

Cost to Business of Completing Statistical Surveys issued by Northern Ireland Departments 2012/13

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Coverage: Northern Ireland

Key Points

- In 2012/13, 124 surveys of business were issued by government departments, of which 41 were statutory and 83 were voluntary.
- The estimated cost to business in Northern Ireland (NI), in 2012/13 of complying with government statistical surveys was just over £1 million, three quarters of which was attributable to statutory surveys.
- In 2012/13, approximately 120, 000 questionnaires were completed by businesses in Northern Ireland.
- Costs per questionnaire, for official statistics surveys, compare favourably with GB.
- As announced, in the [previous report](#), the compliance cost figures for 2012/13 have been calculated using a new methodology. Therefore, they are not directly comparable with previous figures in the series.

1. Introduction

This report is the latest in an annual series detailing the cost to businesses and local authorities of complying with statutory and voluntary government statistical surveys and provides the number of surveys carried out by each government department or on their behalf for the financial year 2012/13.

It fulfils the requirement by the [Code of Practice for Official Statistics](#) that an estimated respondent burden cost to businesses be reported annually.

The Code of Practice for Official Statistics has a statutory basis¹ and recognises the importance of monitoring and reducing respondent burden balanced with the need to produce official statistics that are fundamental to good government and provide a good evidence base to inform public policy.

This is the first report in the series to present costs for a financial year, 2012/13 and also to calculate compliance costs using a new methodology. A review of the compliance cost methodology was conducted in 2010/11 by a Government Statistical Service (GSS) - wide 'Respondent Burden Taskforce'. A new methodology for calculating compliance costs was developed by the Taskforce, approved by the GSS Statistical Policy and Standards Committee and ratified by GSS Heads of Profession. This new methodology was implemented by the Office of National Statistics (ONS) in their [2011/12 Annual Report](#).

A full explanation of the [changes in methodology](#) is available and a summary is given below.

All surveys carried out by government departments are used to inform policy and/or service business need. A subset of these surveys is also used in the production of official statistics. Official statistics are defined according to the [National Statisticians Guidance: Identifying Official Statistics](#). The Office for National Statistics (ONS), as of 2011/12 have detailed the compliance costs for the subset of surveys that only contribute to official statistics in their [survey control reports, for England and Wales](#). As the ONS report explains, the governance for survey control procedures in the UK is now The Code of Practice for Official Statistics which applies to all UK bodies that produce and publish official statistics. In order to maintain comparability with ONS survey control statistics, the compliance costs for NI are being reported, for the first time, by those that contribute to official statistics and those that do not (Table 3). Surveys that contribute to official statistics are referred to, in this report, as 'official statistic' surveys and surveys that do not contribute to official statistics are referred to as 'other' surveys.

¹ Statistics and Registration Service Act (2007).
<http://www.legislation.gov.uk/ukpga/2007/18/contents>

2. Discontinuities in the Series

The figures presented in this report do not compare directly with the corresponding figures in the previous report in the series for two reasons.

Firstly, the figures in this report refer to the financial year 2012/13. The previous report in this series referred to the 15 month period January 2011 to March 2012. Earlier reports were based on the calendar year.

Secondly, the compliance cost figures for 2012/13 have been calculated using a different methodology from that used in previous years. The main differences between the old and new methodologies are:

- a change in the hourly rates used to calculate the cost of time spent by staff in the businesses and local authorities responding to the surveys;
- the calculation is now based on the number of questionnaires completed rather than on the number of questionnaires issued; and
- the median time spent completing a questionnaire is used instead of the mean time as the median is not affected by unusually high or low values.

Of these statistical revisions, the change to the rates of pay has had the largest impact on the resultant compliance costs. Under the old methodology compliance costs were calculated using 5 civil service rates of pay, which were augmented to include overheads and pensions. These rates did not accurately reflect remuneration and were much higher than actual civil service pay rates. Under the new methodology the rates of pay will be taken directly from the Annual Survey of Hours and Earnings. As such, this represents a substantial drop in the pay rates used in the compliance cost calculation and hence a substantial drop in the total compliance cost reported for 2012/13.

