

December 2008



## ONS in the Regions North West

This is the sixth quarterly newsletter from the Office for National Statistics (ONS) regional team for North West England. Its aim is to keep our regional and sub-regional contacts informed of news from ONS which we think will be of interest. As a quarterly newsletter was not produced in October, the sixth newsletter will be an extended edition.

Topics covered in this quarter's newsletter include:

- Appointment of North West Analyst
- Regional training
- Focus On Financial Intermediation Services Indirectly Measured (FISIM)
- Articles
- Latest releases

### News from ONS in the regions: North West

#### Appointment of ONS North West Regional Analyst

At the end of September, Rachel Young was appointed the North West Regional Analyst. Rachel joins the team from the Health and Safety Executive where she was working as an Assistant Statistician. The North West team is now fully staffed and open for business. Please do not hesitate to contact us should you require any advice or assistance.

#### Regional Training on ONS data and methods – A reminder!

Thanks to those who took the time to complete the training survey. We have decided to extend the deadline for completing the short survey. We will look to analyse the results in the new year and organise a programme of events to meet demand. Please do not hesitate to contact the North West team should you have any queries.

**Link to questionnaire:** [http://www.surveymonkey.com/s.aspx?sm=5zH72RISFJaJYjXyQAKcwQ\\_3d\\_3d](http://www.surveymonkey.com/s.aspx?sm=5zH72RISFJaJYjXyQAKcwQ_3d_3d)

#### ONS Consultations and reviews

Currently there are two reviews being undertaken by ONS, more details below. I would encourage anyone who uses these data sources to complete the questionnaires. Central ONS teams value the information you provide and have asked Regional Statisticians to gauge the views of users.



## Review of Labour Force

Over the next six months, the Office for National Statistics (ONS) is conducting a project to review the questions on the Labour Force Survey (LFS). The review is being conducted as part of the Labour Market Division analysis team work programme and initially the review will identify users of the LFS and the extent to which existing questions meet their needs.

The Labour Force Survey (LFS) is a continuous survey of approximately 53,000 households (about 0.2 per cent of the population) resident in private addresses and NHS accommodation in the United Kingdom. The primary purpose of the LFS is "the prompt publication of key aggregate, whole economy indicators, for the integrated assessment of labour market conditions" (Review of the Labour Force Survey, ONS, 2002). The 'labour market' covers all aspects of people's work, including the education and training needed to equip them for work, the jobs themselves, the amount of work, job-search for those out of work, and income from work and benefits.

The LFS questionnaire is very large and covers a diverse number of subjects. It is reviewed annually in consultation with key stakeholders and questions added, removed and modified where necessary. The length of the survey continues to grow and this can adversely affect response and the quality of survey estimates as respondent concentration wanes. Response rates on the Labour Force Survey are closely monitored and are now between 66 and 70 per cent which is the lowest they have been since the start of the survey in the 1970's.

The questionnaire aims to identify which questions are used and the extent to which they meet user's needs, please return it to a member of the North West team by the **19th December 2008**.

**Link to questionnaire:** <http://tinyurl.com/ONS-Questionnaires>

## Review of the Research & Development survey

The Office for National Statistics (ONS) is required by Government to regularly review each of its statistical surveys. ONS are currently in the process of conducting a review of the Research and Development survey and are seeking the view of users of the information.

The review is a requirement of the Prime Minister's instructions on survey control. As well as consulting with users of the information, we also consult with respondents to determine the costs to them and to Government. The main objective of the review is to determine the efficiency and effectiveness of all of our procedures, and to identify where improvements can be made.

please return it to a member of the North West team by the **19th December 2008**. Shortly after receipt of the completed questionnaire you will be contacted by the central ONS team to discuss your response.

**Link to questionnaire:** <http://tinyurl.com/ONS-Questionnaires>



## Focus On.....

This section will form(s) a regular part of the NW newsletter and is designed to explain key releases or data sources. If you have any suggestions for topics which you would like covered, please get in touch (see contact details above).

In preparation for the latest Regional Gross Value Added release (12<sup>th</sup> December 2008) we have focused on the new method used to account for Financial Intermediation Services Indirectly Measured (FISIM).

