

Transforming the ONS's household financial statistics

Household Financial Statistics Transformation Team

Office for National Statistics

1 December 2022



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General information

Why we are consulting

We are seeking user views on our proposals for the transformation of household financial statistics.

Consultation details

Issued: 1 December 2022

Respond by: 23 February 2023

Enquiries to:

Email: HFST.engagement@ons.gov.uk

Audiences:

Users of household financial statistics including income, expenditure and wealth statistics.

Territorial extent:

These statistics relate to the income, expenditure and wealth of UK households, including aggregates and micro-data and sub-national as well as other breakdowns.

After the consultation

We will publish a summary of the comments made approximately 10 weeks after the consultation closes.

How to respond

We encourage you to respond online wherever possible when submitting responses as this is our preferred method of receiving responses.

However, responses in writing or via email submitted to the below addresses will also be accepted. Should you wish to submit your main response via the e-Consultation platform and any supporting information via hard copy or email, please be clear that this is part of the same consultation response.

Respond online at: <https://consultations.ons.gov.uk/external-affairs/transforming-household-financial-statist>

or

Email to: HFST.engagement@ons.gov.uk

or

Write to: Household Finance Statistics Transformation Team, Office for National Statistics, Segensworth Road, Titchfield, PO15 5RR

When responding, please state whether you are responding as an individual or representing the views of an organisation. Your response will be most useful if it is framed in direct response to the questions posed, though further comments and evidence are also welcome.

Accessibility

If you require information in an alternative format or need assistance with completing the consultation, please contact HFST.engagement@ons.gov.uk.

Confidentiality and data protection

The Office for National Statistics (ONS) needs your name and email address to receive your response. We may contact you about your response to the consultation.

We aim to be as open as possible in our decision-making process. As part of this, we plan to publish an anonymised summary of the responses we receive. We will not publish the personal name of any respondent. Names of individuals, organisations and groups will not be linked to any comments that you give.

The names of all organisations and groups responding to the consultation will be published in a list of respondents.

Please be aware that, as a public authority, we are subject to the [Freedom of Information Act](#) and can never completely guarantee that names and responses will not be published. We will not publish personal contact details, such as email addresses. To find out more, read our Privacy Policy: [Privacy - Office for National Statistics - Citizen Space \(ons.gov.uk\)](#)

Quality assurance

This consultation has been carried out in accordance with the government's consultation principles, available here <https://www.gov.uk/government/publications/consultation-principles-guidance>.

If you have any complaints about the way this consultation has been conducted, please email: external.affairs@ons.gov.uk

Executive Summary

We are seeking views on our ambitious plans for the transformation of our household financial statistics.

These statistics cover the income, expenditure and wealth of UK Households and are a vital source of information for understanding people's finances including the effects of the rising cost of living.

In line with our broader plans for [more frequent, timely and inclusive population and social statistics](#), our aim is to ensure that the household financial statistics and analysis we produce continue to meet the evolving needs of policy makers, citizens and other data users. Our ambition is that our statistics and analysis should provide inclusive, coherent, timely and granular insights into wide aspects of the financial well-being of households with improved coverage and accuracy.

Improving the coherence of our measures of income is also an important goal within our plans. Previous feedback from users has informed us that a better understanding of the differences between measures of income and greater coherence in these estimates is important. The [Government Statistical Service \(GSS\) work programme on the coherence of statistics](#) rightly challenges us 'to explain how our data sources relate to each other and how they can be combined with other statistics to better explain the world'.

Our statistics on income, spending and wealth of households are primarily based on three household surveys, where we ask around 25,000 households about the income they receive (including earnings from work and income from benefits), the money they spend and the assets, like property and pensions they own. The information provided by these surveys is of vital importance to policy makers, charities, and others to help understand the economy and direct resources to those most in need.

We have a longer-term aim to make much greater use of other existing UK Government data sources, known as administrative data. Our ambition is to put these at the heart of our income statistics, supported by data from our surveys, which continue to be fundamental for measuring aspects of household finances not covered in other sources. This proposed approach essentially constitutes a shift from predominantly survey based estimates supported by administrative data to the converse position.

This consultation sets out our ambitions and plans for the next two and half years, laying out necessary transformation steps, consistent with that longer term aim and building on our existing research in this space. Recognising that in the shorter term we will continue to rely more heavily on surveys, particularly for data on expenditure and wealth. Therefore, this consultation seeks views on plans for both the transformation of our surveys and further development and application of our use of administrative data, with a view to that longer term aim.

