

Assessment of compliance with the Code of Practice for Statistics

UK employment and jobs statistics

(produced by the Office for National Statistics)

Office for Statistics Regulation

We provide independent regulation of all official statistics produced in the UK. Statistics are an essential public asset. We aim to enhance public confidence in the trustworthiness, quality and value of statistics produced by government.

We do this by setting the standards they must meet in the [Code of Practice for Statistics](#). We ensure that producers of government statistics uphold these standards by conducting assessments against the Code. Those which meet the standards are given National Statistics status, indicating that they meet the highest standards of trustworthiness, quality and value. We also report publicly on system-wide issues and on the way statistics are being used, celebrating when the standards are upheld and challenging publicly when they are not.

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Executive Summary

Judgement on National Statistics Status

- ES.1 Since we undertook the main analysis to produce this assessment, the COVID-19 outbreak has had dramatic impacts on the UK economy and labour market. ONS has responded in an agile way to these developments, particularly by seeking to move away from face-to-face collection of responses to the Labour Force Survey. We highlight the impact of COVID-19 on these statistics where relevant in this report.
- ES.2 We identified a number of actions for the Office for National Statistics (ONS) to further enhance the public value, quality and trustworthiness of the UK employment and jobs statistics, as described in chapters one to three of this report. Fulfilling the requirements of this assessment will ensure that these statistics can continue to be designated as National Statistics. It is the statistics producer's responsibility to maintain compliance and to improve the statistics on a continuous basis.

Key Findings

Public Value

- ES.3 ONS's employment and jobs statistics are key economic indicators that are essential for understanding the patterns and dynamics of the UK labour market. They are used widely by a variety of users and there is huge public interest in these statistics. We found strong evidence that ONS collaborates closely and engages effectively with users and stakeholders. Users that we spoke to during this assessment highlighted a range of uses, including producing official forecasts of employment and jobs, development of local government policy, and researching the dynamics of the labour market. The UK labour market has changed dramatically since the financial crisis in 2008: employment has reached record highs and unemployment is close to record lows.
- ES.4 Current subjects of interest reflect the need for information on how the labour market is changing. For instance, there is demand for good quality data on self-employment, measures of job quality, vacancies, and data on emerging industries and sectors; users we spoke to confirmed these data gaps. To ensure that the statistics keep pace with the changing labour market, and meet user needs for data and insight, ONS should work closely with users to understand their data needs and identify potential solutions to filling data gaps, including the use of alternative data sources. We welcome that ONS has committed to publishing a number of short articles on different aspects of the labour market that are particularly relevant to the COVID-19 situation. ONS should also explore opportunities for including further analysis on a range of topics identified by users.
- ES.5 Users told us they would like to see more discussion in the statistical bulletins of the changes from one time period to the next, reasons for the changes, and the statistical uncertainty around the changes. Currently, uncertainty is not fully reflected in the messaging in the bulletins, which means that users might jump to the conclusion that the numbers in the bulletins and tables are precise. ONS produces a range of additional analysis and insight on employment and jobs, but users must look in different places to find this insight. To help users better understand trends in employment and jobs, ONS should expand the commentary to explain changes and integrate information on uncertainty and draw together analysis to tell a joined-up story of employment and jobs.
- ES.6 Access to HMRC's Pay As You Earn (PAYE) Real-Time Information (RTI) data offers ONS huge potential to enhance the value of the statistics, potentially replacing some of its employment surveys and allowing for more-detailed estimates of employment and jobs and ONS should focus its efforts on understanding this data source and harnessing the insights

it provides. To help maximise the value of these new data, ONS should develop a plan for how it intends to integrate the RTI data with existing survey data.

Quality

- ES.7 One of the main strengths of the employment and jobs statistics is that they are consistent over time and comparable across geographical areas; ONS follows internationally agreed definitions and methods. However, coherence of some data sources could be improved. For example, users told us there are discrepancies between the Labour Force Survey (LFS) and Annual Population Survey (APS) data, and differences in local employment growth between estimates from the Business Register and Employment Survey and data on businesses in the Cambridge and Peterborough combined authority area. To enhance the coherence of the statistics, ONS should lead collaborative work to understand and mitigate divergences and be more curious in seeking alternative data sources to enhance the quality of the statistics. To minimise potential errors and ensure that the estimates produced are robust, ONS should prioritise and invest in the development of a better, centrally supported platform for producing the headline employment statistics from the LFS and APS.
- ES.8 The COVID-19 outbreak is having a dramatic impact on the way that LFS and APS data are collected. ONS has ensured that it is able to transition from face-to-face interviews to telephone capture for the LFS so that it can continue to collect employment data. To protect respondents and its interviewer workforce, it has also revised its field practices. We have been impressed by the agility and pragmatism of ONS in its response to COVID-19. We encourage ONS to do what it can to ensure that users are fully informed of the latest developments, and the implications for the use of the statistics.
- ES.9 Like other household surveys, the response rate for the LFS has been steadily declining. Many users we spoke to raised concerns about this issue; in particular, whether the estimates it provides are still sufficiently unbiased. The labour market statistics team should continue to work closely with the ONS survey delivery team to monitor and address this issue, especially in light of the potential impact of COVID-19.
- ES.10 Overall, the quality assurance arrangements are proportionate and well-established, and often involve internal and external stakeholders, but the processes for administrative data could be improved. We encourage ONS to use our Quality Assurance of Administrative Data (QAAD) framework routinely as part of its analysis and monitoring of public sector employment and workforce jobs administrative data, to reassure itself and the statistics users of the level of quality at all stages, and to enhance relationships with data suppliers.
- ES.11 Generally, published quality and methods information is clear and helpful, covering all aspects of quality, but there are several ways in which ONS should enhance the accessibility of this information. For instance, to improve understanding and encourage use of the different data sources ONS should consider producing an overarching guide or quality and methods document that explains all the labour market data sources, and helps users know which data source to use to answer specific questions.

Trustworthiness

- ES.12 The labour market lead statistician is involved in decision-making in matters related to the employment and jobs statistics and data. ONS statisticians challenge inappropriate use of the employment and jobs statistics and publicly defend the estimates; for example, an article in the Independent newspaper by a member of the ONS labour market team debunked common myths about the statistics. In general, however, we would like to see more active and ambitious leadership from ONS to drive forward improvements to the statistics. It should be making a stronger case for prioritising developments and using its initiative to enhance the quality and value of the statistics.
- ES.13 There was evidence that developments to the employment and jobs statistics have been considered lower priority, when prioritised relative to those of other ONS economic statistics. We also heard that the labour market statistics team takes on the responsibility

for more and more outputs from the ONS public policy team, but it does not receive extra resource to produce them. To ensure that the statistics continue to add value and meet the needs of users, ONS should dedicate enough resources to, and sufficiently prioritise, the development of the employment and jobs statistics and ensure that the labour market statistics team is adequately resourced to publish all its outputs.

- ES.14 ONS has for some time been planning to transform the way it collects employment and jobs data (unrelated to its COVID-19 response as outlined in ES.7) – including transitioning the LFS to a mixed mode survey – but there is little information in the public domain about these plans. In response to COVID-19 ONS will be implementing these plans earlier than originally planned. To keep users informed of upcoming changes to the LFS and to enhance the transparency of its plans, ONS should publish regular updates, including a timetable, about the LFS transformation programme and other statistical developments.
- ES.15 Most users that we spoke to valued ONS’s independence and praised it for presenting statistics impartially and objectively. They highlighted labour market statisticians’ professionalism and knowledge and emphasised the importance of timely and current information on the UK labour market. We welcome that ONS removed pre-release access to the employment and jobs market statistics.

