Regulating labour market statistics

Office for Statistics Regulation

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23 May 2024
Outline

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Spotlight on LFS and TLFS
The Office for Statistics Regulation

- The regulatory arm of the UK Statistics Authority
- Promote and safeguard the production and publication of official statistics
- Do not produce statistics and are separate from the Office for National Statistics (ONS)

UK Statistics Authority (UKSA)
Office for National Statistics (ONS)
Office for Statistics Regulation (OSR)
Our role

How statistics are produced
We uphold the trustworthiness, quality and value of statistics and data used as evidence

How statistics are used
We protect the role of statistics in public debate

How statistics are valued
We develop a better understanding of the public good of statistics
Our vision is that statistics serve the **public good** by:

- Enhancing understanding on topics of high public interest
- Allowing people to hold governments to account
- Informing decisions

In a world of abundant data, we want people to have confidence in statistics produced by the public sector
The Code of Practice for Statistics

Code of Practice for Statistics

The Code of Practice for Statistics sets the standards that producers of official statistics should commit to. The Code benefits all of us, as users and citizens. Compliance with the Code gives you confidence that published government statistics have public value, are high quality, and are produced by people and organisations that are trustworthy.

On 5 May 2022, the Office for Statistics Regulation revised the Code of Practice for Statistics, to reflect two changes to release practices, T.3.1 and T.3.8 in principle T3: Orderly release. These changes allow for a consultation on proposals to enable some greater flexibility on the timing of the release of official statistics, while the standard release time remains as 9.30am.

It has been 5 years since we published the Code version 2.0. From September to December 2023, OSR will be seeking feedback on the Code to ensure it remains relevant for today’s world of data and statistics production.

Find out more about events, submitting feedback and more

Download the Code (PDF, 8.5MB)
Three pillars of the Code

**Trustworthiness**
- Confidence in the people and organisations that produce statistics
  - Honesty & integrity
  - Independent decision making & leadership
  - Orderly release
  - Transparent processes & management
  - Professional capability
  - Data governance

**Quality**
- Data and methods that produce assured statistics
  - Suitable data sources
  - Sound methods
  - Assured quality

**Value**
- Statistics that support society’s needs for information
  - Relevance to users
  - Accessibility
  - Clarity & insight
  - Innovation & improvement
  - Efficiency & proportionality
Trustworthiness is about having confidence in the people and organisations that produce statistics and data.

It comes from the organisation that produces statistics and data being well led, well managed and open, and the people who work there being impartial and skilled in what they do.
Quality means that the data and methods used produce assured statistics.

It requires skilled professional judgement about collecting, preparing, analysing and publishing statistics and data in ways that meet the needs of people who want to use the statistics.
**Value** ensures that the statistics support society’s needs for information. It means that the data and statistics are useful, accessible, and produced efficiently, and that the producers are focused on their users so their needs can be anticipated.
How we do it

- Regulatory work
- Voluntary application of the Code
- Research
- Data and methods
- Policy and standards
- Insight
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### Examples of the statistics we cover

| Statistical bulletin | | |
|----------------------|-----------------|
| **Labour market overview, UK: April 2024** | | |
| Estimates of employment, unemployment, economic inactivity and other employment-related statistics for the UK. | | |
| Contact: Labour Market team | Release date: | Next release: |
| labour.market@ons.gov.uk | 16 April 2024 | 14 May 2024 |

| Official Statistics | | |
|---------------------|-----------------|
| **Universal Credit statistics, 29 April 2013 to 11 January 2024** | | |
| Published 13 February 2024 | | |
| Applies to England, Scotland and Wales | | |

| Statistical bulletin | | |
|----------------------|-----------------|
| **Average weekly earnings in Great Britain: April 2024** | | |
| Estimates of growth in earnings for employees before tax and other deductions from pay. | | |
| Contact: Labour Market team | Release date: | Next release: |
| labour.market@ons.gov.uk | 16 April 2024 | 14 May 2024 |

| National statistics | | |
|---------------------|-----------------|
| **Family Resources Survey: financial year 2022 to 2023** | | |
| Updated 26 March 2024 | | |
Examples of labour market and welfare regulatory work

Mark Pont, Assessment Programme Lead

Steve Ellerd-Elliott
Chief Statistician and Head of Profession for Statistics
Department for Work and Pensions
(by email)

23 June 2023

Dear Steve,

Benefit Sanctions statistics

We recently completed our compliance check of your Benefit Sanctions statistics against the Code of Practice for Statistics. Even though these statistics are still in development, they are important official statistics valued by users across government and those with an interest in the Benefits system. We have made several recommendations to support the continued development of these statistics.

We considered the Trustworthiness, Quality and Value of these statistics in relation to the Code and have appreciated the positive and constructive way that the team has engaged with us during our review.

Our review found many examples of good practice. We would particularly like to recognise the complexities around the development of these statistics and the re-instating of the currently suspended measures of legacy benefits sanctions, and the need to balance the pace of progress with making sure that the statistics are suitably robust.

