

Annual Participation Measure for 16 – 19 year olds in Scotland 2023

The 9th annual statistical publication reporting on learning, training, and work activity of 16-19 year olds in Scotland

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Table of Revisions

Revision Date	Revision Details

Calculations:

This report refers to a percentage point (pp) increase or decrease, which means the absolute change between two percentages e.g., the proportion of 16-19 year olds participating increased by x pp. Calculating percentage point differences from the data presented in the report may differ slightly from figures cited in the text, due to rounding. Similarly, percentages within this report may not sum to 100%, due to rounding.

Accompanying Resources

Background data tables are available in excel format within the APM [supplementary tables](#) on the SDS website.

SDS has created an [interactive Power BI report](#) to complement this publication using APM data from 2016 to 2023.

Background notes that provide an overview of the Annual Participation Measure methodology and data are available on the [APM webpage](#).

Executive Summary

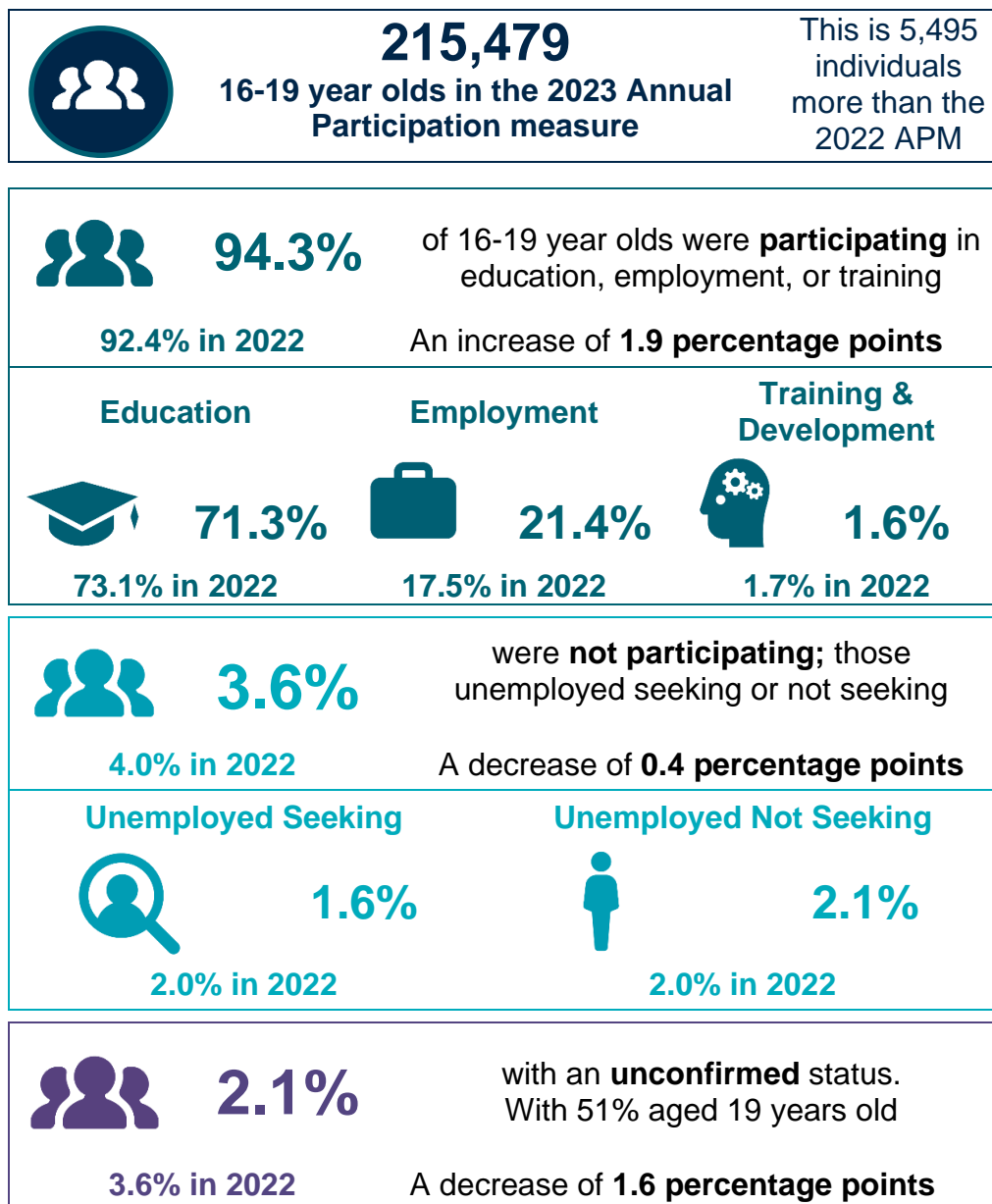
The Annual Participation Measure (APM) reports on the education and employment activity of 16-19 year olds in Scotland and is the source of the Scottish Government's National Performance indicator **"Percentage of young adults (16-19 year olds) participating in education, training, or employment"**.

In 2023, this national indicator stood at 94.3%, the highest percentage ever reported. This was an increase of 1.9 percentage points (pp) compared to 2022 (92.4%).

The inclusion of HM Revenue & Customs (HMRC) data, for the first time in 2023, has contributed to improved data quality and an increase in participation. Since April 2023, HMRC has shared employment data with SDS for statistical purposes only. Although the data did not cover the whole of the period of interest it led to an increase in young adults reported as participating in employment and a reduction in those with an unconfirmed status.

The use of HMRC data will have disproportionately impacted on cohorts of customers that had a higher proportion of individuals in an unconfirmed status prior to inclusion of HMRC data e.g., 18 and 19 year olds and those living in the 20% most deprived areas of Scotland. A similar impact was found at a local authority level. The increased employment rate will have impacted on areas where employment is more common and contributed to the narrowing of the participation gap by SIMD.

Between 2022 and 2023 there has been an increase in the proportion of 16-19 year olds in employment and a decrease in the proportion in secondary education (school pupils) and unemployed seeking. This could be attributed to increased employer demand for workers and it is notable that the inclusion of HMRC data has contributed to an increased proportion of young adults reported in employment and this should be remembered when comparing data.



Participation by Age

- In 2023, participation was highest amongst 16 year olds (99.2%) and lowest amongst 19 year olds (88.9%). This mirrors all previous years.
- The participation rate in 2023 increased for 17,18 and 19 year olds by 0.4 pp, 2.8 pp and 4.7 pp respectively but decreased for 16 year olds by 0.1 pp.
- The percentage of young adults participating in employment increased by 3.9 pp and increased in each age category with 18 year olds experiencing the largest rise at 5.9 pp. The proportion in employment had increased prior to the inclusion of HMRC data.
- The percentage of young adults participating in education decreased by 1.8 pp and decreased in each age category with 17 year olds experiencing the largest decrease at 2.8 pp. The decrease in education was driven by a reduction of those reported as school pupils, a slight reduction in higher education and a slight rise in the proportion in further education.

Geography

- Between 2022 and 2023 the participation rate rose in all but one of Scotland's 32 local authorities. Although substantial variation remains in the participation rate by local authority, the gap between the highest and lowest participation rates decreased from 7.7 pp in 2022 to 6.6 pp in 2023.
- The participation gap between those who lived in the 20% most deprived areas and those in the 20% least deprived areas was 8.3 pp, compared to 9.3 pp in 2022 and 12.9 pp in 2016. This is lowest gap on record, and it was the inclusion of HMRC data that contributed to the scale of this change.