Next Steps

- ES.16 The requirements described in Tables 1 to 3 of this report vary in scope and scale, and some will take longer to implement than others. For example, requirement 1 (ensure that the statistics keep pace with the changing labour market and meet user needs for data and insight) is quite broad and will take longer to implement than requirement 9 (enhance the clarity and accessibility of the quality and methods information). There are also some requirements with external dependencies, for example requirement 7 (to enhance the quality of the Business Register and Employment Survey (BRES) statistics and support user understanding of methods).
- ES.17 As explained in ES.7, the way that ONS collects employment data has undergone rapid change in response to COVID-19. We recognise that there may be additional challenges for ONS in meeting some of our Requirements due to the impact of this. We propose ONS report back to OSR on how it has met or made sufficient progress on the Requirements by March 2021, with formal updates in-between on a quarterly basis. We encourage ONS to keep OSR abreast of the latest developments around COVID-19, so that flexibility can be built into the timetable and Requirements adjusted as needed. In the meantime, ONS should publish an action plan which sets out its proposals for addressing the Requirements.

Chapter 1: Public Value

Introduction

- 1.1 Value means that the statistics and other numerical information are accessible, remain relevant and benefit society; helping the public to understand important issues and answer key questions.
- 1.2 Value is a product of the interface between the statistics or other numerical information and those who use them as a basis for forming judgements.

Findings

The employment and jobs statistics are widely used key economic indicators

- 1.3 The employment and jobs statistics are well-established key economic indicators that are essential for understanding the patterns and dynamics of the UK labour market. They are used widely by a variety of users, for example within UK Government and by the Bank of England to develop and monitor government policies. There is huge public interest in these statistics; the monthly estimates are always reported and scrutinised by the media and economic commentators. Other main users include businesses, devolved and local government and researchers. Users that we spoke to as part of this assessment highlighted a range of uses, including:
 - Understanding trends in employment and jobs
 - Producing official forecasts of employment and jobs
 - Formation and monitoring of policy by central government, assemblies and trade unions
 - Development of local employment policies and strategies
 - Research into the dynamics of the labour market, long-term health conditions and migration
 - Producing official statistics on related topics such as labour productivity and workplace health and safety
 - Producing media reports
 - Producing internal briefings and reports
- 1.4 ONS produces a wide range of official statistics on employment and jobs (see also Annex 1). Collectively, these statistics provide insights into the world of work in the UK.
 - The UK headline estimates of employment, unemployment and economic inactivity come from the Labour Force Survey (LFS), the largest household survey in the UK
 - The Annual Population Survey (APS) provides more-granular estimates of employment in Great Britain by combining data from several waves of the LFS with local boosts in England, Scotland and Wales
 - The Business Register and Employment Survey (BRES), a survey of businesses, is the official source of UK employee and employment estimates by detailed geography and industry
 - Estimates of people employed in the public and private sectors in the UK come from the Quarterly Public Sector Employment Survey and administrative data sources
 - ONS's preferred measure of short-term employment change by industry is 'workforce jobs', which draws on a range of survey and administrative data to provide an estimate of the number of jobs in the UK
 - Estimates of the number of vacancies in the Great Britain (GB) come from the Vacancy Survey

- ONS also produces statistics on the number of working days lost and the number of workers involved in strike action

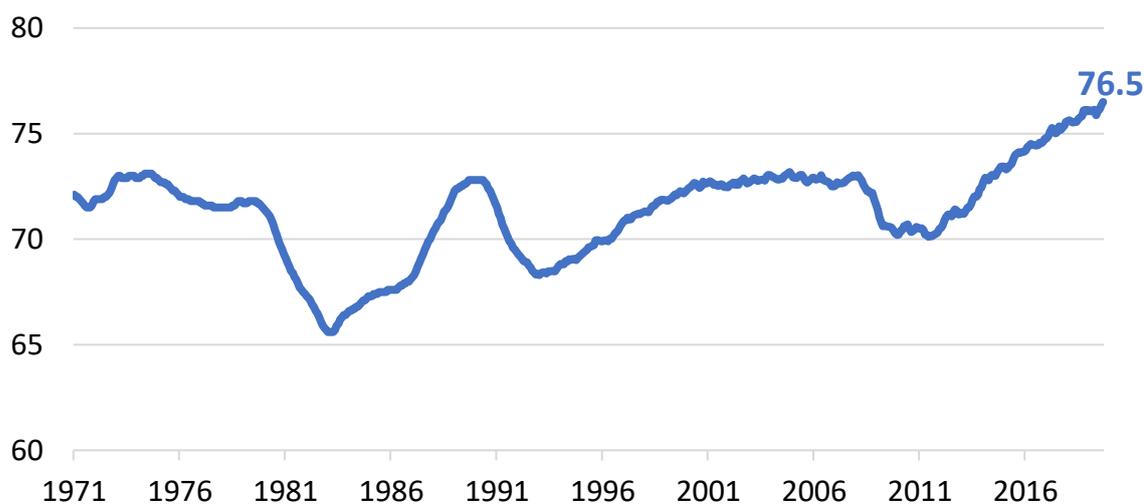
1.5 Income and earnings are another important dimension of the labour market. These statistics, also produced by the ONS labour market statistics team, are not included in this assessment as we have reviewed these topics in-depth through other regulatory work, including a [systemic review of their accessibility and coherence](#).

The UK labour market has changed dramatically since the 2008 financial crisis

1.6 Since 2012, the UK has experienced a consistent rise in employment: in October to December 2019, the UK employment rate was estimated to be 76.5%, the highest figure since comparable records began in 1971 (Figure 1). At the same time, unemployment has dropped sharply: in October to December 2019, the UK unemployment rate was estimated to be 3.8%, close to the record low. The labour market has become much more flexible: much of the growth in employment since 2008 has been in self-employment, part-time work and zero-hours contracts. The type of jobs that people are doing is also different: since 2008, the majority of employment growth has been in professional roles (particularly in business and health), while the number of people working in finance, construction and wholesale and retail has decreased¹. More recently, the COVID-19 outbreak is already having significant effects on the UK labour market, which are likely to go beyond the short-term.

Figure 1. The estimated employment rate has reached a record high of 76.5%

UK employment rate (%), aged 16 to 64 years, seasonally adjusted, January to March 1971 to October to December 2019



Source: Labour Force Survey, ONS

Current developments and remaining gaps

1.7 To capture these short- and long-term changes in the labour market, the employment and jobs statistics must be agile and be able to adapt to a changing environment. This is particularly important now that COVID-19 has caused an unprecedented challenge to the labour market and wider economy; the public will need statistics to help understand the scale and nature of the changes. We welcome that ONS has committed to publishing a number of short articles on different aspects of the labour market that are particularly relevant to the COVID-19 situation, starting with [Coronavirus and employment for those](#)

¹ Resolution Foundation analysis of Labour Force Survey data, from the January 2019 report [Setting the record straight: How record employment has changed the UK](#).

[aged 70 years and over in the UK: October 2018 to September 2019](#) and [Coronavirus and homeworking in the UK labour market: 2019](#) published on 24 March.

