

Assessment of compliance with the Code of Practice for Official Statistics

Statistics on the Labour Market

(produced by the Office for National Statistics)

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About the UK Statistics Authority

The UK Statistics Authority is an independent body operating at arm's length from government as a non-ministerial department, directly accountable to Parliament. It was established on 1 April 2008 by the *Statistics and Registration Service Act 2007*.

The Authority's overall objective is to promote and safeguard the production and publication of official statistics that serve the public good. It is also required to promote and safeguard the quality and comprehensiveness of official statistics, and good practice in relation to official statistics.

The Statistics Authority has two main functions:

1. oversight of the Office for National Statistics (ONS) – the executive office of the Authority;
2. independent scrutiny (monitoring and assessment) of all official statistics produced in the UK.

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ASSESSMENT AND DESIGNATION

The *Statistics and Registration Service Act 2007* gives the UK Statistics Authority a statutory power to assess sets of statistics against the *Code of Practice for Official Statistics*.

Assessment will determine whether it is appropriate for the statistics to be designated as National Statistics.

Designation as National Statistics means that the statistics comply with the *Code of Practice*. The *Code* is wide-ranging. Designation can be interpreted to mean that the statistics: meet identified user needs; are produced, managed and disseminated to high standards; and are explained well.

Designation as National Statistics should not be interpreted to mean that the statistics are always correct. For example, whilst the *Code* requires statistics to be produced to a level of accuracy that meets users' needs, it also recognises that errors can occur – in which case it requires them to be corrected and publicised.

Assessment reports will not normally comment further on a set of statistics, for example on their validity as social or economic measures. However, reports may point to such questions if the Authority believes that further research would be desirable.

Assessment reports typically provide an overview of any noteworthy features of the methods used to produce the statistics, and will highlight substantial concerns about quality. Assessment reports also describe aspects of the ways in which the producer addresses the 'sound methods and assured quality' principle of the *Code*, but do not themselves constitute a review of the methods used to produce the statistics. However the *Code* requires producers to "seek to achieve continuous improvement in statistical processes by, for example, undertaking regular reviews".

The Authority may grant designation on condition that the producer body takes steps, within a stated timeframe, to fully meet the *Code's* requirements. This is to avoid public confusion and does not reduce the obligation to comply with the *Code*.

The Authority grants designation on the basis of three main sources of information:

- i. factual evidence and assurances by senior statisticians in the producer body;
- ii. the views of users who we contact, or who contact us, and;
- iii. our own review activity.

Should further information come to light subsequently which changes the Authority's analysis, it may withdraw the Assessment report and revise it as necessary.

It is a statutory requirement on the producer body to ensure that it continues to produce the set of statistics designated as National Statistics in compliance with the *Code of Practice*.

Contents

Section 1: Summary of findings

Section 2: Subject of the assessment

Section 3: Assessment findings

Annex 1: Suggestions for improvement

Annex 2: Compliance with Standards for Statistical Reports

Annex 3: Summary of assessment process and users' views

Annex 4: Summary of Requirements from Assessment reports 19, 34 and 73

1 Summary of findings

1.1 Introduction

- 1.1.1 This is one of a series of reports¹ prepared under the provisions of the *Statistics and Registration Service Act 2007*². The Act gives the Statistics Authority power to re-assess whether the *Code of Practice for Official Statistics*³ continues to be complied with in relation to official statistics already designated as National Statistics. The report covers the labour market (LM) statistics produced by the Office for National Statistics (ONS) and reported in:
- *Labour Market Statistics*⁴ (LMS)
 - *Regional Labour Market Statistics*⁵ (RLMS)
 - *Public Sector Employment*⁶ (PSE)
 - *Civil Service Statistics*⁷ (CSS)
 - *Business Register and Employment Survey*⁸ (BRES)
 - *Labour Disputes – Annual Article*⁹ (LD)
 - *Average Weekly Earnings – Bonus payments in Great Britain*¹⁰ (AWE)
 - *Working and Workless Households*¹¹ (WWH)
 - *Workless Households for Regions across the UK*¹² (WHR)
- 1.1.2 The previous assessments of these sets of statistics were reported in Assessment reports 19, 34 and 73¹³. They have been re-assessed as part of the Statistics Authority's ongoing programme of re-assessment. This is discussed further in annex 4.
- 1.1.3 The Act allows an appropriate authority¹⁴ to request an assessment of other official statistics in order for them to gain National Statistics status. In response to such a request, this report also covers the set of statistics reported in *Young People Not in Education, Employment or Training*¹⁵ (NEET), produced by ONS.
- 1.1.4 Section 3 of this report adopts an 'exception reporting' approach – it includes text only to support the Requirements made to strengthen compliance with the

¹ <http://www.statisticsauthority.gov.uk/assessment/assessment-reports/index.html>

² http://www.opsi.gov.uk/Acts/acts2007/pdf/ukpga_20070018_en.pdf

³ <http://www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html>

⁴ <http://www.ons.gov.uk/ons/rel/lms/labour-market-statistics/index.html>

⁵ <http://www.ons.gov.uk/ons/rel/subnational-labour/regional-labour-market-statistics/index.html>

⁶ <http://www.ons.gov.uk/ons/rel/pse/public-sector-employment/index.html>

⁷ <http://www.ons.gov.uk/ons/rel/pse/civil-service-statistics/index.html>

⁸ <http://www.ons.gov.uk/ons/rel/bus-register/business-register-employment-survey/index.html>

⁹ <http://www.ons.gov.uk/ons/rel/bus-register/labour-disputes/index.html>

¹⁰ <http://www.ons.gov.uk/ons/rel/awe/average-weekly-earnings/index.html>

¹¹ <http://www.ons.gov.uk/ons/rel/lmac/working-and-workless-households/index.html>

¹² <http://www.ons.gov.uk/ons/rel/lmac/workless-households-for-regions-across-the-uk/index.html>

¹³ See footnote 1

¹⁴ Subsection 12(7) of the Act defines 'appropriate authority' as Ministers of the Crown, Scottish Ministers, Welsh Ministers, Northern Ireland departments or the National Statistician

¹⁵ <http://www.ons.gov.uk/ons/rel/lms/young-people-not-in-education--employment-or-training--neets-/index.html>

Code and Suggestions made to improve confidence in the production, management and dissemination of these statistics. This abbreviated style of report reflects the Head of Assessment's consideration of aspects of risk and materiality¹⁶. The Assessment team nonetheless assessed compliance with all parts of the *Code of Practice* and has commented on all those in respect of which some remedial action is recommended.

- 1.1.5 The Authority recognises the importance of LM statistics to provide an overall view of the state of the LM. One of the most important users of this sort of information is the Bank of England's Monetary Policy Committee (MPC). The MPC announced¹⁷ in August 2013 that part of its consideration for raising the Bank Rate would be reaching a threshold unemployment rate of 7 per cent. Other key users of LM statistics are HM Treasury and DWP. They are interested in a variety of indicators of the state of the LM, including the number of people in employment, the number of hours worked, and the number of unemployed people. In addition, these figures are often the basis for much analysis and comment by independent commentators in the print and broadcast media.
- 1.1.6 This report was prepared by the Authority's Assessment team, and approved by the Assessment Committee on behalf of the Board of the Statistics Authority, based on the advice of the Head of Assessment.