Equality Characteristics

- Females (95%) were more likely to participate than males (93.7%). This difference was primarily driven by a higher rate of female participation in education (76.6% versus 66.4%). This was offset, to a large extent, by greater participation in employment by males than females (25.4% versus 17.2%)
- The participation rate amongst Minority Ethnic groups (96.8%) remained higher than for those from a White ethnic group (94.2%). This difference was driven by a higher rate of participation in education (88.2% versus 70.1%).
- The participation rate amongst those identified as disabled (89.9%) was lower than for those not identified as disabled (94.5%). This was because disabled young people were more likely to fall into the 'unemployed not seeking' status (5.2% versus 1.9%), which is the same as in 2022.

Non-Participation

- Most of those unemployed seeking were 19 years old (44.2%), followed by 18 year olds (31.3%). The majority of those unemployed and not seeking employment were 19 years old (43.5%), 18 and 19 years old comprised over three quarters (79%) of this group.

Unconfirmed

- In 2023, the percentage of 16-19 year olds with an unconfirmed status was 2.1% compared to 3.6% in 2022. In 2023, we calculated the APM with and without HMRC data. The unconfirmed rate without HMRC data was 3.7%, an increase compared to 2022. This shows the inclusion of HMRC data resulted in a reduction in the unconfirmed rate.

Introduction

The Annual Participation Measure (APM) reports on the education and employment activity of 16-19 year olds in Scotland. It is the source of the Scottish Government's National Performance indicator **“Percentage of young adults (16-19 year olds) participating in education, training, or employment”**. This report marks the ninth release of statistics on the participation of 16-19 year olds at a national and local authority level and the eighth using the Annual Participation Measure reporting methodology.

The data set used to produce the APM is managed by Skills Development Scotland (SDS) and combines data from a range of data sharing partners including local authorities, colleges, the Department for Work and Pensions (DWP) and SAAS, to identify what young adults between the ages of 16-19 are doing in 'real time'. In 2023, HM Revenue & Customs (HMRC) employment data was included within APM statistical data set for the first time.

The annual methodology takes account of all statuses for 16-19 year olds in Scotland over one calendar year. For each of the 215,479 individuals included within the 2023 cohort (covering 1st April 2022 – 31st March 2023)¹, the headline participation classification (participating, not participating and unconfirmed) is based on the classification within which an individual spent the greatest number of days within the year.

In April 2023, SDS began to receive individual level data from HMRC for statistical purposes only. HMRC began to compile the data for SDS from January 2023. This data included employment start and end

dates for each employment record for individuals between the ages of 16 and 24 year old, residing in Scotland. The data included employment records that started on or after 1st January 2023, employment records that ended on or after 1st January 2023 and employment records that started before 1st January 2023 and had not ended by 1st January 2023. A notable limitation was that HMRC data did not cover the full period of interest as employment records that ended between 1st April 2022 and 31st December 2022 were not included. The impact of HMRC data was quantified by comparing APM data pre and post inclusion of HMRC data. The inclusion of HMRC data resulted in a 42.8% reduction in unconfirmed statuses leading to a 1.9 pp increase in the employment rate and a 1.6 pp decrease in the unconfirmed rate, compared to 2023 APM data pre HMRC.

For the periods covered by the 2022 and 2023 statistics we received data from DWP about Universal Credit (UC) claimants. However, for the years prior to 2022, SDS did not receive this data from DWP which means we were unable to comprehensively identify those out of work.

The effects of Coronavirus (COVID-19) pandemic and associated lockdown measures will have impacted on young adults' participation in 2021. However, as the economy re-opened and business demand for workers increased, the increase in opportunities may have influenced the choices made by young adults across the period covered by the 2022 statistics.

The impacts of the pandemic and the absence of both Universal Credit and HMRC data in prior years should be kept in mind when comparing 2023 data with earlier years.

¹ To be included in the APM 2023 cohort an individual must be aged 16 to 19 on the 31st March 2023 and have a customer record on the Opportunities for All shared data set, held on the SDS Customer Support System (CSS),

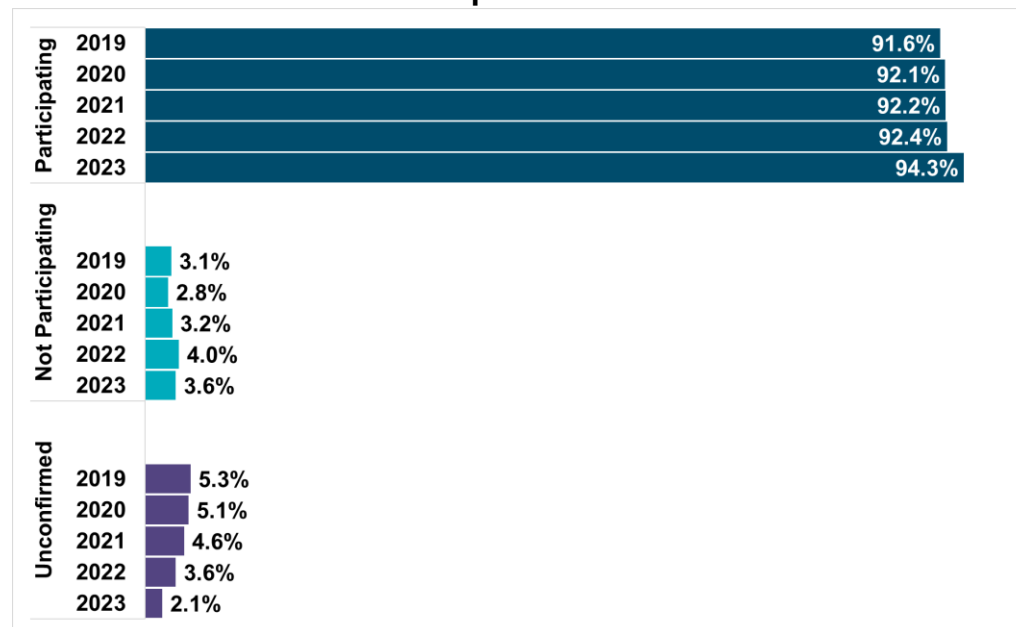
1. Annual Participation Measure Trends

There were 215,479 individuals aged 16-19 within the 2023 APM cohort, which was 5,495 more than the 2022 measure. Against the National Records of Scotland 2021 mid-year population estimate of 225,838 for 16-19 year olds, this report covers approximately 95% of that estimated population.

Chart 1 shows the headline participation percentages between 2019 and 2023. The results show the proportion of 16-19 year olds:

- Participation in education, training or employment has increased every year between 2019 and 2023. As a result, the rate of participation has increased by 2.7 pp from 91.6% in 2019 to 94.3% in 2023. Over the period, this improvement has been driven by increased participation in employment, as between 2019 and 2023 this increased by 3.3 pp, from 18.2% to 21.4%.
- Between 2022 and 2023 there was a decrease of 0.4 pp in those unemployed seeking and unemployed not seeking remained relatively static. The decrease was mainly among 19 year olds. The change can be attributed to improved data quality achieved by the inclusion of Universal Credit data.
- Unconfirmed statuses have decreased every year since 2019 and they are at their lowest ever rate. At a national level, the decrease between 2022 and 2023 can attributed to improved data quality achieved by the inclusion of HMRC data.

