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**Ed Humpherson, Director General for Regulation**

Steve Ellerd-Elliott  
Chief Statistician  
Department for Work and Pensions

13 November 2020

Dear Steve,

**Confirmation of National Statistics Designation for National Insurance Number Allocations to Adult Overseas Nationals Entering the UK Statistics**

In January 2017 the Office for Statistics Regulation undertook an assessment of [Statistics on National Insurance Number Allocations to Adult Overseas Nationals](#) produced by the Department for Work and Pensions (DWP). We assessed the statistics reported quarterly in National Insurance Number allocations to adult overseas nationals ([NINo Allocations](#)), and annually in Nationality at point of NINo registration of DWP working age benefit recipients ([NINo Benefit Claimants](#)), along with the related commentary that is published in the August publication of NINo Allocations.

As a result of the assessment, [we judged](#) that the statistics published in NINo Allocations should have their National Statistics status temporarily suspended until work to improve their limited supporting guidance and overall public value is undertaken. We have reviewed the actions that your team has taken since then to address the requirements in the assessment report. On behalf of the Board of the UK Statistics Authority, I am pleased to confirm the designation of National Statistics for the NINo Allocation statistics.

The 2017 assessment of the statistics focused on eight requirements which DWP was to meet to ensure compliance with the [Code of Practice for Statistics](#). We also considered more broadly how the statistics meet the three pillars of the Code of Practice for Statistics, evaluating their trustworthiness, quality, and value.

We recognise the hard work your team has undertaken to meet the requirements of the assessment which has enhanced the clarity, insight, and accessibility of the statistics for users. From our review, users have told us that improvements made to

the statistics have strengthened perceptions of trustworthiness. Further, application of the Quality Assurance of Administrative Data (QAAD) guidance in the related supporting information provides detailed information and assurance of the quality of the statistics.

At the time of the assessment we stressed the importance of the role of DWP and these statistics in helping to inform what we understand of the wider migration picture in the UK. This will be even more important in this period of change to the migration system in the UK and with the cross-government migration statistics transformation programme led by ONS. We welcome DWP's commitment and efforts to support ONS in taking forward the transformation programme.

The review focused solely on NINo Allocations; NINo Benefit Claimants is still classed as experimental statistics so is not being considered for National Statistics designation at this time. I am encouraged to hear that, working in collaboration with HM Revenue and Customs (HMRC), you plan to develop these statistics to include both DWP and HMRC benefits. This should provide users with a more complete picture of working age benefit recipients by nationality.

We have included more detail about our judgement in an annex to this letter, which I, or a member of my team, would be very happy to discuss with you in more detail.

I have copied this letter to Yolanda Ruizrodriguez in your team.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ed Humpherson', written in a cursive style.

Ed Humpherson  
Director General for Regulation

## Annex: Review of actions taken by Department for Work and Pensions in response to Assessment Report 331

Please note in the Annex, the National Insurance Number Allocations to Adult Overseas Nationals Entering the UK statistics will be referred to using the acronym 'NINo'.

Requirement	Actions taken by DWP to meet requirements	Office for Statistics Regulation's evaluation of evidence in meeting requirements
Value		
<p><b>Requirement 1:</b></p> <p>To maximise the public value of the statistics DWP should improve the commentary in the NINo statistical reports by:</p> <ul style="list-style-type: none"> <li>a) Adding more context, including explaining how they feed into wider analysis on immigration data</li> <li>b) Providing more explanation of changes seen in the time series, in particular the reasons for the large increases in NINo registrations since 2014</li> <li>c) Improving the signposting of the commentary for NINo Benefit Claimants or merging NINo Allocations and NINo Benefit Claimants into one publication</li> </ul>	<ul style="list-style-type: none"> <li>a) In February 2020, as outlined in DWP's <a href="#">release strategy</a>, additional context was added to the quarterly report to better explain the historic trends in data. DWP also published a <a href="#">background information note</a>, which details the purpose of the statistics, their limitations and how they fit in with other sources of migration data.</li> <li>b) DWP has added an explanation of changes seen in the time series to the bulletin, including warning users of the changes to the process of NINo recording in 2014 and information about the impact of COVID-19 on the data. DWP advises in the bulletins that annual changes are more reliable than quarterly registration figures to reflect longer-term trends.</li> <li>c) The NINo Benefit Claimants bulletins are signposted through the landing</li> </ul>	<p>Based on the improvements DWP has made to the commentary in the NINo allocation report, we consider users are now better supported in the appropriate use of these statistics. The additional commentary makes it clearer for users to understand how these data fit into the wider migration data story, and the differences in sources.</p> <p>The clear explanation of changes seen in the time series has added clarity and increased transparency.</p> <p>The improvements in signposting to other related DWP NINo outputs offer greater accessibility to its data and statistics.</p>