- 1.8 Other subjects of interest that users told us about, prior to the COVID-19 outbreak, reflect the need for information on how the labour market is changing. For instance, there is demand for good quality data on self-employment, measures of job quality, breakdowns of participation of non-UK Nationals in the labour market, and data on emerging industries and sectors; users we spoke to confirmed these data gaps. There are some promising recent examples where ONS is addressing known gaps and delivering new data to meet user needs, for example for measures of job quality (see 1.11), but in other areas, such as vacancies (see 1.9), a lot more work remains. To ensure that the statistics keep pace with the changing labour market and reflect the current nature of employment, ONS should work closely with a range of users to understand their data needs and to identify potential solutions to filling data gaps, including the use of alternative data sources (Requirement 1a).
- 1.9 Currently, there are no regional and local statistics on the number of vacancies, and users we spoke to identified a pressing need for this information. The number of vacancies is an important indicator of the labour market because it reflects how well the labour demand is matching the labour force. The Vacancy Survey provides estimates only at the GB level, and this is not meeting user needs. Instead, users are turning to other sources of information, such as data from online aggregators and web-scraping, that provide more granular information on the number of vacancies. ONS told us it is exploring the use of web-scraping of jobs search engine data to provide more granular vacancy estimates. To meet user demands for data and insight on vacancies, ONS needs to prioritise this development work (Requirement 1b).
- 1.10 The APS is one of the most valuable sources of information on the UK labour market. It provides robust sub-national estimates of employment, which are essential for decision-making and policy development at the regional and local authority level. Both ONS labour market statisticians and users, particularly those in the Devolved Administrations, raised serious concerns with us about ongoing funding for the APS. Currently, ONS funds only part of the survey, with the remainder funded through boosts from the Devolved Administrations and UK government departments. Last year, there was a large gap in the funding that ONS had to fill. It is currently looking at introducing a secure central funding model – one less dependent on multiple sources of funding – but this will take time to implement and future funding is still uncertain. The lack of funding for the APS poses a substantial risk to the relevance and insight of ONS’s employment and jobs statistics, as well as those produced by others such as the Devolved Administrations. To ensure that ONS and others can capture, understand and comment on trends in sub-national labour markets, ONS should work closely with funders and partners to continue the APS (Requirement 1c).
- 1.11 The quality of work is an important dimension of employment and there is increasing demand for [measuring good work](#). ONS is working closely with key stakeholders, including the Department for Business, Energy and Industrial Strategy (BEIS) and the Carnegie UK Trust, to develop new survey questions that aim to collect data on different aspects of job quality, and in January 2020 it introduced two new questions to the APS. Some data on job quality is already available from existing LFS/APS questions. In December 2019, the cities and regions statistics team in ONS published the [first experimental statistics](#) on job quality indicators in the UK, which presented an exploratory analysis of hours, earnings and contract information from the APS. We welcome this detailed and insightful analysis and encourage the labour market statistics team to collaborate with other teams in ONS to produce more such outputs as more job quality statistics and data become available. The labour market statistics team should integrate, as far as possible, the job quality indicators with other measures of the labour market, to produce a single, coherent narrative of employment and jobs.

- 1.12 ONS now publishes [experimental model-based single-month estimates](#) from the LFS alongside the main single-month LFS estimates (which are official statistics). They are derived from a 'state-space model', which aims to remove identifiable survey design effects, including seasonality, to produce robust monthly estimates of employment, unemployment and economic inactivity. We welcome these new statistics and encourage ONS to continue to prioritise this work, update users on progress, and clearly explain the strengths and limitations of the state-space model approach. To enhance accessibility of the single-month estimates to a wide range of users, ONS should signpost these clearly across its outputs.
- 1.13 Users we spoke to identified needs for further analysis of existing data on a range of topics, including underemployment, labour market flows, gender identity, insecure work and social inclusion. To enhance the insight and relevance of the statistics, ONS should explore opportunities for including analysis on these topics (Requirement 1d).

Access to HMRC's Pay As You Earn (PAYE) Real-Time Information (RTI) data gives ONS a huge opportunity to enhance the value of the employment and jobs statistics

- 1.14 ONS expects to receive access to the record-level RTI data in early 2020. Because it covers employment and earnings of all paid employees on the PAYE system, it is one of the most important and valuable administrative labour market data sources, allowing for more detailed estimates of employment and jobs. The labour market statistics team told us that the RTI data may eventually replace some of its employment surveys, including the Quarterly Public Sector Employment Survey (used to produce the public sector employment estimates) and the Short-Term Employment Surveys (which provide the employee jobs component of the workforce jobs estimates) because most employee jobs are captured in the RTI data. It may also affect how BRES is run, through improved completeness and coverage of the Inter-Departmental Business Register (IDBR).
- 1.15 We welcome ONS's public commitment to exploring the potential of the RTI data; for example, in a December 2019 [blog post](#), it wrote that it will be "investigating how the RTI data could be integrated with survey data to improve the timeliness and coverage of the some of the main labour market indicators". Given the enormous potential benefits of the RTI data, including reduced burden on ONS and survey respondents, ONS should focus its efforts on understanding this data source and harnessing the insights it provides on employment and jobs, for example flows within the labour market. To maximise the value of these new data, ONS needs to develop and publish a plan for how it intends to integrate the RTI data with existing survey data (Requirement 2). It should also regularly update users on progress, involve them in the development of new statistics, and explore opportunities for linking RTI data with other data sources to better understand the dynamics of the UK labour market.
- 1.16 In December 2019, ONS published [new experimental estimates](#) of employees and earnings based on the RTI data. It followed initial work by HMRC to produce quarterly estimates. ONS and HMRC worked closely together to develop the new methods, allowing them to produce monthly statistics and remove the effects of seasonality in the data. ONS told us that it will continue to work with HMRC to further improve the data and the level of detail that can be made available, such as smaller geographic areas. We welcome this collaborative approach to developing new statistics that provide further insight.

Explaining changes and drawing together analysis to tell a clear story

- 1.17 ONS produces a variety of statistical bulletins covering trends in employment and jobs. In general, the structure and flow of individual statistical bulletins are good, and the visualisations are clear, supporting interpretation of the statistics. However, the commentary in the bulletins is largely descriptive and does not add as much explanation or insight as it could. While many users told us they are broadly happy with the bulletins, they also pointed out that they would like to see more discussion of the changes from one time period to the next, the reasons for the changes, and the statistical uncertainty around the changes. Generally, the headline estimates change little from one month to the next, and comparisons over longer time periods are more meaningful.

- 1.18 Currently, uncertainty is not fully reflected in the messaging and visualisations in the labour market bulletins. Some users told us that ONS presents the labour market estimates as though there is no error associated with them. This means that readers might jump to the conclusion that the numbers in the bulletins and tables are precise, when in fact there is always a margin of error associated with an estimate (which can be large)². To help users better interpret trends in employment and jobs, the labour market statistics team should integrate information on uncertainty and explain reasons for changes to put them into context (Requirement 3a). It should also support statistics teams in the Devolved Administrations with integrating information on uncertainty into their labour market outputs.
- 1.19 ONS produces a range of articles on specific topics related to employment and jobs. This includes the labour market [economic commentary](#) that is published alongside the monthly statistical bulletins. It provides additional analysis of the latest headline statistics and long-term trends, usually taking a 6 to 18-month perspective and discussing in-depth the key trends in employment and jobs. Users told us they value this commentary. However, it means that users must look in different places to find insight, and some users may miss it. We welcome that ONS is currently reviewing the role that its economic commentary plays in the presentation of a statistical narrative. The labour market statistics team should draw together analysis to tell a joined-up story of employment and jobs and consider integrating the economic commentary analysis into the labour market bulletins (Requirement 3b). To guide development of the bulletins ONS should engage with users.

