

# Assessment of compliance with the Code of Practice for Official Statistics

## Statistics on the Work Programme

*(produced by the Department for Work and Pensions)*

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### **About the UK Statistics Authority**

The UK Statistics Authority is an independent body operating at arm's length from government as a non-ministerial department, directly accountable to Parliament. It was established on 1 April 2008 by the *Statistics and Registration Service Act 2007*.

The Authority's overall objective is to promote and safeguard the production and publication of official statistics that serve the public good. It is also required to promote and safeguard the quality and comprehensiveness of official statistics, and good practice in relation to official statistics.

The Statistics Authority has two main functions:

1. oversight of the Office for National Statistics (ONS) – the executive office of the Authority;
2. independent scrutiny (monitoring and assessment) of all official statistics produced in the UK.

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# **Assessment of compliance with the Code of Practice for Official Statistics**

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## ASSESSMENT AND DESIGNATION

The *Statistics and Registration Service Act 2007* gives the UK Statistics Authority a statutory power to assess sets of statistics against the *Code of Practice for Official Statistics*. Assessment will determine whether it is appropriate for the statistics to be designated as National Statistics.

Designation as National Statistics means that the statistics comply with the *Code of Practice*. The *Code* is wide-ranging. Designation can be interpreted to mean that the statistics: meet identified user needs; are produced, managed and disseminated to high standards; and are explained well.

Designation as National Statistics should not be interpreted to mean that the statistics are always correct. For example, whilst the *Code* requires statistics to be produced to a level of accuracy that meets users' needs, it also recognises that errors can occur – in which case it requires them to be corrected and publicised.

Assessment reports will not normally comment further on a set of statistics, for example on their validity as social or economic measures. However, reports may point to such questions if the Authority believes that further research would be desirable.

Assessment reports typically provide an overview of any noteworthy features of the methods used to produce the statistics, and will highlight substantial concerns about quality. Assessment reports also describe aspects of the ways in which the producer addresses the 'sound methods and assured quality' principle of the *Code*, but do not themselves constitute a review of the methods used to produce the statistics. However the *Code* requires producers to "seek to achieve continuous improvement in statistical processes by, for example, undertaking regular reviews".

The Authority may grant designation on condition that the producer body takes steps, within a stated timeframe, to fully meet the *Code's* requirements. This is to avoid public confusion and does not reduce the obligation to comply with the *Code*.

The Authority grants designation on the basis of three main sources of information:

- i. factual evidence and assurances by senior statisticians in the producer body;
- ii. the views of users who we contact, or who contact us, and;
- iii. our own review activity.

Should further information come to light subsequently which changes the Authority's analysis, it may withdraw the Assessment report and revise it as necessary.

It is a statutory requirement on the producer body to ensure that it continues to produce the set of statistics designated as National Statistics in compliance with the *Code of Practice*.

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# 1 Summary of findings

## 1.1 Introduction

- 1.1.1 This is one of a series of reports<sup>1</sup> prepared under the provisions of the *Statistics and Registration Service Act 2007*<sup>2</sup>. The Act allows an appropriate authority<sup>3</sup> to request an assessment of official statistics against the *Code of Practice for Official Statistics*<sup>4</sup> in order for them to gain National Statistics status. This report is in response to such a request. The report covers the set of statistics reported in *Work Programme Official Statistics*<sup>5</sup> (WPOS), produced by the Department for Work and Pensions (DWP).
- 1.1.2 Section 3 of this report adopts an ‘exception reporting’ approach – it includes text only to support the Requirements made to strengthen compliance with the *Code* and Suggestions made to improve confidence in the production, management and dissemination of these statistics. This abbreviated style of report reflects the Head of Assessment’s consideration of aspects of risk and materiality<sup>6</sup>. The Assessment team nonetheless assessed compliance with all parts of the *Code of Practice* and has commented on all those in respect of which some remedial action is recommended.
- 1.1.3 This report was prepared by the Authority’s Assessment team, and approved by the Assessment Committee on behalf of the Board of the Statistics Authority, based on the advice of the Head of Assessment.

## 1.2 Decision concerning designation as National Statistics

- 1.2.1 The Statistics Authority judges that the statistics covered by this report are readily accessible, produced according to sound methods and managed impartially and objectively in the public interest, subject to any points for action in this report. The Statistics Authority confirms that the statistics published in WPOS can be designated as new National Statistics, subject to DWP implementing the Requirements listed in section 1.5 and reporting them to the Authority by September 2014.
- 1.2.2 DWP has informed the Assessment team that it has started to implement the Requirements listed in section 1.5. The Statistics Authority welcomes this.

