find attached a note from us, in response to your earlier letter. Apologies that it is not formatted formally, but I thought the important thing was to get you the questions. I also attach two notes from the Regulator, referred to in the first note.

[REDACTED] | [REDACTED] | Housing, Planning and Cities Team
|HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ | [REDACTED] | www.hm-treasury.gov.uk

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The original of this email was scanned for viruses by the Government Secure Intranet virus scanning service supplied by Vodafone in partnership with Symantec. (CCTM Certificate Number 2009/09/0052.) This email has been certified virus free.

Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes.

[REDACTED]

From: [REDACTED]
Sent: 02 November 2015 13:56
To: national.statistician@statistics.gsi.gov.uk
Cc: [REDACTED] Athow, Jonathan
Subject: Re: to respond - Classifications<RB>


John

I think this would be a very good idea.

As you know we have a busy agenda with classifications e.g. housing associations currently and there is the prospect of difficult discussions around Hinckley point.

We would want to get Treasury committed to the idea before confirming to [REDACTED], so I'd discuss with [REDACTED] first but I'd imagine he would be supportive.

At the seminar we could run through the background, governance and process to classifications; the relationship to HMT as an intermediary for OGDs and the increasing links with the devolved administrations.

If you let me know once it is confirmed I'll get the team to start thinking about how we should structure the seminar.

Thanks

[REDACTED]

[REDACTED]
Director for National Accounts & Economic Statistics
Office for National Statistics
Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG
T: [REDACTED] M: [REDACTED] E: [REDACTED] ons.gsi.gov.uk

▼ National Statistician---29/10/2015 17:30:01---[REDACTED] At my mid year review on Tuesday, [REDACTED] [REDACTED] raised the issue of classifications. He said h

From: National Statistician
To: [REDACTED] NEWPORT/ONS@ONS,
Cc: Jonathan Athow/LONDON/ONS@ONS
Date: 29/10/2015 17:30
Subject: to respond - Classifications
Sent by: [REDACTED]

[REDACTED]

At my mid year review on Tuesday, [REDACTED] [REDACTED] raised the issue of classifications. He said he is still picking up anxiety from some colleagues about decisions we are taking, both the level of engagement we have with policy colleagues and whether some decisions are "too purist". I challenged him on this and he sited the green investment bank as an example. I went on to describe to him the regular meetings we have with the Treasury team and the good positive feedback we are having about that relationship. I also mentioned my own personal involvement in several cases including most recently with [REDACTED] [REDACTED] and [REDACTED] on housing associations and also with the Scottish Government. He encouraged us to continue to be well engaged given the political significance of many of the cases that come our way.

I suggested that I might host a seminar for senior policy colleagues. He thought this might be a good idea, what do

you think? If you agree, I will set something up for the New Year.

John

John Pullinger | National Statistician | UK Statistics Authority

1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]

Email: national.statistician@statistics.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

From: [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 02 November 2015 12:10
To: national.statistician@statistics.gsi.gov.uk; [REDACTED]
Cc: [REDACTED] Athow, Jonathan; [REDACTED] na.classifications@ons.gsi.gov.uk;
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations <[REDACTED]> for GB alos fille note of meetin in 2 Nov GB>

John had his chat with [REDACTED]

The Housing and Planning Bill has its second reading today. 19 November is the critical date for getting all documents to the House, including Government amendments. We therefore need to get the letter agreed urgently.

[REDACTED] is keen for her CLG experts to talk to our experts. She wants a technical discussion on the facts. Will that happen in today's meeting with HMT? If not, how can we make it happen?

We need the letter to be totally clear so the Government can take the necessary steps to secure the right classification. She was concerned about new issues arising while in the process of finalising the letter. For example stocks transfers, financial arrangements with local authorities, appointments with officers and managers, S106 agreements. We therefore need to ensure no other issues will crop up at a later date.

Please do call me if this is unclear. And if [REDACTED] is in London today, a chat would be helpful.

Best wishes
[REDACTED]

UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: [REDACTED] [statistics.gsi.gov.uk](mailto:[REDACTED]@statistics.gsi.gov.uk) | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

▼ National Statistician--02/11/2015 11:19:43---Hi [REDACTED] - really helpful. I have passed this to John. If you're in Drummond Gate, please pop by to sa

From: National Statistician
To: [REDACTED] NEWPORT/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, National Statistician@ONS, na.classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 11:19
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: [REDACTED]

Hi [REDACTED] - really helpful. I have passed this to John. If you're in Drummond Gate, please pop by to say hello.
Kind regards
[REDACTED]

▼ [REDACTED] 02/11/2015 11:14:00---Hi all, [REDACTED] is correct that this is the latest state of play. I was very clear with [REDACTED] that

From: [REDACTED] NEWPORT/ONS
To: [REDACTED] NEWPORT/ONS@ONS,

Cc: ██████████ NEWPORT/ONS@ONS, ██████████ LONDON/ONS@ONS, National Statistician@ONS, na.classifications@ONS, ██████████
██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, ██████████
██████████ NEWPORT/ONS@ONS
Date: 02/11/2015 11:14
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

Hi all,

██████████ is correct that this is the latest state of play. I was very clear with ██████████ that the ball is in their court as we are awaiting their further explanation before we can finalise the draft. Thus, if ministers want to push for the final letter to be published they need to push DCLG to provide the response to us in order that we can send them the final letter.

I will bring this up at my catch-up with HM Treasury this afternoon.

Kind regards

██████████

██████████ | Head of National Accounts Classifications | na.classifications@ons.gov.uk


Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG
██████████ ons.gov.uk | ██████████ ██████████

▼ ██████████ 02/11/2015 10:32:30---██████████ / ██████████ I've just picked up on this email chain.

From: ██████████ NEWPORT/ONS
To: ██████████ NEWPORT/ONS@ONS, ██████████ LONDON/ONS@ONS,
Cc: National Statistician@ONS, na.classifications@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS
Date: 02/11/2015 10:32
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

██████████ / ██████████

I've just picked up on this email chain.

The draft letter on the policy proposal is here: 
This is currently with HMT/DCLG for fact checking. ██████████ and I both spoke to ██████████ ██████████ at HMT (who reports to ██████████ last week and he confirmed he was trying to clarify whether there were any factual inaccuracies (as DCLG sent an email in response, but it was not clear from the letter whether they were identifying any factual errors). We are not expecting any response until this week.

The below letter that ██████████ has sent you is the classification decision for the current situation.

Hope this helps clarify.

Best regards

██████████

██████████ | Head of Public Sector Accounts | Government, Corporations & Classifications Division | Office for National Statistics | Government Buildings | Cardiff Road | Newport | Wales | NP10 8XG | Room 1.264 | Phone: ██████████
██████████ | Mobile: ██████████

▼ ██████████ 02/11/2015 10:23:07---██████████ We're having trouble locating the final draft letter that was sent to

HMT: [REDACTED] is on paterni

From: [REDACTED] NEWPORT/ONS
To: [REDACTED] LONDON/ONS@ONS,
Cc: National Statistician@ONS, na.classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 10:23
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

[REDACTED]

We're having trouble locating the final draft letter that was sent to HMT: [REDACTED] is on paternity leave and [REDACTED] is not available at the moment.

The text below is what was agreed between [REDACTED], [REDACTED] and [REDACTED] as an accurate and fair summary of the meeting, and was approved by me. So it is essentially the final draft.

Given your timing suggest you use this and we will come back with the final draft.

Thanks

[REDACTED]

na.classifications---29/09/2015 20:53:16---[REDACTED] [REDACTED] [REDACTED] As agreed, below is the letter I intend to present to HM Treasury in the morning

From: na.classifications
To: [REDACTED] NEWPORT/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 29/09/2015 20:53
Subject: Draft letter to HM Treasury
Sent by: [REDACTED]

[REDACTED] [REDACTED] [REDACTED]

As agreed, below is the letter I intend to present to HM Treasury in the morning. Please let me know ASP if you would like any alterations (they have already been asking for it).

In particular, please can [REDACTED] and [REDACTED] satisfy themselves that this presents all of the "sufficient" indicators of control and that, in combination, the other controls (including the rent control) would not cumulatively indicate control?

Kind regards

[REDACTED]

Dear [REDACTED]

As you are aware, the ONS has undertaken a review of the statistical classification of "Housing Associations" to establish whether these bodies should continue to be recorded as Private Non-Financial Corporations or if the recording should change following legislative and regulatory changes brought about through the 2008 Housing Regeneration Act (HRA 2008) and/or the 2011 Localism Act (LA 2011). Additionally, the review ensures that the treatment is consistent with the latest 2010 European System of Accounts (ESA 2010), which entered force in September 2014.

First, it is important to be clear that the review applies specifically to "Private registered providers" of social housing (incl. registered housing associations) in England - which include the majority of English housing associations (those being registered with the Homes and Communities Agency as providers of social housing). Thus, while this has colloquially been referred to as a classification review of "Housing Associations", the conclusions apply to all bodies subject to the relevant regulations (whether they are housing associations or otherwise) and do not apply to those

housing associations (as defined in the 1985 Housing Associations Act) not registered with the Homes And Communities Agency (HCA) as they are not subject to the regulatory regime.

Additionally, it is necessary to be clear that “private registered providers” is the official term for these bodies and does not prejudice or otherwise impact the statistical classification decision.

The ONS National Accounts Classifications Committee (NACC) convened to discuss the classification of private registered providers of social housing in England on 29 Sept 2015. As part of this assessment, NACC also reviewed the Central Government (S.1311) classification of the HCA which regulates social housing providers.

Pursuant to established procedure, NACC considered classifications in the context of internationally agreed rules in the European System of Accounts 2010 (ESA 2010) and the accompanying Manual on Government Deficit and Debt 2014 (MGDD 2014). After detailed discussion, NACC concluded the following:

- that the HCA should remain classified to the Central Government (S.1311) subsector. In judging this, NACC cited the following;
 - the HCA meets the conditions necessary to be classified as an institutional unit by incurring liabilities and holding assets, entering into contracts and exhibiting sufficient decision making autonomy
 - the HCA is subject to public sector control in accordance with control indicators described in ESA 2010, Chapter 20.309. Specifically, NACC cited HM Government’s ability to appoint and remove all board members and key personnel, and the fact that HM Government approves all funding as sufficient indicators of public sector control
 - given the above, and its primary function as a regulator, the pre-existing classification of HCA as a Central Government unit remains valid

- that all private registered providers should be considered as institutional units as they have the ability to incur liabilities and hold assets on their own account, enter into contracts and exhibit sufficient decision making autonomy

- that all private registered providers are subject to public sector control in accordance with control indicators outlined in ESA 2010, Chapter 20.309 and MGDD 2014 I.2.3,15 (applying to for-profit registered providers) and ESA 2010, Chapter 2.39 and MGDD 2014 I.2.3,17 (applying to not-for-profit registered providers). In concluding this, NACC reasoned that:
 - HM Government’s consent powers (exercised through the HCA, section 172-194 of the HRA 2008) over disposals of social housing assets and to direct the use of disposal proceeds is an indicator of public sector control through enabling instruments/excessive regulation;
 - this public sector influence is reinforced by HM Government’s consent (again exercised via the HCA under section 186 of the HRA 2008) over disposals of housing stock following a registered provider’s deregistration with the HCA;
 - HM Government’s consent powers (exercised through the HCA under section 160-166 of the HRA 2008) over the voluntary winding-up, dissolution and restructuring of a registered provider is an indicator of public sector control through enabling instruments/excessive regulation;:-
 - HM Government’s powers (exercised through the HCA under section 246-252 and 269 of the HRA 2008) over the management of a registered provider, in particular the power of the HCA to appoint managers and officers to the provider, is an indicator of public sector control through the appointment of officers/key personnel and/or through enabling instruments/excessive regulation.

- that registered providers meet the prescribed conditions detailed in ESA 2010 Chapter 2 and 20 to be classified as market producers *en masse*. In making this judgement, NACC stated that there is sufficient

evidence to suggest that registered providers are charging economically significant prices in accordance with ESA 2010 20.23

Consistent with this, NACC ~~concluded~~**recommended** that registered providers in England should be classified to the Public Non-Financial Corporations (S.11001) subsector for the purpose of national accounts. **The Director of National Accounts & Economic Statistics has approved this recommendation and the classification applies**~~This treatment is~~ with effect from the date of enforcement of the Housing and Regeneration Act 2008 - 22 July 2008.

I trust this provides sufficient explanation of the decision reached. Please do get in touch with

Sincerely,

■■■■ ■■

■■■■■■■■■■
Director for National Accounts & Economic Statistics
Office for National Statistics
Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG
T: ■■■■■■■■■■ M: ■■■■■■■■■■ E: ■■■■■■■■■■ [ons.gsi.gov.uk](mailto:■■■■■■■■■■@ons.gsi.gov.uk)

▼ ■■■■■■■■■■ 02/11/2015 10:06:45---Thanks ■■■■■■■■■■

From: ■■■■■■■■■■ LONDON/ONS
To: ■■■■■■■■■■ NEWPORT/ONS@ONS, National Statistician@ONS,
Cc: na.classifications@ONS, ■■■■■■■■■■ NEWPORT/ONS@ONS, ■■■■■■■■■■ NEWPORT/ONS@ONS, ■■■■■■■■■■ NEWPORT/ONS@ONS,
Jonathan Athow/LONDON/ONS@ONS
Date: 02/11/2015 10:06
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

Thanks ■■■■■■■■■■

Apparently ■■■■■■■■■■ was going to chase the treasury to speed up their fact checking so the letter could be ready should the Ministers decide they do want to publish it. Does anyone know how that went? We have seen ■■■■■■■■■■ email saying they asked follow-up questions.

John is talking to ■■■■■■■■■■ at 11:15 today so would like to know the latest position.

Thanks
■■■■■■■■■■

■■■■■■■■■■ | ■■■■■■■■■■
UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: ■■■■■■■■■■
Email: ■■■■■■■■■■ statistics.gsi.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

▼ ■■■■■■■■■■ 02/11/2015 10:00:50---I'd be grateful if you could send a copy of the current draft letter on the provisional classificati

From: ■■■■■■■■■■ NEWPORT/ONS
To: na.classifications@ONS, ■■■■■■■■■■ LONDON/ONS@ONS,
Cc: ■■■■■■■■■■ NEWPORT/ONS@ONS, ■■■■■■■■■■ NEWPORT/ONS@ONS, ■■■■■■■■■■ NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS
Date: 02/11/2015 10:00
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

I'd be grateful if you could send a copy of the current draft letter on the provisional classification of HAs that is being finalised with HMT to ■■■■■■■■■■ copied here, and also a link as to what was published on Friday for their current

classification.

Thanks

██████████

████████████████████

Director for National Accounts & Economic Statistics

Office for National Statistics

Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG

T: ██████████ M: ██████████ E: ██████████ ons.gsi.gov.uk

▼ na classifications---28/10/2015 09:16:48--- Attachments filed All,

From: na classifications

To: ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS,

Date: 28/10/2015 09:16

Subject: [OFFICIAL SENSITIVE] - to read - Fw: Official market sensitive - follow up to letter on Housing Associations

Sent by: ██████████

 **Attachments filed**

All,

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I shall arrange a meeting to discuss the next steps on the deregulation package which should arrive in your inbox shortly.

Best regards,

██████████

----- Forwarded by ██████████ NEWPORT/ONS on 28/10/2015 09:10 -----

From: na classifications

To: ██████████ ██████████ NEWPORT/ONS@ONS,

Date: 28/10/2015 09:00

Subject: Fw: Official market sensitive - follow up to letter on Housing Associations

Sent by: ██████████

----- Forwarded by ██████████ NEWPORT/ONS on 28/10/2015 08:59 -----

From: na classifications

To: ██████████ hmtreasury.gsi.gov.uk,

Cc: ██████████ NEWPORT/ONS@ONS, ██████████ hmtreasury.gsi.gov.uk, ██████████ HMTreasury.gsi.gov.uk,

██████████ hmtreasury.gsi.gov.uk, na classifications@ONS

Date: 22/10/2015 15:38

Subject: Re: FW: Official market sensitive - follow up to letter on Housing Associations

Sent by: ██████████

█

I have provided comments in track changes to the first paper raising specific questions/clarifications. As usual, these are just my opinions and do not reflect the ESCC's thoughts.

On the other attachments, the information is useful to gauge a more informed understanding of the regulatory framework within which RPs operate, but I fail to see what it is you wish for us to clarify.

Nonetheless, I would comment that information under the "scope" heading appears to be in objection to ESA 2010, and not ONS' application of the legislation. Owing a fiduciary duty to a specific company may well imply that an officer works in the interests of that company, but this does not mean that the process by which they were appointed (or their appointer) has no influence over their actions.

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For information, would you be able to clarify:

1. whether the regulator can revoke it's general consent at any time; and
2. whether all officer appointments (or removals) are made by an independent advisor, or whether it is only in the case of a public inquiry that an independent member makes the recommendation/decision?

Happy to discuss,

█ 22/10/2015 10:05:12---Hi All, This was sent last night to █ He is on SPL can it still be dealt with in his absence plea

From: █ hmtreasury.gsi.gov.uk
To: na classifications@ONS; █ NEWPORT/ONS@ONS,
Cc: █ HMTreasury.gsi.gov.uk, █ hmtreasury.gsi.gov.uk, █ hmtreasury.gsi.gov.uk
Date: 22/10/2015 10:05
Subject: FW: Official market sensitive - follow up to letter on Housing Associations

Hi All,

This was sent last night to █ He is on SPL can it still be dealt with in his absence please? █
█ so can you ensure you to copy all the recipients in on any responses.

Many thanks,

█
█ | Government Financial Reporting Team |
HM Treasury | 2/Red | 1 Horse Guards Road | London | SW1A 2HQ | █

From: █ - HMT
Sent: 21 October 2015 20:36
To: █ ons.gsi.gov.uk

Cc: [REDACTED] [REDACTED] - HMT; [REDACTED] - HMT; [REDACTED] [REDACTED] - HMT

Subject: Official market sensitive - follow up to letter on Housing Associations

[REDACTED]

With apologies for the delay, please find attached a note from us, in response to your earlier letter. Apologies that it is not formatted formally, but I thought the important thing was to get you the questions. I also attach two notes from the Regulator, referred to in the first note.

[REDACTED] | [REDACTED] | Housing, Planning and Cities Team
|HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ | [REDACTED] | www.hm-treasury.gov.uk

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Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes.

This email was scanned by the Government Secure Intranet anti-virus service supplied by Vodafone in partnership with Symantec. (CCTM Certificate Number 2009/09/0052.) In case of problems, please call your organisations IT Helpdesk.

Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes.[attachment "151013 letter to ONS draft fin.docx" deleted by [REDACTED] NEWPORT/ONS]
[attachment "151013 response on management officers.docx" deleted by [REDACTED]
[REDACTED] NEWPORT/ONS] [attachment "151013 note on disposal consents.docx" deleted by [REDACTED]
[REDACTED] NEWPORT/ONS]

From: [redacted] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 02 November 2015 11:20
To: [redacted]
Cc: [redacted] national.statistician@statistics.gsi.gov.uk;
na.classifications@ons.gsi.gov.uk; [redacted] Athow, Jonathan;
[redacted]
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

Hi [redacted] - really helpful. I have passed this to John. If you're in Drummond Gate, please pop by to say hello.
Kind regards
[redacted]

02/11/2015 11:14:00---Hi all, [redacted] is correct that this is the latest state of play. I was very clear with [redacted] that

From: [redacted] NEWPORT/ONS
To: [redacted] NEWPORT/ONS@ONS,
Cc: [redacted] NEWPORT/ONS@ONS, [redacted] LONDON/ONS@ONS, National Statistician@ONS, na.classifications@ONS, [redacted]
[redacted] NEWPORT/ONS@ONS, [redacted] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [redacted]
[redacted] NEWPORT/ONS@ONS
Date: 02/11/2015 11:14
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

Hi all,

[redacted] is correct that this is the latest state of play. I was very clear with [redacted] that the ball is in their court as we are awaiting their further explanation before we can finalise the draft. Thus, if ministers want to push for the final letter to be published they need to push DCLG to provide the response to us in order that we can send them the final letter.

I will bring this up at my catch-up with HM Treasury this afternoon.

Kind regards
[redacted]

[redacted] | Head of National Accounts Classifications | na.classifications@ons.gov.uk

Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG
[redacted] ons.gov.uk | [redacted]

02/11/2015 10:32:30---[redacted] / [redacted] I've just picked up on this email chain.

From: [redacted] NEWPORT/ONS
To: [redacted] NEWPORT/ONS@ONS, [redacted] LONDON/ONS@ONS,
Cc: National Statistician@ONS, na.classifications@ONS, [redacted] NEWPORT/ONS@ONS, [redacted] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [redacted] NEWPORT/ONS@ONS, [redacted] NEWPORT/ONS@ONS
Date: 02/11/2015 10:32
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

[redacted] / [redacted]

I've just picked up on this email chain.