	page of these statistics, making it easier to access the statistics.	
<p><b>Requirement 2:</b></p> <p>To improve the value of NINo statistics DWP should establish a culture of wide, regular and informative engagement with a wide user community by:</p> <p>a) Establishing effective engagement mechanisms to build open relationships with users outside government, as well as other relevant government departments, to allow direct consultation on their needs as users</p> <p>b) Producing and publishing clear, explicit documentation explaining learning and responses from its user engagement, including who uses the statistics and what decisions they inform, and how it takes account of these users' needs when planning publications</p>	<p>a) DWP has developed a User Engagement Strategy and an internal checklist for engagement. The strategy sets out the current engagement approach and future development plans for the publication alongside tentative timescales. The strategy includes a user engagement road map, an action plan of multiple strands – analytic, direct user engagement and research and development, and tentative timescales.</p> <p>The team has strong links with policy teams within DWP and uses engagement opportunities with users and stakeholders outside DWP. It also has clear channels in which its users can contact them directly through the DWP website.</p> <p>Team members from DWP present regularly at conferences (for example at the Royal Statistical Society conference in September 2020 alongside the Office for National Statistics (ONS) and the Migration Observatory).</p>	<p>DWP employs a number of approaches to engage with users. In particular the assessment team recognises that DWP is an active participant at migration statistics user events, collaborating with other statistics producers to remain visible and engage with key users.</p> <p>We consider the User Engagement Strategy to be fairly comprehensive and it makes it clear that DWP wants to put users, and potential users, at the heart of their statistics.</p> <p>These plans for engagement are very positive and we welcome DWP's commitment to further engage with users outside government. This could involve DWP identifying potential users of the statistics, making better use of established user networks for migration statistics, and directly seeking feedback from users on how well they engage. Using this information to be able to understand the effectiveness of its engagement strategy should help to further strengthen user and stakeholder engagement over time.</p> <p>The assessment team is happy to hear DWP's plan to publish further information</p>

	<p>b) Within DWP’s supporting information it states that identified users’ needs are reviewed and considered as part of ongoing development plans. Explicit documentation is not currently published on this although the key drivers for changes to the published statistics, as stated in its <a href="#">release strategy</a>, include changing user needs and requests for data received through Parliamentary Questions (PQs) and Freedom of Information (FOI) requests.</p> <p>DWP plans to publish more information about how users’ needs can and cannot be met in future.</p>	<p>on how it responds to specific user needs or requests for data. This additional transparency will help to show how user view influence the teams planning and provide an additional route to explain to users how their needs are being considered.</p>
<p><b>Requirement 3:</b></p> <p>To improve the accessibility of the range of data available DWP should:</p> <p>a) Outline its vision for the development of the NINo statistics, including its contribution to the cross-government analytical work using these data</p> <p>b) Signpost the most recent and relevant ad hoc releases on the NINo data from the NINo webpages</p> <p>c) Clearly set out what data are and are not available, including explanations about why certain data are not</p>	<p>a) DWP has published a release strategy which details <a href="#">development plans for future releases</a> with estimated timescales. For example, in 2021 DWP expects to extend its annual experimental statistics to include all DWP benefits and HMRC benefits.</p> <p>DWP has a key role in the wider migration statistics transformation programme, as a member of the GSS steering group and on individual work streams. This is documented by ONS in its <a href="#">transformation updates</a>.</p>	<p>We are pleased that DWP has taken positive steps in producing its own transparent communications on future developments through its release strategy.</p> <p>The assessment team recognises DWP’s commitment and efforts to support ONS in contributing to the migration statistics transformation programme. DWP highlights to its NINo statistics users its wider role in the cross-government transformation programme and provides links to the ONS website for further details.</p>