## 1.3 Summary of strengths and weaknesses

- 1.3.1 The Work Programme statistics are of great public interest and have been the subject of investigation by several Parliamentary Select Committees, and the

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<sup>1</sup> <http://www.statisticsauthority.gov.uk/assessment/assessment-reports/index.html>

<sup>2</sup> [http://www.opsi.gov.uk/Acts/acts2007/pdf/ukpga\\_20070018\\_en.pdf](http://www.opsi.gov.uk/Acts/acts2007/pdf/ukpga_20070018_en.pdf)

<sup>3</sup> Subsection 12(7) of the Act defines ‘appropriate authority’ as Ministers of the Crown, Scottish Ministers, Welsh Ministers, Northern Ireland departments or the National Statistician

<sup>4</sup> <http://www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html>

<sup>5</sup> <https://www.gov.uk/government/collections/work-programme-statistics--2>

<sup>6</sup> <http://www.statisticsauthority.gov.uk/assessment/assessment/guidance-about-assessment/criteria-for-deciding-upon-the-format-of-an-assessment-report.pdf>

subject of a monitoring review<sup>7</sup> by the Statistics Authority. DWP has worked with the National Statistician's Good Practice Team to present the statistics in a more straightforward way (from the release in June 2013) in response to the feedback from Parliament, the Authority and the media. Users have welcomed these improvements. However, there is scope for further improvement as the narrative is unclear in places.

- 1.3.2 The commentary in *WPOS* highlights some relevant policy and operational issues. DWP could enrich the narrative by providing users with information about the wider context of changes in employment patterns and the scale of long-term unemployment, or a comparison with other welfare to work schemes.
- 1.3.3 DWP has responded to feedback from the Assessment team during the course of the assessment to provide more detailed information about the comprehensive steps that it has taken to assure the quality of the statistics. A financial audit is carried out as part of the process to validate the underlying payment information; DWP publishes some information about the nature of these checks but could make the audit arrangements clearer for example by providing a process map of the system assurance.

#### 1.4 Detailed recommendations

- 1.4.1 The Assessment team identified some areas where it felt that DWP should improve the production and presentation of the Work Programme statistics. Those which are essential for DWP to address in order to strengthen its compliance with the *Code* and to enable designation as National Statistics are listed – as Requirements – in section 1.5, alongside a short summary of key findings that led to each Requirement being made. Other recommended changes, which the Assessment team considers would improve the statistics and the service provided to users but which are not formally required for their designation as National Statistics are listed – as Suggestions – in section 1.6.

#### 1.5 Requirements for designation as National Statistics

- 1.5.1 This section includes those improvements that DWP is required to make in respect of its Work Programme statistics in order to fully comply with the *Code of Practice for Official Statistics*, and to enable designation as National Statistics.

Finding	Requirement	
While DWP consulted users about the presentation of the Work Programme statistics it has yet to publish its response. DWP should:	1	Publish a response to the consultation on the Work Programme statistics held in 2013 (para 3.1).

<sup>7</sup> <http://www.statisticsauthority.gov.uk/assessment/monitoring/monitoring-reviews/index.html>

<p>A key feature of the Work Programme of particular interest to users is the performance of the employment support providers. DWP should:</p>	<p>2</p>	<p>Provide a description of performance against the Work Programme targets in <i>WPOS</i> (para 3.9).</p>
<p>DWP has made a series of improvements to its Work Programme statistical reports following feedback from users and the Authority. Users have welcomed the improvements. However, more can be done to simplify the presentation of the statistics to support their broadest use. DWP should:</p>	<p>3</p>	<p>Further improve the presentation of statistics and commentary in <i>WPOS</i> so that it aids user interpretation by:</p> <ul style="list-style-type: none"> <li>a) including a summary in narrative form at the start of the key findings to provide a clear overview of the main messages</li> <li>b) using straightforward language to describe the main concepts and key findings</li> <li>c) improving the accessibility of the results by Contract</li> </ul> <p>(para 3.10).</p> <p>As part of meeting this Requirement, DWP should consider the points detailed in annex 1 and annex 2.</p>

## 1.6 Suggestions for extracting maximum value from the statistics

1.6.1 This section includes some suggestions for improvement to DWP’s statistics on the Work Programme, in the interest of the public good. These are not formally required for designation, but the Assessment team considers that their implementation will improve public confidence in the production, management and dissemination of official statistics.

We suggest that DWP:

<p>1</p>	<p>Reduce the risk of undermining confidence in its official statistics by considering the presentation of the Work Programme statistics in future press releases (para 3.3).</p>
<p>2</p>	<p>Before each release of the statistics, review the evidence emerging from its quality assurance processes and reflect that in the statistical report itself, or its assurance processes more generally, as appropriate (para 3.5).</p>
<p>3</p>	<p>Aid users’ interpretation of the Work Programme statistics by describing the extent to which the statistics are comparable with the Steps to Work statistics for Northern Ireland (para 3.7).</p>
<p>4</p>	<p>Better meet user needs and provide a more complete view of the</p>

<p>Work Programme by investigating the feasibility of collecting reliable job start data from Prime Providers, and reporting on job starts within <i>WPOS</i>. If it is determined to not be feasible, we suggest that DWP inform users of the reasons for its decision (para 3.11).</p>
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## 2 Subject of the assessment