Chart 1: Annual Participation Headlines 2018 - 2022



Note to Readers:

SDS continues to work to reduce the proportion of young adults with an unconfirmed status. In April 2023, we received access to HMRC data at an individual level to aid with the identification of those young adults in employment. This was data from 1st January 2023 onwards and not historic data therefore it has only been used within the 2023 APM. This should be kept in mind when making comparisons to previous years.

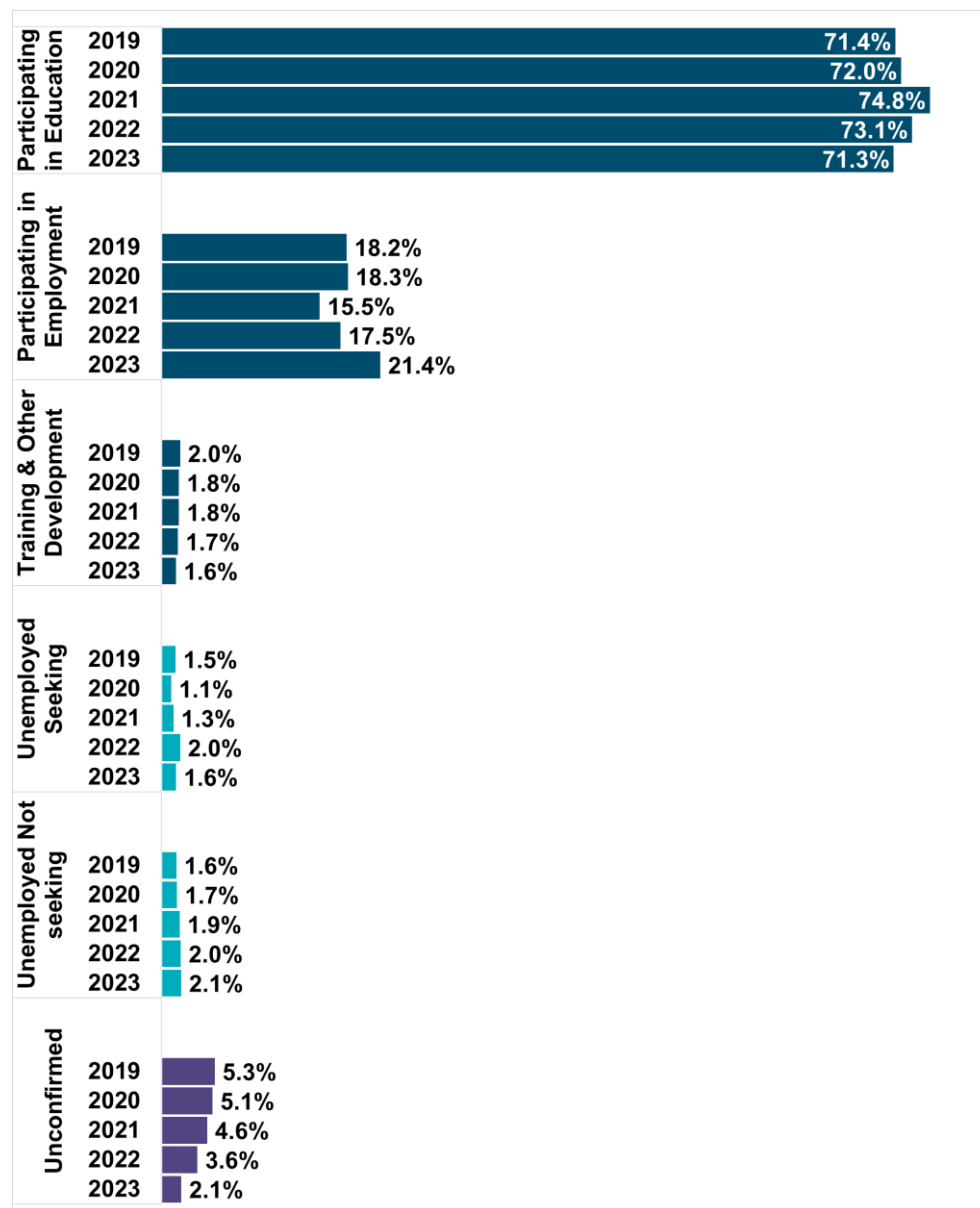
SDS worked very closely with DWP to establish regular data sharing about Universal Credit (UC) claimants, both in and out of work. This process commenced in late Summer 2021 and led to improved data quality for those unemployed seeking, unemployed not seeking and those in work claiming universal credit. As it was not possible for DWP to supply historic data about Universal Credit claimants, data for previous years remains unchanged. The impact of the absence of UC data should be kept in mind when making comparisons between 2022 and previous years.

3. Annual Participation Measure by Status Grouping

Chart 2 provides a breakdown of the APM by status grouping. In 2022:

- 71.3% of 16-19 year olds were in secondary or tertiary education, a decrease of 1.8 pp compared to 2022.
- 21.4% of 16-19 year olds were in employment. This was a 3.9 pp increase compared to 2022 (17.5%). There was an increase prior to the inclusion of HMRC data but the inclusion of this data has contributed to the scale of the increase.
- 1.6% of 16-19 year olds were unemployed seeking employment and 2.1% were unemployed not seeking, a decrease of 0.4 pp and an increase of 0.04 pp respectively compared to 2022.
- 94.9% of 16 year olds were in education compared to 95.6% in 2022, with the majority (89.9%) in a school pupil status (91.5% in 2022).
- 77.8% of 17 year olds were in education compared to 80.7% in 2022, with the majority (61.6%) in a school pupil status (66.6% in 2022).
- 49.7% of 18 year olds were reported in Higher or Further Education, with the next highest proportion in employment (30.3%). This compares to 51.5% and 24.5% in 2022.
- 50.8% of 19 year olds were reported in Higher or Further Education, with the next highest proportion in employment (36.9%). This compares to 51.6% and 31.3% in 2022.

Chart 2: Annual Participation Groups 2019 - 2023



4. Equalities

SDS has a legal duty, under the Equality Act 2010², to ensure that services are inclusive and accessible to a diverse range of customers. Equalities data is collected to enable uptake of services to be monitored and any barriers faced by groups to be identified and addressed.

The equalities data within the shared data set is sourced from school management information systems. Customer records can subsequently be updated by SDS advisers after receipt of information from the individual or their representative.

The APM will be one of the sources of data to report against the following SDS' Equality Outcome for 2021 - 2025:

People with lived experience of poverty, and from protected characteristic groups known to face inequality, have increased participation and improved progression in learning and employment.

Care experience is not a protected characteristic. As a corporate parent, SDS is committed to treating care experience in the same way as others with protected characteristics. However, in the absence of reliable data, we are currently unable to include care experience in our analysis.

