



Definitions for the Agents' scores

This document details the definitions for the Agents' scores. Unless otherwise stated, the timeframe for the scores refers to the latest three months compared to the same period a year earlier.

Until August 2016, Agents assigned scores to variables each month. After this time, when the Monetary Policy Committee changed its schedule to meet eight times per year, the agents now score eight times per year.

In June 2019, a number of changes were made to the Agents' scores, through which some scores were discontinued. These discontinued scores are set out at the end of this document.

Consumer goods values

- This includes sales in: shops; department stores; food retail; car and fuel sales; internet trading of goods (but not services); shopping centres (but not restaurants, bars etc); second-hand retail; retail sales not in stores (markets, catalogue etc); and repair of personal goods.
- Before January 2018 new and used car sales and fuel sales were excluded from the score for consumer goods values. These are now included in the score — we do not believe this resulted in a material change to the series.

Consumer services values

- Sales by service companies where the majority of their sales are to consumers. Examples of consumer services include leisure services, hotels and catering. Note that retail sales are covered by consumer goods.
- Before January 2018 spending by households on utilities was excluded from the score for consumer services values. This is now included in the score — we do not believe this resulted in a material change to the series.

Business services turnover — total

- Sales by service companies providing services to businesses.
- From January 2005 to May 2019, this score was a weighted average of separate scores for professional and financial services and other business services, with weights proportional to shares of value added. It is now scored directly.

Total services exports values

- This score measures the sterling value of total services exports by UK-resident businesses to non residents. It includes financial and business services such as banking, accounting, legal, architectural, engineering, and IT services. Transportation, travel services, inward tourism and expenditure by visitors while in the UK are also included.

Manufacturing output

- This definition covers two scores relating to production undertaken in the UK by the manufacturing industries. One score covers total manufacturing output including exports; a second score covers output exported to customers based overseas.
- The scores measure gross output, expressed in terms of volumes.

Construction output

- Measurement of all construction activity, ie covering work undertaken by the private sector for clients in the private or public sectors. This includes all new building, maintenance and infrastructure projects, as well as site preparation and civil engineering.

UK investment intentions

- This score refers to planned expenditure over the next twelve months.
- It covers private sector companies' investment intentions within the UK for all sectors. Investment is defined as spending on tangible non financial assets such as plant and machinery, vehicles, ICT (hardware and software), new buildings, and spending on research and development (R&D).
- R&D spending has been included in the scores for investment intentions since May 2014, following a change to the ONS treatment of this spending. The score continues to exclude training, and acquisitions (or disposals) of companies and land.

Materials costs

- The sterling cost of raw materials and intermediate goods. The score includes all basic materials such as food, fuel, oil, chemicals and steel as well as semi finished parts and components, and both imported and domestic inputs are included.

Cost of imported finished goods

- The sterling cost of imported finished goods going directly into consumption or fixed investment (but excluding parts).

Total labour costs

- This is defined as the total costs of employing UK based staff per employee, based on settlements, overtime, bonuses, commissions and also extra costs such as pensions, other staff benefits and National Insurance. This score measures the impact on a firm, not on employees' take home pay. It excludes spending on training. The score covers all sectors.

Manufacturers' domestic prices

- The sterling prices of finished goods that are manufactured in the UK and then sold to a UK based customer.

Consumer goods prices

- The price of retail goods sold by companies covered in the consumer goods values definition.

Consumer services prices

- The price of services sold to consumers. This includes household services (eg rents and utilities), restaurants and hotels, transport services, recreation and leisure services, and financial, education and health services.

Business to business services prices

- The price of services sold by UK services companies to other UK companies. Examples include accountancy and lawyers' fees, plant and vehicle hire, property rentals, and other bought in support services.

Profit margins (Introduced May 2015)

- This reflects pre tax operating profit as a proportion of turnover/revenue. All costs of production and other fixed costs are taken into account, but write-offs and depreciation excluded. The score covers all sectors.
- Unlike the discontinued score for pre-tax profitability, this score is the level of margins relative to normal.

Recruitment difficulties

- This score measures the scale of general recruitment difficulties across the economy. For example, are companies finding it hard or easy to recruit staff?
- Before January 2005, this score reflected skill shortages.

Employment intentions

- This score refers to both planned and possible changes in the size of companies' UK based workforces over the next twelve months, ignoring normal seasonal fluctuations. The score covers all sectors.
- It covers the numbers likely to be added to or cut from the workforce of private sector firms, on a headcount basis rather than full time equivalents. Changes could reflect permanent, contract or short term staff numbers. Temporary hiring from agencies is included.
- Before January 2005, scores were based on companies' current situation, rather than being forward looking.

Capacity constraints

- This score refers to current capacity constraints, ignoring normal seasonal fluctuations. The score covers all sectors.
- This score measures how capacity constraints are affecting companies: in particular, the degree of difficulty that contacts face in increasing their output. Primarily capacity constraints will reflect a lack of capital (eg buildings and equipment) and labour (workers), although other factors can also play a role.
- From January 2005 to May 2019, scores were based on expectations for the coming six months, rather than the current situation.

Credit availability

- This definition covers three scores, for small, medium and large firms
- These Agents' scores are based on businesses' perception of the supply of credit. They are assessed on the basis of supply of credit over the latest three months relative to normal for firms in the size bracket.
- When scoring, consideration is given to the availability of all forms of debt instruments that carry an obligation to repay the principal and interest. As such these scores cover a wide range of bank and non bank sources of finance.
- The definition of firm size is based on employment. Small firms are those employing up to 50 people, medium firms 51–250 people, and large firms employ more than 250 people.

Discontinued scores

Manufacturing output — domestic (Discontinued June 2019)

- Production undertaken in the UK by the manufacturing industries, for sales to customers based in the UK. This score measures gross output, expressed in terms of volumes.

Pre tax profitability — manufacturing and services (Discontinued October 2016)

- This definition covered two scores: one each for the manufacturing and service sectors
- Score reflects pre-tax operating profit as a proportion of turnover/revenue. All costs of production and other fixed costs taken into account, but write-offs and depreciation excluded.
- Note that this score was based on growth in pre-tax profitability.

Consolidated scores

- A number of variables were previously broken into two or more scores covering different sectors or sub-sectors. These scores were published for the final time in June 2019, and each was then replaced by a new score covering all sectors.
 - Business services turnover (previously professional and financial services and other business services).
 - UK investment intentions (manufacturing and services).
 - Total labour costs (manufacturing and services).
 - Pre-tax profit margins (manufacturing and services).
 - Employment intentions (manufacturing, business services and consumer services).
 - Capacity constraints (manufacturing and services).
- A short back-run of these 'new' scores is made available in the Agents' scores spreadsheet, dating back to October 2017. In the scores spreadsheet, we have also constructed longer, approximated back-series based on weighted averages of the sectoral scores; these back-series are made available alongside the 'new' scores.