

Background Quality Report – Redundancies

This report provides information on the quality of the data used to produce official redundancies statistics: [monthly redundancy statistics](#). It informs users about the quality of the information upon which they may be drawing conclusions and making decisions.

The report is structured around the five quality dimensions for statistical outputs (from the [European Statistics Code of Practice, PDF \(458 KB\)](#)). The UK Statistics Authority's [Code of Practice for Statistics](#) requires that:

Q3.3 *The quality of the statistics and data, including their accuracy and reliability, coherence and comparability, and timeliness and punctuality, should be monitored and reported regularly.*

Introduction

Context for the quality report.

This report provides users with an assessment of the quality of monthly redundancy statistics. It does this by reporting against the nine quality dimensions and principles of the European Statistical System (ESS) quality framework.

In doing so, this meets the obligation to comply with the Code of Practice for Statistics, particularly Practice Q3.1 of the Assured Quality Principle (Q3) which belongs to the Quality Pillar; this practice states that: “Statistics should be produced to a level of quality that meets users’ needs. The strengths and limitations of the statistics and data should be considered in relation to different uses, and clearly explained alongside the statistics.”

Under the [Employment Rights \(Northern Ireland\) Order 1996 \(Amended 8 October 2006\)](#) businesses are required by law to notify the Department for the Economy of a proposal to make redundant 20 or more employees. Economic and Labour Market Statistics (ELMS) branch within the Northern Ireland Statistics and Research Agency (NISRA) collect the information on behalf of the Department for the Economy.

Aggregate monthly data are published on the redundancy section of the [NISRA website](#) and in the [Labour Market Report](#). Additional background information can found at [Redundancies Background Information](#).

Relevance

The degree to which the statistical product meets user needs in both coverage and content.

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The main users of the administrative data are the Department for the Economy (DfE) and Department for Communities (DfC). These departments assist employees facing redundancy by offering job brokering services and/or training services in their local area.

NISRA publish a count of the number of [proposed and confirmed redundancies](#) each month, and further breakdowns of confirmed redundancies by Local Government District, Parliamentary Constituency, Travel to Work Area and industry sector.

A [user consultation in summer 2019](#) sought views on a range of Labour Market Outputs including redundancy statistics.

Out of 14 respondents, 14 replied that they found the redundancy section in the Labour Market Report either useful, very useful or essential, with the most common response (8) 'useful'.

When users were asked how useful confirmed and proposed redundancy statistics were, the most common response was 'useful' in both cases (50% for confirmed, and 50% for proposed). There were no responses to '*what analysis or topics would you like to see?*' or '*any other comments?*'

Accuracy and Reliability

[The proximity between an estimate and the unknown true value.](#)

Under the Employment Rights (Northern Ireland) Order 1996 (Amended 8 October 2006) businesses are required to notify the Department of a proposal to make redundant **20 or more** employees. As such the total number of redundancies provided is an undercount of the actual total in the economy. The size of the undercount is unknown and will not affect each industry sector to the same extent.

All other things being equal we would expect more redundancies in sectors dominated by large businesses as they are the businesses that meet the 20 or more collective redundancy criteria. A large number of businesses within a sector could be making less than 20 redundancies each but these will not be notified to the Department and therefore will not be reported.

Two measures of redundancies are provided; proposed and confirmed redundancies. The confirmed total provides a better estimate of the true number of redundancies as not all proposed redundancies will take place.

Analysis of proposed and confirmed redundancies over the past ten years shows that there is a clear correlation between proposed and confirmed redundancies, and, in all but one year (2016), the number of proposed redundancies was higher than the number of confirmed redundancies.

Data processing is carried out within Economic and Labour Market Statistics. 100% of records contain the number of proposed redundancies, and address. The Inter-Departmental Business Register is consulted to determine the industry within which the business operates and this is added to the redundancy record in the redundancy database. Similarly the Central Postcode Directory is consulted to convert address information into Local Government District, Parliamentary Constituency and Travel to Work Area.

Timeliness and Punctuality

[Timeliness refers to the time gap between publication and the reference period. Punctuality refers to the gap between planned and actual publication dates.](#)

The Labour Market Report (LMR) is scheduled to coincide with the release of UK wide labour market statistics by ONS and has traditionally taken place at 9.30am on the second or third Tuesday of each month. Due to the covid-19 pandemic however, the Labour Market Report has been released at 7.00am since April 2020. Redundancy information for confirmed redundancies relate to the preceding month. As such there is a two to three week time lag between the end of the reference period and publication date for these. Proposed redundancies are also published for the preceding month, but they are also counted up to the day before the publication date. As such there is one day's time lag between the end of the reference period and the publication date.

Publication takes place strictly in accordance with published release dates for Labour Market Statistics as pre-announced in the ELMS [publication schedule](#) and [GOV.UK](#) statistics release calendar, which are updated regularly in accordance with the release practices laid out in the Code of Practice for Statistics.

To date all NI Labour Market Reports (the only report containing redundancy data) have been released in accordance with the pre-announced dates contained within the publication schedule, with the National Statistics release practices being followed at all times.