### **Focus On..... Financial Intermediation Services Indirectly Measured (FISIM)**

On December 12<sup>th</sup> ONS publishes figures for regional Gross Value Added (GVA). This year will see the return of an industry breakdown, which did not appear last year while ONS re-engineered the National Accounts. The December release will have some methodological changes, the most important being the way 'Financial Intermediation Services Indirectly Measured' (FISIM) is accounted for.

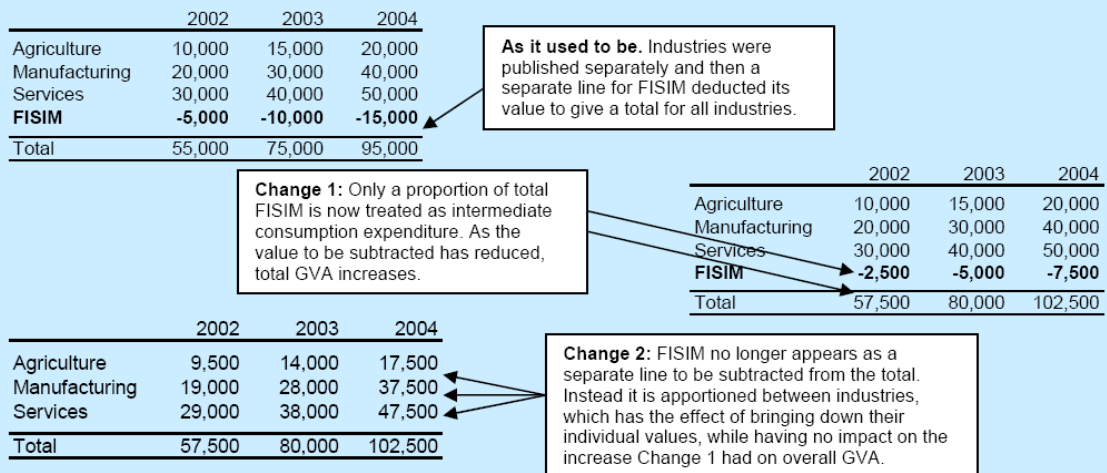
Put simply, FISIM accounts for the value of services provided by the financial services sector that are not explicitly charged for. For example, your bank probably does not charge you directly for running your savings account, but it implicitly charges you for the service through the difference between the interest it pays savers and receives from borrowers. In previous years the Regional Accounts have treated FISIM as intermediate consumption expenditure, and its value is therefore subtracted from GVA.

There are two important changes in the way Regional Accounts treat FISIM, which bring the UK figures more in line with the European standard. The first is that not all of FISIM is now treated as intermediate consumption expenditure. Some FISIM, for example, is final consumption expenditure by households. Therefore only a proportion of FISIM will now be subtracted from GVA. This will lead to an increase in the GVA total for all years.

The second change is a little more complicated. In the past when ONS published GVA by industry it did not apportion FISIM between the different industries. Instead it published GVA for the separate industries without subtracting FISIM, and a separate row at the bottom of the table showing how much FISIM had to be subtracted from the total. In the 2008 release FISIM will be apportioned between industries, so the GVA figures for the individual industries will reduce.



These simplified tables for an imaginary region show how the different impacts come about;



A full back-series of the GVA by industry data will be available so there will not be a problem with discontinuity. However, it does mean that the figures published in this year's release cannot be compared with releases in previous years.

## Latest Releases

Find out what the latest data releases are by accessing the ONS release calendar at <http://www.statistics.gov.uk/releasecalendar>

## Key Recent Releases

### New business start-up data

The end of November 2008 saw the release of the BERR published Business start-ups and closures: VAT registrations and deregistrations publication for the last time. Its replacement, Business Demography: Enterprise Births and Deaths was published by ONS. The key difference is the inclusion of PAYE-registered units, as well as VAT-registered units, in the Business Demography: Enterprise Births and Deaths publication. A joint note from ONS and BERR, "Introducing the new Business Demography statistics", describes the differences between the two publications in more detail. See links below to access the publications.