The draft letter on the policy proposal is here: 

This is currently with HMT/DCLG for fact checking. [redacted] and I both spoke to [redacted] [redacted] at HMT (who reports to [redacted] last week and he confirmed he was trying to clarify whether there were any factual inaccuracies (as DCLG sent an email in response, but it was not clear from the letter whether they were identifying any factual errors). We are not expecting any response until this week.

The below letter that [redacted] has sent you is the classification decision for the current situation.

Hope this helps clarify.

Best regards

[redacted]

[redacted] | Head of Public Sector Accounts | Government, Corporations & Classifications Division | Office for National Statistics | Government Buildings | Cardiff Road | Newport | Wales | NP10 8XG | Room 1.264 | Phone: [redacted] | Mobile: [redacted]

02/11/2015 10:23:07-- [redacted] We're having trouble locating the final draft letter that was sent to HMT: [redacted] is on paterni

From: [redacted] NEWPORT/ONS
To: [redacted] LONDON/ONS@ONS,
Cc: National Statistician@ONS, na classifications@ONS, [redacted] NEWPORT/ONS@ONS, [redacted] NEWPORT/ONS@ONS, [redacted] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [redacted] NEWPORT/ONS@ONS, [redacted] NEWPORT/ONS@ONS
Date: 02/11/2015 10:23
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

[redacted]

We're having trouble locating the final draft letter that was sent to HMT: [redacted] is on paternity leave and [redacted] is not available at the moment.

The text below is what was agreed between [redacted] B, [redacted] [redacted] and [redacted] K as an accurate and fair summary of the meeting, and was approved by me. So it is essentially the final draft.

Given your timing suggest you use this and we will come back with the final draft.

Thanks

[redacted]

na classifications---29/09/2015 20:53:16-- [redacted] [redacted] [redacted] As agreed, below is the letter I intend to present to HM Treasury in the morning

From: na classifications
To: [redacted] NEWPORT/ONS@ONS,
Cc: [redacted] NEWPORT/ONS@ONS, [redacted] NEWPORT/ONS@ONS, [redacted] NEWPORT/ONS@ONS
Date: 29/09/2015 20:53
Subject: Draft letter to HM Treasury
Sent by: [redacted] [redacted]

[redacted] [redacted] [redacted]

As agreed, below is the letter I intend to present to HM Treasury in the morning. Please let me know ASP if you would like any alterations (they have already been asking for it).

In particular, please can [redacted] and [redacted] satisfy themselves that this presents all of the "sufficient" indicators of control and that, in combination, the other controls (including the rent control) would not cumulatively indicate control?

Kind regards

[redacted]

Dear [redacted]

As you are aware, the ONS has undertaken a review of the statistical classification of "Housing Associations" to establish whether these bodies should continue to be recorded as Private Non-Financial Corporations or if the recording should change following legislative and regulatory changes brought about through the 2008 Housing Regeneration Act (HRA 2008) and/or the 2011 Localism Act (LA 2011). Additionally, the review ensures that the treatment is consistent with the latest 2010 European System of Accounts (ESA 2010), which entered force in September 2014.

First, it is important to be clear that the review applies specifically to "Private registered providers" of social housing (incl. registered housing associations) in England - which include the majority of English housing associations (those being registered with the Homes and Communities Agency as providers of social housing). Thus, while this has colloquially been referred to as a classification review of "Housing Associations", the conclusions apply to all bodies subject to the relevant regulations (whether they are housing associations or otherwise) and do not apply to those housing associations (as defined in the 1985 Housing Associations Act) not registered with the Homes And Communities Agency (HCA) as they are not subject to the regulatory regime.

Additionally, it is necessary to be clear that "private registered providers" is the official term for these bodies and does not prejudice or otherwise impact the statistical classification decision.

The ONS National Accounts Classifications Committee (NACC) convened to discuss the classification of private registered providers of social housing in England on 29 Sept 2015. As part of this assessment, NACC also reviewed the Central Government (S.1311) classification of the HCA which regulates social housing providers.

Pursuant to established procedure, NACC considered classifications in the context of internationally agreed rules in the European System of Accounts 2010 (ESA 2010) and the accompanying Manual on Government Deficit and Debt 2014 (MGDD 2014). After detailed discussion, NACC concluded the following:

- that the HCA should remain classified to the Central Government (S.1311) subsector. In judging this, NACC cited the following;
 - the HCA meets the conditions necessary to be classified as an institutional unit by incurring liabilities and holding assets, entering into contracts and exhibiting sufficient decision making autonomy
 - the HCA is subject to public sector control in accordance with control indicators described in ESA 2010, Chapter 20.309. Specifically, NACC cited HM Government's ability to appoint and remove all board members and key personnel, and the fact that HM Government approves all funding as sufficient indicators of public sector control
 - given the above, and its primary function as a regulator, the pre-existing classification of HCA as a Central Government unit remains valid

- that all private registered providers should be considered as institutional units as they have the ability to incur liabilities and hold assets on their own account, enter into contracts and exhibit sufficient decision making autonomy

- that all private registered providers are subject to public sector control in accordance with control indicators outlined in ESA 2010, Chapter 20.309 and MGDD 2014 I.2.3,15 (applying to for-profit registered providers)

and ESA 2010, Chapter 2.39 and MGDD 2014 I.2.3,17 (applying to not-for-profit registered providers). In concluding this, NACC reasoned that:

- HM Government's consent powers (exercised through the HCA, section 172-194 of the HRA 2008) over disposals of social housing assets and to direct the use of disposal proceeds is an indicator of public sector control through enabling instruments/excessive regulation;
 - this public sector influence is reinforced by HM Government's consent (again exercised via the HCA under section 186 of the HRA 2008) over disposals of housing stock following a registered provider's deregistration with the HCA;
 - HM Government's consent powers (exercised through the HCA under section 160-166 of the HRA 2008) over the voluntary winding-up, dissolution and restructuring of a registered provider is an indicator of public sector control through enabling instruments/excessive regulation;-
 - **HM Government's powers (exercised through the HCA under section 246-252 and 269 of the HRA 2008) over the management of a registered provider, in particular the power of the HCA to appoint managers and officers to the provider, is an indicator of public sector control through the appointment of officers/key personnel and/or through enabling instruments/excessive regulation.**
- that registered providers meet the prescribed conditions detailed in ESA 2010 Chapter 2 and 20 to be classified as market producers *en masse*. In making this judgement, NACC stated that there is sufficient evidence to suggest that registered providers are charging economically significant prices in accordance with ESA 2010 20.23

Consistent with this, NACC ~~concluded~~**recommended** that registered providers in England should be classified to the Public Non-Financial Corporations (S.11001) subsector for the purpose of national accounts. **The Director of National Accounts & Economic Statistics has approved this recommendation and the classification applies**~~This treatment is~~ with effect from the date of enforcement of the Housing and Regeneration Act 2008 - 22 July 2008.

I trust this provides sufficient explanation of the decision reached. Please do get in touch with

Sincerely,

■■■■ ■■■■

■■■■■■■■■■
Director for National Accounts & Economic Statistics

Office for National Statistics

Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG

T: ■■■■■■■■ M: ■■■■■■■■ E: ■■■■■■■■ ons.gsi.gov.uk

▼ ■■■■■■■■ 02/11/2015 10:06:45---Thanks ■■■■■■■■

From: ■■■■■■■■ LONDON/ONS

To: ■■■■■■■■ NEWPORT/ONS@ONS, National Statistician@ONS,

Cc: na.classifications@ONS; ■■■■■■■■ NEWPORT/ONS@ONS, ■■■■■■■■ NEWPORT/ONS@ONS, ■■■■■■■■ NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS

Date: 02/11/2015 10:06

Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

Thanks ■■■■■■■■

Apparently ■■■■■■■■ was going to chase the treasury to speed up their fact checking so the letter could be ready should the Ministers decide they do want to publish it. Does anyone know how that went? We have seen ■■■■■■■■ email saying they asked follow-up questions.

John is talking to [REDACTED] at 11:15 today so would like to know the latest position.

Thanks

[REDACTED]

[REDACTED] | [REDACTED]
UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: [REDACTED] [statistics.gsi.gov.uk](mailto:[REDACTED]@statistics.gsi.gov.uk) | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

▼ [REDACTED] 02/11/2015 10:00:50---I'd be grateful if you could send a copy of the current draft letter on the provisional classificati

From: [REDACTED] NEWPORT/ONS
To: na.classifications@ONS, [REDACTED] LONDON/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS
Date: 02/11/2015 10:00
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

I'd be grateful if you could send a copy of the current draft letter on the provisional classification of HAs that is being finalised with HMT to [REDACTED] copied here, and also a link as to what was published on Friday for their current classification.

Thanks

[REDACTED]

[REDACTED]
Director for National Accounts & Economic Statistics
Office for National Statistics
Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG
T: [REDACTED] M: [REDACTED] E: [REDACTED] [ons.gsi.gov.uk](mailto:[REDACTED]@ons.gsi.gov.uk)

▼ na.classifications---28/10/2015 09:16:48--- Attachments filed All,

From: na.classifications
To: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS,
Date: 28/10/2015 09:16
Subject: [OFFICIAL SENSITIVE] - to read - Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: [REDACTED]

 **Attachments filed**

All,

Further to [REDACTED] earlier email (sent 8.53am), I have already provided comments to HMT colleagues on their clarifications (set out in the attachments). **Therefore, you do not need to take action at this time.**

HMT's first paper presents specific questions and confirmation of aspects of our letter, whilst the other two papers provide further information. HMT have not raised a specific objection, nor have they clarified what it is they want us to do with the additional information provided, but I have pursued this (see forwarded email).

I shall arrange a meeting to discuss the next steps on the deregulation package which should arrive in your inbox shortly.

Best regards,

██████████

----- Forwarded by ██████████ NEWPORT/ONS on 28/10/2015 09:10 -----

From: na classifications
To: ██████████ NEWPORT/ONS@ONS,
Date: 28/10/2015 09:00
Subject: Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: ██████████

----- Forwarded by ██████████ NEWPORT/ONS on 28/10/2015 08:59 -----

From: na classifications
To: ██████████ hmtreasury.gsi.gov.uk,
Cc: ██████████ NEWPORT/ONS@ONS, ██████████ hmtreasury.gsi.gov.uk, ██████████ HMTreasury.gsi.gov.uk,
██████████ hmtreasury.gsi.gov.uk, na classifications@ONS
Date: 22/10/2015 15:38
Subject: Re: FW: Official market sensitive - follow up to letter on Housing Associations
Sent by: ██████████

██████████

I have provided comments in track changes to the first paper raising specific questions/clarifications. As usual, these are just my opinions and do not reflect the ESCC's thoughts.

On the other attachments, the information is useful to gauge a more informed understanding of the regulatory framework within which RPs operate, but I fail to see what it is you wish for us to clarify.

Nonetheless, I would comment that information under the "scope" heading appears to be in objection to ESA 2010, and not ONS' application of the legislation. Owing a fiduciary duty to a specific company may well imply that an officer works in the interests of that company, but this does not mean that the process by which they were appointed (or their appointer) has no influence over their actions.

Further, MGDD I.2.3, 17 a) states that the "right to appoint [the] officers" is an indicator of public sector control. This differs to ESA 20.309 which states the right to appoint a majority of officers as an indicator of public sector control.

For information, would you be able to clarify:

1. whether the regulator can revoke it's general consent at any time; and
2. whether all officer appointments (or removals) are made by an independent advisor, or whether it is only in the case of a public inquiry that an independent member makes the recommendation/decision?

Happy to discuss,

██████████

▼ ██████████ 22/10/2015 10:05:12---Hi All, This was sent last night to ██████████ He is on SPL can it still be dealt with in his absence plea

From: [REDACTED] hmtreasury.gsi.gov.uk
To: na.classifications@ONS; [REDACTED] NEWPORT/ONS@ONS,
Cc: [REDACTED] HMTreasury.gsi.gov.uk, [REDACTED] hmtreasury.gsi.gov.uk, [REDACTED] hmtreasury.gsi.gov.uk
Date: 22/10/2015 10:05
Subject: FW: Official market sensitive - follow up to letter on Housing Associations

Hi All,

This was sent last night to [REDACTED] He is on SPL can it still be dealt with in his absence please? [REDACTED]
[REDACTED] can you ensure you to copy all the recipients in on any responses.

Many thanks,

[REDACTED]

[REDACTED] | Government Financial Reporting Team |
HM Treasury | 2/Red | 1 Horse Guards Road | London | SW1A 2HQ | [REDACTED]

From: [REDACTED] [REDACTED] - HMT
Sent: 21 October 2015 20:36
To: [REDACTED] ons.gsi.gov.uk
Cc: [REDACTED] - HMT; [REDACTED] - HMT; [REDACTED] [REDACTED] - HMT
Subject: Official market sensitive - follow up to letter on Housing Associations

[REDACTED]

With apologies for the delay, please find attached a note from us, in response to your earlier letter. Apologies that it is not formatted formally, but I thought the important thing was to get you the questions. I also attach two notes from the Regulator, referred to in the first note.

[REDACTED] | [REDACTED] | Housing, Planning and Cities Team
|HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ | [REDACTED] | www.hm-treasury.gov.uk

This email and any files transmitted with it are intended solely for the use of the individual(s) to whom they are addressed. If you are not the intended recipient and have received this email in error, please notify the sender and delete the email. This footnote also confirms that our email communications may be monitored to ensure the secure and effective operation of our systems and for other lawful purposes, and that this email has been swept for malware and viruses.

The original of this email was scanned for viruses by the Government Secure Intranet virus scanning service supplied by Vodafone in partnership with Symantec. (CCTM Certificate Number 2009/09/0052.) This email has been certified virus free.
Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes.

This email was scanned by the Government Secure Intranet anti-virus service supplied by Vodafone in partnership with Symantec. (CCTM Certificate Number 2009/09/0052.) In case of problems, please call your organisations IT Helpdesk.
Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes.[attachment "151013 letter to ONS draft fin.docx" deleted by [REDACTED] NEWPORT/ONS]

From: [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 02 November 2015 11:19
To: [REDACTED]
Cc: [REDACTED] national.statistician@statistics.gsi.gov.uk; [REDACTED]
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

Thanks [REDACTED]
I have given John the previous version of the letter, but he understands that it is draft.
[REDACTED]

02/11/2015 11:13:17---Hi All, Just to let you know that [REDACTED] was working on the letter on Friday so the linked version is n

From: [REDACTED] NEWPORT/ONS
To: [REDACTED] NEWPORT/ONS@ONS,
Cc: National Statistician@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 11:13
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

Hi All,

Just to let you know that [REDACTED] was working on the letter on Friday so the linked version is not the latest draft. It is [REDACTED] 'Keep in touch' day today and he is in London for meetings and was planning on being in Drummond Gate at some point so I would propose not sending anything until he confirms the letter reflects HMT comments from their fact checking last week.

Thanks
[REDACTED]

National Accounts Classifications Branch | na.classifications@ons.gov.uk

Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG
| [REDACTED] 45 5706

02/11/2015 11:00:07---Hi [REDACTED] I realised the access problem when I emailed and [REDACTED] (cc'ed) has now provided you access.

From: [REDACTED] NEWPORT/ONS
To: National Statistician@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 11:00
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

Hi [REDACTED]

I realised the access problem when I emailed and [REDACTED] (cc'ed) has now provided you access. Could you try again and let [REDACTED] know if you are still having problems.

Just to be clear, where we provide provisional assessments on policy proposals our policy is **not** to publish. However, once we have sent a final letter HMT may publish the letter should they choose to do so, but we would want to be clear that is a choice for them and not something we would do. However, clearly we would want to be informed should they intend to publish.

Grateful for the feedback that you mention following John's meeting.

Thanks

██████

██████ | Head of Public Sector Accounts | Government, Corporations & Classifications Division | Office for National Statistics | Government Buildings | Cardiff Road | Newport | Wales | NP10 8XG | Room 1.264 | Phone: ██████
██████ | Mobile: ██████

▼ National Statistician---02/11/2015 10:51:18--██████ - I'm afraid we can't open the attachment. John will feed back what ██████ says, if nee

From: National Statistician
To: ██████ NEWPORT/ONS@ONS,
Cc: ██████ NEWPORT/ONS@ONS, National Statistician@ONS, na classifications@ONS, ██████ NEWPORT/ONS@ONS, ██████ NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, ██████ NEWPORT/ONS@ONS, ██████ NEWPORT/ONS@ONS
Date: 02/11/2015 10:51
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: ██████


██████ - I'm afraid we can't open the attachment.
John will feed back what ██████ says, if needed. I understand there may be pressure from Ministers to publish so may need to nudge them.
██████

▼ ██████ 02/11/2015 10:32:30---██████ / ██████ I've just picked up on this email chain.

From: ██████ NEWPORT/ONS
To: ██████ NEWPORT/ONS@ONS, ██████ LONDON/ONS@ONS,
Cc: National Statistician@ONS, na classifications@ONS, ██████ NEWPORT/ONS@ONS, ██████ NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, ██████ NEWPORT/ONS@ONS, ██████ NEWPORT/ONS@ONS
Date: 02/11/2015 10:32
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

██████ / ██████

I've just picked up on this email chain.

The draft letter on the policy proposal is here: 
This is currently with HMT/DCLG for fact checking. ██████ and I both spoke to ██████ ██████ at HMT (who reports to ██████ last week and he confirmed he was trying to clarify whether there were any factual inaccuracies (as DCLG sent an email in response, but it was not clear from the letter whether they were identifying any factual errors). We are not expecting any response until this week.

The below letter that ██████ has sent you is the classification decision for the current situation.

Hope this helps clarify.

Best regards

██████

██████████ | Head of Public Sector Accounts | Government, Corporations & Classifications Division | Office for National Statistics | Government Buildings | Cardiff Road | Newport | Wales | NP10 8XG | Room 1.264 | Phone: ██████████
██████████ | Mobile: ██████████

▼ ██████████ 02/11/2015 10:23:07--██████████ We're having trouble locating the final draft letter that was sent to HMT: ██████████ is on paterni

From: ██████████ NEWPORT/ONS
To: ██████████ LONDON/ONS@ONS,
Cc: National Statistician@ONS, na classifications@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, ██████████
██████████ NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, ██████████ ██████████ NEWPORT/ONS@ONS, ██████████ ██████████ NEWPORT/ONS@ONS
Date: 02/11/2015 10:23
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

██████████

We're having trouble locating the final draft letter that was sent to HMT: ██████████ is on paternity leave and ██████████ is not available at the moment.

The text below is what was agreed between ██████████, ██████████ ██████████ and ██████████ as an accurate and fair summary of the meeting, and was approved by me. So it is essentially the final draft.

Given your timing suggest you use this and we will come back with the final draft.

Thanks

██████████

▼ na classifications---29/09/2015 20:53:16--██████████ ██████████ ██████████ As agreed, below is the letter I intend to present to HM Treasury in the morning

From: na classifications
To: ██████████ NEWPORT/ONS@ONS,
Cc: ██████████ ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS
Date: 29/09/2015 20:53
Subject: Draft letter to HM Treasury
Sent by: ██████████ ██████████

██████████ ██████████ ██████████

As agreed, below is the letter I intend to present to HM Treasury in the morning. Please let me know ASP if you would like any alterations (they have already been asking for it).

In particular, please can ██████████ and ██████████ satisfy themselves that this presents all of the "sufficient" indicators of control and that, in combination, the other controls (including the rent control) would not cumulatively indicate control?

Kind regards

██████████

Dear ██████████ ██████████

As you are aware, the ONS has undertaken a review of the statistical classification of "Housing Associations" to establish whether these bodies should continue to be recorded as Private Non-Financial Corporations or if the recording should change following legislative and regulatory changes brought about through the 2008 Housing Regeneration Act (HRA 2008) and/or the 2011 Localism Act (LA 2011). Additionally, the review ensures that the

treatment is consistent with the latest 2010 European System of Accounts (ESA 2010), which entered force in September 2014.

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 - the HCA is subject to public sector control in accordance with control indicators described in ESA 2010, Chapter 20.309. Specifically, NACC cited HM Government's ability to appoint and remove all board members and key personnel, and the fact that HM Government approves all funding as sufficient indicators of public sector control
 - given the above, and its primary function as a regulator, the pre-existing classification of HCA as a Central Government unit remains valid

- that all private registered providers should be considered as institutional units as they have the ability to incur liabilities and hold assets on their own account, enter into contracts and exhibit sufficient decision making autonomy

- that all private registered providers are subject to public sector control in accordance with control indicators outlined in ESA 2010, Chapter 20.309 and MGDD 2014 I.2.3,15 (applying to for-profit registered providers) and ESA 2010, Chapter 2.39 and MGDD 2014 I.2.3,17 (applying to not-for-profit registered providers). In concluding this, NACC reasoned that:
 - HM Government's consent powers (exercised through the HCA, section 172-194 of the HRA 2008) over disposals of social housing assets and to direct the use of disposal proceeds is an indicator of public sector control through enabling instruments/excessive regulation;
 - this public sector influence is reinforced by HM Government's consent (again exercised via the HCA under section 186 of the HRA 2008) over disposals of housing stock following a registered provider's deregistration with the HCA;
 - HM Government's consent powers (exercised through the HCA under section 160-166 of the HRA 2008) over the voluntary winding-up, dissolution and restructuring of a registered provider is an indicator of public sector control through enabling instruments/excessive regulation;-

- HM Government's powers (exercised through the HCA under section 246-252 and 269 of the HRA 2008) over the management of a registered provider, in particular the power of the HCA to appoint managers and officers to the provider, is an indicator of public sector control through the appointment of officers/key personnel and/or through enabling instruments/excessive regulation.

