

Monetary and Financial Statistics Division

Statistical Code of Practice

June 2010



BANK OF ENGLAND





BANK OF ENGLAND

Monetary and Financial Statistics Division

Statistical Code of Practice

June 2010

Foreword

I and my Executive Team at the Bank of England are delighted to endorse this revised *Code of Practice*, updating the version issued three years ago. Since that time there have been important developments for statistics in the United Kingdom, especially passage of the Statistics and Registration Service Act 2007 and the establishment of the UK Statistics Authority to oversee government statistics. I greatly welcomed those developments. As I said in my 2007 Foreword, statistics must command public trust if they are to reinforce confidence in the policy decisions based upon them. Sir Michael Scholar, as chair of the new Authority, has repeatedly emphasised that message.

The Bank has consulted publicly on its proposed new Code in draft. Both reporters and users of our statistics appear to be content with this framework, aimed at ensuring quality, objectivity, openness and freedom from political interference. But there is no room for complacency, and we would welcome comments and proposals for improvement at any time.

The Bank is independent of government and not a producer of 'official statistics' as defined in the Act. But although we therefore fall outside the Authority's formal remit, we fully endorse its aims and objectives. So this revision of our Code reflects and in many places refers to, or has been aligned with, the Authority's code published last year.

A handwritten signature in black ink, appearing to read 'M. King', written in a cursive style.

Mervyn King
Governor

Contents

Introduction	5
Who is the Code for?	7
Scope of the Code	8
Structure of the Code	9
1 Relevance	10
1.1 User relationships	11
1.2 Understanding user requirements	13
1.3 User consultation	13
1.4 User involvement in the development work programme	14
2 Integrity	15
2.1 Impartiality	15
2.2 Professionalism	16
2.3 Public scrutiny	17
3 Quality	18
3.1 Common standards and classifications	18
3.2 Quality of source data and outputs	19
3.3 Timeliness and consistency	20
3.4 Revisions policy	20
3.5 New statistics	22
4 Accessibility	23
4.1 Release arrangements	24
4.2 Ease of access	25
4.3 Privileged early access	26

5	Confidentiality	28
5.1	Access controls	29
5.2	Respondent rights	29
5.3	Staff obligations	29
5.4	Physical storage arrangements	30
6	Respondent burden	31
6.1	Cost control	31
6.2	Support for data suppliers	32
7	Cost efficiency	34
7.1	Organisational structure	34
7.2	Performance targets	34
7.3	Customer feedback	35
7.4	Pricing policy	35
Appendix 1		
Main differences from the UK Statistics Authority Code of Practice for Official Statistics		37
Appendix 2		
Extracts from legislation relevant to information powers and obligations		43
Bibliography		51

Introduction

This document sets out standards for the collection, compilation and dissemination of monetary and financial data by the Bank of England (the Bank) comparable to those established for official statistics by the UK Statistics Authority (the Authority). These standards are referred to throughout this document as the 'Code'.

The Bank's statutory information gathering powers are specified in the Bank of England Act 1998, supplemented by the Banking Act 2009.⁽¹⁾ These provide for the collection of data for monetary policy purposes, which comprise the major part of its statistical outputs, as well as to fulfil regulatory responsibilities; and for the Bank to disclose information, however obtained, it thinks relevant to the financial stability of individual financial institutions, or one or more aspects of the financial systems of the United Kingdom. The Bank additionally collects some data on a voluntary basis; indeed, prior to the 1998 Act, all of its statistical collections were undertaken without formal legislative support.

The Statistics and Registration Service Act 2007 established new governance arrangements for 'official statistics' in the United Kingdom. Central to these changes was the creation, in April 2008, of the Authority as an independent non-ministerial department, directly accountable to Parliament. The Authority has three principal responsibilities under the Act: oversight of the Office for National Statistics (ONS); monitoring and reporting on all official statistics wherever produced; and the independent assessment of official statistics. To these ends, the Act required the Authority to prepare and publish a code of practice for official statistics — a task which it completed in January 2009.

(1) Reproduced in Appendix 2 below.

Statistics prepared by the Bank are not within this definition of 'official statistics'.⁽¹⁾ The Act places all non-Crown Bodies, including the Bank, beyond its scope unless a Minister has determined, through the application of secondary legislation, that a specifically named institution is to be included. The powers vested in the Bank by the Bank of England Act 1998, in particular its independence from government in the setting of monetary policy, could give rise to conflicts between the Bank's policy independence and its ability to meet in full the governance and operational requirements placed on producers of official statistics by the 2007 Act and by the Authority's code of practice. The Bank also has distinctive obligations under European legislation, as a member of the European System of Central Banks (ESCB), which has its own public commitment on statistics analogous to a code of practice.

Notwithstanding these observations, the Bank could at some future date become a producer of 'official statistics' by ministerial order; but for so long as it is not, it is appropriate for the Bank to remain outside of the Authority's formal remit and to retain its own, distinctive Statistical Code of Practice, while committing, as far as is practical, to the core tenets of the Authority's code.

This revised text therefore aims to demonstrate the close consistency between the Bank's statistical operations and the principles of the Authority's code. Where appropriate, the Bank's Code corresponds closely with international and European standards, as set out in the United Nations' 'Fundamental Principles of Official Statistics', and the code of practice of the European Statistical System. In addition, it is fully consistent with the Public Commitment on European Statistics prepared by the ESCB. Nevertheless, the Code retains the distinctive style and structure of the previous 2007 text, and additionally includes an appendix detailing those areas of activity where Bank practice may differ from that expected of 'official statistics' in the Authority's code. As such, the Bank's Code reflects the institutional and legislative framework in which it operates. Its response to the Authority's code is to 'comply or explain',⁽²⁾ yet it remains wholly centred on the Bank's statistical activity, providing an account of the operational practices and supporting rationale underpinning the Bank's statistical products.

(1) The Statistics and Registration Service Act 2007, section 6 defines 'official statistics' as (a) statistics produced by the Statistics Board, a government department, the Scottish Administration, a Welsh ministerial authority, a Northern Ireland department, or any other person acting on behalf of the Crown, and (b) such other statistics as may be specified by order by a Minister of the Crown, the Scottish Ministers, the Welsh Ministers, or a Northern Ireland department.

(2) See Appendix 1 below.

This version of the Code does not anticipate forthcoming changes to the UK regulatory arrangements as announced by the Chancellor of the Exchequer in his Mansion House speech on 16 June 2010, nor does it anticipate any interim arrangements during the transition to the new regime. The Code will be updated in due course, as appropriate.

The Bank will monitor its adherence to the Code and will periodically initiate and publish independent external assessments of compliance. The Bank will also undertake regular reviews of Code content, and may choose to make further revisions in the light of its findings or to reflect changes in the practical application of unchanged principles, including closer alignment with the Authority's code. Where future proposed revisions of the Code are judged to be material, including as a result of new European legislation in prospect as at the date of publication, a notification of the draft text will be placed on the Bank of England website, the views of the Authority and other key stakeholders will be sought, and public comments invited.

Who is the Code for?

The Code is intended for users, providers and producers of statistics alike. It sets the standards of service that users of statistics and the wider public should expect to receive; it provides a promise of fair treatment to data suppliers; and it acts as a benchmark for staff involved in developing and delivering the statistical products and services that the Bank provides.

The specialised nature of the Bank's statistical outputs means that the immediate user base is relatively narrow. Much of the direct analysis of the Bank's data concerns domestic monetary policy and the assessment of the soundness of financial markets and systems. Users in these fields are often within the official sector — many within the Bank itself — but they also include academics, the media, international organisations, and private sector financial analysts. However, there are also many indirect users of the Bank's statistics — for example, users of those ONS outputs for which the Bank is an important contributor of source data. This Code explains how the Bank intends to address the needs of these various user constituencies.

A high proportion of the statistics prepared by the Bank are compiled from data supplied by the 400 or so banks and building societies operating in the

United Kingdom. In many cases, data are supplied by a smaller base of larger institutions, drawn from this population. While only the largest institutions are likely to report across all series, for those in particular, the cost of supplying statistical data can be considerable. The Code therefore establishes procedures to protect data providers from unreasonable or poorly thought through user requirements. It also documents the arrangements in place for the protection of commercially sensitive information provided by reporters for statistical purposes.

In practice, while data users and suppliers are encouraged to make use of the Code, it may be most immediately relevant to those staff with responsibility for managing the day-to-day preparation and release of statistics, and for developing new outputs. It represents a manual of best practice for statistical compilers that is transparent to data users and suppliers.

The Code is also a statement of intent. Much of its content is already fully reflected in current practice but some aspects report work in progress, and so indicate the direction of movement. The Code will also seek to set progressively higher standards in some areas. It is hoped that the existence of the Code will reinforce wider public confidence in the information sources upon which monetary policy, financial stability assessment and other economic policy decisions are based.