We believe that by combining the current surveys into a single survey in conjunction with alternative data sources and statistical imputation it will be possible to deliver higher quality, more timely and in-depth analysis of households' financial well-being.

We aim to develop a cross-cutting suite of data on income, expenditure, and wealth at a household level. We will also explore introducing a new online first point of contact for respondents, aiming to reduce respondent burden and facilitate targeted follow ups. We aim to improve estimates of household spending through the development of a new digital collection tool to replace the diary element of expenditure data collection and adopt the latest international standards of expenditure classification.

Following the introduction, we provide a summary of the main reasons why we feel it is necessary to make changes to our household financial statistics [Section 2].

Following this we set out the broad scope of statistics and analysis for which we are seeking your views [Section 3]. This includes experimental administrative based income statistics, but these will also be included in a broader consultation on the future of the population and social statistics system in the first half of 2023.

After a short summary of our current household financial statistics [Section 4], we set out our future vision [Section 5]. Supporting this, Figures 1 and 2 show an illustration of the current and potential future suite of these statistics respectively.

Our consultation seeks feedback from users on a range of related proposals [Section 6], including:

- [Section 6.1] the need for a cross-cutting coherent suite of income, expenditure and wealth statistics (see figure 3 and related consultation questions)
- [Section 6.2 and Section 6.7] the value of more timely indicators ahead of detailed estimates of income, spending and wealth and the frequency and timeliness of detailed wealth statistics
- [Section 6.3] the demand for a single set of UK level household income data
- [Section 6.4] proposed changes to detailed expenditure on food data collection and whether there is a need to separate out child expenditure data within the Living Cost and Food (LCF) survey diary
- [Section 6.5] proposals exploring the user need for financial resilience, material deprivation and poverty statistics
- [Section 6.6] the value of longitudinal wealth/income data to users

We ask you to consider our proposals for the transformation of our household financial statistics and to please provide your responses to this consultation by Thursday 23 February 2023. A better understanding of your needs and priorities will help us shape our ambitions and plans for these important statistics.

We also invite you to join us at our online event on 17 January 2023. This is an opportunity to further discuss the proposals in the consultation, ask questions and share thoughts about the uses and priorities for these key statistics.

Thank you.

Section 1: Introduction

In April 2022, the Office for National Statistics (ONS) initiated the Household Financial Statistics Transformation (HFST) project. This will evaluate the current offering of household financial statistics and make improvements. These changes will ensure our statistics meet the current and emerging needs of policy makers, citizens and other users, are sustainable, and offer value to the taxpayer.

Our ambition is for our household finance statistics to provide inclusive, coherent and more granular insights into wide aspects of the financial well-being of households. We plan to do this by producing a coherent suite of anonymised datasets and statistics. This will be representative of the UK population with cross-cutting data on income, expenditure and wealth through a combination of social surveys, alternative data (administrative and non-survey data) and statistical matching¹.

Since April 2022, we have carried out detailed requirements gathering from a range of users to shape our plans. Alongside this we have been researching alternative data sources, survey methods and technology solutions to improve our statistics. This aligns with our [longer-term ambitions for population, migration and social statistics](#) and the [GSS work programme on the coherence of income and earnings statistics](#).

Our proposed approach sets out a high-level vision for the production of these statistics. We aim to move away from the current approach based on three distinct surveys, and towards a centralised ONS household financial statistics data suite, where users will be able to locate data and statistics by topic, rather than by survey.

The proposed new approach maximises the use of alternative data sources alongside a more integrated and coherent collection of survey data, paving the way for administrative data to sit at the heart of these statistics in the future. A new set of household financial indicators is also proposed to provide more timely, high-level estimates of household income, expenditure, and wealth.

These datasets will form the basis for aggregate (statistics at the UK level) and distributional estimates (statistics at the household level). Our transformation project will also focus on coherence between estimates.

This consultation shares our initial thinking, sets out proposals for developments and seeks views on use cases. A broader consultation on the future of population and social statistics system will follow in the first half of 2023.

We are seeking feedback from users at an early stage to help shape the future of ONS Household Financial Statistics. The consultation will run from Thursday 1 December 2022 to Thursday 23 February 2023.

The feedback collected will be used to guide and prioritise our research programme and the future development of household financial statistics. This feedback will inform the recommendations of the HFST project that will be published in spring 2023.