### Links:

BERR "Business start-ups and closures: VAT registrations and deregistrations"

<http://stats.berr.gov.uk/ed/vat/index.htm>



ONS "Business Demography: Enterprise Births and Deaths"

[www.statistics.gov.uk/StatBase/Product.asp?vlnk=15186](http://www.statistics.gov.uk/StatBase/Product.asp?vlnk=15186)

"Introducing the new Business Demography statistics"

[www.statistics.gov.uk/StatBase/Product.asp?vlnk=15186](http://www.statistics.gov.uk/StatBase/Product.asp?vlnk=15186)

### **UK Business: Activity, Size and Location 2008**

The end of September saw the release of the UK Business: Activity, Size and Location publication. The data are produced from a snapshot of the Inter Departmental Business Register (IDBR), taken in March 2008.

The IDBR combines the information from the administrative sources with the survey data in a statistical register comprising over two million enterprises. It contains information on business units including, Employment and employees; turnover and country of ownership. The IDBR provides the sampling frame on which to conduct surveys of businesses. The main sources for the IDBR are VAT trader and PAYE employer information passed to the ONS by HM Revenue & Customs; details of incorporated businesses are also passed to ONS by Companies House. ONS Survey data and survey information from the Department of Enterprise, Trade and Investment – Northern Ireland (DETINI) and the Department for Environment, Food and Rural Affairs farms register provide auxiliary information. Construction statistics formerly produced by the Department for Business, Enterprise and Regulatory Reform are now produced by ONS.

For 2008 the publication has been expanded to include PAYE-based enterprises that are not also registered for VAT, extending the scope from the previous VAT-based enterprise tables. Comparing 2007 VAT-based enterprises with 2007 VAT and/or PAYE based enterprises, approximately 425,260 enterprises have now been included.

#### **Link:**

UK Business: Activity, Size and Location [www.statistics.gov.uk/StatBase/Product.asp?vlnk=933](http://www.statistics.gov.uk/StatBase/Product.asp?vlnk=933)

A guide to the IDBR <http://www.statistics.gov.uk/CCI/nugget.asp?ID=195>

## **Articles**

### **Article search function**

The ONS website has a useful 'Article search' page, which searches for articles from a wide range of ONS journals by keyword, date etc.



You can access the Article search here:

<http://www.statistics.gov.uk/ci/articlesearch.asp>

### **Select Articles**

Detailed below are a select series of articles produced by ONS which may be of interest to users within the region.

#### **Regional economic indicators, August 2008, with a focus on household income**

A regular feature in Economic and Labour Market Review examining regional economies in terms of a range of data, including GVA and productivity. In addition, latest article focuses on Gross Disposable Household Income (GDHI) per head and decomposing it into three components (The balance of: primary income per head; social benefits/contributions per head and remaining secondary income per head).

<http://www.statistics.gov.uk/ci/article.asp?ID=2036&Pos=2&ColRank=1&Rank=1>

#### **Standard Industrial Classification (SIC) 2007: implementation in ONS**

The article provides a summary of the major differences between SIC 2003 and SIC 2007, and sets out ONS' plans for implementation across a range of business and household surveys and the National Accounts.

<http://www.statistics.gov.uk/ci/article.asp?ID=2034&Pos=10&ColRank=1&Rank=1>

#### **Measuring the UK Economy 2008 - the National Statistician's perspective**

The recent changes in the economy have resulted in a greater focus on timely data for measuring the economy. The article discusses the challenge of producing timely and reliable statistics for exactly this purpose. In addition it outlines a selection of data sources which can be used to directly measure the economy or provide an indication of the impact of current economic changes, including Gross Value Added (GVA); house prices and the labour market.

<http://www.statistics.gov.uk/ci/article.asp?ID=2056&Pos=7&ColRank=1&Rank=1>

#### **Inclusion of the Bank of England and Northern Rock in Public Sector Finance Statistics**

The article outlines how the Bank of England and Northern Rock (taken over in late 2007) will be accounted within the Public Sector Finances (PSF) and the PSF First release published by ONS.