- that registered providers meet the prescribed conditions detailed in ESA 2010 Chapter 2 and 20 to be classified as market producers *en masse*. In making this judgement, NACC stated that there is sufficient evidence to suggest that registered providers are charging economically significant prices in accordance with ESA 2010 20.23

Consistent with this, NACC ~~concluded~~recommended that registered providers in England should be classified to the Public Non-Financial Corporations (S.11001) subsector for the purpose of national accounts. The Director of National Accounts & Economic Statistics has approved this recommendation and the classification applies. This treatment is with effect from the date of enforcement of the Housing and Regeneration Act 2008 - 22 July 2008.

I trust this provides sufficient explanation of the decision reached. Please do get in touch with

Sincerely,

██████████

██████████
Director for National Accounts & Economic Statistics

Office for National Statistics

Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG

T: ██████████ M: ██████████ E: ██████████ ons.gsi.gov.uk

02/11/2015 10:06:45---Thanks ██████████

From: ██████████ LONDON/ONS

To: ██████████ NEWPORT/ONS@ONS, National Statistician@ONS,

Cc: na.classifications@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS,

Jonathan Athow/LONDON/ONS@ONS

Date: 02/11/2015 10:06

Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

Thanks ██████████

Apparently ██████████ was going to chase the treasury to speed up their fact checking so the letter could be ready should the Ministers decide they do want to publish it. Does anyone know how that went? We have seen ██████████ email saying they asked follow-up questions.

John is talking to ██████████ at 11:15 today so would like to know the latest position.

Thanks
██████████

██████████ | ██████████
UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: ██████████
Email: statistics.gsi.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

02/11/2015 10:00:50---I'd be grateful if you could send a copy of the current draft letter on the provisional classificati

From: ██████████ NEWPORT/ONS

To: na.classifications@ONS, ██████████ LONDON/ONS@ONS,

Cc: ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, Jonathan

I'd be grateful if you could send a copy of the current draft letter on the provisional classification of HAs that is being finalised with HMT to [REDACTED] copied here, and also a link as to what was published on Friday for their current classification.

Thanks

[REDACTED]

[REDACTED]
Director for National Accounts & Economic Statistics

Office for National Statistics

Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG

T: [REDACTED] M: [REDACTED] E: [REDACTED] [ons.gsi.gov.uk](mailto:[REDACTED]@ons.gsi.gov.uk)

▼ [na classifications---28/10/2015 09:16:48--- Attachments filed](#) All,

From: na classifications

To: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS,

Date: 28/10/2015 09:16

Subject: [OFFICIAL SENSITIVE] - to read - Fw: Official market sensitive - follow up to letter on Housing Associations

Sent by: [REDACTED]

 **Attachments filed**

All,

Further to [REDACTED] earlier email (sent 8.53am), I have already provided comments to HMT colleagues on their clarifications (set out in the attachments). **Therefore, you do not need to take action at this time.**

HMT's first paper presents specific questions and confirmation of aspects of our letter, whilst the other two papers provide further information. HMT have not raised a specific objection, nor have they clarified what it is they want us to do with the additional information provided, but I have pursued this (see forwarded email).

I shall arrange a meeting to discuss the next steps on the deregulation package which should arrive in your inbox shortly.

Best regards,

[REDACTED]

----- Forwarded by [REDACTED] NEWPORT/ONS on 28/10/2015 09:10 -----

From: na classifications

To: [REDACTED] NEWPORT/ONS@ONS,

Date: 28/10/2015 09:00

Subject: Fw: Official market sensitive - follow up to letter on Housing Associations

Sent by: [REDACTED]

----- Forwarded by [REDACTED] NEWPORT/ONS on 28/10/2015 08:59 -----

From: na classifications
To: [REDACTED] hmtreasury.gsi.gov.uk,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] hmtreasury.gsi.gov.uk, [REDACTED] HMTreasury.gsi.gov.uk,
[REDACTED] hmtreasury.gsi.gov.uk, na classifications@ONS
Date: 22/10/2015 15:38
Subject: Re: FW: Official market sensitive - follow up to letter on Housing Associations
Sent by: [REDACTED]

[REDACTED]

I have provided comments in track changes to the first paper raising specific questions/clarifications. As usual, these are just my opinions and do not reflect the ESCC's thoughts.

On the other attachments, the information is useful to gauge a more informed understanding of the regulatory framework within which RPs operate, but I fail to see what it is you wish for us to clarify.

Nonetheless, I would comment that information under the "scope" heading appears to be in objection to ESA 2010, and not ONS' application of the legislation. Owing a fiduciary duty to a specific company may well imply that an officer works in the interests of that company, but this does not mean that the process by which they were appointed (or their appointer) has no influence over their actions.

Further, MGDD I.2.3, 17 a) states that the "right to appoint [the] officers" is an indicator of public sector control. This differs to ESA 20.309 which states the right to appoint a majority of officers as an indicator of public sector control.

For information, would you be able to clarify:

1. whether the regulator can revoke it's general consent at any time; and
2. whether all officer appointments (or removals) are made by an independent advisor, or whether it is only in the case of a public inquiry that an independent member makes the recommendation/decision?

Happy to discuss,

[REDACTED]

▼ [REDACTED] 22/10/2015 10:05:12---Hi All, This was sent last night to [REDACTED] He is on SPL can it still be dealt with in his absence plea

From: [REDACTED] hmtreasury.gsi.gov.uk
To: na classifications@ONS, [REDACTED] NEWPORT/ONS@ONS,
Cc: [REDACTED] HMTreasury.gsi.gov.uk, [REDACTED] hmtreasury.gsi.gov.uk, [REDACTED] hmtreasury.gsi.gov.uk
Date: 22/10/2015 10:05
Subject: FW: Official market sensitive - follow up to letter on Housing Associations

Hi All,

This was sent last night to [REDACTED] He is on SPL can it still be dealt with in his absence please? [REDACTED]
[REDACTED] so can you ensure you to copy all the recipients in on any responses.

Many thanks,

[REDACTED]

[REDACTED] | Government Financial Reporting Team |
HM Treasury | 2/Red | 1 Horse Guards Road | London | SW1A 2HQ | [REDACTED]

From: [REDACTED] - HMT
Sent: 21 October 2015 20:36
To: [REDACTED]@ons.gsi.gov.uk
Cc: [REDACTED] - HMT; [REDACTED] - HMT; [REDACTED] - HMT
Subject: Official market sensitive - follow up to letter on Housing Associations

[REDACTED]

With apologies for the delay, please find attached a note from us, in response to your earlier letter. Apologies that it is not formatted formally, but I thought the important thing was to get you the questions. I also attach two notes from the Regulator, referred to in the first note.

[REDACTED] | [REDACTED] | Housing, Planning and Cities Team
[HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ | [REDACTED] | [REDACTED] | www.hm-treasury.gov.uk

This email and any files transmitted with it are intended solely for the use of the individual(s) to whom they are addressed. If you are not the intended recipient and have received this email in error, please notify the sender and delete the email. This footnote also confirms that our email communications may be monitored to ensure the secure and effective operation of our systems and for other lawful purposes, and that this email has been swept for malware and viruses.

The original of this email was scanned for viruses by the Government Secure Intranet virus scanning service supplied by Vodafone in partnership with Symantec. (CCTM Certificate Number 2009/09/0052.) This email has been certified virus free.

Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes.

This email was scanned by the Government Secure Intranet anti-virus service supplied by Vodafone in partnership with Symantec. (CCTM Certificate Number 2009/09/0052.) In case of problems, please call your organisations IT Helpdesk.

Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes. [attachment "151013 letter to ONS draft fin.docx" deleted by [REDACTED] NEWPORT/ONS] [attachment "151013 response on management officers.docx" deleted by [REDACTED] NEWPORT/ONS] [attachment "151013 note on disposal consents.docx" deleted by [REDACTED] NEWPORT/ONS]

From: [REDACTED] <[REDACTED]@ons.gsi.gov.uk>
Sent: 02 November 2015 11:13
To: [REDACTED]
Cc: national.statistician@statistics.gsi.gov.uk; [REDACTED]
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations <[REDACTED]>

Hi All,

Just to let you know that [REDACTED] was working on the letter on Friday so the linked version is not the latest draft. It is [REDACTED] 'Keep in touch' day today and he is in London for meetings and was planning on being in Drummond Gate at some point so I would propose not sending anything until he confirms the letter reflects HMT comments from their fact checking last week.

Thanks

[REDACTED]

National Accounts Classifications Branch | na.classifications@ons.gov.uk

Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG
| [REDACTED] 45 5706

02/11/2015 11:00:07---Hi [REDACTED] I realised the access problem when I emailed and [REDACTED] (cc'ed) has now provided you access.

From: [REDACTED] NEWPORT/ONS
To: National Statistician@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 11:00
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

Hi [REDACTED]

I realised the access problem when I emailed and [REDACTED] (cc'ed) has now provided you access. Could you try again and let [REDACTED] know if you are still having problems.

Just to be clear, where we provide provisional assessments on policy proposals our policy is **not** to publish. However, once we have sent a final letter HMT may publish the letter should they choose to do so, but we would want to be clear that is a choice for them and not something we would do. However, clearly we would want to be informed should they intend to publish.

Grateful for the feedback that you mention following John's meeting.

Thanks

[REDACTED]

[REDACTED] | Head of Public Sector Accounts | Government, Corporations & Classifications Division | Office for National Statistics | Government Buildings | Cardiff Road | Newport | Wales | NP10 8XG | Room 1.264 | Phone: [REDACTED]
| Mobile: [REDACTED]

▼ National Statistician--02/11/2015 10:51:18-- [REDACTED] - I'm afraid we can't open the attachment. John will feed back what [REDACTED] says, if need

From: National Statistician
To: [REDACTED] NEWPORT/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, National Statistician@ONS, na classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 10:51
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: [REDACTED]


[REDACTED] - I'm afraid we can't open the attachment.
John will feed back what [REDACTED] says, if needed. I understand there may be pressure from Ministers to publish so may need to nudge them.
[REDACTED]

▼ [REDACTED] 02/11/2015 10:32:30-- [REDACTED] / [REDACTED] I've just picked up on this email chain.

From: [REDACTED] NEWPORT/ONS
To: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS,
Cc: National Statistician@ONS, na classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 10:32
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

[REDACTED] / [REDACTED]

I've just picked up on this email chain.

The draft letter on the policy proposal is here: 
This is currently with HMT/DCLG for fact checking. [REDACTED] and I both spoke to [REDACTED] [REDACTED] at HMT (who reports to [REDACTED] last week and he confirmed he was trying to clarify whether there were any factual inaccuracies (as DCLG sent an email in response, but it was not clear from the letter whether they were identifying any factual errors). We are not expecting any response until this week.

The below letter that [REDACTED] has sent you is the classification decision for the current situation.

Hope this helps clarify.

Best regards

[REDACTED]

[REDACTED] | Head of Public Sector Accounts | Government, Corporations & Classifications Division | Office for National Statistics | Government Buildings | Cardiff Road | Newport | Wales | NP10 8XG | Room 1.264 | Phone: [REDACTED] | Mobile: [REDACTED]

▼ [REDACTED] 02/11/2015 10:23:07-- [REDACTED] We're having trouble locating the final draft letter that was sent to HMT: [REDACTED] is on paterni

From: [REDACTED] NEWPORT/ONS
To: [REDACTED] LONDON/ONS@ONS,
Cc: National Statistician@ONS, na classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 10:23
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

██████████

We're having trouble locating the final draft letter that was sent to HMT: ██████████ is on paternity leave and ██████████ is not available at the moment.

The text below is what was agreed between ██████████, ██████████ ██████████ and ██████████ as an accurate and fair summary of the meeting, and was approved by me. So it is essentially the final draft.

Given your timing suggest you use this and we will come back with the final draft.

Thanks

██████████

▼ na classifications---29/09/2015 20:53:16--██████████ ██████████ ██████████ As agreed, below is the letter I intend to present to HM Treasury in the morning

From: na classifications
To: ██████████ NEWPORT/ONS@ONS,
Cc: ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS
Date: 29/09/2015 20:53
Subject: Draft letter to HM Treasury
Sent by: ██████████ ██████████

██████████ ██████████ ██████████

As agreed, below is the letter I intend to present to HM Treasury in the morning. Please let me know ASP if you would like any alterations (they have already been asking for it).

In particular, please can ██████████ and ██████████ satisfy themselves that this presents all of the "sufficient" indicators of control and that, in combination, the other controls (including the rent control) would not cumulatively indicate control?

Kind regards

██████████

Dear ██████████ ██████████

As you are aware, the ONS has undertaken a review of the statistical classification of "Housing Associations" to establish whether these bodies should continue to be recorded as Private Non-Financial Corporations or if the recording should change following legislative and regulatory changes brought about through the 2008 Housing Regeneration Act (HRA 2008) and/or the 2011 Localism Act (LA 2011). Additionally, the review ensures that the treatment is consistent with the latest 2010 European System of Accounts (ESA 2010), which entered force in September 2014.

First, it is important to be clear that the review applies specifically to "Private registered providers" of social housing (incl. registered housing associations) in England - which include the majority of English housing associations (those being registered with the Homes and Communities Agency as providers of social housing). Thus, while this has colloquially been referred to as a classification review of "Housing Associations", the conclusions apply to all bodies subject to the relevant regulations (whether they are housing associations or otherwise) and do not apply to those housing associations (as defined in the 1985 Housing Associations Act) not registered with the Homes And Communities Agency (HCA) as they are not subject to the regulatory regime.

Additionally, it is necessary to be clear that "private registered providers" is the official term for these bodies and does not prejudice or otherwise impact the statistical classification decision.

The ONS National Accounts Classifications Committee (NACC) convened to discuss the classification of private registered providers of social housing in England on 29 Sept 2015. As part of this assessment, NACC also reviewed the Central Government (S.1311) classification of the HCA which regulates social housing providers.

Pursuant to established procedure, NACC considered classifications in the context of internationally agreed rules in the European System of Accounts 2010 (ESA 2010) and the accompanying Manual on Government Deficit and Debt 2014 (MGDD 2014). After detailed discussion, NACC concluded the following:

- that the HCA should remain classified to the Central Government (S.1311) subsector. In judging this, NACC cited the following;
 - the HCA meets the conditions necessary to be classified as an institutional unit by incurring liabilities and holding assets, entering into contracts and exhibiting sufficient decision making autonomy
 - the HCA is subject to public sector control in accordance with control indicators described in ESA 2010, Chapter 20.309. Specifically, NACC cited HM Government's ability to appoint and remove all board members and key personnel, and the fact that HM Government approves all funding as sufficient indicators of public sector control
 - given the above, and its primary function as a regulator, the pre-existing classification of HCA as a Central Government unit remains valid

- that all private registered providers should be considered as institutional units as they have the ability to incur liabilities and hold assets on their own account, enter into contracts and exhibit sufficient decision making autonomy

- that all private registered providers are subject to public sector control in accordance with control indicators outlined in ESA 2010, Chapter 20.309 and MGDD 2014 I.2.3,15 (applying to for-profit registered providers) and ESA 2010, Chapter 2.39 and MGDD 2014 I.2.3,17 (applying to not-for-profit registered providers). In concluding this, NACC reasoned that:
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- that registered providers meet the prescribed conditions detailed in ESA 2010 Chapter 2 and 20 to be classified as market producers *en masse*. In making this judgement, NACC stated that there is sufficient evidence to suggest that registered providers are charging economically significant prices in accordance with ESA 2010 20.23

Consistent with this, NACC ~~concluded~~ recommended that registered providers in England should be classified to the Public Non-Financial Corporations (S.11001) subsector for the purpose of national accounts. The Director of National

Accounts & Economic Statistics has approved this recommendation and the classification applies ~~This treatment~~ is with effect from the date of enforcement of the Housing and Regeneration Act 2008 - 22 July 2008.

I trust this provides sufficient explanation of the decision reached. Please do get in touch with

Sincerely,

██████████

██████████
Director for National Accounts & Economic Statistics
Office for National Statistics
Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG
T: ██████████ M: ██████████ E: ██████████ ons.gsi.gov.uk

▼ ██████████ 02/11/2015 10:06:45---Thanks ██████████

From: ██████████ LONDON/ONS
To: ██████████ NEWPORT/ONS@ONS, National Statistician@ONS,
Cc: na.classifications@ONS; ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS,
Jonathan Athow/LONDON/ONS@ONS
Date: 02/11/2015 10:06
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

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Apparently ██████████ was going to chase the treasury to speed up their fact checking so the letter could be ready should the Ministers decide they do want to publish it. Does anyone know how that went? We have seen ██████████ email saying they asked follow-up questions.

John is talking to ██████████ at 11:15 today so would like to know the latest position.

Thanks

██████████

██████████ | ██████████
UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: ██████████
Email: ██████████ statistics.gsi.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

▼ ██████████ 02/11/2015 10:00:50---I'd be grateful if you could send a copy of the current draft letter on the provisional classificati

From: ██████████ NEWPORT/ONS
To: na.classifications@ONS; ██████████ LONDON/ONS@ONS,
Cc: ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS
Date: 02/11/2015 10:00
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Thanks

██████████

██████████
Director for National Accounts & Economic Statistics
Office for National Statistics
Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG
T: ██████████ M: ██████████ E: ██████████ ons.gsi.gov.uk

▼ na classifications---28/10/2015 09:16:48--- Attachments filed All,

From: na classifications
To: ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS, ██████████ NEWPORT/ONS@ONS,
Date: 28/10/2015 09:16
Subject: [OFFICIAL SENSITIVE] - to read - Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: ██████████

 **Attachments filed**

All,

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I shall arrange a meeting to discuss the next steps on the deregulation package which should arrive in your inbox shortly.

Best regards,

██████████

----- Forwarded by ██████████ NEWPORT/ONS on 28/10/2015 09:10 -----

From: na classifications
To: ██████████ ██████████ NEWPORT/ONS@ONS,
Date: 28/10/2015 09:00
Subject: Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: ██████████

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From: na classifications
To: ██████████ hmtreasury.gsi.gov.uk,
Cc: ██████████ NEWPORT/ONS@ONS, ██████████ hmtreasury.gsi.gov.uk, ██████████ HMTreasury.gsi.gov.uk, ██████████ hmtreasury.gsi.gov.uk, na.classifications@ONS
Date: 22/10/2015 15:38
Subject: Re: FW: Official market sensitive - follow up to letter on Housing Associations
Sent by: ██████████

██████████

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1. whether the regulator can revoke it's general consent at any time; and
2. whether all officer appointments (or removals) are made by an independent advisor, or whether it is only in the case of a public inquiry that an independent member makes the recommendation/decision?

Happy to discuss,

█

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From: █ hmtreasury.gsi.gov.uk
To: na.classifications@ONS, █ NEWPORT/ONS@ONS,
Cc: █ HMTreasury.gsi.gov.uk, █ hmtreasury.gsi.gov.uk, █ hmtreasury.gsi.gov.uk
Date: 22/10/2015 10:05
Subject: FW: Official market sensitive - follow up to letter on Housing Associations

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Many thanks,

█

█
█ | Government Financial Reporting Team |
HM Treasury | 2/Red | 1 Horse Guards Road | London | SW1A 2HQ | █

From: █ - HMT
Sent: 21 October 2015 20:36
To: █ ons.gsi.gov.uk
Cc: █ - HMT; █ - HMT; █ - HMT
Subject: Official market sensitive - follow up to letter on Housing Associations

█

With apologies for the delay, please find attached a note from us, in response to your earlier letter. Apologies that it is not formatted formally, but I thought the important thing was to get you the questions. I also attach two notes from the Regulator, referred to in the first note.

[REDACTED] | [REDACTED] | Housing, Planning and Cities Team
[REDACTED] | HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ | [REDACTED] | www.hm-treasury.gov.uk

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Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes. [attachment "151013 letter to ONS draft fin.docx" deleted by [REDACTED] NEWPORT/ONS] [attachment "151013 response on management officers.docx" deleted by [REDACTED] NEWPORT/ONS] [attachment "151013 note on disposal consents.docx" deleted by [REDACTED] NEWPORT/ONS]

From: [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 02 November 2015 10:55
To: [REDACTED]
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

Thanks - I hadn't re-checked, sorry!

[REDACTED]

▼ [REDACTED] 02/11/2015 10:53:41--Hi [REDACTED] I gave you access earlier, try this pdf instead.

From: [REDACTED] NEWPORT/ONS
To: National Statistician@ONS,
Date: 02/11/2015 10:53
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: [REDACTED]

Hi [REDACTED]

I gave you access earlier, try this pdf instead.