- 2.1 The Work Programme<sup>8</sup> is the main government scheme to assist unemployed people in Great Britain into sustained work, and has been the subject of several investigations by Parliamentary Select Committees, reflecting wider public interest. The Work Programme was launched by DWP in June 2011 in Great Britain, replacing previous employment support schemes. It is delivered by 18 Prime Providers under contract to DWP. These are private, public and third sector organisations that provide personalised support for claimants transferred to them from Jobcentre Plus. The scheme is mandatory for some claimants receiving Jobseeker's Allowance<sup>9</sup> and Employment and Support Allowance<sup>10</sup>, while others can volunteer to join the scheme. Claimants are assigned to one of nine payment groups, according to their individual circumstances.
- 2.2 The Prime Providers have established partnerships with local providers and other organisations, including local government, to deliver the Work Programme services. Jobcentre Plus advisors first refer claimants to the Work Programme at a referral interview. Claimants are then allocated to a Prime Provider in their area who arranges work-related activities, such as training and work experience, to help participants find work. Prime Providers receive an attachment fee for each participant starting the programme, and then a job outcome payment after a participant has been in a job for six months (or after three months for claimants who are seen to be at greatest disadvantage in finding work, such as ex-offenders). Prime Providers can claim sustainment payments every four weeks when a participant stays in work for longer (up to a maximum of two years, again varying by payment group). Payments are incentive-based, the amount varying for the different types of claimants.
- 2.3 *Work Programme Official Statistics (WPOS)* provides an overview of the monthly intake of people referred to the Work Programme, tracked over time, and is published in quarterly reports. DWP also releases detailed data tables through its Tabulation Tool<sup>11</sup>, and makes some statistics by cohort available through a data visualisation tool<sup>12</sup>. DWP also publishes some additional tables of unvalidated job outcome payments data<sup>13</sup> and the percentage of referrals that could achieve a job outcome<sup>14</sup> on the DWP pages of the GOV.UK website.
- 2.4 DWP initially released *WPOS* as a quarterly report on the referrals and attachments of claimants to the Work Programme. In November 2012 it decided to change this to a six-monthly to coincide with the release of referrals and attachments and the newly available statistics on job outcome and sustainment payments. It subsequently revised these plans following feedback

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<sup>8</sup> <https://www.gov.uk/government/policies/helping-people-to-find-and-stay-in-work/supporting-pages/managing-the-work-programme>

<sup>9</sup> To receive Jobseeker's Allowance claimants must be over 18 and below state pension age, not in full time education, and be able, available and seeking work: <https://www.gov.uk/jobseekers-allowance/eligibility>

<sup>10</sup> Employment and Support Allowance is the benefit and support for people who are ill or disabled: <https://www.gov.uk/employment-support-allowance>

<sup>11</sup> <http://tabulation-tool.dwp.gov.uk/WorkProg/tabtool.html>

<sup>12</sup> <https://www.gov.uk/government/collections/data-visualisations>

<sup>13</sup> <https://www.gov.uk/government/publications/work-programme-job-outcome-figures>

<sup>14</sup> <https://www.gov.uk/government/publications/the-percentage-of-referrals-to-the-work-programme-that-could-achieve-a-job-outcome>

- from the Public Accounts Committee ((PAC) see paragraph 2.10), to retain the quarterly cycle.
- 2.5 DWP compiles the Work Programme statistics from administrative data on referrals held on the Labour Market System database run by Jobcentre Plus and from the invoice system used by Prime Providers to request payment from DWP – the Provider Referral and Payment System (PRaP). DWP receives monthly extracts from these sources and combines them with other benefit and claimant data to form the Work Programme Analytical Database which is used by the DWP statistics team to produce *WPOS*.
  - 2.6 All job outcome payment claims are subject to an off-benefit check before payment. This involves an automated check to match participant information with the benefit claimant system to ensure that participants for whom Job Outcome invoices have been submitted are not still claiming benefit. Job Outcome invoices that fail this automated check are removed from the system (unless they can be validated by DWP) and not paid. Invoices which pass the off-benefit check are released for payment. Further post-payment checks are conducted by DWP as part of its controls against fraud and payment error. These include the audit every month of a sample of 33 claims per contract that passed the automatic checks. The sample is matched against HM Revenue & Customs P45 data to validate employment and can involve directly contacting the claimant or the employer to verify the data. Job outcome payments that are found to be invalid are used to calculate error rates for each contract. These are used to derive adjustment factors and are applied in producing the official statistics to reflect final job outcome payments made to Prime Providers.
  - 2.7 DWP uses the statistics to monitor the performance of the Work Programme. It has a Business Plan Transparency Indicator<sup>15</sup> that it reports to HM Treasury every quarter. This metric is included in *WPOS* and gives the proportion of each monthly cohort of referrals for whom Prime Providers were paid a job outcome payment within the following 12 months. From September 2013 DWP has also reported the equivalent measure after 24 months since referral.
  - 2.8 DWP monitors the performance of the Prime Providers against standards defined in their contract by the minimum performance levels. These set out the number of job outcomes a Prime Provider must achieve in a year for the three core payment groups, as a proportion of the number of referrals that the Prime Provider receives in that year. *WPOS* presents these figures by Prime Provider in supplementary tables. DWP commissioned Paul Lester CBE to conduct a review<sup>16</sup> of the minimum performance levels after the first publication of *WPOS* due to confusion from users surrounding the statistics. The review identified key steps that DWP could take to increase the transparency of Work Programme performance and aid public understanding.
  - 2.9 Other main users of the statistics are: Parliament (through Select Committees), local government, employment support organisations (including the Prime

