

Living Costs and Food Survey technical report: financial year ending March 2020

User guidance and technical information for the Living Costs and Food Survey.

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1. Introduction

This report provides an update on the sampling, fieldwork and data processing for the financial year ending (FYE) 2020 Living Costs and Food Survey (LCF). The survey is undertaken by Office for National Statistics (ONS) Social Survey Operations, which is part of the Population and Public Policy Operations Directorate of the ONS.

This report contains response information, questionnaire changes and new or changed methodology for FYE 2020. It does not describe methodology that has changed prior to FYE 2020. For changes prior to FYE 2020, users should refer to <u>Living Costs and Food Survey technical report</u>: financial years ending March 2018 and <u>March 2019</u>. For a more in-depth explanation of LCF processes and methodology, users should refer to the <u>FYE 2016 technical report</u>.

The purpose of this report is to update the FYE 2019 technical report and accompanies the statistical bulletin <u>Family spending in the UK: April 2019 and March 2020</u>. <u>Section 4</u> of this report also provides an update to the <u>LCF National Statistics Quality Review (NSQR)</u>.

Alongside this report, we are publishing <u>updated data tables</u> that provide information on response, characteristics of the sample, confidence intervals and interview metrics.

2. Response for the financial year ending 2020

As shown in Table 4 of the <u>accompanying dataset</u>, the overall response rate for the Living Costs and Food Survey (LCF) in Great Britain was 40% in the financial year ending (FYE) 2020, affected by fieldwork being paused because of the pandemic. This is a 3% decline when compared with FYE 2018 and FYE 2019. A total of 13,996 addresses were sampled for the LCF in Great Britain. Of these, 10% did not contain a private household and were therefore classified as ineligible.

Of the eligible sample, it was not possible to contact 9% of addresses, a further 43% refused to take part and 6% had another reason for non-response. Of the 5,072 responding households in Great Britain, 4,964 cooperated fully, meaning they completed both interview and diary sections of the survey.

In FYE 2020, partial responses accounted for 2% of all co-operating households. Of these 108 partials, 107 occurred because one or more adults in the household refused to keep the diary but were happy to take part in the interview (Table 6).

Interviewers record the main reason why people refuse before or during an interview from a list of pre-coded answers. In FYE 2020, the two most commonly cited reasons for refusing to take part in the survey were (<u>Table 12</u>):

- can't be bothered 24%, which remains the top reason cited as the previous financial year
- temporarily too busy 16%, which is in line with the previous year

Falling response rates are an acknowledged problem, and we have various initiatives to help tackle these. Details of these can be found in <u>Section 2 of the FYE 2019 technical report</u>.

The FYE 2020 LCF data include data from April 2019 to March 2020 inclusive. Following government guidance because of the coronavirus (COVID-19) pandemic, data collection was temporarily paused halfway through March 2020 to enable a switch from face-to-face to telephone interviewing. For information on the impact of COVID-19 on LCF data please refer to Table 21 of the accompanying dataset.

3. Living Costs and Food Survey questionnaire changes for the financial year ending (FYE) 2020

Changes to the questionnaire during this period were intended to follow up on the changes implemented last year to ensure the questionnaire runs smoothly and to reduce burden where possible. The main sections affected by the changes are:

Telecoms

Combined packages

The telecoms section begins with combined packages, which are defined in the questionnaire as one bill that covers more than one service. This has been updated from last year where package could also refer to a bill covering several types of one service, for example, two mobile phones on one bill, which caused confusion amongst interviewers and editors.

If a respondent reported having no combined package, the follow-up question asking "Why not?" now includes response options for the household having no telecoms at all, or having telecoms included in a combined bill with their fuel.

The previous questionnaire asked for provider name, package name, and any applied discounts. To help reduce respondent burden and improve data quality, we removed the requirement for package name and discounts, asking only for a supplier name.

