

Compendium

# Background notes

Information about the compilation of the latest national accounts including quality and reliability issues.



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# 1 . What do you think?

We welcome your feedback on this publication. If you would like to get in touch, please contact us via email: [blue.book.coordination@ons.gov.uk](mailto:blue.book.coordination@ons.gov.uk).

## 2 . Release policy

This release includes data up to 2017. Data are consistent with [Index of Production](#), [Index of Services](#) and [Index of Construction](#) published on 10 July 2018, the current price trade in goods data within [UK trade](#), published on 10 July 2018 and [Balance of payments](#), [Quarterly national accounts](#) and [UK Economic Accounts](#), published on 29 June 2018.

## 3 . National Accounts Work Plan

The [Economic Statistics and Analysis Strategy \(ESAS\)](#) is reviewed and updated annually in the light of changing needs and priorities, and availability of resources. Making explicit our perceived priorities will allow greater scrutiny and assurance that these are the right ones. In addition, this ESAS will allow research and development priorities to be laid out, making it easier for external experts to see the areas where we would be particularly keen to collaborate.

## 4 . Continuous improvement of sources, methods and communication

Prior to publication, we published a series of articles detailing the changes and the impact they would have within Blue Book 2018; these can be found on the national accounts articles page . This includes supplementary analyses of data to help with the interpretation of statistics and guidance on the methodology used to produce the national accounts.

## 5 . National accounts classification decisions

The UK National Accounts are produced under internationally agreed guidance and rules set out principally in the [European System of Accounts: ESA 2010 \(PDF 6.4MB\)](#) and the accompanying [Manual on Government Deficit and Debt – Implementation of ESA 2010 – 2016 edition \(MGDD\) \(PDF 3.7MB\)](#) .

In the UK, we are responsible for the application and interpretation of these rules. Therefore we make classification decisions based upon the agreed guidance and rules.

## 6 . Economic context

We publish [Economic commentary](#), giving commentary on the latest gross domestic product (GDP) estimate and our other economic releases. The next article will be published on 28 September 2018.

## 7 . Important quality issues

Common pitfalls in interpreting series:

- expectations of accuracy and reliability in early estimates are often too high
- revisions are an inevitable consequence of the trade-off between timeliness and accuracy
- early estimates are based on incomplete data

Very few statistical revisions arise because of “errors” in the popular sense of the word. All estimates, by definition, are subject to statistical “error”. In this context the word refers to the uncertainty inherent in any process or calculation that uses sampling, estimation or modelling. Most revisions reflect either the adoption of new statistical techniques or the incorporation of new information, which allows the statistical error of previous estimates to be reduced. Only rarely are there avoidable “errors”, such as human or system failures and such mistakes are made quite clear when they do occur.

### The quality of Blue Book estimates

Unlike many of the short-term indicators we publish, there is no simple way of measuring the accuracy of the Blue Book dataset. All estimates, by definition, are subject to statistical uncertainty and for many well-established statistics we measure and publish the sampling error and non-sampling error associated with the estimate, using this as an indicator of accuracy. Since sampling is typically done to determine the characteristics of a whole population, the difference between the sample and population values is considered a sampling error. Non-sampling errors are a result of deviations from the true value that are not a function of the sample chosen, including various systematic errors and any other errors that are not due to sampling.

The Blue Book dataset, however, is currently constructed from various data sources, some of which are not based on random samples or do not have published sampling and non-sampling errors available, making it very difficult to measure both error aspects and their impact on gross domestic product (GDP). While development work continues in this area, like all other G7 national statistical institutes, we don't publish a measure of the sampling error or non-sampling error associated with this dataset.

## 8 . Reliability

Estimates for the most recent quarters are provisional and are subject to revision in the light of updated source information. We currently provide an analysis of past revisions in the GDP and other statistical bulletins that present time series.

Our revisions to economic statistics page brings together our work on revisions analysis, linking to articles and revisions policies. Revisions to data provide one indication of the reliability of main indicators.

## 9 . Further information

You can get the latest copies of this and all our other releases through our [release calendar](#).

Details of the [policy governing the release of new data](#) are available from the UK Statistics Authority.

We are committed to ensuring that all information provided is kept strictly confidential and will only be used for statistical purposes. Further details regarding confidentiality can be found in the respondent charters for [businesses](#) and [households](#).

## 10 . Code of Practice

[National Statistics](#) are produced to high professional standards set out in the [Code of Practice for Official Statistics](#) . They undergo regular quality assurance reviews to ensure that they meet customer needs. They are produced free from any political interference.