

# Central Statistical Office

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9 September 1991

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Dear Colleague

VOORBURG GROUP: HELSINKI 7-11 OCTOBER

I enclose a copy of a paper "Statistical Surveys for selected non-financial service trades" for the meeting of the Voorburg Group in Helsinki on 7-11 October.

My apologies for the late delivery of this paper.

Yours sincerely

*R M Norton*

R M NORTON  
Deputy Head of Division  
Room 1.213, CSO Newport

Encs

**VOORBURG GROUP ON SERVICE STATISTICS**

**SIXTH MEETING**

**Helsinki, 7-11 October 1991**

**STATISTICAL SURVEY FOR SELECTED  
NON-FINANCIAL SERVICE TRADES**

**Roger Norton  
Central Statistical Office  
United Kingdom**

## INTRODUCTION

1. This paper describes the development in 1991 of a set of simple quarterly turnover inquiries to a number of non-financial service trades. Their main purpose is to collect information to improve the United Kingdom's quarterly measure of gross domestic product at constant factor cost calculated from output indicators. Some of the background against which the development took place was described in notes by David Flaxen and by Derrick Stirling presented to the meetings in Wiesbaden and Paris in October 1988 and 1990. This paper rehearses some of this general background, describes and comments on the inquiries started this year (including associated price inquiries) and touches on possible future developments.

## BACKGROUND

2. The Central Statistical Office (the main agency for the collection of statistics from businesses in the UK) conducts a range of inquiries to service trades specifically, or more general inquiries including the service sector, which are largely directed toward producing estimates for the three approaches to gross domestic product compiled quarterly and annually by the UK - from expenditure, output and income routes. The estimates of GDP also draw on inquiries conducted by other departments within the decentralised statistical service, for example on employment and for a number of specific industries for example, in the transport and construction areas. The estimates also draw on administrative sources, in particular for income data.

3. The coverage and size of the annual inquiries conducted by CSO to the non-financial services sector over the past ten years or so is summarised in Annex A. Both the coverage, sample sizes and, to some extent, frequency of the inquiries grew in the mid to late 1980s in response to general concern about the weakness of UK service sector statistics. The inquiries are relatively limited in terms of variables (at least in comparison with the UK's annual inquiry to manufacturing). They change slightly in complexity from year to year but with most data still collected for the more traditional distribution, catering and hotels trades and a good deal less in the business, professional and personal services. Annex B sets out the variables collected for 1990 (a somewhat heavier year than usual to reflect the needs for rebasing the national accounts on 1990). Annex C illustrates the variation over time in data collected.

4. Inquiries are almost entirely addressed to individual enterprises whose primary activity is in the trade to be covered. All bar the inquiry to property owning collect information on turnover. Each that collects turnover collects a figure of total turnover: some also collect a figure for turnover on the primary activity. Currently, only the inquiry to retailing seeks in a fairly comprehensive way to approach enterprises where the activity is secondary. Register weaknesses limit the success of

this, although register developments are likely to lead to improvements in coverage of retailing secondary activity. Attempts are currently being made to extend the inquiry to motor traders to cover motor trades as a secondary activity. No information is sought on local units (except counts of such units for retailing).

5. A long-standing parochial problem has been that the register, essentially based on information from the administration of value added tax, generally has to adopt an industrial classification aligned with the United Kingdom's 1968 SIC, rather than the 1980 version aligned with the current European Community NACE. Estimates of output are, however, compiled on the 1980 basis.

6. Until 1990 these annual inquiries were supplemented by a limited set of largely voluntary short period inquiries. These collected quarterly information on capital expenditure over most service trades and on stocks for wholesale and retailing. There were small quarterly inquiries on film exhibition and on computer services. The only monthly services inquiry was addressed to retailing.

7. All annual inquiries are sample surveys, stratified by industry classification and by size (virtually always turnover). They exclude the very smallest of firms (for example in the services area those with an annual turnover below £40,000 for the 1990 inquiry) as a response to pressure to limit the form filling burden on small firms. The inquiry samples are drawn independently year to year (except that in a number of lower size strata repeated selection in consecutive years is prevented, again in response to concern over the form filling burden).

8. The nature of the inquiry system in terms of data collected reflects the United Kingdom's current stance on the collection of statistics. Information is collected only if it is required by Government. Moreover, fairly limited policy interest in detailed or frequent data for much of the services area means that the inquiries are almost entirely conducted to meet the needs of the national accounts. No data are collected purely to meet the interests of business.

9. Over much of the economy the value added tax system provides an alternative source of information on turnover. Firms provide monthly, three-monthly (but not necessarily for calendar quarters) or annual information on turnover to the VAT authorities. However, the system has tended to prove less useful as a source than was originally hoped. The quality of VAT data has been affected by classification difficulties and by occasionally significant errors in the level of turnover. Timeliness is also diminished by the fact that the majority of the quarterly traders do not return on a calendar quarter basis. Although some progress has been achieved on data quality, these difficulties have limited the application of VAT data. At present it is used for around 5 per cent of GDP(O).

