INFORMATION DIRECTORATE

INCOMES MONITORING IM1

FAMILY RESOURCES SURVEY 2008-09

Dataset and Changes

Twelve-month User Consultation

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Introduction

This summary report is produced in conjunction with the 2008-09 Family Resources Survey (FRS) and provides users with detailed information on proposed changes to :-

- Dataset structure
- Variables
- > Treatment within Processing (validation, editing and derivation of variables)
- Methodology

The information provided in this report should be used in conjunction with the standard FRS documentation, which can be accessed via the FRS Link Page at: http://51.127.145.11/asd3/web/frs/.

If at any point you would like to discuss any issues or require further information or clarification, please contact one of the FRS team in Incomes Monitoring (via email to: team.frs@dwp.gsi.gov.uk).

The FRS data processing team is:

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DATA structure

There were no major structural changes made to the Family Resources Survey dataset in 2008-09.

Overview of variable changes

The variable changes are listed below with reference to the relevant page in the 'Interviewers Guide to Changes' listed in brackets, which will provide further detail.

Changes in the Family Resources Survey (FRS) data can affect three main areas of processing:-

- Editing
- Imputation
- Derived variables

The tables below summarise for each change in the FRS 2008-09 dataset which areas have been affected. Full details on how these changes have been treated within the dataset are provided in the 'Treatment within processing' section of this report.

- ADULT RESPONDENT'S AGE (2a, page 5)
 - From April 2008, the variable AGE will be derived from the respondent's date of birth (where known). Previously this variable contained the respondent's age as reported during the interview. All members of the household, including adults, are will now be asked for their date of birth. Respondents will only be asked their age if their date of birth is not known or refused. Therefore the Age variable on the dataset will either be calculated based on the respondent's date of birth or taken directly from the respondent. The date of birth recorded will also be used to match FRS and DWP data together if consent to data linking is given
- 6 MONTH RESIDENCY RULE (2b, page 5)

The 6-month residency rule has been removed so that all UK residents, regardless of how long they have been resident in the UK, are now included in the UK population. This is in line with other household surveys including the LFS. New questions have been introduced covering:

- Country of birth
- Year of arrival
- National identity

• HOME SCHOOLED OVER 16s (2c, page 7)

The questionnaire routing at SchChk has been corrected so that home-schooled children aged over 16 are assigned to the correct benefit unit.

• FEU DUTIES (2d, page 8)

Feu duties no longer exist and the Feu answer category for Charge has been out of use since August 2007. The category has now been permanently deleted and the other answer categories have moved position.

- LOCAL HOUSING ALLOWANCE AND HOUSING BENEFIT (2e, page 8)
 Local Housing Allowance (LHA) is a new type of Housing Benefit (HB) that applies
 from 7 April 2008 to new claims/changes of address in the private rented sector in
 Great Britain and Northern Ireland (although there will be differences in how LHA is
 administered in Northern Ireland and Great Britain). In order to identify those who
 began a HB claim on or after 7th April 2008, and so potentially a LHA claimant, new
 questions to ascertain the year and month the current HB claim began have been
 introduced¹.
- NON-MONETARY CHILDCARE PAYMENTS (2f, page 10)
 ChInKnd has been removed.
- DISABILITY (3a, page 11)

New questions were added to capture whether the respondent has ever been diagnosed with a health condition, that could substantially affect future day-to-day activities.

• EDUCATION (3b, page 12)

The existing education questions have been replaced with the more detailed questions HiQual1 and HiQual2. HiQual1 is a multi-code question asking from which organisations the respondent has qualifications and HiQual2 asks for the highest level of qualification from a detailed list. A show-card has been produced to accompany HiQual2 and a help-screen has been added to help respondents and interviewers to establish equivalence between qualifications.

• ADULT LEARNING OPTION (3c, page 14)

Adult Learning Option (ALO) has been added to Train. The DWP introduced ALO as a pilot from September 2006. ALO is available for up to 52 weeks to help jobless and inactive benefit recipients to study full time in order to obtain a Level 2 (equivalent to 5 GCSEs) qualification.

