

CHALLENGES IN INTEGRATING ADMINISTRATIVE VAT DATA INTO UK SHORT-TERM OUTPUT STATISTICS

Markus Gintas Šova
Office for National Statistics, UK, markus.sova@ons.gov.uk

The integration of administrative VAT data into short-term output statistics offers the prospect of reducing both respondent burden and survey costs. However, such administrative data raises some new challenges and compounds some existing challenges to survey data. In the UK about 90% of VAT-registered enterprises report their VAT turnover on a quarterly basis according to one of three reporting schedules (each with a different set of starting months). Apart from the issue of calendarisation, there is a consequent impact on the time it takes to receive complete (or near-complete) data. The effect of this response delay is exacerbated by a striking relationship between data timeliness and reported turnover. There are also differences in the definitions of turnover used for statistical and tax purposes. In some instances there are issues of data quality, without the opportunity to verify surprising data values with the reporting enterprise. Data can be revised, sometimes several times and sometimes by more than an order of magnitude.

This paper examines some recent research undertaken in the UK to address these methodological issues.