10. A further significant source of information for the output measure of GDP is employment. Excluding the public sector where, largely by convention, net output movements are based on input data, employment series are used as indicators for around 8 per cent of total output. The desire to overcome the well-known limitation of using employment data - that it does not allow for productivity improvements - has long been acknowledged in the UK. For some years, the UK has been adjusting those (non public sector) employment series by estimates of output per head.

11. In broad terms, the output per head adjustments are based on productivity changes within services (excluding the public sector) where employment indicators are not used. Adjustments are then made to the relevant quarterly employment based series. These adjustments are subject only to the constraints that certain fixed levels of production growth, thought appropriate for the relevant industry group, are not exceeded. Thus the somewhat judgemental assumptions of what adjustments to apply are, in the main, related to movements in other parts of the service sector.

12. The methodology for making the output adjustments has been developed over the years; it may be capable of further refinement. It is certainly considered superior to making no adjustment at all but the weakness of the employment approach was one area recognised last year as needing more fundamental improvement.

#### **DEVELOPMENTS IN 1990 AND 1991**

13. In May 1990 a package of measures to improve the national accounts was put in hand. A number of these had impact on the services sector. The previous small scale and voluntary panel inquiries collecting quarterly information on capital expenditure to project annual benchmarks were strengthened (from 1,000 to 11,000 in the distribution and services area) and made statutory: a similar voluntary inquiry collecting information on stocks of wholesalers was strengthened from 800 to 5,000 and also made statutory: a separate general quarterly inquiry collecting information on trade in services was set up. The philosophy of these and other developments was to put particular emphasis on the strengthening of quarterly data to improve estimates of recent movements in the economy. The move was away from voluntary, often somewhat unrepresentative, small samples towards larger statutory inquiries which would not rest so heavily or at all on out of date benchmarks. Apart from giving better estimates of the recent past movements they should be less subject to heavy and late revision.

## TURNOVER INQUIRIES

14. This paper however, is concerned primarily with the development of a system of simple compulsory quarterly sample inquiries collecting information, generally on total turnover, for industries which had previously been covered by employment in the output estimate of GDP, to replace the productivity-adjusted employment measure by deflated turnover. In addition, new inquiries were planned in two or three other areas where the current indicators are particularly weak.

15. Annex D sets out the somewhat mixed set of service industries covered. It indicates the variations in data collected between trades. It shows also the sample sizes adopted and the initial responses achieved. Annex E shows the main form-type used.

16. With minor exceptions the inquiries covered areas already within the annual system and could be run from the existing, near economy-wide, register. The sample design, while essentially of no great sophistication given the limited time to develop it and the lack of supporting data on the variability of quarterly data, did take the CSO onto partially new ground. All existing short-period statutory inquiries conducted by the Office had been of a simple cut-off form or had no explicit stratification. The QTI adopted a broadly banded stratification by register turnover. Firms initially selected will be replaced (in the lower strata) after, probably, four years with the sample being replenished by newly born firms annually.

17. Register quality is generally adequate and was enhanced in the period before the inquiries came on stream by some targeted proving exercises. The inquiries have nevertheless exposed the well-known deficiencies of self-classification (the basis for most of the register classifications) in heavily overstating residual classification headings. In particular, an inquiry addressed to an "other services" category has given rise to problems, at least temporarily, because of heavy misclassification on the register. The existence of the new quarterly turnover inquiries, taken with the move to the use of the common register by the quarterly capital expenditure and stocks inquiries plus the use of the register by a new quarterly profits inquiry, also strengthens requirements for discipline and ordered procedures in amendments to the register which (in the services field) in the past merely served one set of annual inquiries.

18. The nature of the inquiries, in terms of the data collected, was in part determined by the need for simplicity, with low compliance costs, and speed in reporting. The aim is to provide a sound estimate after 10 weeks with an estimate which will be used for an early estimate of GDP(O) after 6 weeks.

19. In almost all cases this has led to seeking a single figure of turnover, with minor variations of definition where it seemed practicable better to meet the aim of providing a proxy for the net output of the industry. Perhaps one crucial issue for the inquiries is how far, in seeking simplicity, we may fail to meet that aim.

20. The introduction of the inquiries was preceded by a period of consultation with trade associations. No additional intensive piloting of the forms with individual firms was possible but a general warning despatch at the start of 1991 gave individual firms an opportunity to comment (although few made criticisms which led to any redesign).

21. The main issue raised in the consultations was the definition of turnover. The trades covered range from hairdressing, where problems of timing and accounting conventions are generally non-existent, to professional services such as accountancy, legal services and consulting engineers where the issues are clearly significant. Initial exploration of the possibility of seeking information on an accruals basis suggested, not surprisingly, that this would be generally impracticable if timely and adequate response were to be achieved. The forms generally leave the accounting basis open although seeking consistency over time: subsequent work will be done to determine the approaches adopted by contributors. We have accepted that we shall have to be content, where our guidance leads to it, with somewhat more erratic and lagged measures of activity than might be ideal.