¹ Unfortunately the questions HBOTHYR and HBOTHMN were not introduced in 2008/09, but have been included in the 2009/10 questionnaire.

• LAST PAID JOB (3d, page 15)

The wording of LstWrk2 (year left last paid employment) has been changed to include the year of leaving or retiring from last paid employment to try to prevent non-credible responses. A soft check has been added at FtWk to highlight unusual values.

AGENCY WORKERS (3e, page 15)

Interviewer guidance has been provided to clarify that where respondents are doing different jobs for an employment agency, the employment agency should be considered as the employer when asking for employment start date.

• BENEFITS IN KIND HELPSCREEN (3f, page 16)

The help-screen at the question ExpBen has been changed to include a list of possible applicable options for 'Any other benefits in kind'.

CHILDCARE VOUCHER SALARY SACRIFICE (3g, page 17)

Changes have been made to category wordings and on-screen interviewer instructions to improve reporting of childcare payments where salary sacrifice childcare vouchers are received via an employer.

- Interviewers have been instructed to include childcare vouchers, if received via a salary sacrifice, in the cost of childcare
- ➤ The childcare category at ExpBen has been expanded to include childcare vouchers received as salary sacrifice

• TAX CREDITS (3h, page 19)

Further information on eligibility criteria for tax credits has been added to the Tax Credits help-screen in order to help respondents distinguish between Working Tax credit and Child Tax Credit. The Tax Credit questions have also been amended slightly to ensure the correct terminology is being used.

• FROZEN PENSIONS (3i, page 21)

Interviewer guidance has been provided to clarify that frozen pensions, pensions that are not currently being contributed to, should be excluded from responses to questions in the pensions section of the questionnaire.

• WAR PENSIONS SCHEME (3j, page 22)

Changes have been made to the answer categories at Ben1Q to reflect the fact that 'War Disablement Pension' became known as 'Armed Forces Compensation Scheme' from 6th April 2005.

DISABILITY LIVING ALLOWANCE (3k, page 23)

A new answer category has been added to the questions Ben2Q, B2QFut and ChDLA to encourage respondents to consider receipt of both the care component of Disability Living Allowance and the mobility component of Disability Living Allowance. This new answer category will not be delivered as a variable – a hard check will force interviewers to code both components individually.

• EMPLOYMENT AND SUPPORT ALLOWANCE (3I, page 24)

A new benefit, Employment and Support Allowance (ESA), will be introduced in October 2008 to replace Incapacity Benefit and Income Support (illness or disability). A new answer category has been added to Ben3Q and Ben3QFut to account for this, and a new question has been introduced to determine the type of ESA (contributory or income-based) received.

PERSONAL AND COMMERCIAL LOANS (3m, page 26)

In December 2006, Parliament introduced regulatory changes that allowed for personal and commercial loan repayments to be deducted from benefits. An extra answer category covering these repayments has been added at the question GovPay which asks about deductions from benefits

DURATION OF INCOME SUPPORT AND JOBSEEKER'S ALLOWANCE CLAIMS (3n, page 27)

The questions capturing information on the duration of Income Support (IS) and Jobseeker's allowance (JSA) respectively have been improved so that only respondents who have been in receipt of the benefit for less than 2 years will be asked to specify the number of weeks, in this two-year period, that they have received the benefit.

• CHILD MAINTENANCE (3o, page 28)

- All references to the Child Support Agency (CSA) have been replaced by the Child Maintenance and Enforcement Commission (CMEC).
- > The child maintenance questions have been changed to no longer also collect information on spousal maintenance.
- A new question has been added to the FRS to identify whether respondents have children outside of the household living with another parent.
- The child maintenance arrangements question (MntCt) has been improved to cover more possible arrangements (MntArr).
- > Three questions (MntTotal, MntFor and MrR) have been removed from the questionnaire.

FOSTER CHILD ALLOWANCE (3p, page 32)

A new check has been introduced to prevent inconsistencies between reporting allowances received for a foster child and the non-reporting of foster relationships in the household grid.