ONS collaborates closely and engages effectively with users and stakeholders

- 1.20 We found examples of effective collaboration between the labour market statistics team and stakeholders to shape data collection and development of the statistics. Within ONS, the labour market statistics team hold 'curiosity meetings' to discuss the latest data and to decide on key messages for the statistical bulletins, and these are well attended by statistics teams and economist teams.
- 1.21 ONS told us it has worked hard to improve its relationship with stakeholders in the Devolved Administrations, and we found strong evidence of this. The Devolved Administrations attend a quarterly steering group where updates and progress on work are discussed. They all said there is good engagement in-between these meetings and NISRA spoke very highly of ONS; for instance, ONS helps the team review seasonal adjustments for estimates from the Northern Ireland Quarterly Employment Survey. To help focus ONS's improvement actions it should involve stakeholders in the Devolved Administrations early on in all statistical developments, including changes to the release of the statistics.
- 1.22 Stakeholders across government are involved in the LFS steering group. They were very positive about the forum, which meets every six months to discuss changes to survey questions and other aspects of data collection. They told us the meetings are productive and well-documented.
- 1.23 ONS holds regular bi-laterals with other government departments and users, including the Department for Work and Pensions (DWP), HM Treasury, the Department for Business, BEIS and the Bank of England. It engages with local government through the Central Local Information Partnership (CLIP), a forum that brings together central and local government to discuss data and evidence for policy development, monitoring and reporting. We found evidence of ONS's commitment to local government users through the implementation of changes based on feedback; for example, ONS made methodological changes to BRES based on CLIP feedback. At the international level, ONS has been involved and engaged through Eurostat task forces and working groups.
- 1.24 Recently, ONS has invited a wider audience, including non-government users, to events including a household income statistics event and the Labour Force and Annual Population Surveys User Conference, where ONS presented on various topics, provided updates and

² For a discussion of communicating uncertainty, see the work by the [Winton Centre for Risk and Evidence Communication](#) at the University of Cambridge.

encouraged user feedback. Attendees all spoke of how helpful and engaged ONS is when they are asked to share data, enabling users to conduct their own research. To ensure the statistics meet the needs of all users, ONS should continue to engage as widely as possible.

Accessibility of the statistics and data is good but ONS should improve its website

- 1.25 The headline employment and jobs statistics are freely available to all users online via the ONS website. Expert users find the ONS website easy to navigate. For example, they told us they like the four-letter dataset ID code as it allows them to quickly locate the latest data for a specific time series. However, the website is less accessible and user-friendly for lay users. Some users mentioned that people who do not access the website on regular basis might struggle to find the information they need because they are not sure which statistics and data are available, the level of detail available, and which statistics to use to answer specific questions (see also 2.23). To enhance the accessibility and use of the statistics, the labour market statistics team should improve signposting of related the employment and jobs statistics across the website and consider developing practical guidance for users (Requirement 4). The Devolved Administrations produce their own labour market analysis and outputs; to help users easily access analysis on regional and local trends in employment and jobs, ONS should also signpost these clearly.
- 1.26 From February 2019, ONS changed the format of the main labour market bulletins, moving from a single bulletin to a short overview bulletin ([Labour Market overview, UK](#)) and three separate thematic bulletins ([Employment in the UK](#), [Jobs and vacancies in the UK](#), and [Average weekly earnings in Great Britain](#)). This was the result of user research by ONS's digital publishing team which showed that users spent less time on the single labour market bulletin than the time needed to read it. The new format was implemented to make the figures easier to find and present the story in a more accessible format. ONS has updated the presentation of BRES statistics in a similar way. Many users we spoke to prefer the new format; they think it splits the content into useful chunks and that the thematic commentary is valuable for non-statisticians. We welcome ONS's user-driven approach to enhancing the presentation and accessibility of its statistics.
- 1.27 Users of the labour market data told us they like the structure and content of the data tables published alongside the statistical bulletins. They said the tables are well-laid out, informative and helpful for writing briefings. It is straightforward to access the data tables associated with a given output but not all bulletins include descriptions of, or prominent links to, the key data tables. To strengthen the link between the data and the bulletin commentary, we encourage ONS to add this information to all bulletins and, where possible, to signpost the relevant data tables throughout the bulletins. This would enhance the accessibility of the data tables, particularly for bulletins with many associated data tables, such as the labour market overview or the regional labour market statistical bulletin.
- 1.28 Regional-, constituency- and local-authority level data from the APS and BRES are available through NOMIS, a dedicated website funded by ONS and hosted by the University of Durham. Users told us that NOMIS is a useful tool for accessing local data. NOMIS has several features that enhance the accessibility of the data, such as an API which allows users to quickly download the data they need. NOMIS is an excellent platform that adds value for users, and we encourage ONS to continue to fund and support it. The UK Data Archive provides access to LFS microdata (for approved researchers) and non-disclosive LFS datasets (for public access), which encourages reuse of the data.

Table 1: Value – Findings and Requirements

Findings	Examples	Requirement
There are important gaps in data and insight that ONS needs to fill	<ul style="list-style-type: none"> Users highlighted several data gaps, including self-employment and job quality There are no regional and local statistics on the number of vacancies This year, there was a large gap in the funding for the APS that ONS had to fill Users identified needs for further analysis on topics like underemployment and insecure work 	<p>1 To ensure that the statistics keep pace with the changing labour market, and meet user needs for data and insight, ONS should:</p> <ol style="list-style-type: none"> work closely with a range of users to understand their data needs and to identify potential solutions to filling data gaps, including the use of alternative data sources prioritise work on exploring alternative data sources to generate more granular estimates of vacancies work closely with funders and partners to continue the APS explore opportunities for including analysis on a range of topics highlighted by users
ONS should be transparent about its plans for HMRC's RTI data	<ul style="list-style-type: none"> ONS should focus its efforts on understanding the RTI data and harnessing the insights it provides 	<p>2 To maximise the value of these new data, ONS needs to develop and publish a plan for how it intends to integrate the RTI data with existing survey data.</p>
ONS should enhance the value of the statistics by explaining changes and drawing together analysis to tell a clear story	<ul style="list-style-type: none"> Users said they would like to see more discussion of the changes from one time period to the next, reasons for the changes, and the uncertainty around the changes Users must look in different places for insight about the labour market, and some users are likely to miss important commentary 	<p>3 To maximise insight and help users better understand trends in employment and jobs, the labour market statistics team should:</p> <ol style="list-style-type: none"> integrate information on uncertainty and explain reasons for changes to put them into context draw together analysis to tell a joined-up story of employment and jobs and consider integrating the economic commentary analysis into the labour market bulletins
ONS could enhance accessibility of the statistics and data	<ul style="list-style-type: none"> Lay users might struggle to understand which statistics and data are available, the level of detail available, and which statistics to use to answer specific questions. 	<p>4 To enhance the accessibility and use of the employment and jobs statistics and data, the labour market statistics team should improve signposting of related statistics across the website and consider developing practical guidance for users.</p>

Chapter 2: Quality

Introduction

- 2.1 Quality means that the statistics and numerical information represent the best available estimate of what they aim to measure at a particular point in time and are not materially misleading.
- 2.2 Quality is analytical in nature and is a product of the professional judgements made in the specification, collection, aggregation, processing, analysis, and dissemination of data.

Findings

The statistics and data are consistent over time and comparable across geographical areas

- 2.3 ONS follows the internationally agreed definition of employment, set by the International Labour Organisation (ILO); employed people are defined as those who “are aged 16 and over and who did one hour or more of paid work per week”. A common misconception is that defining employment as someone who works one hour a week has had a big impact on the total employment figures. However, this is not the case, and these people do not account for the recent surge in the number of people in employment. In response to such claims, ONS has recently published an article debunking common myths about the statistics (see 3.4).
- 2.4 There are similar internationally agreed definitions of unemployment of economic inactivity. These definitions are explained clearly in the statistical bulletins and the [Guide to labour market statistics](#); for instance, it highlights the difference between employment and jobs (the number of people in employment is not the same as the number of jobs because a person can have more than one job). ONS started collecting quarterly figures using the ILO definition of employment from 1992 and back-calculated historic data from 1971-1992. Most other countries also use the ILO definitions. This means that the data going back to 1971 are consistent and allow for meaningful comparisons, both over time and with other countries. Users told us this one of the main strengths of the employment and jobs statistics.