1.2 Decision concerning designation as National Statistics

- 1.2.1 The Statistics Authority judges that the statistics covered by this report are readily accessible, produced according to sound methods and managed impartially and objectively in the public interest, subject to any points for action in this report. The Statistics Authority confirms that the statistics listed in paragraph 1.1.1 are designated as National Statistics, and has determined that the statistics listed in paragraph 1.1.3 can be designated as new National Statistics products subject to ONS implementing the Requirements listed in section 1.5 and reporting them to the Authority by April 2014.
- 1.2.2 ONS has informed the Assessment team that it has started to implement the Requirements listed in section 1.5. The Statistics Authority welcomes this.

1.3 Summary of strengths and weaknesses

- 1.3.1 ONS publishes a wide range of high profile, timely statistics on the various aspects of the LM. The statistics are accompanied by a range of guidance documents. These documents contain a wealth of valuable information for users of the statistics. However some of the statistical reports are not easily understood by less expert users, including the implications of the uncertainty of the survey estimates. There is little signposting within the statistical reports to other relevant research, statistics and supporting information.

¹⁶ <http://www.statisticsauthority.gov.uk/assessment/assessment/guidance-about-assessment/criteria-for-deciding-upon-the-format-of-an-assessment-report.pdf>

¹⁷ <http://www.bankofengland.co.uk/monetarypolicy/Pages/forwardguidance.aspx>

- 1.3.2 ONS has made some improvements to its website and illustrates headline LM statistics using graphics and ‘short stories’ of the headline statistics. *LMS* brings together statistics from a range of sources into one place. However the commentary in *LMS* tends to focus on the most recent changes and would benefit from a broader approach to describing patterns over time, and in presenting a coherent narrative based on the individual statistics presented.
- 1.3.3 ONS’s LM statisticians engage with key users through a number of fora, including the Labour Market Statistics User Group¹⁸ (LMSUG) which is open to all users. ONS is currently conducting an in-depth survey to find out the views and experiences of users from various backgrounds on accessing and using *LMS* (see paragraph 3.2). It has responded to user interest by developing a new regular estimate of ‘zero hours’ employment contracts.

1.4 Detailed recommendations

- 1.4.1 The Assessment team identified some areas where it felt that ONS could strengthen its compliance with the *Code*. Those which the Assessment team considers essential to enable designation as National Statistics are listed in section 1.5. Other suggestions, which would improve the statistics and the service provided to users but which are not formally required for their designation, are listed at annex 1.

1.5 Requirements for designation as National Statistics

Requirement 1	Improve the signposting to the quality information for the civil service statistics and the labour disputes statistics (para 3.5).
Requirement 2	Publish information about the strengths and limitations of the NEET statistics in relation to their use and potential use (para 3.6).
Requirement 3	Present and explain sampling errors in such a way that it is clear to users how they should be used, and draw out the impact of uncertainty in relation to the use of key economic indicators such as the unemployment rate (para 3.8).
Requirement 4	Review the arrangements in NOMIS to ensure that confidential information is kept secure and publish the details of the steps taken to protect confidentiality (para 3.9).
Requirement 5	Improve the commentary in the LM statistical reports so that it aids users’ interpretation of the statistics by providing contextual information about the longer term labour market patterns, highlighting factors that

¹⁸ <http://www.nomisweb.co.uk/articles/695.aspx>

are known to have impacted the statistics, and clearly signposting other relevant analysis (para 3.10).

Requirement 6

Make clear the distinctions between the various LM statistical outputs so that users are better able to identify and access information relevant to their needs, and ensure the coherence of the statistics presented within them (para 3.11).

2 Subject of the assessment

- 2.1 Labour market (LM) statistics are among the highest profile and most closely monitored official statistics for the UK. They are based on data from three main sources: individuals' employment status from the Labour Force Survey (LFS); numbers of jobs collected from employers; and numbers of people claiming unemployment benefit from administrative data. A summary of each of the outputs considered within the scope of this assessment is given below.

Labour market reports in scope of this assessment

- 2.2 *Labour Market Statistics (LMS)* is a monthly report and was introduced in April 1998 bringing together the different components of LM data which had previously been published separately. It is the main publication for statistics from the LFS. The LFS is a continuous household survey providing data on employment, unemployment and economic inactivity according to the *International Labour Organization*¹⁹ (ILO) definitions and is the primary source of LM data in the UK. The LFS is conducted according to European Union Regulations²⁰ and data are provided to the European Commission.
- 2.3 *LMS* also includes statistics from a series of business surveys which are the basis for collecting data on workforce jobs (WFJ) and vacancies. These surveys are conducted under the *Statistics of Trade Act 1947*²¹. Business surveys allow more accurate analysis by industry sector than the LFS because they provide more robust classification of the activities of businesses. The main administrative source used in the production of *LMS* is the Claimant Count. The data are provided by the Department for Work and Pensions (DWP) from records of claims for benefits principally for the reasons of being unemployed.
- 2.4 *Regional Labour Market Statistics (RLMS)* is a monthly report of regional and sub-regional LM statistics providing a regional breakdown of the analysis presented in *LMS*.
- 2.5 *Public Sector Employment (PSE)* is a quarterly report providing analysis of the number of people employed in the public sector in the UK. It includes analyses of headcount and full-time equivalents by type of public sector organisation and industry.
- 2.6 ONS took over responsibility for producing *Civil Service Statistics (CSS)* from the Cabinet Office in 2006. ONS introduced a development programme in 2007 and replaced the existing data collection with a new Annual Civil Service Employment Survey (ACSES). *CSS* is an annual report providing analysis of the number of home civil service employees in the UK (and overseas) but exclude employees in the Northern Ireland Civil Service. It includes analysis by age, gender, grade, national identity and region of employment.
- 2.7 ONS publishes two reports about workless households. *Work and Worklessness Households (WWH)* uses household LFS datasets which combine individual responses of all people living in the same household. It is an annual report, presenting information about the households, and the adults and

¹⁹ <http://www.ilo.org/global/lang--en/index.htm>

²⁰ http://epp.eurostat.ec.europa.eu/portal/page/portal/employment_unemployment_lfs/legislation

²¹ <http://www.legislation.gov.uk/ukpga/Geo6/10-11/39>

children living in them, by household economic activity status, comparing statistics for the April to June quarter each year from 1996. *Workless Household for Regions across the UK (WHR)* uses household data from the Annual Population Survey (APS) to produce statistics on the characteristics of workless households for regions across the UK. It is an annual report and presents calendar year statistics from 2004.

