Insurance Companies Survey (s)

Triennial and Quinquennial Review

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Editor: **David Matthews**

Office for National Statistics

2011

A National Statistics publication

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SURVEY CONTROL REVIEWS

The need to review surveys is a requirement of the Prime Minister's Instructions for controlling government statistical surveys. These instructions underline the need to review all regular surveys of business and local authorities with an emphasis especially on: the need for the information (evaluating the reason for conducting the survey); the conduct of the survey; costs; respondents' views; users' views; and options for change.

There are two types of review, depending on the frequency of the survey. Surveys that are conducted on a monthly or quarterly basis are subject to review every three years (triennial review) and surveys that are conducted less frequently than quarterly, e.g. annual inquiries, are subject to review every five years (quinquennial review).

The Quality, Methods and Harmonisation Tool (QMHT) provides a template for analysis of respondent and user information and a method of self-evaluation by the area conducting the survey.

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1   Name of the survey or output being evaluated

Quarterly Survey of Insurance Companies:General Business Transactions and Balances
Quarterly Survey of Insurance Companies:General Business Income and Expenditure
Annual Survey of Insurance Companies:General Business Balance Sheet
Annual Survey of Insurance Companies:General Business Income and Expenditure

Quarterly Survey of Insurance Companies:Long-Term Business Transactions and Balances
Quarterly Survey of Insurance Companies:Long-Term Business Income and Expenditure
Annual Survey of Insurance Companies:Long-Term Business Balance Sheet
Annual Survey of Insurance Companies:Long-Term Business Income and Expenditure

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2   Date when review was begun

April 2011

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3   Name of the person completing this
Recommended level is Grade 7 or experienced SEO
If filled in by other grade state name of person completing it and the grade 7 who signed it off

Melanie Gore (HEO)   Stephen Curtis (Grade 7) Sign-off

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4   Which department/organisation do you work for?

Financial Inquiries Branch, Economic Surveys Division, Office for National Statistics

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5   Your contact details

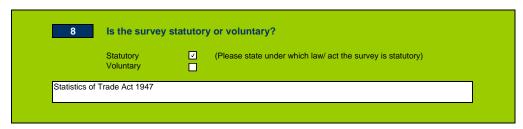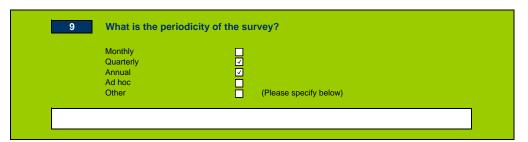Email   melanie.gore@ons.gsi.gov.uk

Telephone   01633 456636

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6   If this survey/output is produced jointly with another department or organisation please state which other department(s)/ organisation(s) this is

N/A

Key facts

7 **When did the survey being reviewed commence?**

1962 Annual Balance Sheet and Quarterly Transactions
1986 Annual Income and Expenditure
1992 Quarterly Income and Expenditure

8 **Is the survey statutory or voluntary?**

Statutory ☑ (Please state under which law/ act the survey is statutory)
Voluntary ☐

Statistics of Trade Act 1947

9 **What is the periodicity of the survey?**

Monthly ☐
Quarterly ☑
Annual ☑
Ad hoc ☐
Other ☐ (Please specify below)

10 **Please give a summary of the information that the survey collects.**

Balances of short-term assets and borrowing, transactions of longer-term assets and income and expenditure data are collected quarterly for both long-term and general surveys. Balance sheet data on insurance companies' assets and liabilities, along with income and expenditure data, are collected annually for both long-term and general surveys.

11 **What is the target population of the survey?**

All Financial Services Authority (FSA) registered insurance companies in the UK.

12 **What is the sample size of the survey?**

General Insurance, Quarterly Transactions and Balances 58
General Insurance, Quarterly Income and Expenditure 58
General Insurance, Annual Balance Sheet 81
General Insurance, Annual Income and Expenditure 81

Long-term Insurance, Quarterly Transactions and Balances 55
Long-term Insurance, Quarterly Income and Expenditure 55
Long-term Insurance, Annual Balance Sheet 75
Long-term Insurance, Annual Income and Expenditure 75

13 **Which sampling frame is used for the survey?**

Interdepartmental Business Register (IDBR) ☐
Pay As You Earn (PAYE) ☐
Postcode Address File ☐
Electoral Register ☐
Experian ☐
Reference list ☑
Another survey's sample (please specify) ☐
Other (please specify) ☐