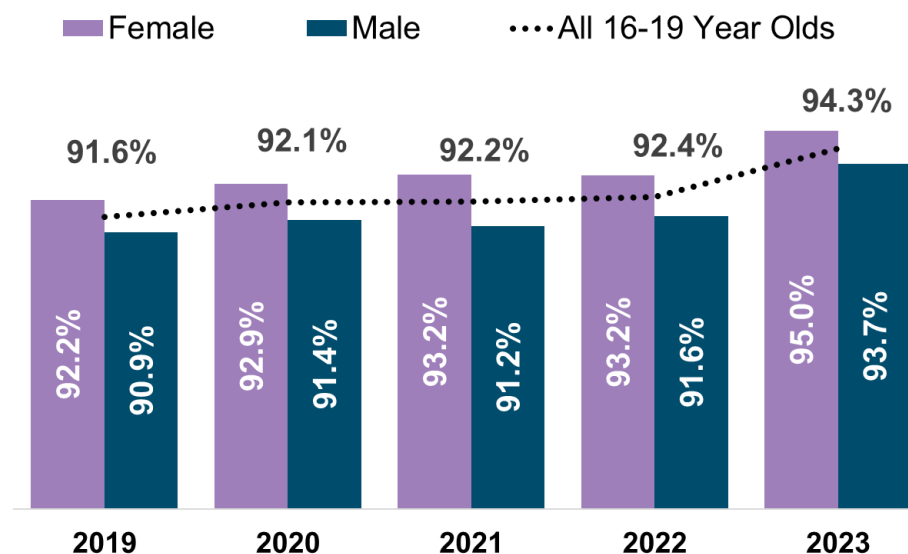
Gender

Chart 3 shows participation by gender. The results show:

- The participation rate for both females and males increased between 2022 and 2023 by 1.8 pp and 2.1 pp, respectively.
- The participation rate for females continues to be higher than that for males, 95% and 93.7%, respectively. This has been the case for each year of annual participation measure.
- The gender participation gap is now 1.3 pp, a decrease of 0.3 pp between 2022 and 2023.
- Females were more likely than males to be participating in education (76.6% v 66.4%) and males were more likely to participate in employment (25.4% v 17.2%).



Chart 3: Participation by Gender, 2019 – 2023



² <https://www.gov.uk/guidance/equality-act-2010-guidance>

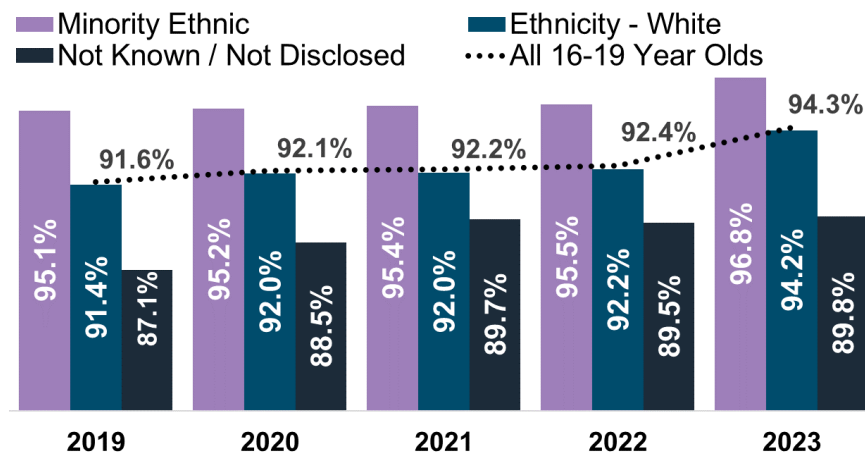
Ethnicity

Chart 4 shows participation by ethnicity. The results show:



- The participation rate between 2022 and 2023 increased for those from minority ethnic groups by 1.3 pp and increased by 2.0 pp for those identified as white.
- The participation rate of those from minority ethnic groups was 2.6 pp higher than those identified as white, a decrease 0.7 pp between 2022 and 2023.
- Those from minority ethnic groups were more likely to be in education (88.2%) than those identified as white (70.1%).

Chart 4: Participation by Ethnicity, 2019 - 2023



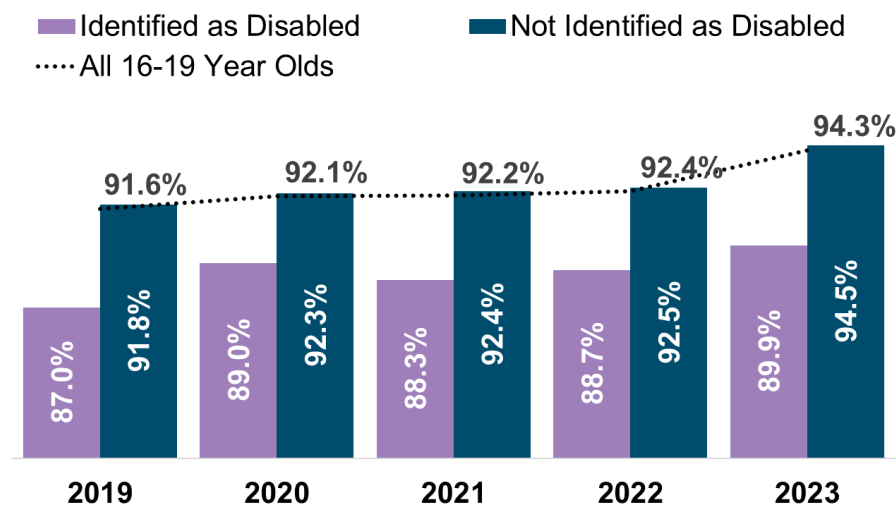
Disability

Chart 5 shows participation by disability. The results show:



- Participation amongst those identified as disabled increased by 1.1 pp between 2022 and 2023 from 88.7% to 89.9%. This was mainly driven by increased participation in employment which reached its highest level since the APM was introduced in 2016 (14.6%). However, this was still lower compared to those not identified as disabled (21.8%).
- The participation gap between those identified as disabled and not disabled has increased to 4.6 pp, an increase of 0.8 pp from 2022. The gap is at its highest level since 2019.

Chart 5: Participation by Disability, 2019 – 2023



5. Participation Rates Across Scotland

Local Authority

Chart 6 provides a breakdown of the 2023 APM headline results by Local Authority. In summary:

- Twenty local authorities have a participation rate on or above the Scottish average (the remaining twelve were below).
- The variation between the highest and lowest participation rate was 6.6 pp, down from 7.7 pp in 2022. Apart from a slight increase in 2021, the variation had decreased each year from 10.6 pp in 2016.
- The highest participation rate was again in East Renfrewshire (97.7%) which increased by 0.7 pp from 2022 (97.0%). East Renfrewshire also had the highest participation rate in 2022 and 2021.
- The lowest participation rate was again in Dundee City. This was despite a 1.8 pp rise from 89.4% in 2022 to 91.2% in 2023.
- The highest non-participation rate was in Clackmannanshire at 6.6% an increase of 1.0 pp compared to 2022. Dundee City had the highest rate in 2022 at 7.2% but this fell to 6.2% in 2023, the 2nd highest rate.
- The highest unconfirmed rate was in Aberdeen City at 3.2%, a decrease of 0.7 pp compared to 2022. Moray had the highest rate in 2022 at 5.3% but this has fallen to 1.6%, the largest decrease between 2022 and 2023.