[attachment "HMT Letter on PRP Classification.pdf" deleted by [REDACTED] LONDON/ONS]

▼ National Statistician--02/11/2015 10:51:18-- [REDACTED] - I'm afraid we can't open the attachment. John will feed back what [REDACTED] says, if nee

From: National Statistician
To: [REDACTED] NEWPORT/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, National Statistician@ONS, na classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 10:51
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: [REDACTED]

[REDACTED] - I'm afraid we can't open the attachment.
John will feed back what [REDACTED] says, if needed. I understand there may be pressure from Ministers to publish so may need to nudge them.

[REDACTED]

▼ [REDACTED] 02/11/2015 10:32:30-- [REDACTED] / [REDACTED] I've just picked up on this email chain.

From: [REDACTED] NEWPORT/ONS
To: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS,
Cc: National Statistician@ONS, na classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 10:32
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

[REDACTED] / [REDACTED]

I've just picked up on this email chain.

The draft letter on the policy proposal is here: 

This is currently with HMT/DCLG for fact checking. [REDACTED] and I both spoke to [REDACTED] [REDACTED] at HMT (who reports to [REDACTED] last week and he confirmed he was trying to clarify whether there were any factual inaccuracies (as DCLG sent an email in response, but it was not clear from the letter whether they were identifying any factual errors). We are not expecting any response until this week.

The below letter that [REDACTED] has sent you is the classification decision for the current situation.

Hope this helps clarify.

Best regards

[REDACTED]

[REDACTED] | Head of Public Sector Accounts | Government, Corporations & Classifications Division | Office for National Statistics | Government Buildings | Cardiff Road | Newport | Wales | NP10 8XG | Room 1.264 | Phone: [REDACTED] | Mobile: [REDACTED]

▼ [REDACTED] 02/11/2015 10:23:07-- [REDACTED] We're having trouble locating the final draft letter that was sent to HMT: [REDACTED] is on paterni

From: [REDACTED] NEWPORT/ONS
To: [REDACTED] LONDON/ONS@ONS,
Cc: National Statistician@ONS, na.classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 10:23
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

[REDACTED]

We're having trouble locating the final draft letter that was sent to HMT: [REDACTED] is on paternity leave and [REDACTED] is not available at the moment.

The text below is what was agreed between [REDACTED] B, [REDACTED] [REDACTED] and [REDACTED] K as an accurate and fair summary of the meeting, and was approved by me. So it is essentially the final draft.

Given your timing suggest you use this and we will come back with the final draft.

Thanks

[REDACTED]

▼ na.classifications---29/09/2015 20:53:16-- [REDACTED] [REDACTED] [REDACTED] As agreed, below is the letter I intend to present to HM Treasury in the morning

From: na.classifications
To: [REDACTED] NEWPORT/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 29/09/2015 20:53
Subject: Draft letter to HM Treasury
Sent by: [REDACTED]

[REDACTED] [REDACTED] [REDACTED]

As agreed, below is the letter I intend to present to HM Treasury in the morning. Please let me know ASP if you would like any alterations (they have already been asking for it).

In particular, please can [REDACTED] and [REDACTED] satisfy themselves that this presents all of the "sufficient" indicators of control and that, in combination, the other controls (including the rent control) would not cumulatively indicate control?

Kind regards

[REDACTED]

Dear [REDACTED] [REDACTED]

As you are aware, the ONS has undertaken a review of the statistical classification of "Housing Associations" to establish whether these bodies should continue to be recorded as Private Non-Financial Corporations or if the recording should change following legislative and regulatory changes brought about through the 2008 Housing Regeneration Act (HRA 2008) and/or the 2011 Localism Act (LA 2011). Additionally, the review ensures that the treatment is consistent with the latest 2010 European System of Accounts (ESA 2010), which entered force in September 2014.

First, it is important to be clear that the review applies specifically to "Private registered providers" of social housing (incl. registered housing associations) in England - which include the majority of English housing associations (those being registered with the Homes and Communities Agency as providers of social housing). Thus, while this has colloquially been referred to as a classification review of "Housing Associations", the conclusions apply to all bodies subject to the relevant regulations (whether they are housing associations or otherwise) and do not apply to those housing associations (as defined in the 1985 Housing Associations Act) not registered with the Homes And Communities Agency (HCA) as they are not subject to the regulatory regime.

Additionally, it is necessary to be clear that "private registered providers" is the official term for these bodies and does not prejudice or otherwise impact the statistical classification decision.

The ONS National Accounts Classifications Committee (NACC) convened to discuss the classification of private registered providers of social housing in England on 29 Sept 2015. As part of this assessment, NACC also reviewed the Central Government (S.1311) classification of the HCA which regulates social housing providers.

Pursuant to established procedure, NACC considered classifications in the context of internationally agreed rules in the European System of Accounts 2010 (ESA 2010) and the accompanying Manual on Government Deficit and Debt 2014 (MGDD 2014). After detailed discussion, NACC concluded the following:

- that the HCA should remain classified to the Central Government (S.1311) subsector. In judging this, NACC cited the following;
 - the HCA meets the conditions necessary to be classified as an institutional unit by incurring liabilities and holding assets, entering into contracts and exhibiting sufficient decision making autonomy
 - the HCA is subject to public sector control in accordance with control indicators described in ESA 2010, Chapter 20.309. Specifically, NACC cited HM Government's ability to appoint and remove all board members and key personnel, and the fact that HM Government approves all funding as sufficient indicators of public sector control
 - given the above, and its primary function as a regulator, the pre-existing classification of HCA as a Central Government unit remains valid
- that all private registered providers should be considered as institutional units as they have the ability to incur liabilities and hold assets on their own account, enter into contracts and exhibit sufficient decision making autonomy
- that all private registered providers are subject to public sector control in accordance with control indicators outlined in ESA 2010, Chapter 20.309 and MGDD 2014 I.2.3,15 (applying to for-profit registered providers) and ESA 2010, Chapter 2.39 and MGDD 2014 I.2.3,17 (applying to not-for-profit registered providers). In concluding this, NACC reasoned that:

- HM Government's consent powers (exercised through the HCA, section 172-194 of the HRA 2008) over disposals of social housing assets and to direct the use of disposal proceeds is an indicator of public sector control through enabling instruments/excessive regulation;
- this public sector influence is reinforced by HM Government's consent (again exercised via the HCA under section 186 of the HRA 2008) over disposals of housing stock following a registered provider's deregistration with the HCA;
- HM Government's consent powers (exercised through the HCA under section 160-166 of the HRA 2008) over the voluntary winding-up, dissolution and restructuring of a registered provider is an indicator of public sector control through enabling instruments/excessive regulation;:-
 - HM Government's powers (exercised through the HCA under section 246-252 and 269 of the HRA 2008) over the management of a registered provider, in particular the power of the HCA to appoint managers and officers to the provider, is an indicator of public sector control through the appointment of officers/key personnel and/or through enabling instruments/excessive regulation.
- that registered providers meet the prescribed conditions detailed in ESA 2010 Chapter 2 and 20 to be classified as market producers *en masse*. In making this judgement, NACC stated that there is sufficient evidence to suggest that registered providers are charging economically significant prices in accordance with ESA 2010 20.23

Consistent with this, NACC ~~concluded~~recommended that registered providers in England should be classified to the Public Non-Financial Corporations (S.11001) subsector for the purpose of national accounts. The Director of National Accounts & Economic Statistics has approved this recommendation and the classification applies. This treatment is with effect from the date of enforcement of the Housing and Regeneration Act 2008 - 22 July 2008.

I trust this provides sufficient explanation of the decision reached. Please do get in touch with

Sincerely,

■■■■ ■■■■

■■■■■■■■■■
 Director for National Accounts & Economic Statistics
 Office for National Statistics
 Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG
 T: ■■■■■■■■ M: ■■■■■■■■ E: ■■■■■■■■ ons.gsi.gov.uk

▼ ■■■■■■■■ 02/11/2015 10:06:45---Thanks ■■■■■■■■

From: ■■■■■■■■ LONDON/ONS
 To: ■■■■■■■■ NEWPORT/ONS@ONS, National Statistician@ONS,
 Cc: na.classifications@ONS, ■■■■■■■■ NEWPORT/ONS@ONS, ■■■■■■■■ NEWPORT/ONS@ONS, ■■■■■■■■ NEWPORT/ONS@ONS,
 Jonathan Athow/LONDON/ONS@ONS
 Date: 02/11/2015 10:06
 Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

Thanks ■■■■■■■■

Apparently ■■■■■■■■ was going to chase the treasury to speed up their fact checking so the letter could be ready should the Ministers decide they do want to publish it. Does anyone know how that went? We have seen ■■■■■■■■ email saying they asked follow-up questions.

John is talking to ■■■■■■■■ at 11:15 today so would like to know the latest position.

Thanks

UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: [REDACTED] [statistics.gsi.gov.uk](mailto:[REDACTED]@statistics.gsi.gov.uk) | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

▼ [REDACTED] 02/11/2015 10:00:50---I'd be grateful if you could send a copy of the current draft letter on the provisional classificati

From: [REDACTED] NEWPORT/ONS
To: na.classifications@ONS, [REDACTED] LONDON/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS
Date: 02/11/2015 10:00
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

I'd be grateful if you could send a copy of the current draft letter on the provisional classification of HAs that is being finalised with HMT to [REDACTED] copied here, and also a link as to what was published on Friday for their current classification.

Thanks

[REDACTED]
Director for National Accounts & Economic Statistics

Office for National Statistics
Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG
T: [REDACTED] M: [REDACTED] E: [REDACTED] [ons.gsi.gov.uk](mailto:[REDACTED]@ons.gsi.gov.uk)

▼ na.classifications---28/10/2015 09:16:48--- Attachments filed All,

From: na.classifications
To: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS,
Date: 28/10/2015 09:16
Subject: [OFFICIAL SENSITIVE] - to read - Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: [REDACTED]

 **Attachments filed**

All,

Further to [REDACTED] earlier email (sent 8.53am), I have already provided comments to HMT colleagues on their clarifications (set out in the attachments). **Therefore, you do not need to take action at this time.**

HMT's first paper presents specific questions and confirmation of aspects of our letter, whilst the other two papers provide further information. HMT have not raised a specific objection, nor have they clarified what it is they want us to do with the additional information provided, but I have pursued this (see forwarded email).

I shall arrange a meeting to discuss the next steps on the deregulation package which should arrive in your inbox shortly.

Best regards,

██████████

----- Forwarded by ██████████ NEWPORT/ONS on 28/10/2015 09:10 -----

From: na classifications
To: ██████████ NEWPORT/ONS@ONS,
Date: 28/10/2015 09:00
Subject: Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: ██████████

----- Forwarded by ██████████ NEWPORT/ONS on 28/10/2015 08:59 -----

From: na classifications
To: ██████████ hmtreasury.gsi.gov.uk,
Cc: ██████████ NEWPORT/ONS@ONS, ██████████ hmtreasury.gsi.gov.uk, ██████████ HMTreasury.gsi.gov.uk,
██████████ hmtreasury.gsi.gov.uk, na classifications@ONS
Date: 22/10/2015 15:38
Subject: Re: FW: Official market sensitive - follow up to letter on Housing Associations
Sent by: ██████████

██████████

I have provided comments in track changes to the first paper raising specific questions/clarifications. As usual, these are just my opinions and do not reflect the ESCC's thoughts.

On the other attachments, the information is useful to gauge a more informed understanding of the regulatory framework within which RPs operate, but I fail to see what it is you wish for us to clarify.

Nonetheless, I would comment that information under the "scope" heading appears to be in objection to ESA 2010, and not ONS' application of the legislation. Owing a fiduciary duty to a specific company may well imply that an officer works in the interests of that company, but this does not mean that the process by which they were appointed (or their appointer) has no influence over their actions.

Further, MGDD I.2.3, 17 a) states that the "right to appoint [the] officers" is an indicator of public sector control. This differs to ESA 20.309 which states the right to appoint a majority of officers as an indicator of public sector control.

For information, would you be able to clarify:

1. whether the regulator can revoke it's general consent at any time; and
2. whether all officer appointments (or removals) are made by an independent advisor, or whether it is only in the case of a public inquiry that an independent member makes the recommendation/decision?

Happy to discuss,

██████████

▼ ██████████ 22/10/2015 10:05:12---Hi All, This was sent last night to ██████████ He is on SPL can it still be dealt with in his absence plea

From: ██████████ hmtreasury.gsi.gov.uk
To: na classifications@ONS, ██████████ NEWPORT/ONS@ONS,
Cc: ██████████ HMTreasury.gsi.gov.uk, ██████████ hmtreasury.gsi.gov.uk, ██████████ hmtreasury.gsi.gov.uk

Hi All,

This was sent last night to [REDACTED] He is on SPL can it still be dealt with in his absence please? Today [REDACTED] so can you ensure you to copy all the recipients in on any responses.

Many thanks,

[REDACTED]

[REDACTED] | Government Financial Reporting Team |
HM Treasury | 2/Red | 1 Horse Guards Road | London | SW1A 2HQ | [REDACTED]

From: [REDACTED] - HMT
Sent: 21 October 2015 20:36
To: [REDACTED]@ons.gsi.gov.uk
Cc: [REDACTED] - HMT; [REDACTED] - HMT; [REDACTED] - HMT
Subject: Official market sensitive - follow up to letter on Housing Associations

[REDACTED]

With apologies for the delay, please find attached a note from us, in response to your earlier letter. Apologies that it is not formatted formally, but I thought the important thing was to get you the questions. I also attach two notes from the Regulator, referred to in the first note.

[REDACTED] | [REDACTED] | Housing, Planning and Cities Team
[HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ | [REDACTED] | www.hm-treasury.gov.uk

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From: [REDACTED]
Sent: 02 November 2015 10:33
To: [REDACTED] CN=[REDACTED]
Cc: national.statistician@statistics.gsi.gov.uk; na.classifications@ons.gsi.gov.uk; [REDACTED]
[REDACTED] Athow, Jonathan; [REDACTED]
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations<[REDACTED]>

[REDACTED] / [REDACTED]

I've just picked up on this email chain.

The draft letter on the policy proposal is here: [REDACTED]
This is currently with HMT/DCLG for fact checking. [REDACTED] and I both spoke to [REDACTED] at HMT (who reports to [REDACTED] last week and he confirmed he was trying to clarify whether there were any factual inaccuracies (as DCLG sent an email in response, but it was not clear from the letter whether they were identifying any factual errors). We are not expecting any response until this week.

The below letter that [REDACTED] has sent you is the classification decision for the current situation.

Hope this helps clarify.

Best regards

[REDACTED]

[REDACTED] | Head of Public Sector Accounts | Government, Corporations & Classifications Division | Office for National Statistics | Government Buildings | Cardiff Road | Newport | Wales | NP10 8XG | Room 1.264 | Phone: [REDACTED] | Mobile: [REDACTED]

02/11/2015 10:23:07--- [REDACTED] We're having trouble locating the final draft letter that was sent to HMT: [REDACTED] is on paterni

From: [REDACTED] NEWPORT/ONS
To: [REDACTED] LONDON/ONS@ONS,
Cc: National Statistician@ONS, na.classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 02/11/2015 10:23
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

[REDACTED]

We're having trouble locating the final draft letter that was sent to HMT: [REDACTED] is on paternity leave and [REDACTED] is not available at the moment.

The text below is what was agreed between [REDACTED], [REDACTED] and [REDACTED] as an accurate and fair summary of the meeting, and was approved by me. So it is essentially the final draft.

Given your timing suggest you use this and we will come back with the final draft.

Thanks

[REDACTED]

na classifications---29/09/2015 20:53:16---[REDACTED] [REDACTED] [REDACTED] As agreed, below is the letter I intend to present to HM Treasury in the morning

From: na classifications
To: [REDACTED] NEWPORT/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 29/09/2015 20:53
Subject: Draft letter to HM Treasury
Sent by: [REDACTED] [REDACTED]

[REDACTED] [REDACTED] [REDACTED]

As agreed, below is the letter I intend to present to HM Treasury in the morning. Please let me know ASP if you would like any alterations (they have already been asking for it).

In particular, please can [REDACTED] and [REDACTED] satisfy themselves that this presents all of the "sufficient" indicators of control and that, in combination, the other controls (including the rent control) would not cumulatively indicate control?

Kind regards

[REDACTED]

Dear [REDACTED] [REDACTED]

As you are aware, the ONS has undertaken a review of the statistical classification of "Housing Associations" to establish whether these bodies should continue to be recorded as Private Non-Financial Corporations or if the recording should change following legislative and regulatory changes brought about through the 2008 Housing Regeneration Act (HRA 2008) and/or the 2011 Localism Act (LA 2011). Additionally, the review ensures that the treatment is consistent with the latest 2010 European System of Accounts (ESA 2010), which entered force in September 2014.

First, it is important to be clear that the review applies specifically to "Private registered providers" of social housing (incl. registered housing associations) in England - which include the majority of English housing associations (those being registered with the Homes and Communities Agency as providers of social housing). Thus, while this has colloquially been referred to as a classification review of "Housing Associations", the conclusions apply to all bodies subject to the relevant regulations (whether they are housing associations or otherwise) and do not apply to those housing associations (as defined in the 1985 Housing Associations Act) not registered with the Homes And Communities Agency (HCA) as they are not subject to the regulatory regime.

Additionally, it is necessary to be clear that "private registered providers" is the official term for these bodies and does not prejudice or otherwise impact the statistical classification decision.

The ONS National Accounts Classifications Committee (NACC) convened to discuss the classification of private registered providers of social housing in England on 29 Sept 2015. As part of this assessment, NACC also reviewed the Central Government (S.1311) classification of the HCA which regulates social housing providers.

Pursuant to established procedure, NACC considered classifications in the context of internationally agreed rules in the European System of Accounts 2010 (ESA 2010) and the accompanying Manual on Government Deficit and Debt 2014 (MGDD 2014). After detailed discussion, NACC concluded the following:

- that the HCA should remain classified to the Central Government (S.1311) subsector. In judging this, NACC cited the following;
 - the HCA meets the conditions necessary to be classified as an institutional unit by incurring liabilities and holding assets, entering into contracts and exhibiting sufficient decision making autonomy
 - the HCA is subject to public sector control in accordance with control indicators described in ESA 2010, Chapter 20.309. Specifically, NACC cited HM Government's ability to appoint and remove all

board members and key personnel, and the fact that HM Government approves all funding as sufficient indicators of public sector control

- given the above, and its primary function as a regulator, the pre-existing classification of HCA as a Central Government unit remains valid

- that all private registered providers should be considered as institutional units as they have the ability to incur liabilities and hold assets on their own account, enter into contracts and exhibit sufficient decision making autonomy

- that all private registered providers are subject to public sector control in accordance with control indicators outlined in ESA 2010, Chapter 20.309 and MGDD 2014 I.2.3,15 (applying to for-profit registered providers) and ESA 2010, Chapter 2.39 and MGDD 2014 I.2.3,17 (applying to not-for-profit registered providers). In concluding this, NACC reasoned that:

- HM Government's consent powers (exercised through the HCA, section 172-194 of the HRA 2008) over disposals of social housing assets and to direct the use of disposal proceeds is an indicator of public sector control through enabling instruments/excessive regulation;

- this public sector influence is reinforced by HM Government's consent (again exercised via the HCA under section 186 of the HRA 2008) over disposals of housing stock following a registered provider's deregistration with the HCA;

- HM Government's consent powers (exercised through the HCA under section 160-166 of the HRA 2008) over the voluntary winding-up, dissolution and restructuring of a registered provider is an indicator of public sector control through enabling instruments/excessive regulation;-

- HM Government's powers (exercised through the HCA under section 246-252 and 269 of the HRA 2008) over the management of a registered provider, in particular the power of the HCA to appoint managers and officers to the provider, is an indicator of public sector control through the appointment of officers/key personnel and/or through enabling instruments/excessive regulation.

- that registered providers meet the prescribed conditions detailed in ESA 2010 Chapter 2 and 20 to be classified as market producers *en masse*. In making this judgement, NACC stated that there is sufficient evidence to suggest that registered providers are charging economically significant prices in accordance with ESA 2010 20.23

Consistent with this, NACC ~~concluded~~recommended that registered providers in England should be classified to the Public Non-Financial Corporations (S.11001) subsector for the purpose of national accounts. The Director of National Accounts & Economic Statistics has approved this recommendation and the classification applies. This treatment is with effect from the date of enforcement of the Housing and Regeneration Act 2008 - 22 July 2008.

I trust this provides sufficient explanation of the decision reached. Please do get in touch with

Sincerely,

■■■■

■■■■
Director for National Accounts & Economic Statistics

Office for National Statistics

Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG

T: ■■■■ M: ■■■■ E: ■■■■ ons.gsi.gov.uk

▼ ■■■■ 02/11/2015 10:06:45---Thanks ■■■■

From: ■■■■ LONDON/ONS

To: [REDACTED] NEWPORT/ONS@ONS, National Statistician@ONS,
Cc: na.classifications@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS,
Jonathan Athow/LONDON/ONS@ONS
Date: 02/11/2015 10:06
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

Thanks [REDACTED]

Apparently [REDACTED] was going to chase the treasury to speed up their fact checking so the letter could be ready should the Ministers decide they do want to publish it. Does anyone know how that went? We have seen [REDACTED] email saying they asked follow-up questions.