Scope of the Code

The Code applies to the Bank of England as a whole. While much of its content concerns the collection, compilation and dissemination of statistics, it also has much to say about the use of data in policy statements, the protection given to confidential information and the responsibilities placed on internal recipients of statistics prior to publication. It therefore has potential relevance for all staff and not just for those involved in the production of statistics.

Nevertheless, the Code is primarily concerned with the statistical work of the Monetary and Financial Statistics Division ('the Statistics Division') within the Bank. This includes all aspects of work relating to data collected primarily for statistical purposes, ie where the main reason for collecting data is for the compilation and publication of aggregated statistics; but also includes those aspects of work on data collected for administrative purposes which lead to published statistical outputs.

In addition, the Code is intended to cover any statistical work undertaken by the Bank outside the Statistics Division which gives rise to published aggregated statistics. Where the status of particular statistical activities within or outside the scope of the Code is not clear, the decision will rest with the Executive Director for Monetary Analysis and Statistics, in consultation with the Head of the Statistics Division.

The Code is not intended to guide or assess work within the Statistics Division, or elsewhere, for which the principal motivation is to fulfil an administrative function. It also excludes the preparation of the Bank of England's own published accounts, data arising from the Bank's management of the Exchange Equalisation Account (EEA) and the preparation of data by staff in the Banking and Markets Directorates that contribute to the aggregate statistics compiled by the Statistics Division.

Structure of the Code

The Code has much in common with the Authority's code of practice for official statistics. It rests upon seven high-level principles which map, in a straightforward manner, to the eight high-level principles of the Authority's code. The seven principles summarise the Bank's objectives in seven aspects of its statistical practice. These concern relevance, integrity, quality and accessibility of outputs, confidentiality of inputs, burden on data suppliers and overall cost efficiency of the business process. The Code addresses each of these themes in turn.

Each section of the Code follows a cascading format. This begins with a statement of the high-level Key Principle together with a summary description of the scope and intentions of the Code in this area. Thereafter, the high-level statement is expanded, initially into a set of lower level and sub-principles, and from there into specific examples, normally displayed as a bulleted list, of how these principles are applied in practice.

The table in Appendix 1 presents the seven high-level principles of the Code alongside their equivalent statements drawn from the Authority's code.

1 Relevance

Statistics prepared by the Bank of England will inform significant decisions in the Bank, government, business and the wider community.

Statistics are only of value if they help users to answer the questions with which they are concerned. This section seeks to ensure that resources are directed toward producing the information that users require, in forms that are most useful to them. It places the main burden of responsibility on producers to ensure that user needs are understood, that gaps in coverage are identified, and that resources are not devoted to outputs that users no longer need. Much of the detail concerns the arrangements for ensuring adequate user involvement in the planning process. The section begins by looking at the implications of certain special user relationships.⁽¹⁾

The Bank's powers to collect data are derived from the Bank of England Act 1998, supplemented by the Banking Act 2009 (see Appendix 2). This legislation links collection directly to the Bank's twin responsibilities for monetary policy and financial stability, the latter having been considerably extended by the 2009 Act. The Code reflects these institutional arrangements by giving primacy to users in these areas. Nevertheless, the Bank remains committed to accommodating as wide a range of user needs as is practical.

(1) These issues arise again in the context of pre-release access to statistics (see Section 4.3).

1.1 Producers of statistics within the Bank of England have a special relationship with key users within the Bank, the Office for National Statistics (ONS), the Financial Services Authority (FSA) and HM Treasury but will manage these relationships in ways that minimise any disadvantage to other users.

1.1.1 The data required by the Monetary Policy Committee (MPC), and by those within the Bank of England conducting research and analysis to inform the MPC's discussions, give rise to a wide range of technical and analytical requests to statistical staff.

- Requests from individual MPC members and their support staff are channelled via the Bank's Monetary Analysis Divisions to minimise the risk of duplicated efforts.

1.1.2 The ONS has a special relationship with the Bank's statistical staff because much of the Bank's detailed statistical output forms an input to National Statistics.

- The relationship between the ONS and the Bank's Statistics Division is governed by a 'Firm Agreement' covering the supply of data, data interpretation, quality monitoring and the development of new statistical series.
- Performance against the criteria set out in the Firm Agreement is monitored and forms the subject of an annual performance report by the ONS.
- The Firm Agreement is available on the Bank of England website at www.bankofengland.co.uk/statistics/about/firmagreement.pdf.

1.1.3 The FSA has a special relationship with statistical staff based on the operational need to share firm-level statistical and administrative data.

- The Bank of England Act 1998, supplemented by the Banking Act 2009, authorises the Bank to disclose confidential micro data collected by the Bank. This includes disclosure to the FSA if the Bank considers that disclosure would either enable or assist the FSA to discharge its functions under the Financial Services and Markets Act 2000; or, if the Bank thinks the information is relevant to the financial stability of either individual financial institutions or one or more aspects of the financial systems of the United Kingdom, under section 246 of the 2009 Act. In this latter case, information may also be shared with HM Treasury and others (see Appendix 2).

- Regulations⁽¹⁾ permit the FSA to disclose firm-level data to the Bank.
- These arrangements are the subject of a Service Level Agreement between the Bank and the FSA.
- Since 1998 the Bank, the FSA and HM Treasury (the Tripartite Authorities) have co-operated in accordance with a formal Memorandum of Understanding (MoU), covering arrangements for the sharing of information on issues and problems affecting the common objective of financial stability in the United Kingdom.⁽²⁾

1.1.4 The Statistics Division additionally maintains close supplier relationships with a number of European and international agencies and works collaboratively with them on areas of mutual interest. Statistics Division staff:

- participate in a variety of EU and ECB committees and working parties;
- provide the ECB with data as required;
- contribute to the statistical work of the Bank for International Settlements; and
- contribute to the development of international standards and codes in conjunction with the International Monetary Fund and the OECD.

1.1.5 The Statistics Division will continue to promote wider user and public interests in its outputs by:

- seeking to ensure that the interests of all identified user groups are taken into account, aiming at equal treatment;
- liaising closely with user groups, including the Statistics Users Forum, and presenting occasional papers at relevant meetings;
- participating in the activities of the Royal Statistical Society and its Centre for Statistical Education;
- offering technical background seminars to groups of financial journalists in collaboration with the Bank of England Press Office; and
- giving primacy to the internet for data dissemination in order to promote equality of access.

(1) See The Financial Services and Markets Act 2000 (Disclosure of Confidential Information) Regulations 2001 (SI 2001 No 2188).

(2) See www.bankofengland.co.uk/about/legislation/mou.pdf.

1.2 The relevance of existing statistics to the needs of users will be monitored and material gaps in their coverage identified.

1.2.1 Staff will seek to understand the policy context and other user contexts in which statistical information or analysis is used.

- Staff preparing the monetary data support the Bank's staff in the Monetary Analysis divisions in their interpretation and attend the presentation of these data to the MPC.
- Staff attend Statistical User Group meetings.
- The Statistics Division and the ONS operate a two-way work shadowing scheme for staff.

1.2.2 User needs and the use made of existing Bank statistics will be documented.

1.3 The views of users will be sought when important changes to collections, methods of compilation, or outputs are planned.

1.3.1 Plans for introducing, changing or withdrawing statistics should take account of the informed views of users, data providers and subject experts.

- Consultations are normally focused on those key users with an interest in the given issue and are conducted on a scale consistent with the importance of the issue.
- Nevertheless, there are occasions when a more formal and broader-based process of consultation is required.
- The Head of the Statistics Division is responsible for deciding when the day-to-day process of key user consultation should be broadened into a formal public process.

1.3.2 The timing of all consultations will be built into project plans so that they offer the best prospect of improving the relevance of proposals.

1.3.3 Formal consultation arrangements will be transparent and users will be given sufficient time to provide a considered response.

- Formal public consultations are announced on the Bank's website and within the notes to relevant data releases.
- Users are normally given six weeks to respond to formal public consultations but the Bank retains the flexibility to shorten or extend this period to reflect legislative requirements, the complexity of the consultation or the resources available to users to respond within the stated time period.

1.3.4 The user consultation arrangements outlined in this section are subject to any legislative requirements that may restrict the scope and/or timeframe for the consultation process (eg HM Treasury powers under the Bank of England Act 1998 to make changes to the class of institutions subject to statutory data collections by the Bank).

1.3.5 The decisions, actions and explanations following any formal user consultation will be made publicly available.

1.4 Users will be kept informed about the Bank's statistical development work programme and will be encouraged to influence its future direction.

1.4.1 Users within the Bank of England have continuous access to papers describing emerging research findings and developing a strategy for future work.