Coherence of data sources could be improved

- 2.5 There are known discrepancies between employment estimates from the LFS and APS. Welsh Government shared with us some analysis of trends in employment rate, unemployment rate and inactivity rate between 2004 and 2019. The data show the same trend over that time period, but there is a persistent difference in the employment rate and inactivity rate in Wales. Welsh Government repeated the analysis for other regions and found that most regions show a similar pattern. ONS told us it has not done its own analysis of the discrepancies between the headline estimates from the LFS and APS. To enhance the coherence of statistics, the labour market statistics team should lead collaborative work to understand and mitigate divergences and explain to users the nature, scale and drivers of discrepancies (Requirement 5a).
- 2.6 Cambridge Ahead, using research conducted by Cambridge University’s Centre for Business Research, approached ONS in 2018 to discuss the alternative model it had developed for estimating employment growth in the Cambridge and Peterborough combined authority area; its results gave a higher rate of growth for parts of the Cambridge and Peterborough area than those derived from BRES. ONS acknowledged that there was an opportunity for some useful triangulation and is currently doing some reconciliation work which may help provide assurance on the quality of the BRES estimates or provide opportunities to improve them. To enhance quality and coherence of the BRES statistics,

we encourage the labour market statistics team to be more curious and seek out opportunities to use alternative data sources to quality assure the data (Requirement 5b).

COVID-19 impact on data collection

2.7 COVID-19 is having a dramatic impact on the way that LFS and APS data are collected. ONS has ensured that it is able to transition from face-to-face interviews to telephone capture for the LFS so that it can continue to collect employment data. This presents challenges; ONS does not have telephone numbers for all survey respondents, and it has adapted its initial respondent materials in an effort to collect as many numbers as possible. To protect respondents and its interviewer workforce, ONS has also revised its field practices, particularly for older/more vulnerable staff. We have been impressed by the agility and pragmatism of ONS in their response to COVID-19. We recognise these challenges and support ONS's work to maintain data quality while prioritising the protection of the health of survey respondents and the interviewer workforce during the crisis. We encourage ONS to do what it can do to ensure that users are fully informed of the latest developments, and the implications for the use of the statistics.

ONS is transforming the way it collects employment data

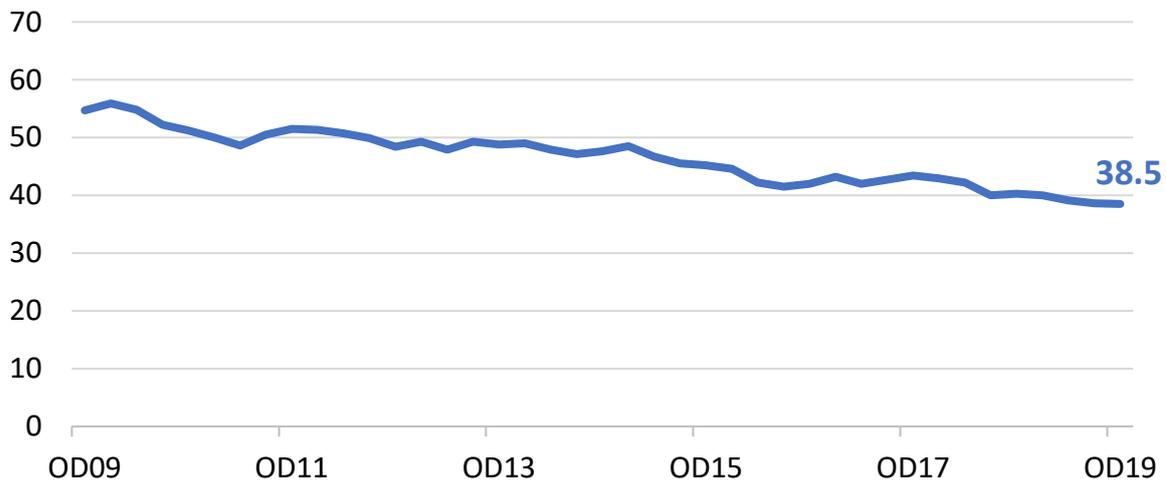
2.8 ONS has for some time been planning to transform the way it collects employment data, unrelated to its COVID-19 response. As part of the transformation of social surveys to an administrative data-based system, ONS plans to replace the LFS with an online-first, [mixed-mode Labour Market Survey](#) (LMS). The LMS involves a major re-design of the survey questions and is likely to have knock-on effects for other ONS economic statistics, including the estimates of labour productivity. As part of the response to the COVID-19 outbreak, ONS has accelerated the launch of the LMS to act as contingency for the existing LFS where face-to-face fieldwork has been paused and response rates are expected to dip significantly. ONS expects LMS to go live by the end of March 2020. Due to the urgency created by the COVID-19 situation and the pause to face-to-face fieldwork, the LMS will initially be online only. Exact plans are still to be finalised but ONS anticipates that further modes will be added in due course and that the LMS will be run in parallel with the LFS for at least six months to enable comparison of both datasets and assess potential impacts on data quality.

Limitations of the data and statistics

2.9 Like other household surveys, the response rate for the LFS has been steadily declining (Figure 2). Many users we spoke to raised concerns about this issue; in particular, whether the estimates it provides are still sufficiently unbiased. We have previously commented on the declining response rate in our [2017 compliance check](#) of the LFS, which focused on the reliability of estimates of non-UK nationals in the labour market. ONS publishes a detailed summary of trends in LFS response rates and achieved sample in the quarterly [LFS performance and quality monitoring report](#). The report discusses the potential impact of methodological changes on response rate, including respondent incentives and operational changes recently introduced by the ONS Social Survey Division (SSD). The labour market statistics team acknowledged the declining response rate is an ongoing issue and it is important for ONS to continue to monitor and investigate this, especially in light of the potential impact of COVID-19. It should work with SSD to address the issue and share any relevant information with users.

Figure 2. The LFS response rate continues to decline

LFS response rate (%), Great Britain, excluding imputed households*, October to December 2009 (OD09) to October to December 2019 (OD19)



Source: Labour Force Survey performance and quality monitoring report, ONS

*If a household (or someone within a household) is unavailable for interview but was interviewed in the previous survey wave (there are five waves in the LFS), responses from the previous wave are rolled forward. “Excluding imputed households” means that the figures do not contain responses that have been rolled forward.

- 2.10 In November 2017, ONS suspended publication of the disability employment figures based on the LFS and APS due to an apparent discontinuity between quarters; there was a much larger increase than in previous quarters. The dataset was stopped, and when it was reinstated in 2018, it had accompanying health warnings. ONS investigated the potential reasons for change, but there was no conclusive evidence that the increase was caused by a discontinuity in the data. ONS published [several updates](#) on the issue, but it should have been more transparent with users about the discontinuity when it first appeared. We welcome that ONS reinstated the dataset as soon as it was confident that there were no quality issues, but it needs to enhance the transparency and communication around such discontinuities if they occur in the future in order to maintain user confidence in the quality of its statistics.

Independent quality review of the LFS

- 2.11 The LFS went through a National Statistician’s Quality Review (NSQR) in 2013. The review concluded that the LFS enables the production of good quality estimates from the survey outputs, but also made several recommendations for improving the LFS design and procedures. ONS published [its response](#) to the review in March 2016 and [an update](#) on progress in February 2019. Many improvements have been made, including a range of continuous quality improvements on response rates, questionnaire design and providing data to meet user needs, and several methodology articles have been published. However, the progress update was published five years after the review, and many recommendations are yet to be completed or closed. To enhance the quality of the estimates from the LFS and ensure that the survey continues to meet user needs, ONS should work quickly to implement all remaining recommendations from the NSQR and signpost to users that this work has been completed.