John is talking to [REDACTED] at 11:15 today so would like to know the latest position.

Thanks
[REDACTED]

[REDACTED] | [REDACTED]
UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: [REDACTED] [statistics.gsi.gov.uk](mailto:[REDACTED]@statistics.gsi.gov.uk) | Web: www.statisticsauthority.gov.uk | Twitter: @UKStatsAuth

▼ [REDACTED] 02/11/2015 10:00:50---I'd be grateful if you could send a copy of the current draft letter on the provisional classificati

From: [REDACTED] NEWPORT/ONS
To: na.classifications@ONS, [REDACTED] LONDON/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, Jonathan Athow/LONDON/ONS@ONS
Date: 02/11/2015 10:00
Subject: [OFFICIAL SENSITIVE] - Re: to read - Fw: Official market sensitive - follow up to letter on Housing Associations

I'd be grateful if you could send a copy of the current draft letter on the provisional classification of HAs that is being finalised with HMT to [REDACTED] copied here, and also a link as to what was published on Friday for their current classification.

Thanks
[REDACTED]

[REDACTED]
Director for National Accounts & Economic Statistics
Office for National Statistics
Government Buildings, Cardiff Road, Newport, Gwent, NP 10 8XG
T: [REDACTED] M: [REDACTED] E: [REDACTED] [ons.gsi.gov.uk](mailto:[REDACTED]@ons.gsi.gov.uk)

▼ na.classifications---28/10/2015 09:16:48--- Attachments filed All,

From: na.classifications
To: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS,
Date: 28/10/2015 09:16
Subject: [OFFICIAL SENSITIVE] - to read - Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: [REDACTED]

 **Attachments filed**

All,

Further to [REDACTED] earlier email (sent 8.53am), I have already provided comments to HMT colleagues on their clarifications (set out in the attachments). **Therefore, you do not need to take action at this time.**

HMT's first paper presents specific questions and confirmation of aspects of our letter, whilst the other two papers provide further information. HMT have not raised a specific objection, nor have they clarified what it is they want us to do with the additional information provided, but I have pursued this (see forwarded email).

I shall arrange a meeting to discuss the next steps on the deregulation package which should arrive in your inbox shortly.

Best regards,

[REDACTED]

----- Forwarded by [REDACTED] NEWPORT/ONS on 28/10/2015 09:10 -----

From: na classifications
To: [REDACTED] NEWPORT/ONS@ONS,
Date: 28/10/2015 09:00
Subject: Fw: Official market sensitive - follow up to letter on Housing Associations
Sent by: [REDACTED]

----- Forwarded by [REDACTED] NEWPORT/ONS on 28/10/2015 08:59 -----

From: na classifications
To: [REDACTED] hmtreasury.gsi.gov.uk,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] hmtreasury.gsi.gov.uk, [REDACTED] HMTreasury.gsi.gov.uk,
[REDACTED] hmtreasury.gsi.gov.uk, na classifications@ONS
Date: 22/10/2015 15:38
Subject: Re: FW: Official market sensitive - follow up to letter on Housing Associations
Sent by: [REDACTED]

[REDACTED]

I have provided comments in track changes to the first paper raising specific questions/clarifications. As usual, these are just my opinions and do not reflect the ESCC's thoughts.

On the other attachments, the information is useful to gauge a more informed understanding of the regulatory framework within which RPs operate, but I fail to see what it is you wish for us to clarify.

Nonetheless, I would comment that information under the "scope" heading appears to be in objection to ESA 2010, and not ONS' application of the legislation. Owing a fiduciary duty to a specific company may well imply that an officer works in the interests of that company, but this does not mean that the process by which they were appointed (or their appointer) has no influence over their actions.

Further, MGDD I.2.3, 17 a) states that the "right to appoint [the] officers" is an indicator of public sector control. This differs to ESA 20.309 which states the right to appoint a majority of officers as an indicator of public sector control.

For information, would you be able to clarify:

1. whether the regulator can revoke it's general consent at any time; and
2. whether all officer appointments (or removals) are made by an independent advisor, or whether it is only in the case of a public inquiry that an independent member makes the recommendation/decision?

Happy to discuss,

[REDACTED]

22/10/2015 10:05:12---Hi All, This was sent last night to [REDACTED] He is on SPL can it still be dealt with in his absence plea

From: [REDACTED]@hmtreasury.gsi.gov.uk
To: na.classifications@ONS, [REDACTED]@NEWPORT/ONS@ONS,
Cc: [REDACTED]@HMTreasury.gsi.gov.uk, [REDACTED]@hmtreasury.gsi.gov.uk, [REDACTED]@hmtreasury.gsi.gov.uk
Date: 22/10/2015 10:05
Subject: FW: Official market sensitive - follow up to letter on Housing Associations

Hi All,

This was sent last night to [REDACTED] He is on SPL can it still be dealt with in his absence please? [REDACTED]
[REDACTED] so can you ensure you to copy all the recipients in on any responses.

Many thanks,

[REDACTED]

[REDACTED] | Government Financial Reporting Team |
HM Treasury | 2/Red | 1 Horse Guards Road | London | SW1A 2HQ | [REDACTED]

From: [REDACTED] - HMT
Sent: 21 October 2015 20:36
To: [REDACTED]@ons.gsi.gov.uk
Cc: [REDACTED] - HMT; [REDACTED] - HMT; [REDACTED] - HMT
Subject: Official market sensitive - follow up to letter on Housing Associations

[REDACTED]

With apologies for the delay, please find attached a note from us, in response to your earlier letter. Apologies that it is not formatted formally, but I thought the important thing was to get you the questions. I also attach two notes from the Regulator, referred to in the first note.

[REDACTED] | [REDACTED] | Housing, Planning and Cities Team
|HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ | [REDACTED] | [REDACTED] | www.hm-treasury.gov.uk

This email and any files transmitted with it are intended solely for the use of the individual(s) to whom they are addressed. If you are not the intended recipient and have received this email in error, please notify the sender and delete the email. This footnote also confirms that our email communications may be monitored to ensure the secure and effective operation of our systems and for other lawful purposes, and that this email has been swept for malware and viruses.

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supplied by Vodafone in partnership with Symantec. (CCTM Certificate Number 2009/09/0052.) This email has been certified virus free.

Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes.

This email was scanned by the Government Secure Intranet anti-virus service supplied by Vodafone in partnership with Symantec. (CCTM Certificate Number 2009/09/0052.) In case of problems, please call your organisations IT Helpdesk.

Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes. [attachment "151013 letter to ONS draft fin.docx" deleted by ██████████ NEWPORT/ONS] [attachment "151013 response on management officers.docx" deleted by ██████████ ██████████ NEWPORT/ONS] [attachment "151013 note on disposal consents.docx" deleted by ██████████ ██████████ NEWPORT/ONS]

From: [REDACTED]
Sent: 30 October 2015 09:34
To: National Statistician
Subject: Daily Media Summary - 30 October 2015

Daily Media Summary - Friday 30 October 2015

POPULATION - As expected, the population projection figures dominate the headlines, with front page treatment in the [Daily Telegraph](#) and the [Daily Mail](#), and almost every major newspaper and broadcaster covering the story. Most focus on the projected population rise of 10 million in 25 years, with the Sun headlining "Britain needs 18 new Manchesters." The terms 'rocket' and 'soar' are used frequently, with the Financial Times, the [Daily Mail](#), and the [Daily Telegraph](#) directly attributing the rise to migration in their headlines. The Independent looks at "Geriatric Britain" and the rise of the over 85s. Guy Goodwin, director of social analysis, was quoted in the Times, the Evening Standard, and the [Daily Mail](#), saying "there is a risk that if we take the latest figures and project those forward we get figures that prove to be way out. We always look at longer term trends," and in the [Guardian](#) and the [Daily Star](#) saying "growth will be at a faster rate than we have seen previously, largely due to the direct impact of international migration and the indirect impact of immigration." His full quote was used online by [Sky News](#). The Times quotes Lord Green of Deddington as saying "these projections confirm that our population will increase by more than twice the population of Birmingham in the next five years." ONS Statistician Paul Vickers was interviewed on BBC radio and Channel 4 News. The story was also covered by the Daily Express, the Financial Times, the Daily Telegraph, the Daily Mirror, the Metro, [City AM](#), [BBC Online](#), and [ITV Online](#), also had widespread broadcast coverage on BBC News, ITV News, Channel 4 News, 5 News, Sky News, Radio 1, Radio 2, Radio 4, Radio 5Live, Asian Network, and LBC.

RENTAL PRICES - "The UK's chronic housing shortage has driven rents up at their fastest rate for almost three years" according to the Financial Times and the Times, with the [Guardian](#) focusing on the 2.7% increase in rent prices across Britain in the last year, with London's price increase sitting at 4.1%. Also covered by the [Independent](#), and in brief in the i.

GDP - Anthony Hilton in the Evening Standard looks at how GDP figures are frequently revised or corrected, suggesting "the problem is not that the figures are wrong, it is that people believe them and act on them." He describes how the threat of a triple-dip recession in 2012 was, at the time, a "heart attack", but turned out to be "a slight dose of flu" once the numbers were revised. Tim Montgomerie in [City AM](#) writes a slightly similar piece titled "we need to measure well-being to reverse Britain's social decline", echoing criticisms that "we focus too much on the GDP number".

INSOLVENCIES - City AM runs a short piece covering the drop in companies entering administration, down 2.4% from last quarter and 5.5% from last year.

Social Media Summary - Thursday 29 October 2015

Population Projections

ITV News

UK's population will rise by 9.7 million over the next 25 years, @ONS predicts <http://www.itv.com/news/2015-10-29/uk-population-projected-to-increase-by-9-7m-over-next-25-years/> ...
<https://twitter.com/itvnews/status/659664362832048128>

[REDACTED]
#ONS figures say the U.K. Population will grow by 9 million over the next 25 years. Where the hell will we put all these ppl. Rediculous
[https://twitter.com/\[REDACTED\]/status/659665073984684032](https://twitter.com/[REDACTED]/status/659665073984684032)

[REDACTED]
Squeeze tight: The population of the UK is projected to hit 70 million by 2027, according to @ONS
<https://twitter.com/ExpressGilo/status/659665250095144961>

ONS now project UK population to rise to 69m by 2024: slight upward revision from last projection, entirely driven by higher net migration

[https://twitter.com/\[REDACTED\]/status/659665455632785408](https://twitter.com/[REDACTED]/status/659665455632785408)

UK population 'to rise 9.7m by 2040' says ONS - 51% of rise from net migration, 49% from more births than deaths: bbc.in/1P7gwbj

[https://twitter.com/\[REDACTED\]/status/659664807872888832](https://twitter.com/[REDACTED]/status/659664807872888832)

With the @ONS revealing UK population will increase by 9.7 million in next 25 years, #ipswichvision reveals 2000 homes will be built in town

<https://twitter.com/bredsell/status/659665865248501760>

Not best pleased about this.

[https://twitter.com/\[REDACTED\]/status/659664020916563969](https://twitter.com/[REDACTED]/status/659664020916563969)

49% of UK population growth over next 10 years will be from net migration, says @ONS ons.gov.uk/ons/dcp171778_...

[https://twitter.com/\[REDACTED\]/status/659666211773546496](https://twitter.com/[REDACTED]/status/659666211773546496)

Govt's net migration pledge looks increasingly hard to hit, with @ONS predicting "long-term" 185k a year

[https://twitter.com/\[REDACTED\]/status/659667308726591488](https://twitter.com/[REDACTED]/status/659667308726591488)

The estimated UK population in 2039 will be 74.3 million up from 64.6 million in 2014 via @ONS

[https://twitter.com/\[REDACTED\]/status/659666769511120896](https://twitter.com/[REDACTED]/status/659666769511120896)

Want to be mobile in the future? Cycle. UK population projected to increase by 9.7million over the next 25 years.

ons.gov.uk/ons/rel/npp/na...

[https://twitter.com/\[REDACTED\]/status/659668021087223808](https://twitter.com/[REDACTED]/status/659668021087223808)

ons.gov.uk/ons/dcp171778_... by 2039 the number of centenarians is projected to rise 6-fold to 83,000. We're going to need a bigger pension. @ONS

[https://twitter.com/\[REDACTED\]/status/659670752594120708](https://twitter.com/[REDACTED]/status/659670752594120708)

UK has EU's third biggest population after France & Germany. But pop growth means it'll overtake France by 2030 and Germany by 2047 - ONS

[https://twitter.com/\[REDACTED\]/Sky/status/659672728245567488](https://twitter.com/[REDACTED]/Sky/status/659672728245567488)

According to @ONS male population will exceed female popn by 2050, by 2081 there will be 1 MILLION more men in UK

[https://twitter.com/\[REDACTED\]/Sky/status/659691015398367232](https://twitter.com/[REDACTED]/Sky/status/659691015398367232)

Here's a few examples we've seen in on Social Media channels today of online news using the content:

Buzzfeed

buzzfeed.com/tomchivers/its-tough-to-make-predictions-especially-about-the-future

London Standard

<http://www.standard.co.uk/news/uk/londons-population-could-soar-to-11-million-by-2039-as-uk-predicted-to-become-the-biggest-nation-in-a3102366.html>

HuffPost

<http://www.huffingtonpost.co.uk/2015/10/29/nigel-farage-victoria-line-ons-population->

Index of Private Housing Rental Prices

Private rents in Great Britain rose by 2.7% in 12 months to September, says ONS. In London they were up by 4.1%
[https://twitter.com/\[REDACTED\]/status/659664997744828416](https://twitter.com/[REDACTED]/status/659664997744828416)

Private rental prices paid by tenants in Great Britain rose by 2.7% in the 12 months to September 2015 says @ONS
[https://twitter.com/\[REDACTED\]/status/659664780748267521](https://twitter.com/[REDACTED]/status/659664780748267521)

Property Wire

British private rents up almost 3% year on year, joint fastest rate since oct 2012, @ONS latest index
[propertywire.com/news/europe/us...
https://twitter.com/PropertyWire/status/659687633174536192](https://twitter.com/PropertyWire/status/659687633174536192)

Nowcasting

As my colleague has just noted, will 'nowcasting' be the 'twerking' of 2016? The floor is open.
[ons.gov.uk/ons/dcp171778_...
https://twitter.com/\[REDACTED\]/status/659666578364080128](https://twitter.com/[REDACTED]/status/659666578364080128)

I'm expecting 'nowcasting' to be @OED's word of the year. Now just need a few more followers to catch up with Miley
[https://twitter.com/\[REDACTED\]/status/659670004347084800](https://twitter.com/[REDACTED]/status/659670004347084800)

@OED You're only 23m followers off! There's still time.
[https://twitter.com/\[REDACTED\]/status/659674363176841216](https://twitter.com/[REDACTED]/status/659674363176841216)

Housing Association Reclassification

Ahead of tomorrow's @ONS HA reclassification decision - 1 from earlier on what the impact may be for HAs
[#ukhousing socialhousing.co.uk/comment/the-im...
https://twitter.com/\[REDACTED\]cross1/status/659728563768270848](https://twitter.com/[REDACTED]cross1/status/659728563768270848)

Inside Housing

Tomorrow's ONS review: What is being considered, and what isn't. @PeteApps looks ahead to Judgement Day Part II
[insidehousing.co.uk/analysis-and-d...
https://twitter.com/insidehousing/status/659713055933259776](https://twitter.com/insidehousing/status/659713055933259776)

The ONS will consider a range of regulatory changes introduced between 2008 and 2011 but NOT recent policy proposals
<http://www.insidehousing.co.uk/analysis-and-data/expert-opinion/judgment-day-ii-the-reckoning/7012499.article> ...
<http://twitter.com/insidehousing/status/659713397114712065>

Judgement Day II: The Reckoning - What tomorrow's ONS review is all about, and what it means
[insidehousing.co.uk/analysis-and-d...
https://twitter.com/PeteApps/status/659703597517680640](https://twitter.com/PeteApps/status/659703597517680640)

24housing Magazine

Reader comment: "This is hugely and significantly incorrect." - 24dash.com/news/central_g... #ukhousing
<https://twitter.com/24housing/status/659691609131507713>

So now we know. The ONS review of #ukhousing will be published tomorrow (30/10) at 09:30
<https://t.co/3fFrmkZCgR> via @24housing
https://twitter.com/_hht/status/659643135526572032

Big Data

ONS Research shows how iOS8 release impacted on geolocated #Twitter volumes bit.ly/1LCzmVi ONS #bigdata...
https://twitter.com/_hht/status/659690420432216064

[REDACTED]

From: [REDACTED] on behalf of Parliamentary Unit
Sent: 29 October 2015 17:40
To: [REDACTED]@parliament.uk
Cc: [REDACTED]@parliament.uk
Subject: Response from John Pullinger <[REDACTED]>
Attachments: John Pullinger to [REDACTED].pdf; 151027 Letter to ONS on HA classification.pdf

Dear [REDACTED]

Please see attached a response from John Pullinger to your recent letter regarding the statistical classification of private registered providers of social housing in England.

Kind Regards

[REDACTED]

[REDACTED] | Central Policy Secretariat | UK Statistics Authority | 1 Drummond Gate, London, SW1V 2QQ
Tel: [REDACTED] | Email: [REDACTED]@statistics.gov.uk Web: www.statisticsauthority.gov.uk Twitter: @UKStatsAuth

(See attached file: John Pullinger to [REDACTED].pdf)(See attached file: 151027 Letter to ONS on HA classification.pdf)

[REDACTED]

From: [REDACTED] [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 29 October 2015 17:30
To: [REDACTED] [REDACTED]
Cc: Athow, Jonathan
Subject: Classifications

[REDACTED]

At my mid year review on Tuesday, [REDACTED] [REDACTED] raised the issue of classifications. He said he is still picking up anxiety from some colleagues about decisions we are taking, both the level of engagement we have with policy colleagues and whether some decisions are "too purist". I challenged him on this and he cited the green investment bank as an example. I went on to describe to him the regular meetings we have with the Treasury team and the good positive feedback we are having about that relationship. I also mentioned my own personal involvement in several cases including most recently with [REDACTED] [REDACTED] Macpherson and [REDACTED] on housing associations and also with the Scottish Government. He encouraged us to continue to be well engaged given the political significance of many of the cases that come our way.

I suggested that I might host a seminar for senior policy colleagues. He thought this might be a good idea, what do you think? If you agree, I will set something up for the New Year.

John

John Pullinger | National Statistician | UK Statistics Authority
1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: national.statistician@statistics.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

From: [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 28 October 2015 09:30
To: [REDACTED]
Subject: [OFFICIAL SENSITIVE] - Re: Timeline

Thanks!

28/10/2015 09:26:07---Just so you are aware we are preparing a one page note to be published alongside the classification decision on Friday 30 Oct a

From: [REDACTED] NEWPORT/ONS
To: National Statistician@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS
Date: 28/10/2015 09:26
Subject: [OFFICIAL SENSITIVE] - Re: Timeline

Here is the letter sent to HMT

Letter sent to [REDACTED] [REDACTED] [attachment "Letter Ref 2015-39.pdf" deleted by [REDACTED] NEWPORT/ONS]

Just so you are aware we are preparing a one page note to be published alongside the classification decision on Friday 30 Oct and agreeing lines to take with HMT and DCLG.

Thanks

Hashtags

Initial EDRMS declaration intention

[REDACTED] Divisional Director
Government, Corporations and Classifications Division
Office for National Statistics

Tel: [REDACTED] 45 5643

28/10/2015 09:21:35---From: National Statistician To: [REDACTED] NEWPORT/ONS@ONS,

From: National Statistician
To: [REDACTED] NEWPORT/ONS@ONS,
Date: 28/10/2015 09:21
Subject: [OFFICIAL SENSITIVE] - Re: Timeline
Sent by: [REDACTED]

Hi [REDACTED]

Please can you open up the letter to HMT at the end of this email? It is for a meeting John is preparing for at 9.30.

Thanks, [REDACTED]

08/10/2015 14:25:48---From: [REDACTED] NEWPORT/ONS To: National Statistician@ONS,

From: [REDACTED] NEWPORT/ONS
To: National Statistician@ONS,
Cc: [REDACTED] LONDON/ONS@ONS, [REDACTED] LONDON/ONS@ONS, [REDACTED] LONDON/ONS@ONS, [REDACTED]
[REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 08/10/2015 14:25
Subject: [OFFICIAL SENSITIVE] - Timeline

printed for [REDACTED] bilat on Monday

In response to the request below we have drafted a timeline. Please let me know if you require any further information.

You may wish to consider how long you retain this as an email.

Thanks

[REDACTED]

[REDACTED]

John is aware of [REDACTED] interest in this issue. He also knows that different messages have been released in public (likely for good reasons). In order for him to be fully aware of everything that has happened, please could you provide a chronology of events? We can also share this with [REDACTED] if appropriate.