<http://www.statistics.gov.uk/ci/article.asp?ID=2047&Pos=8&ColRank=1&Rank=1>



## Annual Population Survey Household datasets

The Annual Population Survey (APS) household dataset comes from the Labour Force Survey and the APS (Person) data set and cover the period January to December for individual years from 2004. This article provides technical information including sections on sampling, imputation weighting and variables. In addition it details possible uses of the data sets including working and workless households.

<http://www.statistics.gov.uk/cci/article.asp?ID=2048&Pos=9&ColRank=1&Rank=1>

## Previous Editions

Previous editions of the newsletters can be obtained by contacting one of the team stating the copy of the newsletter you require. Please remember to provide an e-mail address when contacting the team as all newsletters are held electronically.

## Contact details

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E-mail: [Gary.Wainman@ons.gsi.gov.uk](mailto:Gary.Wainman@ons.gsi.gov.uk)

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ONS Regional Analyst  
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**Postal address:** Office for National Statistics, NW Regional Development Agency, PO Box 37, Renaissance House, Centre Park, Warrington WA1 1XB

**ONS Web page:** <http://www.ons.gov.uk/about/our-organisation/regional-statisticians/index.html>

## Useful Contact Points

### Recorded announcement of latest RPI

01633 456961  
rpi@ons.gsi.gov.uk

### Labour Market Statistics Helpline

01633 456901  
labour.market@ons.gsi.gov.uk

## Statistical Information on

### Average Earnings Index (monthly)

01633 819024

### Claimant count

01633 456901

### Consumer Prices Index

01633 456900  
cpi@ons.gsi.gov.uk

### Earnings Annual Survey of Hours and Earnings

01633 456120

### Basic wage rates and hours for manual workers with a collective agreement 01633 819008

### Low-paid workers

01633 819024  
lowpay@ons.gsi.gov.uk

### Labour Force Survey

01633 456901  
labour.market@ons.gsi.gov.uk

### Economic activity and inactivity

01633 456901

### Employment Labour Force Survey

01633 456901  
labour.market@ons.gsi.gov.uk

### Employee jobs by industry

01633 456776

### Total workforce hours worked per week

01633 456720  
productivity@ons.gsi.gov.uk

### Workforce jobs series – short-term estimates

01633 456776  
workforce.jobs@ons.gsi.gov.uk

### Earnings Customer Helpline

01633 819024  
earnings@ons.gsi.gov.uk

### National Statistics Customer Contact Centre

0845 601 3034  
info@statistics.gsi.gov.uk

### Labour costs

01633 819024

### Labour disputes

01633 456721

### Labour Force Survey

01633 456901  
labour.market@ons.gsi.gov.uk

### Labour Force Survey Data Service 01633 455732 lfs.dataservice@ons.gsi.gov.uk

### New Deal

0114 209 8228 Productivity and unit wage costs

01633 456720

### Public sector employment General enquiries

01633 455889

### Source and methodology enquiries

01633 812865

### Qualifications (Department for Children, Schools and Families)

0870 000 2288

### Redundancy statistics

01633 456901

### Retail Prices Index

01633 456900 rpi@ons.gsi.gov.uk

### Skills (Department for Innovation, Universities & Skills)

0870 001 0336

### Skill needs surveys and research into skill shortages

0870 001 0336

### Skills and Education Network

024 7682 3439  
senet@lsc.gov.uk

### Department for Children, Schools and Families Public Enquiry Unit

0870 000 2288

### Small firms (BERR) Enterprise Directorate

0114 279 4439

### Subregional estimates

01633 812038

### Annual employment statistics

annual.employment.figures@ons.gsi.gov.uk

### Annual Population Survey, local area statistics 01633 455070

### Trade unions (BERR) Employment relations 020 7215 5934

### Training

#### Adult learning – work-based training (DWP)

0114 209 8236

#### Employer-provided training (Department for Innovation, Universities & Skills)

0870 001 0336

### Travel-to-Work Areas

#### Composition and review 01329 813054

### Unemployment 01633 456901

### Vacancies

#### Vacancy Survey: total stocks of vacancies 01633 455070