Section 2: Why ONS is making changes to its Household Finance Statistics

2.1 Evolving user needs

Data on household finances is more in demand than ever, especially considering the coronavirus pandemic and the rising cost of living.

An in-depth understanding of the inter-relation between household income, expenditure and wealth is crucial for informing the public on household finances. It also enables policy makers to make better informed decisions around how households respond to, for instance: events in the wider economy; living standards and financial inequality; retirement adequacy; and the effects of taxation on households.

Many users have requested more frequent, timelier and granular cross-cutting statistics on household finances alongside our annual income and expenditure statistics and our biennial wealth releases.

2.2 Sustainability and value to the tax payer

Our household financial statistics are currently predominantly collected via social surveys, which are costly to run and place a heavy burden on respondents. Our longer-term ambition is to put administrative data at the heart of our household financial statistics, particularly on income where work is already in progress.

In the shorter term, we aim to bring three existing, separate social surveys (from collection to dissemination) under a single umbrella, maximising efficiencies and avoiding duplication in sampling and data collection to maximise value for money, reduce respondent burden, and simultaneously meet user needs for cross-cutting data.

The aim is that this will be supported using administrative data and designed and developed in a way that is flexible to a shift towards the greater use of administrative data.

2.3 Alignment with ONS strategy

The transformation of Household Finance Statistics also aims at improving their alignment to our wider [ONS strategic objectives](#). The HFST project will ensure that future statistics maximise the use of suitable alternative data sources and are compiled from surveys which are aligned to our survey strategy.

2.4 Addressing known issues

Our [expenditure](#) and [income](#) statistics have been reviewed by the Office for Statistics Regulation (OSR), highlighting areas for improvements and recommendations for ONS to take forward.

We have also conducted an informal internal review of wealth statistics production and dissemination, and have identified key areas for improvement such as timeliness and pension wealth data quality.

Section 3: Scope

The HFST project is currently planned to run until March 2025 and its scope broadly encompasses all of our statistics and analysis on household finances and the surveys and administrative data that provide the data for them. The scope of the project does not include outputs produced by other Government Statistical Service surveys. In terms of outputs, the project scope includes consideration of the following existing ONS outputs:

- [annual income statistics](#)
- [admin-based income statistics](#) and associated releases
- [small area income estimates](#)
- [persistent poverty estimates](#)
- [family spending statistics](#)
- [wealth in Great Britain](#) and associated releases
- [price indices](#)
- national accounts household [expenditure](#) and income estimates
- regional [expenditure](#) and [income](#) estimates
- microdata supplied to the [UK Data Service](#)
- microdata supplied to the ONS [Secure Research Service](#)

Section 4: Current household finance statistics

Our household finance statistics, both published outputs and associated micro datasets, are currently predominantly based on three social surveys, broadly covering income, expenditure and wealth (Figure 1). These surveys underpin a diverse range of the ONS outputs including:

- micro-datasets available via the UK data service and our [Secure Research Service](#)
- published analytical articles and associated datasets on income, expenditure, wealth, and financial resilience
- national accounts outputs related to household income and expenditure
- weights used for the consumer price indices, specifically the Retail Prices Index and the Household Costs Indices

For a number of years, we have also been developing [experimental administrative data based statistics of income at the small area level](#), alongside [model-based estimates](#) that draw on both surveys and admin data.

4.1 Expenditure

The Living Costs and Food Survey ([LCF](#)) is the primary data source for household expenditure statistics. It is an annual survey of approximately 5,000 UK households with a time from end of collection to publication of around 12 months. These data are also used internally for National Accounts and Price Index production.

4.2 Wealth

The Wealth and Assets Survey ([WAS](#)) is the primary data source for household wealth and debt statistics. It is a biennial survey of approximately 18,000 GB households with a time from end of collection to publication of around 20 months. WAS provides both longitudinal and cross-sectional data. The survey is also known as the Household Assets Survey ([HAS](#)) to households when invited to take part.

