

REPORT BY THE OFFICE FOR NATIONAL STATISTICS ON THE PERFORMANCE OF THE MONETARY AND FINANCIAL STATISTICS DIVISION (M&FSD) OF THE BANK OF ENGLAND IN MEETING THE SERVICE LEVEL STANDARDS OF THE FIRM AGREEMENT (2007-08)

Framework of the report

This report covers the period from April 2007 to March 2008. It aims to give an overview of the level of service provided to the Office for National Statistics (ONS) by the Monetary and Financial Statistics Division of the Bank of England (M&FSD) covering all principal areas of M&FSD's supplier relationship with ONS.

The report takes the form of a pro forma questionnaire. M&FSD's service provision is classified under three main headings:

- Regular data supply;
- Ad-hoc briefing and liaison;
- The development Work Programme.

Within each of these three main areas, the level of service is examined by type of activity/function. In each case, a summary description of the activity is presented – in most instances derived from the Firm Agreement – and a set of suggested assessment criteria offered. The latter are provided as a means of prompting and illustrating the performance comments and are not intended either to be prescriptive or a comprehensive list. The performance comments for each sub-section also includes a summary assessment to be completed by the ONS Firm Agreement contact officer (Stuart Brown), and a section for M&FSD's contact officer (Robert Westwood) to respond.

Finally, the report concludes with a section for the signatories of the Firm Agreement to sign and agree any future action.

1. REGULAR DATA SUPPLY

Overview

M&FSD is a major supplier of financial data to the ONS. Annex 1 of the Firm Agreement lists more than 16,000 series that M&FSD delivers via 36 separate electronic exports. A few series are also compiled and delivered via spreadsheets.

These data are primarily for use within the quarterly National Accounts and Balance of Payments. M&FSD's data are the primary source for the Monetary Financial Institutions' (MFIs) Sector Accounts as well as an important secondary source of information on the financial behaviour of

other economic sectors. In addition, M&FSD's data are the source for many other series published by ONS, or used by ONS to assist in the compilation or estimation of other series. Examples of these latter types of data include exchange and interest rates.

The various data exports are organised by topic areas and are the responsibility of the relevant compiling group within M&FSD. Most exports are delivered either on a monthly or quarterly basis; a small number are delivered outside these frequencies. Data supplied to ONS are normally the most current source available to M&FSD. Specifically, M&FSD does not withhold revisions to earlier data supplied, even where ONS revisions practice means that such revisions will not affect published ONS aggregates in that period.

The timetable for data exports is agreed by M&FSD and the ONS during the late summer / autumn months for the year ahead. Variations to the formal export calendar are normally agreed at working level. There is typically very little leeway so that timetable relaxations are often welcome while early delivery may not always be possible (or may require some re-organisation of resources to achieve).

M&FSD's objective is to provide ONS with a timely and comprehensive briefing and consultancy service in support of its data exports. This service currently includes:

- telephone access to M&FSD staff for data checking and interpretation;
- briefing notes and a presentation on the MFIs' data at the ONS ahead of the quarterly sector and financial accounts round;
- briefing notes on the quarterly Balance of Payments and Profit and Loss exports, and a presentation at the ONS;
- attendance by at least one M&FSD representative at ONS SA1 and SA2 meetings (the latter when required) to answer immediate questions or to take back to M&FSD for later response;
- a quarterly liaison meeting, after the round, to review the data round and provide/initiate any longer term feedback.

