



# PACAC (Public Administration and Constitutional Affairs Select Committee)

House of Commons · London SW1A 0AA

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10 March 2016

Sir Andrew Dilnot CBE  
Chair  
UK Statistics Authority  
1 Drummond Gate  
London  
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*Dear Andrew*

The Committee looks forward to seeing the note on data relevant to the EU referendum that you are preparing. I am sure it will be an important contribution to the debate.

In the meantime could I ask you as a matter of urgency to set out the figures relating to the UK's financial contribution to the EU. It is clear that on this important issue there is much confusion and perhaps some misinformation.

In the last few days I have seen a variety of numbers for the UK's net contribution in 2014, including:

- the Office for National Statistics said that in 2014 UK 'net position with EU institutions' was -£9.817 billion<sup>1</sup> The Pink Book also shows a current account deficit of £12.329 billion with EU Institutions.<sup>2</sup>
- the Treasury said that the 2014 outturn for 'gross payments, rebate and receipts' was £9.782 billion<sup>3</sup>
- the House of Commons library and the fact checking organization Full Fact estimated that our net contribution was £8.5 billion in 2015 (which compares to a Treasury estimate of £8.473bn for 2015)<sup>4</sup>
- InFacts, which describes itself as 'a journalistic enterprise making the fact-based case for Britain to remain in the European Union', says that the total contribution is £6.5bn<sup>5</sup>

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<sup>1</sup> Office for National Statistics [The Pink Book Chapter 9 Table 9.9 Row 52](#)

<sup>2</sup> Office for National Statistics [The Pink Book Chapter 9 Table 9.1 Row 153 and Row 40](#)

<sup>3</sup> HM Treasury [European Union Finances: statement on the 2015 EU budget and measures to counter fraud and financial mismanagement](#) p. 13

<sup>4</sup> Full Fact, House of Commons Library [EU Budget 2014-20](#), HM Treasury [European Union Finances: statement on the 2015 EU budget and measures to counter fraud and financial mismanagement](#) p. 13

<sup>5</sup> InFacts [About us](#), InFacts [UK doesn't send EU £350m a week or £55m a day](#)

- the National Audit Office who published a recent report saying that the 'UK net contribution to the EU budget in 2014 (taking into account the UK rebate, and public- and private-sector receipts)' was £5.7 billion.<sup>6</sup>

I understand that the discrepancy between these figures may arise from different year ends, the difference between outturn and estimates, fluctuating exchange rates, the involvement of different sectors and no doubt other technical matters.

UKSA's mission is to assist the Government in 'providing a firm evidence base for decision-making'.<sup>7</sup> It is in the public interest for UKSA to set out the most accurate estimate for the UK gross and net contribution to the EU over the last five years. In the run up to the EU referendum, the public requires clarity on this question, which already figures prominently in the EU debate.

The figure which is of particular interest is what the direct net effect of EU membership is on the UK public sector net cash requirement. Additionally it would be useful to see the following separated out:

- It may be necessary to present a range of figures, differentiating between expenditure and cash.
- The obligation to spend 0.7% of gross national income on overseas development aid may also effect the figures, since EU spending includes a proportion of the UK aid budget, which would have to be spent whether we remain in or leave the EU but nevertheless should be counted as part of our gross and net contribution.<sup>8</sup>
- It would be helpful to show private sector contributions to the EU budget separately, and as part of the gross and net contribution.
- Please can you also include CAP disallowances separately and within the total gross and net contribution figures.

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**Bernard Jenkin MP**  
Chair

**Public Administration and Constitutional Affairs Committee**

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<sup>6</sup> National Audit Office [Financial management of the European Union Budget in 2014: a briefing for the Committee of Public Accounts](#) p. 4

<sup>7</sup> UK Statistics Agency [Better statistics, better decisions: UK: strategy for UK statistics 2015-2020](#) p. 1

<sup>8</sup> The target is defined in the [International Development \(Official Development Assistance Target\) Act 2015](#)