<p>available, for example due to lack of data availability or lack of resources, to aid users' understanding of what analyses can be carried out using NINo statistics</p>	<p>b) DWP has added links to ad hoc releases on the NINo webpage, making these releases easier to find for users.</p> <p>c) Information in <a href="#">Stat-Xplore</a> outlines what data are available, to make it clear to users what analyses can be carried out.</p>	
<p><b>Quality</b></p>		
<p><b>Requirement 4:</b></p> <p>DWP should assure itself and its users about the quality of the NINo statistics by:</p> <p>a) Ensuring that it has a full understanding of the data quality assurance processes used in the production of the statistics, including the checks that are carried out by the data suppliers and the statistics team, and about any audits or third-party assurance of the source data</p> <p>b) Making improvements to its processes necessary to assure users of good quality NINo statistics</p> <p>c) Publishing a clear and comprehensive summary of its findings at an appropriate level of detail for its users</p> <p>d) Publishing a process map to aid users' understanding of the journey of the NINo data through the DWP and</p>	<p>a) DWP has published detailed <a href="#">Quality Assurance of Administrative Data (QAAD)</a> supporting information in its methodology note. This outlines DWP's data initial quality assurance checks of the Migrant Workers Scan data, the production and Quality Assurance (QA) of statistical data and products, peer reviewing of statistical products and sign-off by the Head of Profession for Statistics. The statistical team also has a QA checklist, which has been designed in line with OSR's guidance, for auditing purposes.</p> <p>b) As outlined in its quality document, the team has been working to automate the publication process and has been adopting the use of Reproducible Analytical Pipelines (RAP) to produce these statistics.</p>	<p>DWP has undertaken considerable work to successfully meet this requirement. DWP has worked hard to improve its quality assurance documentation and its methodology note which informs users about the quality of the statistics. The approach to QA is clearly documented and the methodology note has brought significant clarity to these processes for users of the statistics.</p> <p>The thorough and detailed information about the QA process contained in the publication reassures users of the quality of the statistics.</p> <p>DWP's use of RAP, and its dedication towards improving the quality of these statistics, is very positive.</p> <p>The process map is a valuable addition to the publication. It clearly details the journey of the NINo data to provide</p>

<p>HMRC data systems and quality assurance processes undertaken at the various stages throughout the process</p> <p>e) Ensuring that the administrative data sources used in the production of the NINo Benefit Claimants are listed in its SoAS. As part of meeting this Requirement, DWP should refer to the Authority's Administrative Data Quality Assurance Toolkit.</p>	<p>Also, following a review of the full production and dissemination process in 2019, the statistics team streamlined the production code and QA processes to reduce the risk of human error while significantly reducing involved resource levels.</p> <p>c) The team frequently reviews the commentary around key stories and trends and uses plain language and explains acronyms to cater for non-expert audiences. The statistical bulletin contains detailed and objective commentary on the current number and rates of change in NINo allocation to adult overseas nationals. Charts, visualisations and maps are used to illustrate key messages. The release strategy outlines that, in February 2020, additional context was added to better explain the trends in historic data.</p> <p>d) DWP has published a NINo statistics production and quality assurance process map which documents the journey of the NINo data.</p> <p>e) The <a href="#">Quality Report</a> refers directly to using the Quality Assurance of Administrative Data guidance. The administrative data source used in the</p>	<p>insight into the data system, and reassurance of quality assurance processes, to users of the data.</p> <p>The use of the QAAD guidance is an improvement. It is also made very clear what the data source is for the statistics.</p>
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	production of the statistics is clearly described in the methodology report.	
<p><b>Requirement 5:</b></p> <p>To enhance the public’s knowledge and understanding of the quality of NINo statistics and their appropriate use, DWP should publish a comprehensive and accessible set of quality and methods information that:</p> <p>a) Outlines all the known limitations of the statistics, and the implications for the quality of the statistics, in terms of their existing use for measuring migration and other potential uses, and in relation to the European Statistical System (ESS) quality dimensions</p> <p>b) Clearly explains the reasons for the discontinuities in the historical series, and how to account for quarterly seasonality when comparisons are made</p> <p>c) Updates its published information to aid users’ understanding about the NINo application process, NINo eligibility, and the statistical methods used to produce the statistics, including the justification for the</p>	<p>a) DWP has included extensive information about the limitations in the background information and methodology note, making it clear what the implications of the limitations are for the use of the statistics, in addition to providing links to the Code of Practice for Statistics and the European Code of Practice for Statistics.</p> <p>b) The quality report and the bulletin provide information about discontinuities in the data. DWP explains that discontinuities are associated with operational changes. This also applies to the impact of COVID-19 on the statistics, which has been explained in detail. Further, DWP advises that annual comparisons should be made, rather than comparing on a quarterly basis, due to operational changes.</p> <p>The background information provided has been developed to include information about NINo application, allocation and registration. Information is also included regarding eligibility for a NINo. A full and detailed explanation of the statistical methods</p>	<p>We are pleased that DWP has expanded and improved the information about the limitations of the statistics in the background information and methodology webpage; this will help users to understand how the data can best be used and interpreted.</p> <p>The information that has been included to aid users’ understanding of discontinuities is a positive addition to the publication. The information about the impact of COVID-19 is particularly detailed and will aid users in understanding the effect of this situation.</p> <p>The inclusion of information about the NINo application process, eligibility, and the methods used to produce the statistics, has increased the quality of these statistics. DWP should seek to maintain the validity of this information for users, ensuring it is kept up to date.</p> <p>Given the forthcoming changes to the migration system in UK, it will be extremely important for DWP to support appropriate use of its NINo statistics during this period. We expect DWP to offer users a similar level of support to aid users’ understanding of any</p>