22. Some other definitional issues on turnover were:-

i. The well-known difficulty with "advertising" is the variation in practice of treatment of media billings in turnover. Successive attempts to define a satisfactory treatment in the annual inquiry have failed in the past. For the quarterly inquiry, we are collecting both a total turnover figure (which may or may not include some billings) and a separate figure of the associated cost of billings and other media purchases with the difference a better measure of advertisers' activity. Early indications, with some individual negative differences, suggest we may yet have problems.

ii. In a number of trades (bus and coach hire, consulting engineers and, in a special sense, funeral directors) sub-contracting plays a significant role in the trade. We have taken the view that, where practicable, it would be preferable to exclude the element of turnover associated with this since to do so should provide a measure of gross output for the trade marginally more likely to move as net output.

The approach has been pragmatic, however. For consulting engineers, where advice was that a figure net of sub-contracting work would be readily available, we have defined in those terms. For bus and coach hire, where there was less certainty about firms reporting ability, we have chosen to define the main turnover figure inclusive of sub-contracted work but to seek to collect a figure for sub-contracting separately. If this were to fail we would fall back on the total, inclusive, figure. The issue with funeral directors was slightly different. It is general practice for funeral directors in the UK to include in their invoices disbursements to, among others, crematoria. We chose to follow this inclusive approach but to exclude crematoria (within the same classification heading) from the inquiry.

iii. The borderline between domestic activity and trade in services is particularly difficult with a profession such as "consulting engineers". Precise definitions were felt unworkable within the context of a quarterly inquiry but an adequate approximation in the UK context seemed to be to seek information on invoices issued in the UK.

23. Response to the inquiries has been as good as, or perhaps better than, expected. Nevertheless there have been some complaints addressed to the form-filling burden, in part generated by the simultaneous creation of a number of new inquiries. (The number of forms sent out by the CSO has increased from 400,000 to around 700,000 annually in three years after earlier periods of decline and stability). One aspect may need some consideration. The various new inquiries were developed in one sense independently in part as this seemed the approach necessary to meet the tight timetable. Thus, some firms may have been brought within three (or perhaps more) new, separate, inquiries in the last year. There is, of course, operational simplicity to this procedure for CSO but it may not be most attractive to recipients. A longer term aim must be to examine the possibilities of combinations of inquiries - if this is possible without overly constraining sample design - and also to consider further the problem of duplication with existing annual inquiries.

#### PRICES

24. The move to replace quarterly productivity-adjusted employment indicators by deflated turnover imposes additional requirements for suitable deflators. Some deflators of varying adequacy already exist in the services field - from retail (consumers') price indices, published or publicly available fees and rates or, as a last resort, from a cost-based approach.

25. However, it was decided that price indices would be developed, by collection of quotations broadly analogous to the approach with goods in manufacturing for a selection of the trades



where alternatives seemed particularly inadequate and progress on the work, which would be new to CSO, seemed practicable. The areas chosen were:-

- i. cleaning services
- ii. road haulage
- iii. bus and coach hire
- iv. waste disposal and collection
- v. private educational and training services

26. Most progress has been made so far with "cleaning services" although even this has not yet quite reached the stage at which indices have been compiled. The approach has been to compile sub-indices for the distinct areas of contract cleaning work suggested in consultations with the trade as probably relevant to price setting. This "framework" is shown in Annex F.

27. The cleaning services trade operates almost entirely on a contract basis with contracts, generally including price escalation clauses, typically in the range of one to five years. The user of the service not infrequently changes contracts at the end of his contract. Clearly this raises difficulties for construction of a time series based on a weighted set of quotations for individual jobs and some consideration was given to an approach to users (the proprietors of the offices or whatever being cleaned), rather than the cleaning service firms, to help achieve continuity. However, it was felt that since contracts are often changed on a price basis, and a change would almost certainly involve a quality change, the approach via the user was impracticable. Another alternative considered but rejected by the trade as too burdensome was the possibility of pricing hypothetical cleaning tasks. The approach adopted still leaves the major issue of coping with a change in contract which will raise the same well-known difficulties, although somewhat more frequently, as when a good goes out of production.

28. The price collection is voluntary (as it is in the UK for the producer price index). The extent of cooperation has, in fact, been somewhat better than the generally poor response in manufacturing with some agreement, at least initially, to provide prices for about 100 jobs from 215 firms approached.

29. Recruitment to the inquiry is less well advanced for bus and coach hire and road haulage but so far more disappointing. Annex F shows also the frameworks agreed with the trade as suitable for the compilation of sub-indices. Weighting information to combine sub-indices will have to be collected in most of the areas considered as part of the exercise to recruit contributors or, for bus and coaches, in a separate inquiry.

30. Decisions in detail on the approach to waste disposal and private educational and training services have yet to be made. Part of the output of the educational and training services can probably be covered adequately by fees for standard courses. A major problem, however, is with the important custom-built courses provided to businesses: it is perhaps a too frequent problem with price indices in practice that they relate to goods or services presenting fewest technical difficulties to price statisticians.