ADULT SOCIAL DEPRIVATION (3q, page 33)

A number of additional social deprivation questions have been introduced for adults above state pension age

BLACK AND WHITE TELEVISIONS (3r, page 33)

The routing has been changed so only respondents who do not have a colour television are asked about black and white televisions.

- ISAS AND PEPS (3s, page 34)
 A new check has been introduced to ensure that the reporting of both ISAs and PEPs is not double counting (as PEPs were converted to ISAs).
- CHILD TRUST FUND (3t, page 36)
 The answer category 'Don't know' has been added to CfundTp.
- DATA LINKING (3v, page 37)
 The data linking questions were revised following research which took place between August 2008 and January 2009, along with a pilot which took place in January 2009, which resulted in a revised data linking question and a new data linkage consent procedure.
- NORTHERN IRELAND MIGRATION (not in guide to interviewers)
 A number of questions have been added to the questionnaire, for Northern Ireland respondents, to capture information about migration. An additional table has been added to the dataset to reflect this.

Treatment within processing

Changes in the information collected and the structure of that information needs to be taken into account within the processing of the FRS dataset. Most of these changes can be treated by introducing new systems or through extending our current methodologies, and are detailed in this section across the four processing areas:-

- Benefit Editing
- Non-Benefit Editing
- Imputation
- Derived Variables

BENEFIT EDITING

Winter Fuel Payments (WFP)

Occasionally, some imputed WFP amounts were incorrect for those benefit units in receipt of a relevant benefit i.e. Pension Credit, Income Support or Jobseeker's Allowance (Income-based) and this affected approx. 60 cases in FRS0708. To correct this issue and to implement the additional age related payments which were introduced in 2008-09, we have adjusted our methodology in the following ways -

Amounts due to being aged 60 or over

- ➤ If no one in the household is in receipt of a relevant benefit, and there is only one 60+ in the household, then the 60+ year old will get £250
- ➤ If no one in the household is in receipt of a relevant benefit, and there is more than one 60+ in the household, then each of the 60+ year olds will get £125 each
- ➤ If someone in the household is in receipt of a relevant benefit, but no one in the benefit unit is in receipt of a relevant benefit, then the 60+ year old in that benefit unit get £125
- ➤ If someone in the household is in receipt of a relevant benefit, and someone in the benefit unit is also in receipt of a relevant benefit, then the recipient within the benefit unit gets £250

Amounts due to being aged 80 or over

- If no one in the household is in receipt of a relevant benefit, and there is only one 80+ in the household, then the 80+ year old will get an extra £150
- If no one in the household is in receipt of a relevant benefit, and there is more than one 80+ in the household, then each of the 80+ year olds will get an extra £75
- ➤ If someone in the household is in receipt of a relevant benefit, but no one in the benefit unit is in receipt of relevant benefits, then the 80+ year olds in that benefit unit get an extra £75
- ➤ If someone in the household is in receipt of a relevant benefit, and someone in the benefit unit is also in receipt of a relevant benefit, the recipient within the benefit unit gets an extra £150
- NB This methodology works for benefit units where only one person is receiving a relevant benefit. If both adults within a benefit unit receive a relevant benefit, then a further step is needed to blank out the benefit receipt flag for one of the people within that benefit unit. This is arbitrary and we propose to keep the benefit receipt flag for the head of the benefit unit. We are also still assuming full take up amongst males aged 60 to 64. This remains consistent with the previous FRS0708 methodology for WFP.

Attendance Allowance (AA)

An additional check has been implemented to ensure that the FRS records only those of State Pension Age (SPA) who are eligible for Attendance Allowance.

Pension Credit (PC)

A further check has been implemented to ensure that anyone who has been recorded as being in receipt of Pension Credit is aged 60 or over.

Council Tax Benefit (CTB)

We have introduced a series of checks to ensure that reductions in council tax benefit, for example for single person households and households containing at least one disabled person, are not reporting this discount as council tax benefit. There are also additional checks to ensure that the amount of benefit does not exceed the Council Tax liability.