1.4.2 The Firm Agreement between the ONS and the Statistics Division (see 1.1.2 above) provides for a work programme to develop new or improved statistics for inclusion within National Statistics.

- This work programme is managed by a steering group comprising senior staff from ONS and the Statistics Division at the Bank.
- Staff from the Statistics Division also consult ONS staff through various working meetings, including a quarterly liaison meeting linked to the ONS quarterly National Accounts publication calendar.
- A summary record of progress with current projects, including those on the work programme above, and of work planned for the year ahead is published in an annual article, available on the Bank's website.

1.4.3 Staff in the Statistics Division liaise regularly with FSA staff on a variety of statistical data issues.

2 Integrity

Statistics will be produced using objective and transparent methods.

Statistics that fail to command public trust will undermine confidence in any policy decisions based upon them. This section establishes the ground rules for building trust. In conjunction with the following section on quality management, it sets in place procedures and practices designed to maximise the ability of the statistics to inform and influence policy decisions and public perception of those decisions.

2.1 Statistics will be compiled impartially.

2.1.1 Staff preparing statistical reports will be protected from any political or organisational pressures that might influence the presentation of the statistics.

- Statistical releases by the Statistics Division are authorised by the Head of the Statistics Division, or a delegated manager, without reference to user areas within the Bank.
- Statistics prepared and released by other areas of the Bank are authorised by the appropriate Head of Division, and the Head of the Statistics Division is kept fully informed.
- The release of statistics is always separate from, and in advance of or simultaneous with, any policy statement that refers to or makes use of the data.

2.1.2 Policy statements or commentary issued by the Bank alongside statistical releases, and/or based upon them, will normally contain a prominent link to the statistical release and will make reference to it.

2.2 The integrity of statistics will be underpinned by the maintenance and development of high standards of professionalism among staff at all levels.

2.2.1 Professional competence will be enhanced through access to relevant training opportunities.

- Management monitor the training and development needs of staff engaged in the preparation of statistics and provide advice on relevant opportunities.
- In-house induction training and development programmes are actively promoted, and information on other relevant knowledge and skills-based training made available.
- Management encourage and support staff seeking to obtain academic and professional qualifications in relevant subjects.

2.2.2 Staff performance and development objectives will be individually set and monitored.

2.2.3 Staff will not use their involvement in the preparation of statistics for personal gain.

2.2.4 Management will promote the principles and standards of the Code among all staff and colleagues who handle Bank statistics.

- All staff within the Statistics Division are required to adhere to the Code.
- The Statistics Division has developed a training module in the use of the Code which all of its staff are required to complete.
- Users and producers elsewhere within the Bank are reminded regularly of the Bank's principal obligations under the Code and of their own individual responsibilities, particularly in respect of access arrangements (see 4.3.1 and 5.3 below).
- The Code is presumed to represent best practice for any data collection/compilation activities undertaken by Bank staff outside the Statistics Division.

2.2.5 The Executive Director for the Statistics Division will be informed of any complaints about professional integrity or the quality of the statistical service.

2.3 Statistical methods and practices will be open to public scrutiny.

2.3.1 The methods used in the compilation of statistics, and the reasons for their selection, will be published, or will be made available on request.

- Reporting forms are available on the Bank of England website together with associated definitions and reporting guidance (see also 6.2 below).
- Published statistical aggregates are clearly labelled and defined.
- Published data are cross referenced to available sources on methodology.
- Substantial methodological changes are announced before any release of statistics based on the new methods, together with an assessment of their impact on published outputs.

2.3.2 The Bank will make available a range of material to support users' use and interpretation of its statistics.

- Background papers are regularly published on the Bank's internet site or presented at conferences for users of statistics.
- Statistical staff will respond helpfully to public requests for information about statistics, subject to preserving respondent confidentiality as set out in Section 5 below.
- Statistical staff are aware of the Bank's obligations under the Freedom of Information Act and process such inquiries in line with the Act and the specific training provided by the Bank.

2.3.3 Staff will take opportunities to advance public understanding of Bank of England statistics and statistical issues.

- The Bank will respond as far as is practicable to clarify misunderstandings of statistical issues, and to address misleading interpretations of statistics compiled within its Statistics Division.

3 Quality

Statistical methods will follow international best practice and quality will be fit for purpose.

Statistical quality has many dimensions. In its broadest interpretations it embraces most of the topics covered by this Code. Yet there is also a narrower sense in which users need to assess the importance they should attach to a particular data point or series. This section looks at quality in this narrower sense. In particular, it addresses issues relating to the accuracy of chosen measures, to the reliability of initial estimates, and to the serviceability of statistics as reflected in factors such as their timeliness and the treatment of revisions.

3.1 The methodological basis for statistics will follow internationally accepted standards, guidelines, or good practice.

3.1.1 Statistical compilation will adhere to international standards, classifications and programmes where these are obligatory or are compatible with users' needs.

- Common statistical definitions and classifications are promoted and used in all statistical surveys and sources.

3.1.2 The design of statistics should also strive to use definitions and concepts that are relevant to data suppliers.

- Data based on financial reporting standards will normally be accepted for statistical reporting so long as they are considered to be consistent with international statistical standards and/or differences from these standards are not judged to be material.

3.1.3 Processes and methods used to produce statistics will be documented.

- Documentation is being progressively developed and will be published or made available on request.
- Documentation should be sufficiently detailed to allow users to assess whether the resulting data are fit for purpose.

3.1.4 A statement of administrative data sources⁽¹⁾ will be prepared and maintained documenting:

- sources used for statistical purposes;
- untapped sources with the potential for such use;
- the arrangements for monitoring the quality of source data; and
- procedures to recognise the implications for statistics when changes to administrative data sources are planned.

3.2 The quality of source data and statistical outputs will be assessed and reported.

3.2.1 The quality of source data will be continuously monitored.

- Source data are routinely subject to validation checks where appropriate.
- Source data are assessed for plausibility using a range of automated and manual checks.
- Concerns about the plausibility of source data are referred to the reporter for explanation when the impact of these data on the aggregates to which they contribute is judged to be material.

3.2.2 Quality standards for statistics will be monitored, and reliability indicators for individual data series will be progressively developed and published to assist users.

- Indicators of quality are being progressively developed for key statistical outputs.
- Statistical publications and publicly accessible databases will indicate where information on data quality may be found.

(1) Within the meaning of Protocol 3 of the UK Statistics Authority's code. Examples within the Bank include data collected from individual institutions for the purposes of administering cash ratio deposits (section 6 and schedule 2 of the Bank of England Act 1998) or of regulating interbank payment systems and commercial banknote issue in Scotland and Northern Ireland (respectively Parts 5 and 6 of the Banking Act 2009).

3.2.3 Quality guidelines will be maintained and published and information about wider aspects of quality, including concepts covered by the European Statistical System's quality definition, will be made available to users.

- The Statistics Division developed a Data Quality Framework in 2008 to inform its assessment and reporting of quality measures. The Framework is available from the Bank's website.⁽¹⁾

3.2.4 Statistical processes will be reviewed regularly with a view to improving the quality of outputs.

- The Statistics Division monitors its statistical compilation processes through regular performance reports to management. Significant weaknesses are addressed in specific projects.⁽²⁾

3.3 Statistics will be timely and consistent.

3.3.1 Statistics will be made available as early as possible after they have been compiled, either by formal release or by announcing that they are available on request.

3.3.2 Wherever practicable, statistics will be consistent within the data set, over time, and with related data sets.

- Continuity of information is provided across breaks in time series where possible and cost-effective.

3.4 Data revisions will be transparent and will be governed by a clear policy applied consistently across all outputs.

3.4.1 Revisions will be incorporated into published outputs at the earliest opportunity.

(1) At www.bankofengland.co.uk/statistics/about/dqf.htm.

(2) Articles explaining the reasons for changes to be made are then published. See, for example, Hyett, D (2010), 'An update on the revised presentation of *Monetary and Financial Statistics*', Bank of England *Monetary and Financial Statistics*, April.

- Revised data associated with the receipt of additional information, or with corrections to or refinements of existing raw data, are included at the latest within published outputs at the next scheduled release date — in practice, such data revisions rarely occur beyond two years.
- Revised data associated with routine updating of systems or methodologies, for example, routine updating of estimated seasonal factors, are similarly included within published outputs at the next scheduled release date.
- Revised data associated with the introduction of a material change to a key methodology or to the inclusion of a previously unused data source are normally included within published outputs at the earliest convenient release date following acceptance of the methodological change or new data source by key users.
- Such methodological revisions are normally applied as far back as is practical/appropriate.
- Details of such methodological changes, or new data sources, are normally issued in advance of their use within published outputs, but may be issued simultaneously with their use provided prior notice has been given that a methodological change/new data source is to be introduced that may give rise to a series break or to material revisions.