#### **FUTURE DEVELOPMENTS**

31. There may be further extensions to the set of quarterly turnover inquiries and perhaps also to the collection of service prices, although it is likely that these will continue to reflect priority requirements rather than a comprehensive approach.

32. First, it is possible that the quarterly inquiry to the computer services industry (current format Annex G) which collects rather more detailed information than any other short period services inquiry but from a quite small sample of units, will be dropped and replaced by a much simpler inquiry to a larger sample of the industry. This change reflects in part the lack of Government policy interest in short term detail about the industry.

33. Secondly, there may be further extensions to the system if the judgement is made that the conceptual and quality difficulties of using information from the administration of VAT cannot be adequately solved. This would bring within the range of the quarterly turnover system the hotels, restaurants and catering trades and a number of minor personal services .

34. Other relatively weak quarterly estimates for GDP(O) which might be replaced by deflated quarterly turnover are for wholesaling (where movements are proxied by movements in retailing and certain industrial sectors) and the retail motor trades where the only short period measure (apart from information on petrol sales) relates to administrative information on the registration and sale of new cars.

35. There are more general problems which need to be addressed in the future. Paragraph 23 touched on the elements of duplication and lack of co-ordination between inquiries. More fundamental, however, are issues concerning the right balance in contributions to measurement of GDP between those from the relatively simple short-period inquiries and the rather more complex and larger annual inquiries. The general drift of recent developments has been to strengthen the measures of recent short period movements and to limit the extent of revision by introducing simple inquiries, but fairly large in sample size. (This parallels recent developments in the compilation of the UK's monthly index of industrial production, itself embedded in the output estimate of GDP. Here we have moved to a system where a sketchy set of monthly measures, constrained to the results provided from

quarterly statistics of detailed product sales, has been generally replaced by a stronger monthly system of simple turnover inquiries).

36. However, the appropriateness of this approach in providing medium and long-term measures rests on a number of implicit, but obvious, assumptions - in particular that directly deflated gross output is an adequate proxy for a double deflated measure of net output. It is clear, at least within the UK context of heavy concern for the form-filling burden, that any quarterly indicator must be simple. However, the extent to which the annual system might be strengthened (and developments within the European Community may be relevant) to provide for the possibility of the calculation of measures of net output from time to time, perhaps by double deflation, is one major medium term issue for consideration.

CSO  
Newport  
UK  
9 September 1991

# DISTRIBUTIVE AND SERVICE TRADES : NUMBER OF FORMS DESPATCHED

Inquiry Year	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	Thousands 1990 Population
Inquiry																261.0
Retailing	30.2	25.0	24.9	19.9	19.9	10.0	19.9	9.9	20.0	10.0	19.9	12.0	12.0	12.0	20.0	137.1
Wholesaling	11.6	12.6	12.1	8.9	8.1	8.1	8.3	8.3	8.3	8.2	8.3	8.3	8.3	8.3	12.0	82.0
Motor Trades (1)	8.6	7.8	6.9	6.4	6.0	5.9	5.0	5.9	6.0	6.0	6.0	6.0	6.0	6.0	6.0	128.8
Catering (2)	10.7	24.3	9.9	6.0	5.5	5.5	11.9	5.5	5.6	5.6	5.5	5.5	12.0	5.5	5.5	470.4
Service Trades (3)	16.4	16.0	13.6	10.3	---	10.1	---	9.4	---	19.1	15.3	24.8	23.0	23.3	23.2	67.7
Property	8.8	8.2	7.6	7.1	---	7.0	---	6.9	---	7.1	---	7.0	7.0	16.0	16.0	---
Film Exhibitors	1.6	1.6	1.6	1.6	1.7	1.6	1.5	1.4	1.3	---	---	---	---	---	---	---
TOTAL	88.0	95.6	76.7	60.3	41.2	48.2	47.6	47.4	41.2	55.9	55.1	63.6	68.3	71.1	82.7	1147.0

(1) Motor Trades - Distribution, repair and servicing of motor vehicles, tyres, motor accessories and spares; petrol filling stations.

(2) Catering - Restaurants, cafes and take-away food shops; hotels and holiday camps; public houses and clubs; catering contractors.

(3) Service Trades - Road transport and ancillary transport services; business services; professional and scientific services; personal and miscellaneous services.