Child Benefit (ChB)

Due to changes announced within the last Budget, the increase in Child Benefit was brought forward to January; in this survey year 2008-09. The methodology used to edit this benefit has been changed in order to capture the increased amount of benefit receipt. If a respondent was interviewed in January, February or March 2009 then any ChB reported amounts have been checked, and if necessary edited to the higher amount. For the previous dataset we used the variable _MONTH_ to distinguish when the respondent was interviewed, for this dataset we used the variable INTDATE from the Househol table.

Social Fund Maternity Grant aka Sure Start Maternity Grant (SFMG / SSMG)

A grant of £500 is payable for each child, or expected child, and this is not affected by any capital held. A number of cases in the dataset reported receiving odd amounts. These cases have now all been edited to the standard £500 or multiples thereof.

NumWeeks

For Jobseekers Allowance (JSA) claimants, where NUMWEEKS has been omitted, because they cannot remember how long they have been unemployed, we created a code to impute a value based upon when they last worked. If that information is missing also, then we have calculated a value based upon when they completed their full-time education.

- ➤ If they have been unemployed for less than two years (NUMYEARS=1) and NUMWEEKS=.B or .C or .D then we :-
 - Check they have been employed previously (EVERWRK=1)

- Check when their employment ended (LSTWRK1 and LSTWRK2)
- Check date when interview took place (INTDATE)
 - If LSTWRK1 is available then we <u>assume</u> they started their claim in the middle of that month i.e. LSTWRK1=3 then start date is 15th March
 - If LSTWRK2 is available then we <u>assume</u> they started their claim in that year i.e. LSTWRK2=2008
 - To impute a value for NUMWEEKS we calculate the interim period between the time of interview and the values calculated from LSTWRK1 and LSTWRK2 i.e. INTDATE=11/04/09 minus LSTWRK1 and LSTWRK2=15/03/08
- If LSTWRK1 and LSTWRK2 are both missing then we :-
 - Check if AGE is less than or equal to 21
 - Check when respondent completed full-time education (TEA)
 - Check they have been employed previously (EVERWRK=1)
 - If they have never worked (EVERWRK=2) then we <u>assume</u> they have been unemployed since leaving education i.e. TEA=19
 - We then calculate how old they were at the time of interview i.e.
 AGE=21
 - NUMWEEKS is then calculated by using the middle of the year, and month, when they would have finished their full-time education and deducting this from the INTDATE i.e. INDATE=11/04/09 minus 15/06/2007
- The result is that for a majority of cases, where this methodology has been used, NUMWEEKS will have an imputed value of 103

NON-BENEFIT EDITING

Empstat and Emptype

A new check has been implemented to ensure that employment status on the adult table (Empstat) is consistent with the employment status of the respondent's main job (Etype).

Hot-decked wages

An additional check has been added to ensure that the proportion of hot-decked wages that imply the respondent is receiving an hourly wage below the national minimum is no greater than the proportion of respondents in the sample with a n hourly wage below the national average.

Pension Provision

Following consultation with users, the questions on pension provision in the Family Resources Survey were changed in 2006/07 to try to provide more information on the type of private pension scheme and identify increasing participation within older age groups. However, problems were identified during analysis as some respondents reported dormant (closed) pension schemes memberships as if they were live pension scheme memberships with respondents making continuing contributions. More information about the edits which have been made to the dataset and the variables affected can be found in the 'Penprov note'. This will impact on the 2006-07, 2007-08 and 2008-09 datasets.

IMPUTATION

The following changes have been made to the imputation process.

Bulk Edits

Changes to existing edits

TABLE	VARIABLE	LABEL	DESCRIPTION
ADULT	EDATTN1	Certificate for any educ. qualifications	Variable dropped
ADULT	EDATTN2	Cert. for professional, vocational etc.	Variable dropped