- 2.8 *Business Register and Employment Survey (BRES)* was introduced in 2008 and is the official source of employee and employment estimates by detailed geography and industry. The survey has two purposes: collecting data to update information held on the Inter-Departmental Business Register²² which is used as a sampling frame for business surveys, and producing annual employment estimates. *BRES* is an annual publication containing employee and employment statistics by region and industry. *Labour Disputes – Annual Article (LD)* is an annual report of data from the Labour Disputes Survey (LDS) which collects data on the number of stoppages, working days lost and the number of workers involved in strike action from UK businesses. Monthly statistics on labour disputes are published in *LMS*. Detailed analysis of the three main measures of labour disputes (working days lost, stoppages and workers involved) is reported in *LD*. ONS carried out a consultation²³ between September and October 2013 with users to reduce the number of statistical outputs; The LDS is included in this consultation. ONS²⁴ said that it would publish a summary of the findings of the review in early 2014.
- 2.9 *Average Weekly Earnings – Bonus payments in Great Britain (AWE)* is an annual article with statistics on bonus payments by month of pay, sector and industry. The Monthly Wages and Salaries Survey²⁵ is used to produce the average weekly earnings measure, the official indicator of short-term earnings growth. Monthly estimates of the level of average earnings per employee are published in *LMS*.
- 2.10 *Young People Not in Education, Employment or Training (NEET)* – Estimates of the numbers of young people who are NEET are calculated from the LFS. *NEET* is a quarterly report published a week after *LMS*. *NEET* was first published in May 2013 and includes a time series back to 2001.

Other labour market reports outside the scope of this assessment

- 2.11 ONS also publishes statistical reports – *Single Month Labour Force Survey Estimates*²⁶ and *Labour Market Flows*²⁷ – which are outside the scope of this assessment. The single-month estimates compare the LFS headline three-month average rates for employment, unemployment and economic inactivity with their equivalent single-month estimates. The single-month estimates are derived from the same data source as the headline three-month figures but are not designated as National Statistics. ONS advises that their use be restricted to helping to understand the movements in the headline three-month averages.

²² <http://www.ons.gov.uk/ons/rel/bus-register/uk-business/2012/index.html>

²³ <http://www.ons.gov.uk/ons/about-ons/get-involved/consultations/consultations/statistical-products-2013/index.html>

²⁴ Consultation document (page 2): <http://www.ons.gov.uk/ons/about-ons/get-involved/consultations/consultations/statistical-products-2013/index.html>

²⁵ <http://www.ons.gov.uk/ons/about-ons/get-involved/taking-part-in-a-survey/information-for-businesses/a-to-z-of-business-surveys/monthly-wages-and-salaries-survey/index.html>

The estimates of LM flows are experimental statistics and produced as an aid to understanding the movements in the published LFS aggregate estimates. ONS does not regard these statistics as robust LM indicators in their own right.

Users and uses of labour market statistics

- 2.12 LM statistics are used to provide an overall view of the state of the LM. One of the most important users of this sort of information is the Bank of England's Monetary Policy Committee (MPC). The MPC announced²⁸ in August 2013 that part of its consideration for raising the Bank Rate would be reaching a threshold unemployment rate of 7 per cent. Other key users of LM statistics are HM Treasury and DWP. They are interested in a variety of indicators of the state of the LM, including the number of people in employment, the number of hours worked, and the number of unemployed people. They analyse these series by age, region and gender. Other government users include the Department for Business, Innovation and Skills, Health & Safety Executive, the Welsh Government and the Scottish Government.
- 2.13 Other users of LM statistics include local authorities, businesses, academia and the public. Eurostat uses LM statistics to monitor the European employment strategy²⁹ and economic and monetary policy in the European Union.
- 2.14 One of the means of accessing LM statistics is through NOMIS³⁰, a website funded by ONS and hosted by the University of Durham, which provides access to many of the detailed LM datasets. NOMIS is widely used, including by local authorities in the production of their local economic development plans.

Reviews

- 2.15 There have been a range of reviews of the LM statistics produced by ONS over the last ten years. In 2002 ONS conducted a National Statistics Quality Review of the framework for LM statistics³¹. This was followed by quality reviews of the LFS³² and employment and jobs statistics³³. ONS also conducted an investigation into the benchmarking of the WFJ³⁴ and Eurostat reviewed the quality of the European Union LFS, including the UK survey³⁵ in 2011. In addition ONS has conducted a series of triennial reviews³⁶ of the surveys underpinning the LM statistics, to check the continued need for the surveys and identify users' and respondents' views about the statistics.

²⁶ <http://www.ons.gov.uk/ons/rel/lms/labour-market-statistics/october-2013/single-month-labour-force-survey-estimates--october-2013--not-designated-as-national-statistics-.html>

²⁷ <http://www.ons.gov.uk/ons/rel/lms/labour-market-statistics/august-2013/labour-market-flows.html>

²⁸ <http://www.bankofengland.co.uk/monetarypolicy/Pages/forwardguidance.aspx>

²⁹ <http://ec.europa.eu/social/main.jsp?catId=101&langId=en>

³⁰ <https://www.nomisweb.co.uk/>

³¹ <http://www.ons.gov.uk/ons/guide-method/method-quality/quality/quality-reviews/theme/labour-market/nsqr-11/index.html>

³² <http://www.ons.gov.uk/ons/rel/lms/labour-market-trends--discontinued-/volume-110--no--10/review-of-the-labour-force-survey.pdf>

³³ <http://www.ons.gov.uk/ons/guide-method/method-quality/quality/quality-reviews/theme/labour-market/nsqr-44/nsqr-series-report-no--44--review-of-employment-and-jobs-statistics-.pdf>

³⁴ <http://www.ons.gov.uk/ons/rel/wfj/workforce-jobs/workforce-jobs-benchmarking-review/index.html>

³⁵ http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-RA-13-008/EN/KS-RA-13-008-EN.PDF

³⁶ <http://www.ons.gov.uk/ons/guide-method/method-quality/quality/triennial-reviews/index.html>

Labour market statistics in the devolved administrations

- 2.16 LMS includes information about the UK as a whole. Each devolved administration also produces its own LM statistics reports which have been the subject of separate assessment reports³⁷. For Wales³⁸ and Scotland³⁹, these are primarily based on ONS data. Both Wales and Scotland pay ONS for a 'boost' to the sample of the APS, to ensure that sufficient data are collected for their respective countries for more detailed analysis. In Northern Ireland, the collection of LM data is the responsibility of the Northern Ireland Statistics and Research Agency⁴⁰ through the Northern Ireland Labour Force Survey, the Quarterly Employment Survey, and other surveys and administrative sources.

Accessibility and cost of producing the labour market statistics

- 2.17 LM statistics covered by this assessment report are published in PDF and HTML format, with supplementary data published in Excel format on ONS's website. Detailed LM statistics are also published on NOMIS with data available to download in Excel format. This equates to a level two rating under the Five Star Scheme proposed in the *Open Data White Paper: Unleashing the Potential*⁴¹.
- 2.18 Estimating the resources directed towards labour market statistics outputs is difficult because the data come from many sources, are put to many different uses, and the work of the different teams is not usually limited to a single topic. As an indicator, ONS told us that the total costs in 2012/13 of the two main surveys underpinning the labour market statistics, the LFS and APS, were £10.6m and £2.1m respectively. These costs include data collection and processing, analysis and publication, and exclude corporate overheads.

