

Article

The HMRC and ONS response to the OSR review of statistics on earnings and employment from Pay As You Earn Real Time Information: December 2024

HM Revenue and Customs's (HMRC's) and the Office for National Statistics's (ONS's) update on recommendations from the Office for Statistics Regulation's (OSR's) review of statistics on earnings and employment from Pay As You Earn Real Time Information (PAYE RTI) published in June 2023.

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1 . Overview

In June 2023, the [Office for Statistics Regulation \(OSR\) published an assessment report](#) of HM Revenue and Customs (HMRC) and Office for National Statistics (ONS) statistics on earnings and employment from Pay As You Earn Real Time Information (PAYE RTI). HMRC and the ONS welcome the OSR's assessment report and have developed an action plan focusing on the six requirements.

This update on the action plan details what we have done and what is remaining in response to the requirements identified by the OSR assessment report.

2 . Responding to the Office for Statistics Regulation's review

Recommendation 1: Understanding the landscape

To help users navigate and understand the coherence and comparability of labour market data available ONS should explain how the PAYE RTI statistics relate to other equivalent labour market statistics in a way that helps the full range of users understand how the different data sources relate to each output and the respective strengths of different figures to answer key questions about the UK's labour market.

Update

As described in Office for National Statistics (ONS) [labour market releases](#) in recent months, there are ongoing challenges in assessing the coherence between labour market statistics. The [Labour Force Survey \(LFS\) will be reweighted from the release on 17 December 2024, to use more recent population estimates](#). Reweighting partially closes the gap between LFS and Pay As You Earn Real Time Information (PAYE RTI) estimates of the number of employees.

Understanding the coherence challenges around the LFS continues to be a priority. We are looking to refresh our work on reconciling estimates of employment from the LFS and Workforce Jobs (WFJ). We are also considering how best to consider coherence between PAYE RTI data, LFS and WFJ, and will provide an update on our analysis in 2025. Following this work, the ONS will update the [Comparison of labour market data sources methodology article](#).

Recommendation 2: User engagement

To ensure that users' needs are fully understood and use of the PAYE RTI statistics is well supported: (a) HMRC and ONS should broaden their user engagement activities to harness a wide range of user views in the ongoing development of these statistics. (b) HMRC and ONS should communicate statistical development plans, manage user expectations about what further value can be obtained from the data and how future developments are being prioritised.

Update

Currently HM Revenue and Customs (HMRC) coordinates a user steering group with representatives from government departments and other public sector organisations. HMRC has explored the feasibility of publishing the RTI steering group minutes separately but have decided that the minutes can be summarised effectively to be included in existing published documents. To increase user engagement HMRC will expand the upcoming changes section of the PAYE RTI bulletin so that it is updated more frequently, includes a summary of future steering groups, and provides advanced notice of any long-term plans and proposed changes. User comments and feedback are then welcome.

HMRC also runs a consultation every two years to ask for users' views on proposed changes to its official statistics publications. The next user consultation will go live in early 2025 and will include a section on the PAYE RTI publication. It will then be open for 12 weeks and HMRC will publish a response within 12 weeks of the consultation closing.

Recommendation 3: Accessibility

To help enhance the value offered by the statistics by supporting users' wider analysis needs, HMRC and ONS should review the way PAYE RTI statistics are currently disseminated, and implement any improvements needed. This user focused review should include considering ways to improve navigation around the data tables within Excel, making data more widely available, for example through NOMIS and better promoting the Datalab service.

Update

Example Excel spreadsheets are planned to be made available by the end of January 2025 showing changes to layout and improved navigation, based on accessibility guidelines and user feedback. HMRC and the ONS will request user feedback on those example tables, and will incorporate these changes into the monthly publication.

PAYE RTI data are also soon to be made available through the ONS Integrated Data Service in addition to HMRC's Datalab service, increasing accessibility to the RTI microdata.

Spring 2025 will see the release of the first iteration of the proposed ONS Dataset Catalogue application programming interface (API). This new tool will eventually replace a number of legacy products and is designed to improve the availability and accessibility of data on a wide range of topics. Labour market releases will become available via the API as they are migrated over to the new website platform. This strategic application will be enhanced over time, with the addition of new functionality, and refinements to continually improve user experience. Work to make the datasets directly queryable is due to start in mid-2025, and the ultimate aim of the project is to make this API the primary channel for all ONS data publications.

Recommendation 4: Maximising insight through data linkage

To help maximise insight and the potential public value of the PAYE RTI data HMRC and ONS should consider ways to support user needs for additional insight by how any data gaps could be filled, whether that be through any ad-hoc analyses or additions to the regular publication if helpful and feasible.

Update

The ONS published an [update on their Labour market transformation plans](#) on 3 December 2024. The ONS are actively pursuing other data sources and sharing of data across government to use alongside survey sources.

Working in partnership with important stakeholders, and learning from other countries, we are refreshing our research plans to explore how administrative sources (including PAYE RTI) can be used alongside our survey sources to build a more complete understanding of the labour market. This includes using the data for quality assurance, to inform methods, or to complement survey content.

One example of work we are currently doing is using the regular supply of PAYE RTI data that the Office for National Statistics (ONS) now receives to link to LFS (and Transformed Labour Force Survey (TLFS)) to further build our understanding of LFS data quality.

We will continue to keep users informed of our analysis plans using PAYE RTI data via our [published updates on Labour market transformation](#).

Recommendation 5: Methodology

To support user confidence in the recent methodological changes and support ongoing understanding and development of the statistics: (a) HMRC should publish its analysis and evaluation of the implementation of the new imputation method explaining the impact on the quality of the statistics. (b) More widely, HMRC and ONS should update the quality and methodology documentation in ways that meet the needs of both expert and nonexpert users.

Update

HMRC and the ONS published [a report evaluating the imputation changes](#) in spring 2024.

HMRC is developing improved methodology documentation that is clearer to users. The more user-friendly methodology documentation and a clearer bulletin will follow publication of a new report on quality assurance (see Recommendation 6).

Recommendation 6: Quality assurance

To help provide assurances around the quality of the published statistics, HMRC and ONS should publish information about the start-to-end quality assurance process for PAYE RTI statistics.

Update

HMRC has developed a Quality Assurance of Administrative Data (QAAD) report and improved methodology documentation that is clearer to users. The QAAD report will be published in January 2025, with a more user-friendly methodology documentation and a clearer bulletin to follow.

3 . Future developments

We will continue to report back to the Office for Statistics Regulation outlining our progress and completion of research and findings.

We welcome feedback on our statistics and methods. Please email us at labour.market@ons.gov.uk and rtistatistics.enquiries@hmrc.gov.uk.

4 . Related links

[Earnings and employment from Pay As You Earn Real Time Information, UK](#)

Bulletin | Released monthly

Monthly estimates of payrolled employees and their pay from HM Revenue and Customs' (HMRC's) Pay As You Earn (PAYE) Real Time Information (RTI) data. This is a joint release between HMRC and the Office for National Statistics (ONS). These are official statistics in development.

[Assessment of compliance with the Code of Practice for Statistics: Earnings and employment from Pay As You Earn Real Time Information, UK](#)

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Regulatory review of HMRC and ONS estimates of earnings and employment from PAYE RTI.

5 . Cite this article

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