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<sup>15</sup> <https://www.gov.uk/government/publications/dwp-business-plan-transparency-measures/dwp-business-plan-transparency-measures#proportion-of-customers-for-whom-providers-have-achieved-a-job-outcome-payment-at-12-months-on-the-work-programme>

<sup>16</sup> <https://www.gov.uk/government/publications/review-of-work-programme-minimum-performance-levels>

- Providers themselves), the third sector and the media. They use the statistics to hold the government to account, as well as to benchmark local delivery.
- 2.10 The Work Programme has been the subject of hearings in the Work and Pensions Committee<sup>17,18</sup> (WPC) and PAC<sup>19</sup>. WPC called for greater clarity in the statistics, with the level of performance to be set in the context of DWP's expectations. In 2012 PAC took evidence on the basis of a report by the National Audit Office<sup>20</sup> (NAO) examining the first set of statistics from the Work Programme. PAC called for the Work Programme statistics to be published more frequently, after DWP had announced that it intended to publish the performance figures every six months. The UK Statistics Authority undertook its own monitoring review of DWP's Work Programme and Pre-Work Programme statistics<sup>21</sup>. It highlighted a number of areas of improvement necessary for the statistics to fully comply with the *Code of Practice*. DWP addressed these issues in consultation with the National Statistician's Good Practice Team and sought the views of users. Subsequently, DWP put forward the Work Programme statistics for this assessment against the *Code*.
- 2.11 The Work Programme covers Great Britain. The Department for Employment and Learning (DEL), Northern Ireland has its own employment scheme, Steps to Work<sup>22</sup>, which began in 2008. DEL publishes quarterly official statistics on the Steps to Work programme<sup>23</sup>. DEL is currently replacing the Steps to Work programme with a new Steps 2 Success NI)<sup>24</sup> scheme.
- 2.12 DWP publishes *WPOS* in PDF, with supplementary data tables published on DWP's online tabulation and data visualisation tools. The underlying tables can be downloaded in compressed zip files containing the data tables in csv format<sup>25</sup>. The two additional data tables on job outcome payments and proportion of referrals that could achieve a job outcome are published in Excel format. This equates to a level of three stars under the Five Star Scheme proposed in the *Open Data White Paper: Unleashing the Potential*<sup>26</sup> and adopted as government policy in November 2012<sup>27</sup>. Five stars represents the highest star rating within the Scheme.
- 2.13 DWP told us that the costs to produce the Work Programme statistics are around £60,000 per annum.

<sup>17</sup> <http://www.parliament.uk/business/committees/committees-a-z/commons-select/work-and-pensions-committee/news/wk-prog-rpt/>

<sup>18</sup> <http://www.publications.parliament.uk/pa/cm201314/cmselect/cmworpen/162/162.pdf>

<sup>19</sup> <http://www.publications.parliament.uk/pa/cm201213/cmselect/cmpublicacc/936/93602.htm>

<sup>20</sup> <http://www.nao.org.uk/press-releases/a-commentary-for-the-committee-of-public-accounts-on-the-work-programme-outcome-statistics-2/>

<sup>21</sup> <http://www.statisticsauthority.gov.uk/reports---correspondence/correspondence/work-programme-statistics.pdf>

<sup>22</sup> <http://www.delni.gov.uk/stepstowork>

<sup>23</sup> <http://www.delni.gov.uk/index/statsandresearch/training-and-employment-stats/steps-to-work-statistics.htm>

<sup>24</sup> <http://www.delni.gov.uk/index/finding-employment-finding-staff/fe-fs-help-to-find-employment/steps2success.htm>

<sup>25</sup> <https://www.gov.uk/government/publications/work-programme-data-used-in-dwp-visualisation>

<sup>26</sup> [http://data.gov.uk/sites/default/files/Open\\_data\\_White\\_Paper.pdf](http://data.gov.uk/sites/default/files/Open_data_White_Paper.pdf)

<sup>27</sup> <https://www.gov.uk/government/publications/open-standards-principles/open-standards-principles>