(i) Timeliness of data exports

Description of activity	Suggested assessment criteria	Comments on performance
<p>The ONS and M&FSD undertake during the summer months of each calendar year to review the basis of the timetables for the supply of data between them and, in respect of data exported over the electronic data link, to produce an agreed detailed timetable covering the succeeding calendar year. Both parties undertake to meet those timetables and to give reasons if on any occasion this undertaking cannot be met. Changes to any timetable may be agreed at working level between the two organisations at any time, and the chief contact officers informed (where appropriate).</p>	<p>Does the current export calendar meet ONS reporting requirements?</p>	<p>Yes It is worthwhile noting that during the period covered by this report, M&FSD had to provide earlier exports to meet SFA timetable. This involved a considerable effort for a number of staff in MFSD.</p>
	<p>Where is the timetable tightest?</p>	<p>The export timetable usually gives adequate time for customers' use of the data. The most time-critical parts of the timetable relate to the exports that immediately precede the quarterly rounds. A delay in getting these data in place can have a serious knock-on effect in our efforts to meet Data Management Unit deadlines and to supply necessary data to other National Accounts compilers.</p>
	<p>How would you describe MFSD's performance against this timetable?</p>	<p>Generally excellent, with only one late export, compared to 15 in the previous year.</p>
	<p>How does this compare with other internal and external data suppliers?</p>	<p>It appears broadly in line with the better external suppliers. M&FSD supplies more regularly than other suppliers and is generally more ready to provide bespoke deliveries when requested.</p>
	<p>Have there been any instances where a failure to meet an agreed deadline has placed ONS' wider production timetable at risk?</p>	<p>No.</p>

Summary assessment			
Performance standard against Firm Agreement		ONS' comments/recommendations	M&FSD response/action
Met without qualification			
Met with qualification	√	M&FSD maintained their generally excellent performance relating to timeliness of data exports during the review period; the only incident of late delivery was resolved by direct liaison.	
On the margin of required standard			
Fell short of required standard			

(ii) Dealing with export problems

Description of activity	Suggested assessment criteria	Comments on performance
	Where data exports have not gone smoothly, for example where a deadline has been missed or some data were missing or in a wrong format, have M&FSD staff given sufficient/appropriate priority to resolving such problems?	Problems were resolved swiftly by M&FSD staff.
	Have there been instances where slow responses in resolving problems of missing or wrongly formatted data have imposed unacceptable risks on the wider timetable for the quarterly round?	No.
	How satisfied are ONS that M&FSD is attaching sufficient/appropriate priority to follow-up actions to reduce the risk of problems repeating?	We are satisfied that M&FSD effectively balance the need to take all necessary steps to prevent problems from recurring against their own business objectives. There are a small number of occasional problems relating to the electronic data link between the ONS and M&FSD. Further work will need to be done by both parties to try and reduce the number of these problems to a minimum.

Summary assessment			
Performance standard against Firm Agreement		ONS' comments/recommendations	M&FSD response/action
Met without qualification			
Met with qualification	√	Met on almost every occasion during the review period.	
On the margin of required standard			
Fell short of required standard			

(iii) Data quality

Description of activity	Suggested assessment criteria	Comments on performance
<p>The Firm Agreement defines quality of data in terms of accuracy (as partly evidenced by revisions), timeliness and consistency.</p> <p>M&FSD and the ONS recognise that revisions monitoring is an important part of the evaluation of the quality of the National Accounts. It can give partial indication of the accuracy of the data supplied. There are several aspects of revisions monitoring which are covered by the Agreement: performance targets, monitoring large revisions and revisions publication policy.</p> <p>M&FSD undertakes to seek to achieve the targets specified in the Agreement and, where equivalent explanation has not been given to the ONS by ad hoc letters or copies of internal notes, to report on any targets which were not achieved.</p> <p>The accuracy of data supplied may also be assessed by observation at a point in time of relationships and identities, which may be expected to hold good within a coherent set of data.</p>	<p>Are M&FSD's compilation methods sufficiently transparent to satisfy ONS that exported data are mostly coherent, in the sense that best or accepted practice is followed? Are there examples where this is not the case, and are they material?</p> <p>What interpretation does ONS place on M&FSD's performance against its formal revisions targets during the past year? If breaches have occurred have adequate explanations been provided? Based on the classification in annex 10 of the agreement, what was the primary cause of any breaches, which occurred? Could more have been done to prevent these occurrences?</p>	<p>We believe that MFSD's compilation methods are sufficiently transparent. We have no evidence of examples where this is not the case.</p> <p>All revisions targets were met during the review period.</p>

Summary assessment			
Performance standard against Firm Agreement		ONS' comments/recommendations	M&FSD response/action
Met without qualification	√	We remain satisfied that M&FSD's compilation methods are sufficiently transparent and rigorous to ensure a high standard of data quality.	
Met with qualification			
On the margin of required standard			
Fell short of required standard			