3.4.2 Material revisions will be clearly identified.

- The policy of immediate pass-through of new information gives rise to many minor revisions which, individually, will normally be of little or no interest to the majority of users.
- Statistical Releases identify those revisions that are considered sufficiently material that they could impact on the interpretation of the data concerned.
- Details of the criteria for assessing materiality are normally indicated within the section of the release to which they relate.
- Revisions that fall below the stated threshold for materiality are not normally identified.

3.4.3 The effects of revisions on key outputs will be monitored and reported.

Revisions may occur for many reasons and their presence within a series should not be interpreted as indicating lack of rigour. Users are rightly interested in the reasons

why revisions occur and the likelihood that current data estimates will be subject to change in the future.

- Some revisions history of key aggregates has been retained since June 2002 and will be made available to users on request.
- Studies of revisions are undertaken periodically and published.⁽¹⁾
- Indicators of the reliability of first data estimates have been developed to aid assessment of the significance of new information.
- Substantial revisions are normally accompanied by an explanation of their nature and extent, subject to preserving respondent confidentiality.

3.5 New statistics will be published, with appropriate cautions, as soon as they are judged to offer useful information to potential users.

- Key users are involved in the evaluation of new statistical series.
- New statistics may sometimes be based on small reporting panels and/or simplified compilation techniques, and source data may be provided on a best endeavours basis.

(1) See for example, Morotz, A and Sansum, G (2010), 'An updated analysis of revisions to monetary and effective interest rates data', Bank of England *Monetary and Financial Statistics*, March.

4 Accessibility

The release of, and arrangements for access to, statistics published by the Bank will be orderly and transparent.

This section of the Code concerns the transparency of the Bank's release practices, the arrangements made to meet the needs of all users, and the special arrangements for the privileged early access to certain data for monetary policy and financial stability assessment purposes.

The importance of special user relationships is of particular significance in the area of release practices. The Statistics and Registration Service Act 2007 provides for the pre-release of official statistics 'in their final form'⁽¹⁾ (hereafter pre-release), to certain categories of user on a strict 'need to know' basis and subject to rigorous controls and safeguards. Responsibility for these arrangements rests with the Minister for the Cabinet Office rather than with the UK Statistics Authority (the Authority) so that pre-release is not covered within the Authority's code. The Bank operates pre-release access arrangements similar, but not identical, to those applying to official statistics. The Bank retains full responsibility for these arrangements which are described in more detail in Section 4.3 below.

In parallel with these pre-release arrangements, staff preparing the monetary statistics provide a range of analytical and technical support

(1) The criteria for the pre-release of official statistics in their final form are set out in the Pre-Release Access to Official Statistics Order 2008 (SI 2008 No 2998). The intention behind this provision is that privileged early access to statistics should only take the form of an advanced full copy of the finalised statistical release. The arrangements do not permit data or commentary in other forms to be provided.

to staff in the Bank's Monetary Analysis divisions who prepare briefing for the Monetary Policy Committee (MPC). This support normally includes access to key statistics as soon as they are judged to provide a reliable indication of the emerging story, and before they have been finalised (hereafter pre-finalisation). The Bank's statisticians liaise closely with economists and other staff during this phase of the production cycle and respond to *ad hoc* requests for supplementary detail wherever practicable.

The Bank regards this level of support to its economists and other staff as a vital and integral part of the role of its Statistics Division. However, it also believes that such relationships should be both well managed and fully transparent.

4.1 Release arrangements will be open and pre-announced.

4.1.1 Publication dates for all statistics will be pre-announced.

- A release calendar is currently published by end-September each year covering regular statistical outputs for the following year.
- The release calendar should ensure that statistics are published as soon as practicable once they and any accompanying commentary or analysis is judged fit for purpose. There must be no opportunity — or perception of opportunity — for the release of unfavourable data to be withheld.

4.1.2 Release arrangements for regular statistical outputs will be consistent and known in advance.

- The release arrangements for all regular statistics are publicly available.⁽¹⁾
- Monthly and quarterly statistical releases include the date and release arrangements for the following release.
- Release arrangements are consistent over time so far as is practical and any changes to established arrangements are highlighted in advance.

(1) See www.bankofengland.co.uk/statistics/2010.pdf for arrangements in 2010.

- Statistics are released at 9.30 am, unless there are compelling arguments to the contrary.
- Staff are available at the time of release to provide advice on the data and to ensure that the release process is correctly completed.

4.1.3 For some market sensitive statistics it is in the interests of users for professional commentators to be able to provide informed interpretation at the time of release. To facilitate this, such statistics are made available to the media under embargo 'lock-in' conditions, ie data are made available before the release time but under conditions where journalists are prevented from reporting, or otherwise making use of, the information until the official release time.

- 'Lock-ins' are supervised by the Bank of England Press Office to ensure that rules of conduct are strictly followed.
- Details of the rules for the conduct of 'lock-ins' are available from the Bank of England Press Office on request.

4.2 Release practices will promote equality of access.

4.2.1 Statistics will be made available to all users at the same time, subject to limited exceptions (see 4.1.3 and 4.3).

- The primary release of statistics is via the internet since this offers the most effective means of facilitating the simultaneous delivery to the widest range of actual and potential users.
- The promptness of data availability on the Bank of England website following the 9.30 am release deadline is monitored and any material delays are investigated.

4.2.2 Statistics will be released in forms convenient to users.

- Formats, media, content and support materials are regularly reviewed, to meet the needs of all users, including disabled users.
- The widest range of data and supporting information are available from the Bank of England website.
- Market-sensitive statistics are available on wire services for users requiring assured access at the 9.30 am release time.

- The format of compendiums of statistics produced by the Bank are subject to regular review.
- Bulk deliveries of statistics to the UK Office for National Statistics (ONS) contribute to the UK National and Financial Accounts and the Balance of Payments. Such deliveries are tailored to meet ONS's specific data needs.
- Direct deliveries of data are made to various European and international organisations engaged in the compilation and/or dissemination of monetary and financial statistics.

4.3 Privileged early access to statistics will be tightly controlled and the arrangements for such access will be transparent.

4.3.1 Pre-release access to monetary statistics in their final form is granted to Treasury Ministers, Governors and Directors of the Bank, members of the MPC and those in HM Treasury and the Bank directly involved in the compilation and dissemination of the data, the formulation of monetary policy and assessment of financial stability. Early access is granted to maximise the usefulness of the data to policymakers and those preparing supporting analysis.

- Pre-release recipients receive information when to deny access would significantly impede the making of statements or taking of actions at or around the time of release.
- Pre-release access is restricted to the minimum number, consistent with the identified need for pre-release.
- Members of the MPC, their advisers within the Bank's MPC Unit and others attending the Governor's Pre-MPC Meeting are granted pre-release access to statistics if they are meeting during a period when such data are available to the Governor and Deputy Governors.
- Pre-release access is granted up to one working day before publication but may be less than this if the finalisation of data is delayed.
- Any changes to statistics following their pre-release access but before publication will only result from error correction or, in exceptional circumstances, from additional information from respondents.

4.3.2 Access to statistics, prior to their finalisation, will be strictly controlled and limited to staff essential for production and publication, and for quality assurance and operational purposes.

- Pre-finalisation recipients outside the Statistics Division are confined to policy areas of the Bank and only receive information where an operational need is demonstrated.
- Pre-finalisation access is normally granted to analysts preparing briefing for the MPC.
- Pre-finalisation access only occurs when statistical staff consider the quality of data to be adequate; this is normally more than one working day before publication.

4.3.3 All arrangements for privileged early access to statistics will be subject to strict controls.

- Pre-release and pre-finalisation access to statistics, granted to Bank of England staff not directly involved in their compilation, must be authorised by the Head of the Statistics Division or by the Head of Division responsible for the statistics.
- All arrangements for pre-release access to statistics for individuals outside the Bank of England are authorised by the relevant Deputy Governor or Executive Director.
- Recipients of pre-release and pre-finalisation data are required to sign a declaration agreeing to comply with the rules in respect of the use and protection of these data.
- In the event of an unauthorised release of statistics subject to these arrangements, all those with pre-release or pre-finalisation access could be required to account for their handling and use of the data.
- A full list of names or job titles to which privileged early access to monetary statistics is granted will be provided on request.

5 Confidentiality

The confidentiality of individual statistical data will be protected.

Most of the statistics prepared by the Bank derive from commercially sensitive information from individual firms. This section of the Code describes the access controls for such data, the information provided to reporters on how their data will be used, and the procedures and physical storage arrangements in place to prevent the unintended disclosure of individual institutions' data.