### 3 Assessment findings

- 3.1 The Work Programme statistics team told us that it has good links with users within DWP, including officials in various areas such as management information, policy, and the press office. The statistics team meets these stakeholders on a regular basis to discuss operational issues and their information needs. DWP formed a working group containing some internal stakeholders and employment support providers before it prepared the first Work Programme statistics. It carried out a requirements-gathering exercise using the working group and local authorities, and told the Assessment team that it sought the views of the general public through a notice on the DWP website's landing page. The statistics team also consulted<sup>28</sup> users during its further development of *WPOS*, to identify their views about its presentation and data needs. It has yet to release its report on the feedback and the steps it plans to take in response. In April 2013, DWP set up the Building Best Practice<sup>29</sup> (BBP) group to help providers improve the support that they offer claimants. BBP includes representatives from business and third sector organisations including employment support providers, their trade association – the Employment Related Services Association<sup>30</sup> (ERSA), the Confederation of British Industry, the Skills Funding Agency, the Association of Chief Executives of Voluntary Organisations and the Business Disability Forum. The statistical team is represented on BBP by DWP operational officials, who feed back the statistical requirements and operational issues. The statistics team told us that it is recruiting a new member of staff whose responsibilities will include engaging directly with users, such as through StatsUserNet<sup>31</sup>. As part of the designation as National Statistics, DWP should publish a response to the consultation on the Work Programme statistics held in 2013<sup>32</sup> (Requirement 1).
- 3.2 *WPOS* provides a brief reference to the purpose of the Work Programme and outlines its use in monitoring the Work Programme's progress. Following advice from the Assessment team during the course of this assessment, DWP has extended the supporting information that accompanies the Work Programme statistics to include a detailed description of types of users and the use made of the statistics. It also included further information about the minimum performance levels and Business Plan Transparency Indicator, highlighting how these statistics are used by HM Treasury and DWP and the types of the decisions they inform.
- 3.3 Several users told us during the course of this Assessment of their concern that a partial view of the statistics was being presented in DWP press releases (see annex 2). DWP published a departmental press release<sup>33</sup> in March 2014 to publicise the release of the latest Work Programme statistics. We regard the headline message, 'Over a quarter of a million people escape long-term

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<sup>28</sup> <https://www.gov.uk/government/consultations/work-programme-official-statistics-after-june-2013-content-and-presentation>

<sup>29</sup> <https://www.gov.uk/government/news/work-programme-competitive-market-delivering-constant-improvement>

<sup>30</sup> <http://ersa.org.uk/>

<sup>31</sup> <http://www.statsusernet.org.uk/home>

<sup>32</sup> In relation to Principle 1, Practice 5, and Protocol 1, Practices 6 and 7 of the *Code of Practice*

<sup>33</sup> <https://www.gov.uk/government/news/over-a-quarter-of-a-million-people-escape-long-term-unemployment-thanks-to-the-work-programme>

unemployment thanks to the Work Programme', as over-simplifying the findings from *WPOS*. The press release failed to mention the numbers of people who had returned to Jobcentre Plus having completed the 104 week programme: out of the 496,000 people referred to the Work Programme between June and December 2011, 346,000 claimants were on benefit and returned to Jobcentre Plus<sup>34</sup>. The statistics team told us that they are consulted by DWP's press office during the pre-release access period (24 hours before publication) and carry out a factual check of the press release. They told us that they satisfy themselves that the statistics in the press release are factually correct and ensure that the press release is clearly distinguishable from the official statistics. We consider that press releases which focus on 'good news' without providing a balanced view of other notable statistics given in the associated official statistics releases may risk undermining users' confidence in the official statistics themselves. The risk may be magnified when the topic has a high political profile and is of great public interest, as is the case with the Work Programme statistics. We suggest that DWP should reduce the risk of undermining confidence in its official statistics by considering the presentation of the Work Programme statistics in future press releases.

- 3.4 DWP provides supporting explanatory information in an accompanying background information note<sup>35</sup>. This includes information about the refreshing of the analytical database each month, which is created using the latest version of data from the Labour Market System database and Provider Referral and Payment System (PRaP), with the addition of records for new referrals and the updating of the records for existing participants on the Programme. *WPOS* includes a brief note about the revisions policy for these statistics and provides links to DWP's corporate revisions statement and background information note. Previously it did not sufficiently explain the extent of revision. Following advice from the Assessment team during the course of this assessment, DWP revised the background information note to explain the reason for the revisions and to give a quantitative indication of the scale of the changes.
- 3.5 DWP has published a Statement of Administrative Sources<sup>36</sup> that details the administrative sources it uses in the production of its official statistics. The Statement does not adequately cover all the elements required by the *Code*. Following advice from the Assessment team DWP has extended the Statement to provide details about the arrangements for the assurance and auditing the administrative data used for statistical purposes, and plans to publish this in the near future. The background information note that accompanies each statistical report provides information about the underlying data sources and validation checks carried out before and after payment of the invoices submitted by Prime Providers. The backlog of claims that had failed an initial automated check in 2012 was described in the background note for March 2014 and the impact is highlighted in *WPOS*. The note did not set out sufficiently clearly the role of audit in the assurance process. Following advice from the Assessment team during the course of the assessment, DWP has extended the background information note to provide detailed information about the quality assurance

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<sup>34</sup> From Supplementary Table 2.6, *WPOS*, March 2014;