³⁷ Assessments on devolved administration labour market statistics: Wales – Assessment report 33, Scotland – Assessment report 27, Northern Ireland – Assessment report 29,
<http://www.statisticsauthority.gov.uk/assessment/assessment/assessment-reports/>

³⁸ <http://wales.gov.uk/statistics-and-research/regional-economic-labour-market-profiles/?lang=en>

³⁹ <http://www.scotland.gov.uk/Topics/Statistics/Browse/Labour-Market>

⁴⁰ <http://www.nisra.gov.uk/publications/default.asp7.htm>

⁴¹ http://data.gov.uk/sites/default/files/Open_data_White_Paper.pdf

3 Assessment findings

- 3.1 ONS engages users of LM statistics through a number of fora, including the Labour Market Statistics User Group⁴² (LMSUG), Central and Local Information Partnership Labour Market Statistics Sub-group⁴³, LFS user group⁴⁴, BRES user group⁴⁵ and the National Statistics Labour Market Theme Working Group⁴⁶. Some of the groups include particular types of users such as central and local government, while others are open to all users. The LFS user group works with the UK Data Service⁴⁷ to assist researchers in using the survey data. It holds an annual user group meeting with presentations from both ONS analysts and academic users. ONS recently re-started the LMSUG which held its second conference in March 2013. It involves users from commercial organisations, non-profit bodies and academia, as well as from central government.
- 3.2 Historically, ONS has conducted triennial reviews⁴⁸ for four of the surveys underpinning the LM statistics, including most recently the LDS and the Vacancy Survey. These reviews involved surveys of users and data suppliers. ONS is currently conducting an in-depth user survey involving 28 face to face interviews with different types of users, including: journalists, commercial organisations, academics, think tanks and central government. ONS told us that its review is seeking to identify ways of improving its presentation of *LMS* and its associated web pages, by better understanding how the products are used and how they can better meet users' needs. ONS told us that it will prepare an action plan to respond to the findings of the user survey. It plans to publish its findings and, having implemented its improvements, to seek further feedback from users about the changes. ONS shared anonymous comments from the interviews with us. The issues raised are in line with the feedback we received directly from the users we contacted as part of this assessment (see annex 3).
- 3.3 ONS recently announced plans⁴⁹ for an additional regular estimate of the numbers of 'zero hours' employment contracts in the UK workforce in response to user demand. It carried out a short user consultation in October 2013 to ensure the plans meet users' needs. We welcome the steps being taken by ONS to engage users in these developments and regard the user review and planned work on zero hours contracts as examples of good practice. We suggest that ONS provide links to the published findings of the zero hours user consultation exercise from all relevant LM statistics reports.
- 3.4 ONS summarises the use made of the LM statistics in the triennial review reports and in most of the supporting background notes, Quality and

⁴² <http://www.nomisweb.co.uk/articles/695.aspx>

⁴³ <http://www.clip.local.gov.uk/lgv/core/page.do?pagelId=36426>

⁴⁴ <http://www.ccsr.ac.uk/esds/events/past.shtml#fs2012>

⁴⁵ <http://www.ons.gov.uk/ons/guide-method/method-quality/specific/labour-market/business-register-and-employment-survey--bres-/user-engagement-and-survey-management/index.html>

⁴⁶ <http://www.ons.gov.uk/ons/guide-method/the-national-statistics-standard/themes/labour-market/index.html>

⁴⁷ <http://discover.ukdataservice.ac.uk/series/?sn=2000026>

⁴⁸ See footnote 34

⁴⁹ <http://www.ons.gov.uk/ons/rel/mro/news-release/ons-announces-additional-estimate-of-zero-hours-contracts/zhc0813.html>

Methodology Information reports⁵⁰ (QMIs), for the various sources of LM data. The LDS QMI does not summarise the use made of the statistics, or user views, although this is reported in the 2012 LDS triennial review⁵¹. The WFJ QMI includes a brief section on use and refers to a user consultation in 2010; however, it does not include a link to the summary of user feedback or ONS's response to show how the feedback influenced the redevelopment of the WFJ statistics. We suggest that ONS extend the use and user information given about the labour dispute and WFJ statistics in their respective QMI documents. We also suggest that ONS refer to the types of use put forward in the Statistics Authority's Monitoring Brief, *The Use Made of Official Statistics*⁵² when documenting use.

- 3.5 ONS has published a guidance note⁵³ on LM statistics that describes most of the data sources and provides a link to the respective QMIs. It has also published detailed supporting information about the design of the LFS and the quality of the survey data in an LFS – User Guidance⁵⁴ web page, as well as releasing the LFS *Performance and Quality Monitoring Report*⁵⁵ (PQM) each month alongside *LMS*. ONS provides guidance on using the various statistics in *Interpreting Labour Market Statistics*⁵⁶ and advises on appropriate comparisons over time and on important definitional issues such as the difference between employment and jobs. In addition to general guidance, ONS publishes guidance documents relating to specific outputs, for example:
- for the PSE data sources⁵⁷ which highlights the strengths and limitations of the PSE statistics, and the comparability of the data sources; however, it does not refer to the ACSES
 - CSS gives estimates of non-response and a comparison of the ACSES and quarterly PSE civil service employment estimates. The ACSES QMI outlines the coherence of the quarterly PSE survey and ACSES. CSS refers to a QMI for civil service statistics but no QMI is available on ONS's website under the LM collection of QMIs for this set of statistics.
 - *LD* does not include information about quality in relation to the LDS, nor is information about quality published alongside the labour disputes table in *LMS*. The labour disputes QMI includes important information for users, for example, highlighting that participation in the labour disputes survey is voluntary, although a link to the QMI is not provided alongside the statistics.

⁵⁰ <http://www.ons.gov.uk/ons/guide-method/method-quality/quality/quality-information/labour-market/index.html>

⁵¹ <http://www.ons.gov.uk/ons/guide-method/method-quality/quality/triennial-reviews/triennial-mini-review-of-the-labour-disputes-inquiry-2012.pdf>

⁵² <http://www.statisticsauthority.gov.uk/assessment/monitoring/monitoring-reviews/monitoring-brief-6-2010---the-use-made-of-official-statistics.pdf>

⁵³ <http://www.ons.gov.uk/ons/rel/lms/labour-market-guidance/guide-to-labour-market-statistics/guide-to-lm-statistics.html>

⁵⁴ <http://www.ons.gov.uk/ons/guide-method/method-quality/specific/labour-market/labour-market-statistics/index.html>

⁵⁵ <http://www.ons.gov.uk/ons/guide-method/method-quality/specific/labour-market/labour-force-survey/index.html>

⁵⁶ <http://www.ons.gov.uk/ons/rel/lms/labour-market-guidance/interpreting-labour-market-statistics/interpreting-lm-statistics.html>

⁵⁷ <http://www.ons.gov.uk/ons/rel/lms/labour-market-guidance/guide-to-labour-market-statistics/guide-to-lm-statistics.html#tab=Public-and-private-sector-employment>

ONS publishes a wide range of separate documents providing valuable information for users on various aspects of the LM. However, this information is not brought together in one place, nor are links provided from individual releases to relevant additional information. As part of the designation as National Statistics, ONS should improve the signposting to the quality information for the civil service statistics and the labour disputes statistics⁵⁸ (Requirement 1).