TABLE	VARIABLE	LABEL	DESCRIPTION
ADULT	EDATTN3	Highest qualification	Variable dropped
ADULT	MNTCT	Court order against a previous partner	Variable dropped
ADULT	MNTFOR1	Self: Who are the payments for	Variable dropped
ADULT	MNTFOR2	CSA: Who are the payments for	Variable dropped
ADULT	TRAIN	Whether on govt training scheme	Extra TRAIN type added resulting in change to categories
CHLDCARE	CHINKND1	Payment in Kind: Looked after child(ren) in return	Variable dropped
CHLDCARE	CHINKND2	Payment in Kind: Did favour	Variable dropped
CHLDCARE	CHINKND3	Payment in Kind: Gave gift or treat	Variable dropped
CHLDCARE	CHINKND4	Payment in Kind: Nothing	Variable dropped
CHLDCARE	CHINKND5	Payment in Kind: Other	Variable dropped
HOUSEHOL	CHARGE2	Whether pay: Feu duty	Variable dropped, but is still on the dataset with all answers set to skipped.
MAINT	MRR	Maintenance payments: who for	Variable dropped

New edits

TABLE	VARIABLE	LABEL	DESCRIPTION
ADULT	BEN3Q7	In receipt: Employment and Support Allowance	Edited to No
ADULT	B3QFUT7	Awaiting outcome of claim: Employment and Support Allowance	Edited to No
ADULT	HI2QUAL	Highest level of qualification	Edited to 8 = 'No formal qualifications if original answer was don't know/ refused.

Algorithms

TABLE	VARIABLE	LABEL	DESCRIPTION
BENEFITS	BENEFIT	Benefit Type	Updated to take account of new benefit; ESA

Hotdecks

TABLE	VARIABLE	LABEL	DESCRIPTION
ADULT	EDATTN1	Certificate for any educ. qualifications	Variable dropped
ADULT	EDATTN2	Cert. for professional, vocational etc.	Variable dropped
ADULT	EDATTN3	Highest qualification	Variable dropped
ADULT	FTWK	Years in full-time work	Updated to take account of new variable TEA9697
ADULT	PTWK	Years in part-time work	Updated to take account of new variable TEA9697
ADULT	WTCLUM2	In receipt: Regular payments via employer	Variable dropped, note further that WTCLUM3 renamed to WTCLUM2
BENEFITS	BENEFIT	Benefit Type	Updated to take account of new benefit; ESA
MAINT	MRR	Maintenance payments: who for	Variable dropped

DERIVED VARIABLES

Benefit unit total capital

It was agreed that because TOTCAPB2 is a more robust measure of total benefit unit capital, TOTCAPB2 will be used in preference to TOTCAPBU in all DWP/FRS based National Statistics publications from 2007-08. Consequently TOTCAPBU will not be included in the FRS dataset from 2008-09.

Subsequently, the methodology to calculate total savings and investments has been improved. More households are shown to have a small level of savings and fewer households are shown to have a large level of savings. TotCapB3 replaces TotCapB2 which is still available; the difference between the two versions is that for TotCapB3 we are deriving the interest rate assumptions from the FRS data rather than other data sources.

These interest rate assumptions are used to estimate capital for those respondents for whom we only have the income from interest for the following account types:

- 1 Current account
- 2 NSB Ordinary account
- 3 NSB Investment account
- 5 Savings, investments etc
- 6 Government Gilt Edged Stock
- 7 Unit/Investment Trusts
- 8 Stocks, Shares, Bonds etc
- 21 ISA
- 27 Basic Account
- 28 Credit Unions

This change in methodology has been agreed with the TotCap working group

BNTXCRED

As a result of dropping WTCLUM2 (which is where a respondent is in receipt of regular payments via employer) and renaming WTCLUM3 to WTCLUM2, BNTXCRED (Adult - Amount of Tax Credits Received as Benefit) is effectively the same as INTXCRED (Adult - Total Amount of Tax Credits Received). BNTXCRED has therefore been dropped for FRS0809.

Christmas Bonus Benefit

The derived variable XBONFLAG identifies respondents entitled to a Christmas Bonus. It models whether the respondent is entitled to the benefit in their own right or through their partner.

If an adult is entitled to this benefit the weeklyised lump sum payment is added to INOTHBEN, adult other benefits, and INNIRBEN, adult non-income related benefits.

If a child is entitled to this benefit the weeklyised lump sum payment is added to CHRINC, Child - Remaining income.