(iv) Data briefing

Description of activity	Suggested assessment criteria	Comments on performance
<p>The ONS values the advice it receives from M&FSD on the interpretation of the scheduled series and on methodological issues, and recognises the importance of informal channels of communication. M&FSD agrees to continue to provide advice to assist the ONS in interpreting the components of National Accounts in which M&FSD's data are used.</p>	<p>What regular data briefing notes does M&FSD supply? How useful are they to ONS during the quarterly data round? Are there any important gaps in coverage?</p>	<p>The Monetary Financial Institutions (MFIs) briefings help the ONS to identify significant trends that will influence the Sector and Financial accounts data. M&FSD also gives presentations on the MFIs briefings, which are well received by ONS staff.</p> <p>We also value information from the Lending to Individuals briefing, M&FSD press releases and the minutes of the Monetary Policy Committee (MPC). These outputs are used to produce a quarterly briefing note, which provides economic and financial context on the MFIs data ahead of the compilation of Sector and Financial accounts.</p> <p>Briefing is provided for Balance of Payments (BoP) data in the following areas: reserves, direct investment, portfolio investment and current account data from the banking sector..</p> <p>Regular briefing on banks' profit and loss is also provided to the ONS. Also, the pre-publication income and expenditure and BoP presentations to ONS are a valuable aid to the interpretation of these data.</p>
	<p>Does briefing reach ONS sufficiently quickly after the receipt of data for its use to be maximised?</p>	<p>Yes.</p>

	<p>Given the time and resource costs required to produce briefing notes, are there ways in which M&FSD might improve the service it provides by organising its efforts differently?</p>	<p>The ONS are generally happy with the current state of affairs. The formal briefings and presentations are supported by M&FSD's willingness to aid ONS understanding of interpretation and methodology on an informal basis.</p>
	<p>Do the current SA(Bank) arrangements work adequately? What would constitute a more useful arrangement from ONS' perspective?</p>	<p>At least one M&FSD representative attends the first Sector and Financial Accounts meeting when required (and the follow-up meeting, if required). This has proved to be of great value to both sides. It has improved M&FSD understanding of the background of data queries sent by the ONS. ONS colleagues responsible for other sectors of the National Accounts have found the opportunity to speak with M&FSD staff on export data and related issues very helpful.</p>

Summary assessment			
Performance standard against Firm Agreement		ONS' comments/recommendations	M&FSD response/action
Met without qualification	√	M&FSD has continued to provide timely, comprehensive and high quality briefing (both written and oral), which has been invaluable to the ONS in its compilation and interpretation of MFIs and BoP data.	
Met with qualification			
On the margin of required standard			
Fell short of required standard			

(v) Responsiveness to data queries

Description of activity	Suggested assessment criteria	Comments on performance
M&FSD will endeavour to respond to telephone queries on data for the latest reference period and revisions to that for previous periods within 24 hours. M&FSD aims to respond to e mail queries on these data within five working days of receipt.	How helpful are M&FSD staff when dealing with telephone queries? Are calls given sufficient/appropriate priority? Do telephone/email responses meet ONS requirements?	ONS appreciate that M&FSD staff need to balance data queries from external organisations against their own business priorities. That said, M&FSD staff are invariably helpful when dealing with data queries, and queries are processed promptly .

Summary assessment			
Performance standard against Firm Agreement		ONS' comments/recommendations	M&FSD response/action
Met without qualification			
Met with qualification	√	M&FSD staff helpful in dealing with data queries. Exceptions to this are rare, and need to be managed carefully by both ONS and M&FSD staff.	
On the margin of required standard			
Fell short of required standard			

(vi) Job-shadowing

Description of activity	Suggested assessment criteria	Comments on performance
<p>We have instigated an arrangement whereby ONS staff have the opportunity to spend time at M&FSD observing the process of data collection, validation and export to the ONS. There is also a reciprocal arrangement under which staff from M&FSD shadow the process by which the exported data are used in the compilation of Sector and Financial Accounts.</p>	<p>Have the arrangements taken place in both directions in each quarter? If not, why not?</p>	<p>No. Work pressures and staff shortages prevented both the MFSD and the ONS from being able to fulfil this arrangement.</p>
	<p>Have a range of appropriate colleagues taken part? Have they benefited from the experience?</p>	<p>Yes, ONS arranged two-day training for one MFSD member of staff in September 2007. Informal feedback obtained at the time demonstrated that MFSD staff found the training to be very informative and useful.</p>
	<p>Have the arrangements made an effective and significant contribution to the compilation of banking statistics and National Accounts each quarter?</p>	<p>N/A</p>