3. Summary of Statistical Survey Compliance Costs, 2012/13

In 2012/13, 124 surveys of business were issued by government departments, of which 41 were statutory and 83 were voluntary. The total cost to business, calculated using the new methodology was just over £1 million, of which statutory compliance cost £815,000 (77%) and voluntary compliance cost £241,000.

Table 1: Compliance cost by NI department, 2012/13.

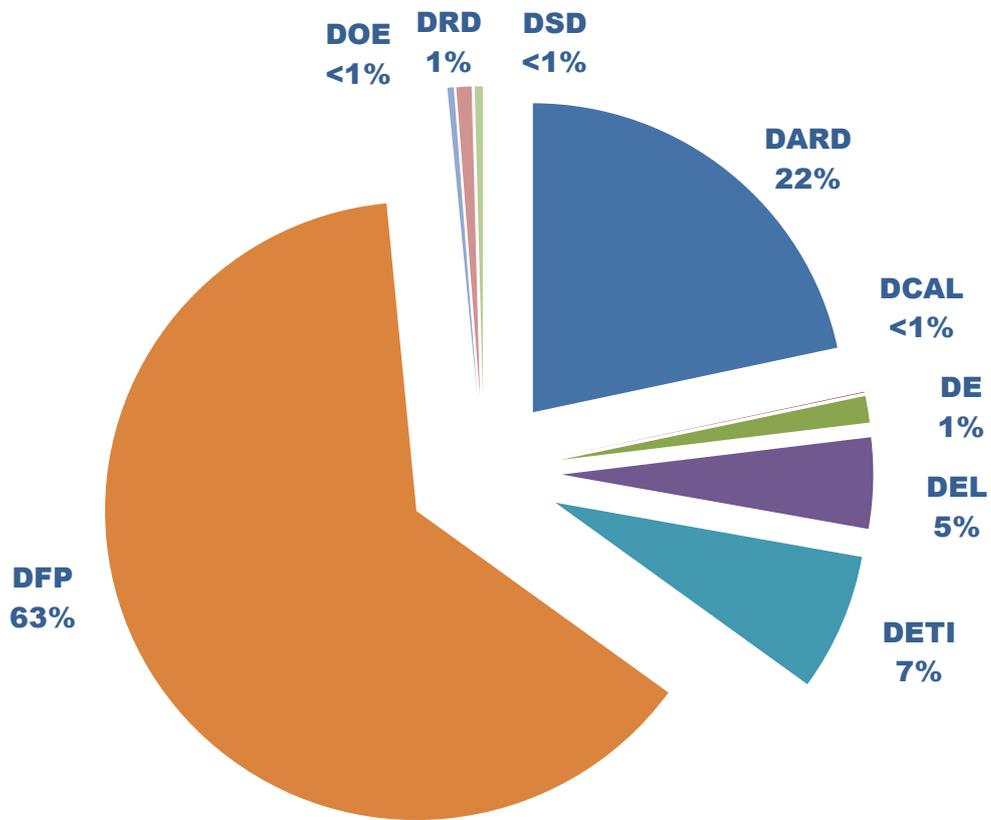
Department	Number of Surveys	Number of forms returned (thousands)	Compliance cost (£ thousands)
DARD	17	31	228
DCAL	1	<1	<1
DE	3	2	15
DEL	10	8	50
DETI	23	11	76
DFP	38	65	670
DOE	3	<1	3
DRD	2	1	8
DSD	27	1	4
Total	124	120	1055

Note:

Number of forms returned and compliance costs have been rounded to the nearest thousand. Figures may not add exactly due to rounding. Departments' names have been abbreviated as shown in Appendix A.

Of the £1.1 million total compliance cost 63% is attributable to DFP and 22% to DARD (Figure 1). Of the £670,000 burden attributable to DFP 95% was incurred by surveys issued to businesses by the Economic and Labour Market Statistics (ELMS) branch. Of the 124 surveys conducted in 2012/13 over a fifth were issued by DSD; however, these surveys amounted to less than half a percent of the total compliance cost.

Figure 1: Percentage of total compliance cost by NI department, 2012/13.



[Download Chart](#) (XLS Format 70KB)

Table 2: Compliance cost for statutory and voluntary surveys by NI department, 2012/13.