- 3.6 ONS published an article⁵⁹ in May 2013 to explain the methods used to produce its NEET statistics. *NEET* highlights that the statistics are estimates based on survey data; however, it does not provide measures of the precision of the sample estimates or refer to other potential sources of error. ONS has not published a QMI for its NEET estimates and no information about the quality and reliability of the estimates is given in *NEET*. As part of the designation as National Statistics, ONS should publish information about the strengths and limitations of the NEET statistics in relation to their use and potential use⁶⁰ (Requirement 2).
- 3.7 *RLMS* provides a prominent link to the equivalent Northern Ireland statistics. *CSS* highlights that the statistics are for home civil service employees in the UK (and overseas) but exclude employees in the Northern Ireland Civil Service. Following advice from the Assessment team during the course of the assessment, ONS provided a link to the equivalent statistics for the Northern Ireland Civil Service⁶¹ in *CSS*.
- 3.8 ONS provides confidence intervals for the LFS estimates for the monthly release of *LMS* in a separate online data table (Table A11⁶²) but there is no supporting explanation to help users relate the figures to the LM statistics, and the presentation of the confidence intervals in that table is itself unclear. ONS also provides the sampling variability each month for the WFJ and AWE statistics in *LMS*. While ONS highlights that the LM statistics in *LMS* are not precise, ONS does not give an indication of the uncertainty of the estimates and does not make it sufficiently clear whether changes are statistically significant. In September 2013, ONS reported a rise of 80,000 in the employment estimates for the period May-July 2013 compared with the previous quarter – the change was not statistically significant with 95 per cent confidence limits⁶³ of -58,000 and +218,000. An annual rise in employment of 275,000 was also reported; the associated confidence limits were 59,000 and 491,000 – while a statistically significant rise, users' interpretation of the statistics would be aided by making this scale of uncertainty clear. A user who responded to the consultation carried out as part of this assessment commented that ONS could give more emphasis to the effect of sampling error on quarterly changes in series in *LMS* and *RLMS*. In addition, the increased profile of the unemployment rate as a barometer of the UK's economic performance, and a related target in the context of monetary policy suggests

⁵⁸ In relation to Principle 4, Practice 2 of the *Code of Practice*

⁵⁹ <http://www.ons.gov.uk/ons/guide-method/method-quality/specific/labour-market/articles-and-reports/young-people-who-are-neet.pdf>

⁶⁰ In relation to Principle 4, Practice 2 of the *Code of Practice*

⁶¹ http://www.nisra.gov.uk/publications/Employment_in_the_NICS.html

⁶² <http://www.ons.gov.uk/ons/rel/lms/labour-market-statistics/september-2013/statistical-bulletin.html#tab-Sampling-variability>

⁶³ Given in Table A11 for May-July 2013

that measures of sampling variability around those estimates should be drawn out more clearly. ONS reported⁶⁴ that the unemployment rate for the period September-November 2013 was 7.1 per cent but it did not make clear that the associated 95 per cent confidence interval was ± 0.3 per cent (6.8 to 7.4 per cent). It did not provide sufficient guidance to support the appropriate interpretation of the unemployment rate in relation to the Bank rate threshold. As part of the designation as National Statistics, ONS should present and explain sampling errors in such a way that it is clear to users how they should be used, and draw out the impact of uncertainty in relation to the use of key economic indicators such as the unemployment rate⁶⁵ (Requirement 3). In meeting this Requirement, we suggest that ONS seek the views of users about the degree to which the survey-based labour market estimates meet their needs.

- 3.9 ONS makes LM statistics available through NOMIS to support further use. Users of BRES statistics have to register with the NOMIS website, to gain access to the survey data at low geographic levels. Access is given via a *Chancellor of the Exchequer's Notice* to the latest estimates, as well as to data for the previous year. The Notice costs £125 and grants access until the next year's data are released. Access to identifiable data is only allowable after giving a valid statistical purpose and the signing of a confidentiality agreement⁶⁶. These registered users receive access to all the BRES data – access is not restricted to the data required to meet the specific statistical purpose. The BRES data on NOMIS have not been disclosure controlled but a confidentiality marker is applied against disclosive figures. NOMIS users are required to suppress the flagged data items and to carry out their own secondary suppression before sharing the statistics with third parties. ONS told us that it carries out occasional checks on the nature of the use of the BRES data, to ensure that it remains in line with the signed agreement. As part of the designation as National Statistics, ONS should review the arrangements in NOMIS to ensure that confidential information is kept secure and publish the details of the steps taken to protect confidentiality⁶⁷ (Requirement 4).
- 3.10 The LM statistical reports begin with a summary of the main findings and provide some commentary and illustrative charts to support the presentation of the statistics. However, the narrative in some of the reports focuses on recent changes and provides little contextual information (such as factual information about the policy context, an explanation of why the statistics are important and how they will be used), and so does not aid the interpretation of the latest changes in relation to the longer term economic or regional patterns. Specifically:
- The description of the statistics in *RLMS*, *BRES* and *NEET* are limited to comparisons with the last quarter or with the previous year, although *PSE*, *CSS* and *WWH* do give the longer term trend. *NEET* gives some information about the differences between men and women but does not highlight the

⁶⁴ <http://www.ons.gov.uk/ons/rel/lms/labour-market-statistics/january-2014/index.html>

⁶⁵ In relation to Principle 4, Practice 2 and Principle 8, Practice 1 of the *Code of Practice*

⁶⁶ <http://www.ons.gov.uk/ons/rel/bus-register/business-register-employment-survey/background-information/index.html>

⁶⁷ In relation to Principle 5, Practice 4 of the *Code of Practice*

contrasting patterns between the two age groups by sex, or offer any reasons to explain differences

- *LMS* includes a range of the main LM statistics, presenting a brief summary of each metric. It includes some helpful contextual information; for example, describing the changes in full-time and part-time employment by gender in relation to the main economic downturn in 2008, and presenting the trend in earnings in relation to the change in the consumer prices index from 2001. It also describes the impact of the timing of bonus payments by companies, and of the change in the pension age for women. Some of the descriptions of the various statistics are limited, however, to the latest results and do not signpost users to other fuller explanations, for example, in *LD*, *AWE* or *WHR*, or other relevant statistics such as in *Labour Market Flows*
- *LMS* and *RLMS* provide some explanation in background notes about the benefit changes associated with the introduction of Universal Credit (UC) but ONS does not sufficiently explain the impact on the Claimant Count in the main commentary or in the supporting information
- *WWH* provides a clear description of the level of worklessness among households of different types (such as couple and lone parent households, housing tenure and economic activity status) and relates the trends to the economic context. It does not make clear whether the regional estimates of workless households are statistically significantly different from the UK average or refer to any known (or likely) factors that influence the observed patterns. *PSE* makes it clear how the changes in the Public Sector Classification have impacted upon the statistics, although the main findings could be presented more clearly
- *BRES* and *NEET* include little contextual information to support the description of the statistics and no information about the use made of the statistics. ONS published a separate note⁶⁸ about the use made of the *BRES* statistics following the first assessment of these statistics but this is not referenced in the statistical report