14 **What are the anticipated and achieved response rates for the latest period for the survey?**

Anticipated:
General Quarterly Transactions 80%
General Quarterly I&E 80%
General Annual Balance Sheet 92%
General Annual I&E 92%

Achieved:
General Quarterly Transactions 81%
General Quarterly I&E 83%
General Annual Balance Sheet 94%
General Annual I&E 93%

Anticipated:
Long-term Quarterly Transactions 80%
Long-term Quarterly I&E 80%
Long-term Annual Balance Sheet 92%
Long-term Annual I&E 92%

Achieved:
Long-term Quarterly Transactions 89%
Long-term Quarterly I&E 87%
Long-term Annual Balance Sheet 93%
Long-term Annual I&E 100%

15 **Who are the users of the survey?**

Data are used primarily in the compilation of the UK National Accounts and Balance of Payments. The Bank of England use the data for monetary and financial stability analysis. The data are also used by the Association of British Insurers, together with individual insurance companies and investment firms.There are also external users who incorporate the statistics into their financial models, whilst others use them to measure their portfolios against those of other funds managers or to assess whether the style of investing is changing.

16 **What are the key publications that the survey contributes to?**

Data are published in a quarterly Statistical Bulletin, MQ5: Investment by Insurance Companies, Pension Funds and Trusts. A longer time-series is available on the web. Data are also contained within the UK National Accounts.

17 **What is the cost to business of the survey?**
(This information is the same as question 57 in the Burden and Respondents section of this tab)

The combined total for the four general insurance surveys reviewed is estimated to be £74,000.
The combined total for the four long-term insurance surveys is estimated to be £145,000.

18 **What is the cost to government of the survey?**

The estimated cost to government for general and long-term insurance companies' surveys taken together is approximately £459,000.
This includes direct costs for staffing, Information Management provisions and indirect costs such as heating and lighting.

Background and progress since the last review

This section gives some background to the survey and states the progress made in improving the survey since the last review.

19	**Brief history of the survey**

The annual balance sheet and quarterly transactions surveys were launched in 1962. The annual income and expenditure survey was introduced in 1986. These were voluntary and carried out by the Association of British Insurers (ABI) until January 1992. The ABI provided the ONS (then the Central Statistical Office (CSO)) with aggregated results during this period. There were problems with the timeliness and response and thus it was agreed that the information be collected by the ONS under the Statistics of Trade Act 1947 as part of the Chancellor's Initiative to improve the quality of economic statistics. This enabled the ONS to gain access to individual companies' returns and thus better validate and improve the quality of the grossed estimates produced. At the same time, the quarterly income and expenditure survey was introduced (in the first quarter of 1992).   In 2002 a review of ONS pension contributions statistics was announced following concerns about the reliability of such data.

As a result of this review, the quarterly and annual long-term business income and expenditure survey questionnaires were updated to include more detailed questions and guidance. These questionnaires were introduced for the 2003 annual survey and from the first quarter of 2004.The questionnaires were reviewed again in 2007 to incorporate changes in international reporting standards.

20	**What was the date of the last survey review?**

The last review was published in March 2007

21	**What were the recommendations from the last review?**

The 2007 recommendations were;
1. The quarterly and annual surveys to insurance companies should continue in their present format and frequency.
2. The survey questionnaires should be reviewed in consultation with respondents, to ensure they capture appropriately the changes brought about by the International Financial Reporting Standards (IFRS).
3. To comply fully with Eurostat's Structural Business Statistics Regulation (SBSR), dialogue needs to be opened with the Financial Services Authority (FSA) to see if they can provide administrative data on insurance companies which will allow the UK to meet the requirements of Annex 5 of the regulation.
4. ONS should maintain a level of survey expertise by investigating the possibility of engaging the services of external organisations to provide appropriate training for ONS staff on financial instruments and investment strategies.

22	**Have all the recommendations been implemented?**

Yes ☑
No ☐   (Please explain why & give details of progress made)

23 **Have other changes been made to the methodology of the survey since the last review?**

Yes ☐ (Please describe changes including the impact on respondent burden)
No ☑

24 **Do National Statistical Institutes (NSIs), in other countries run a survey similar to this one?**

Yes ☑ (Please give brief details below)
No ☐ (Please go to question 26)

The Central Statistics Office in Ireland conducts surveys to insurance companies where balance sheet data and income and expenditure are collected via one survey questionnaire.
The Australian Bureau of Statistics also conduct a Survey of Financial Information that is sent to life insurance companies and friendly societies. This survey is similar to the one conducted in Ireland, in that it also collects data on both income and expenditure and balance sheet items. The data is collected electronically and is used in the compilation of the Australian Financial Accounds as well as statistics on Managed Funds.
We continue to review the potential for the use of administrative data, as do most European countries as this type of data is a requirement of Eurostat under Annex 5 of the Structural Business Statistics Regulation. However, the amount of detail and frequency of the data will vary. Central banks, national statistical offices and regulatory bodies,(depending on the general structure for collecting and reporting statistics on the financial sectors) generally collect the data.

