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Emma Rourke | Acting National Statistician

Dame Meg Hillier MP Chair, Treasury Committee **House of Commons** London SW1A 0AA

22 July 2025

Dear Dame Meg Hillier,

The previous National Statistician made a commitment to your Committee to provide regular updates on labour market statistics and other economic statistics as necessary. I am writing in my capacity as Acting National Statistician to continue this commitment and enclose the latest update.

## **Labour market statistics**

On 21 July, the Office for National Statistics (ONS) published an update on labour market transformation progress and plans. Our recently published plans for Economic Statistics<sup>1</sup> and Survey Improvement and Enhancement<sup>2</sup> underline the importance of the Transformed Labour Force Survey (TLFS) for delivering high-quality labour market statistics.

The short Core survey – a streamlined, longitudinal, labour market-focused questionnaire that takes 15 minutes per household to complete on average (compared with an average of around 30 minutes for the longer version of the TLFS) - launched in early July 2025 with a Wave 1 sample size of 90,000 households per quarter across Great Britain. Combined with the introduction of face-to-face supported completion in October 2025 and data rotation (not re-asking the full questionnaire for each wave) for Waves 2-5 in January 2026, this is expected to reduce respondent burden, improve completion rates and representativeness, and enhance the overall data quality for the headline labour market indicators.

The Core survey is complemented by a cross-sectional "Plus" survey with a separate sample of 90,000 households per quarter. We are collaborating with users to assess how the Plus survey is meeting their needs for additional labour market, and wider household, socioeconomic and local data.

<sup>&</sup>lt;sup>1</sup>https://www.ons.gov.uk/aboutus/whatwedo/programmesandprojects/economicstatisticstransformati on/theplanforonseconomicstatistics

<sup>&</sup>lt;sup>2</sup>https://www.ons.gov.uk/aboutus/ourstrategyandplans/onssurveyimprovementandenhancementplan foreconomicstatistics

The timing of transition to the TLFS remains an evidence-led decision. We will carry out a readiness assessment in collaboration with our main users in July 2026. We aim to transition our published headline labour market statistics in November 2026, although this may extend into 2027 if our (or users') assessment of quality requires more data to be collected and assessed.

Therefore, the Labour Force Survey (LFS) remains the lead measure for data on the supply of labour while further development of the TLFS takes place. Following discussion with our main users, we published our LFS quality update alongside our labour market statistics release on 13 May<sup>3</sup>. The interventions made so far to address quality concerns with the LFS – such as reinstating the sample boost, returning to face-to-face interviewing, increasing incentives and the ongoing recruitment of additional interviewers – have now fed through all five waves of the survey and improvements can broadly be seen in response levels and rates, as well as the composition of respondents according to different characteristics. These improvements are important as they increase confidence that the LFS can be fit for purpose until the transition to TLFS takes place.

The TLFS was established as a formal programme in June 2025, having previously been managed as distinct projects within two separate programmes. This change brings together the full end-to-end scope of delivery, with a designated Senior Responsible Owner, clear accountability, governance and measurable objectives. The Programme Board includes external representatives from the devolved governments and HM Treasury.

We continue to engage with external stakeholders for assurance of our approach, including the Stakeholder Advisory Panel on Labour Market Statistics<sup>4</sup>, the Labour Market Technical Group and the Household, Socioeconomic and Local Group. The programme remains focused on restoring user confidence in our labour market statistics and in our wider household, socioeconomic and local statistics.

## **Consumer Price Inflation (CPI) statistics**

Following publication of the April 2025 CPI figures on 21 May, an error was discovered in the licensed vehicles data provided by the Department for Transport which had been used to calculate the April Vehicle Excise Duty (VED) component.

The incorrect data overstated the number of vehicles subject to VED rates applicable in the first year of registration. This had the effect of overstating the headline Consumer Prices Index including owner occupiers' housing costs (CPIH), CPI and Retail Prices Index (RPI) 12-month rates for April 2025 by 0.1 percentage points. The ONS has used the correctly weighted data from May 2025 figures onwards.

<sup>&</sup>lt;sup>3</sup>https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/labourforcesurveygualityupdate/may2025

<sup>&</sup>lt;sup>4</sup> https://uksa.statisticsauthority.gov.uk/the-authority-board/committees/national-statisticians-advisory-committees-and-panels/stakeholder-advisory-panel-on-labour-market-statistics/

This error is isolated to one component dataset that is used to calculate the VED index. However, the ONS is reviewing its quality assurance processes for external data sources in light of this issue.

## **Producer Price Inflation (PPI) statistics**

The then National Statistician wrote to you in April regarding the quality challenges facing PPI statistics. On 10 July 2025 we published an update on progress towards resuming publication of PPI and SPPI bulletins<sup>5</sup>. We have published an indicative PPI/SPPI dataset and we intend to reinstate full publication of our monthly PPI and quarterly SPPI bulletins in October 2025. At this time, once assured of quality, we also intend to apply to the Office for Statistics Regulation to reinstate official statistics accreditation status of the data.

Please do let me know should you have any further questions.

I am copying this letter to Simon Hoare MP, Chair of the Public Administration and Constitutional Affairs Committee.

Yours sincerely,

**Emma Rourke** 

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<sup>&</sup>lt;sup>5</sup>https://www.ons.gov.uk/economy/inflationandpriceindices/articles/growthratesofselectedoutputandinputproducerpriceindicesandservicesproducerpriceindices/december2019toapril2025