

# UK business; activity, size and location QMI

Information on strengths and limitations of the data, quality characteristics, users and uses of the data, how the output was created, accessibility, and characteristics.

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# **Table of contents**

1. Output information

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- 2. About this Quality and Methodology Information report
- 3. Important points
- 4. Quality summary
- 5. Methods used to produce the UK business data
- 6. Other information
- 7. Further information regarding the comparison of UK Standard Industrial Classification (SIC) 2003 and 2007
- 8. Changes to the publication since 1971
- 9. Cite this methodology

# 1. Output information

- · Statistical designation: accredited official statistics
- · Frequency: annual
- How compiled: Inter-Departmental Business Register extract
- · Geographic coverage: UK

# 2. About this Quality and Methodology Information report

This quality and methodology report contains information on the quality characteristics of the data (including the European Statistical System five dimensions of quality) as well as the methods used to create it.

The information in this report will help you to:

- · understand the strengths and limitations of the data
- learn about existing uses and users of the data
- · understand the methods used to create the data
- help you to decide suitable uses for the data
- reduce the risk of misusing data

# 3. Important points

- UK business; activity, size and location is an annual publication recording the number of businesses, in the UK, that have registered for Value Added Tax (VAT) and/or Pay As You Earn (PAYE).
- The publication is produced from an extract of the Inter-Departmental Business Register (IDBR) taken annually in March.
- The data in the publication are broken down by geography, Standard Industrial Classification (SIC), legal status, employment and turnover size bands.

# 4. Quality summary

#### Overview

The Inter-Departmental Business Register (IDBR) is a comprehensive list of businesses registered for Value Added Tax (VAT) and/or Pay As You Earn (PAYE). It is the main sampling frame for business surveys carried out by the Office for National Statistics (ONS) and other government departments. The IDBR is used to support statistical work across government.

The publication is produced from a snapshot of the IDBR. UK business; activity, size and location extract dates are provided within each statistical bulletin.

The publication consists of a series of tables, which present counts of enterprises and local units:

- an enterprise is an organisational unit producing goods or services, which has a certain degree of autonomy in decision-making
- an enterprise group is a group of legal units under common ownership
- · local units are individual sites that belong to an enterprise

In the publication the data are broken down by geography, standard industrial classification, legal status and employment size band. Additional tables at enterprise level provide information by turnover size band.

## Geography

Regional analyses are provided for VAT and/or PAYE based enterprises and local units. Where an enterprise has several local units, the location of the enterprise is generally the main operating site or the head office. For various reasons it is possible to get multiple business registrations at a single address and this can distort data for smaller geographical areas. In recent years there has been an increase in the number of multiple registrations at a single address. An article outlines possible reasons for multiple registration increases and the impact that they can have on low level geography analyses.

Since 2005, the geographies presented in the publication for England and Wales relate to Middle layer Super Output Area (MSOA) derived from output area, the stable geographic building block now being used to produce statistics. District, county and regional figures are aggregations of these MSOAs.

For Scotland, the geographies relate to "intermediate zones", a layer equivalent to MSOA. Since 2011, the Northern Ireland geographies relate to Lower layer Super Output Areas (LSOAs), a geographic hierarchy designed to improve the reporting of small area statistics.

Parliamentary constituency boundaries are the areas used to elect Members of Parliament (MP) to the House of Commons. Constituency boundaries are determined by the boundary commissions (one each for England, Scotland, Wales and Northern Ireland). Since 2010, the boundaries reflect the new areas which became operative on 6 May 2010, the date of the general election. New boundaries were introduced at the general election on 4 July 2024. The figures shown in this publication reflect the position at March 2024, so the boundary changes introduced in July will be shown in next year's publication. Differences may be identified when comparing statistics for electoral and Super Output Areas (SOAs) in England and Wales, even where the boundaries are the same. These are due to different methodologies used in assigning postcode data and are likely to be more prevalent where the postcodes are business PO Boxes. PO Box postcodes are assigned to electoral areas by a "point-in-polygon" process using widely available grid references which relate to the local Royal Mail sorting office.