Chart 6: 2023 Participation Headlines by Local Authority

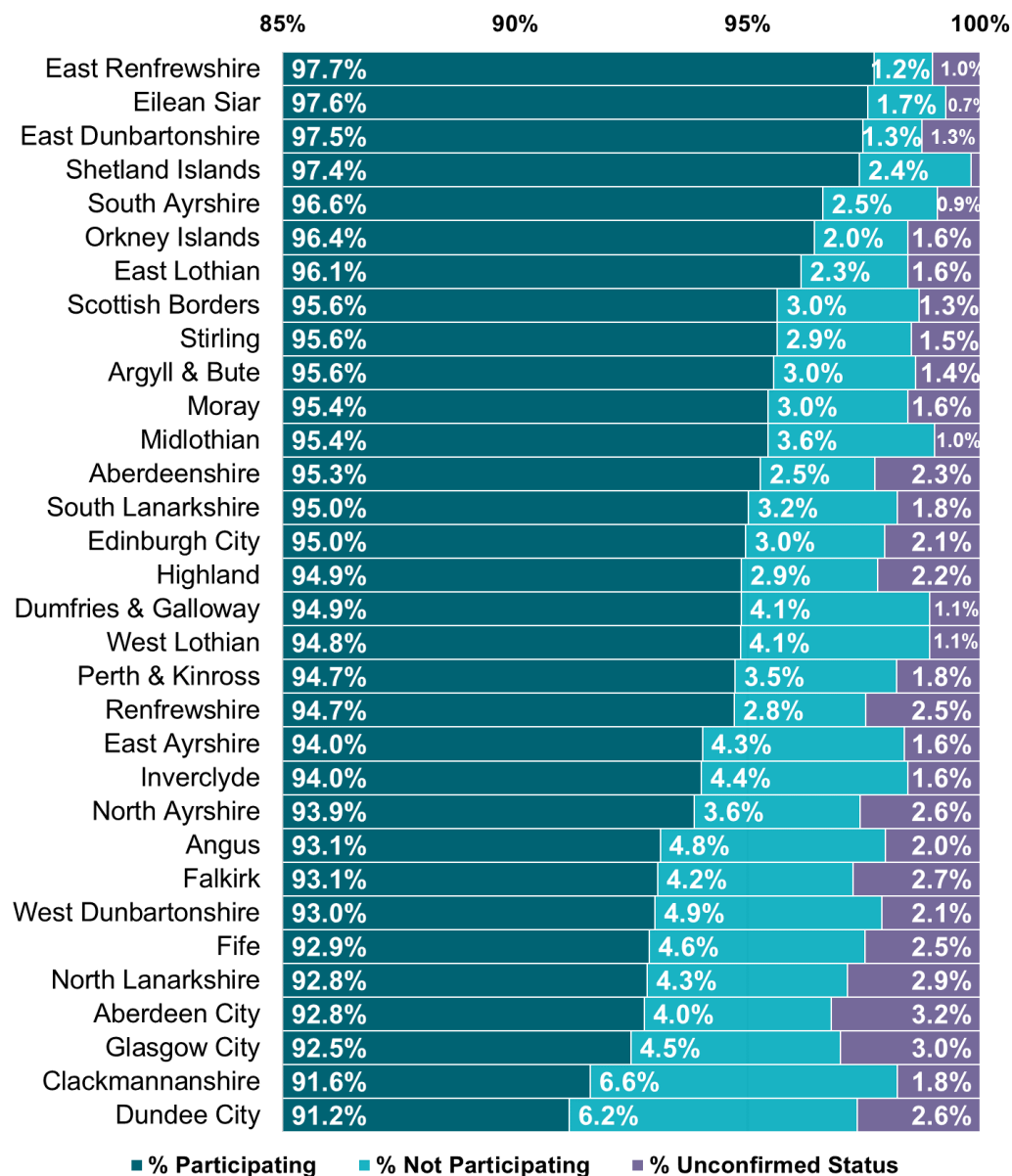


Chart 7 shows the percentage point change in participation between 2022 and 2023 by local authority.

In summary, the results show that between 2022 and 2023 the participation rate had:

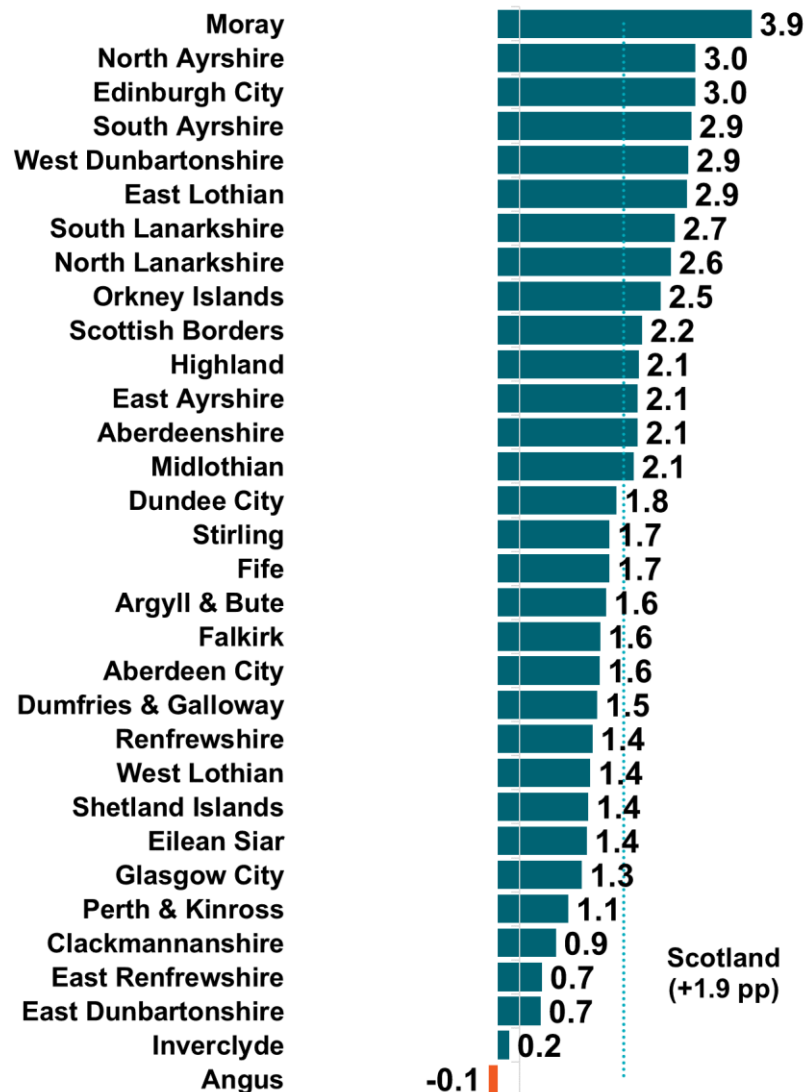
- increased in 31 of the 32 Local Authorities: and
- decreased in only one of the 32 Local Authorities, Angus.

The greatest increase in participation between 2022 and 2023 was in Moray (+3.9 pp) and the greatest decrease was in Angus (-0.1 pp).

The [supplementary tables](#) provide Local Authority information for participation, non-participation, and unconfirmed statuses for all APM publications. In comparison to 2022:

- Most local authorities had a decrease in non-participation compared to 2022.
 - Orkney Islands had the largest decrease in non-participation of -1.5 pp, decreasing from 3.5% in 2022 to 2.0% in 2023.
 - Clackmannanshire had the largest increase in non-participation of 1.0 pp, increasing from 5.6% in 2022 to 6.6% in 2023. The increase was in those unemployed not seeking.
- There were reductions in the unconfirmed rate in each local authority.
 - Moray had the largest decrease in unconfirmed of 3.7 pp, decreasing from 5.3% in 2022 to 1.6% in 2023.
 - Shetland Islands had the lowest unconfirmed rate at 0.2%, a decrease from 1.6% in 2022.