Summary assessment			
Performance standard against Firm Agreement		ONS' comments/recommendations	M&FSD response/action
Met without qualification			
Met with qualification	√	Not enough had been possible to form a view.	
On the margin of required standard			
Fell short of required standard			

2. AD HOC BRIEFING AND LIAISON

Overview

The formal arrangements established for liaison between M&FSD and ONS centre on a quarterly meeting usually held 2-3 weeks after completion of ONS' quarterly data round. But, while this formal process is important, it represents only a small part of the wider process of liaison and co-operation taking place at working level.

M&FSD and ONS staff are in day-to-day contact on a wide range of issues and at all working levels. In addition to contact on regular data supply (covered in section 1) and the development Work Programme (covered in section 3) topics include:

- Co-ordination of responses to requests from European or other international organisations made to both M&FSD and ONS;
- Preparation/briefing for international meetings where both M&FSD and ONS are represented or have an interest;
- Preparation of joint papers for international meetings or for publication;
- Co-ordination of UK compliance with the IMF Special Data Dissemination Standard (SDDS);
- Preparation of an annual M&FSD report on the implications for ONS statistics of innovation and developments in financial markets and instruments;
- Informal liaison in respect of articles being prepared for publication by M&FSD of relevance to ONS;
- Planning and preparation of material for Financial and Economic Statistics Users' Group (FESUG) seminars;
- Provision and receipt of training and induction programmes for each other's staff.

(i) Formal liaison arrangements

Description of activity	Suggested assessment criteria	Comments on performance
	How effective is the quarterly liaison meeting as a vehicle for: raising issues requiring action by M&FSD; co-ordinating thinking/responses on issues of mutual interest; giving and receiving background briefing on topics not covered by regular briefing? Are actions on M&FSD followed up?	The quarterly liaison meeting fulfils all these functions. Actions on M&FSD staff are followed up in the intervening period and reviewed at meetings.
	Are agendas relevant?	Yes.
	Do the mechanics of the meeting – preparation of agenda, conduct of the meeting, production of minutes – work effectively?	Yes, and to increase effectiveness further, it would be helpful if both parties could aim to circulate minutes of meetings within two weeks of the meeting being held and for agenda's to be circulated at least one week prior to the meeting.

Summary assessment			
Performance standard against Firm Agreement		ONS' comments/recommendations	M&FSD response/action
Met without qualification	√	The ONS value the opportunities offered by the quarterly liaison meetings to, among other things, discuss issues of common interest and seek solutions to outstanding issues.	
Met with qualification			
On the margin of required standard			
Fell short of required standard			

(ii) Formal briefings

Description of activity	Suggested assessment criteria	Comments on performance
	Are the briefing notes that ONS receives as a copy recipient relevant and useful?	In general, briefing notes are valuable – concisely written and promptly delivered.
	Do papers/briefs, prepared by M&FSD specifically for ONS, meet user requirements? Does the commissioning of ad hoc briefs from M&FSD (for example ahead of an international meeting) work effectively? Is material received to agreed deadlines? Is it fit for purpose?	Yes. M&FSD briefing in advance of international meetings is invariably full and comprehensive while highlighting the key points of interest/intervention required for the UK.

Summary assessment			
Performance standard against Firm Agreement		ONS' comments/recommendations	M&FSD response/action
Met without qualification	√		
Met with qualification			
On the margin of required standard			
Fell short of required standard			

(iii) Joint participation at meetings/committees

Description of activity	Suggested assessment criteria	Comments on performance
	What level of contact occurs between ONS and M&FSD participants before meetings? Are agendas discussed? Are participants aware of each other's position on agenda issues?	Generally informal contact between meeting participants. Where required, M&FSD staff are very accommodating re attending meetings to discuss issues in preparation of meetings. Agendas are discussed and positions made clear.