ONS publishes a wide range of statistics on various aspects of the LM. However, the commentary does not bring together individual messages to paint an overall picture of trends. As part of the designation as National Statistics, ONS should improve the commentary in the LM statistical reports so that it aids users' interpretation of the statistics by providing contextual information about the longer term labour market patterns, highlighting factors that are known to have impacted the statistics, and clearly signposting other relevant analysis⁶⁹ (Requirement 5). We suggest that in meeting this requirement ONS should consider the points detailed in annex 2. We further suggest that ONS conduct research to monitor the changes in level of UC uptake and highlight the findings to make clear the impact on the numbers of unemployed people claiming benefit and the Claimant Count statistics.

- 3.11 ONS publishes statistics on the educational status, economic activity and inactivity of young people in *LMS*. A footnote to the relevant table in *LMS* alerts users that estimates of the number of young people who are not in

⁶⁸ See footnote 64

⁶⁹ In relation to Principle 8, Practice 2 of the *Code of Practice*

employment, education or training cannot be derived from the table and provides a link to *NEET*. *NEET* does not explain in detail why the figures in *LMS* and *NEET* are not comparable – users have to follow a link to an article providing background information published on ONS’s website for this information. Headline statistics on labour disputes are published in *LMS* but users are not signposted to the more detailed analysis in *LD*. *WWH* is published in August each year and uses LFS household datasets. *WHR* is published in September each year and uses APS household datasets. *WWH* does not signpost users to *WHR* for a regional breakdown of the statistics, nor does *WHR* signpost users to *WWH* for more detailed characteristics of workless households for the UK. The difference between the two sets of figures is not explained. As part of the designation as National Statistics, ONS should make clear the distinctions between the various LM statistical outputs so that users are better able to identify and access information relevant to their needs, and ensure the coherence of the statistics presented within them⁷⁰ (Requirement 6).

- 3.12 ONS published articles about LM statistics in the *Labour Market Trends* journal until 2006 and subsequently in *Economic and Labour Market Review* until 2011 when the publication ceased. ONS now publishes a range of articles containing analysis of the LM experience of individual groups on its website on an ad hoc basis; for example, *Women in the labour market*⁷¹, *Older Workers in the Labour Market*⁷² and *Mothers in the Labour Market*⁷³. Links to these articles are not included in *LMS*, nor is there a published plan for future articles. We suggest that ONS improve the signposting to ad hoc articles on the LM and publish a plan for future articles.

⁷⁰ In relation to Principle 8, Practice 4 of the *Code of Practice*

⁷¹ <http://www.ons.gov.uk/ons/rel/lmac/women-in-the-labour-market/2013/index.html>

⁷² <http://www.ons.gov.uk/ons/rel/lmac/older-workers-in-the-labour-market/2012/older-workers-in-the-labour-market.html>

⁷³ <http://www.ons.gov.uk/ons/rel/lmac/mothers-in-the-labour-market/2011/mothers-in-the-labour-market--2011.html>

Annex 1: Suggestions for improvement

A1.1 This annex includes some suggestions for improvement to ONS's LM statistics, in the interest of the public good. These are not formally required for designation, but the Assessment team considers that their implementation will improve public confidence in the production, management and dissemination of official statistics.

- | | |
|---------------------|---|
| Suggestion 1 | Provide links to the published findings of the zero hours user consultation exercise from all relevant LM statistics reports (para 3.3). |
| Suggestion 2 | Extend the use and user information given about the labour dispute and workforce jobs statistics in their respective QMI documents (para 3.4). |
| Suggestion 3 | Refer to the types of use put forward in the Statistics Authority's Monitoring Brief, <i>The Use Made of Official Statistics</i> when documenting use (para 3.4). |
| Suggestion 4 | Seek the views of users about the degree to which the survey-based labour market estimates meet their needs (para 3.4). |
| Suggestion 5 | Consider the points detailed in annex 2, in seeking to improve the statistical reports (para 3.10). |
| Suggestion 6 | Conduct research to monitor the changes in level of UC uptake and highlight the findings to make clear the impact on the numbers of unemployed people claiming benefit and the Claimant Count statistics (para 3.10). |
| Suggestion 7 | Improve the signposting to ad hoc articles on the LM and publish a plan for future articles (para 3.12). |

Annex 2: Compliance with Standards for Statistical Reports

- A2.1 In November 2012, the Statistics Authority issued a statement on *Standards for Statistical Reports*⁷⁴. While this is not part of the *Code of Practice for Official Statistics*, the Authority regards it as advice that will promote both understanding and compliance with the *Code*. In relation to the statistical reports associated with ONS's LM statistics, this annex comments on compliance with the statement on standards.
- A2.2 In implementing any Requirements of this report (at paragraph 1.5) which relate to the content of statistical reports, we encourage the producer body to apply the standards as fully as possible.

Include an impartial narrative in plain English that draws out the main messages from the statistics

- A2.3 *LMS* presents an impartial and factual description of the latest statistics, comparing with the previous quarter and the same period a year before. The text is in plain language and highlights the main findings in relation to employment, unemployment, inactivity and total pay. Some of the descriptions of the findings do not explain what the latest patterns show, for example the commentary accompanying the labour disputes and labour productivity describe the latest figures only. No information is given about the different patterns of employment by gender and any differences over the past five years during a period of greater economic uncertainty. *RLMS* provides a helpful overview of the change in regional differences but the report does not give a LM profile for each region; however, individual spreadsheets are available for each region bringing together the data tables for the various LM statistics.
- A2.4 *PSE* describes the changes in employment by industry and sector over the most recent change – in the last year or so – as well as back to the late 1990s. It makes clear how classification changes have impacted on the statistics. This is important as users could be misled over the actual scale of change; however, the narrative is repetitive and the main findings in each section can be hard to understand. *PSE* makes good use of charts, which help summarise the main trends.
- A2.5 *CSS* and *WWH* are presented in a clear way with straightforward language and both reports begin with the main findings. *WWH* describes the level of worklessness among households with different characteristics. *WHR* highlights the main findings by region; however, it does not standardise the statistics, for example, for the effect of age, which could explain some of the variations by region (for example London's relatively young age profile).
- A2.6 *BRES* highlights the changes in full-time versus part-time employment at the start of the report, but the narrative in the rest of the report is limited to a cross-sectional description of the distribution of employees by area and industry. The narrative could also be more informative and avoid focusing on extreme variations; for example, the local area comparison of public sector employment variations highlights two extreme results for the areas that have very small populations – the highest percentage of public sector employment was

⁷⁴ <http://www.statisticsauthority.gov.uk/news/standards-for-statistical-reports.html>

Shetland Isles at 49.4 per cent, while the local authority with the lowest percentage was City of London, at 5.5 per cent.