Chart 7: Percentage point change in participation rate between 2022 and 2023, by Local Authority



Scottish Index of Multiple Deprivation (2020)

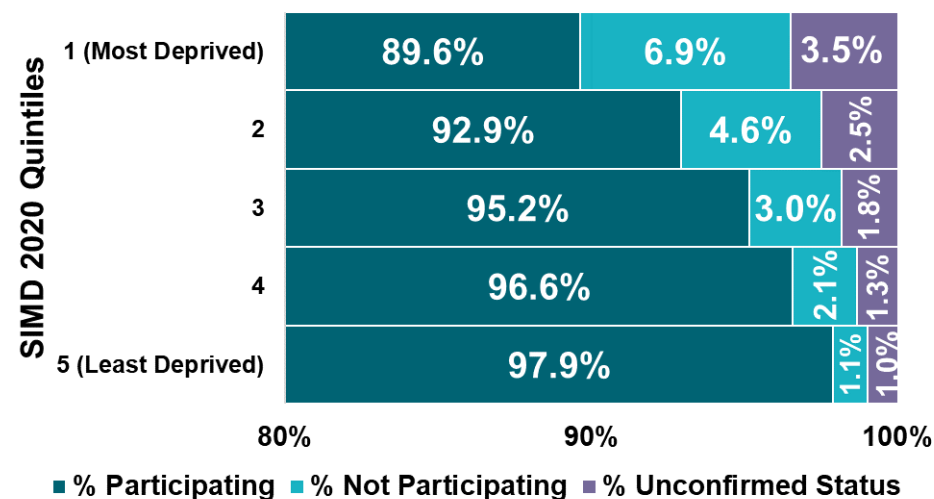
Chart 8 provides an overview of 16-19 year old participation by SIMD (2020) quintiles. It shows that:

- Those who lived in more deprived areas remained less likely to be participating within the 2023 annual measure than those from the less deprived areas.
- There was a 2.2 pp increase in participation between 2022 and 2023 for those living in Quintile 1 (the 20% most deprived areas). The largest increase was in SIMD quintile 2 with an increase of 2.3 pp.
- Participation within the less deprived areas (quintiles 4 and 5) increased between 2022 and 2023 by 1.7 pp and 1.2 pp, respectively.

Data within the [supplementary tables](#) provides further information regarding participation amongst SIMD quintiles. In 2023:

- 16-19 year olds from the least deprived areas are more likely to be in education. 82.1% from the least deprived areas (quintile 5) were reported as participating in education compared to 64.3% for those from the most deprived areas (quintile 1), a difference of 17.8 pp. This is up from 17.5 pp in 2022.
- A higher proportion of 16-19 year olds from more deprived areas were in employment compared to those from less deprived areas. For example, 22.7% of those from quintile 1 were employed compared to 15.1% from quintile 5. Similarly, a higher proportion were also not participating, 6.9% compared to 1.1%.

Chart 8: 2023 Participation Headline by SIMD (2020) Quintiles



Note to Readers

More information on the Scottish Index of Multiple Deprivation can be found at: <https://www2.gov.scot/Topics/Statistics/SIMD>

Chart 9 shows that the participation gap between those living in the 20% most deprived areas and those in the 20% least deprived areas continued to narrow between 2019 and 2023.

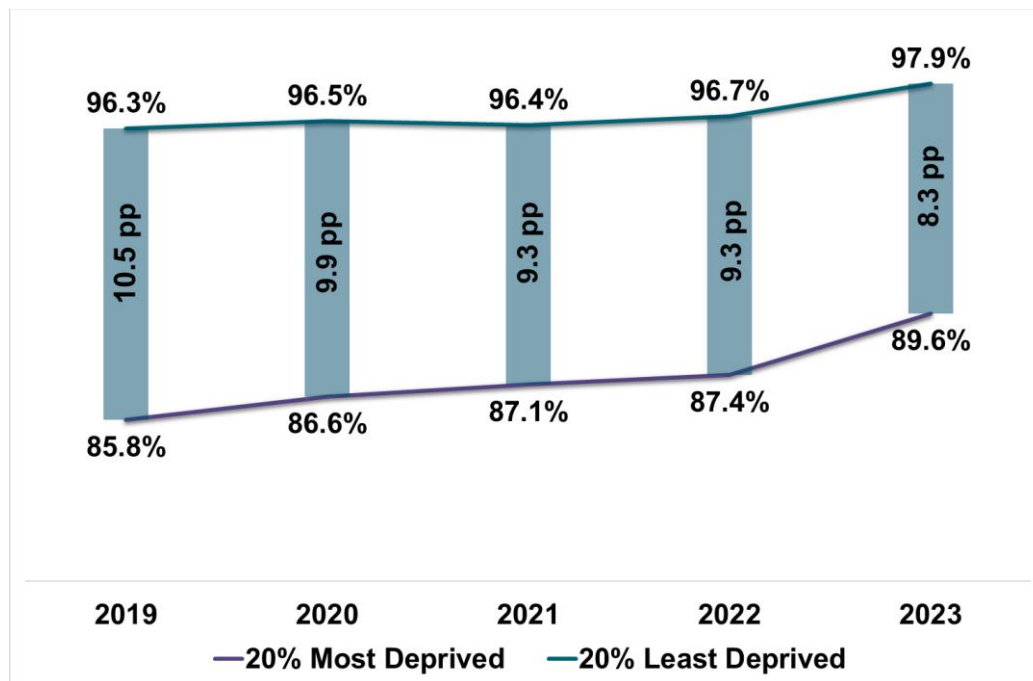
In 2023 there was an 8.3 pp gap between participation by 16-19 year olds living in the 20% most deprived and 20% least deprived areas. The percentage point gap was lower due to the inclusion of HMRC data; however, the gap had narrowed prior to the inclusion of HMRC data.

Participation rates had increased between 2022 and 2023 for those in both the 20% most deprived and 20% least deprived areas. The gap had also decreased prior to the inclusion of HMRC data.

The participation rate increased in every quintile.

- Participation in the 20% most deprived areas has increased by 3.8 pp between 2019 and 2023.
- Participation in the 20% least deprived areas has increased by 1.6 pp between 2019 and 2023.

Chart 9: Participation Gap Between 20% Most Deprived Areas and 20% Least Deprived Areas (Percentages)



6. Analysis of those Not Participating

Those identified as not participating are unemployed (either unemployed seeking or unemployed not seeking). The unemployed and seeking group are those who are known to SDS to be actively seeking employment, education, or training. These may include individuals who are not accessing Department for Work and Pensions services or benefits (e.g., 16 and 17 year olds can only claim UC in specific circumstances).

Deprivation



Those 16 to 19 year olds who were unemployed seeking or unemployed not seeking were concentrated in the most deprived areas – around two fifths of both unemployed seeking (45.4%) and unemployed not seeking (39.8%) lived in areas ranked within the 20% most deprived areas in Scotland.

Urban / Rural



16 to 19 year olds who were not participating were more likely to live in an urban area. Most of both unemployed seeking (78.6%) and unemployed not seeking (75.6%) lived in urban areas.³ By comparison, those living in urban areas accounted for 70.7% of the overall APM cohort.