In accordance with guidelines on the presentation of statistics by geography, the names of the geographic areas are those currently in use and include totals for metropolitan counties for statistical purposes. More comprehensive information on the <u>presentation and structure of geographies</u> used by the Office for National Statistics is available.

In the publication the data are available down to local authority or district level. On NOMIS the data are available down to Middle layer Super Output Area.

#### Standard Industrial Classification

Since 2009 the data have been broken down by classification using the 2007 revision to the Standard Industrial Classification (UK SIC 2007) in place of the 2003 revision (UK SIC 2003).

Details of the UK SIC 2007 are available on the <u>National Statistics Classification</u> website and in the following electronic publications:

- UK Standard Industrial Classification of Economic Activities 2007 (PDF, 1.26MB)
- Indexes to the UK Standard Industrial Classification of Economic Activities 2007 (PDF, 1.55MB)

Information relating to the implementation of UK SIC 2007 and the major differences between UK SIC 2003 and UK SIC 2007 was presented in the August 2008 edition of the <u>Economic and Labour Market Review</u> and further details can be found in <u>Section 7: Further information regarding the comparison of UK Standard Industrial Classification (SIC) 2003 and 2007.</u>

## **Employment**

The employment information on the IDBR is drawn mainly from the <u>Business Register Employment Survey</u> (<u>BRES</u>). This survey is based on a sample of enterprises, therefore estimates from previous returns and from other ONS surveys have also been used. For the smallest units, either PAYE jobs or employment imputed from VAT turnover is used.

#### **Turnover**

Turnover provided to the ONS for the majority of traders is based on VAT returns for a 12-month period. For 2024, these relate to a 12-month period covering the financial year 2022 to 2023. For other records, in particular members of VAT group registrations, turnover may relate to an earlier period or survey data. For traders who have registered more recently, turnover represents the estimate made by traders at the time of registration.

The turnover figures on the register generally exclude VAT but include other taxes, such as the revenue duties on alcoholic drinks and tobacco. They represent total UK turnover, including exempt and zero-rated supplies.

Turnover data should be used with caution as they are derived mainly from administrative sources that we are unable to validate.

# Strengths and limitations

#### **Strengths**

The main administrative sources for the IDBR are VAT trader and PAYE employer information passed to the ONS by HM Revenue and Customs (HMRC) under the Value Added Tax Act 1994 for VAT traders and the Finance Act 1969 for PAYE employers; details of incorporated businesses are also passed to the ONS by Companies House. ONS survey data and survey information from the Northern Ireland Statistics and Research Agency (NISRA) and the Department for Environment, Food and Rural Affairs (Defra) farms register provide auxiliary information.

The IDBR combines the information from the three administrative sources with these survey data in a statistical register comprising over 2.7 million enterprises. These comprehensive administrative sources combined with the survey data contribute to the coverage on the IDBR, which is one of its main strengths.

#### Limitations

The publication provides a comprehensive coverage of businesses registered for VAT and/or PAYE. However, beyond this group of registered businesses there exists a sizeable population of low turnover non-employing businesses. The IDBR does not include these businesses therefore they cannot be included in the publication.

Traders may be registered below the VAT threshold or may choose not to de-register should their turnover fall below the threshold. Further details on <u>VAT thresholds</u> can be found on the HM Revenue and Customs website.

It is currently estimated that in the UK there are 2.7 million registered businesses and 2.9 million unregistered businesses. The Department for Business and Trade (DBT) produces a publication called <u>Business population estimates</u> and this provides an estimate of the total UK business population. This includes an estimate of the "unregistered" population. Further information on the three National Statistics publications that provide information on the UK business population can be found in the Coherence and comparability section.