Department	Statutory		Voluntary	
	Number of surveys	Compliance cost to business (£ thousands)	Number of surveys	Compliance cost to business (£ thousands)
DARD	10	223	7	5
DCAL	1	<1	0	0
DE	0	0	3	15
DEL	0	0	10	50
DETI	0	0	23	76
DFP	28	583	10	87
DOE	1	<1	2	3
DRD	1	8	1	<1
DSD	0	0	27	4
Total	41	815	83	241

Note:

Compliance costs have been rounded to the nearest thousand pounds. Figures may not add exactly due to rounding. Departments' names have been abbreviated as shown in Appendix A.

Two thirds of the surveys issued were voluntary. However, they contributed to just under a quarter of the total compliance burden. The majority of the burden was incurred by statutory surveys which amounted to £815,000 (Table 2). Of the £670,000 burden attributable to DFP 87% was incurred by statutory surveys. Of the £228,000 burden attributable to DARD 98% was incurred as a result of the issue of statutory surveys to farms and businesses within the NI agricultural sector. All the surveys issued by DE, DEL, DETI and DSD were voluntary.

The vast majority (91%) of compliance burden is attributable to surveys that contribute to official statistics (Table 3). Of these official statistic surveys, 85% were statutory (Figure 2).

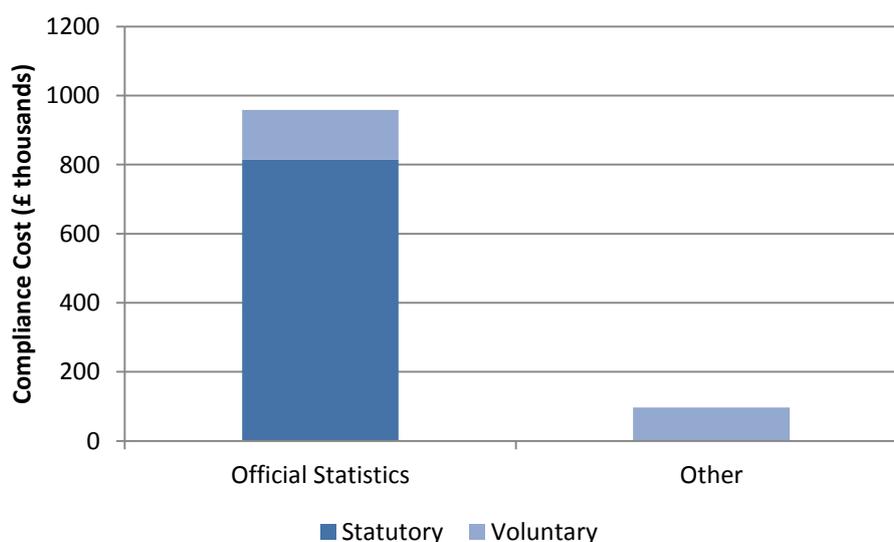
Table 3: Compliance cost for surveys that contribute to official statistics and for surveys that do not contribute to official statistics by NI department, 2012/13.

Department	Official Statistics			Other Statistics		
	Number of surveys	Number of forms returned (thousands)	Compliance cost to business (£ thousands)	Number of surveys	Number of forms returned (thousands)	Compliance cost to business (£ thousands)
DARD	17	31	228	0	0	0
DCAL	0	0	0	1	<1	<1
DE	3	2	15	0	0	0
DEL	0	0	0	10	8	50
DETI	3	3	37	20	8	39
DFP	37	65	670	1	<1	<1
DOE	1	<1	1	2	<1	3
DRD	2	1	8	0	0	0
DSD	0	0	0	27	1	4
Total	63	103	959	61	17	96

Note:

Compliance costs have been rounded to the nearest thousand pounds. Figures may not add exactly due to rounding. Departments' names have been abbreviated as shown in Appendix A.

Figure 2: Compliance cost for official statistic surveys and other surveys by statutory and voluntary, 2012/13.



4. Changes to the Surveys Issued by Departments: January 2011 - March 2012 to 2012/13.

Compliance cost figures fluctuate from one year to the next due to the cyclical nature of some of the larger statutory surveys, such as the Census of Employment, which is conducted biennially by ELMS. Also, statisticians across NI departments are continually working towards improving the efficiency of the statistical process and reducing the burden on survey respondents, in accordance with the Code of Practice for Official Statistics.