4.3 Income and financial well-being

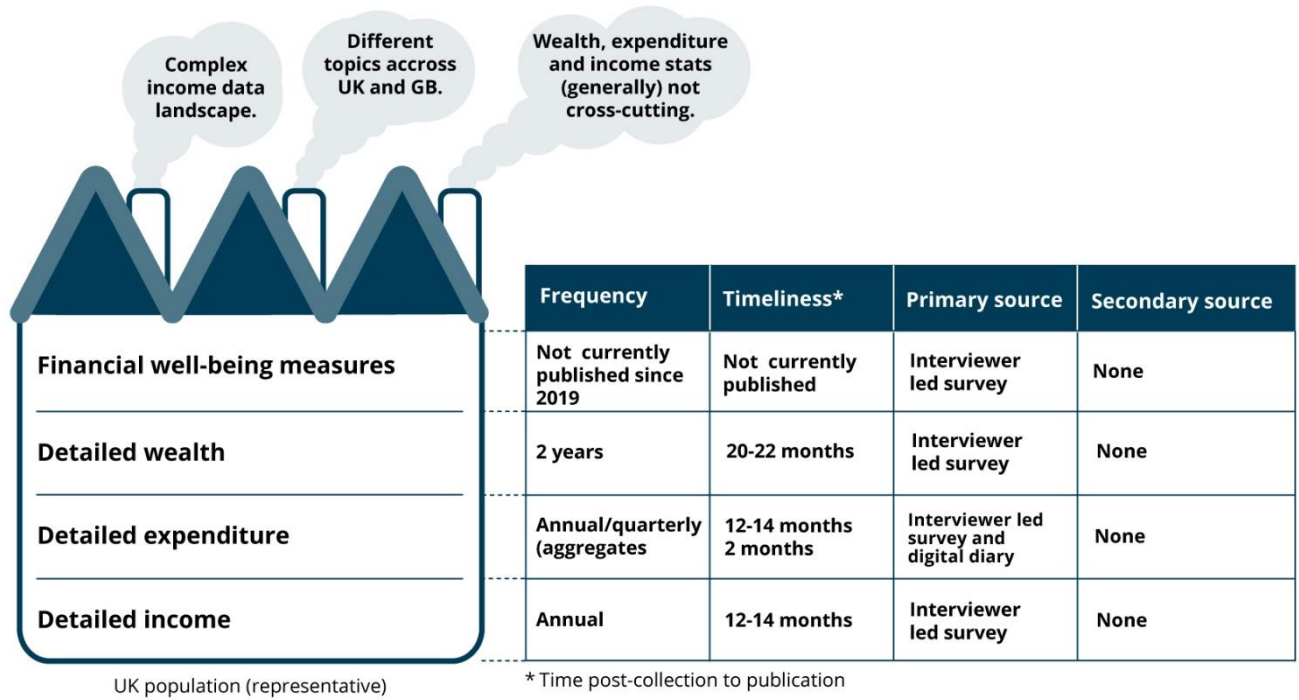
The Survey of Living Conditions ([SLC](#)) is the primary data source for household income statistics in ONS. It is an annual survey of approximately 12,000 UK households with a time from end of collection to publication of around 12 months. The SLC provides both longitudinal and cross-sectional data and as well as providing income data. It also includes information on financial well-being, including on material deprivation and poverty.

The LCF and SLC harmonised income questions from 2019, which can be combined to produce a larger income sample (~17,000 households) and is referred to as the Household Finance Survey ([HFS](#)). This survey underpinned the UK's contribution to the EU Statistics on Income and Living Conditions (EU-SILC) which aim to provide comparable data [on income, poverty, social exclusion and living conditions.](#)

ONS has also recently produced an experimental statistically matched dataset combining the WAS and the LCF, providing cross-cutting statistics on income, expenditure and wealth for the first time. This experimental [publication](#) highlighted the user need for cross-cutting statistics.

Figure 1 provides a broad illustration of the current suite of our household financial statistics, showing the current frequency of outputs, their timeliness and the primary sources of data used to produce those statistics. Our user research so far suggests that the timeliness, frequency, detail and coherence of these statistics needs to be improved. Also, these statistics are currently mostly not cross-cutting, which is a further limitation we hope to address through this planned transformation.

Figure 1: Illustration of the current suite of ONS' household financial statistics¹



¹ Not including our admin based income statistics

Section 5: Future household finance statistics

Our aim is to ensure that our suite of household financial statistics and analysis continue to reflect the evolving needs of policy makers, citizens and other data users. Ultimately, our statistics and analysis should provide inclusive, coherent and more granular insights into wide aspects of the financial well-being of households.

Our ambitious plan outlines how, through the combination of survey, administrative data and statistical imputation we aim to develop a cross-cutting suite of data on income, expenditure, and wealth at a household level.

The long term view is that all relevant ONS outputs (and potentially relevant cross-GSS outputs) are sourced from this suite of data. The components should also be structured in such a way that the granular and distributional elements are consistent with the relevant macro estimates.