Accessibility and Clarity

Accessibility is the ease with which users are able to access the data, also reflecting the format in which the data are available and the availability of supporting information. Clarity refers to the quality and sufficiency of the metadata, illustrations and accompanying advice.

The monthly [Labour Market Report](#) (LMR) is the main tool for disseminating the headline redundancy statistics. Additional information is published alongside the LMR including a suite of headline tables in Excel and ODS and a labour market press release. The LMR includes commentary, charts and notes which highlight the administrative nature of the data and its limitations.

The monthly LMR and a combined briefing paper are sent directly by email to an agreed mailing list on the morning of publication.

All published information is available free of charge via the [NISRA website](#), in hard copy on request, or from the [GOV.UK](#) Statistics Release Calendar website. Where available, disaggregated data is available free from websites such as [NINIS](#).

As well as publishing detailed outputs, further bespoke analysis and information requests are undertaken, where possible, on request and there is currently no charge for this service. The requested information can be provided in a range of formats, most commonly Excel, with the accompanying metadata.

Coherence and Comparability

Coherence is the degree to which data that are derived from different sources or methods, but refer to the same topic, are similar. Comparability is the degree to which data can be compared over time and domain.

Estimates of the number of redundancies are also available from the Labour Force Survey (LFS). The LFS is a quarterly household sample survey carried out by interviewing people about their personal circumstances and work. The redundancy figures within the LFS are self-reported, and are derived from a combination of respondents who were not in

employment and who had been made redundant within the last two months, plus those who were recently employed but had been made redundant in the past three months. The number of respondents is then scaled up (grossed) to population level and presented for a three month time period. The redundancy estimates from the LFS are subject to sampling error.

Redundancies estimated from the LFS, thus, are potentially comparable with confirmed redundancies over the last fifteen years (from 2006-2020) and a summary of this is presented on the [NISRA website](#). While the numbers approximated from the LFS historically tended to be higher than those within the redundancy dataset, the LFS exhibited similar trends to those found in the redundancy dataset over the time period.

The legislation under which collective redundancies are notified to the Department for the Economy was amended in 2006. As such headline redundancy counts are consistent from this point. Redundancies by Local Government District are comparable from 2013-2021 due to local government boundary changes.

Trade-offs between Output Quality Components

Trade-offs are the extent to which different aspects of quality are balanced against each other.

User requests for more detailed breakdowns of the data are balanced with the need to maintain confidentiality of responses. For this reason data are provided by geography and sector separately.

Assessment of User Needs and Perceptions

The processes for finding out about users and uses, and their views on the statistical products.

A Labour Market Statistics User Group was held in September 2018 and has been repeated each year since then with a wide range of users invited. Prior to this, focused user groups were held with a small group of experts. Presentations from the most recent events are available to view on the [Labour Market Statistics User Engagement](#) part of the website.

In the run up to the 2019 user group, a consultation on Labour Market Statistics Outputs was launched – stakeholders were invited to participate, with the consultation publicised on the NISRA and DoF websites, as well as via Twitter and the addition of a link in staff signatures on emails. The link to the consultation was also emailed along with the invitation to attend the user group meeting to ELMS mailing lists. Results were presented and discussed at the event and a summary published on the [website](#).

Separate to this, a full review of the redundancy process was carried out in 2019. This included a series of meetings with key governmental users of redundancy information (both statistical and administrative) and a change in the process of informing Departmental users.

In addition, in August 2020, a new [Redundancy Data Statistical Disclosure Control Policy](#) was introduced by the Department. The statistical disclosure control applied varies depending on the size of the reference period, geographic level, industry level and nature of redundancies (proposed or confirmed). In all cases the risk of disclosure is higher the smaller the unit of disaggregation.

Performance, Cost and Respondent Burden

The effectiveness, efficiency, and economy of the statistical output.

An HR1 form is submitted by a business only when they are proposing to make 20 or more redundancies, therefore, the business burden is dependent on the business's circumstances. However, businesses do not generally submit HR1s on a regular basis. The form itself is short and simple to complete, and it is estimated to take 10 minutes, on average, to complete.

Within the Labour Market team, there is one member of staff who receives, records, and processes the redundancy information, whilst a further staff member responds to any ad hoc queries and updates the monthly data for publication. The time and resource required is dependent on the volume of notifications and queries received.

Confidentiality, Transparency and Security

The procedures and policy used to ensure sound confidentiality, security, and transparent practices.

All data is handled, stored, and accessed in a manner which complies with Government and Departmental standards regarding security and confidentiality, and fully meets the requirements of the Data Protection Act. Access to this data is controlled by a system of strict business need access controls. Individual returns are not released.

A summary of NISRA ELMS' confidentiality policy can be accessed [here](#).

Data collection is carried out by a team within Economic and Labour Market Statistics Branch. The majority of HR1 forms are now submitted by email to the redundancy inbox, which is checked twice a day. These electronic versions of the forms are stored in a secure file management system alongside scanned versions of any hard copies received. Data from these forms is input into a statistical database which is used to produce outputs. The HR1 forms are stored in accordance with the DoF retention and disposal schedule.

Disclosure rules are applied to outputs to ensure individual businesses cannot be identified in published outputs.

These statistics also comply with the UK Statistics Authority Code of Practice on release protocols.