ONS should put estimates of uncertainty upfront

- 2.12 ONS publishes 95% confidence intervals for most estimates in a data table alongside the statistics, and most bulletins contain a section on estimating and reporting uncertainty, with helpful information on sampling variability and guidance on interpreting changes over time. However, users told us they would like to see an indication of whether changes are 'real', explained in accessible way in the statistical bulletins. ONS should put information on uncertainty around the employment and jobs estimates upfront in statistical bulletins (see 1.18).

ONS should develop a more strategic platform for processing LFS and APS data

- 2.13 In general, estimation methods are well-established and ONS follows international guidelines. However, the ONS still uses an Excel-based data warehouse and workbooks to produce the employment estimates from the LFS and the APS, a solution which is not centrally supported. ONS told us this system is vulnerable to network issues and that it requires a lot of human input. It recognises it needs a more strategic and future-proof platform for processing data and producing statistics, and it has done some initial scoping work on how it could improve the LFS/APS systems. To minimise potential errors and ensure that the estimates produced are robust, ONS should prioritise and invest in the development of a centrally supported platform for producing the headline employment and jobs statistics (Requirement 6).

ONS should review and update BRES methods and processes

- 2.14 We identified several potential improvements to the BRES methods. The sample allocation for BRES was last reviewed 10 years ago. Sample re-allocation is important because of changes in the economy over time; the existing allocation may not reflect the current structure of the labour market. Therefore, ONS should review and update the sample allocation (Requirement 7a).
- 2.15 Analysis by BEIS of productivity estimates showed unusual differences between those obtained when employment was sourced from the Annual Business Survey (ABS) and BRES. This is due to an issue with the estimation methodology: employment size-band by business was not accounted for in the calibration weights for BRES. ONS is currently developing employment size-band calibration weights for BRES data and is aiming to complete the development work before the 2020 BRES results are published. We are pleased that ONS has responded positively to BEIS's feedback, and that it will be implementing the new weights soon. However, ONS has not been transparent about the limitations of the existing methods; the issue is not mentioned in the BRES statistical bulletin, Quality and Methods Information (QMI) document or data tables. ONS should implement the new size-band calibration weights as soon as possible and communicate all changes in methods to users (Requirement 7b).

ONS has a good relationship with most data suppliers

- 2.16 The labour market statistics team maintains a good working relationship with all ONS survey data delivery teams and engages with them as appropriate. For example, the LFS and APS delivery team sends pre-defined data tables to the statistics team in a timely manner, to enable it to process the data and prepare the statistical bulletins.
- 2.17 We are impressed with ONS's strong and constructive relationship with the statistics teams in the Devolved Administrations that deliver data. These teams attend the LFS and Labour Market Steering Group on a quarterly basis, and ONS has regular contact outside of these meetings to share knowledge and inform them of changes. Scottish Government statisticians said they work well with ONS and that they are informative and helpful. The LFS team in NISRA told us that "ONS couldn't be more engaged" and that it speaks to ONS on a weekly basis.
- 2.18 There is less engagement with suppliers of the administrative data that are used to produce estimates of public sector employment and workforce jobs. There are many different

relationships for ONS to maintain and the evidence we gathered through administrative data suppliers suggests that more investment in these relationships is required, as there is a lack of regular communication. We are concerned that this may impact the quality of the statistics (see 2.20).

Quality assurance arrangements are well-established but not for administrative data

- 2.19 Overall, the quality assurance arrangements are proportionate and often involve internal and external stakeholders. For example, the NOMIS team receives the APS data in advance to carry out data validation and checking before uploading data to the website. Scottish Government statisticians are involved in quality assuring the public sector employment data and statistics; they also receive the data in advance to conduct checks.
- 2.20 However, ONS needs to improve its understanding and documentation of quality issues of administrative data. We expect producers to publish information that helps users understand the strengths and limitations of the data, including the impact of data collection processes. The labour market statistics team should apply our [Quality Assurance of Administrative Data \(QAAD\) framework](#) as part of its analysis and monitoring of public sector employment and workforce jobs administrative data, to reassure itself and users of the level of quality at all stages of the production process (Requirement 8).

Clarity and accessibility of quality and methods information

- 2.21 ONS publishes a Quality and Methods Information (QMI) document for all main data sources (see Annex 1). For the LFS and APS it also produces a user guide and a range of ad hoc methodology articles. Generally, the QMI documents are clear and helpful and cover all aspects of quality. The [LFS user guide](#), which is updated annually, provides detailed information on the methods used to produce the LFS and APS estimates and contains practical guidance for users. For instance, in 2015 ONS added a new volume on which dataset to use when analysing LFS data, with scenarios and diagrams that support user understanding.
- 2.22 While the guide to labour market statistics provides a good overview of the key terms and definitions used, it is not a complete guide to the employment and jobs statistics. For instance, it does not cover BRES or public sector employment statistics. In general, there was a lack of awareness of BRES and workforce jobs statistics among the users we spoke to. To raise awareness of, and encourage greater use of, the range of employment and jobs statistics, the labour market statistics team should consider producing an overarching guide or quality and methods document that explains which statistics and data are available, the level of detail available, and which statistics should be used to answer specific questions (Requirement 9a).
- 2.23 Most quality and methods information is easily accessible to users and is highlighted in the relevant statistical bulletins, but some documents could be signposted more clearly. For example, the regional labour market statistical bulletin does not include a link to the APS QMI document (even though the APS is the main data source for the regional employment statistics), and the labour market overview bulletin does not include a link to the LFS user guide or recent methodological articles related to employees and employee types. There is a risk that users are missing useful updates that explain how the statistics are produced and provide information on quality. The labour market statistics team should signpost clearly relevant quality and methods information across all outputs (Requirement 9b).
- 2.24 Several QMI documents need a refresh: APS was last updated in 2012, BRES in 2014 and the Vacancy Survey in 2012, which means that some information is no longer current. To support user understanding of the quality of the data and statistics, the labour market statistics team should regularly update all quality and methods information to ensure that it reflects the latest developments to the statistics (Requirement 9c).

Table 2: Quality – Findings and Requirements

Findings	Examples	Requirement
ONS should ensure data sources are coherent	<ul style="list-style-type: none"> There is a discrepancy between the headline employment estimates from the LFS and APS ONS had an opportunity to triangulate BRES estimates with data on employment growth from Cambridge and Peterborough 	<p>5 To enhance the coherence of the employment and jobs statistics, the labour market statistics team should:</p> <ol style="list-style-type: none"> lead collaborative work to understand and mitigate divergences and explain to users the nature, scale and drivers of discrepancies be more curious in seeking out opportunities to use alternative data sources to quality assure the BRES data
ONS should ensure that the estimates are produced using robust methods	<ul style="list-style-type: none"> ONS still uses an Excel-based data warehouse and workbooks to produce the estimates 	<p>6 ONS should prioritise and invest in the development of a centrally supported platform for producing the key labour market statistics.</p>
ONS should review and update BRES methods and processes	<ul style="list-style-type: none"> The sample allocation method for BRES was last reviewed 10 years ago ONS is currently developing employment size-band calibration weights for BRES data 	<p>7 To enhance the quality of the BRES statistics and support user understanding of methods, ONS should:</p> <ol style="list-style-type: none"> review and update the BRES sample allocation implement the new size-band calibration weights as soon as possible and communicate all changes in methods to users
Quality assurance of administrative data should be improved	<ul style="list-style-type: none"> There is limited quality assurance of workforce jobs administrative data and quality assurance processes are not documented 	<p>8 To reassure itself and users of the quality of all the administrative data sources, the labour market statistics team should apply our Quality Assurance of Administrative Data (QAAD) framework.</p>
The clarity and accessibility of quality and methods information should be improved	<ul style="list-style-type: none"> The Guide to Labour Market statistics does not cover BRES or public sector employment statistics Some documents could be signposted more clearly Some quality and Methods Information (QMI) documents need to be refreshed 	<p>9 To enhance the clarity and accessibility of the quality and methods information, the labour market statistics team should:</p> <ol style="list-style-type: none"> explain which statistics and data are available, the level of detail available, and which statistics should be used to answer specific questions signpost clearly relevant quality and methods information across all outputs regularly update all quality and methods information

Chapter 3: Trustworthiness

Introduction

- 3.1 Trustworthiness means that the statistics and other numerical information are produced free from vested interest, based on the best professional judgement of statisticians and other analysts.
- 3.2 Trustworthiness is a product of the people, systems and processes within organisations that enable and support the production of statistics and other numerical information.