# Quality characteristics of UK business: activity, size and location data

#### Relevance

UK business: activity, size and location uses a series of tables to present counts of enterprises and local units by geography, Standard Industrial Classification (SIC), legal status and employment and turnover size band.

#### **Uses and users**

The data in the publication are used extensively by central and local government, MPs and private sector users for a range of investigative, monitoring and planning purposes. The data are also used in academia and regularly by the media who consider this information to be an indicator on economic activities. The product is generally used by those who wish to examine the numbers of businesses in certain industries and/or geographical areas.

Specific uses of this product and the views of users can be seen in the UK Statistics Authority assessment report number 187: <u>statistics on UK business population and demography</u>.

#### Accuracy and reliability

The publication is an extract from the IDBR, which is based on administrative records, there is no estimation or imputation. However, it is important to note that underlying the extracts are IDBR processing rules, which impact, for example, the timeliness and classification of businesses.

A more detailed paper on the <u>IDBR sources</u>, <u>structures and updating</u> (PDF, 60KB) process is published on the ONS website.

# Coherence and comparability

#### Comparisons with earlier publications

Comparisons with earlier publications should be treated with caution because of the changes in criteria over time.

In 2008 the publication was expanded to include PAYE-based enterprises that are not also registered for VAT, extending the scope from the previous VAT-based enterprise tables. The increase in units is most noticeable in the VAT-exempt industries of finance, education, health and public administration.

A full explanation of changes to the publication since 1971 is published in <u>Section 8: Changes to the publication since 1971</u>.

#### Comparisons with other ONS publications

There are three <u>National Statistics</u> publications that provide information on the UK business population:

- the Department for Business and Trade Business population estimates publication provides the only
  estimate of the total UK business population; this publication includes an estimate of the "unregistered"
  population
- the ONS <u>UK business: activity, size and location</u> publication provides more detail on the registered section of the business population
- the <u>ONS Business demography</u> publication includes levels of business startups and closures, as well as
  providing an alternative measure of the registered business population
- quarterly business demography statistics on business births and deaths from the IDBR, with high-level breakdowns by industry and region have been created to monitor business change as a result of the Coronavirus (COVID-19) pandemic.

In addition to these publications, similar related National Statistics are released by the three devolved administrations for their countries, the Insolvency Service publishes National Statistics for corporate and individual insolvency and Companies House publishes statistics based on activity on their register.

The following describes the important features of the three UK business population publications.

# Summary of three UK business population publications

# **Department for Business and Trade Business population estimates**

#### Measure

Population at start of calendar year (1 January), together with their associated employment and turnover.

#### Coverage

VAT and/or PAYE-registered businesses plus estimate of unregistered population.

#### **Data source**

InterDepartmental Business Register, ONS Labour Force Survey and HM Revenue and Customs selfassessment tax data.

#### **Timeliness**

Released about 10 months after reference point (data for January published in October).

#### Geography

Data available at UK level, with country and regional breakdowns.

## Legal status

With exception of whole economy table, focus is on private sector companies: public corporations, sole proprietors, and partnerships.

#### Industry

Data available at SIC 2007 3-digit level.

# Other disaggregations

Employee size band.

#### **Exclusions**

Public administration, private households and extraterritorial businesses.

Composite Management Service companies were excluded between 2004 and 2017.

# ONS UK business: activity, size and location

#### Measure

Population in March of each year.

#### Coverage

VAT and/or PAYE-registered businesses and local units.

#### **Data source**

InterDepartmental Business Register.

#### **Timeliness**

Released about seven months after reference point (data for March published in September or October).

#### Geography

Data available at UK level, down to local authority district or unitary authority in addition to Parliamentary Constituency.

#### Legal status

Company, public sector, non-profit, partnership and sole proprietors.

#### Industry

Data available at SIC 2007 4-digit level.

#### Other disaggregations

Turnover and employment size band.