A2.7 *LD* and *AWE* highlight the main findings in an abstract at the start of each article. The narrative is clear and the articles include a description of trends over time. *NEET* gives three main findings at the start of the report. The text is impartial and generally straightforward but the narrative focuses on the most recent findings and short-term changes. No context is given for why figures on NEETs are important in relation to government policy, nor does the narrative explain why young people who are NEET are of interest, for example, in relation to earning potential in later life and future periods of unemployment.

Include information about the context and likely uses of the statistics

A2.8 *LMS* includes some contextual information; for example, the change in the consumer prices index in comparison with earnings, the impact of bonus payments being brought forward, and the impact of the change in the pension age for women on economic inactivity. *WWH* provides some contextual information about the economic pattern in relation to the trend in worklessness. It highlights the types of households at most risk of being workless. It does not provide examples of any known factors that may have led to changes in the trends, for example, in the fall in worklessness among lone parent households from 51.9 per cent in 1996 to 37.0 per cent in 2012. *LD* and *AWE* both include helpful contextual information. *RLMS*, *PSE*, *CSS*, *BRES* and *NEET* do not include sufficient contextual information alongside the statistics to support their interpretation.

A2.9 *PSE* includes some information about the uses of the statistics. It has a section about common pitfalls in interpreting the statistics and signposts users to other similar statistics, for example, the Home Office police workforce estimates⁷⁵ and NHS workforce statistics for England⁷⁶. *LMS*, *RLMS*, *BRES*, *WWH*, *WHR*, and *NEET* do not include information about the use of the statistics. Some information about use of *LMS* is given in the QMI and other documents such as the *Guide to Labour Market Statistics*⁷⁷. ONS has published a note outlining uses of BRES statistics by different types of user but this is not referenced in the statistical report.

Include information about the strengths and limitations of the statistics in relation to their potential use

A2.10 *LMS* includes a section on sampling variability, defining confidence intervals and giving a broad indication of the likely variability around the estimates for the survey based statistics. However, the report doesn't draw specific attention to the scale of uncertainty around the main estimates. Specific information about the strengths and limitations in relation to use are given in the LFS - User Guidance web page and the LFS *PQM*. *RLMS* includes summary information about the nature of sampling variability for the LFS-based statistics and a link to a spreadsheet giving the associated regional figures. Both *LMS* and *RLMS*

⁷⁵ <https://www.gov.uk/government/publications/police-workforce-england-and-wales-31-march-2013/police-workforce-england-and-wales-31-march-2013>

⁷⁶ <http://www.hscic.gov.uk/searchcatalogue?productid=13832&returnid=1907>

⁷⁷ <http://www.ons.gov.uk/ons/rel/lms/labour-market-guidance/guide-to-labour-market-statistics/guide-to-lm-statistics.html>

include background notes highlighting the introduction of Universal Credit (UC) and provide a broad indication of its impact on the claimant count statistics. These reports suggest that the claimant count statistics can be affected by benefit changes. They should, however, state that these statistics are now affected by the introduction of UC and that this effect will increase as more recipients move from Job Seekers Allowance to UC.

- A2.11 *PSE* includes a background note about different aspects of quality which includes the response rates for the public sector surveys and an explanation about imputation for non-response. *CSS* includes a background note in which it provides some information about aspects of quality. It highlights that information about the Northern Ireland Civil Service is not included but does not signpost users to the equivalent statistics. *BRES* gives definitional information and a background note explains the strengths of *BRES* as a source for detailed statistics by region and industry compared to *LFS*, *WFJ* and *PSE*. It provides helpful information about the differences between the statistics from these sources and *BRES*. The title of the statistical report could be made clearer by referring to the nature of the statistics covered rather than using the name of the data source (Business Register and Employment Survey).
- A2.12 *WWH*, *WHR* and *NEET* do not include information about the strengths and limitations of the statistics. *NEET* does not include information about the differences between the definition of *NEETs* used in the quarterly release and the figures on economic activity and inactivity of young people in *LMS*. *WWH* and *WHR* do not explain why different sources are used for each report.
- A2.13 *LMS*, *RLMS* and *PSE* include links to relevant documents, such as the QMI. *CSS* refers to a QMI for civil service statistics but no QMI is available on ONS's website under the LM collection of QMIs for this set of statistics. The background note does not provide a description of *ACSES* but says that there are no key issues with this source. A brief note is given at the end of the annex about accuracy in which it states that there is known under-reporting by some departments that are unable to provide complete returns for all variables. The information is inadequate in explaining the issue in relation to the quality of the data.

Be professionally sound

- A2.14 The description of employment by nationality and country of birth in *LMS* highlights that not every respondent answers these items so that the totals in employment do not equal the overall estimates; however, it does not explain that there is some bias in the results, however small, with those who answer these questions being more likely to be employed than those who do not answer. The description of foreign born workers highlights that some users have misinterpreted the statistics as estimates of the proportion of new jobs taken by foreign migrants. The explanation given does not fully explain why the statistics shown should not be used in this way. *LMS* also does not provide the numbers that do not respond; therefore the impact of the change in non-response is not clear. For example, including a higher estimate for the increase in employment for those stating their nationality and country of birth (307,000 – in the August 2013 release) than when all responses are included (301,000) could cause confusion.

- A2.15 *PSE* is professionally sound and bases the narrative on evidence. The descriptions are consistent with the statistics. The report uses charts effectively. *CSS* provides a percentage distribution for civil service employment by region but does not provide rates to take account of the population base for the regions. *CSS* could compare the estimates with the working age population by region.
- A2.16 *WWH* does not make clear whether the regional estimates of workless households are significantly different from the UK average. Confidence intervals are not given but sampling variability is given for each table and chart in a spreadsheet available via a link in the annex. Both *WWH* and *WHR* use graphics in the report which use a combination of statistics and pictures to illustrate a number of findings. The graphics do not provide a clear illustration of the statistics.
- A2.17 *NEET* does not describe the changes back to the beginning of the series in Oct-Dec 2001. The chart presented is also limited to the last five years. The report provides figures for two age groups of young people and gives some limited information about the differences between men and women but does not highlight the contrasting patterns between the age groups by gender.

Include, or link to, appropriate metadata

- A2.18 *BRES*, *WWH*, and *WHR* do not provide links to any other relevant LM QMIs or other supporting information. *NEET* includes an explanation about the nature of the estimates relying on a survey but no information about the quality of the statistics is given in *NEET*. There is also no link to the quality and methods notes for the LFS. ONS has not published a specific quality and methods note for the NEET estimates.

Annex 3: Summary of assessment process and users' views

A3.1 This assessment was conducted from May 2013 to January 2014.

A3.2 The Assessment team – Penny Babb and Catherine Barham – agreed the scope of and timetable for this assessment with representatives of ONS in May. The Written Evidence for Assessment was provided on 2 July. The Assessment team subsequently met ONS during September and December to review compliance with the *Code of Practice*, taking account of the written evidence provided and other relevant sources of evidence.