Summary assessment			
Performance standard against Firm Agreement		ONS' comments/recommendations	M&FSD response/action
Met without qualification	√		
Met with qualification			
On the margin of required standard			
Fell short of required standard			

(iv) Other informal briefing/actions

Description of activity	Suggested assessment criteria	Comments on performance
	Does M&FSD make effective use of telephone/e mail contact to consult/brief ONS on ad hoc issues?	Yes. ONS/M&FSD staff have very frequent contacts on a range of compilation and wider international work issues.
	Is ONS aware of instances where consultation of ONS did not occur or where ONS should have been included as a copy recipient to correspondence which subsequently led to ONS being unsighted on an issue of importance?	No.
	Is ONS satisfied that M&FSD pays adequate attention to ONS views when responding to request or initiatives from international organisations, which might carry implications for ONS?	Yes.
	Was at least one informal meeting held during the year between M&FSD and ONS (including Macroeconomic & Labour Market Directorate and National Accounts Group directors) on current and future international developments?	Yes.

Summary assessment			
Performance standard against Firm Agreement		ONS' comments/recommendations	M&FSD response/action
Met without qualification	√		
Met with qualification			
On the margin of required standard			
Fell short of required standard			

3. THE DEVELOPMENT WORK PROGRAMME

Overview

M&FSD undertakes a wide range of development projects for which ONS is either the primary or secondary customer. The projects vary in nature from conceptual studies of standards and definitions, through explorations of the practical effectiveness of potential future data sources, to the development and implementation of new or enhanced inquiries and the analysis and presentation of results.

The formal arrangements for monitoring progress with existing projects and commissioning new work are the joint M&FSD/ONS review meetings held in January and July. In addition, a wide range of individual project monitoring occurs, from formal joint steering groups to informal working level contact depending upon the degree of interaction and co-ordination appropriate to the study.

The Work Programme typically includes 10-20 separate projects. Those for which ONS are the primary customer are mostly aimed at improving ONS data coverage for the National Accounts and Balance of Payments. There is also a range of projects for which internal Bank of England users or international organisations are the primary customers, but where the ONS also has an interest in the results; a recent example of a project fitting this description is one to develop an alternative methodology to calculate and allocate FISIM.

For more information on the current Work Programme please follow this link to the April 2008 *Bankstats* article <http://www.bankofengland.co.uk/statistics/ms/articles/art2Apr08.pdf>

This section describes some examples of the project work carried out during this review period.

Projects

Eurostat - funded project review of imbalances in the Non-financial / financial accounts:

In late 2006, the ONS applied for and were granted funding by Eurostat to start work on a project to investigate likely causes of discrepancies between the non-financial and financial accounts. The Bank of England had previously indicated their willingness to contribute resources to such work, given the likely benefits which might arise - e.g. the better understanding by the Bank of the uses to which their data are put by the ONS. The project deadline was stipulated as end-December 2007.

A number of both higher- and lower-level achievements have been generated by the Project. At the higher level, the ONS have:

- identified key tasks for implementation, as now documented, subject to the ONS' standard National Accounts revisions policy;
- validated their methodology for the banks' non-financial account as specified by the ESA;
- agreed a simplified approach for all sectors to the systems coding of the F.2 and F.4 instrument lines;
- identified other elements in the accounts which probably impact on the statistical imbalances, and which should be included in a "second phase" review.

Further areas of investigation include:

- reconciliation of data sourced from the BoE surveys of banks and other data (mainly from administrative sources) for Central government and Local Government.
- possible inclusion of BoE survey capital items currently omitted from the ONS Financial Accounts.

The assessment of the implications of using newer sources of information on banks' income, profits and expenditure (from a relatively recent BoE specialist survey) to replace the old methodology and indirect estimates used at present by the ONS in the non-financial accounts.

Bank Holding Companies

The Bank and ONS continue to consult on the treatment of Bank Holding Companies. Estimates are included for outward direct investment by BHCs and now the attention is turning to look at the treatment and coverage of inward direct investment. This is a regular agenda item at the BoE/BoP post-round liaison meeting.