#### **Exclusions**

Composite Management Service companies were excluded between 2004 and 2017.

# **ONS Business demography**

#### Measure

Business births, deaths and population "active" at any point within the year.

#### Coverage

VAT and/or PAYE-registered businesses.

#### **Data source**

InterDepartmental Business Register.

#### **Timeliness**

Released about 11 months after reference period (data for 2022 published in November 2023).

#### Geography

Data available at UK level, down to local authority district or unitary authority.

#### Legal status

Company, public corporations, non-profit, partnership, and sole proprietors.

#### Industry

Data available at SIC 2007 3-digit level.

#### Other disaggregations

Turnover and employment size band.

#### **Exclusions**

Agriculture and public administration.

Composite Management Service companies were excluded between 2004 and 2016.

# **Concepts and definitions**

The IDBR covers over 2.7 million businesses in all sectors of the UK economy. It fully complies with all European Union legislation relating to the structure and use of business registers, including:

- Regulation (EC) Number 177/2008 (PDF, 90.9KB) of 20 February 2008, establishing a common framework for business registers for statistical purposes
- Council Regulation (EEC) Number 696/9315 on statistical units for the observation and analysis of the production system in the community
- Commission Regulation (EC) Number 250/2009 (PDF, 516KB) as of 11 March 2009 implementing Regulation (EC) Number 295/2008 of the European Parliament and of the Council as regards the definitions of characteristics

Business activity is classified using the <u>UK SIC 2007</u>. The SIC 2007 classification system is based upon the European classifications system, <u>NACE Nomenclature generale des activities economiques dans les Communautes Europpennes (NACE) (Revision 2)</u>, which in turn has been based upon the United Nations classifications system, <u>ISIC International Standard Industrial Classification of All Economic Activities (ISIC) (Revision 4) (PDF, 1.03MB)</u>. Subject to further breakdowns of some specific industries to a five-digit level, SIC 2007 reflects NACE (Revision 2).

# Accessibility and clarity

UK business: activity, size and location releases are published using HTML webpages and include charts and graphs, with data provided in CSV and Excel format. Our website also offers users the option to download the publication in PDF format.

Content referenced on our website but not produced by the ONS may vary in format. For further information please refer to the contact details at the beginning of this report.

The UK business data are available as a comparable time series back to 2010 on <u>NOMIS</u>. This is an interactive data explorer tool that allows the user to filter the data by date, geography, legal status, SIC, employment and turnover size band.

The UK business; activity, size and location publications are available:

- on the ONS website from 2012
- on the <u>ONS archive website</u> for publications between 1998 and 2011
- please contact the <u>ONS library</u> to enquire about paper versions of publications between 1985 and 1996 (publication previously titled PA1003 Size Analysis of United Kingdom Businesses)

Our data analysis service can be tailored to your needs for non-disclosive data relating to the UK business; activity, size and location publication. We publish <u>data requested</u> on our website. If the information you need has not previously been published, please contact us with details of your requirements. Bespoke requests may be <u>chargeable</u>. If you would like further details, please contact <u>idbrdas@ons.gov.uk</u>.

For information regarding conditions of access to data, please refer to the following links:

- terms and conditions (for data on the website)
- copyright and reuse of published data
- accessibility
- access to microdata via the <u>Secure Research Service</u>

# Timeliness and punctuality

UK business; activity, size and location is an annual publication, which is released approximately seven months after the reference point of March each year; that is, data relating to the period March 2024 would be published in September 2024.

For more details on related releases, the <u>GOV.UK release calendar</u> provides 12 months' advanced notice of release dates. If there are any changes to the pre-announced release schedule, public attention will be drawn to the change and the reasons for the change will be explained fully at the same time, as set out in the <u>Code of Practice</u> for <u>Statistics</u>.

# Why you can trust our data

The UK business; activity, size and location publication is a National Statistic. It has been assessed and is fully compliant with the <u>Code of Practice for Statistics</u> (that is, it meets the highest standards of trustworthiness, quality and value as laid out in the Code).