<https://www.gov.uk/government/publications/work-programme-statistical-summary-march-2014>

<sup>35</sup> <https://www.gov.uk/government/publications/work-programme-official-statistics-background-information-note>

<sup>36</sup> <http://statistics.dwp.gov.uk/asd/index.php?page=policy>

carried out on the Work Programme statistics and to highlight the role of financial audit in verifying the accuracy of the data. However, the numbers given in Table 1.4 were not updated between the editions of *WPOS* released in December 2013 and March 2014, despite the associated commentary reflecting more recent findings. DWP has corrected the error and following feedback from the Assessment team, it has revised its guidance to officials in the quality assurance group to clarify the checking procedures and roles. We suggest that DWP should, before each release of the statistics, review the evidence emerging from its quality assurance processes and reflect that in the statistical report itself, or its assurance processes more generally, as appropriate.

- 3.6 NAO<sup>37</sup> carried out an assurance review of some of DWP's data systems in 2013. It recommended that DWP conduct an internal audit of the latest version of the PRaP system following its implementation. DWP told us that it has undertaken this system testing in discussion with NAO.
- 3.7 The Work Programme covers Great Britain. DWP highlights on its web pages on the GOV.UK website that it produces statistics for other welfare to work schemes such as on pre-Work Programme support and the Youth Contract<sup>38</sup>. A link is also provided in *WPOS* and in the background information note. Welfare to work statistics for Northern Ireland from the Steps to Work scheme are published by DEL (see paragraph 2.11). *WPOS* does not draw attention to these statistics or highlight any issues of comparability between the various welfare to work statistics. DWP told us that these statistics are not directly comparable with the Work Programme statistics and that it will work with DEL to examine the comparability of statistics to be produced in Northern Ireland from a new scheme, Steps 2 Success, once available. DWP told us that it is adding a link to the Northern Ireland statistics on its employment support programme web page. We suggest that DWP should aid users' interpretation of the Work Programme statistics by describing the extent to which the statistics are comparable with the Steps to Work statistics for Northern Ireland.
- 3.8 DWP has simplified the presentation of the Work Programme statistics since their first publication, working with the National Statistician's Good Practice Team. Users told us that they welcome these improvements. A key feature of the revamped presentation (the release in March 2014) is an overview diagram which is a helpful approach to describing the various elements of the scheme and the resulting statistics. *WPOS* begins with an overall summary of the main statistics, followed by sections focusing on specific aspects of the Work Programme (including referrals, job outcomes, and sustainment payments – for all participants on the Work Programme and by payment group). Each section includes a few key points accompanied by a description of trends using charts or summary tables and more detailed commentary which is a helpful structure. We welcome the changes that DWP has made to *WPOS*.
- 3.9 However, *WPOS* does not present adequate information to describe the overall performance of the Programme, or for the reader to determine the extent of contractors' compliance with the relevant targets. *WPOS* focuses on the results

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<sup>37</sup> <http://www.nao.org.uk/report/2012-13-review-of-the-data-systems-for-the-department-for-work-and-pensions/>

<sup>38</sup> <https://www.gov.uk/government/collections/pre-work-programme-and-get-britain-working>

for all payment groups; however, the statistics for contract minimum performance levels are not presented prominently. These figures will be of particular relevance to users with an interest in reviewing the performance of the Work Programme and of the Prime Providers. As part of the designation as National Statistics, DWP should provide a description of performance against the Work Programme targets in *WPOS*<sup>39</sup> (Requirement 2).

- 3.10 Some further improvements could also be made to *WPOS* to support non-expert users in interpreting the statistics, as the text is unclear in places with a heavy reliance on industry jargon (such as ‘intakes’, and ‘job outcomes’). For example, the first main finding refers to intakes attaining a job outcome payment, which could suggest that the payments are for the Work Programme participants; instead the payments are made to the Prime Providers. The fourth finding is unclear; it states:

‘The earliest intakes continue to attain Job Outcome payments with more time on the Programme. For each intake to reach the 24 month stage around 22% achieved a Job Outcome by this point.’

The main finding for all referrals says:

‘Approaching 1.5 million individuals have been Referred to the Work Programme. Almost 19% of those with sufficient time on the programme to do so, achieved a Job Outcome payment, with just over a quarter of a million payments overall.’

It is unclear how to interpret the scale of these figures or the degree of success of the programme in referring and placing participants in sustained employment.

As part of the designation as National Statistics, DWP should further improve the presentation of statistics and commentary in *WPOS* so that it aids user interpretation by: (a) including a summary in narrative form at the start of the key findings to provide a clear overview of the main messages; (b) using straightforward language to describe the main concepts and key findings; and (c) improving the accessibility of the results by Contract<sup>40</sup> (Requirement 3). As part of meeting this Requirement, DWP should consider the points detailed in annex 1 and annex 2.