³ [Background to Scottish Government's Urban Rural Classification.](#)

Local Authorities



Collectively, Glasgow City, Fife and North Lanarkshire accounted 25.1% of the 16-19 population.⁴ However, almost a third (31.5%) of the national total of unemployed seeking lived in these council areas. The proportion of unemployed not seeking (29.0%) was also slightly higher than the population.

Gender



The gender composition of the unemployed seeking cohort differed.

Males accounted for 51.5% of the overall APM cohort, however, almost two thirds (64.4%) of those unemployed seeking were male.

There was no real gender bias within those unemployed not seeking, although females were more likely to be unemployed not seeking.

Note to Readers

From late summer 2021, SDS began to receive individual level data about people claiming Universal Credit. This has improved data quality for those out of work. The figures for unemployed seeking young people aged 18 or 19 for the years prior to 2022 should be treated with a degree of caution.

[See Appendix 1.](#)

⁴ <https://www.nrscotland.gov.uk/statistics-and-data/statistics/statistics-by-theme/population/population-estimates/mid-year-population-estimates/mid-2021>

Chart 10 shows that between 2022 and 2023, there was a slight increase in the proportion of 16 and 17 year olds that were unemployed seeking. On the other hand, there were decreases among both 18 year olds (-0.3 pp) and 19 year olds (-1.4pp). For all 16-19 year olds this resulted in an overall decrease of 0.4 pp.

- The age group with the largest proportion of ‘unemployed seeking’ was 19 year olds (44.2%). When combined with 18 year olds, these two age groups accounted for just over three quarters (75.5%) of those reported as unemployed seeking.

Chart 11 shows that between 2022 and 2023, while the proportion that were unemployed not seeking in each year group varied, for all 16-19 year olds there was only a slight increase of 0.04 pp.

- The largest increase was in the 19 year old age group, increasing by 0.2 pp.
- 19 year olds accounted for the highest proportion of those who were unemployed not seeking employment (45.5%). Together with 18 year olds, these made up over three quarters (79.0%) of the unemployed not seeking cohort.

Chart 10: Percentage Unemployed Seeking Employment or Training by Age, 2019- 2023

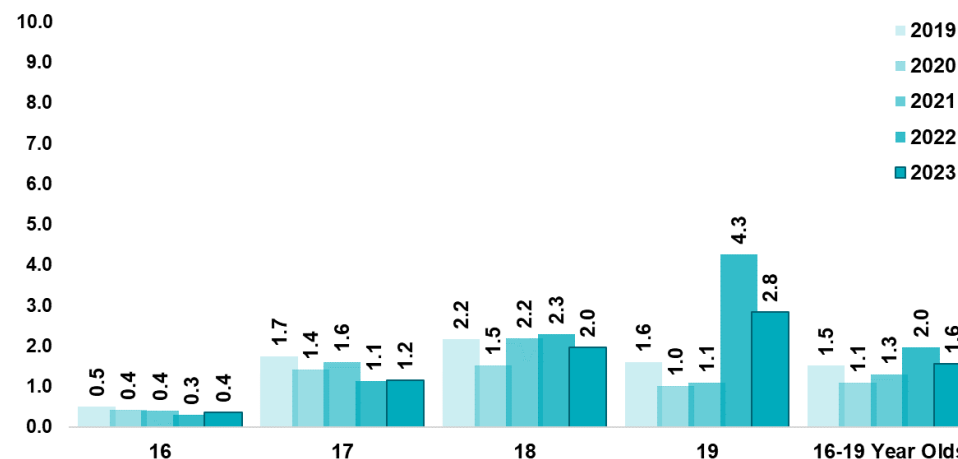
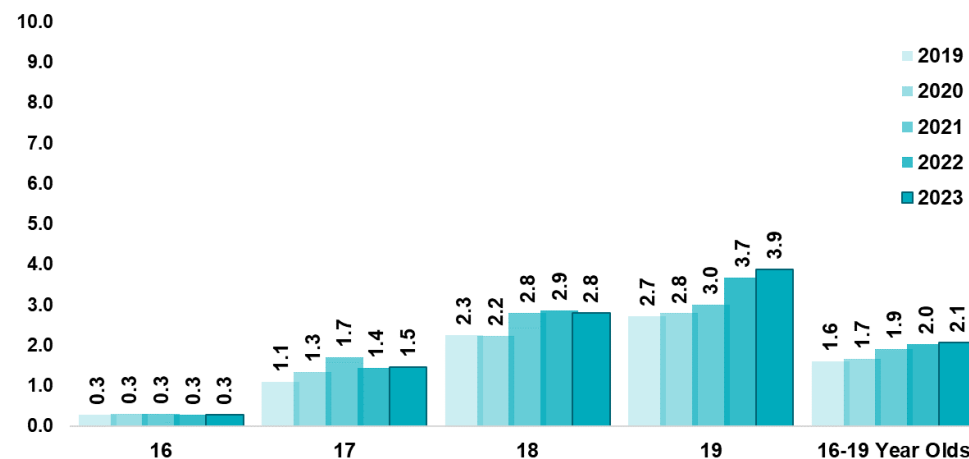


Chart 11: Percentage Unemployed NOT Seeking Employment or Training by Age, 2019 - 2023



7. Analysis of those with an Unconfirmed Status

The number of individuals in 2023 with an unconfirmed status was 4,499 (2.1%) and by comparison in 2022 this was 7,651 (3.6%). Using HMRC data a total of 3,373 individuals were moved from an unconfirmed status. This was a 42.8% reduction in unconfirmed statuses in the 2023 cohort compared to the 2023 data pre-HMRC.

Chart 12 shows how the percentage of 16-19 year olds with an unconfirmed status varied between 2018 to 2022. The inclusion of HMRC and Universal Credit data in 2023 has led to a reduction in the level of unconfirmed.

- The percentage of 16 to 19 year olds with an unconfirmed status fell by 1.6 pp and is at its lowest level ever reported.
- The proportion of unconfirmed statuses fell within the 17, 18 and 19 year old age groups. The largest decreases in unconfirmed statuses were in the 19 and 18 year old age groups. These fell by 3.5 pp and 2.4 pp, respectively.
- The majority of those with an unconfirmed status were aged 19 (51%). In each year of the Annual Participation measure, the majority of those unconfirmed have been aged 19.

Further information regarding those with an unconfirmed status can be found in the [supplementary tables](#).



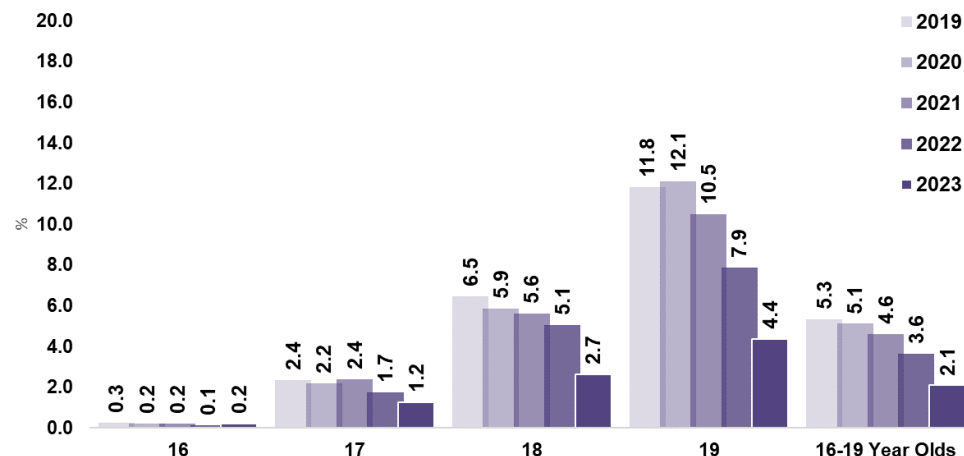
As in previous year, an unconfirmed status was more common amongst males than females.