TV services in combined packages

TV services and online entertainment are now all captured under the "TV services" option in the list. This change ensures that telecoms feed into the relevant classification of individual consumption by purpose (COICOP) category. Previously, TV services and online entertainment were two separate options and so could be selected as a combined package.

A follow-up question has been added to ask which type of TV service is included. The option lists now include more examples of what is and what is not in each category.

As only a small number of providers offer TV services in a combined package, an option list is given instead of a text entry box for the follow-up question asking for a provider name for packages containing TV services.

Other telecoms changes

- All telecoms sections now ask for a provider of a package or a service; previously this was only being asked for a combined package and not for separate telecoms services.
- A follow-up question has been added after any reported expenditure on mobile phones to ask if the
 telephone is a smartphone that can access the internet; this is to feed into the proxy measure for
 replacement of consumer durables (see the next subsection for further details).

Consumer durables

Users felt that many of the questions in this block were no longer useful as a measure of material deprivation or consumption. Most of the questions have therefore been removed and the block no longer exists. Expenditure on services such as TV and phones are now used as a proxy for ownership instead of asking directly.

Questions about computer, dishwasher and tumble drier ownership remain in the questionnaire, although they have been moved to different blocks.

In the previous consumer durables block, internet access through a mobile phone counted as internet access. Therefore, the smartphone question was added to the telecoms block to determine whether households have access to the internet only through a mobile.

Insurances and loans

- Single-trip travel insurance policies are now asked separately from other insurances.
- The number of "other" insurances and loans that could be recorded has been reduced from 10 to 3.
- A second question, that was previously asked to check whether any other insurances or loans were missed, has been removed.
- If the respondent previously reported that they have home insurance on both their main and second dwelling, a reminder message is raised to inform them to record all policies.

Various question removals

- · Loyalty card questions have been removed.
- Questions on the sharing economy have been removed.
- Questions asking whether high-value items were purchased new or second hand, and whether they came from a dealership or private individual have been removed.
- Specification questions in the home improvement section have been removed, as well as many other specification questions elsewhere; these questions were asked when "Other" was chosen from an option list.

Other changes

- A check was reinstated to remind interviewers to record income from savings and investments if the respondent has previously indicated these sources of income.
- The Bereavement Payment/Allowance is now called Bereavement Support Payment.
- An option for uniform grants has been added to the question about social fund benefits received; the text for the option is country-dependent, as the name of the grant varies between countries.
- An option for solar panels has been added to the question about income received from other sources in the last 12 months; follow-up questions have also been added and a variable derived for the amount received.
- Respondents who are currently working are no longer asked when they were last paid and are asked all of the pay details questions: if respondents are not working, they are asked if they have been paid in the last 3 to 12 months; if they last got paid more than a year ago, they are not asked pay details.
- A new question was introduced, asking in which year the household's accommodation was bought.

4. Update to the Livings Costs and Food Survey National Statistics Quality Review

The <u>Living Costs and Food Survey (LCF) National Statistics Quality Review</u>, published in May 2016, identified 30 recommendations outlining developments to the LCF required to ensure the survey remains fit for purpose. An <u>ONS response to the NSQR</u> was published in January 2017, describing at a high level how the recommendations will be addressed. This has been followed by annual updates published as part of the <u>LCF technical report</u>. Three approaches were identified for taking the work forward:

- the ONS Data Collection Transformation Programme (primarily through the <u>transformation of ONS'</u> <u>household financial surveys</u>)
- research projects taken forward by the LCF team
- projects led by other areas of ONS, in particular methodology and prices

Progress against each of the 30 NSQR recommendations is provided in <u>Table 20 of the accompanying dataset</u>. Where appropriate, recommendations have been combined resulting in 25 recommendations to take forward. 19 recommendations have been completed. Six recommendations have been paused because of coronavirus (COVID-19) (reprioritisation exercises are underway) and three are ongoing. Two are not yet started because of dependencies on other recommendations.