THE 1990 INQUIRIES: SUMMARY OF INFORMATION COLLECTED

INFORMATION COLLECTED(1)	TURNOVER	TURNOVER BY COUNTRY	COMMODITY BREAKDOWN OF TURNOVER	BREAKDOWN OF TURNOVER BY CUSTOMER	STOCKS	CAPITAL EXPEN- DITURE	FINANCE LEASING	CAPTIVE TURNOVER	SALES TO FOREIGN CLIENTS	PERSONS ENGAGED	STUDENT NUMBERS	PURCHASES	COMMODITY BREAKDOWN OF PURCHASES	DETAILS OF RETAIL OUTLETS	ESTABLISH- MENTS OFFERING ACCOM- MODATION BY COUNTRY (4)	NUMBER OF BEDROOMS BY COUNTRY (4)
INQUIRY																
MOTOR TRADES	X	-	X	-	X	X	X	-	-	X	-	X	-	-	-	-
RETAILING	X	X	X	-	X	X	X	-	-	X	-	X	(3)X	X	-	-
WHOLESALE	X	-	(2)X	(2)X	X	X	X	-	-	(2)X	-	(2)X	(3)X	-	-	-
PROPERTY	-	-	-	-	-	X	-	-	-	-	-	-	-	-	-	-
CATERING	X	-	-	-	X	X	X	-	-	-	-	-	-	-	X	X
SERVICE TRADES																
i CINEMAS & OTHER PERSONAL & MISC SERVICES	X	-	-	-	-	X	X	-	-	-	-	X	X	-	-	-
ii COMPUTER SERVICES	X	-	X	-	-	X	X	X	X	X	-	X	X	-	-	-
iii EDUCATIONAL SERVICES	X	-	-	-	-	X	X	-	-	-	X	X	X	-	-	-
iv OPTICIANS	X	-	-	-	-	X	X	-	-	-	-	X	X	-	-	-
v OTHER SERVICE TRADES	X	-	-	-	-	X	X	-	-	-	-	X	X	-	-	-

- Each inquiry uses at least two different form types. The range of information shown is not necessarily collected for every form. In some cases a form will include several detailed questions for some of the information items shown. The design of forms may change from year to year.
- 1990 was a wholesale benchmark inquiry. In other years this information is not collected.
- Collected as "Transport and other costs paid by the business".
- Collected but not by country.

SUMMARY OF INFORMATION COLLECTED FOR THE MAIN SERVICES INQUIRY - 1985 to 1990.

Question	1985	1986 (b)	1987	1988	1989	1990
Turnover or Income	X	X	X	X	X	X(j)
Stocks				X		
Net capital expenditure	X	X	X(e)	X	X	X
Capital expenditure on computers		X(c)	X(f)			
Capital Expenditure on finance lease				X(i)	X(i)	X(i)
Persons engaged		X(d)	X(g)	X(g)		
Persons engaged as computer specialists		X(c)	X(f)			
Cinema operation			X(h)	X(h)		
Overseas earnings	X(a)					
Purchases of goods and services	X					X

This table excludes data for the Cinemas, Computer, Opticians and Educational Services sector.

Footnotes:

- a) Larger companies in the Accountancy sector only.
- b) No inquiry forms were despatched for Transport Services and Personal and Miscellaneous Services in 1986.
- c) Larger companies in the Business Services sector only.
- d) Professional Services such as Surveyors, Draughtsmen, Architects and Consulting Engineers only.
- e) Inquiry forms were despatched to General Medical and Dental Practitioners asking details of business and net capital expenditure data only.
- f) Excluding Business Services and all smaller companies.
- g) Part of Personal & Miscellaneous Services only.
- h) Large companies in the Personal & Miscellaneous Services sector only.
- i) Large companies only.
- j) All services excluding the Advertising Sector.


## SERVICE INDUSTRIES COVERED BY QUARTERLY TURNOVER INQUIRIES - PHASE 1

Industry	Universe	Sample	% Q1 response (at 10 weeks)
Omnibus and tramway services (1)	3,872	572	..
Road haulage contracting	40,599	1,343	81
Other road haulage	5,759	206	77
Post and telecom	1,586	296	76
Leasing office furniture, etc	1,069	265	77
Builders merchants	4,746	946	91
Leasing industrial and office machinery	2,287	445	86
Plant Hire without operatives	2,199	288	82
Advertising (2) and market research	11,086	1,126	84
Valuers, auctioneers, etc (3)	3,469	241	80
Company secretaries (firms acting as)	}	2,951	86
Other business services			
Contract cleaning	6,310	580	83
Consultants	18,758	800	89
Staff bureaux and employment agency (3)	7,073	800	82
Typing and typewriting agencies	1,117	133	79
Accountancy services	18,095	536	86
Educational services	3,275	296	83
Legal services	18,004	952	94
Private hospitals	131	122	77
Nursing homes	3,584	355	81
Other medical services	1,672	165	92
Research and Development	1,910	280	91
Veterinary services	2,037	238	97
Surveying (various kinds)	10,878	439	90
Architects (private practice)	8,333	452	91
Draughtsmen (private practice)	6,873	149	89
Consulting engineers (1)	21,463	826	..
Research chemists, etc (private practices)	835	157	87
Other professional and scientific services	25,315	1,129	91
Men's hairdressing	}	199	78
Women's hairdressing			
Funeral direction	392	140	84
Photography and processing	7,805	211	83
Stationery services	44	38	92
Other services	78,559	2,251	82
Total	372,010	19,927	85

Notes: (1) Excludes amounts paid to subcontractors  
 (2) Collects figures which approximate to net output  
 (3) Collects commission based figures

.. Late despatch; figures unavailable

# Central Statistical Office

 A compulsory inquiry conducted by  
the Government Statistical Service  
**IN CONFIDENCE**

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Fax 0633 812863

Our ref

Please correct any errors in name, address or postcode

## QUARTERLY INQUIRIES INTO TURNOVER OF THE SERVICE TRADES

### Notice under Section 1 of the Statistics of Trade Act 1947

Dear Contributor

We conduct these inquiries to obtain up to date information on turnover. They will be used to provide the Government with essential information for compiling the national accounts and in particular, for measuring the output of the service trades.

