

Background Quality Report: Personal Wealth Statistics

| Dimension | Assessment by the author |
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| Introduction | <p data-bbox="544 300 1391 336"><i>Context for the quality report.</i></p> <p data-bbox="544 353 1407 689">Personal Wealth statistics are published every three years by HMRC. The tables are based on datasets which cover three years (due to the need to obtain a sufficiently large sample size). Some of the published tables contain data for four time periods (2001 to 2003, 2005 to 2007, 2008 to 2010 and 2011-2013) which provides a time series of information. Other tables contain more detailed information such as a break down by age and gender. These are provided for the latest three year period for which data is available (2011-2013) only as more detailed breakdowns are more volatile and thus less suitable for interpretation as a time series.</p> <p data-bbox="544 757 1407 855">Whilst the most recent tables cover four time periods, older data is available based on a different methodology from the National Archives website.</p> <p data-bbox="544 922 1407 1227">The statistics are compiled using HMRC's administrative data for Inheritance Tax which includes details for only those estates requiring a grant of representation. This is projected to estates of the living based on mortality rates. As not all estates on death need to submit Inheritance Tax returns, the data does not represent the estates of all the living, although it does provide good coverage of the wealthiest estates. For this publication, the percentage of the UK adult population represented in these statistics was 30%.</p> <p data-bbox="544 1272 1407 1550">It should be noted that HMRC's Personal Wealth Statistics for 2011-13 include four new investment income tables based on two different HMRC data sources: the Survey of Personal Incomes and Self-Assessment tax returns for trusts. This quality report does not cover these two sources, but separate quality reports are available for each online: Quality report for personal incomes statistics Quality report for trusts statistics</p> |
| Relevance | <p data-bbox="544 1608 1391 1675"><i>The degree to which the statistical product meets user needs in both coverage and content.</i></p> <p data-bbox="544 1680 1407 2000">In July-October 2015, HM Revenue & Customs ran a user consultation on the future of the Personal Wealth Statistics. This proposal reflected HMRC's view that there are issues with the methodology used to produce these statistics which may mean they are not suitable for reliably assessing the distribution of wealth in the UK. HMRC suggested that the Office for National Statistics' (ONS) Wealth and Assets Survey would be a more useful source of information for potential users. The feedback from users and HMRC's response were published on the internet here.</p> |

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| | <p>Given the interest in the Personal Wealth Statistics, HMRC decided to continue to publish the statistics. In response to feedback received during the consultation the latest publication includes new tables based on property, interest, dividend and trust income data, improved commentary describing the limitations of the data and a new note which describes the differences with the ONS (Office for National Statistics) Wealth and Assets Survey to reduce the risk of the statistics being misinterpreted by users.</p> |
| <p>Accuracy and Reliability</p> | <p><i>The proximity between an estimate and the unknown true value.</i></p> <p>There are a number of sources of error in the data, including sampling and non-sampling error and assumptions and estimates used in the data production. These, and their impact on the statistics, are described in the Quality section of the published commentary document available here.</p> |
| <p>Timeliness and Punctuality</p> | <p><i>Timeliness refers to the time gap between publication and the reference period. Punctuality refers to the gap between planned and actual publication dates.</i></p> <p>As described in the published commentary there are delays in settling the values of estates and many estates are not first recorded until over a year after death. Consequently our usual publication timetable is to publish the data in September, 21 months after the December of the last year in the dataset (i.e. data for 2011 to 2013 was due to be published in September 2015). However due to the consultation in October 2015, publication of these statistics was pushed back to September 2016, following which the next set will be published on the original timetable (September 2018).</p> <p>At this point there will still be a small proportion of estates for which data has not yet been received, particularly for the final year in the dataset, although data for earlier years will be almost fully complete.</p> |
| <p>Accessibility and Clarity</p> | <p><i>Accessibility is the ease with which users are able to access the data, also reflecting the format in which the data are available and the availability of supporting information. Clarity refers to the quality and sufficiency of the metadata, illustrations and accompanying advice.</i></p> <p>The Personal Wealth publication is available on the gov.uk website and is free to all users. The publication contains contact details for further information.</p> <p>The accompanying commentary contains analysis of the statistics, graphs to illustrate the data and a range of supporting information including information on the methodology, data quality, who uses the data and related data sources.</p> <p>In addition to the commentary document, a new comparison note was published which describes the differences in methodology</p> |

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| | and scope between HMRC's Wealth Statistics and ONS's Wealth and Assets Survey. |
| Coherence and Comparability | <i>Coherence is the degree to which data that are derived from different sources or methods, but refer to the same topic, are similar. Comparability is the degree to which data can be compared over time and domain.</i> |
| | <p><u>Comparability</u></p> <p>As described above, data is provided for four time periods in some of the published tables to allow for comparability across years. Earlier data is available, but is not directly comparable due to a different methodology. To help users there is overlapping data between the two datasets and the section on historical data in the published commentary provides information on how the methodology has changed.</p> <p><u>Coherence</u></p> <p>The main source of data on wealth is the Wealth and Asset Survey (WAS) published by the Office for National Statistics.</p> <p>WAS is a large, longitudinal survey covering all individuals living in private households in Great Britain, compared to HMRC Personal Wealth Statistics which are derived based on administrative data submitted for Inheritance Tax purposes. The longitudinal nature of the WAS means it is useful for considering changes in wealth. However, as the survey commenced in 2006, it is not possible to carry out time series analyses prior to this. Finally, as WAS has a more complete population coverage which covers some types of wealth (for example pensions) which are not included in the HMRC Personal Wealth Statistics, HMRC and ONS both share the view that it is therefore the better source to use for wealth inequality for the periods it does cover.</p> |
| Trade-offs between Output Quality Components | <i>Trade-offs are the extent to which different aspects of quality are balanced against each other.</i> |
| | There is an ongoing balance between timeliness and accuracy and history has shown that the current publication timetable has a satisfactory balance between having a complete data set with a sufficient sample size and making the statistics available for users. |
| Assessment of User Needs and Perceptions | <i>The processes for finding out about users, and their views on the statistical products.</i> |
| | <p>We carried out a user consultation in October 2015, and the results are published on the Personal Wealth Statistics webpage here. Based on feedback from previous consultations we have redesigned the publication, included additional tables and an updated commentary document. We have also included a survey with the most recent publication which asks users for feedback in response to the tables included in the publication for the first time.</p> <p>In addition users can register their interest in the statistics or offer</p> |

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| | feedback at any time using our user registration tool. |
| Performance, Cost and Respondent Burden | <i>The effectiveness, efficiency and economy of the statistical output.</i> |
| | <p>There is no respondent burden since the data are sourced from HMRC's administrative system.</p> <p>The annual operational cost (staff time) of producing the publication is approximately £8,000.</p> |
| Confidentiality, Transparency and Security | <i>The procedures and policy used to ensure sound confidentiality, security and transparent practices.</i> |
| | <p>Statistics are presented at aggregate level, and we suppress any cell where the sample size prior to grossing is less than 30, as described in the section on Disclosure Control in the published commentary.</p> |