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As Deputy National Statistician and Director General for the Economic, Social and Environmental Statistics Group, I am responding to your letter regarding the Annual Population Survey.

We are grateful for the feedback provided in your recent <u>LFS-derived labour market statistics</u>: <u>OSR progress report</u>. It is encouraging to hear that we have successfully communicated plans about the reweighting of Labour Force Survey (LFS) results, as well as the latest information about our future work on the Transformed Labour Force Survey (TLFS). We will continue to make progress on the outstanding requirements, while keeping you and our stakeholders informed of further updates around the LFS and TLFS.

Following the suspension of the accredited official statistics status of the Labour Market statistics from the LFS in February 2024, we have also been reviewing the Annual Population Survey (APS). We recognise that it has become increasingly challenging to achieve high enough response rates to our social survey portfolio over the course of time, including the APS.

We have faced challenges that have impacted response rates of the main sample of the LFS, and the additional sample used to build the APS. These include changes in respondent behaviours to our social surveys since the pandemic and operational challenges in maintaining capacity to deliver our increased portfolio of surveys. We report on their response rates through our Performance and Quality Monitoring Reports, while we have kept our stakeholders informed of all key APS updates. We also provide confidence intervals for measures of accuracy on data uploaded to NOMIS, where possible, and provide information through our published user guidance where applicable. However, we will work to explain the quality of the APS even more clearly going forward.

Our efforts so far have focused on improving the number of LFS responses, which we recognise as being integral to our prioritisation efforts. Any changes made to collection of the LFS also affect the APS, albeit with a lag in the time, given the structure of the APS. When there were challenges to collection of the LFS in 2023, the effects of recovery interventions applied to the LFS also affected the APS.

In the subsequent time periods, the effects of those interventions have led to increased numbers of achieved responses to both LFS and APS. However, the increased sample has not yet been fully realised in all waves of LFS collection, notably wave 5, which is used to

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construct the APS. We expect the size of the APS dataset to continue increasing for the next few quarters as the larger sample size works its way through the waves of collection.

Building on improvements so far, additional work is being conducted to stabilise the ongoing collection of both LFS and APS. This includes important changes to our technical and operational processes and consideration of the sample sizes and the interviewer capacity necessary to meet the needs of our various users.

We appreciate the need now, however, to make a more in-depth assessment of the quality of the APS which recognises the wide range of uses that are made of these data, including the outputs that are published not just by ONS but by a number of statistical producers. To ensure we can take a comprehensive view of quality that is cognisant of these different uses we plan to hold an initial workshop October 2nd 2024, This workshop will bring together key users and draw on both internal and external expertise to:

- Provide users with an overview of the current status of the APS drawing on relevant data and insights, such as trends in size of the achieved sample;
- Explore and agree the key considerations for assessing the quality of the APS when focusing on specific outputs;
- Illustrate how these considerations apply to some ONS based APS outputs;
- Form an overall assessment of the current quality of the APS; and,
- Agree the approach to a follow up workshop that can extend the discussion to options for improving the quality of the APS within the context of our wider programme of work looking at LFS sustainability and TLFS development.

We would welcome your attendance at this workshop as either an observer or participant.

Following the workshop, we would provide you with our conclusions regarding the assessment of the current quality of the APS in the week commencing 7 October. We will also continue to engage with your teams as we prepare for and deliver a follow up workshop, which we anticipate being in late October/early November.

More broadly, we will keep the wider user base for APS data and statistics updated by extending our regular LFS and TLFS updates (the last of which was published in July) to, in future, incorporate updates on the APS too.

Hopefully this letter provides reassurance that we are continuing to work towards meeting all of the recommendations proposed by OSR on our LFS-derived labour market statistics, and to ensuring our ongoing ability to deliver LFS and APS results to users.

We will, as always, keep users and yourselves abreast of any further developments.

Yours sincerely,

Mike Keoghan, Deputy National Statistician