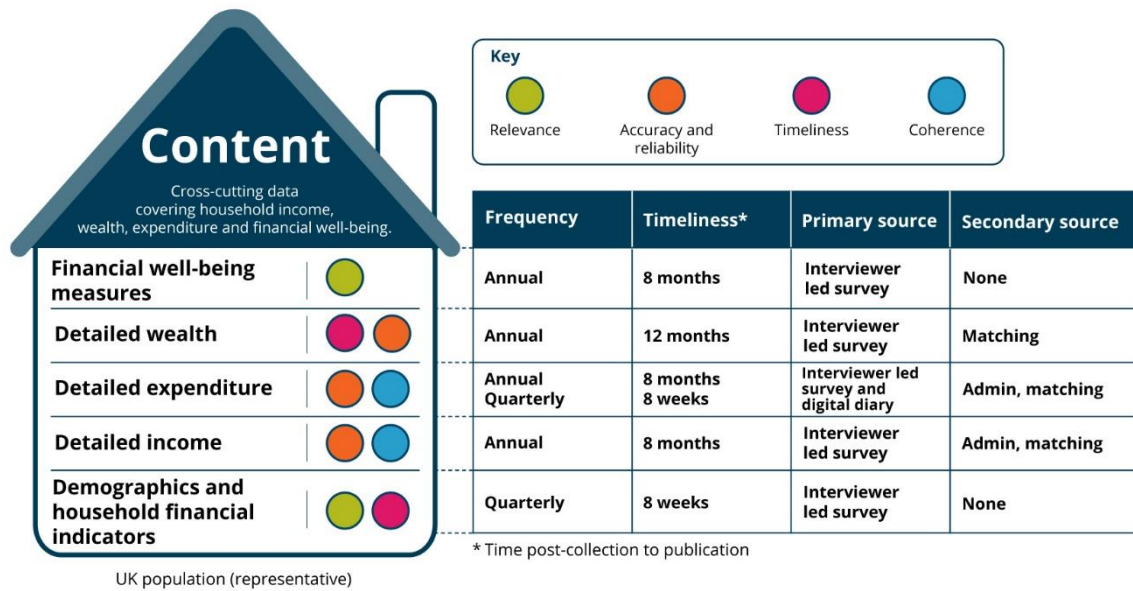
Our long-term ambition is likely to take beyond the lifecycle of this project to achieve and be contingent with ongoing funding. Therefore, the HFST project aim is to ensure that, over the period until March 2025, we rapidly progress our transformation work, including embedding transformation into our household financial statistics offering.

Specifically, by the end of the Spending Review period (March 2025), subject to review in light of user needs, the ONS will aim to have (Figure 2):

- started collection of data to produce new quarterly household finance indicators with an aim to publish within 8 weeks of the reference period giving timely estimates on high-level income, expenditure and wealth alongside demographic information
- started collection of detailed income, expenditure and wealth data that are cross-cutting for annual dissemination (supported through a combination of direct collection, administrative data and statistical matching)

- improved timeliness across our regular household financial statistics outputs
- introduced an annual admin-based set of income statistics at the small area level
- increased use of alternative data sources for expenditure for improved coverage and alignment with macro-estimates
- ensured the sustainability of our future expenditure estimates through the development of a new digital collection tool and consideration of the level of granularity of collection
- explored and assessed the potential for use of alternative data for use in replacing the wealth question and quality improvement
- improved coherence between micro and macro estimates of household financial statistics through better alignment and/or rationalisation and improved communication in outputs
- improved income coherence across the ONS publications
- designed a sustainable suite of statistics on poverty and financial well-being

Figure 2: Illustration of the potential future suite of ONS household financial statistics and aspects of quality the project is focussed on improving