# 5. Methods used to produce the UK business data

# How we collect the data, main data sources and accuracy

The information used to create and maintain the Inter-Departmental Business Register (IDBR) is obtained from five main administrative sources. These are:

- HM Revenue and Customs (HMRC) Value Added Tax (VAT) traders registered for VAT purposes with HMRC
- HMRC Pay As You Earn (PAYE) employers operating a PAYE scheme, registered with HMRC
- · Companies House incorporated businesses registered at Companies House
- Department for Environment, Food and Rural Affairs (Defra) farms
- Department of Finance and Personnel, Northern Ireland (DFPNI)

As well as these five main sources, a commercial data provider, Dun and Bradstreet is used to supplement the IDBR with Enterprise Group information.

In addition, the Office for National Statistics (ONS) <u>Business Register Employment Survey</u> (BRES) and other ONS surveys supplement these administrative sources, identifying and maintaining the business structures necessary to produce detailed industry and small area statistics. It should be noted that BRES is the only source of local unit (site) information.

See this more detailed paper on the <u>IDBR sources</u>, <u>structures and updating process (PDF, 59.3KB)</u> for more information.

## How we process, analyse and quality assure the data

As the publication is an extract from the IDBR, which is based on administrative records, there is no estimation or imputation. However, it is important to note that IDBR processing rules, which impact the timeliness and classification of businesses among other factors, influence the extracts.

Information on the administrative source data used to construct and compile the IDBR, the quality control checks, and maintenance procedures are described in the article <u>Introduction to the Inter-Departmental Business Register</u>.

The data used to populate the IDBR are subjected to rigorous quality control checks. These include matching HMRC, VAT and PAYE information, ensuring business locations and structures match PAYE and VAT information, employment data are correct and businesses are active, and allocating businesses to correct standard industrial classifications. Any changes or errors are reported for manual investigation before correction and subsequent uploading.

IDBR data are extracted for the publication and placed into a series of pre-defined tables using SAS Enterprise Guide software. Data in each of the tables are then quality checked to ensure that information has been extracted correctly and reflects the information contained on the IDBR. Investigations into any data value changes when compared with the previous year's data values are also carried out to ensure that any data movements are correct and can be explained. If appropriate and significant, these are reported in the statistical bulletin.

Statistical disclosure control methodology is also applied to the data to ensure that information attributable to an individual organisation is not disclosed.

#### How we disseminate the data

UK business; activity, size and location is released via the ONS website as an <u>Excel workbook</u> accompanied by a <u>statistical bulletin</u> explaining headline figures and changes. Publication dates are available via the <u>GOV.UK</u> release calendar. The data are also released via <u>NOMIS</u>.

#### How we review the data

The UK business: activity, size and location datasets present analysis of VAT and/or PAYE-registered businesses by business activity, the size of employment or turnover and their geographical location.

The views and requirements of government and non-government users of this product are sought regularly. The following methods are used for engaging with users:

#### **Government Statistical Service Business Registers Group**

this is a cross-governmental group that identifies and addresses developments and issues affecting the IDBR; this group meets biannually.

#### **Business Register User Group**

The Office for Statistics Regulation (OSR) reviewed the ONS business demography statistics and published an <u>assessment report</u> in October 2020. In determining how to meet the requirements set out in the report, we set up a steering group of important business demography users. Since the business demography steering group was accounting for the underlying source data and general quality issues on the IDBR, the scope of the group was expanded to cover all outputs from the business register and any issues facing register users. The name of the group was changed to the Business Register User Group. It meets annually.

We welcome comment and feedback on our publications. If you have any comments or suggestions, please email <a href="mailto:idbrdas@ons.gov.uk">idbrdas@ons.gov.uk</a>.

