



About this release

These statistics provide a useful breakdown of the costs incurred by businesses of completing HMRC statistical surveys.

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Summary

This publication shows the cost incurred by businesses and local authorities in complying with the statistical surveys conducted by HMRC during the 2018-19 financial year.

The HMRC Survey Compliance cost for 2018-19 was £6.96 million which was an increase of 3.4% compared with the 2017-18 figure of £6.73 million.

The Intrastat survey of intra-European Union (EU) trade accounted for 99.9% of total cost, with the remaining 0.1% of cost from conducting the Ancillary Cost Survey.

Table 1: HMRC's Survey Compliance Costs

Year	Number of surveys	Compliance costs (£m)
2017-18	2	6.73
2018-19	2	6.96

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Compliance costs

Intrastat survey

Total Intrastat responses in 2018-19 were up 2.4% on the previous year. As such, the increased cost seen in 2018-19 compared with the previous year was partly due to an increase in response rates, as well as due to the 1.2% increase in the calculated hourly wage rate for completing Intrastat (£19.13 in 2018-19 compared with £18.90 in 2017-18, as derived from the (provisional) 2018 Annual Survey of Hours and Earnings (ASHE) rates).

Table 2: Intrastat compliance costs

Year	2017-18	2018-19	Increase (%)
Number of responses (monthly)	30,067	30,786	2.39%
Calculated hourly rate (£)	£18.90	£19.13	1.22%
Total cost (£000)	£6,728	£6,957	3.40%

Ancillary Cost Survey

Total Ancillary Cost Survey (ACS) responses in 2018-19 were up 31% per cent on the previous year. As such, the increased cost seen in 2018-19 compared with the previous year was mainly due to a large increase in response rates, which in turn was driven by an increase in sample size. There was also a 2.1% per cent increase in the calculated hourly wage rate for completing ACS (£15.66 in 2018-19 compared with £15.34 in 2017-18).

Table 3: Ancillary Cost Survey costs

Year	2017-18	2018-19	Increase (%)
Number of responses (total)	603	790	31.01%
Calculated hourly rate (£)	£15.34	£15.66	2.09%
Total cost (£)	£4,625	£6,186	33.75%

Total survey compliance cost

Total survey compliance cost in 2018-19 was up 3.43% per cent on the previous year. This was dominated by the number of intrastat responses compared with the number of ancillary cost survey responses (99.9%, unchanged from last year).

Table 4: Total survey compliance costs

Year	2017-18	2018-19	Increase (%)
Intrastat (£000)	£6,728	£6,957	3.40%
ACS (£000)	£4.6	£6.2	33.75%
Total (£000)	£6,733	£6,963	3.43%

Intrastat

All overseas trade in goods statistics were compiled from the information provided on customs declarations until the Single Market was created in 1993. Since customs declarations were no longer required for goods moving between EU Member States, the Intrastat system was introduced to collect information on intra-EU movements of goods. This uses a combination of data from the Value Added Tax return together with a more detailed Intrastat declaration from businesses which exceed annually set legal thresholds. The compilation and production of the statistics is governed by EU legislation, which sets the methodology, timescales and quality requirements.

Ancillary Cost Survey

The Ancillary Costs Survey (ACS) allows HMRC to publish EU (Intrastat) trade figures on the same common valuation basis as all the other EU Member States.

This basis is the value of the goods plus the cost of movement to the border of the Member State that publishes the statistics i.e. the Cost, Insurance and Freight (CIF) delivery terms value for arrivals and the Free on Board (FOB) delivery terms value for dispatches. The value of the trade under this common basis is called the statistical value. By conducting the ACS, we have avoided the need for all businesses to provide adjusted values on each line of trade on their supplementary declarations, thus reducing the burden on the business.

Frequently asked questions

1. What does this publication tell me?

The burden of completing government surveys, known as the survey compliance cost, is measured in terms of the costs to businesses and local authorities of completing them. This publication provides statistics on costs incurred by businesses and local authorities in complying with regular HMRC statistical surveys conducted in the 2017-18 and 2018-19 financial years.

2. Why do we publish compliance costs?

Government departments conducting or commissioning statistical surveys are required to forecast and monitor the burden they impose on businesses and local authorities, and to minimise this where possible. Principle V5.5 of the Code of Practice for Official Statistics (2018) (the Code)¹ states that all producers of National and Official Statistics should

“Statistics producers should be transparent in their approach to monitoring and reducing the burden on those providing their information, and on those involved in collecting, recording and supplying data. The burden imposed should be proportionate to the benefits arising from the use of the statistics.”

Principle V5, Practice 5

The Office for National Statistics (ONS) Survey Control Unit is responsible for monitoring survey control procedures across government.

¹ <https://www.statisticsauthority.gov.uk/wp-content/uploads/2018/02/Code-of-Practice-for-Statistics.pdf>

Explanatory Notes

These statistics show the costs incurred by businesses and local authorities in complying with the statistical surveys conducted by HMRC in each financial year.

Up to 2010-11, survey compliance costs were produced according to instructions issued by the Prime Minister's office and covered all statistical surveys of businesses and local authorities. The change in governance from the Prime Minister's Instructions (PMIs) to the Code has altered the scope of the surveys covered so that since 2011-12 only surveys that are used to produce Official Statistics are included in the report.

3. Who might be interested in these statistics?

Information from statistical surveys is vital to government for measuring economic growth and for monitoring and formulating policies. However, government must do all it can to minimise the financial burden placed on respondents to surveys.

This publication is likely to be of interest to policy makers in Government, businesses and local authorities and the public in general. It will be of particular interest to those who want to know how HMRC is progressing towards objectives to reduce survey compliance costs.

4. Which periods do the survey control statistics cover?

This publication covers statistics for 2017-18 and 2018-19.

5. What surveys are covered by this publication?

The figures in Table 1 relate to statistical surveys undertaken by HMRC staff or by consultants on behalf of HMRC staff. The surveys took place wholly or partly during the respective financial year period starting 01 April and ending 31 March the following year. Surveys of individuals, households, HMRC staff and those which are part of HMRC's normal compliance or assurance procedures, such as making declarations, are not included.

From 2011-12, implementation of survey control falls under the UK Code of Practice for Official Statistics. Consistent with the Code, survey controls only cover surveys that are used to produce Official Statistics².

Thus, since 2011-12 HMRC has only reported on surveys within the new scope and the figures in Table 1 relate to only two of HMRC's surveys: the Intrastat Survey and the Ancillary Costs Survey.

Further information on government statistical surveys is published by the ONS and can be found at <http://www.ons.gov.uk/surveys>.

² A definition of official statistics can be found at <https://gss.civilservice.gov.uk/policy-store/identifying-official-statistics-national-statisticians-guidance-2/>

Explanatory Notes

Background information

Taxpayer confidentiality

HMRC has a legal duty to maintain the confidentiality of taxpayer information and disclosing information to persons outside of HMRC is only allowed in a limited number of circumstances. These are set out in Section 18 of the Commissioners of Revenue and Customs Act 2005: <http://www.legislation.gov.uk/ukpga/2005/11/section/18>

User engagement

HMRC is committed to providing impartial quality statistics that meet our users' needs. We encourage our users to engage with us so that we can improve our Official Statistics and identify gaps in the statistics that we produce. If you have any comments or questions about these statistics then please contact the responsible statistician directly (contact details provided below and on the cover page).

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