A summary of the major changes to the surveys issued by departments is given below for the period January 2011 – March 2012 to 2012/13. A comparison of year-on-year changes to the compliance costs by department has not been included due to the discontinuities in the series.

DARD reported a compliance cost of £228,000 in 2012/13. This burden includes £61,000 incurred as a result of the triennial statutory European Union Structure Survey. All of the surveys issued by DARD contribute to official statistics.

DE introduced the quadrennial reading survey (PIRLS²) and mathematics (TIMSS³) survey in 2011 and conducted a full census of Non-teaching Staff in Schools. In 2012/13, a significantly smaller sample size was required for the Non-teaching Staff in Schools survey due to an increased use of administrative data sources. All of the surveys issued by DE in 2012/13 were voluntary and contributed to official statistics.

For DEL, the majority of the £50,000 burden was attributable to the voluntary, ad hoc Employer Perspective Survey with an achieved sample of over 6,000. The UK Employer Skills Survey was conducted for the first time in 2011. The NI component of this survey achieved approximately 2,500 completed questionnaires from businesses which represented over 80% of the total compliance burden for DEL in the January 2011 – March 2012 period. This survey is biennial and was not conducted in the 2012/13 period.

DETI issued 23 voluntary surveys in 2012/13 that incurred a burden of £76,000. Three of these surveys contributed to official statistics and were responsible for almost half the total burden.

DFP reported a compliance cost of £670,000 of which £638,000 was attributable to ELMS, in 2012/13. The biennial statutory Census of Employment, which achieves a response of approximately 42,000 forms, was not conducted in this period.

² Progress in International Reading Literacy Study

³ Trends in International Mathematics and Science Study

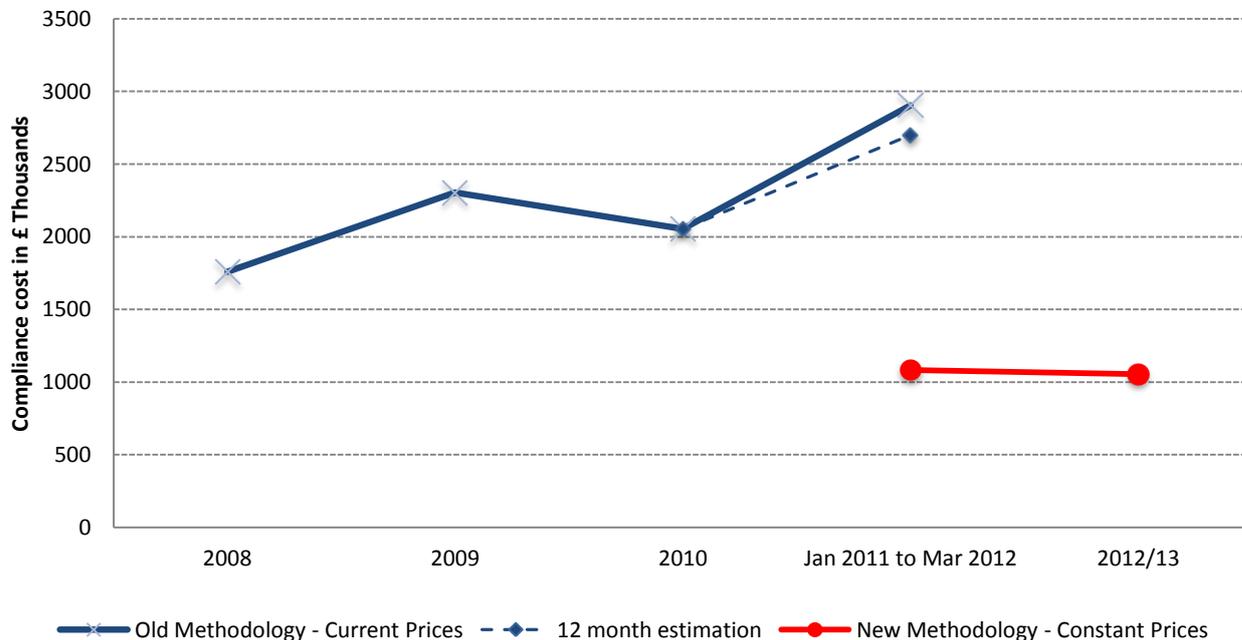
5. An Examination of the Trend, 2008 to 2012/13