25 **How far does your survey adhere to the same broad principles and standards as the other NSIs' surveys?**
Include any key differences.

ONS, in common with other NSI's will collect data to compute their Gross Domestic Product (GDP). Each country will adopt methodology suitable for its own economic structure. However nearly every country does that within the principles of the United Nations System of Accounts, which in Europe are implemented through the European System of Accounts, currently 1995, soon to become 2010.
ONS's methodology has been developed to minimise burden whilst ensuring quality data. The survey's principles and standards are similar to those conducted in Ireland and Australia. The key difference is in the data collection. The Central Statistics Office in Ireland and the Australian Bureau of Statistics collect both balance sheet and income and expenditure data via one survey questionnaire. This allows the insurance companies to self-reconcile their data, which could result in enhanced data quality.

26 **Are there any lessons that can be learnt from other countries?**
Include any areas where further harmonisation would provide benefits.

The Irish approach to data collection could be beneficial if introduced in the UK. Whilst the survey questionnaire would be larger, the need for numerous surveys would be diminished. Respondents would be able to self-reconcile their data, leading to efficiencies for both the respondent and ONS.

Users and uses
This section investigates the uses of the survey and user views.

27   What is the objective for the survey that justifies its existence?

Used to produce information needed for: Please tick all that apply

- making key national or local government decisions   ☑
- monitoring national or local government issues   ☐
- delivery of public services   ☐
- satisfying EU regulations   ☐
- European decision-making or monitoring requirements   ☐
- another purpose   ☑   (Please specify below)

The data are used in the compilation of the UK National Accounts and Balance of Payments. The data are also used to comply with European requirements.They are published in the Statistical Bulletin, Investment by insurance companies, pension funds and trusts (MQ5).
MQ5 has a wide range of users and they use the statistics in a variety of ways. Some users incorporate the statistics into their financial models, whilst others use them to measure their portfolios against those of other funds managers or to assess whether the style of investing is changing.

28   Are you able to justify the periodicity of the survey?

Yes, we have confirmed recently that users/sponsors have
a specific need for data at this periodicity   ☑

Not really, but the reasons we collect the data this
frequently are given below   ☐   (Please specify below)

No   ☐
Don't know   ☐

Quarterly data are needed for the compilation of quarterly GDP figures.

29   Are you able to justify the presence of every question asked?

Yes, users have a specific need for every question asked   ☑
Yes, but some data are needed purely to verify other data   ☐
Yes, but some questions are there only to improve
questionnaire focus and flow   ☐
No, and have no current plans to address this   ☐
Don't know   ☐
No, but are aware some data may not be needed   ☐   (Please specify below which questions are
not required)

National Accounts have confirmed all data are required.

30   Where do you hold the information on justification for questions?

In a database or registered file   ☐
Somewhere other than a database or registered file   ☑
Nowhere   ☐

The regulations of the European System of Accounts 1995, which is a legal requirement, are the main justification for the questions. This will be replaced by the European System of Accounts 2010. It is expected that a full review of the questionnaires will take place as part of the ESA 2010 project, the results of which, including justificaton for questions, will be held on ONS databases.

31 **Have other existing sources of similar information, including administrative or management data, been examined to ensure that the survey is still required?**

Yes - in the last five years	☑	(Please give approximate date below)
Yes, but not in the last five years	☐	(Please say below if you have any plans to do this)
No	☐	
Don't know	☐	

2010

32 **If other sources have been considered what were they and why were they unsuitable?**

A project was conducted in 2010 to review whether administrative data could be used to replace some of the exisiting annual surveys. The administrative data is almost wholly annual data, whereas the survey data is needed quarterly.
The project identified areas for potential use. However, there were also issues identified, such as coverage problems, that would need to be overcome before administrative data could replace the annual survey data. A decision was taken to pause the project pending further work.