Incapacity Benefit

Incapacity benefit is now included in INOTHBEN, adult other benefits, rather than INDISBEN, adult disability benefits, as entitlement to incapacity benefit depends

on whether you are incapable of working or treated as incapable of working, entitlement is not dependent on any disabilities.

Investment Income

A minor error was found in the methodology of the two investment income variables ININV and NININV. This error does not have a major impact on the income distribution and has subsequently been corrected for the 0809 dataset.

HBINDBU/ HBINDBU2/ HBINDHH/ HBINDHH2

New benefit ESA replaces IB and IS, codes for the above derived variables have been amended to take account of this new benefit.

Religion

Using NIREL (Religious Denomination) an alternative, less disclosive, categorical variable has been derived called NIREL2 for Northern Ireland respondents.

EMPSTATC

This derived variable for adult employment status has been amended to be consistent with its HBAI equivalent. However, it should be noted that the HBAI do not report on households where there is a spouse outside of the household so the outputs will not be identical.

NEWFAMBU replaces FAMTHBAI

The derived variable FAMTHBAI has been dropped and replaced with NEWFAMBU which is consistent with the HBAI definition of family type (the original FAMTHBAI did not split single pensioners and working age single without children into male and female categories).

Healthy Start vouchers replaces Free Welfare Milk scheme

Healthy Start (HS) vouchers replaced welfare milk in November 2006. The value of one voucher in 2008-09 is £3.00 and vouchers can be used to buy the following:

- milk (fresh cows milk only)
- fresh vegetables, including salads
- fresh fruit, but not fruit juices or smoothies; or
- infant formula milk (based on cow's milk only)

Qualifying pregnant women and children over one and under four years old get one voucher every week, while children under a year old receive two vouchers a week. The FRS currently ask about free welfare milk rather than receipt of Healthy Start vouchers. We have therefore assumed:

- children over one and under four years old reporting Free Welfare Milk get one voucher every week,
- while children under a year old reporting Free Welfare Milk receive two vouchers a week.
- for children over four reporting Free Welfare Milk one voucher is assigned to the head of the benefit unit from which that child is in.
- adults reporting Free Welfare Milk receive one vouchers a week,

FWMLKAD replaced by HEARTAD, Adult value of Healthy Start Voucher(s)

FWMLKCH replaced by HEARTCH, Child value of Healthy Start Voucher(s)

FWMLKBU replaced by HEARTBU, BU value of Healthy Start Vouchers

The total value of Health Start Vouchers for the benefit unit is added to the head of the benefit units remaining income, INRINC.

Northern Ireland Rates

The information used to calculate the Rates liability for households sampled within Northern Ireland has been updated within the household rent DVs:

- The Net Rateable Value of Property (NINRV) has been replaced by the Capital Value of Property (CAPVAL).
- The corresponding factor for the amount of District Council Rate (NIRATE) has been replaced by the District Council Domestic Rate Poundage (NIDPND).

NEW VARIABLES

BRMA

The value of Local Housing Allowance entitlement is in part dependent upon the Broad Rental Market Area (BRMA) in which the claimant resides. The addition of this variable will assist in modelling of LHA take-up. The BRMA is based on the postcode-BRMA map as at April 2009.

TEA9697 and TEA

TEA9697 identifies respondents who are still in full-time education (96) or never received full-time education (97). TEA is now a continuous variable – previously TEA showed the age the respondent continued full-time education but also took the values 96 and 97 when still in full-time education or never received full-time education. The creation of the new variable and the change to the existing variable will help prevent user confusion.

ISSUE

Identifies whether the sample household was part of the main fieldwork or part of a re-issue, used to increase response rates.

GROSSING

Revision due to new tenure data from the Department of Communities and Local Government (CLG)

CLG tenure data is used as a control total within the FRS grossing regime. CLG has published more up to date information and has revised previously published estimates. Due to the size of the changes to the tenure totals we have taken the unusual decision to revise the grossing for 2008/09 and 2009/10.

More information can be found at:

http://research.dwp.gov.uk/asd/hbai/hbai_revision_due_to_ni_tax_changes.pdf