Thanks

Timeline

July

8 July, in the budget the Government announced a new social housing rent reduction policy, which would come into effect from April 2016 and OBR indicated this might impact on the classification of HAS

15 July, response to official correspondence from Labour MP [REDACTED] .

23 July, following the official correspondence to [REDACTED], Inside Housing publish an article.

<http://www.insidehousing.co.uk/ons-confirms-it-will-examine-associations-status/7010928.article>

August

Work commences on collating information on the existing classification.

September

During the early part of September, on-going discussions with HMT on the timing of an ONS review of the existing housing association classification, given the potential impact on fiscal forecasts. HMT were not keen for ONS to proceed. Days prior to the 16 September ONS informed HMT that we would proceed with the review of the existing classification of housing associations prior to any policy proposals.

16 September

- David Cameron states that housing associations were classified to the public sector when in fact they are currently classified as private non financial corporations.
- Inside Housing contacts the ONS media office for clarification of the housing associations existing classification and confirmation of the £60bn debt that David Cameron also referred to.

- ONS respond clarifying the existing classification and stating that preliminary work was been undertaken on the existing housing associations classification. ONS publishes the following statement:

In response to user enquiries, ONS can confirm that it is undertaking preliminary work looking at the current structure of housing associations, in preparation for any future review that it may wish to undertake.

23 September, at the NA classifications forward work plan meeting, ONS were informed by HMT that with the pending Housing Bill there was an urgent requirement to review the existing classification of social housing providers and a policy proposal by 6 October. ONS advised HMT of the deadline for information to enable us to convene NACC meetings on 29 September and 8 October. HMT were also made aware that this was an unusually tight timetable and there were risks associated with it.


24 September, response to Inside Housing Fol.

<http://www.ons.gov.uk/ons/about-ons/business-transparency/freedom-of-information/what-can-i-request/previous-foi-requests/business-and-energy/housing-association-classification/index.html>

29 September review of existing HA classification announced in quarterly NA classifications forward work programme. Alongside the forward work programme we published a brief introduction to classification decisions:

<http://www.ons.gov.uk/ons/guide-method/classifications/na-classifications/brief-introduction-to-classification-decisions/index.html>

29 September, NACC meet to review existing classification.

30 September, letter sent to HMT on the classification of existing registered social housing providers  (NOTE: This letter is not for further dissemination).

October

w/c 5 October, internal ONS discussions on publishing the existing classification decision early, to assist the Parliamentary debate on the forthcoming Housing Bill. Classification decisions are normally published at the end of each month but there has been one instance when we have deviated from this practice in the classification of Network Rail.

8 October, NACC meet to review policy proposal for private registered providers of social housing.

9 October, meeting with HMT

From: [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 28 October 2015 09:22
To: [REDACTED]
Subject: [OFFICIAL SENSITIVE] - Re: Timeline

Hi [REDACTED]

Please can you open up the letter to HMT at the end of this email? It is for a meeting John is preparing for at 9.30.

Thanks, [REDACTED]

08/10/2015 14:25:48---From: [REDACTED] NEWPORT/ONS To: National Statistician@ONS,

From: [REDACTED] NEWPORT/ONS
To: National Statistician@ONS,
Cc: [REDACTED] LONDON/ONS@ONS, [REDACTED] LONDON/ONS@ONS, [REDACTED] LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 08/10/2015 14:25
Subject: [OFFICIAL SENSITIVE] - Timeline

printed for [REDACTED] bilat on Monday

In response to the request below we have drafted a timeline. Please let me know if you require any further information.

You may wish to consider how long you retain this as an email.

Thanks

John is aware of [REDACTED] interest in this issue. He also knows that different messages have been released in public (likely for good reasons). In order for him to be fully aware of everything that has happened, please could you provide a chronology of events? We can also share this with [REDACTED] if appropriate.

Thanks

Timeline

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15 July, response to official correspondence from Labour MP [REDACTED] .

23 July, following the official correspondence to [REDACTED], Inside Housing publish an article.

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September

During the early part of September, on-going discussions with HMT on the timing of an ONS review of the existing

housing association classification, given the potential impact on fiscal forecasts. HMT were not keen for ONS to proceed. Days prior to the 16 September ONS informed HMT that we would proceed with the review of the existing classification of housing associations prior to any policy proposals.

16 September

- David Cameron states that housing associations were classified to the public sector when in fact they are currently classified as private non financial corporations.
- Inside Housing contacts the ONS media office for clarification of the housing associations existing classification and confirmation of the £60bn debt that David Cameron also referred to.
- ONS respond clarifying the existing classification and stating that preliminary work was been undertaken on the existing housing associations classification. ONS publishes the following statement:

In response to user enquiries, ONS can confirm that it is undertaking preliminary work looking at the current structure of housing associations, in preparation for any future review that it may wish to undertake.

23 September, at the NA classifications forward work plan meeting, ONS were informed by HMT that with the pending Housing Bill there was an urgent requirement to review the existing classification of social housing providers and a policy proposal by 6 October. ONS advised HMT of the deadline for information to enable us to convene NACC meetings on 29 September and 8 October. HMT were also made aware that this was an unusually tight timetable and there were risks associated with it.

24 September, response to Inside Housing Fol.

<http://www.ons.gov.uk/ons/about-ons/business-transparency/freedom-of-information/what-can-i-request/previous-foi-requests/business-and-energy/housing-association-classification/index.html>

29 September review of existing HA classification announced in quarterly NA classifications forward work programme. Alongside the forward work programme we published a brief introduction to classification decisions:

<http://www.ons.gov.uk/ons/guide-method/classifications/na-classifications/brief-introduction-to-classification-decisions/index.html>

29 September, NACC meet to review existing classification.

30 September, letter sent to HMT on the classification of existing registered social housing providers 📄 (NOTE: This letter is not for further dissemination).

October

w/c 5 October, internal ONS discussions on publishing the existing classification decision early, to assist the Parliamentary debate on the forthcoming Housing Bill. Classification decisions are normally published at the end of each month but there has been one instance when we have deviated from this practice in the classification of Network Rail.

8 October, NACC meet to review policy proposal for private registered providers of social housing.

9 October, meeting with HMT

[REDACTED]

From: [REDACTED] on behalf of Customer Contact Centre
<info@ons.gsi.gov.uk@ONS>
Sent: 27 October 2015 12:00
To: national.statistician@statistics.gsi.gov.uk
Subject: Letter from [REDACTED] to John Pullinger - Ref: CCC61443 <[REDACTED]>

 **filed, action completed through OC database**

Dear colleague

Please see the email below, received 27/10/15 by the Customer Contact Centre for the attention of John Pullinger.

Could you please respond directly to the customer?

The customer email address is [REDACTED]@parliament.uk,

If I have forwarded this enquiry to you/your team in error, can you please let me know who the correct recipient should be? This will help improve our service to customers.

Thank you,

[REDACTED]
Customer Contact Centre | Canolfan Cyswllt Cwsmeriaid
Office for National Statistics | Swyddfa Ystadegau Gwladol
Telephone [REDACTED] | Ffôn: [REDACTED]

FAO John Pullinger
Also sent by post.

Best wishes.

[REDACTED] | [REDACTED]
[REDACTED]@parliament.uk | [REDACTED]

[REDACTED] | Shadow Cabinet Minister for Housing and Planning

UK Parliament Disclaimer: This e-mail is confidential to the intended recipient. If you have received it in error, please notify the sender and delete it from your system. Any unauthorised use, disclosure, or copying is not permitted. This e-mail has been checked for viruses, but no liability is accepted for any damage caused by any virus transmitted by this e-mail. This e-mail address is not secure, is not encrypted and should not be used for

From: [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 21 October 2015 14:49
To: [REDACTED]@digital.ons.gov.uk
Subject: Fw: Board paper
Attachments: SA15(xx) Consumer Prices - ANNEX A.docx; ATTVN8BL.docx; UKSA(15)xx - EDC Update v1.0.doc; SA15(xx) Consumer Prices .docx

Hi John,

The EDC paper is attached as promised. [REDACTED] has also sent on the prices consultation which I would agree you should leave for Jonathan to sign off. You have enough to do.

[REDACTED] also asked me to remind you that the afternoon of this Board is a joint session with NSEG so you might want to talk about alignment. Once again, sorry I didn't give you this to you yesterday when you had time to write it, ouch is about right.

Thanks, [REDACTED]

----- Forwarded by [REDACTED] NEWPORT/ONS on 21/10/2015 14:43 -----

From: [REDACTED] LONDON/ONS
To: National Statistician@ONS,
Cc: Robert Bumpstead/LONDON/ONS@ONS
Date: 21/10/2015 14:41
Subject: Board paper

Hi [REDACTED]

Can you get this over to John for comments?

(See attached file: UKSA(15)xx - EDC Update v1.0.doc)

Also below is a paper on the prices consultation which [REDACTED] has written and Jonathan A is looking at now. John might be happy for Jonathan to sign this one off.

[REDACTED]

(See attached file: SA15(xx) Consumer Prices .docx)(See attached file: SA15(xx) Consumer Prices - ANNEX A.docx)(See attached file: SA15(xx) Consumer Prices - ANNEX B.docx)

[REDACTED] | UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ
Tel: [REDACTED] | Email: [REDACTED]@statistics.gov.uk Web: www.statisticsauthority.gov.uk Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

From: [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 15 October 2015 13:56
To: [REDACTED]@frameworkha.org
Subject: Independence of Charitable Housing Associations

Dear [REDACTED]

[REDACTED] has asked me to reply to your letter of 17 September.

The Office for National Statistics is responsible for producing the UK National Accounts in accordance with the rules laid out in the 2010 European System of Accounts (ESA10). This is an article of European law and following these rules is therefore a legal requirement upon the UK.

ESA10 lays out the criteria by which ONS must assess whether or not each organisation in the UK economy is subject to government control. These are explained on the ONS website. If there is sufficient evidence of control as defined in these criteria then the unit is recorded in the public sector (i.e. the 'general government sector', the 'public financial corporations sector', or the 'public non-financial corporations sector', depending on its other characteristics) for statistical purposes.

The ONS has been undertaking a review of housing associations to establish if changes implemented through (and following) the 2008 Housing Regeneration Act and/or the 2011 Localism Act relating to "Private registered providers" of social housing (incl. registered housing associations) in England might affect the way these bodies are recorded for statistical purposes. I must stress that this is a statistical decision only; it does not imply any change in the legal ownership or regulation of housing associations (and hence does not amount to "nationalisation"). This also means that we can only consider the classification decision in terms of the government control criteria and therefore any evidence not relating to those criteria cannot enter the decision-making process.

I appreciate that this has raised some concerns for you but hope you will understand that we are undertaking this review specifically to ensure compliance with the requirements of EU statistical law.

Yours sincerely,

John Pullinger

John Pullinger | National Statistician | UK Statistics Authority
1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: national.statistician@statistics.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

From: [REDACTED] [[mailto:\[REDACTED\]@frameworkha.org](mailto:[REDACTED]@frameworkha.org)]
Sent: 17 September 2015 12:26

Subject: Independence of Charitable Housing Associations

Dear [REDACTED],

Would you be kind enough to pass the message below to the Warden of Nuffield College Sir [REDACTED] Many thanks?

Dear [REDACTED]

I am contacting you in your role as Chair of the UK Statistics Authority. I would like to raise my concern about the proposal by the Office for National Statistics to review the status of housing associations – which are not at present classified as public bodies. I read today that the ONS is carrying out a review that could result in their re-classification as public bodies.

As Chief Executive of a housing association that specialises in the provision of services to homeless, vulnerable and excluded people I find this deeply worrying. We are not only a registered provider of social housing, but also a registered charity. Frankly, it has never crossed my mind that we are in any sense part of the state. For us to be effectively 'nationalised' would be a very significant step for government to take – not just because it is not the kind of thing one expects a Conservative administration to do, but also because it would amount to an expropriation of charitable funds.

Please bear in mind the following:

- The services we provide are not just (emergency and specialist) housing but also street outreach, tenancy support, lifeskills training, education, volunteering, employment and social enterprise.
- Our sources of income are many and varied – there is none from central government and the proportion from contracts with local government and the health community is decreasing very quickly
- Most of our revenue income is from charges to service users, grants from charitable trusts and fundraising from the general public – the latter in particular would be at serious risk if we came to be regarded as a public body (people do not generally give to the state of their own volition...)
- Our functions are primarily non-statutory – hence the huge reductions in funding from local government ('we can't afford to fund this any more because it has nothing to do with us').

I appreciate that there is a diversity of housing associations and they play a variety of different roles. However, the understanding that we are independent of the state is one that we all share.

I gather that the proposal to re-classify arises from a suggestion that housing associations' debt should become part of the public sector's balance sheet. But why? As far as I am aware government has never said that it would underwrite our debts or guarantee them in any way. As it happens our borrowing is small in relation to the size of our operation. In any event there is absolutely no expectation on the part of our Board that if we had difficulty repaying the government would do so on our behalf. Nor do any of our lenders think it would. Of course, we are regulated by the Homes and Communities Agency but surely being regulated doesn't make an organisation part of the public sector (if it did all the utility companies would be public bodies, which they aren't). Moreover, I am struggling to understand how being a public body is compatible with our long-established status as a registered charity with assets and income protected for the purpose of meeting our charitable objects (as distinct from the government's political priorities).

The ONS review seems to me to be a threat to our future independence – albeit perhaps an inadvertent one. I'm not entirely sure of the relationship between the UK Statistics Authority and the ONS but I would be very interested to know your views on this, and also for any advice you can give me on who I should be contacting to find out more about the implications of this review.

Many thanks and sorry to trouble you.

Yours sincerely,

 Framework Housing Association

From: [REDACTED]
Sent: 14 October 2015 17:13
To: [REDACTED] national.statistician@statistics.gsi.gov.uk
Cc: [REDACTED] Athow, Jonathan; [REDACTED]
Subject: Re: Classification of Hub Infrastructure Delivery Model
Attachments: [REDACTED] - Briefing on Hub Infrastructure Delivery Model Meeting 14.10.15.docx; [REDACTED] - Letter on Hub Infrastructure Delivery Model 14.10.15.docx

[REDACTED] (email) for action

Dear [REDACTED]

Please find attached a draft letter for John to send in response to the letter of 2 October from [REDACTED] Finance in Scottish Government) and briefing ahead of John and [REDACTED]'s meeting on 19 October. Many thanks to [REDACTED] for drafting these documents. I have signed off on them in the absence of [REDACTED] and [REDACTED] but am copying to [REDACTED] and Jonathan so they are both aware and so they have the opportunity to comment, should they wish.

(See attached file: [REDACTED] - Briefing on Hub Infrastructure Delivery Model Meeting 14.10.15.docx)(See attached file: [REDACTED] - Letter on Hub Infrastructure Delivery Model 14.10.15.docx)

Do let myself and [REDACTED] know if John would like any further briefing.

Best regards

[REDACTED]

[REDACTED] | Head of Public Sector Accounts | Government, Corporations & Classifications Division | Office for National Statistics | Government Buildings | Cardiff Road | Newport | Wales | NP10 8XG | Room 1.264 | Phone: [REDACTED] | Mobile: [REDACTED]

14/10/2015 14:01:14---Dear All, Further to the lines to take I sent yesterday please find a draft response to the letter.

National Statistician---07/10/2015 16:36:09---Hi [REDACTED] Just to let you know, John is now not meeting with [REDACTED] until 19 October so there is less

From: National Statistician
To: [REDACTED] NEWPORT/ONS@ONS,
Date: 07/10/2015 16:36
Subject: Re: Classification of Hub Infrastructure Delivery Model
Sent by: [REDACTED]

Hi [REDACTED]

Just to let you know, John is now not meeting with [REDACTED] until 19 October so there is less of a rush.

Thanks, [REDACTED]

07/10/2015 15:40:22---Hello [REDACTED] As discussed on the phone I will draft some lines and get them over to you tomorrow.

From: [REDACTED] NEWPORT/ONS
To: National Statistician@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS
Date: 07/10/2015 15:40
Subject: Re: Classification of Hub Infrastructure Delivery Model

Hello [REDACTED]

As discussed on the phone I will draft some lines and get them over to you tomorrow.

Thanks

[REDACTED]


National Accounts Classifications Branch | na.classifications@ons.gov.uk

Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG
| [REDACTED]

▼ National Statistician--07/10/2015 15:22:46---Hello [REDACTED] Please see here for a letter from [REDACTED] Finance. As we discussed, she is a

From: National Statistician
To: [REDACTED] NEWPORT/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS
Date: 07/10/2015 15:22
Subject: Classification of Hub Infrastructure Delivery Model
Sent by: [REDACTED]

Hello [REDACTED]

Please see here  for a letter from [REDACTED] Finance. As we discussed, she is asking John to consider whether consideration of the proposals could be accelerated. I will try and fix a time for John to speak to [REDACTED] either tomorrow or next week but if you could provide John with our current lines to take that would be very much appreciate.

Thanks, [REDACTED]

[REDACTED] | [REDACTED]
UK Statistics Authority | Central Policy Secretariat (CPS) | Statistics House | Cardiff Road | Newport NP10 8XG
Tel: [REDACTED] | Email: [REDACTED] statistics.gsi.gov.uk Web: www.statisticsauthority.gov.uk Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

[REDACTED]

From: [REDACTED] on behalf of [REDACTED]
Sent: 09 October 2015 12:51
To: national.statistician@statistics.gsi.gov.uk
Cc: CN=[REDACTED]
Subject: Fw: Casework for JP

[REDACTED] (email) for action

Dear John, 

Further to my previous email, please find a draft reply from [REDACTED] [REDACTED] for you to send to [REDACTED]

Best regards,

[REDACTED]

Dear [REDACTED]

Thank you for your letter and for the information and comments you have provided.

The Office for National Statistics is responsible for producing the UK National Accounts in accordance with the rules laid out in the 2010 European System of Accounts (ESA10). This is an article of European law and following these rules is therefore a legal requirement upon the UK.

ESA10 lays out the criteria by which ONS must assess whether or not each organisation in the UK economy is subject to government control. These are explained on the [ONS website](#). If there is sufficient evidence of control as defined in these criteria then the unit is recorded in the public sector (i.e. the 'general government sector', the 'public financial corporations sector', or the 'public non-financial corporations sector', depending on its other characteristics) for statistical purposes.

The ONS is undertaking a review of housing associations to establish if changes implemented through (and following) the 2008 Housing Regeneration Act and/or the 2011 Localism Act relating to *"Private registered providers" of social housing (incl. registered housing associations) in England* might affect the way these bodies are recorded for statistical purposes. I must stress that this is a statistical decision only; it does not imply any change in the legal ownership or regulation of housing associations (and hence does not amount to "nationalisation"). This also means that we can only consider the classification decision in terms of the government control criteria and therefore any evidence not relating to those criteria cannot enter the decision-making process.

I appreciate that this has raised some concerns for you but hope you will understand that we are undertaking this review only to ensure compliance with the requirements of EU statistical law.

Yours sincerely

[REDACTED] UK Statistics Authority
1 Drummond Gate, London, SW1V 2QQ
Tel: [REDACTED] | Email: [REDACTED]@statistics.gsi.gov.uk
Web: www.statisticsauthority.gov.uk Twitter: @UKStatsAuth

----- Forwarded by [REDACTED] LONDON/ONS on 09/10/2015 12:49 -----

From: [REDACTED] LONDON/ONS
To: National Statistician@ONS,
Cc: [REDACTED] LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS, [REDACTED]
[REDACTED] LONDON/ONS@ONS, [REDACTED] LONDON/ONS@ONS, [REDACTED] LONDON/ONS@ONS, [REDACTED] /LONDON/ONS@ONS, Ed
Humpherson/LONDON/ONS@ONS, [REDACTED] /LONDON/ONS@ONS
Date: 09/10/2015 09:58
Subject: Casework for JP
Sent by: [REDACTED]

Dear John,

We have received this correspondence below from [REDACTED] regarding the classification of housing associations.

The casework team have discussed this with [REDACTED] and have concluded that this should be for the production side of the ONS to respond to. Please would it be possible to respond to [REDACTED] email. We think it is a straightforward reply noting that [REDACTED] has passed on the email to you and explaining how the ONS classifications process operates.

Please do let me know if you require any further information.

Best regards,

[REDACTED]

From: [REDACTED] [mailto:[REDACTED]@FrameworkHA.org]
Sent: 17 September 2015 12:26

Subject: Independence of Charitable Housing Associations

Dear [REDACTED]

Would you be kind enough to pass the message below to the [REDACTED]
[REDACTED] Many thanks?

Dear [REDACTED]

I am contacting you in your role as Chair of the UK Statistics Authority. I would like to raise my concern about the proposal by the Office for National Statistics to review the status of housing associations - which are not at present classified as public bodies. I read today that the ONS is carrying out a review that could result in their re-classification as public bodies.

As Chief Executive of a housing association that specialises in the provision of services to homeless, vulnerable and excluded people I find this deeply worrying. We are not only a registered provider of social housing, but also a registered charity. Frankly, it has never crossed my mind that we are in any sense part of the state. For us to be effectively 'nationalised' would be a very significant step for government to take - not just because it is not the kind of thing one expects a Conservative administration to do, but also because it would amount to an expropriation of charitable funds.

