

Compendium

Background notes

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

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Next release: To be announced

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1. Feedback

We welcome your feedback on this publication. If you would like to get in touch, please email us at: <u>blue.book.coordination@ons.gov.uk</u>.

2. Release policy

This release includes data up to 2020. Data are consistent with the <u>Index of Production</u> and the current price trade in goods data within <u>UK trade</u>, both published on 13 October 2021, as well as the <u>balance of payments</u>, <u>quarterly national accounts</u> and <u>UK Economic Accounts</u>, published on 30 September 2021.

3. Continuous improvement of sources, methods and communication

Because of changes to our publishing regime as a result of the coronavirus (COVID-19) pandemic, which allowed us to increase our level of cross-cutting analysis to service the needs of the UK, we published a smaller number of articles detailing the changes and impact they would have within Blue Book 2021. These can be found on the Office for National Statistics (ONS) website using the following keywords: BlueBook2021, BB21 and NationalAccounts.

4. National accounts classification decisions

The UK National Accounts are produced under internationally agreed guidance and rules set out <u>European System of Accounts: ESA 2010 (PDF, 6.4MB)</u> and the accompanying <u>Manual on Government Deficit and Debt – Implementation of ESA 2010 to 2016 edition (MGDD) (PDF, 3.7MB)</u>.

In the UK, we are responsible for the application and interpretation of these rules. Therefore, we make <u>classification decisions</u> based on the agreed guidance and rules.

5. Economic context

We publish economic commentary, giving commentary on the latest gross domestic product (GDP) estimate and our other economic releases. The next commentary will be published on 22 December 2021.

6. Important quality issues

Common pitfalls in interpreting series include:

- · 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 <u>uncertainty</u> 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 allow 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 clear when they do occur.

7. 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 <u>uncertainty</u>, 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 <u>sampling</u> 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 because of 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. This makes 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 (NSIs) we do not 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 gross domestic product (GDP) and other statistical bulletins that present time series.

Our <u>revisions to economic statistics page</u> 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 <u>businesses</u> and <u>households</u>.

10. Code of Practice

<u>National Statistics</u> are produced to high professional standards set out in the <u>Code of Practice for Statistics</u>. They undergo regular quality assurance reviews to ensure that they meet customer needs. They are produced free from any political interference.