The Bank of England Act 1998 authorised the Bank to disclose confidential data collected under the provisions of the Act for certain purposes and to certain authorities, including the Financial Services Authority (FSA). The Banking Act 2009 extends these provisions, authorising the Bank to disclose firm-level data to HM Treasury and the FSA (the Tripartite Authorities), the Financial Services Compensation Scheme, the European Central Bank (ECB) and authorities outside the United Kingdom which exercise functions similar to those of the Bank, the Treasury and the FSA in relation to financial stability. Data collected by the Bank for statistical purposes may accordingly be made available to a range of agencies, inside and outside the United Kingdom, where such information is necessary for prudential monitoring or systemic risk management.

In addition, Bank of England staff working on monetary policy and financial stability issues can access individual firms' statistical data on a 'need to know' basis. Such arrangements are transparent and operate subject to data recipients applying equivalent controls for their safekeeping.

5.1 The Head of the Statistics Division will be responsible for ensuring that controls are in place to protect the confidentiality of data relating to individual businesses.

5.1.1 A statement documenting these controls will be maintained for audit purposes and will be placed on the Bank's website. This statement describes:

- the procedures restricting the disclosure of firm-specific data;
- the circumstances in which such data can be made available to third parties; and
- the management arrangements to make these procedures effective.

5.2 Respondents will be informed of the main intended uses and access limitations applying to the information they provide to statistical inquiries.

5.2.1 Respondents will be informed of their rights and obligations with regard to the provision of information.

5.3 Staff involved in the production of statistics will protect provider confidentiality subject to the constraints of the Freedom of Information Act and will be made aware of the penalties likely to apply to wrongful disclosure.

5.3.1 Individual respondents will not be identifiable within published statistics.

- Any statistic containing source data, actual or imputed, from fewer than three institutions is withheld from publication unless the institutions' consents have been given.
- Aggregates or sub-aggregates may be suppressed if the series is dominated by fewer than three institutions or if a single institution's data could be indirectly deduced, for example from the difference between two aggregations.
- Identified or identifiable respondent information may sometimes be included within commentary on published statistics but only when the respondent has given explicit consent or when the information is already in the public domain.

5.3.2 All staff undertake to protect the confidentiality of information seen in the course of their work.

- Staff are reminded annually of this obligation, and are required to sign a declaration acknowledging this commitment.

5.4 Data identifying individual reporting institutions will be kept physically secure.

5.4.1 The arrangements for collecting, holding and using firm-specific data will meet generally accepted best practice.

- Access to data is controlled by password protected user IDs.
- Only authorised individuals are granted access to view data.
- Only authorised staff are allowed to enter or change data on the database and audit trails log those changes.
- Physical access to the hardware and network is restricted to authorised employees only.
- These arrangements are subject to regular review.

6 Respondent burden

Respondent burden will be kept to an acceptable level consistent with legislative requirements and balancing the needs of users against the demands on suppliers.

This section of the Code looks at procedures to safeguard data suppliers from unwarranted or poorly thought through collections. It places the burden of responsibility on statistical staff to ensure that new and existing collections meet rigorous acceptance criteria developed for the purpose based on cost-benefit principles.

6.1 Data suppliers' costs will be contained, subject to the need to produce statistics that are fit for their purpose.

6.1.1 The Statistics Division will make use of existing data sources and/or estimation techniques, wherever cost-effective and practicable.

- Staff consider using data from existing statistical reporting forms, from administrative data and other sources, for example commercial databases, before introducing a new form or when reviewing an existing form.
- The value of administrative data in producing statistics is recognised, and statistical interests are promoted in the design of administrative systems.

6.1.2 New and existing data collections will be subject to formal cost-benefit assessments and periodic reviews.

- The introduction of new regular data collections, or significant changes to or discontinuations of existing collections, require the approval of the Governor or appropriate Deputy Governor.

- Approval requires a formal written submission setting out the user requirements, a full cost-benefit assessment and the steps proposed to limit the load on suppliers.
- Responsibility for determining whether particular proposals for new or amended data collections are of sufficient significance to require the approval of a Governor through a formal submission procedure rest with the Head of the Statistics Division.
- Following the introduction of a new form, or a major revision to an existing one, the Statistics Division tries to avoid making material changes to the form for five years, subject to any legal requirements.
- Existing reporting forms are then reviewed approximately every five years, using cost-benefit techniques, to ensure that the data collected are still required and could not be collected more cost effectively from a different source.

6.1.3 Reporting forms should be clear and logical.

6.1.4 Reporting panels will be kept to the minimum judged necessary for the production of statistics of the required quality.

- The membership of reporting panels are updated regularly, using criteria that are both objective and publicly available.
- The criteria for panel selection will be reviewed approximately every five years.

6.1.5 Late and poor-quality responses will be followed up rigorously to ensure that the reporting burden is distributed fairly.

6.2 The needs of data suppliers will be addressed as an integral part of the statistical production process.

6.2.1 Data suppliers will be informed about why data are needed.

6.2.2 Data suppliers, or their representatives within their trade association, will be consulted on the design and implementation arrangements for new data collections and on material changes to existing collections, subject to any legislative requirements.

- Actual and potential proposals to expand or modify data collection from banks and building societies are notified in Statistical and Green Notices, available at www.bankofengland.co.uk/statistics/reporters/snotice/.

6.2.3 Data suppliers will have access to a range of technical support services.

- Detailed definitions and reporting guidance are available to all respondents and are updated as needed.
- All such reporting guidance is publicly available on the Bank's website.
- Respondents have a telephone contact number for advice on all aspects of reporting arrangements.
- The Statistics Division periodically runs seminars on data requirements for the staff of reporting banks and building societies with responsibility for statistical reporting.

7 Cost efficiency

Statistics will be produced cost efficiently and will provide value for money.

None of the criteria for good statistical practice, as described in this Code, reduce the need for the Bank's work in collecting, compiling and disseminating statistics to be carried out efficiently. In this final section, the arrangements for ensuring that the work of the Statistics Division represents value for money, both for the Bank and for other users of statistics, is considered.

7.1 The structure of the Statistics Division will be appropriate for the roles that it has to perform.

7.1.1 The organisation chart for the Statistics Division will be available to all.

- A copy will be held on the Bank's website at www.bankofengland.co.uk/statistics/about/organo.pdf.
- Published tables and other publicly accessible outputs will direct inquiries to the most relevant area within the organisation chart rather than to a central customer service unit.

7.1.2 The efficiency of the organisational structure will be kept under regular review.

7.2 Management will set demanding but realistic performance targets at all levels.

7.2.1 All staff within the Statistics Division will be assigned individual performance targets.

7.2.2 Major development projects in the Statistics Division, both capital and research, will be managed effectively and assessed against pre-agreed performance targets.

7.2.3 The Head of the Statistics Division and the Executive Director will agree annual performance targets for the Statistics Division, which will be reviewed and assessed.

- The Statistics Division has developed a 'performance scorecard' for monitoring various aspects of the Division's operations. The scorecard is reviewed monthly by the divisional management group.

7.3 Customer feedback on performance will be actively encouraged.

7.3.1 The Statistics Division will undertake periodic surveys of customer satisfaction covering levels of service, data quality and the format and timing of outputs.

- ONS, as a key customer, is invited to provide an annual report of performance against the Firm Agreement (see 1.1.2).

7.3.2 The Statistics Division will maintain and publicise contact points for user feedback.

7.4 Statistics will be accessible to users without a charge.

7.4.1 The Bank will not attempt to cover any part of the cost of collecting and compiling its published statistics through explicit charges.

- The primary mode of delivery for all published statistics is the internet.
- All statistics placed on the Bank's website are freely accessible and downloadable.

7.4.2 A charge may sometimes be made to cover the administrative cost of meeting *ad hoc* requests for data.

- Staff are encouraged to use their discretion in assessing charges which are not normally levied for small one-off requests.
- Regular requests involving a material resource cost might lead to a charge being proposed for ongoing support.

- The Freedom of Information Act allows the Bank to levy charges when the cost to the Bank in providing a response exceeds certain thresholds as defined within the Act. Such charges may be levied in accordance with agreed Bank of England policy at the time.

Appendix 1

Main differences from the UK Statistics Authority Code of Practice for Official Statistics

The standards established by this Code draw upon a range of international, European and UK best practice. Much of its content is fully consistent with the UN's 'Fundamental Principles', the IMF's Data Quality Assessment Framework, the code of practice of the European Statistical System and the ESCB's Public Commitment on European Statistics. In addition, particular care has been taken to achieve a close alignment with the principles and practices of the UK Statistics Authority's (the Authority) code of practice for official statistics.

Nevertheless, the read-across to these various codes is by no means exact. The Bank's policy and operational responsibilities, and the linking of its legislative powers to collect and disclose statistical data to these functions, add a further set of criteria for inclusion within the Code.

The table presents the seven high-level principles of the Code alongside their equivalent statements drawn from the Authority's code. To aid comparison, some of the Authority's statements of principle have been reordered.