Findings

We found good examples of leadership but ONS should use its initiative to drive forward improvements to the statistics

- 3.3 The labour market lead statistician is involved in decision-making in matters related to the employment and jobs statistics and data, and all statistics are released under their guidance. For example, they influenced decisions about new LFS questions and the development of the new online LFS through representation on steering groups and working groups, including the Labour Force Survey Steering Group and the Measuring Job Quality Working Group.
- 3.4 Labour market statisticians challenge inappropriate use of the employment and jobs statistics and publicly defend the estimates. A good example of this is the June 2019 [article](#) in the Independent newspaper, written by a member of the labour market statistics team, which debunks common myths about the statistics, such as ‘the jobs figures are rigged by government’ and the lack of comparability of the figures. Similarly, an October 2019 National Statistical [blog post](#) challenged the idea that people who are economically inactive are in hidden employment. According to NatCen’s [survey of public confidence in official statistics](#) (produced for the UK Statistics Authority), public trust in ONS’s employment data and statistics is lower than trust in other statistics produced by ONS. Therefore, we encourage ONS to do more of this type of engagement to demonstrate statistical leadership, and to promote and build public confidence in the employment and jobs statistics.
- 3.5 In general, we would like to see more active and ambitious leadership from ONS to drive forward improvements to the statistics. The labour market statistics team was aware of many of the areas for improvement outlined in this report, and in some cases, the team raised these with us directly. ONS should be making a stronger case for prioritising developments (see below) and using its initiative to enhance the trustworthiness, quality and value of the statistics. This echoes findings from our systemic review of the accessibility and coherence of income and earnings statistics: ONS was slow to see the value of suggested improvements and has not yet implemented all recommendations from the review. The labour market statistics team should apply the lessons learned from the income and earnings review and use every opportunity available to improve the employment and jobs statistics and data.

ONS should commit enough resources to the production of the statistics

- 3.6 There was evidence that developments to the employment and jobs statistics have been considered lower priority, when prioritised relative to those of other ONS economic statistics. For example, the labour market statistics team told us that a review of the systems used to produce the LFS and APS estimates is long overdue (see 2.13). We recognise that ONS has deliberately focused recent economic statistics developments on the National Accounts and the Blue Book, and we welcome that labour market statistics are its next top priority. However, it means that ONS has recently missed opportunities to

enhance the quality of the employment and jobs statistics, with the associated risk that the statistics are not keeping track with changes in the labour market. To ensure that the systems and processes are robust and fit-for-purpose and the level of quality continues to meet user needs, ONS should dedicate enough resources to, and sufficiently prioritise, developments to the employment and jobs statistics (Requirement 10a). We appreciate that the response to the COVID-19 outbreak may influence statistical production and development beyond the lifespan of the outbreak, and that is likely to put additional strain on resources.

- 3.7 The labour market statistics team is not the only team in ONS that produces employment and jobs analysis and outputs: a public policy team produces analysis on current policy topics and an economist team is responsible for labour market economic commentary bulletins that are published alongside the monthly labour market statistics (see 1.19). The statistics team said it has a good relationship with both teams and that the current setup works reasonably well. But we also heard that the statistics team takes on more and more outputs from the public policy team as they become business-as-usual outputs, such as Children living in long-term workless households in the UK, and Sickness absence in the UK labour market. It does not receive extra resource to produce them, which puts pressure on the team to release everything on time and to a high standard. ONS should ensure the labour market statistics team is adequately resourced to publish all outputs (Requirement 10b). The team should continue to link up with other teams across ONS to generate insight about the labour market.
- 3.8 The labour market statistics team recently changed its statistics production model. Previously, there was a single point of contact for all labour market outputs; now, responsibility for statistical bulletins sits with the team that processes the data and produces the estimates. ONS told us the change was designed to improve the insight and relevance of the commentary, as individual teams have a more detailed understanding of the data and topic area. ONS also created a central, co-ordinating role that oversees stakeholder engagement and development and analysis of the statistics. We welcome that ONS has reviewed and redefined the roles and responsibilities of the teams, and that it has reflected on how the team structure can help maximise the value of the statistics. The labour market statistics team is still working through how to best structure the team, and there is still room for improvement; for example, we heard that there remains a culture of siloed working.

ONS should enhance transparency around developments to the statistics and user engagement

- 3.9 ONS has communicated its transformation plans for the LFS (see 2.8) to some users – for example, through bilateral meetings and user events – but many users that we spoke to, particularly those outside government, were not aware of these developments and expressed concern at the lack of information in the public domain. To inform users of upcoming changes and to enhance the transparency of its development plans, ONS should publish regular updates, including a timetable, about the LFS transformation project and other statistical developments (Requirement 11a). Other parts of ONS, such as the international migration statistics team, do publish such updates (see for example the [February 2020 update](#)), which explain clearly what is changing, why changes are being made, and how they are expected to enhance the quality and value of the statistics. The labour market statistics team may want to use these updates as a template.
- 3.10 As explained in the Value chapter, ONS engages with users of the employment and jobs statistics in a variety of ways. Most QMI documents include a short summary of the main users and uses of the statistics, but ONS publishes limited information on its user engagement activities. To enhance transparency around its approach to user engagement, and to demonstrate and encourage further engagement, ONS should publish a summary of its current and planned user engagement activities (Requirement 11b).

The statistics are produced independently and professionally, and are released in an orderly manner

- 3.11 Most users that we spoke to valued ONS's independence and praised it for presenting statistics impartially and objectively; for instance, one user commented that "ONS doesn't try to hide things that are uncomfortable". The bulletins provide an honest reflection of trends in employment and jobs. Users also valued the monthly release of the employment statistics and the short time lag between the LFS and APS estimates; they emphasised the importance of timely and current information on the labour market.
- 3.12 Users spoke highly and favourably of the labour market statistics team's engagement with them, and we recognise their continued efforts to strengthen their relationship with a variety of stakeholders (see Value chapter). Many users praised the labour market statisticians' professionalism and knowledge, highlighting that they are easy to contact, they provide quick and helpful responses to queries, and they are always willing to discuss the statistics and data.
- 3.13 ONS removed pre-release access to all its statistics, including the employment and jobs statistics, from July 2017. We welcome this change as it ensures that users have equal access to the statistics. The Devolved Administrations' statistics teams receive access to the statistics one hour in advance of publication in order to produce their own statistical bulletins, which are published at the same time as ONS's bulletins.