Section 6: Key areas for detailed consideration

6.1 Cross-cutting statistics

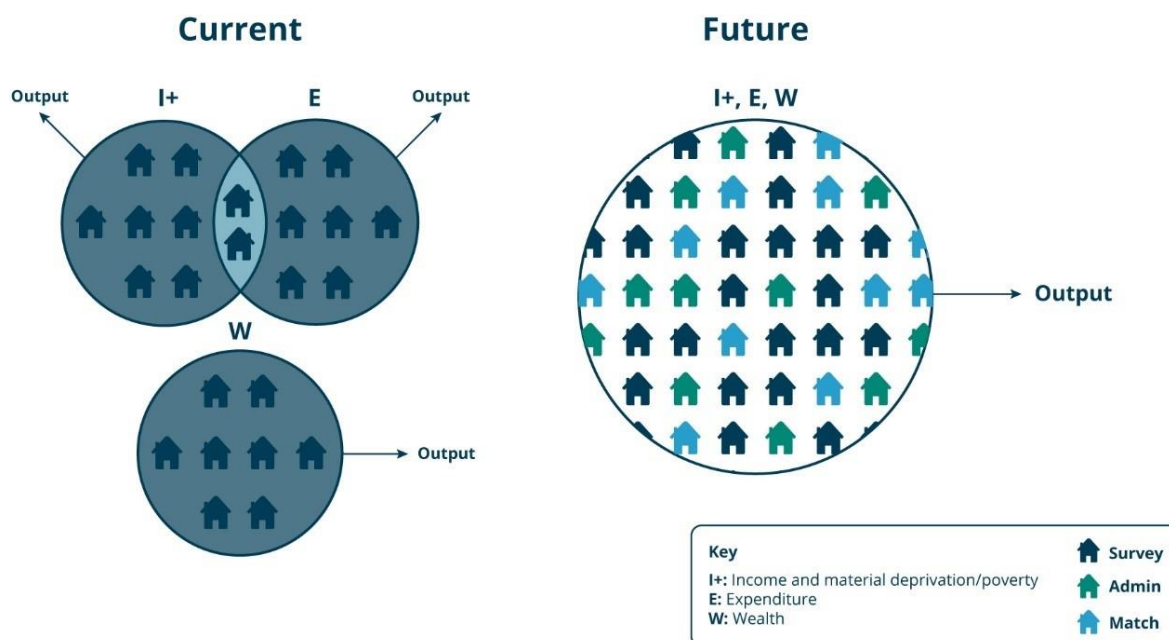
A key aim is to deliver data and statistics to meet user needs for cross-cutting information on income, expenditure, and wealth for UK households. Our ambition is that use of administrative data can help deliver this goal, but in the shorter term we will still rely on survey data.

We propose to collect high-level income, expenditure, and wealth data from all households in our sample, followed-up by detailed questions on either income, spending or wealth for sub-sets of these households. The cross-cutting data will provide the basis for the new Household Financial Indicators statistics (outlined in the next section) and will provide valuable matching variables for additional statistical matching.

We believe collecting all income, expenditure and wealth information in a single household survey, at the same level of detail as is collected currently in the separate surveys would not be practical. This is because, a single survey would place an unacceptable burden on respondents due to both length and complexity, resulting in impacts on response rates, data quality and cost. Furthermore, rotating respondents through a modularised approach (e.g.: asking income in year 1 and wealth in year 2) will be of limited use given the time delay and attrition between waves.

The ambition is that the combination of survey, administrative data and statistical imputation will provide detailed microdata on income, expenditure, and wealth at a household level (Figure 3).

Figure 3: Illustration of the potential future data composition for household finances



6.2 Household financial indicators

Our initial user research highlighted a need for more timely statistics on income, expenditure and wealth so that household financial behaviours and their interaction with the wider economy can be better understood. We are aware that some users have commissioned their own surveys to fill this gap and we see this as a priority data gap for us to fill. There are inevitable trade-offs between timeliness and detail, but we aim to produce valuable high-level cross-cutting indicators for use in policy analysis on a quarterly basis.

These indicators would lead to the production of new experimental quarterly statistics on the high-level distribution of household income, main expenditure (e.g. housing, travel, groceries), liquid financial assets (savings and investments) and non-secured debts (e.g. credit cards) by characteristics such as region, age, employment status. These statistics would be provisional household financial indicators that may have lower accuracy and granularity than our current detailed annual and biennial outputs on income,

expenditure, and wealth. However, they will provide closer to real-time information on how households are impacted by and responding to wider economic circumstances.

6.3 Future direction of ONS's income publications

Our current suite of income statistics are produced from multiple different sources. UK level household statistics are primarily produced using household surveys. National accounts estimates of income for the household sector are produced using several different sources including surveys and administrative data. Income estimates for small geographical areas are either modelled using household survey data and census data, or solely based on administrative data.

UK level household income statistics

Income data from the Household Finances Survey ([HFS](#)) underpins our existing UK-level household income statistics that are published in the [Household Disposable Income and Inequality \(HDII\)](#) and [Effects of Taxes and benefits on household income \(ETB\)](#) publications.

