

UK SBR Developments



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Content

- UK SBR development programme
- How has leaving the EU affected the Register

Maturity Model

Developments in the UK SBR in relation to the UN maturity model.

In most dimensions UK can be considered advanced.

But some areas are more mature- and these are currently where our efforts are focussed.

Dimension 6 IT Environment

We have a good computer system that meets many of the advanced criteria. But it is old and difficult to add improvements.

ONS started to develop a new register in 2018. Project suspended in 2019– resources reallocated to higher priority project

New SBR project

Restarted in 2021 by reviewing previous work.

IT technical environment moved on, but user stories still very similar.

So could reuse all of the user research work with a small refresh –we have over 600 user stories.

SBR project

Managed by the IT department – but tender to build the system given to a private sector IT service company

Tendering and contracts took a few months. Finally started an “alpha” in July 22.

Using agile methodology – so we are currently assessing technology and design in an alpha prototype

The system

- Will be cloud based – using cloud services to ease development
- Will use centrally stored administrative data, which will be matched and linked in this store – including links to people/places etc
- UK does not have a single business identifier - use probabilistic matching done by a business index

Key difference: Old to New

The old SBR was built on its own in house database. All admin data ingested and matched etc. Self contained.

The new SBR will involve more interactions with other systems and teams – reflecting new technical and data sharing landscape

Main business goals

- Modern user interface
- Extra stratification variables - accounting variables such as assets/liabilities etc. To improve financial surveys.
- Full business population – using new administrative data sources e.g. corporation tax and self assessment

Timetable

Alpha prototype by November 22.

Will prove the technology and give the developer information needed to move to full development.

Beta – November 22 to September 23 ?

Aim to build all core functionality in this time.

In parallel will be developing business change strategy including transitioning users to the new system

Dimension 2 Data Sources/ Dimension 4 Coverage

Our administrative data challenge to move to advanced:

- To meet full population aspiration we need two new sources: corporation tax and self assessment.

Easy to say difficult to achieve.

- ONS has a legal gateway to request this data from the revenue department.
- But we have to prove data essential and requests are proportionate.
- We have to understand complex data structures to determine what is useful.

Dimension 4 Coverage

- Known coverage gap of very small non-employing businesses.
- Corporation Tax and Self Assessment would help to populate and supply variables
- These will fill the gap at the bottom for all formal businesses

Self Assessment

- Small sole proprietors and partnerships pay tax annually through this system
- Have to register once they start trading
- Those missing from the SBR are all very small. In aggregate still very small.

Variable coverage - Corporation tax

- Will provide extra stratification variables such as Assets.
- Will provide better evidence of company trading activity – full accounts.
- Will enable better population management, instead of swamping surveys with very small companies that have little/no activity.

Administrative data is a challenge!

- ONS has a separate team that works on data acquisition
- We have been working with them for about 2 years on securing new data sources.
- Changed direction a few times, but we are close.
- Legislation is vital, but the wider data sharing landscape is complex.

Dimension 5 Uses

UK SBR meets advanced stage characteristics.

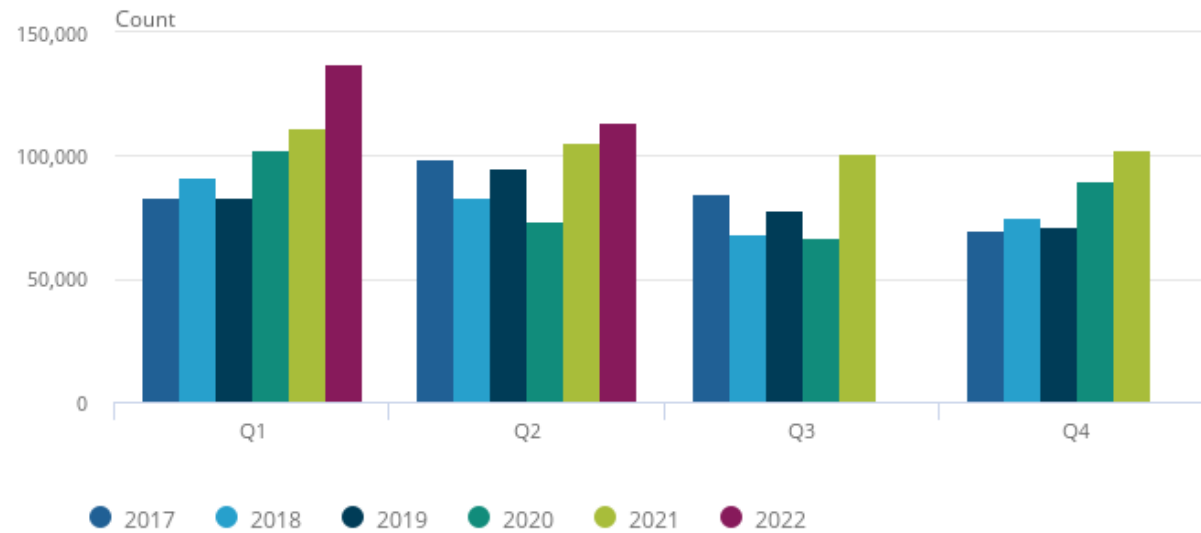
- Until recently we contributed to regional international register – say more later.

Longstanding annual register publications also micro-data supplied to researchers.

- New - Quarterly business births/deaths

Figure 1: Business closures were higher in Quarter 2 (Apr to Jun) 2022 than in any quarter 2 since 2017

Number of businesses removed from the Inter-Departmental Business Register (IDBR), quarterly, UK, Quarter 1 2017 to Quarter 2 2022



Source: Office for National Statistics (ONS) – Inter-Departmental Business Register (IDBR)

SBR and Brexit

Main issues so far:

In past we have relied on the BR Regulation as a framework for our decision making.

Euro-Group Register/LCU early warning and data sharing

Industrial classification update - ISIC, NACE ?

Thanks for listening.

Any questions ??