The Bank fully supports the aims of the Authority but believes that, if the Bank were to satisfy all requirements of the Authority's code, the Bank's ability to meet its primary statutory and operational responsibilities would be unnecessarily impeded. Accordingly, the Bank Code omits or modifies certain aspects of the Authority's code. However, the Bank wishes to be fully transparent about these differences. An account of the principal areas of divergence follows, with accompanying explanation.

Using statistical data for non-statistical purposes

Principle 6 of the United Nations' Fundamental Principles of Official Statistics states that 'Individual data collected by statistical agencies for statistical compilation, whether they refer to natural or legal persons, are to be strictly confidential and used exclusively for statistical purposes'. The clear message is that when data have been collected from individuals or companies to allow the calculation of aggregated summary indicators of behaviour or performance, the component data must not

Table 1 Key Principles of the Bank of England and UK Statistics Authority Codes of Practice

Key Principle	Bank of England Code	UK Statistics Authority Code
1. Relevance	Statistics prepared by the Bank of England will inform significant decisions in the Bank, government, business and the wider community.	<p>1. Meeting user needs</p> <p>The production, management and dissemination of official statistics should meet the requirements of informed decision-making by government, public services, business, researchers and the public.</p>
2. Integrity	Statistics will be produced using objective and transparent methods.	<p>2. Impartiality and objectivity</p> <p>Official statistics, and information about statistical processes, should be managed impartially and objectively.</p> <p>3. Integrity</p> <p>At all stages in the production, management and dissemination of official statistics, the public interest should prevail over organisational, political or personal interests.</p>
3. Quality	Statistical methods will follow international best practice and quality will be fit for purpose.	<p>4. Sound methods and assured quality</p> <p>Statistical methods should be consistent with scientific principles and internationally recognised best practices, and be fully documented. Quality should be monitored and assured taking account of internationally agreed practices.</p>
4. Accessibility	The release of, and arrangements for access to, statistics published by the Bank will be orderly and transparent.	<p>8. Frankness and accessibility</p> <p>Official statistics, accompanied by full and frank commentary, should be readily accessible to all users.</p>
5. Confidentiality	The confidentiality of individual statistical data will be protected.	<p>5. Confidentiality</p> <p>Private information about individual persons (including bodies corporate) compiled in the production of official statistics is confidential, and should be used for statistical purposes only.</p>
6. Respondent burden	Respondent burden will be kept to an acceptable level consistent with legislative requirements and balancing the needs of users against the demands on suppliers.	<p>6. Proportionate burden</p> <p>The cost burden on data suppliers should not be excessive and should be assessed relative to the benefits arising from the use of the statistics.</p>
7. Cost efficiency	Statistics will be produced cost efficiently and will provide value for money.	<p>7. Resources</p> <p>The resources made available for statistical activities should be sufficient to meet the requirements of this code and should be used efficiently and effectively.</p>

later be used for administrative purposes, for example for tax assessment, where its use relates to the individual identified by the information.

The Authority's code for official statistics paraphrases this UN principle in its own high-level statement on Confidentiality, Principle 5: 'Private information about individual persons (including bodies corporate) compiled in the production of official statistics is confidential, and should be used for statistical purposes only'. It accordingly draws a clear demarcation between statistical data, where the identity of individual data providers is not relevant, and administrative data, where the identity of the provider is central to its use. Aggregated statistics can be, and are, compiled from both classes of data but information required to perform administrative functions must be collected through systems which make clear to providers that the information they supply may carry direct consequences for them.

The Bank of England Code establishes strict controls to protect confidentiality but does not restrict the use made of statistical data in the way required by the Authority for official statistics. The Bank's various responsibilities demand both aggregated statistical indicators and firm-level detail: the Monetary Policy Committee is primarily concerned with the former, while analysts responsible for assessing financial stability may often be concerned with the latter. In many cases both requirements are served from the same data sources, yet it is normally possible to distinguish the primary motive behind each collection as either statistical or administrative.

As an example, the Statistics Division has collected information on banks' balance sheets, for aggregation into macroeconomic indicators for monetary policy purposes, over many years. However, some of these firm-level data are also seen by the Financial Services Authority to supplement information collected by them for prudential monitoring purposes. The Bank is empowered to pass information it collects under the authority of the Bank of England Act 1998 to the FSA if the Bank considers that the disclosure would enable or assist that authority to discharge any of its functions under the Financial Services and Markets Act 2000 (see Appendix 2). Restricting the FSA's access to the statistical data would hamper its work and might, in some instances, have led to a duplicate or similar collection being introduced.

In practice, the Bank seeks to manage the dual use of statistical data through consent, whether or not there is a legal gateway allowing disclosure at its discretion.

The Banking Act 2009 has extended these powers of the Bank under the 1998 Act, with disclosure gateways now in place to serve a number of financial stability roles involving agencies within and outside the United Kingdom.

The Bank is satisfied that its controls on the disclosure of individual firm data to third parties offer reporting institutions the necessary protection for their data. It also considers that its dual responsibilities in respect of monetary policy and assessment of financial stability make the sharing of information between related agencies and within the Bank itself a fundamental prerequisite. Most of the data collected by the Statistics Division are used solely or primarily for statistical purposes, but there are occasions when operational functions require a wide range of firm-level data. To withhold information in these circumstances, because the data were only required for aggregation into economic indicators when they were first collected, would not appear to be an efficient use of resources and may not best serve the public interest.

The inclusion of 'full and frank commentary' with statistical releases

The Authority's high-level statement on Frankness and Accessibility, Principle 8 requires that 'Official statistics, accompanied by full and frank commentary, should be readily accessible to all users'. Equality of access is a standard requirement in most statistical codes, but the added requirement for full and frank commentary is unusual and has no parallel in the UN's Fundamental Principles. Its significance within the Authority's code is that it reinforces the independence of UK official statistics from political influence. Any differences of interpretation between government policy statements and the statistical release will be immediately apparent.

The Statistics Division's statistical releases include only a short commentary and explanatory 'notes to editors'. But an important aspect of the Bank's monetary policy and financial stability responsibilities is the publication of detailed conjunctural commentary and assessment. These cover a wide range of economic and financial indicators, including statistics released by the Statistics Division, and represent the Bank's considered view at the time. The Statistics Division contributes to this consensus through the technical support and advice it provides to staff working in other analytical areas of the Bank. In this sense, it is not separate from the policy and operational areas of the Bank; indeed, much of its activity is concerned with serving these roles. Issuing separate commentary and interpretation when statistics are released might be thought helpful by users, but would also carry

the risk of compromising or confusing the Bank's wider assessment if nuances of drafting were perceived as material differences. Inclusion of 'full and frank commentary' as accompaniment to statistical releases is therefore not considered necessary or appropriate.

Naming the responsible statistician in statistical releases

Practice 6 of the Release Practices, Protocol 2 of the Authority code says 'Include the name and contact details of the responsible statistician in statistical reports'. No rationale for this requirement is offered, but it is presumed that the principal motive is to assist users requiring technical support to find relevant expertise.

The Statistics Division has considered including contact names on statistical releases but concluded in favour of directing inquiries to an appropriate but anonymous contact address. The identification of individual staff contact details can be helpful where the named individual is the primary or only source of information, for example where he or she is the author of an article, but is less important where expertise is shared among individuals working as a team, or where a release may result from contributions from a number of individuals. The publication of individuals' contact details can also carry adverse consequences, including the encouragement of spam or nuisance calls. Contact names are, however, given in *Monetary and Financial Statistics*. The Statistics Division has considered and is satisfied that it has the balance between naming and not naming about right, but will keep this issue under periodic review.

Reporting the cost burden of statistical surveys

Practice 1 of Principle 6, Proportionate Burden, of the Authority code says 'Report annually the estimated costs... of responding to statistical surveys and strive to develop methods that will reduce the cost to individual organisations or people'.

The Statistics Division has developed a cost-benefit framework for assessing proposals for new statistical collections and reviewing existing collections. This has been fully operational since 2006. Part of this framework involves the calculation of reporting cost estimates, using a complex algorithm which takes account of factors such as the frequency of the data, the number of data cells required and the inherent complexity of the data extraction from management systems. These estimates have proved to be effective in gauging the relative cost of different collections and proposals for new collections, but their reliability as measures of the absolute cost to

reporters is less certain. Direct measurement of costs by reporters is no less problematic, but it is recognised that the cost of supplying data could be considerable for some individual reporters. Statistical reporting is often carried out alongside financial reporting and supervisory reporting, so that the apportionment of costs to statistics is not straightforward. In addition, reporters may perceive an incentive to overstate this administrative burden.

For the present, the Bank does not publish cost estimates, regarding these as insufficiently reliable and potentially misleading. However, it remains committed to minimising the cost burden on reporters and believes that it has been successful in reducing costs materially since the adoption of cost-benefit techniques into its regular reviewing of collections during 2006.