Data governance is strong but not for administrative data

- 3.14 ONS has a range of policies in place that ensure strong data governance, including a data use and management policy, a data security, governance and legislation policy, and a disclosure control policy for social survey microdata. They cover the end-to-end data journey and explain clearly the steps that teams, including the labour market statistics team, take to protect and secure personal and business data. Some of these policies are currently under review. According to the ONS website, this work was expected to be completed by autumn 2019, but no updates have been published. We welcome that ONS is reviewing its data management and sharing arrangements, but it should publish the updated policies as soon as possible.
- 3.15 ONS has a service level agreement, data access agreement or data sharing agreement in place for most employment and jobs data provisions and shares, and these are reviewed on a regular basis. However, there are no known agreements in place for the public sector employment and workforce jobs administrative data shares. For example, we heard that there is no service level agreement with the Home Office to obtain the police force employment data. This is concerning, given the large number of administrative data sources that feed into the workforce jobs statistics.
- 3.16 Data files are transferred securely between ONS and other organisations using the MOVEit software. Organisations told us this process is smooth and efficient. However, workforce jobs data files are sent by email rather than through the secure system which poses a potential security risk. Overall, there is a lack of awareness and understanding in the labour market statistics team of the data shares for workforce jobs. ONS should review administrative data sharing arrangements and documentation to ensure they are fit-for-purpose (Requirement 12).

Table 3: Trustworthiness – Findings and Requirements

Findings	Examples	Requirement
ONS should commit enough resources to the production of statistics	<ul style="list-style-type: none"> • Developments to the employment and jobs statistics have been considered lower priority, when prioritised relative to those of other ONS economic statistics • The statistics team takes on more and more outputs from the public policy team but does not receive extra resource to produce them 	<p>10 To ensure that the statistics continue to add value and meet needs of users, ONS should:</p> <ul style="list-style-type: none"> a) dedicate enough resources to, and sufficiently prioritise, the development of the employment and jobs statistics b) ensure the labour market statistics team is adequately resourced to publish all outputs
ONS should enhance transparency around statistical developments and user engagement activities	<ul style="list-style-type: none"> • ONS is transforming the way it collects labour market data through the LFS, but there is a lack of information in the public domain about these developments • ONS publishes limited information on its user engagement activities 	<p>11 To inform users of upcoming changes to the statistics, and to demonstrate and encourage further user engagement, ONS should:</p> <ul style="list-style-type: none"> a) publish regular updates, including a timetable, about the LFS transformation programme and other statistical developments b) publish a summary of its current and planned user engagement activities
Governance of administrative data could be improved	<ul style="list-style-type: none"> • There is no known data sharing agreement in place for the workforce jobs administrative data shares • Workforce jobs data files are sent by email rather than through the secure system 	<p>12 To ensure that administrative data are transferred securely, and used and managed appropriately, the labour market statistics team should review the administrative data sharing arrangements and documentation.</p>

Annex 1: About the Statistics

The Statistics

A1.1 ONS produces several National Statistics outputs on employment and jobs. Table 1 lists the statistical bulletins that were reviewed for this assessment. ONS also produces a range of official statistics outputs, including articles on specific topics such as labour market flows, sickness absence and self-employment, as well as the labour market economic commentary that is published alongside the monthly statistical bulletins.

Table 1. ONS National Statistics outputs on UK employment and jobs

Bulletin	Frequency	Main data source
Employees in the UK	Annual	Business Register and Employment Survey
Employees in the UK by industry	Annual	Business Register and Employment Survey
Employees in the UK by region	Annual	Business Register and Employment Survey
Employment in the UK	Monthly	Labour Force Survey
Labour disputes in the UK	Annual	Labour Disputes Inquiry
Labour market overview, UK	Monthly	Labour Force Survey
Public sector employment, UK	Quarterly	Quarterly Public Sector Employment Survey
Regional labour market statistics in the UK	Monthly	Annual Population Survey
Vacancies and jobs in the UK	Monthly	Vacancy Survey; workforce jobs
Working and workless households in the UK	Quarterly	Labour Force Survey
Workless households for regions across the UK	Annual	Annual Population Survey
Young people not in education, employment or training (NEET), UK	Quarterly	Labour Force Survey

Data Sources

A1.2 The information below comes from ONS's quality and methods documents.

A1.3 The **Labour Force Survey (LFS)** is the largest regular household survey in the UK. It is a quarterly survey of approximately 40,000 households that provides the UK headline estimates of employment, unemployment and economic inactivity. ONS conducts the survey in England, Wales and Scotland whereas the Northern Ireland Statistics and Research Agency (NISRA) conducts the survey in Northern Ireland.

A1.4 The **Annual Population Survey (APS)** is a continuous household survey covering the UK that provides more granular estimates of employment, unemployment and economic inactivity. The APS is not a stand-alone survey but uses data combined from two waves of the LFS with data collected on a local sample boost in England, Scotland and Wales. The achieved sample size is approximately 320,000 respondents.

- A1.5 The **Business Register and Employment Survey (BRES)** is the official source of UK employee and employment estimates by detailed geography and industry. It is an annual survey of approximately 80,000 business, covering UK businesses register for Value Added Tax (VAT) and/or Pay-As-You-Earn (PAYE). BRES obtains the required details on these businesses from the Inter-Departmental Business Register (IDBR), which is the main sampling frame used for most of ONS's business surveys. BRES data are used to update the IDBR. NISRA conducts BRES in Northern Ireland.
- A1.6 Public sector employment (PSE) is the official measure of people employed in the UK public sector, including private sector estimates. The primary data source is the **Quarterly Public Sector Employment Survey (QPSES)**, which collects data from local authorities in England and Wales, Civil Service departments, and Great Britain public corporations and non-departmental public bodies. QPSES is a complete census of local government and Civil Service and covers all public bodies with 20 or more employees. Administrative records also feed into the PSE estimates.
- A1.7 Workforce jobs estimates draw on a range of data sources. They are the sum of employee jobs measured primarily by employer surveys (including the **Short-Term Employment Surveys (STES)** and the Quarterly Public Sector Employment Survey), self-employment jobs from the LFS, and **administrative data** on the number of government-supported trainees and the number of employee jobs from organisations including the Civil Aviation Authority, HM Forces, and the NHS. Employee jobs is the largest component of workforce jobs. STES is a group of surveys – such as the Monthly Business Survey and Quarterly Business Survey – that collects employment and turnover information from around 30,000 private sector business in Great Britain. Estimates of employee jobs in Northern Ireland come from the Quarterly Employment Survey (QES), conducted by NISRA.
- A1.8 The **Vacancy Survey** is a statutory, monthly survey of businesses in Great Britain (GB). It asks around 6,000 businesses a single question: 'how many job vacancies did a business have in total (on a specified date) for which they were actively seeking recruits from outside their organisation?'. Results for Great Britain are adjusted to cover Northern Ireland using employment estimates. Estimates are not available below the GB level.
- A1.9 The **Labour Disputes Inquiry** collects data on the number of stoppages, working days lost and the number of workers involved in strike action from UK businesses that have been involved in strike action. Disputes are picked up from reports in news and trade union websites. Where possible, the data are collected directly from the employer involved in the dispute.

Annex 2: The Assessment Process

- A2.1 This Assessment was conducted from June 2019 to March 2020.
- A2.2 This report was prepared by the Office for Statistics Regulation and approved by the Regulation Committee on behalf of the Board of the UK Statistics Authority, based on the advice of the Director General for Regulation.
- A2.3 The regulatory team – Catherine Bremner and Job de Roij – agreed the scope of and timetable for this assessment with the ONS labour market statistics team in June 2019. Documentary evidence for the assessment was provided by the statistics team in July 2019. The regulatory team discussed and met with the statistics team in December 2019 to review compliance with the Code of Practice for Statistics, taking account of the evidence provided and research performed.
- A2.4 A key part of the assessment was talking to people who use the statistics, to help us to understand the current value of the statistics, and where there is the potential to increase this. The regulatory team organised three 'round table' events in London, Cardiff and Edinburgh, which were attended by users from a range of organisations, including UK Government departments, local authorities, research organisations, trade unions and the media. We also met separately with a number of other organisations with an interest in the data and statistics, and with statistics teams in the Devolved Administrations that use ONS data (Scottish Government, Welsh Government, and NISRA).

