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The Lord True CBE
Chair, Intergenerational Fairness and Provision Committee
House of Lords
London
SW1A 0PW

10 July 2019

Dear Lord True,

I am writing to offer the Office for National Statistics (ONS) response to the Intergenerational Fairness and Provision Committee report on '*Tackling Intergenerational Unfairness*'¹. The Committee made the following recommendation to the ONS:

"The UK Statistics Authority should prioritise improving generational statistics. This work should begin by the Office for National Statistics introducing a generational breakdown of the Effects of Tax and Benefits on Household Income data set and releasing a backdated time-series of this data. The Office for National Statistics should also investigate ways to improve the Wealth and Assets Survey's coverage of gifts and inheritances as well as publishing a generational breakdown of the survey's findings in each release." (Paragraph 52)

ONS welcomes the report and this recommendation. As the report highlights, it is important that both Government and wider users of statistics have access to robust and trusted data on intergenerational issues, to ensure policy discussion and public debate in these areas are supported by sound evidence.

Regarding the specific aspects of this recommendation, I am pleased to confirm that ONS are already in the process of taking them forward. We are currently developing a new generational breakdown of the Effects of Taxes and Benefits on Household Income (ETB) data and are working to extend this time series as far back as the data allows. This new data will be released later this summer, alongside an analytical article focusing on the generational effects of taxes and benefits. Following this, we intend to incorporate these new generational data into the main annual ETB release.

Similarly, following the release of new data from the Wealth and Assets Survey (WAS) covering 2016/18 in autumn 2019, we will introduce new breakdowns of wealth by both age group and birth cohort, with the intention of making them part of our regular reporting.

We also recognise the importance of data and analysis on gifts and inheritances. Since my letter to the Committee submitting our written evidence in September, ONS have published new analysis on intergenerational transfers, looking at the distribution of inheritances, gifts and loans by both age and levels of income and wealth, seeking to make best use of the data that is already collected on the survey².

Collecting more detailed data on these topics, in particular inter vivos gifts, in a way that is sufficiently robust to inform policy making is challenging. However, we recognise the importance of developing

¹ [Intergenerational Fairness and Provision Committee: Tackling Intergenerational Unfairness April 2019](#)

² [ONS Intergenerational Transfers October 2018](#)

these data further. ONS are therefore currently working both with other government departments, including DWP and HRMC, as well as other external stakeholders, including the IFS and the Resolution Foundation's new Intergenerational Centre, to identify ways to improve WAS's coverage of both inheritances and gifts. These developments will be introduced at the start of the next round of the survey in April 2020.

Beyond the specific aspects of the recommendation relating to incomes, taxes and benefits, and wealth, ONS are also working more widely to improve the evidence base on generational issues. A key aspect of this is the work being taken forward by the new ONS Centre for Equalities and Inclusion and also by the ONS Centre for Ageing and Demography, which I mentioned in our written evidence to the Committee.

In October 2018, the Centre for Equalities and Inclusion published its final report on the findings from its audit of equalities data³. The report highlighted a number of issues with the existing data covering the 9 protected characteristics and several areas in which data were lacking. Data gaps, including those in relation to intergenerational fairness, are discussed with the Centre's Strategic Advisory Board, which helps to determine priorities for the Centre's activities going forward. In addition to the audit report and the article on young people's earnings progression⁴ noted in our earlier written evidence, the Centre also published an article in March 2019 exploring the UK's digital divide⁵. This highlighted that digital exclusion is more prevalent among the older age groups, possibly leading to inequalities in access to opportunities, goods and services.

More broadly, the Centre for Equalities and Inclusion are also coordinating a range of analyses relating to issues of intergenerational and social mobility, looking to investigate the effects of family background, including parents' educational and occupational outcomes, on their children's subsequent outcomes, and how this has varied across time and for different groups of the population. To do this we are using a variety of data sources, including exploring the feasibility of using a new Data for Children dataset which uses Census data with educational data from the National Pupil Database, as well as the Labour Force Survey and the Census Longitudinal Study.

Following a Public Policy Forum on ageing hosted by ONS in 2018, the Centre for Ageing and Demography published an overview of ageing and what it means across a number of policy areas in the UK. This has continued as a 'Living Longer' series that covers the implications of an ageing population on informal care, health and the labour market. Later this month, the Centre will publish an article examining how we measure old age dependency and the impact of economic participation of older people and international migration. You may have also noted that in February, the Centre published analysis showing how key milestones to adulthood have changed over time in terms of working and living arrangements⁶. The Centre intends to extend this work to cover milestones in later life during 2019.

I hope this response confirms to you that ONS is committed to addressing data gaps and extending the evidence base in this area. I am of course happy to keep yourself and members of the Committee updated on this work.

Yours sincerely,



Iain Bell

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Office for National Statistics

³ [ONS Equalities Data Audit October 2018](#)

⁴ [ONS Young People's Earnings Progression October 2018](#)

⁵ [ONS Exploring the UK's Digital Divide March 2019](#)

⁶ [ONS Milestones: Journeying into Adulthood February 2019](#)