It is not appropriate to directly compare compliance costs from this report and previous reports in the series due to the introduction of the new methodology, as outlined in section 2, above. However, it is useful to estimate the impact of the new methodology on the compliance cost series. Figure 3 illustrates the change in compliance costs reported in NI from 2008 to 2012/13.

The solid blue line illustrates the trend from 2008 until March 2012 when compliance costs were calculated using the old methodology. The dotted blue line is an estimate of the January 2011 - March 2012 costs calculated using the same methodology over a 12 month period.

The solid red line represents costs calculated using the new methodology at constant prices. The January 2011 - March 2012 figure is a 12 month estimate calculated using 2012/13 hourly rates. This estimate excludes, for some surveys, the cost of re-contact time and external expenditure. These variables are not required for the calculation of compliance using the old methodology and were therefore not collected.

Figure 3: Northern Ireland compliance costs from 2008 to 2012/13.



The trend for the period 2008 to March 2012 is upwards. In 2008 the compliance cost was reported as £1.8 million rising to £2.1 million in 2010 which amounts to a 17% increase. This upward trend is to be expected as hourly rates of pay used in the compliance cost calculation have increased over the same period.

In order to identify a *'real'* change in the burden it is necessary to compare compliance costs calculated using a constant price. The red line represents compliance costs calculated using 2012/13 hourly rates for the current and previous periods. A slight decrease in compliance costs can be seen which is to be expected since the biennial Census of Employment was not conducted in this period, as previously noted in section 4. It should be noted that the January 2011 – March 2012 figure is a 12-month estimate.

It can also be clearly seen from Figure 3 that the introduction of the new methodology and, in particular the change in the rates of pay has resulted in a substantial decrease in the compliance cost. A similar decrease in compliance cost on the introduction of the new methodology, of the order of approximately 50% - 60%, was reported by the ONS in [2011/12](#).

6. Changes in 2013/14

The 2013/14 report will be the second in the series to report on a financial year basis and to use the new methodology for the calculation of costs. There are no statistical revisions planned, at this time for the next report.

7. Measures being taken to Reduce Compliance Costs

A few of the specific initiatives employed by departments in trying to reduce respondent burden include:

Department	Name of Survey	Reduced compliance cost by:
DARD	Milk Utilisation Survey Animal Feeding Stuffs	The sample size for these surveys has been reduced.
	June and December Agricultural & Horticultural Census	Increased use of administrative sources.
DEL	All surveys	Professional staff available to provide advice which reduces completion time.
DETI	All surveys issued by the Health and Safety Executive for Northern Ireland (HSENI)	The HSENI reduces respondent burden by using tick boxes and multiple choice answers in its questionnaires. Telephone and face-to-face surveys are well planned and categorised to reduce burden. HSENI surveys are designed so that re-contact is not required.
	Tourism Industry Barometer	This survey is on-line and the questions are regularly reviewed to keep completion time to a minimum.
DFP	Index of Production Index of Services	Introduction of telephone data entry.
	Business Register & Employment Survey	Data-sharing of approximately 2,000 returns with the Quarterly Employment Survey.
DSD	Regeneration Surveys	The number of surveys required has been reduced by combining overlapping geographical areas.
	Child Maintenance and Enforcement Division Stakeholder Survey	This survey is now issued electronically. Consideration has been given to the type of questions in the survey design with an increased use of multiple choice, yes/no and scaled questions.

Appendix A: Departments and their abbreviations

Abbreviation	Department
DARD	Department of Agriculture and Rural Development
DCAL	Department of Culture, Arts and Leisure
DE	Department of Education
DEL	Department for Employment and Learning
DETI	Department of Enterprise, Trade and Investment
DFP	Department of Finance and Personnel
DOE	Department of the Environment
DRD	Department for Regional Development
DSD	Department of Social Development

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