The Department for Work and Pensions (DWP) also collects income data in its Family Resources Survey ([FRS](#)) which underpin its [Households Below Average Income \(HBAI\)](#) publication. The HBAI is the UK's official source of poverty estimates and currently the main and recommended source on household incomes. Our outputs are the best and recommended source to assess the overall financial well-being of households when combining income and expenditure and for measuring the full effects of taxes and benefits.

DWP and the ONS household income statistics are similar with minor conceptual differences. However, the ONS outputs do provide additional detail on indirect taxes and social transfers in kind, and as such produce the distribution of final income, in our ETB publication which are not covered by FRS outputs.

We made a joint commitment in 2021 alongside DWP and HMRC to review the user need for a single set of UK level household income statistics across

government, as part of the [vision for coherence of income and earnings statistics](#) and associated [workplan](#). The HFST user requirements exercise collected evidence that suggests users would value this. However, a fully integrated cross government suite of coherent household financial statistics will continue to be developed beyond the timeframe of this project (March 2025).

In the medium term, we will continue to collect detailed survey-based income data, as it is a key user requirement for cross-cutting analysis alongside expenditure and wealth.

Our subnational income estimates already make use of administrative data. While we are working to explore administrative data for income and benefits at the national level, it is likely an income questionnaire will continue to be needed to capture elements of income that are not covered by administrative data.

Small area income estimates

We currently publish two sets of estimates of income at the small area level. One is [small area estimates covering England and Wales](#). This modelling methodology enables survey data from DWP's Family Resources Survey ([FRS](#)) to be combined with census and administrative data to improve the quality of estimates at the small area level. As the estimates are model-based they are different to standard survey estimates.

The other are the [admin-based income statistics](#) for England and Wales. This is an experimental dataset that uses Pay As You Earn (PAYE) and Self-Assessment data from HMRC and data from the Department for Work and Pensions' (DWP) benefits system. These statistics are for individuals and occupied addresses, and are missing some components of income currently captured within our national household survey driven estimates. Development is ongoing to explore the potential of administrative data to capture these missing components.

While both sets of estimates do not fully align with our [national estimates of household income](#), the use of administrative data has enabled us to produce disaggregated average estimates of income at different levels of geographic granularity on an approximately biennial basis.

In the medium term, we propose aligning our subnational and national measures in terms of definitions (where possible) using a mix of data sources and modelling techniques. In the long term, we intend to develop a single set of annual subnational income estimates, harnessing the opportunity administrative data provides.

6.4 Changes to expenditure data collection

Changes to food data collection

The Living Costs and Food Survey (LCF) includes detailed collection of data on expenditure on food within the 2-week diary collection exercise. This requirement followed the [merger of the National Food Survey and the Family Expenditure Survey in 2001](#). Collection of the food element of the survey is funded by the [Department for Environment Food and Rural Affairs \(Defra\)](#).

The LCF uses the expenditure classification system COICOP (Classification Of Individual Expenditure by Purpose), published by the United Nations Statistics Division. Items of expenditure recorded in the LCF are coded to 5-digit level [COICOP](#). However, food items are coded to a more detailed level (around 230 codes) than the 5-digit level COICOP (around 62 codes) to meet the needs of Defra.

Collecting data to this level of detail significantly increases respondent burden. This negatively impacts data quality through an increase in diary fatigue as well as under reporting. As a result, we are considering, in consultation with Defra, reducing the detail collected around some elements of food data.

In the medium term, we propose dropping some specific areas of food data collection not required to code to 5-digit COICOP level. This includes dropping:

- collection of weights and measures for food and drink items brought home
- details for take away meals, including the recording of portion sizes, take away items separately and replacing this with a distinction between hot and cold take away meals
- details for meals, snacks and drinks consumed away from the home, including, if tea or coffee was with or without milk and sugar and recording of food and drink items separately and replacing with 6 higher level food categories, and 10 soft/alcoholic drinks categories
- home grown or free food

As well as reviewing the level of detail food brought home data is coded to, we are also reviewing whether the 230 food codes currently used are all required.

In the longer term, we intend to explore meeting data requirements for food brought home through alternative data sources rather than collecting directly from household members. We are progressing towards using such alternative data sources such as supermarket scanner data in other areas, including [consumer prices](#) for example.

Changes to child data

The LCF involves a diary keeping exercise that collects detailed irregular expenditure over a 14-day period. All adults, in addition to children aged 7 to 15, in a sampled household are eligible for the diary keeping exercise. As part of the HFST project we are exploring development of a digital data collection tool to replace the diary. We are exploring whether there is an ongoing need to collect diary data directly from children, or whether this spending data could be recorded by proxy through a responsible adult in the household. We are keen to understand whether there is a user need to separate out child expenditure data for analytical purposes.