- 3.11 Some users expressed strong interest in DWP providing information about job starts alongside the information about referrals, and job outcome and sustainment payments, to provide a more current and complete view of the flow of claimants onto the Work Programme and into work. The job start data are collected by individual Prime Providers and shared with ERSA but are not part of the contractual information required by DWP. ERSA publishes this job start information around the same time as DWP’s release of *WPOS*. Since the information about claimants starting work and length of time in work are essential elements of the information required by service providers in managing the placement of claimants, there may be scope for the collection of reliable job start data by DWP. We suggest that DWP should better meet user needs and provide a more complete view of the Work Programme statistics by investigating the feasibility of collecting reliable job start data from Prime

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<sup>39</sup> In relation to Principle 8, Practice 2 of the *Code of Practice*

<sup>40</sup> In relation to Principle 8, Practice 2 of the *Code of Practice*

Providers, and consider reporting on job starts within *WPOS*. If it is determined not to be feasible, we suggest that DWP inform users of the reasons for its decision.

- 3.12 DWP publishes *WPOS* on the GOV.UK website in PDF only, and makes other formats available on request. DWP also provides online tabulation and visualisation tools. It provides the underlying data in these tools in compressed zip files containing the tables in csv format for downloading. It signposts users to the full suite of statistics on the second page of the statistical report, but does not make the availability of this option sufficiently clear on the online tools. DWP told us that, in the longer term, it is developing the means for releasing Work Programme data through its Stat-Xplore tool<sup>41</sup> which has enhanced functions that better support the re-use of the data. During the course of this assessment, following advice from the Assessment team, DWP extended the supporting information to set out its intention to move towards the dissemination of the Work Programme data through Stat-Xplore and improved the accessibility of the underlying data tables by providing a link on the GOV.UK website.

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<sup>41</sup> <https://stat-xplore.dwp.gov.uk/>

## Annex 1: Compliance with Standards for Statistical Reports

- A1.1 In November 2012, the Statistics Authority issued a statement on *Standards for Statistical Reports*<sup>42</sup>. While this is not part of the *Code of Practice for Official Statistics*, the Authority regards it as advice that will promote both understanding and compliance with the *Code*. In relation to the statistical reports associated with the Work Programme statistics, this annex comments on compliance with the statement on standards.
- A1.2 In implementing any Requirements of this report (at paragraph 1.5) which relate to the content of statistical reports, we encourage the producer body to apply the standards as fully as possible.

### **Include an impartial narrative in plain English that draws out the main messages from the statistics**

- A1.3 *WPOS* provides an overview diagram of the Work Programme which is helpful in explaining the various metrics and some of the key terms. *WPOS* begins with key findings which highlight changes in job outcome payments over time and compares the results for types of entrant (such as Employment and Support Allowance (ESA) and Jobseeker's Allowance (JSA) claimants). It presents percentages for the monthly intake results, but does not give absolute numbers. The main findings use industry jargon, for example, the first main finding on page 1 says: '10.7% of December 2012 intake attained a Job Outcome payment after 12 months on the programme.' It is also difficult to interpret the total numbers of referrals to the Work Programme and the sustainment payments as no comparator is given. Bullet 3 on page 5 says: 'For each intake to have reached 24 months on the scheme around 22% achieve Job Outcome payments within that time.' A definition of sustained employment is not given but is implied in the report (page 1, March 2014 release) as being the point that a job outcome payment is made – this may not match a general understanding of sustained employment and may contribute to a misinterpretation of the findings from the Work Programme.
- A1.4 Each section in *WPOS* includes a chart, illustrating change since the scheme began in June 2011, and corresponding commentary. It gives the key message followed by a more detailed discussion of the trend and components. The commentary includes some helpful narrative about the nature of change in the statistics, such as highlighting that the reduction in intake over time is attributed to changes in access to the Work Programme, individuals only being allowed to apply once, or due to public holidays in certain months. The analytical commentary describes the long-term trends; however, it does not always describe the short-term changes in the context of the longer-term trend. In the March 2014 release of *WPOS*, the pattern of job outcome payments by intake cohort illustrated in Chart 2a in section A2 indicates a notable change in cohort profile – it is summarised as a slight fall in more recent cohorts. The description of job outcome payments by payment group in section A3 does not sufficiently describe the contrasting patterns in the various JSA groups.
- A1.5 Some regional analysis is included, benchmarking payments between areas. However it does not present these figures in the context of a baseline, such as

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<sup>42</sup> <http://www.statisticsauthority.gov.uk/news/standards-for-statistical-reports.html>

variations in unemployment by area. DWP provides links to other published DWP statistics in the metadata section, but their relevance to the Work Programme results is not expanded upon.

### **Include information about the context and likely uses of the statistics**

A1.6 The introduction includes a brief reference to the purpose underpinning the Work Programme, and a link to further information about the welfare reforms, but includes little explanation of the wider policy context (such as the Work Programme's aims or targets or its relationship with other employment schemes) or economic context (such as current unemployment rate, or claimant rate). Information is given in the background information note about the Business Plan Transparency Indicator and minimum performance levels. However the report does not describe the performance of the Programme overall. Supplementary Table 2.16 does not provide the performance targets for the respective payment groups or make clear whether the Contracts met the performance levels.