The gender split for those with an unconfirmed status was 40% female and 60% male.

Those with an unconfirmed status were also more likely to be in areas of higher deprivation. Over a third (37.6%) of 16-19 year olds with an

unconfirmed status lived in the 20% most deprived areas of Scotland), compared to just over 22.3% of the overall cohort.

Chart 12: Percentage with an Unconfirmed Status by age, 2019 - 2023



Note to Readers

Individuals within the shared dataset whose predominant status is 'unconfirmed' within each year, means that despite multi-partner data sharing and tracking of individuals, as part of service delivery, it has not been possible to identify full status information.

Since April 2023, SDS has received HMRC data for statistical purposes only, which has reduced the number of 16-19 year olds in an unconfirmed status within the APM 2023. However, the HMRC data did not cover the whole period of interest. In addition, in years prior to 2022, the absence of Universal Credit data may also have had an impact on those with an unconfirmed status.

(See Appendix 1)

8. Further Resources

Further resources are available on the Annual Participation Measure [webpage](#):

- The publication's [supplementary tables](#) provide a breakdown of the Annual Participation Measure by different characteristics including age, gender, ethnicity and disability and by different geographies including local authority and SIMD.
- An [interactive PowerBI report](#) has been created to complement this publication. This provides similar breakdowns to the supplementary tables in a visual format.
- Background notes outlining the annual participation methodology and the sources of data are available on the APM [webpage](#).

Next Publication:



The next Annual Participation Measure will be published in August 2024.

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Appendix 1: Impact of HMRC and Universal Credit data

In April 2023, SDS began to receive individual level data from HM Revenue & Customs (HMRC) for **statistical purposes only**.

This data was based on PAYE data from HMRC'S Real Time Information (RTI) system. An employer completes and submits data to HMRC each time they pay an employee to advise HMRC which employees they have paid and provide them with full details of the payment and deductions.

SDS has received a limited data set from HMRC which included individual employee details for matching purposes (Name, Date of Birth, Gender, and Postcode), a record of each employment episode with start and end dates and where available an indication of working hours. The start date within the extracts was based on the start date supplied by the employer or if this was not completed then it referred to the initial payment date.

The data contained employment records that started on or after 1st January 2023, employment records that ended on or after 1st January 2023 and employment records that started before 1st January 2023 and had not ended by 1st January 2023.

The data that was supplied by HMRC was amalgamated with data from the shared dataset which incorporates data on individuals' statuses from key delivery partners, including local authorities, colleges, the Department for Work and Pensions (DWP) and SAAS. There were specific rules applied to integrate the HMRC data to create a bespoke APM 2023 dataset. This included amending start and end dates of existing data to align with the data supplied by HMRC.

Approximately, 1.9% of records within the APM cohort were updated through the inclusion of HMRC data. HMRC data was mapped to the Data Import – Employed status. In general, the following rules were applied:

Unconfirmed: if HMRC data was available and it covered the whole unconfirmed period then the unconfirmed days were updated to employment. However, if there were only partial days to cover the unconfirmed status, then the number of days from HMRC data was used and the balance of days remained unconfirmed. A total of 3,373 individuals were updated from an unconfirmed status with the majority updated to employment.

Education statuses: If a higher education (HE) or further education (FE) status existed, and the source of this status was confirmed by data shared by SAAS or Scottish Colleges but there was also HMRC data covering the same period then HMRC data was ignored, and the existing status remained. School pupil statuses were handled in the same way using the date left school, mainly supplied by local authorities. In these scenarios it was accepted that an individual could be working whilst studying.

If a HE or FE status was available, but it was not confirmed by data or if the mode of attendance for the status was not full-time then each status line was reviewed to incorporate HMRC data for employment that was coded as 16 hours or more. A total of 406 individuals were updated from Education to Employment and this had no impact on the overall participation rate.

Employment statuses: no changes were made to records that were originally identified as employed within the APM 2023 dataset and these were not reviewed alongside HMRC data.

Training and Other Personal Development statuses: each status line was reviewed to incorporate HMRC data for employment that was coded as 16 hours and over. A total of 209 individuals moved to employment and did not impact on the overall participation rate.

Not Participating statuses: each status line was reviewed to incorporate HMRC data for employment, amending status days as appropriate. In total, 133 individuals were updated from non-participating to employment with the majority being from unemployed not seeking statuses.

Limitations of the HMRC data: As highlighted above HMRC data did not cover the whole period of interest therefore if an individual left employment within the period of interest but prior to 1st January 2023 then this data was not captured. Within the APM dataset, if an individual was originally recorded within employment this data was not reviewed alongside HMRC data.

Universal Credit data

The Department for Work and Pensions (DWP) is one of the key partners who share data with SDS. Since 2014, SDS received data for those aged 18 and over in receipt of Job Seekers Allowance (JSA), Employment and Support Allowance and Income Support. These benefits were replaced by Universal Credit (UC) with the rollout completed by December 2018, however, SDS did not receive UC data until late summer 2021.

The inclusion of UC data for individuals aged 16-19 has led to improvements in data quality and means the measure can now comprehensively report on those who are out of work (unemployed seeking and unemployed not seeking). In addition, the UC data has also been used to identify individuals who are employed and in receipt of universal credit. Unfortunately, DWP was unable to supply historic

universal credit data meaning figures and percentages for previous years remain unchanged. Within previous reports we noted that we were unable to reliably quantify the impact the lack of UC data had on the APM. However, we believed we were unable to comprehensively identify or report on young adults who were unemployed and claiming out of work benefits.

Through the delivery of post school services and transition support from school, SDS track and engage with unemployed young adults. In local areas, SDS works with DWP to offer support to young unemployed people thus maintaining an accurate record of their circumstances. As a result, the APM for previous years will have accurately reported on unemployment where SDS had delivered support to individuals. Although available to all, SDS support is mainly delivered between the ages of 16 and 18½ years old. This approach will have to some extent mitigated the absence of UC data in prior years.

The figures and percentages impacted by the lack of UC data included the categories of **unemployed seeking, unemployed not seeking, employment** and **unconfirmed**. This meant the headline classifications of **participation, non-participation** and **unconfirmed** will have been directly impacted. Examples of how the absence of UC data will have had an impact include: DWP data was used to create unemployed seeking statuses and the number of 18 and 19 year olds reported within an unemployed seeking status gradually reduced since 2016. Also, DWP data was used to update individuals from unconfirmed or participating to unemployed seeking.

As the results of the 2022 and 2023 report demonstrate, the inclusion of UC data has improved the quality of the shared data, particularly in relation to unemployed and unconfirmed statuses and, within these, the 18 & 19 year old age groups.