Summary of users contacted, and issues raised

A3.3 Part of the assessment process involves our consideration of the views of users. We approach some known and potential users of the set of statistics, and we invite comments via an open note on the Authority's website. This process is not a statistical survey, but it enables us to gain some insights about the extent to which the statistics meet users' needs and the extent to which users feel that the producers of those statistics engage with them. We are aware that responses from users may not be representative of wider views, and we take account of this in the way that we prepare Assessment reports.

A3.4 During this assessment ONS undertook its own user survey. It carried out 28 in-depth interviews with users from a variety of sectors (see paragraph 3.2), including the media, think tank and commercial sector analysts, academia and government departments. ONS sought their views about the accessibility and presentation of the statistics. ONS shared the transcripts of these, anonymised, with the Assessment team. In addition the Assessment team contacted some other key users who had previously provided feedback about LM statistics to the Authority during assessment. We received six responses. The respondents were grouped as follows:

Government	1
Local authority	2
Charity	1
Non-departmental public body	1
Commercial sector	1

A3.5 The main issues reported to ONS reflected: some difficulty in accessing the statistics online and in understanding the presentation of the spreadsheets and the time series datasets; greater clarity over the publication date of the statistics and date of the next release; the need for clear (and accessible) definitions and historical data; clearer signposting to ad hoc releases; and advanced warning of changes to the data sets and methods. Some users wanted more explanation of the trend, while others were more interested in being able to carry out their own analysis. Users were positive about the use of infographics. Specific suggestions were received about changes to the presentation and interest in more detailed statistics.

A3.6 Users responding to the Authority user survey listed a wide range of uses of LM statistics, including:

- The lack of quality information published alongside the statistics, for example confidence intervals and standard errors
- An interest in more published guidance on recommended ways of looking at changes over time for small area LM statistics
- A request that more historical data be integrated into bulletins or presented alongside bulletins. For example, a longer series of historical data could be published in *PSE* with relevant caveats about data comparability
- Suggested enhancements to the presentation of regional data in *RLMS* – including single tables presenting time series data for all regions, rather than separate spreadsheets for each region, to facilitate comparisons across regions
- An interest in greater topicality in the publications, to draw attention to key stories that can inform public debate

Key documents/links provided

Written Evidence for Assessment document

Annex 4: Summary of Requirements from Assessment Reports 19, 34 and 73

A4.1 *Average Weekly Earnings – Bonus Payments in Great Britain (AWE)* was assessed in Assessment report 19 published in November 2009 and *Business Register and Employment Survey (BRES)* was assessed in Assessment report 73 published in December 2010⁷⁸. The remaining seven sets of statistics in this assessment being re-assessed are: *Labour Market Statistics (LMS)*, *Regional Labour Market Statistics (RLMS)*, *Public Sector Employment (PSE)*, *Civil Service Statistics (CSS)*, *Labour Disputes – Annual Article (LD)*, *Working and Workless Households (WWH)* and *Workless Households for Regions across the UK (WHR)*, which were assessed in Assessment report 34 published in March 2010. They have all been re-assessed as part of the Statistics Authority’s ongoing programme of re-assessment.

A4.2 Assessment reports 19, 34 and 73 identified the following Requirements in relation to the statistics being re-assessed here:

Assessment report 19:

- | | |
|----------------------|---|
| Requirement 1 | Publicise the date that <i>AWE</i> will replace <i>AEI</i> as early and as clearly as possible. |
| Requirement 2 | Ensure that <i>AWE</i> is published with commentary, analysis and supporting information that meets user needs and is at least of equal standard to that currently published alongside <i>AEI</i> . |

Assessment report 34:

- | | |
|----------------------|--|
| Requirement 1 | Communicate clearly the falling response rates on the Labour Force Survey and the implications for data quality. |
| Requirement 2 | Make short-term improvements to ONS’s website, for example to aid navigation around the various labour market outputs, and publish plans for future improvements. |
| Requirement 3 | Analyse users’ views about the recently revised <i>Labour Market Statistics Bulletin</i> , and the other labour market outputs, to ensure their relevance and clarity of presentation. |
| Requirement 4 | Take appropriate steps to deposit business survey data with the relevant national archive. |
| Requirement 5 | Ensure all releases are issued at 9.30am on the day of release. |

⁷⁸ <http://www.statisticsauthority.gov.uk/assessment/assessment/assessment-reports/index.html>

Requirement 6 Review the list of those with pre-release access to the labour market statistics, with a view to reducing it in time for the April *Labour Market Statistics Bulletin*.

Requirement 7 Publish a Statement of Administrative Sources.

Assessment report 73:

Requirement 1 Take steps to develop a greater understanding of the use made of the statistics; publish the relevant information and assumptions, and use them to better support the use of the statistics.

Requirement 2 Produce consistent historical data where possible and include information on quality.

Requirement 3 Include factual information about the policy or operational context of these statistics.

Requirement 4 Ensure that technical terms are explained in the release.

Requirement 5 Publish records of those who have pre-release access to the statistics prior to release.

Requirement 6 Ensure that all releases are issued at 9.30am on the day of release.

A4.3 The Statistics Authority confirmed the National Statistics designation of these statistics in three letters to ONS on 25 May 2010⁷⁹ for Assessment report 19, 16 December 2011⁸⁰ for Assessment report 34 and 2 April 2012⁸¹ for Assessment report 73.

A4.4 One of the Requirements within this report relates to an aspect of *Code* compliance that resulted in a Requirement in each of Assessment reports 19, 34 and 73. This is:

Requirement 4 Improve the commentary in the LM statistical reports so that it aids user interpretation of the statistics (para 3.10).

⁷⁹ <http://www.statisticsauthority.gov.uk/assessment/assessment/assessment-reports/confirmation-of-designation-letters/letter-of-confirmation-as-national-statistics---assessment-report-19.pdf>

⁸⁰ <http://www.statisticsauthority.gov.uk/assessment/assessment/assessment-reports/confirmation-of-designation-letters/letter-of-confirmation-as-national-statistics---assessment-reports-34--45--47--65--68--80--87--94--103--104-and-109.pdf>

⁸¹ <http://www.statisticsauthority.gov.uk/assessment/assessment/assessment-reports/confirmation-of-designation-letters/letter-of-confirmation-as-national-statistics---assessment-reports-73--105--118--137-and-152.pdf>

A4.5 Requirement 2 of Assessment report 19, Requirement 3 of Assessment report 34 and Requirements 3 and 4 of Assessment report 73 each relate to improving the clarity of the presentation of the statistics and improving the associated commentary. ONS has made improvements to the presentation of the LM statistical reports, aiming to make the information clearer for non-expert users. It supports the main releases of LM statistics with summary infographics and videos⁸² to help explain the statistics. However the LM reports tend to focus on the recent changes in the estimates and most include little information about the wider context of the statistics, or explanations to help the reader understand the patterns shown by the statistics, leading to Requirement 5 and Suggestion 4 in this report.

⁸² <http://www.ons.gov.uk/ons/taxonomy/index.html?nscl=Labour+Market>