Statistical experts commenting publicly on the misuse of statistics

Practice 7 of Principle 3, Integrity, of the Authority code requires that agencies 'promote a culture within which statistical experts in government can comment publicly on statistical issues, including the misuse of official statistics'. The Bank Code includes similar wording (2.3.3 and following bullet) but still sufficiently different to merit comment.

Statistical staff do write and speak on a range of technical issues of relevance to users, and do this with the full support and encouragement of the Bank. However, statistical staff would not normally comment publicly on matters of statistical interpretation or misinterpretation. Where the misuse of the Bank's statistics was considered sufficiently serious, any public response could be expected to occur through the Bank's Press Office or via an Executive Director.

Appendix 2

Extracts from legislation relevant to information powers and obligations

Bank of England Act 1998

[as amended]

Part II Monetary Policy

Section 17 [Power to obtain information]

- (1) The Bank may by notice in writing require an undertaking to which this section applies to provide the Bank with such information as may be specified in the notice, being information about the relevant financial affairs of the undertaking which the Bank considers it necessary or expedient to have for the purposes of its functions under this Part.
- (2) A notice under subsection (1) may require information to be provided —
- (a) in such form or manner as may be specified in the notice;
 - (b) at such time or times as may be so specified;
 - (c) in relation to such period or periods as may be so specified.
- (3) An undertaking is one to which this section applies if —
- (a) it has a place of business in the United Kingdom; and
 - (b) it falls within subsection (3A), (3B), (3C) or (3D).
- (3A) An undertaking falls within this subsection if it is a deposit-taker.
- (3B) An undertaking falls within this subsection if it is not a deposit-taker but it —
- (a) falls within the subsector 'other monetary financial institution', as defined by paragraph 2.48 of Annex A to Council Regulation (EC) No. 2223/96,
 - (b) carries on a business of granting credits secured on land used for residential purposes,
 - (c) has issued a debt security, or
 - (d) has acted as an agent in connection with arranging or managing the issue of a debt security.
- (3C) An undertaking falls within this subsection if it is a financial holding company.

(3D) An undertaking falls within this subsection if it is not a deposit-taker but continues to have a liability in respect of a deposit which was held by it in accordance with the Banking Act 1979 or the Banking Act 1987 or a permission under Part 4 of the Financial Services and Markets Act 2000.

(4) The Treasury may by order provide which financial affairs of an undertaking are relevant for the purposes of this section, and may make different provision for different undertakings or classes of undertaking.

(5) The Treasury may by order amend subsections (3) to (3D).

(6) Before making an order under this section, the Treasury shall consult —

- (a) the Bank,
- (b) the Statistics Board,
- (c) such persons as appear to them to be representative of persons likely to be materially affected by the order, and
- (d) such other persons as they consider appropriate.

(7) 'Deposit taker' means —

- (a) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to accept deposits; or
- (b) an EEA firm of the kind mentioned in paragraph 5(b) or (c) of Schedule 3 to that Act which has permission under paragraph 15 of that Schedule (as a result of qualifying for authorisation under paragraph 12(1) of that Schedule) to accept deposits or other repayable funds.

(7A) 'Debt security' means any instrument creating or acknowledging indebtedness (including a government or public security).

(7B) Subsections (7) and (7A) must be read with —

- (a) section 22 of the Financial Services and Markets Act 2000;
- (b) any relevant order under that section; and
- (c) Schedule 2 to that Act.

(7C) 'Financial holding company' has the meaning given by Article 1(21) of Council Directive 2006/48/EC of the European Parliament and of the Council of 14 June 2006 relating to the taking up and the pursuit of the business of credit institutions.

(7D) 'Undertaking' has the meaning given by section 1161(1) of the Companies Act 2006.

Schedule 2 Cash Ratio Deposits

Paragraph 9 [Power to obtain information]

- (1) The Bank may by notice in writing require an eligible institution to provide the Bank with such information as may be specified in the notice, being information which the Bank considers it necessary or expedient to have for the purposes of its functions under this Schedule.
- (2) A notice under sub-paragraph (1) may require information to be provided —
 - (a) in such form or manner as may be specified in the notice;
 - (b) at such time or times as may be so specified;
 - (c) in relation to such period or periods as may be so specified.

Schedule 7 Restriction on Disclosure of Information

Paragraph 1 [Restricted information]

- (1) Subject to sub-paragraph (2), information is restricted information for the purposes of this paragraph if —
 - (a) it is obtained by the Bank by virtue of the power conferred by section 17(1) or paragraph 9 of Schedule 2 (whether or not it was obtained pursuant to a notice under that provision), and
 - (b) it relates to the business or other affairs of any person.
- (2) Information is not restricted information for the purposes of this paragraph if —
 - (a) it has been made available to the public from other sources, or
 - (b) it is in the form of a summary or collection of information so framed as not to enable information relating to any particular person to be ascertained from it.
- (3) Except as permitted by the following provisions of this Schedule, restricted information shall not be disclosed by —
 - (a) the Bank or any officer or servant of the Bank, or
 - (b) any person obtaining the information directly or indirectly from the Bank, without the consent of the person from whom the Bank obtained the information and, if different, the person to whom the information relates.
- (4) Any person who discloses information in contravention of this paragraph shall be guilty of an offence and liable —
 - (a) on conviction on indictment, to imprisonment for a term not exceeding 2 years, or to a fine, or to both;

- (b) on summary conviction, to imprisonment for a term not exceeding 3 months, or to a fine not exceeding the statutory maximum, or to both.

Paragraph 2 [Disclosure for the purposes of the Bank's functions]

(1) Paragraph 1 does not preclude the disclosure of information in any case in which disclosure is for the purpose of enabling or assisting the Bank to discharge —

- (a) its functions as a monetary authority,
- (b) its functions as a supervisor of systems for the transfer of funds between credit institutions and their customers, or
- (c) its functions under Schedule 2.

(2) 'Credit institution' means an undertaking whose business is to receive deposits or other repayable funds from the public and to grant credits for its own account.

Paragraph 3 [Disclosure by the Bank to other authorities]

(1) Paragraph 1 does not preclude the disclosure by the Bank of information to any authority specified in the first column of the following Table if the Bank considers that the disclosure would enable or assist that authority to discharge any of the functions specified in relation to it in the second column of that Table.

(2) The Treasury may by order amend the Table in sub-paragraph (1) by —

- (a) adding any public or other authority and specifying functions in relation to it,
- (b) removing any authority for the time being specified in the Table, or
- (c) altering the functions for the time being specified in the Table in relation to any authority.

(3) The Treasury may by order restrict the circumstances in which, or impose conditions subject to which, disclosure is permitted in the case of any authority for the time being specified in the Table.

(4) Before making an order under this paragraph, the Treasury shall consult the Bank.

Paragraph 4 [Onward disclosure]

(1) Paragraph 1 does not preclude the disclosure by any authority specified in the first column of the Table in paragraph 3(1) of information obtained by it by virtue of that provision if it makes the disclosure —

- (a) with the consent of the Bank, and
- (b) for the purpose of enabling or assisting it to discharge any functions specified in relation to it in the second column of that Table.

(2) Before deciding whether to give its consent to disclosure under this paragraph,

Authority	Functions
The Treasury.	Functions under the Financial Services and Markets Act 2000.
The Secretary of State.	Functions under the Financial Services and Markets Act 2000.
An inspector appointed under Part 14 of the Companies Act 1985 or Part 15 of the Companies (Northern Ireland) Order 1986.	Functions under that Part.
A person authorised to exercise powers or appointed under section 447 of the Companies Act 1985, Article 440 of the Companies (Northern Ireland) Order 1986 or section 84 of the Companies Act 1989.	Functions under that section or Article.
A person appointed under (a) section 167 of the Financial Services and Markets Act 2000, (b) subsection (3) or (5) of section 168 of that Act, or (c) section 284 of that Act, to conduct an investigation.	Functions in relation to that investigation.
The Financial Services Authority.	Functions under the legislation relating to friendly societies, the Building Societies Act 1986, Part 7 of the Companies Act 1989 or the Financial Services and Markets Act 2000.
The competent authority for the purposes of Part 6 of the Financial Services and Markets Act 2000.	Functions under that Part.
The Chancellor of the Exchequer (or any person to whom any functions of the Chancellor of the Exchequer under the Statistics of Trade Act 1947 are delegated).	Functions under the Statistics of Trade Act 1947.
The Pensions Regulator.	Functions conferred by or by virtue of — (a) the Pension Schemes Act 1993, (b) the Pensions Act 1995, (c) the Welfare Reform and Pensions Act 1999, (d) the Pensions Act 2004, or (e) any enactment in force in Northern Ireland corresponding to an enactment mentioned in paragraphs (a) to (d) above.

the Bank shall take account of such representations as the authority proposing to make the disclosure may make about the desirability of or necessity for the disclosure.