Estimates for Gross Trading Profits are now included in National Accounts. However, the incorporation of the other revisions is constrained by the ONS revisions policy. It is expected that the remaining revisions will be implemented as soon as possible and hopefully for Blue Book 2009.

Manufactured dividends

The Balance of Payments teams at the Bank and ONS continued to look at the treatment of “manufactured dividends” within banks’ portfolio investment. Consultation with the IMF and the Bank of Luxembourg proved inconclusive. Agreement has now been reached on treatment of these dividends and will be implemented in the 2008 edition of the Blue/Pink Book. The proposed methodological treatment is consistent with that adopted by the Bank of Spain.

Manufactured dividends will be included implicitly in interest payments on UK banks’ FC liabilities. This will avoid separate disclosure and has been agreed with MFSD staff in July 2008.

BIS/Securities dealers double counting

Work between the Balance of Payments at the ONS and BoE focused on an appropriate methodology to calculate interest on BIS loans and deposits and to validate the income revisions following the removal of the BIS/securities dealers double counting. Work has progressed steadily and a new methodology agreed for flows, levels and income. The new methodology will be incorporated in the 2008 Blue/Pink Book.

(i) Commissioning and monitoring

Description of activity	Suggested assessment criteria	Comments on performance
<p>Subject to agreement each year by the Bank's Directors that the necessary resources can be made available, M&FSD agrees to carry out consultancy work in areas where it has responsibility for data collection. The specification and targets for this consultancy work, which will be focussed on developing sources and methods for the coverage of innovation and on improving coverage of existing financial products and institutions, will form the basis of M&FSD's annual Work Programme for ONS (see annex 12 to the Agreement). The Work Programme will be agreed by both organisations and M&FSD will seek to complete it to the timetable stated.</p>	<p>How effective are the formal arrangements for monitoring M&FSD's development Work Programme? How well do the regular papers for the half-yearly review meetings meet ONS needs? Are they delivered in sufficient time? Do they focus on the right issues?</p>	<p>Very effective. The Work Programme is jointly project-managed by M&FSD/BOPFS staff who jointly agree the agenda and provide papers for the 6-monthly steering group meetings.</p>
	<p>Does M&FSD seek ONS views on future development needs? Does M&FSD act on these?</p>	<p>Yes.</p>
	<p>Are the wider arrangements for monitoring/steering specific projects satisfactory? Does M&FSD seek to involve ONS staff at working level? Are ONS managers kept adequately informed on progress? Is sufficient use made of joint steering groups to oversee projects?</p>	<p>Yes.</p>

Summary assessment			
Performance standard against Firm Agreement		ONS' comments/recommendations	M&FSD response/action
Met without qualification	√		
Met with qualification			
On the margin of required standard			
Fell short of required standard			

(ii) Quality of output

Description of activity	Suggested assessment criteria	Comments on performance
	<p>Is M&FSD's Work Programme delivering improvements to the scope and/or quality of data sources available to ONS? What new data sources have been made available in the past year? Have any existing series been enhanced through improvements to surveys, compilation methods, or estimation techniques? Has work been undertaken to explore avenues for future data improvement or to confirm the quality of existing sources?</p>	<p>Yes. The Bank of England committed significant expert resources to a joint ONS/BoE project responsible for re-writing the ONS Financial accounts loans and deposits system. The project resulted in several corrections to ONS coding and data changes, the results of which are included in the Blue Book 2008 Financial Accounts.</p>
	<p>Has M&FSD's development work contributed to ONS thinking on the development of new statistical standards or the interpretation of existing standards? Has this led/will this lead ONS to change any of its own surveys or compilation methods and definitions?</p>	<p>Yes.</p>
	<p>Do M&FSD's written project reports and associated interim reports and notes meet ONS' requirements both in terms of the quality of their analysis and presentation?</p>	<p>Yes – M&FSD reports and minutes from meetings are always comprehensive and provide a lasting record of discussion.</p>

Summary assessment			
Performance standard against Firm Agreement		ONS' comments/recommendations	M&FSD response/action
Met without qualification	√		
Met with qualification			
On the margin of required standard			
Fell short of required standard			