We try to keep the number of forms sent to an absolute minimum. However, to produce reliable results we need to collect information from all the larger businesses and a proportion of the smaller ones.

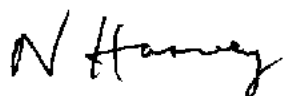
I am therefore instructed to require you, under the above Act, to supply the information requested overleaf. This will be treated as confidential in strict accordance with the Act. It will not be revealed in published statistics in a way which would enable your company to be identified, or disclosed to any unauthorised person without your consent.

Please return your completed form to the Central Statistical Office **within three weeks of the end of the period to which this form relates**. If exact figures are not readily available, informed estimates are acceptable.

There are notes on the form to help you complete the return. If you encounter any difficulties or require further information about these inquiries please write or telephone this office before you complete this return. When doing so it would be helpful if you would give the reference number above. My staff will be pleased to help you at any time.

Thank you for your co-operation.

Yours sincerely



N. Harvey  
Head of Division 2



**IMPORTANT :**

Please read the notes below before completing this form.  
If precise figures are not available give the best estimates you can.

FV			

**1. PERIOD**

Period covered by the return.....

	Day	Month	Year
from	11	/	/
to	12	/	/

**2. TURNOVER**

Total turnover including fees and other amounts receivable.....

£ thousand (exclusive of VAT)	
40	

**3. OTHER BUSINESSES INCLUDED IN THIS RETURN**

This return should cover the activities of only the business named on the front of the form. If however you have had, exceptionally, to include any other businesses please list their names and VAT Registration numbers below.

Name of business

VAT Registration Number

-----  
-----

(if insufficient space please continue on a separate sheet)

**NOTES ON COMPLETING THIS FORM****PERIOD**

Your return should cover the calendar quarter specified on the front of the form. If no figures are available for that period the return may be made for the nearest period of broadly similar length for which figures are available.

**TURNOVER**

Give the total amount receivable by the business in the period quoted above for services provided or goods sold, after deducting value added tax. Do not include amounts receivable for the disposal of capital assets. The figure should preferably relate to services or goods invoiced rather than cash received unless the former is not readily available. It is important that the figure is provided on a consistent basis from quarter to quarter. Figures should be shown to the nearest £ thousand, e.g. 27,025 should be shown as 27.

**COVERAGE**

Please include any activity carried out within the United Kingdom (that is, England, Scotland, Wales and Northern Ireland). This should include work done in the United Kingdom in connection with overseas contracts or activities.

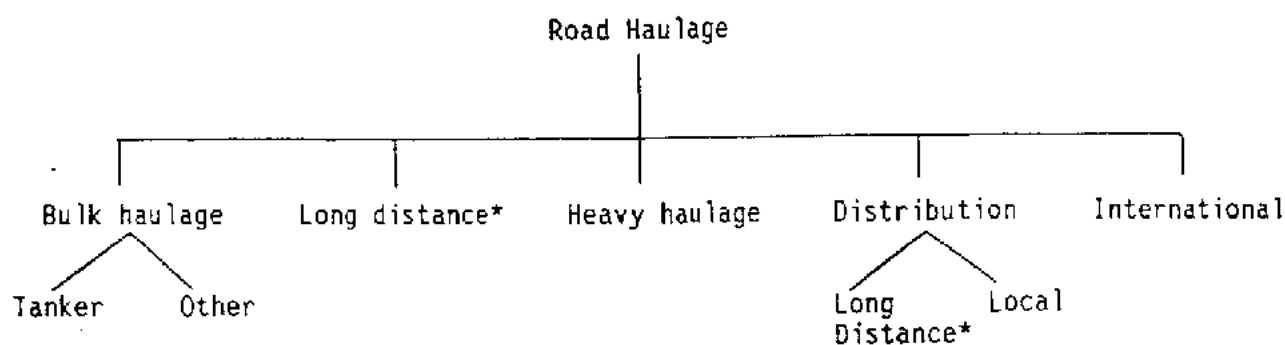
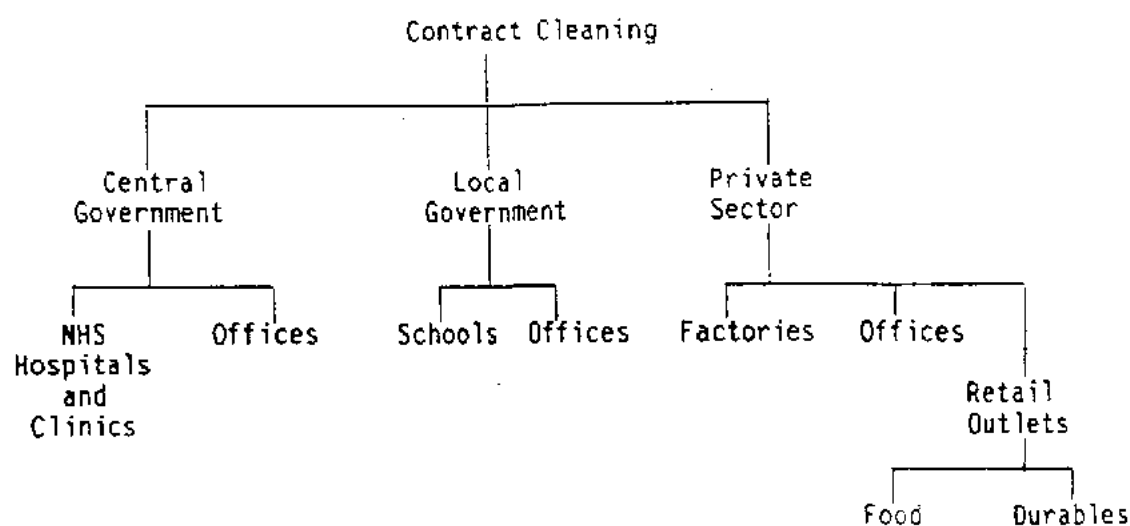
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**PLEASE USE BLOCK CAPITALS**