## 6. Other information

#### How to cite this document

<u>Terms and conditions</u> (for data on the website) and <u>Copyright and reuse of published data</u> provide the terms that need to be adhered to if users are planning on re-using or publishing these data.

# 7. Further information regarding the comparison of UK Standard Industrial Classification (SIC) 2003 and 2007

To assist with comparison of data, the broad correspondence between the sections of UK SIC 2003 and UK SIC 2007 is included in this section. Please note that this presents only the rough one-to-one correspondence between the sections; further additional details are necessary to establish the complete correspondence.

Important differences between UK SIC 2003 and UK SIC 2007 are:

- Section J (information and communication): this is a major new sector and brings together publishing, motion picture and sound recording industries, broadcasting (radio and TV industries), telecommunications, internet activities, and other news services
- Section L (property): development and selling of real estate, previously in Section K (property and business services) under UK SIC 2003, now moves to construction under UK SIC 2007
- Section M (professional, scientific and technical services): previously incorporated under "business activities" as part of Section K of UK SIC 2003, this is now a new section
- Section N (administrative and support services): formerly covered under Section K of UK SIC 2003, Section N is a new grouping which includes units from many parts of UK SIC 2003 (for example, employment services, call centres, travel arrangements and reservation services, investigation and security services)

Other significant changes include:

- recycling moves from manufacture of UK SIC 2003 to Section E (water supply, sewerage, waste management and remediation) of UK SIC 2007; this is now grouped with Section D (electricity, gas, steam and air conditioning supply) to form the utilities grouping
- sewage, refuse disposal and sanitation moves from Section O (other community services) of UK SIC 2003 to Section E of UK SIC 2007
- repair and maintenance of personal and household goods moves from the retail section of UK SIC 2003 to the services sector of (UK SIC 2007)
- holding companies move from the services sector of UK SIC 2003 to the finance sector of UK SIC 2007
- veterinary services move from the health sector of UK SIC 2003 to the professional, scientific and technical activities sector in UK SIC 2007

A new broad industry group structure has been defined under UK SIC 2007.

Section T covers private households and as such is out of scope of the business register and will always show up as zero; however, for completeness they are included in the range of classifications for the publication.

Notable changes to the broad industry group under UK SIC 2007 are:

- hotels and catering have now been relabel led accommodation and food services
- the former group post and telecommunications has been split, with postal and courier activities being included in transport and storage, and the remaining telecommunications being relabelled information and communication, which now includes film, television and radio
- property and business services have been split into three new groups: property; professional, scientific and technical; and business administration and support services
- public administration is now separated from other services, creating two new groupings

# 8. Changes to the publication since 1971

From 1971 to 1984, the annual publications [note 1] provided counts of manufacturing local units (sites) and their aggregate employment based on the Business Statistics Office register. The 1985 publication [note 2] introduced two significant changes to extend the range of information provided. New tables covering the whole economy recorded Value Added Tax (VAT) legal units by turnover and the inclusion of local units with employment below 20 extended the coverage of existing tables for manufacturing industries.

The 1986 to 1988 monitors were published on the same basis but with the addition of a new table in 1987, providing counts of local units analysed by year. From 1989, geographical analyses have been produced extending the legal unit tables. In the 1992 publication, legal unit tables were expanded to include businesses registered for VAT with a turnover below the VAT threshold.

Since 1994, this publication has presented data for enterprises instead of legal units. The enterprise is generally the same as the legal unit but in some cases, enterprises are formed from several legal units with close financial links [note 3]. The number of enterprises is therefore slightly lower than the number of legal units that they represent. Local unit tables were not included in the 1995 publication because the quality of classification at local unit level using the Standard Industrial Classification (SIC) 1992 was not sufficient for publication, however these were re-introduced in 1996.