Please bear in mind the following:

- The services we provide are not just (emergency and specialist) housing but also street outreach, tenancy support, lifeskills training, education, volunteering, employment and social enterprise.

- Our sources of income are many and varied - there is none from central government and the proportion from contracts with local government and the health community is decreasing very quickly

- Most of our revenue income is from charges to service users, grants from charitable trusts and fundraising from the general public - the latter in particular would be at serious risk if we came to be regarded as a public body (people do not generally give to the state of their own volition...)

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I appreciate that there is a diversity of housing associations and they play a variety of different roles. However, the understanding that we are independent of the state is one that we all share.

I gather that the proposal to re-classify arises from a suggestion that housing associations' debt should become part of the public sector's balance sheet. But why? As far as I am aware government has never said that it would underwrite our debts or guarantee them in any way. As it happens our borrowing is small in relation to the size of our operation. In any event there is absolutely no expectation on the part of our Board that if we had difficulty repaying the government would do so on our behalf. Nor do any of our lenders think it would. Of course, we are regulated by the Homes and Communities Agency but surely being regulated doesn't make an organisation part of the public sector (if it did all the utility companies would be public bodies, which they aren't). Moreover, I am struggling to understand how being a public body is compatible with our long-established status as a registered charity with assets and income protected for the purpose of meeting our charitable objects (as distinct from the government's political priorities).

The ONS review seems to me to be a threat to our future independence - albeit perhaps an inadvertent one. I'm not entirely sure of the relationship between the UK Statistics Authority and the ONS but I would be very interested to know your views on this, and also for any advice you can give me on who I should be contacting to find out more about the implications of this review.

Many thanks and sorry to trouble you.

Yours sincerely,

[Redacted] Framework Housing Association

[Redacted] UK Statistics Authority
1 Drummond Gate, London, SW1V 2QQ
Tel: [Redacted] | Email: [Redacted]@statistics.gsi.gov.uk
Web: www.statisticsauthority.gov.uk Twitter: @UKStatsAuth

[REDACTED]

From: [REDACTED] [REDACTED] on behalf of [REDACTED], [REDACTED]
Sent: 09 October 2015 09:59
To: national.statistician@statistics.gsi.gov.uk
Cc: [REDACTED]
Subject: Humpherson, Ed
Casework for JP

[REDACTED] (email) for action

Dear John, ☺

We have received this correspondence below from [REDACTED] [REDACTED] regarding the classification of housing associations.

The casework team have discussed this with [REDACTED] and have concluded that this should be for the production side of the ONS to respond to. Please would it be possible to respond to [REDACTED] [REDACTED] email. We think it is a straightforward reply noting that [REDACTED] has passed on the email to you and explaining how the ONS classifications process operates.

Please do let me know if your require any further information.

Best regards,

[REDACTED]

From: [REDACTED] [REDACTED] [[mailto:\[REDACTED\]@FrameworkHA.org](mailto:[REDACTED]@FrameworkHA.org)]
Sent: 17 September 2015 12:26

Subject: Independence of Charitable Housing Associations

Dear [REDACTED]

Would you be kind enough to pass the message below to the [REDACTED]
[REDACTED] Many thanks?

Dear [REDACTED] [REDACTED]

I am contacting you in your role as Chair of the UK Statistics Authority. I would like to raise my concern about the proposal by the Office for National Statistics to review the status of housing associations - which are not at present classified as public bodies. I read today that the ONS is carrying out a review that could result in their re-classification as public bodies.

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Many thanks and sorry to trouble you.

Yours sincerely,

[Redacted] Framework Housing Association

[Redacted] UK Statistics Authority
1 Drummond Gate, London, SW1V 2QQ
Tel: [Redacted] | Email: [Redacted]@statistics.gsi.gov.uk
Web: www.statisticsauthority.gov.uk Twitter: @UKStatsAuth

[REDACTED]

From: [REDACTED] [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 07 October 2015 16:22
To: [REDACTED]
Cc: [REDACTED] [REDACTED] national.statistician@statistics.gsi.gov.uk
Subject: Housing Association Classifications

[REDACTED]
John is aware of [REDACTED] [REDACTED] interest in this issue. He also knows that different messages have been released in public (likely for good reasons). In order for him to be fully aware of everything that has happened, please could you provide a chronology of events? We can also share this with [REDACTED] if appropriate.

Thanks

[REDACTED]


[REDACTED] | [REDACTED]
UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: [REDACTED] statistics.gsi.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

██████████

From: ██████████ ██████████ on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 07 October 2015 08:07
To: CN=██████████ ██████████
Subject: Fw: OFFICIAL SENSITIVE PERSONAL: DG talent moderation 2015
Attachments: DSG15(1) (1).docx; ModerationPanelPack 081015 UOB.docx; Annex C - DG Talent Returns 2015 - ██████████ (2).pdf

Hi ██████████

If you do get this before you go to DUG, could you print it off for John's meeting tomorrow?

Also, I spoke to John about the policy profession email . He will speak to ██████████ about it at their meeting tomorrow. John thought the paper ██████████ wrote for the data steering group would suffice so I'm attaching that too, just to check with John this is the one he meant.

If you don't get a chance, I'll send to iPad.

Thanks, ██████████

(See attached file: DSG15(1) (1).docx)

----- Forwarded by ██████████ ██████████ NEWPORT/ONS on 07/10/2015 07:52 -----

From: ██████████@cabinetoffice.gov.uk
To: ██████████@communities.gsi.gov.uk, perm.sec@decc.gsi.gov.uk, ██████████@defra.gsi.gov.uk, permanent.secretary@education.gsi.gov.uk, ██████████@dft.gsi.gov.uk, ██████████@dh.gsi.gov.uk, ██████████governmentlegal.gov.uk, National Statistician@ONS, perm.sec@scotland.gsi.gov.uk,
Cc: ██████████@cabinetoffice.gov.uk, ██████████@cabinetoffice.gov.uk, ██████████@cabinetoffice.gov.uk
Date: 02/10/2015 16:08
Subject: OFFICIAL SENSITIVE PERSONAL: DG talent moderation 2015

██████████ **please put in** ██████████

Dear All,

You are attending DG talent moderation on Thursday 8th October at 15:00 at the Department of Health. Please find attached your papers. These are:


- **Agenda**
- **Annex A:** The 9 box grid for your group showing placements indicated by the latest departmental returns and highlighting movement from last year
- **Annex B:** The 9-box grid definitions
- **Annex C:** Individual biographies for Directors General in the moderation group from the latest talent return

Please ensure that for the meeting you are ready to discuss:

- Strengths, development areas and career plans
- Individual aspiration - without the aspiration to progress, no DG should be on the top line.
- Relevance and breadth of experience for those assessed as having the potential for progression
- Future roles that a DG aspires to and has the potential to undertake.

Kind regards,



 <p>Civil Service Talent</p> <p>Developing World-Class Leaders</p>	<p>██████████ Civil Service Talent E ██████████@cabinetoffice.gov.uk T ██████████ 4th Floor 1 Horse Guards Road London SW1A 2HQ</p>
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[REDACTED]

From: [REDACTED]
Sent: 01 October 2015 12:25
To: national.statistician@statistics.gsi.gov.uk
Cc: [REDACTED]
Subject: [REDACTED] questions

A few things from this morning:

Did John have the briefing for the GPT meeting? there was a two pager dated 22/9

Do we have a copy of the housing association letter yet?

Staff survey - need to get directorates competing to get a good response rate! [REDACTED] and [REDACTED] sorting issue with codes to log in

[REDACTED]
JP wants some info from [REDACTED] on DCLG local data/admin data work

JP wants a report of this IT crash and the last one from [REDACTED]

[REDACTED]
Do we have a new date for the Audit committee yet?

[REDACTED] is arranging a pay transformation meeting in next 5/6 week - look out for the invite

Hope this is helpful - otherwise tell me to pass on in another way please!

[REDACTED]
UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: [REDACTED] statistics.gsi.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

[REDACTED]

From: [REDACTED] [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 25 September 2015 15:52
To: [REDACTED]@digital.ons.gov.uk
Subject: [OFFICIAL SENSITIVE] - Fw: Not for further circulation: Notes from [REDACTED] meetings in Lisbon

For info

----- Forwarded by [REDACTED] LONDON/ONS on 25/09/2015 15:51 -----

From: [REDACTED] NEWPORT/ONS
To: Jonathan Athow/LONDON/ONS@ONS, National Statistician@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS, [REDACTED] LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS,
Robert Bumpstead/LONDON/ONS@ONS
Date: 25/09/2015 15:37
Subject: Re: [OFFICIAL SENSITIVE] - Re: Not for further circulation: Notes from [REDACTED] meetings in Lisbon

I agree on 1. And in addition I think there is a valid argument around the value of economic statistics in relation to domestic and intl financing of govt and the private sector.

Credible inflation statistics, by contrast with Argentina I think, with independent monetary policy help secure govt financing at low rates in high volume.

A full set of economic statistics provides the annual report for UK plc and helps promote inward investment.

So even if the UK left the Eu I imagine we'd end up, like Norway I think, paying Eurostat to give our accounts the approval of audit and quality.

On 3. I'd need to check with colleagues for more detail but substantively our relationship is good. We earned goodwill in our handling of the GNI issue earlier this year. But there is a clear sense that the balance is shifting towards items coming on-balance sheet. We had a good mission recently and they were open about state government which was helpful.

So while eurostat are firm I don't have any examples of them rescinding any steers they gave in discussion. But it's an area and a relationship that requires active management. Fortunately we are quite well invested. I'll follow up with [REDACTED]

Thanks

[REDACTED]

From: Jonathan Athow
To: National Statistician
Cc: [REDACTED] Watson; [REDACTED] [REDACTED] [REDACTED] [REDACTED] Robert Bumpstead
Date: 25/09/2015 13:49 GDT
Subject: [OFFICIAL SENSITIVE] - to read - Re: Not for further circulation: Notes from [REDACTED] [REDACTED] meetings in Lisbon

John,

Good feedback from [REDACTED] and [REDACTED]

On your points:

1) I think the SDDS+ point and credit rating agencies is a good one - there is a reference to the quality of economic

data in this [redacted] presentation ([http://www.pwc.be/en/pwc-academy/assets/pdf/ipsasevent/3\[redacted\].transparency_in_government_reporting.pdf](http://www.pwc.be/en/pwc-academy/assets/pdf/ipsasevent/3[redacted].transparency_in_government_reporting.pdf)) but I think we need to think carefully how we deploy it. I know HMT will be having regular conversations with the rating agencies, who may not have ever raised the issue, and we do not want to make it look like 'bleeding stumps'. So I think we need to present it as keeping UK in line with international best practice on data standards.

2) I think the international comparisons are really worthwhile in making the case - I think the [redacted] team themselves are quite keen to do that. That said, I am not sure comparisons will work with all our stakeholders as I think someone mentioned feedback from HMRC ([redacted]) that they were not really interested in what other countries were doing and just focused on minimising any risks to UK tax collection.

3) Completely unaware of this, but good to find out what happened and whether we run any similar risks. Given the grief we have taken on Housing Associations and the Scottish projects, to be undermined by Eurostat would be very difficult. When discussing Scotland's issues with [redacted] [redacted] he gave me the impression that Eurostat were as firm as ever. [redacted] any views?

[redacted]

Productivity did not really come up at all directly, but [redacted] was asking about the degree to which people thought there were big gaps in measuring output, which would potentially account for any measurement issues with productivity. The majority view was that most activity would be captured, but that there were issues with the concept of GDP that made capturing some things difficult e.g. travel agents (in GDP) being replaced by household activity (not in GDP).

Again with FRIBS, there wasn't much direct reference. But there was a lot of discussion about getting the 'data infrastructure' right and also the challenges of 'internationalisation', both relevant to FRIBS. I think [redacted] was generally bought in to this - if initially a little sceptical about what could be achieved.

Finally, I am afraid electronic data collection did not get much of a look in. The focus was admin data, though the Netherlands did talk about the issues of IT, electronic data collection and their Blaze tool.

Jonathan Athow | Deputy National Statistician and Director General, Economic Statistics | Office for National Statistics

'phone: [redacted] | mobile: [redacted] Drummond Gate, London, SW1V 2QQ

Private secretary: [redacted] | [redacted]@ons.gsi.gov.uk | 'phone: [redacted]

From: National Statistician
To: Jonathan Athow/LONDON/ONS@ONS,
Cc: [redacted] LONDON/ONS@ONS, [redacted] NEWPORT/ONS@ONS, National Statistician@ONS, [redacted] NEWPORT/ONS@ONS, Robert Bumpstead/LONDON/ONS@ONS, [redacted] /NEWPORT/ONS@ONS
Date: 25/09/2015 11:43
Subject: [OFFICIAL SENSITIVE] - Re: Not for further circulation: Notes from [redacted] [redacted] meetings in Lisbon
Sent by: [redacted]

Jonathan

Thank you for sharing. The people who met [redacted] were very impressed that we had managed to get a review of this type and enjoyed their conversations. [redacted] and [redacted] are already thinking how they will be able to use his report.

[redacted] has also mentioned three things to me (not all [redacted] related) that are worthy of thought:

1. He has used the argument that investment in statistics is about protecting Ireland's international credit rating. This could be a good line for us since we will struggle to meet the SDDS+ standard unless we get our SR15 economics package delivered.

2. He said that when he was making the pitch for admin data he invited [REDACTED] from Denmark to come and make the case. Using strong case studies had opened the eyes of important people in Ireland. As you know, I too think this is the key for us too. If you have material we could get [REDACTED] working on please let him know.

3. He told me that he has had a bad time over the summer on classifications questions. It seems that Eurostat have been changing goalposts leaving him exposed with his government over decisions where he had stood firm on the rules-based system. This is very sensitive but could you discreetly find out from [REDACTED] if this is an issue we have come across before. I told [REDACTED] that we faced challenges from UK colleagues, including Scotland, but we're managing them. I had not experienced problems from Eurostat.

Hope you had a good journey back.
John

John Pullinger | National Statistician | UK Statistics Authority
1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: national.statistician@statistics.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

From: [REDACTED] Watson/NEWPORT/ONS
To: Jonathan Athow/LONDON/ONS@ONS,
Cc: [REDACTED] LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, National Statistician@ONS, [REDACTED] NEWPORT/ONS@ONS, Robert Bumpstead/LONDON/ONS@ONS
Date: 25/09/2015 11:34
Subject: [OFFICIAL SENSITIVE] - Re: Not for further circulation: Notes from [REDACTED] [REDACTED] meetings in Lisbon

Jonathan, excellent note and a tremendously rich set of conversations. Great idea to get [REDACTED] to Lisbon, and potentially very useful for getting support for what we want on admin data, flow of funds, London presence, business register etc. Nothing here on online data collection from businesses, productivity measurement or FRIBS?

[REDACTED] [REDACTED] | Deputy National Statistician and Director General, Population and Public Policy | Office for National Statistics
Phone: [REDACTED] [REDACTED] | Government Buildings, Cardiff Road, Newport, NP10 8XG
Private Secretary: [REDACTED] [REDACTED] | [REDACTED] ons.gsi.gov.uk | phone: [REDACTED]

From: Jonathan Athow/LONDON/ONS
To: National Statistician@ONS, [REDACTED] Watson/NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS, Robert Bumpstead/LONDON/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS,
Date: 24/09/2015 14:53
Subject: [OFFICIAL SENSITIVE] - Not for further circulation: Notes from [REDACTED] [REDACTED] meetings in Lisbon

Dear all,

A quick read out from the Lisbon meetings that [REDACTED] had with various international colleagues. [REDACTED]

[attachment "Lisbon note.docx" deleted by [REDACTED] [REDACTED]/NEWPORT/ONS]

Happy to discuss further.

Jonathan Athow | Deputy National Statistician and Director General, Economic Statistics | Office for National Statistics
'phone: [REDACTED] | mobile: [REDACTED] Drummond Gate, London, SW1V 2QQ
Private secretary: [REDACTED] | [REDACTED] ons.gsi.gov.uk | 'phone: [REDACTED]

From: [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 25 September 2015 15:18
To: [REDACTED] digital.ons.gov.uk
Subject: Housing associations update and timeline

[REDACTED] for info

John

As requested, here is information about classifications. This briefing went to [REDACTED]

UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: [REDACTED] statistics.gsi.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

From: [REDACTED] NEWPORT/ONS
To: Jonathan Athow/LONDON/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, Miles Fletcher/NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS
Date: 24/09/2015 14:56
Subject: BRIEFING FOR [REDACTED] - Housing associations update and timeline

Dear [REDACTED]

Below is an update on the current housing association classification work and the emerging timeline. As you are aware there is a lot of external interest in this and we are working closely with the media team. Please let me know if there is any further information that you require.

Thanks

At our regular meetings yesterday (23 September), HM Treasury made us aware that providing a provisional classification decision on the proposed reforms to Housing Association regulations is now an urgent priority with a deadline of 6th October to feed into the mid October Housing Bill. This sudden increase in urgency will place significant strain on the NA Classification team and on the members of the National Accounts Classification Committee (NACC) - who cannot devote extra time to classifications without impacting other national accounts deliverables. Nevertheless, we will try our utmost to deliver what you need in this instance.

There are two classification decisions to be made:

1. The current classification of housing associations.
2. The impacts of the proposed deregulation reform plan.

We have been advised that HM Treasury would prefer to have an ONS view on the current classification before submitting the policy proposal to ONS for consideration. We are thus limited by that, and by the fact that time is needed for us to collate the information provided into "case documents" (one for each of the decisions above) for NACC to consider and challenge (which takes further time). The following timetable is being proposed, which should be achievable provided certain conditions are met:

- ONS will produce a case document based upon the research we have already undertaken and the controls table sent to us yesterday from HMT. This will be circulated to NACC members on Friday 26/9.

- NACC will meet to agree their recommended classification on Tuesday 29/9, which may mean that they have to work over the weekend. Provided NACC are able to reach a recommendation, [REDACTED] will consider and take the decision on the same day. We will then write to HM Treasury to outline the decision and the reasons for it.
- [REDACTED] and [REDACTED] will meet with HM Treasury representatives early next week (either Monday 28th or Wednesday 30th, HM Treasury currently favour Wednesday) to gain an overview of the regulatory reform package proposed
- Following this, HM Treasury will provide full details of the regulatory reform package to ONS by CoP on 30/9.
- ONS will use the information provided to produce a case document for consideration by NACC and will circulate this to NACC members by CoP on 5/9 at the very latest. Please note, however, that this will only be achievable if the information provided on the policy proposal provides the detail required and is readily useable for the compilation of the case document.
- NACC members will require *at least* 2 days to digest the information before meeting to discuss. As such NACC will convene on 8/10 with the aim of reaching provisional advice on the classification which should be expected to follow if the policy is implemented as described.
- In accordance with our established processes, we will review the final outcome at such a time that the policy has been implemented to ensure a correct statistical recording once operational

There are risks associated with the process and timetable outlined above:

(1) The quality of the housing associations case documents may be put at risk as the classification team will have limited time to prepare the case documents, which will require detailed understanding of the current and proposed housing associations government controls and relate these to ESA10 and MGDD guidance.

(2) NACC members are generally sent case documents five days in advance of a NACC meeting as they have to consider the evidence and review the relevant guidance in the ESA10 and MDGG manuals. Reduced time to prepare increases the risk that NACC may not be able to reach a classification decision or reach the wrong decision.

(3) There is a risk that further changes will be made to the policy proposals before they are included in the Housing Bill, and these could impact on the classification of housing associations that NACC will have not considered.

For information on the work of the UK Statistics Authority, visit: <http://www.statisticsauthority.gov.uk>

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From: [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 25 September 2015 15:18
To: [REDACTED]@digital.ons.gov.uk
Subject: Housing associations update and timeline

John
As requested, here is information about classifications. This briefing went to [REDACTED]
[REDACTED]

[REDACTED] | [REDACTED]
UK Statistics Authority | Central Policy Secretariat | 1 Drummond Gate, London, SW1V 2QQ | Tel: [REDACTED]
Email: [REDACTED]@statistics.gsi.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: @UKStatsAuth

From: [REDACTED] NEWPORT/ONS
To: Jonathan Athow/LONDON/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, Miles Fletcher/NEWPORT/ONS@ONS, [REDACTED] LONDON/ONS@ONS
Date: 24/09/2015 14:56
Subject: BRIEFING FOR [REDACTED] - Housing associations update and timeline

Dear [REDACTED]

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Thanks
[REDACTED]

At our regular meetings yesterday (23 September), HM Treasury made us aware that providing a provisional classification decision on the proposed reforms to Housing Association regulations is now an urgent priority with a deadline of 6th October to feed into the mid October Housing Bill. This sudden increase in urgency will place significant strain on the NA Classification team and on the members of the National Accounts Classification Committee (NACC) - who cannot devote extra time to classifications without impacting other national accounts deliverables. Nevertheless, we will try our utmost to deliver what you need in this instance.