Name of person to be contacted should this be necessary .....

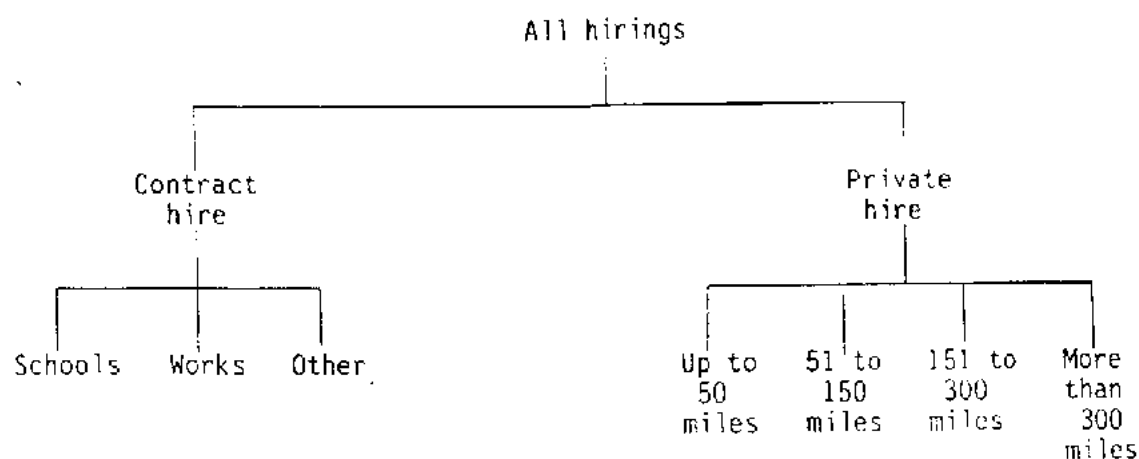
Position in business .....

Telephone no/ext ..... Fax/Telex ..... Date .....




\* Long distance - round trip of more than 150 miles.

#### FRAMEWORK FOR COLLECTING PRICES FOR NON-LOCAL BUS OR COACH JOURNEYS



**Central Statistical Office**

 A compulsory inquiry conducted by  
the Government Statistical Service  
**IN CONFIDENCE**

NEWPORT, Gwent, NP9 1XG  
26 June 1991  
Telephone 0633 812571  
Telex 497121 (BSONPT G)  
Fax 0633 812939

**91/02**

← Please quote this reference  
number in any enquiry

Date:

Please correct any errors in name or address

**COMPUTING SERVICES INQUIRY- SECOND QUARTER 1991****Notice under Section 1 of the Statistics of Trade Act 1947**

Dear Contributor

We would appreciate your help in completing and returning this inquiry form by Monday 29 July. The information you supply will contribute to the figures for gross domestic product compiled by the Central Statistical Office. It will also be used to build up a picture of the trends in this increasingly important industry to help the Department of Trade and Industry formulate its policies in this area. A prompt response from you and other contributors will ensure early publication of these results, thus improving their value to both industry and Government.

I am therefore instructed to require you, under the above Act, to supply the information requested overleaf. This will be treated as confidential in strict accordance with the Act. It will not be revealed in published statistics in a way which would enable your company to be identified, or disclosed to any unauthorised person without your consent.