benefit hierarchy used in NINo Benefit Claimants	used to the produce the statistics is also available, which provides detailed insight into this process.	limitations and discontinuities in the statistics.
<b>Trustworthiness</b>		
<p><b>Requirement 6:</b></p> <p>To enhance transparency in these statistics DWP should:</p> <p>a) Publicly commit to announcing future changes to methods or classifications in advance of the publication of NINo Allocations</p> <p>b) Provide sufficient explanation on the impact and magnitude of these changes on the use of the statistics</p>	<p>a) DWP has published a 'Development Plans for Future Releases' timetable for these statistics in the release strategy.</p> <p>b) There have not been any recent significant changes made to the methodology but the 'Development Plans for Future Releases' timetable provides a mechanism by which users can be informed about the likely impact of any changes which will take place.</p>	<p>We consider the 'Development Plans for Future Releases' timetable to be a positive addition to the statistical publication.</p> <p>DWP has committed to maintaining this development plan in future so users can be notified about planned changes. We look forward to DWP further developing its potential, for example, by including information about how it is responding to feedback from users.</p>
<p><b>Requirement 7:</b></p> <p>To increase the trustworthiness and to reassure users of the confidentiality of the NINo data DWP should publish documentation on the confidentiality arrangements that are in place. This might include information on encryption of data, memoranda of understanding with other government departments, and statistical disclosure control methods.</p>	<p>DWP has published detailed information about the process of encrypting the data received from the Home Office in order to ensure confidentiality. Record-level data are encrypted and shared by the DWP data team and summary level data are shared under Memoranda of Understanding with other departments, all of which is outlined in the quality report. Further information about confidentiality is published in Stats-Xplore, which also explains the concept</p>	<p>The detailed information offers reassurance users about the confidentiality of the NINo data. There is a clear process DWP follow to ensure that data remains confidential at every step of the data journey.</p>

	of introduced random error to further reduce the risk of identifiable data.	
<p><b>Requirement 8:</b></p> <p>To promote public confidence in the NINo statistics DWP should:</p> <ul style="list-style-type: none"> <li>a) Reduce the number of people included on the NINo Allocations pre-release access list and provide a justification for each individual listed</li> <li>b) Ensure that the pre-release access list is reviewed prior to each publication and updated accordingly, and includes the number of post holders where there is more than one</li> <li>c) Include a link to the pre-release access list directly from its NINo webpage</li> </ul>	<ul style="list-style-type: none"> <li>a) DWP has reduced the number of people on the pre-release access list from 73 individuals to 17 named roles.</li> <li>b) DWP has provided information about updates to the pre-release access list on their webpage which demonstrate that it is regularly reviewed. There is a clear process in place whereby the Head of Profession for Statistics reviews the list quarterly to ensure that access is still required by each person, and access is removed if this is no longer the case.</li> <li>c) DWP has signposted its pre-release access list from the landing page of the statistics.</li> </ul>	<p>We are pleased to see that DWP has considerably reduced the number of people included on the pre-release access list and that there is a clear process in place to ensure this access is justified.</p> <p>The signposting to the pre-release access list is a positive addition to the webpage.</p>