6.5 Reintroducing financial well-being, poverty and material deprivation

[EU Statistics on Income and Living Conditions \(EU-SILC\)](#) is a cross-sectional and longitudinal sample dataset, coordinated by Eurostat, based on data from the European Union member states. It aims to provide comparable data [on income, poverty, social exclusion and living conditions](#). UK data from the SLC and the Living Costs and Food Survey (LCF) were combined to form the Household Finances Survey (HFS) which provided the core output for EU-SILC.

Using the EU-SILC longitudinal datasets, ONS published [regular statistics on persistent poverty in the UK and in the EU](#). The statistics were last published in 2019 (for survey year 2017).

After the UK's exit from the EU in 2020, some EU-SILC outputs were still delivered to Eurostat during the transition period in 2020, but all planned deliveries from 2021 onwards ceased. EU-SILC requirements are updated on an annual basis and only available to participating members. Data up to and including the 2018 calendar year remain available on [Eurostat's EU-SILC database](#).

Until 2020, our Survey on Living Conditions (SLC) survey included questions on material deprivation that were internationally comparable, as required by Eurostat. Material deprivation is the enforced inability to pay for/have items or services considered by most people to be desirable or necessary to lead an adequate life.

COVID-19 related restrictions led to a series of [operational changes](#) to the SLC including the EU-SILC ad-hoc module being replaced by a policy-responsive module from April 2021. This included removing some material deprivation questions. These changes mean that the SLC has since deviated from EU-SILC requirements.

DWP's FRS collects data on material deprivation which is published annually in HBAI. A [review](#) of these measures is currently taking place.

We propose exploring the user need for financial resilience, material deprivation and poverty statistics over the coming months, with a view to

reintroducing statistics on the topics, possibly within an annual financial well-being publication.

6.6 Continuing to collect longitudinal data

We currently collect longitudinal income and wealth data via the [Survey on Living Conditions \(SLC\)](#) and the [Wealth and Assets Survey \(WAS\)](#) and through informal engagement users have expressed a desire for this to continue. Following their first interview, WAS respondents are interviewed every two years over a period of 10 years while SLC respondents are interviewed every year over a period of 5 years. Therefore, both SLC and WAS respondents may be interviewed up to 6 times (waves) during their total time on the survey. The retention rates are outlined below.

Table 1: Typical wave on wave retention rates (%)

	WAS	SLC
Wave 2	63.9	52.8
3	72.1	63.7
4	72.3	71.4
5	76.6	73.8
6	77.2	76.3
Overall retention of W1 at W6	19.7	13.6

In this consultation, we would like feedback from users to help shape the future design of longitudinal data collection for the income and wealth elements. This includes the importance of longitudinal data to you or your organisation.

6.7 Increasing the frequency and timeliness of wealth statistics

Our wealth data is currently collected over a two-year period, usually with a lag of around 20 months to publication and published every two years. For example, the publication of wealth data for the period 2018-2020 [was published in January 2022](#). Users have requested wealth data that is both more frequent and more timely.

We are also proposing to publish wealth statistics and produce wealth microdata annually, and to reduce the current time between reference period and publication to 12 months.

In terms of frequency of wealth collection, part of this need could be met via the proposed Household Financial Indicators, but detailed wealth statistics and microdata will only be available at an annual frequency.

We are seeking views from our users on the design (particularly available sample size) of annual wealth statistics. If we were to move to an annual production cycle for wealth, the sample size would be in the range of 8,000 to 9,000 households per annum (assuming the change is cost neutral), from around double this currently in our biennial releases. This would impact the precision of the estimates compared with our current biennial statistics.

Another option is to meet both the user need for annual wealth statistics and a sample size consistent with what we have currently, we introduce a 2-year rolling dataset as illustrated below. This would reduce the validity of year-on-year comparisons.

Table 2: Illustration of the 2-year rolling dataset. Data collected over a 2-year period is combined to give annual cross-sectional estimates

Output year FY	25/26	26/27	27/28
Collection year 1	23/24	24/25	25/26
Collection year 2	24/25	25/26	26/27

We are also keen to identify which of the components of our wealth statistics are most commonly used.

Thank you for taking the time to read through our consultation, please provide us your views using the [online questionnaire](#) or the [accessible Word document](#). We look forward to hearing from you



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