Previously, tables by employment size band covered only the manufacturing sector, however, since 2003 the publication now also includes analyses on all industries at local unit level. Table B7.4 shows counts of VAT and /or Pay-As-You-Earn (PAYE) based enterprises for 2009 to 2013 by SIC 2007. The publication now presents register analyses at enterprise level, by turnover and employment size for all industries.

Counts of legal units registered in each year from 1984 to 1993 and VAT-based enterprises for 1994 and 1995 by VAT Trade Classification are provided in Table B7.1 of this publication. Table B7.2 shows counts of VAT-based enterprises, excluding those with turnover of zero, by broad industry group for 1995 to 2002. For 2003 to 2007 the table excludes those units with turnover of zero where employment is also zero. Table B7.3 shows counts of VAT and/or PAYE based enterprises for 2007 to 2009 by broad industry group UK SIC 2003. Table B7.4 shows counts of VAT and/or PAYE based enterprises for 2009 to 2013 by SIC 2007.

From 2004 to 2013 table numbering was enhanced to provide a more logical order, now commencing with the more detailed local unit level tables. The table numbering follows a standard convention across the tables with the leading character denoting the level of the table; "A" denotes local unit and "B" denotes enterprise. Where the table number matches across enterprise and local unit the structure will be the same and the data comparable.

Since 2008 the publication has been expanded to include PAYE-based enterprises that are not also registered for VAT, extending the scope from the previous VAT-based enterprise tables. The increase in units is most noticeable in the VAT-exempt industries of finance, education, health and public administration.

The 2009 publication saw the introduction of UK SIC 2007 in place UK SIC 2003. To reflect the changes in broad industry group a Table B7.4 was introduced which shows counts of VAT and/or PAYE based enterprises by broad industry group (UK SIC 2007) for 2009 to 2013.

In 2012, an increase of approximately 31,000 enterprises between 2011 and 2012 was caused by improvements to HMRC computer systems leading to previously excluded businesses being added to the IDBR. These businesses were registered before 2012, so distort the year-on-year change.

Between 2013 and 2014, HMRC information showed a growing number of PAYE schemes and a rise in numbers of new scheme registrations. Those that were related to company registration data fuelled an increase in numbers of enterprises on the business register.

While the growth in PAYE schemes coincides with the introduction of the Real Time PAYE reporting system (RTI), HMRC have indicated there are no technical reasons associated with RTI alone that would have increased the number of enterprises on the register during the period. HMRC have no evidence of behavioural changes in the timing of PAYE scheme registrations through the year.

From 2014 to 2016, the ONS Data Explorer tool replaced reference tables, enabling users to access, use and customise ONS data more effectively. This has meant the tables are no longer presented for these years and instead exist as a series of <u>dataset collections</u>. This enables us to meet the Government's Open Data and Transparency policy.

In 2015 we extended the coverage of businesses in the release to include a population of solely PAYE-based businesses that were previously excluded because of a risk of duplication. In total 105,000 businesses were added into 2015. Improvements in matching administrative data and research with excluded units have indicated that the risk of duplication is very small.

The addition of these businesses brings the publication in line with Business Demography and the Department for Business and Trade Business Population Estimates, which both include these businesses. A more detailed note explaining these changes is available in <a href="Improving the coverage of UK business">Improving the coverage of UK business</a>, activity, size and location (PDF, 150KB).

Since 2017 the data have been published as an excel workbook. We are currently developing a new data explorer tool with greater functionality, which will be available for the next publication.

In 2018, the postcodes of Managed Service Companies were no longer excluded from the publication. These were excluded from the publication between 2004 and 2017.

In 2021 there was an improvement in the methodology for the Agriculture sector which has allowed us to identify non-commercial holdings and exclude them from the agriculture figures from 2021 onwards. This equates to around 7,000 business.

In 2024, the increase in the central government legal status was caused by us undertaking a statistical reclassification assessment of further education corporations (FECs) in England and their subsidiaries. See our <u>Public sector classification guide and forward work plan</u> for more information.

# 9. Cite this methodology

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