Aggregate statistics derived from this inquiry will be published as a Quarterly Business Bulletin, which is available from the Library of the CSO (Telephone: 0633 812973). Statistics will also be available, in more detail, in Business Monitor SDO9, Computer Services. Subscription details can be obtained from HMSO, PO Box 276, London, SW8 5DT. (Telephone: 071 873 8499)

A copy of the inquiry form is enclosed for your retention. If you require further information, or have any difficulties, my staff will be pleased to help you - the telephone number of the person dealing with your return is shown above.

Yours faithfully



R. Ward  
Head of Division 1

# COMPUTING SERVICES INQUIRY

APRIL-JUNE 1991

Ref No	
--------	--

Please tick if  
member of CSA ☐

**IMPORTANT- Please return this form by Monday 29 July**  
**Please refer to the enclosed notes before completing this form**

## BILLINGS TO CLIENTS FOR WORK DONE (see note 1)

Type of work (see note 2)

### 1. Bureau services

1.1 Database services .....

1.2 Value-added network services .....

1.3 Other services .....

### 2. Software

2.1 Custom software .....

2.2 Semi-custom software .....

2.3 Software products .....

2.4 Software support and maintenance .....

### 3. Hardware

3.1 Hardware .....

3.2 Hardware maintenance .....

### 4. Other Professional Services

4.1 Independent consulting .....

4.2 Education and training .....

4.3 Other computing services .....

TOTAL .....

TOTAL	Ethousand of which
	Exports




--	--

### 5. Total Employment (see note 3)

Number	
Full-time	Part-time

Name of person to be contacted should this be necessary  
 BLOCK CAPITALS PLEASE

Position in company

Signature

Tel.No./Ext.

Telex.

Date

# COMPUTING SERVICES INQUIRY

Ref No	
--------	--

Please tick if  
member of CSA ☐

**IMPORTANT- Please return this form by**  
**Please refer to the enclosed notes before completing this form**

## **BILLINGS TO CLIENTS FOR WORK DONE** (see note 1)

Type of work (see note 2)

TOTAL	£thousand of which
	Exports

### 1. Bureau services

- 1.1 Database services .....
- 1.2 Value-added network services .....
- 1.3 Other services .....

### 2. Software

- 2.1 Custom software .....
- 2.2 Semi-custom software .....
- 2.3 Software products .....
- 2.4 Software support and maintenance .....


### 3. Hardware

- 3.1 Hardware .....
- 3.2 Hardware maintenance .....


### 4. Other Professional Services

- 4.1 Independent consulting .....
- 4.2 Education and training .....
- 4.3 Other computing services .....


**TOTAL** .....

--	--

Number  
Full-time Part-time

### 5. Total Employment (see note 3)

--	--

## NOTES ON COMPLETING COMPUTING SERVICES INQUIRY FORM

### 1. BILLINGS TO CLIENTS FOR WORK DONE

Please enter the total, excluding Value Added Tax, invoiced to clients during the period, completing the categories as accurately as you can. Include any remaining billings in category 4.3 Other computing services. In order to avoid unnecessary burdens on contributors we are willing to accept your best estimates for the breakdown between headings which are combined in your records. In such cases we ask that the basis of your judgement is consistent over time.

EXPORTS: billings to clients resident outside the United Kingdom.

### 2. TYPE OF WORK

For the purpose of this survey the categories are understood to have the following meanings:-

- 1.1. Database services: amount invoiced for the accessing of databases available to more than a single company or group of users.
- 1.2. Value-added network services: amount invoiced for provision of services where the essence of the service is communication of messages across a network, even where there may be some subsidiary processing.
- 1.3. Other services: amount invoiced for processing services, including local and remote batch, interactive processing and data preparation.
- 2.1. Custom software: amount invoiced for systems analysis, systems design, programming implementation, computer processing up to live running including software products in cases where the amount invoiced for customising is more than 40 per cent of the contract value.
- 2.2. Semi-custom software: amount invoiced for systems analysis, systems design, programming implementation, computer processing up to live running including software products in cases where the amount invoiced for customising is more than 10 per cent but not exceeding 40 per cent of the contract value.
- 2.3. Software products: amount invoiced for the sale or licence of software products, including cases where the amount invoiced for customising is not more than 10 per cent of the contract value, for clients to use on their own machines or machines of their choice.
- 2.4. Software support and maintenance: amount invoiced for maintenance of bespoke software and software products
- 3.1. Hardware: amount invoiced for bought-in hardware supplied in conjunction with the provision of software.
- 3.2. Hardware maintenance: amount invoiced for maintenance of hardware for clients.
- 4.1. Independent consulting: amount invoiced for computer consultancy prior to or unconnected with the award of a software implementation and/or hardware supply contract.
- 4.2. Education and training: amount invoiced for education and training for staff of clients.
- 4.3. Other computing services: amount invoiced for any other professional services not classifiable to categories 1.1 to 4.2.

3. TOTAL EMPLOYMENT: please give the total number of employees on the payroll at the end of the period. Staff on temporary secondment overseas should be included.