The background information and guidance for the statistics is comprehensive and provides transparency around the issues with the data and methods and that these issues are being addressed. There are appropriate health warnings throughout the bulletin about making comparisons across benefits due to the different data sources used and methodological approaches. Making the data available for wider re-use through Statistician-friendly templates encourages users to carry out their own further analysis and enhances the usefulness of the data.

From our conversations with your team, it is clear that a great deal of work is going on to re-instate the currently suspended measures and develop the published series further to add more value and meet user needs. This is while dealing with the limitations associated with the data being collected for operational reasons and not specifically for statistical production – for example, the data being held across several different systems and difficulties with accessing the data in a usable format. It was good to hear that regular conversations are happening between the statistics team and policy colleagues within DWP in particular to understand the context behind the year-on-year increases in reasons for sanctions decisions – an area flagged by users who would like to understand more around these reasons. The statistics team also told us that there has been a positive

Rob Kent-Smith, Deputy Director for Regulation

Steve Ellerd-Elliott
Chief Statistician
Department for Work and Pensions
(by email)

14 February 2024

Dear Steve,

Assessment of Personal Independence Payment statistics

Thank you for inviting us to assess DWP’s Personal Independence Payment statistics against the Code of Practice for Statistics. We have today published our Assessment Report covering these statistics. I am grateful for the positive contribution and engagement from your team throughout the assessment process.

We have identified one requirement to improve the overall value of the statistics focusing on user engagement to understand a wider range of user views and to drive the future development of the statistics. We judge that the Personal Independence Payment statistics can be designated as accredited official statistics (called National Statistics in the Statistics and Registration Service Act 2007) once we have confirmed that the requirement set out in the report has been met. Addressing the requirement will demonstrate that your statistics comply with the Code of Practice for Statistics.

I am copying this letter to Alexander Ross, Head of Client Statistics at DWP, and Jess Arrowmith, Juwaria Rahman and Rosie Benfield, the statistical team at DWP.

Yours sincerely,

Rob Kent-Smith
Deputy Director for Regulation
Examples of labour market and welfare regulatory work

Review of income-based poverty statistics

May 2021

Christine Jardine MP
Liberal Democrat Treasury Spokesperson
House of Commons
(via email)

11 May 2022

Dear Ms Jardine,

Thank you for bringing the use of employment statistics during Prime Minister’s Questions on 27 April to my attention. The Prime Minister should be clearer in his claims around employment now compared to before the pandemic began.

While there are now more people on payrolls than before the pandemic, this increase is more than offset by the reduction in the number of people who are self-employed; in total, the number of people in employment, and the employment rate, are lower than before the pandemic. As you noted, Sir David Norgrove wrote to the Prime Minister highlighting the risk of giving ‘a misleading impression of trends in the labour market’ unless the distinction between number of people on payrolls and number of people in employment is clearly explained.

In addition to Sir David’s letter on 24 February, Ed Humpherson, Director General for Regulation wrote to Laura Gilbert, Director of Data Science at 10 Downing Street, on this matter on 1 February. My office has also been in touch with the 10 Downing Street briefing team on a number of occasions.

The UK Statistics Authority seeks to protect the role of statistics in public debate; we want to see statistics used and interpreted appropriately. We will continue to emphasise the importance of accuracy and clarity with Number 10, and work with producers to present statistics in ways which minimise the risk of misuse.

Finally, you may also be interested to know that ONS is in the process of transforming its labour market statistics, to include a much larger and more modern household survey complementing increased use of administrative data. Starting in 2023, they should provide even more robust estimates of developments in the labour market.

Yours sincerely,

Sian Jones
Interim Chair of the UK Statistics Authority
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Spotlight on LFS and TLFS
Regulatory work to date

2022
- May 2022 – TLFS review announced
- Nov 2022 – Initial findings published

2023
- July 2023 – TLFS progress update published
- Nov 2023 – review of LFS experimental statistics published

2024
- March 2024 – review of reintroduced LFS-derived labour market statistics published
Findings: TLFS progress update July 2023

Included:

- A summary of progress made against our initial recommendations
- An additional recommendation that emerged as the transformation work had developed
Findings: Review of reintroduced LFS data
March 2024

- Clearer communication about its plans and prioritisation of work to improve the LFS including its response to user needs for more time series data.

- Communicating LFS updates and developments with the Transformed LFS together in a way which users can easily access and understand.

- Improved communication around the uncertainty in the data and what this means for use of this data.

- A more consistent approach to communicating data quality issues and the impact of improvements to the data.

- The publication of updated information setting out the principles and quality criteria it will consider in making further LFS improvements and the transition to the TLFS
Common themes

- Clear and open communication
- Coherent and joined-up approach
- Involvement of and engagement with users
- The quality criteria
What next

ONGOING ENGAGEMENT, SUPPORT, CHALLENGE WITH ONS

UPDATE IN THE SUMMER ON LFS

FURTHER ENGAGEMENT WITH USERS
Thank you for listening

To get in touch or find out more:

Visit OSR’s website: https://osr.statisticsauthority.gov.uk/

Follow OSR on X: @StatsRegulation

Visit the Code website:
https://code.statisticsauthority.gov.uk/

Feel free to contact us: regulation@statistics.gov.uk
Thank you