
Ed Humpherson, Director General for Regulation

Professor Sir Ian Diamond
National Statistician
Office for National Statistics
(by email)

8 June 2023

Dear Sir Ian

Assessment of Earnings and employment from Pay As You Earn Real Time Information, UK

Thank you for inviting us to assess [Earnings and employment from Pay As You Earn Real Time Information statistics](#), jointly produced by HM Revenue and Customs (HMRC) and the Office for National Statistics (ONS) against the [Code of Practice for Statistics](#). We have today published our Assessment Report covering these statistics. I am grateful for the positive contribution and engagement from your team throughout the assessment process.

These statistics have been going through a period of significant development since their introduction and these developments have proved valuable to users, filling a timely data gap especially during the COVID-19 pandemic and providing benefits over existing labour market data. The PAYE RTI data are a rich data source, and their potential is already being realised through examples such as the existing linkage to the ONS's Inter-Departmental Business Register.

We have identified several ways that the statistics should be strengthened further to improve the overall quality and value of the statistics including improvements to the current published methods material, and reassuring users about the quality assurance processes. Users would like to see a full picture of the labour market data sources to be able to determine which sources are best suited for their need, and we encourage HMRC and ONS to look to engage with a broader range of labour market statistics users on an ongoing basis, to help foster a wider user dialogue.

We judge that the statistics on earnings and employment from PAYE RTI data can be designated as National Statistics once we have confirmed that the requirements set out in the report have been met. Addressing the requirements will demonstrate that your statistics comply with the Code of Practice for Statistics. The teams responsible have agreed to jointly put together a programme of work which they will update against.

The development of these statistics represents a tremendous example of the huge public value that can be delivered from large administrative data sets. While not within the scope of this assessment, further benefits from the PAYE RTI data set could be realised more

widely across labour market statistics, for example by linking data from other ONS data sources with PAYE RTI data. It would be good to see ONS working with HMRC and others to develop the use of this and other data sources in ways to better serve the public good.

I am copying this letter to Sean Whellams, Head of Profession for Statistics at HMRC, Rachel Skentelbery, Deputy Head of Profession for Statistics at ONS, and Chris Robinson and Debra Leaker, the respective statistical leads at HMRC and ONS.

Yours sincerely

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

Ed Humpherson
Director General for Regulation