

Index of Services (IoS)

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1 . Overview

The monthly [IoS](#) was developed to provide a timely indicator of growth in the output of service industries, at constant prices for the UK. The IoS is a key component of monthly [gross domestic product by output](#) gross domestic product by output (GDP(O)), representing about 78.6% of UK GDP as of 2012. The IoS shares the exact same industry coverage as the corresponding quarterly series within GDP(O).

Between December 2000 and February 2007, the IoS was published as an experimental series. The main reason for the experimental label was that a large-scale development programme to improve the short-term measurement of the services industries was launched at the same time as the launch of the IoS. In March 2007, the IoS was reclassified from experimental to National Statistic status. This was in response to the significant methodological improvements made to the IoS as part of the IoS development programme. This decision was made following a rigorous evaluation programme conducted by the Office for National Statistics methodological experts in index numbers, prices and deflation, and sample design and estimation. Further details can be found in the article "[The launch of the IoS as a National Statistic](#)". Detailed information on recent improvements can be found under "[Improvements](#)" and a history of the IoS can be found in the article "[The challenges of measuring the UK service sector](#)" (102.7 Kb Pdf) .

In 2014 the IoS was reassessed (first review took place in 2010) by the UK Statistics Authority as part of its ongoing review to ensure that Official Statistics comply with the [Code of Practice for Official Statistics](#). See the full [2014](#) and [2010](#) reports for details.

One of the main areas to be reviewed following the 2010 review was the reintroduction of the IoS development programme to address Requirement three of the UK Statistics Authority assessment into short- term economic output indicators. This is taking the form of the GDP(O) improvement project, which looks at GDP(O), IoS and Index of Production (IoP). Further details can be found under "[Improvements](#)".

2 . Improvements

This section details the improvements made to index of services (IoS).

Further details of improvements being made to IoS as part of the GDP(O) improvement programme can be found under the "[Improvements](#)" [section on the GDP\(O\) methodology](#) page.

[IoS – industry reviews, August 2012](#) (249.1 Kb Pdf)

Provides greater detail on how the process will proceed, including the industries chosen for review and the status of experimental industries within IoS.

[IoS – industry reviews, March 2012](#) (158.6 Kb Pdf)

Signals the intention to relaunch the industry review process and consult with users on how we should proceed.

Industry reviews

The industry review programme plays a significant part in the GDP(O) improvement project.

The initial industry review programme was in place from 2002 to 2009. It played a significant role in moving the experimental index of services (IoS) to designated National Statistics status in 2007. In March 2012, the industry review programme was relaunched following a break in the programme for ONS to focus on other [methodological improvements](#) (158.6 Kb Pdf).

The approach for the new programme follows that adopted for the 2002 to 2009 programme, but the scope of industries has expanded to cover the whole economy.

Individual industries are identified for review using a number of factors. Further details on these factors can be found in the latest GDP(O) improvement report which can be found under "industry reviews" on the [GDP\(O\) methodology](#) page. The methodology of each industry is then evaluated and improved where appropriate. The industry review reports describe in detail the approach taken and any recommendations. As reviews are completed, the full reports will be available on the GDP(O) methodology page. Reviews completed prior to 2016 are available on the [national archived page](#).

3 . Methods

This section contains details on the current methods used in the IoS. The IoS is estimated using the same data sources and national accounts methodology as the quarterly estimate of service industries' gross value added within the well-established output approach to measuring gross domestic product (GDP(O)). Information on the improvements to the IoS can be found under "[improvements on the GDP\(O\) methodology](#)" page and a history of the IoS can be found in the article "[The challenges of measuring the UK service sector](#)" (102.7 Kb Pdf) .

Information on the scope of the IoS and the service industries that IoS covers can be found in the "[Scope and industry breakdown](#)" (62 Kb Pdf) report.

Full details on the sources and weights used to calculate the Index of Production (IoP), Index of Services (IoS) and output approach to measuring GDP (GDP(O)) can be found in the [GDP\(O\) source catalogue](#) (317.5 Kb Excel sheet) .

Details on the users and uses of the IoS and other short-term economic indicators can be found in the "[Users and uses of short-term economic indicators](#)" (47 Kb Pdf) report.

An overview of the four types of weights used in the calculation of the IoP, IoS and GDP(O), including a summary table, can be found in the "[Overview of weights](#)" (27.6 Kb Pdf) document.

Details of the aggregation of low-level industries, including detailed information on the weights, how they are derived and applied can be found in the "[Low-level industry aggregation](#)" (88.6 Kb Pdf) report.

Information on the concept of deflation, how deflation weights are derived and applied, as well as details of how deflation is applied to IoP, IoS and GDP(O), can be found in the "[Deflation](#)" (163.5 Kb Pdf) report.

Details on how the IoS weights are derived can be found in the "[Derivation of weights for the IoS](#)" (96.3 Kb Pdf) report.

Details of how the IoS is revised, the revisions cycle, short- and long-term revisions and revisions triangles can be found in the "[IoS Revisions](#)" (32.3 Kb Pdf) report.

Details on the quality of the IoS, including accuracy, sampling and non-sampling errors, improvements and quality assurance can be found in the "[Quality of the IoS](#)" (29 Kb Pdf) report. Further information on the quality adjustments, including the main causes, the criteria and how quality adjustments are applied can be found in the "[Quality adjustments for the IoS](#)" (128.7 Kb Pdf) report.

Pre-2011 methods

In 2011 significant changes to the national accounts were introduced, including new industrial and product classifications (standard industrial classification 2007 (SIC07) and classification of product by activity 2008 (CPA08) respectively) and improved methods of deflation. Further information can be found in "[Methods changes in the 2011 Blue Book](#)" (46.8 Kb Pdf) article. Articles and methods papers prior to 2011 can be found below:

SIC 2003 methods

Details of the pre-2011 methods based on UK standard industrial classification 2003 (SIC03) and classification of product by activity 2002 (CPA02) can be found in the "[Pre-2011\(SIC 2003\) methods](#)" (1.42 Mb Pdf) report.

Articles

[Introducing the experimental monthly IoS](#)

[Experimental monthly IoS](#)

[Experimental monthly IoS – an update](#)

[Experimental monthly IoS – development programme update](#)

[Improvements to timely measures of service sector output](#)

[IoS evaluation report](#) (234.8 Kb Pdf)