### **Include information about the strengths and limitations of the statistics in relation to their potential use**

A1.7 *WPOS* includes some cautionary comments to guide interpretation. For example, DWP warns against making direct comparisons between the numbers of outcome payments and referrals in the same period due to a lag in payments. It also warns of misinterpretation in relation to figures about movement off benefit not providing direct evidence of sustained employment. Further guidance is given in the background information note.

### **Be professionally sound**

A1.8 The commentary includes generally sound descriptions of the statistical patterns. The charts are generally clear and well presented. A problem with the colouring of some charts in the March 2014 release has been addressed by DWP following feedback from the Assessment team – a new version of the PDF has been uploaded on the GOV.UK website.

A1.9 The numbers given in Table 1.4 were not updated between the editions of *WPOS* released in December 2013 and March 2014, although the associated commentary was changed. This error indicates a failing in quality assurance of the statistical report. DWP has since revised its quality assurance procedures.

A1.10 The categories used in Table 1.3 in section B1 and Supplementary Table 2.6 are explained in the diagram on page 2; however, further explanation is not given by the tables on page 10 (in the March 2014 release of *WPOS*). It is not clear whether the reference to 'Provider still receiving Outcome Payments' and 'Maximum Outcome Payments' should instead refer to 'sustainment payments'. That outcome payments include both job outcome payments and sustainment payments could be made clearer. The categories of 'completed early' and 'completed allotted time: never attached' are not explained. It is unclear from the tables which referrals are still in employment at the reference data point (December 2013).

**Include, or link to, appropriate metadata**

A1.11 A link is provided on the first page and in the metadata section of *WPOS* to the background information note. Good links are given between charts and underlying data in appendices. There is also reference to the online tabulation and data visualisation tools. DWP notes that each release revises the full trend of results as there can be lags between achieving outcomes and payments (page 36 of the release). The background information note indicates the scale of change. Direct details of the responsible statistics are included prominently on the front cover.

## Annex 2: Summary of assessment process and users' views

A2.1 This assessment was conducted from January to May 2014.

A2.2 The Assessment team – Penny Babb and Russell Whyte – agreed the scope of and timetable for this assessment with representatives of DWP in January. The Written Evidence for Assessment was provided on 5 March. The Assessment team subsequently met DWP during April to review compliance with the *Code of Practice*, taking account of the written evidence provided and other relevant sources of evidence.

### Summary of users contacted, and issues raised

A2.3 Part of the assessment process involves our consideration of the views of users. We approach some known and potential users of the set of statistics, and we invite comments via an open note on the Authority's website. This process is not a statistical survey, but it enables us to gain some insights about the extent to which the statistics meet users' needs and the extent to which users feel that the producers of those statistics engage with them. We are aware that responses from users may not be representative of wider views, and we take account of this in the way that we prepare Assessment reports.

A2.4 The Assessment team received 13 responses from the user consultation. The respondents were grouped as follows:

Local government	3
Third sector	3
Private	3
Trade organisation	1
Parliament	1
Academic	1
Member of the public	1

A2.5 Users were content with the quality of the underlying data and a number felt that the statistics met their needs. Most of the users, however, commented on the need to improve access, particularly for accessing the detailed data tables: those included in the statistical report, as well as the supplementary tables released through the online tabulation and data visualisation tools. Many users were frustrated at not being able to download their preferred time series or the cohort statistics used as the Business Plan Transparency Indicator. One user suggested further guidance could be provided on the data visualisation tool to assist users in how to use it.

A2.6 Most users also said that they needed more detailed data than is currently provided, for example, by area (such as parliamentary constituency), payment group and personal characteristics. Others wanted to have the data for payment group 6 (new ESA claimants) presented by the underlying type of claimant. There was strong interest from some users in statistics on job starts which they said would enable useful comparisons with previous employment schemes and with other local programmes. They suggested that these statistics may be more straightforward for non-specialist users to understand

but were not regarded as a replacement for the outcome statistics currently presented. However one user cautioned that there may be a potential for confusion. Ease of access and clear explanation were felt to be essential. There was also demand for data relating to sub-contractors (however, these organisations do not provide information directly to DWP, just to their Prime Provider).

- A2.7 Some users welcomed the improvements that DWP had made to the presentation of the statistics. Several users felt that further improvements could be made to the commentary to make it more understandable for the non-specialist user by, for example, not using industry jargon, beginning with a clearer description of the most important findings, and linking the Work Programme performance patterns to the local economic context.
- A2.8 Several users reported that they had received satisfactory assistance from DWP when they had contacted them for more information but others reported some difficulties. Several users said that they had provided feedback to DWP during its consultation, although they had yet to see a response from DWP. Some concerns were expressed about DWP's unduly positive statements in press releases on reducing long-term unemployment which contrasted with the statistics reported in *WPOS*.

### **Key documents/links provided**

Written Evidence for Assessment document

