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Dear Sirs

### **Better Use of Data - Consultation**

The Scale-Up Institute is delighted to contribute to the Government's Better Use of Data which is such an important subject to assess scaling businesses in the UK and for long term economic development.

In recent times the Government has done much to support the development of data provision and open up data sources and statistical information that has benefitted the UK in its analysis of economic drivers and business support needs, thereby making interventions within the private and public sector more efficient and targeted. It is encouraging that the Government is determined to continue this drive and take forward further work in using data in even more effective ways.

The Scale-Up Institute, borne out of the Scale-Up Report, is a private sector led organisation, whose focus is on supporting the needs of the UK's established high growth firms, across sectors and geographies, that are growing on average at 20% per annum, in employees or revenue, over a 3 year period. Scale-up businesses represent the engines to economic growth, productivity and jobs as highlighted in the recent Octopus 'High Growth Small Business Report 2015'. This report found that in the UK, high growth businesses created the equivalent of approx. 4,500 new jobs every week, 3 times as many new jobs as the FTSE 100.

The Better Use of Data review has the opportunity to broaden access to the statistical evidence base within HMRC and ONS to enable even further analysis of business and economic trends thereby allowing both the public and private sectors to better understand and detect high growth patterns and areas of need. At the same time making more effective the data sharing between Government departments and

streamlining interaction with businesses by not duplicating information requests is helpful and beneficial.

The current Government is undertaking leading work to enhance the usability and openness of all its data sources. The Better Use of Data review represents a further excellent opportunity to take this work forward and also leverage the developments in technology, API usage as well as supports the Government's Digital Strategy intent.

In our response to the Government's recent Digital Strategy review we highlighted that releasing data that identifies growth companies would be particularly beneficial to improving the speed and efficiency of the supporting, targeting and monitoring of fast growing businesses by the Growth Hubs, UKTI, cities and Catapult Centres as well as the private sector. We know from research conducted by YouGov, that the overwhelming majority (97%) of high-growth businesses support better data sharing internally within Government, including key HMRC data which allows their 'scale-up status' to be identified and decreases the time-lag for targeted engagement with such businesses across the public and private sector on finance, exports, skills, apprenticeships and procurement by circa 12-18 months.

The Scale-Up Institute therefore supports the Government's intent to extend new powers and support a 'legal gateway' for (HMRC held) corporation tax and income tax information to be shared directly with ONS, with relevant safeguards, which will allow significant improvements to the quality and timeliness of economic statistical outputs so vital in targeting effective public and private sector activities.

We also support the intent to replace information sharing orders with a power for public authorities to provide identified information to the Statistics Authority thereby facilitating ONS's access to data. The reuse of data held has significant potential to reduce annual costs to businesses and reduce regulatory business burden of being required to complete surveys to provide information which is already held elsewhere by Government. This can only also help facilitate policy, funding and economic decisions and the speed of actions taken to support our high growth firms.

We also endorse the Government's overarching principle that the work on Better Use of Data encompass the devolved administrations and any extension of powers allows UK-wide coverage. It will also be

beneficial to allow non-public sector bodies (such as private companies and charities) that fulfil a public service function to a public authority to be included in the scope of the public service delivery powers subject to a Code of Practice with principles as outlined.

As regards allowing the use of data for research, we support allowing the use of de-identified data to support accredited researchers to access and link data in secure facilities to carry out research for public benefit and thereby helping of UK businesses. Whilst some form of fee would seem appropriate, this should be proportionate and we believe that there should be some form of maximum fee permitted which is monitored by the UK Statistics Authority.

In conclusion, the Scale-Up Institute supports the Government in taking the important steps identified in the Better Use of Data consult, specifically as regards widening the access of HMRC data for research and official statistic purposes. It is through the ability to access such data that we can all better undertake and target support to economic growth areas and scaling businesses, ensuring resources are appropriately aligned. We welcome the opportunity to provide input through this submission and are happy to assist in next steps. Should you require any further immediate information or discussion then please do not hesitate to contact the undersigned.

Yours faithfully,

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