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- In accordance with our established processes, we will review the final outcome at such a time that the policy has been implemented to ensure a correct statistical recording once operational
-

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(3) There is a risk that further changes will be made to the policy proposals before they are included in the Housing Bill, and these could impact on the classification of housing associations that NACC will have not considered.

[REDACTED]

From: [REDACTED] [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 25 September 2015 15:07
To: [REDACTED]@digital.ons.gov.uk
Subject: [OFFICIAL SENSITIVE] - Thursday Morning Colleagues (TMC) tomorrow morning
Attachments: Thursday Morning Colleagues - 24 September 2015.doc

John - as requested.

[REDACTED]

Some additional bullet points from Social and Analysis directorate:


- Glenn Everett attended the **Environmental Audit Committee** to advise on measurement issues in relation to Sustainable Development Goals. There was also an external presentation on Natural Capital. The Low Carbon Survey (of businesses) that we are doing with BIS has got a response rate of over 80%.
- Lord Bridges, who supports Oliver Letwin in ensuring that Government delivers on its 9 priority areas, has requested a briefing from ONS on how the demographic make up will change in the light of the **National Population Projections**. He wants to look at the impact on key Government priorities, such as apprenticeships, child care, NHS, migration, primary school places and infrastructure build. This will require a GSS effort and Jay Lindop will lead.
- [REDACTED], Director at the Resolution Foundation, has written to apologise for a **breach of protocol in relation to the Virtual Microdata Laboratory**.
- [REDACTED] has written up his notes of last week's **Directors of Social Statistics** and these have been circulated round.

----- Forwarded by [REDACTED] LONDON/ONS on 25/09/2015 14:53 -----

From: Authority Meetings
To: DL_Directors@ONS, Robert Bumpstead/LONDON/ONS@ONS, Miles Fletcher/NEWPORT/ONS@ONS, [REDACTED] TITCHFIELD/ONS@ONS, [REDACTED] NEWPORT/ONS@ONS, [REDACTED]@exchange.ons.gov.uk, [REDACTED] TITCHFIELD/ONS@ONS,
Cc: [REDACTED] NEWPORT/ONS@ONS, DL_Directors - Secretaries@ONS, [REDACTED] LONDON/ONS@ONS, National Statistician@ONS
Date: 23/09/2015 17:23
Subject: [OFFICIAL SENSITIVE] - Thursday Morning Colleagues (TMC) tomorrow morning
Sent by: [REDACTED]

Dear all

Please see the attached note of bullet points for the Thursday Morning Colleagues meeting tomorrow morning.

The weekly media summary and lines to take can be found here .

Kind regards

[REDACTED]

(See attached file: Thursday Morning Colleagues - 24 September 2015.doc)

[REDACTED]

From: [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 21 September 2015 17:14
To: [REDACTED]@lqgroup.org.uk
Subject: Re: Review of Housing Association status

Dear [REDACTED]

Thank you for your email and offer of help. I have sent this on to the business area who are dealing with this.

Kind regards,

[REDACTED]

UK Statistics Authority | Central Policy Secretariat (CPS) | Statistics House | Cardiff Road | Newport NP10 8XG
Tel: [REDACTED] | Email: [REDACTED] statistics.gsi.gov.uk Web: www.statisticsauthority.gov.uk Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

[REDACTED] ---17/09/2015 09:22:28---To: John Pullinger CB Dear John,

From: [REDACTED]
To: National Statistician@ONS, John Pullinger@ONS,
Date: 17/09/2015 09:22
Subject: Review of Housing Association status

To: John Pullinger CB

Dear John,

I am the [REDACTED] a charitable housing association which owns and manages 72,000 homes and which recently committed to a £12 billion 50,000 home investment programme, all financed without the support of government grant. We have our own construction arm, our own sales division and last year made a profit of £209 million all of which was reinvested in the provision of more affordable housing.

I also chair g15, a group of the largest fifteen housing associations in London. Together we house one in ten Londoners and have invested £15.4 billion of private money to provide almost 540,000 homes.

And I sit on the board of the National Housing Federation which last year published "An Ambition to Deliver", a new vision for housing associations which commits us to doubling in size with the support of our private investors.

I am writing following the announcement that the ONS is currently reviewing the status of housing associations. Since the 1988 Housing Act housing associations have transformed their businesses, and by doing so, have transformed the places where we live. Together we have raised £76 billion of private money and invested in homes, services and communities. We are independent social businesses; our continued success depends very much on our ability to act independently and invest for the long term, guided by our social mission and values.

If there is anything I can do to help you in your assessment please do let me know.

[REDACTED]

[REDACTED]

From: [REDACTED]
Sent: 18 September 2015 12:26
To: Athow, Jonathan; [REDACTED] [REDACTED] [REDACTED]@statistics.gsi.gov.uk
Cc: [REDACTED] Fletcher, Miles; [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]
Subject: Briefing on events leading to media disclosure of classifications work on housing associations
Attachments: Housing Associations - media query briefing final.docx

Dear Jonathan, John and [REDACTED]

Please find attached a briefing note explaining the events that led to the inadvertent disclosure that ONS had commenced classifications work relating to housing associations. I hope that the briefing is clear but please let me know if you have any queries relating to the note. The briefing has been agreed with [REDACTED] and Miles Fletcher and checked for accuracy by those involved in the event.

(See attached file: Housing Associations - media query briefing final.docx)

I would like to take the opportunity to offer my personal apologies for the unfortunate disclosure to the media of information that was not already in the public domain.

Best regards

[REDACTED]

[REDACTED] | [REDACTED] | Government, Corporations & Classifications Division | Office for National Statistics | Government Buildings | Cardiff Road | Newport | Wales | NP10 8XG | Room 1.264 | Phone: [REDACTED]
[REDACTED]

[REDACTED]

From: [REDACTED] [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 17 September 2015 13:04
To: Athow, Jonathan
Cc: [REDACTED] [REDACTED]
Subject: Fw: Review of Housing Association status

Hi Jonathan

In light of your email about Housing Association classification, I thought you should see this. I will respond to thank [REDACTED] for his email and to say that I've passed his details/offer of help on to the business area.

Thanks,

[REDACTED]

UK Statistics Authority | Central Policy Secretariat (CPS) | Statistics House | Cardiff Road | Newport NP10 8XG
Tel: [REDACTED] | Email: [REDACTED] statistics.gsi.gov.uk Web: www.statisticsauthority.gov.uk Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

----- Forwarded by [REDACTED] [REDACTED] NEWPORT/ONS on 17/09/2015 13:01 -----

From: [REDACTED]
To: National Statistician@ONS, John Pullinger@ONS,
Date: 17/09/2015 09:22
Subject: Review of Housing Association status

To: John Pullinger CB

Dear John,

I am [REDACTED] a charitable housing association which owns and manages 72,000 homes and which recently committed to a £12 billion 50,000 home investment programme, all financed without the support of government grant. We have our own construction arm, our own sales division and last year made a profit of £209 million all of which was reinvested in the provision of more affordable housing.

I also chair g15, a group of the largest fifteen housing associations in London. Together we house one in ten Londoners and have invested £15.4 billion of private money to provide almost 540,000 homes.

And I sit on the board of the National Housing Federation which last year published "An Ambition to Deliver", a new vision for housing associations which commits us to doubling in size with the support of our private investors.

I am writing following the announcement that the ONS is currently reviewing the status of housing associations. Since the 1988 Housing Act housing associations have transformed their businesses, and by doing so, have transformed the places where we live. Together we have raised £76 billion of private money and invested in homes, services and communities. We are independent social businesses; our continued success depends very much on our ability to act independently and invest for the long term, guided by our social mission and values.

If there is anything I can do to help you in your assessment please do let me know.

[REDACTED]

[REDACTED]

From: Athow, Jonathan
Sent: 17 September 2015 12:29
To: national.statistician@statistics.gsi.gov.uk; [REDACTED]
Cc: [REDACTED] Fletcher, Miles; [REDACTED]
Subject: [OFFICIAL SENSITIVE] - Housing Associations

John,

We spoke. I am afraid there is an issue that arose last night that I need to draw to your attention.

Background: as we have discussed previously, the issue of the classification of Housing Association has arisen due to Govt policy announcements on extending the 'right to buy' and decisions on capping rent rises in the social housing sector. We have not formally kicked off any work on reclassification from the policy change, but have been doing some work to understand the current arrangements for Housing Associations to allow us to be in a better place to do any work on reclassification once policy is clearer. Essentially we want to get the baseline right before any policy change. (Implicitly, we might conclude that even the current policy is enough to bring Housing Associations into the public sector.)

Issue: Yesterday a request on the current classification of Housing Associations came from Inside Housing. The response stated that we were preliminary work on the classification of Housing Associations and that this would be announced in the classification forward work plan to be published at the end of September; information that was not previously in the public domain. We are trying to piece together exactly what happened. We were alerted to this when the FT phoned up our press office last night asking us to confirm what was in the Inside Housing article. We have given them a form of words that confirms we are doing the preliminary work on the current arrangements. We are also put the same wording on the internet site. I think that covers us in terms of public line. We also contacted the classification policy lead at HMT so they were made aware.

The issue is we normally only update our workplan on classifications at the end of each month when we update our calendar/forward look. In addition, we put a lot of store by our ordered process for reviewing classifications. Releasing this statement to Inside Housing obviously breaks this practice.

This is all rather unfortunate. That said, the FT story was very straightforward. Miles and [REDACTED] will get to the bottom of what happened, and we will update you. As you said, we need to be proportionate here - we do not want an overly stern .

Stakeholder handling: Treasury know we are doing the work on Housing Associations, but will obviously not be that happy with the way in which this has got out. I was planning to drop [REDACTED] a short email saying what has happened. I don't want to over-dramatise this - we would have update our workplan at the end of Sept anyway, and we have an FOI that would have also disclosed we were working on this - but I do want to reassure them that we take this seriously and apologise for this.

Happy to discuss.

Jonathan Athow | Deputy National Statistician and Director General, Economic Statistics | Office for National Statistics

'phone: [REDACTED] | mobile: [REDACTED] Drummond Gate, London, SW1V 2QQ

Private secretary: [REDACTED] | [REDACTED]@ons.gsi.gov.uk | 'phone: [REDACTED]

[REDACTED]

From: [REDACTED]
Sent: 17 September 2015 09:19
To: national.statistician@statistics.gsi.gov.uk; [REDACTED]@statistics.gsi.gov.uk
Subject: Review of Housing Association status

sent to Jonathan
To: John Pullinger CB

Dear John,

I am the [REDACTED] a charitable housing association which owns and manages 72,000 homes and which recently committed to a £12 billion 50,000 home investment programme, all financed without the support of government grant. We have our own construction arm, our own sales division and last year made a profit of £209 million all of which was reinvested in the provision of more affordable housing.

I also chair g15, a group of the largest fifteen housing associations in London. Together we house one in ten Londoners and have invested £15.4 billion of private money to provide almost 540,000 homes.

And I sit on the board of the National Housing Federation which last year published "An Ambition to Deliver", a new vision for housing associations which commits us to doubling in size with the support of our private investors.

I am writing following the announcement that the ONS is currently reviewing the status of housing associations. Since the 1988 Housing Act housing associations have transformed their businesses, and by doing so, have transformed the places where we live. Together we have raised £76 billion of private money and invested in homes, services and communities. We are independent social businesses; our continued success depends very much on our ability to act independently and invest for the long term, guided by our social mission and values.

If there is anything I can do to help you in your assessment please do let me know.

[REDACTED]

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From: [REDACTED] [REDACTED] on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 30 July 2015 08:11
To: [REDACTED]@digital.ons.gov.uk
Subject: TMC bullet points and media summary
Attachments: TMC - Bullets - pre-meeting - 30 July.doc

Hi John

Media summary below and TMC bullets attached. Jonathan won't be attending the meeting...

Dear all,

I won't make Thursday morning colleagues tomorrow. But did just want to flag that the FT have approached press office and are keen for one of their journalists to visit Economic Statistics in Newport. I think this will be background to the [REDACTED] review, and we are also thinking about what other areas of work we may want to show them, e.g. the VAT administrative data project. Nothing is finalised yet, but we are looking at next Weds (5 August) as a possible date for the visit.

Jonathan Athow

See you later. [REDACTED]

Current Lines to Take: 📄

Weekly Media Summary: 23-29 July 2015

GDP – The preliminary estimate of GDP Q2 showing a rise of 0.7% was well covered across the media, including in a live interview with [REDACTED] [REDACTED] in Sky's studios. The Telegraph, [Western Mail](#) and the Sun all also carried a quote by [REDACTED] saying that the growth took GDP per head back to broadly level with its pre-economic downturn peak in the first quarter of 2008, as did the Times who also quoted George Osborne saying the economy was 'motoring ahead'. The Guardian said that the GDP rise would provoke a rate rise debate, as did the Evening Standard, but a second Guardian article warned that this GDP estimate was based on only half the data ONS needed and pointed out that the manufacturing sector had shrunk, a point also made by City AM and the Mirror. The Financial Times said that it was the services sector which had accelerated the pace of economic growth while the [BBC Online](#) said it was due to the increased oil and gas production. Also covered by ITV News, BBC's Victoria Derbyshire show, Radio 5 live, BBC News bulletins throughout the day, Radio 4's the World at One, PM and The World Tonight.

RETAIL - Much of the news coverage of the latest retail sales figures focused on the fall in the month on month comparison, something which caught many analysts by surprise. The Independent described the 0.2% fall in June as a 'surprise sales slide' but that the amount spent online was up. Metro said it was a 'shock' but the recovery was still in 'full swing', the Express took a similar line. The Mail said the pound fell as shoppers cut back on food and petrol but the underlying picture remained strong as did the Times and [BBC](#). However the Telegraph's coverage was more negative and said the figures contrasted with the BRC data. The Evening Standard said furniture stores and other stores took the 'brunt' of the slide. City AM noted that while the amount bought had increased year on year, the amount being spent compared to the previous month was down due to falling prices. The way the figures were covered by the media was questioned in a comment piece in [City AM](#) by retail analyst [REDACTED] and said this was partly because the ONS presented several measures of the retail sector. However [City AM](#) published a comment piece by ONS head of retail sales statistics, Kate Davies, in reply which explained the importance of providing different measures for different users.

TOURISM – The ONS release on Travel and Tourism was covered by the Sun which said that Britons spent £3.3bn abroad in May, the most for a month in eight years.

ECONOMY – The Daily Mail looked at the recent ONS release on Public Sector Finances and noted that 'soaring' tax receipts had pushed government borrowing down to the lowest level since before the financial crisis struck. The total tax take reached £147.5 billion in the first three months of the financial year, up 5.4% on a year earlier.

ECONOMY – The website [Inside Housing](#) said ONS had confirmed it will examine whether to reclassify housing associations as public bodies once the government has released details of its Right to Buy extension. The article added: 'Jonathan Athow, deputy national statistician for economic statistics at the ONS, said the ONS would 'certainly' consider implications for the ownership of associations' assets and liabilities.' Meanwhile a [Guardian](#) article said that the Scottish government is being forced by EU rules to turn to the private sector for funding of large public projects, including the building of a 36-mile bypass around Aberdeen. This project will be nearly double the £1.5bn price announced by Scottish ministers and will be the first UK public building project to be reviewed by ONS to make sure the UK meets stricter tests introduced by the EU statistics agency.

MIGRATION – The Daily Express covered figures from the Department for Education and said that a 'migrant baby boom' will fuel a crisis in secondary schools, adding that around 3.3 million 11-18-year-olds are expected to be in state schools by 2024. The article said that an ONS report showed that one in four babies born last year was to a migrant mother. The Daily Telegraph took the same line. The figures were also covered by the Guardian and the Evening Standard.

Social Media highlights

██████████ - Markit

Reliable PMI-based nowcasts of UK (#ONS) #GDP can be calculated two months ahead of official data. Here's how bit.ly/1HJaf13

Deloitte UK

Grocery and clothing sector perform well, according to latest ONS retail figures deloi.tt/1foeWDP

██████████ - Senior Knowledge Exchange Manager at the Economic and Social Research Centre

@ONS's consultation on approved researcher scheme, clearly strong feelings on commercial access & use of data #bigdata

Meat Trades Journal

#Sausages have been failing to make an impact on the #barbecue season, according to the @ONS

██████████ - Statistician/Economist

Ben Humberstone @ONS asks a tough question: "which is the sexier profession, statistician or Red Arrows pilot?" #YSM2015 @ysm_conference

Royal Stat Society

.@CityAM questions ONS retail sales stats cityam.com/220794/retail-... but @StatsKate provides the background info cityam.com/220910/statist...

██████████ - BBC Economics Correspondent

I look at sterling & I look at the UK current account data and I think... Either markets are complacent or the ONS data is wrong.

██████████ - FT

Ever cursed the useless @ONS website for not giving you simple, at-a-glance, up-to-date UK charts? Curse no more! ig.ft.com/sites/uk/econo...

Key Releases and ONS events in July/August

30 July Census short story - Migration (Visual.ONS)

31 July Index of Private Housing Rental Prices – April to June 2015

5 August Economic Reviews - August 2015

Impact on GDP CP and CVM quarterly and annual estimates 1997 - 2013

Housing Statistics Porta; - Housing Summary Measures

Social Housing short story (Visual.ONS)

Affordability short story (Visual.ONS)

6 August Index of Production - June 2015

Internet Access - Households and Individuals, 2015

Census short story - Work and Travel to Work (Visual.ONS)

7 August UK Trade - June 2015

12 August Labour Market Statistics - August 2015

14 August Output in the Construction Industry - June and Q2 2015

17 August Introduction of the COICOP5 Classification and Re-referencing of the CPI and CPIH
Baby Names 2014
18 August Consumer Price Inflation - July 2015
Producer Price Inflation - July 2015
House Price Index - June 2015
19 August Unexplained Deaths in Infancy, England and Wales, 2013
Employee Contracts that do not Guarantee a Minimum Numbers of Hours: 2015 update
20 August Retail Sales - July 2015
Young People who were NEET
Alternative Measures of Real Household Disposable Income
21 August Public Sector Finances - July 2015
Overseas Travel and Tourism - June 2015
26 August Services Producer Price Index - Q2 2015
Average Weekly Earnings - Bonus Payments in Great Britain, 2014-15
Divorces - 2013 (provisional)
27 August Migration Statistics Quarterly Report - August 2015
Parents' Country of Birth 2014
Population by Country of Birth 2014
Population by Country of Birth and Nationality 2014
Local Area Migration Indicators Suite
28 August Second Estimate of GDP, Q2 2015
Index of Services - June 2015
Business Investment Q2 2015 Provisional Results
Construction Statistics - No. 16, 2015 Edition
Wealth, Income and Personal Well-being (provisional)

Non-ONS events / releases of note

3 August CIPS Manufacturing
ISM Manufacturing Index
4 August CIPS Construction
NIESR Quarterly Economic Forecast
5 August CIPS Services
24 hour tube strike
6 August Interest Rates announcement
NIESR GDP estimate
Bank of England quarterly inflation report
8 August Premier League season begins

(See attached file: TMC - Bullets - pre-meeting - 30 July.doc)

[REDACTED]

From: Laffan, Will on behalf of national.statistician@statistics.gsi.gov.uk
Sent: 17 July 2015 10:27
To: [REDACTED]
Cc: [REDACTED]
Subject: [REDACTED] - Classifications

[REDACTED]

John had a brief chat with [REDACTED] this morning, they discussed a number of issues, but John wanted to feed back that [REDACTED] felt HMT and ONS teams were very well aligned on the housing associations question.

[REDACTED] said he thought there was a common view that the classification of HAs had not been looked at for some time, and an argument could be made that significant controls had been placed on them since their last classification. Policies were being considered that might remove some of the existing controls alongside other changes.

This is just for information, there's no need to take any action.

Thanks also to [REDACTED] for the quick update earlier.

Best wishes,
Will

Will Laffan | [REDACTED] | Office of the Board and Chief Executive (OBC) | UK Statistics Authority
1 Drummond Gate, London, SW1V 2QQ | [REDACTED]
Email: [REDACTED]@statistics.gov.uk | Web: www.statisticsauthority.gov.uk | Twitter: [@UKStatsAuth](https://twitter.com/UKStatsAuth)

[REDACTED]

From: [REDACTED] [REDACTED]
Sent: 07 July 2015 12:08
To: national.statistician@statistics.gsi.gov.uk
Subject: DDANS - request for invite to be extended to [REDACTED]
Attachments: Statistical Analysis and Additional Data for Implementation Task Forces.pdf

Hi [REDACTED]

Apologies if I am sending this to the wrong place . . .

As you know, [REDACTED] will be presenting a paper at the next DDANS meeting (8th September) re: work on the Implementation Task Forces.

[REDACTED] has asked [REDACTED] and/or [REDACTED] if they would like to attend this meeting.

Please would it be possible for you to provide the details of the meeting to [REDACTED] and [REDACTED] to check their availability to attend and add them to the invite as appropriate?

Enclosed is the letter in which this is referenced (see para 10)

(See attached file: Statistical Analysis and Additional Data for Implementation Task Forces.pdf)

Please let me know if you need anything further.

Many thanks

[REDACTED]