Paragraph 5 [Other permitted disclosures]

Paragraph 1 does not preclude the disclosure of information —

- (a) with a view to the institution of, or otherwise for the purposes of, any proceedings in connection with a payment due under Schedule 2 (payment in lieu of cash ratio deposit),
- (b) with a view to the institution of, or otherwise for the purposes of, any criminal proceedings, whether under this Act or otherwise, or
- (c) in pursuance of any Community obligation.

Banking Act 2009

Part 5 Inter-Bank Payment Systems

Section 204 [Information]

- (1) The Bank of England may by notice in writing require a person to provide information —
- (a) which the Bank thinks will help the Treasury in determining whether to make a recognition order, or
 - (b) which the Bank otherwise requires in connection with its functions under this Part.
- (2) In particular, a notice may require the operator of a recognised inter-bank payment system to notify the Bank if events of a specified kind occur.
- (3) A notice may require information to be provided —
- (a) in a specified form or manner;
 - (b) at a specified time;
 - (c) in respect of a specified period.
- (4) The Bank may disclose information obtained by virtue of this section to —
- (a) the Treasury;
 - (b) the FSA;
 - (c) an authority in a country or territory outside the United Kingdom which exercises functions similar to those of the Treasury, the Bank of England or the FSA in relation to inter-bank payment systems;
 - (d) the European Central Bank;
 - (e) the Bank for International Settlements.
- (5) Subsection (4) —
- (a) overrides a contractual or other requirement to keep information in confidence, and
 - (b) is without prejudice to any other power to disclose information.
- (6) The Treasury may by regulations⁽¹⁾ permit the disclosure of information obtained by virtue of this section to a specified person.
- (7) The Bank may publish information obtained by virtue of this section.
- (8) The Treasury may make regulations about the manner and extent of publication under subsection (7).

(1) See The Banking Act 2009 (Inter-Bank Payment Systems) (Disclosure and Publication of Specified Information) Regulations 2010 (SI 2010 No 828).

- (9) Regulations under this section —
- (a) shall be made by statutory instrument, and
 - (b) shall be subject to annulment in pursuance of a resolution of either House of Parliament.
- (10) It is an offence —
- (a) to fail without reasonable excuse to comply with a requirement under this section;
 - (b) knowingly or recklessly to give false information in pursuance of this section.
- (11) A person guilty of an offence is liable —
- (a) on summary conviction, to a fine not exceeding the statutory maximum, or
 - (b) on conviction on indictment, to a fine.

Part 6 Banknotes: Scotland and Northern Ireland

Section 218 [Information]

- (1) Banknote regulations⁽¹⁾ or rules may make provision about —
- (a) reports to be made by an authorised bank in respect of the treatment, holding or issue of banknotes or in respect of compliance with banknote regulations or rules, and
 - (b) information to be given by an authorised bank or an agent of an authorised bank.
- (2) Banknote regulations may make provision enabling the publication or disclosure of —
- (a) information provided in accordance with banknote regulations or rules;
 - (b) details of anything done in contravention of this Part or banknote regulations or rules;
 - (c) details of action taken under sections 221 to 224 (which may include details of the reason for the action and its result).
- (3) Her Majesty's Revenue and Customs shall transfer to the Bank of England any information acquired or held in connection with functions in respect of the issue of banknotes in Scotland or Northern Ireland.
- (4) The Bank of England may use information received in accordance with subsection (3) only for the purposes of its functions under or by virtue of this Part.

(1) See The Scottish and Northern Ireland Banknote Regulations 2009 (SI 2009 No 3056).

Part 7 Miscellaneous

Section 246 [Information]

(1) The Bank of England may disclose information that it thinks relevant to the financial stability of —

- (a) individual financial institutions, or
- (b) one or more aspects of the financial systems of the United Kingdom.

(2) Information about the business or other affairs of a specified or identifiable person may be disclosed under subsection (1) only to —

- (a) the Treasury;
- (b) the Financial Services Authority;
- (c) the scheme manager of the Financial Services Compensation Scheme (established under Part 15 of the Financial Services and Markets Act 2000);
- (d) an authority in a country or territory outside the United Kingdom which exercises functions similar to those of the Treasury, the Bank of England or the Financial Services Authority in relation to financial stability;
- (e) the European Central Bank.

(3) This section —

- (a) overrides a contractual or other requirement to keep information in confidence, and
- (b) is without prejudice to any other power to disclose information.

Bibliography

Bank of England (1995, revised 1997, 1999), *A Code of Practice for Bank of England Statistics*.

Bank of England (2004), *A Statistical Code of Practice for the Bank of England*.

Bank of England (2006), *Cost-benefit analysis of monetary and financial statistics: a practical guide*, ISBN 1 85730 188 9, available at www.bankofengland.co.uk/statistics/about/cba.pdf.

Bank of England (2007), *Updating the Statistical Code of Practice for the Bank of England*, available at www.bankofengland.co.uk/statistics/about/code_article070427.pdf.

Bank of England (2007), *Statistical Code of Practice for the Bank of England*, ISSN 1754-4521 (online), available at www.bankofengland.co.uk/statistics/about/code2007.pdf.

Bank of England (2008), *Data Quality Framework*, available at www.bankofengland.co.uk/statistics/about/dqf.htm.

Bollan, M and Davey, N (2005), 'The Statistical Code of Practice — a review of progress', *Monetary and Financial Statistics*, September, available at www.bankofengland.co.uk/statistics/ms/articles/art2sep05.pdf.

Carson, C (2001), 'Toward a framework for assessing data quality', *International Monetary Fund Working Paper WP/01/25*, available at www.imf.org/external/pubs/ft/wp/2001/wp0125.pdf.

European Central Bank (2008), 'Quality Assurance Procedures within the ECB Statistical Function', available at www.ecb.europa.eu/stats/html/sqf.en.html.

European Central Bank (2009), 'Public Commitment on European Statistics by the ESCB', available at www.ecb.europa.eu/stats/html/pcstats.en.html.

European Commission (1998, amended 2009), 'Council Regulation concerning the collection of Statistical information by the European Central Bank; Regulation (EC) No 2533/98, amended by Regulation (EC) No 951/2009', available at <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CONSLEG:1998R2533:20091015:EN:PDF>.

European Commission, Eurostat (2005), 'European Statistics Code of Practice for the National and Community Statistical Authorities', available at http://epp.eurostat.ec.europa.eu/portal/page/portal/quality/documents/VERSIONE_INGLESE_WEB%20new%20links.pdf.

International Monetary Fund (2003), 'Data Quality Assessment Framework', available at <http://dsbb.imf.org/Pages/DQRS/DQAF.aspx>.

Office of Public Sector Information (1998), *Bank of England Act 1998 (c.11)*, available at www.opsi.gov.uk/acts/acts1998/ukpga_19980011_en_1.

Office of Public Sector Information (1998), *The Bank of England (Information Powers) Order 1998 No. 1270*, available at www.opsi.gov.uk/si/si1998/19981270.htm.

Office of Public Sector Information (2007), *Statistics and Registration Service Act 2007 (c.18)*, available at www.opsi.gov.uk/acts/acts2007/ukpga_20070018_en_1.

Office of Public Sector Information (2008), *Pre-Release Access to Official Statistics Order 2008 No. 2998*, available at www.opsi.gov.uk/si/si2008/uksi_20082998_en_1.

Office of Public Sector Information (2009), *Banking Act 2009 (c.1)*, available at www.opsi.gov.uk/acts/acts2009/ukpga_20090001_en_1.

UK Statistics Authority (2009), *Code of Practice for Official Statistics*, ISBN 978-1-85774-902-1, available at www.statisticsauthority.gov.uk/assessment/code-of-practice/code-of-practice-for-official-statistics.pdf.

UK Statistics Authority (2009), 'Statement of Principles and Procedures for Assessment', available at www.statisticsauthority.gov.uk/assessment/principles---procedures/extract-from-code-of-practice.html.

UN Statistical Commission (1993, last revised 2006), 'Fundamental Principles of Official Statistics', available at <http://unstats.un.org/unsd/methods/statorg/FP-English.htm>.

Wright, C (2004), 'A new Statistical Code of Practice for the Bank of England', Monetary and Financial Statistics, March, available at www.bankofengland.co.uk/statistics/ms/articles/artmar04.pdf.

© Bank of England 2010

ISSN 1754-4513 (Print)

ISSN 1754-4521 (Online)

Printed by Park Communications Limited



Mixed Sources

Product group from well-managed forests, controlled sources and recycled wood or fiber

www.fsc.org Cert no. SGS-COC-2842
© 1996 Forest Stewardship Council