(iii) Resourcing issues

Description of activity	Suggested assessment criteria	Comments on performance
<p>Subject to agreement each year by the Bank's Directors that the necessary resources can be made available, M&FSD agrees to carry out consultancy work in areas where it has responsibility for data collection. The Work Programme will be agreed by both organisations and M&FSD will seek to complete it to the timetable stated.</p>	<p>Do M&FSD staff display sufficient understanding of ONS' requirements, and appropriate methodologies, to make the development Work Programme an effective vehicle for increasing the scope and quality of sources to ONS? Has ONS had to propose or require changes to M&FSD's proposed approach in order to gain useable results? How material have any such changes been?</p>	<p>Yes. We are content that M&FSD staff are sufficiently qualified to make substantive contributions to the development Work Programme. We had not needed to propose or require changes to M&FSD's approach in this area during the review period.</p>
	<p>Do M&FSD staff typically possess sufficient knowledge of financial markets and instruments to contribute effectively? Is their knowledge drawn upon more widely by ONS in the development of its own inquiries and compilation?</p>	<p>Yes.</p>
	<p>Is M&FSD's development Work Programme adequately resourced? Are project outputs delivered to an acceptable timetable? Have projects on which ONS place high priority been left unresourced or under-resourced for unacceptably long periods?</p>	<p>Yes. We believe that all the action points are pursued, although some may take longer than others to complete. This applies equally to ONS and M&FSD staff.</p>

Summary assessment			
Performance standard against Firm Agreement		ONS' comments/recommendations	M&FSD response/action
Met without qualification	√		
Met with qualification			
On the margin of required standard			
Fell short of required standard			

CONCLUSIONS AND RECOMMENDATIONS

This section is to be completed by the signatories to the Firm Agreement. The section provides for: an overview assessment by ONS of M&FSD's service level across the full range of activities covered above; an opportunity for M&FSD to respond; and provision to record any actions on M&FSD or ONS, agreed by the signatories.

To be completed by ONS Please provide a summary assessment of M&FSD's performance as a service provider to ONS during the review period.

Looking to the future, are there changes to current service provision which ONS require, and which M&FSD could reasonably be expected to deliver?

Have any of these changes been previously discussed with M&FSD?

To be completed by M&FSD

M&FSD's responses to the assessment and to any proposals for change are to be recorded here.

Is the assessment fair?

Are there any changes to ONS practice/requirements that would allow M&FSD to meet ONS needs more effectively?

Are ONS' proposals for change practical and reasonable?

Overall it has been another trouble-free year in terms of all the deliveries and regular briefing. Any occasional glitch has been settled quickly with no impact on national accounts compilation. As usual we have relied heavily on the expertise and enthusiasm of M&FSD colleagues for ad hoc briefing and progress on the Work Programme projects. M&FSD staff have made a leading contribution to the SNA and BPM updating process in their own right, and we have worked together very effectively on specific issues. We have tried to respond quicker to queries and requests from M&FSD, but I'm not sure we have always been successful - resource constraints in ONS have continued to get tighter and some work has slipped. We will try to keep M&FSD informed about likely slippages.

We don't feel the need to propose any specific changes. We believe our working relationships are sufficiently constructive, supportive and flexible to deal with all aspects of service provision.

It would be useful to review the specific quality and revisions targets detailed in the Firm Agreement, to make sure they are relevant and actionable. We might all find it difficult to find the time, but we could look out for an opportunity to work together on the topic.

M&FSD welcomes this fair and balanced assessment and with current arrangements working well has no proposals for changes to ONS practices: and with current arrangements in mind it will be important that the benefits derived from regular face-to-face contact are maintained through alternative ways of working as more ONS positions are relocated to Newport and this type of interaction inevitably declines. Looking forward, M&FSD is confident that the well established and positive working level relationships between M&FSD and ONS staff will ensure that any challenges that emerge are successfully overcome.

Agreed actions on M&FSD

Please record any actions agreed by M&FSD and ONS signatories as a result of this assessment.

Agreed actions on the ONS

Please record any actions agreed by M&FSD and ONS signatories as a result of this assessment.

SIGNATURES

M&FSD Date

Office for National Statistics..... Date