33 **What do each of the users of the survey need the data for?**
Comment on all user groups

Government users: The data are needed to compile the UK National Accounts. Data feeds into Gross Domestic Product, the Quarterly Financial Account and Blue Book. These accounts are used by the UK Government as an economic indicator. Eurostat use the data for UK/Europe comparisons.

Non-government users: The insurance trade association uses the data to compare to their own data and to monitor the industry as a whole. Economists and academics use the data for research purposes.

The Statistical Bulletin, Investment by insurance companies, pension funds and trusts (MQ5) has a wide range of users and they use the statistics in a variety of ways. Some users incorporate the statistics into their financial models, whilst others use them to measure their portfolios against those of other funds managers or to assess whether the style of investing is changing.

34 **How many users from each main user group did you approach for this review?**

Government Users: 1 Non-Government Users: 1
We contacted the Government user, National Accounts and the key external user, the Association of British Insurers. No other external users were contacted for this review.

35 **How many responses did you receive to the user questionnaire for this review?**

2

36   **When invited to comment on the survey, what points did your users make?**

Of the users invited to comment on the survey, one reported that the current data supplied are very relevant and the accuracy, comparibility and timeliness are good. They added that further work is needed in the coming year to incorporate changes arising from a financial statistics project and the implementation of the European System of Accounts 2010.   The other user reported that the accuracy, comparability, timeliness, accessibility and coherence are fair, whereas the relevance is good.
There were no comments received that suggested any improvements.

37   **Specifically, what were the users' main points on the acceptability of the survey's quality when considered against the European Statistical System (ESS) dimensions of output quality?**

Accuracy:User responded 'fair' and 'good'.

Relevance:User responded 'good'.

Timeliness: User responded 'fair' and 'good'.

Coherence:User responded 'fair' and 'good'.

Comparability: User responded 'fair' and 'good'.

Accessibility: User responded 'fair' and 'very good'.

38   **What are the minimum acceptable coefficients of variation (CVs)?**
If these vary by domains please state range

The surveys have small populations and quite intensive samples. For those reasons sampling error is not the main determinent of quality. The main effects on quality arise from the late availability of some of the detailed data that is requested by the surveys;conceptual issues associated with the classification of financial instruments;the provision of later, benchmarked information from balance sheets;coverage issues (for example, parts of businesses being omitted from quarterly returns or some international activity being inappropriately included). The main quality indicator therefore is the revisions performance of the series, as published in the Statistical Bulletin.

39   **Are the achieved CVs close to the minimum acceptable level specified?**

Yes, for all or most domains	☐
No, typically larger than required	☐
No, typically smaller than required	☐
None calculated	☑

40   **What steps could be taken outside of this review to improve understanding of users' needs or reduce burden on respondents by reducing requirements?**

Requirements are governed by the European System of Accounts. However, regular contact with users to understand their needs could help improve areas such as questionnaire design.

41   **What recommendations could be made based on the comments of users?**

The data collected will need to be reviewed following the changes required by the European System of Accounts 2010.
We know some users find quality borderline for their purposes (giving us a fair rating). We therefore need to maintain efforts to improve the quality coming from these surveys.

Sample Design

This section investigates the sample design of the survey in more detail focusing on the impact of the design on respondents.

42   **Please summarise the main characteristics of the sample design.**

The universe is created using information from the Financial Services Authority on all authorised insurance companies.The survey stratifies into strata, depending upon the value of premium income. There are currently 5 strata for general companies, with the top 2 strata being fully selected. Random sampling occurs within the remaining strata.
 The stratum boundaries are £million and are;
Stratum 0 = <0, Stratum 1 = 0 - 69, Stratum 2 = 70 - 199, Stratum 3 = 200 - 599, Stratum 4 = 600+
There are also currently 5 strata for long-terrm companies, with the top 2 strata being fully selected. Random sampling occurs within the remaining strata.
The stratum boundaries are £million and are;
Stratum 0 = <0, Stratum 1 = 0 - 99, Stratum 2 = 100 - 399, Stratum 3 = 400 - 999, Stratum 4 = 1000+

Those companies conducting both general and long-term busines are classified as composite insurers. There are 4 strata for composite insurers, with random sampling occurring in the lowest strata.
 The stratum boundaries are £million and are;
Stratum 5 = 0 - <500, Stratum 6 = >500 - 1999, Stratum 7 = 2000 +, Stratum 8 = <0.

43   **Are you aware of errors in the sampling frame?**

Please tick all that apply

Yes, in the coverage	☐	
Yes, commonly occurring errors in unit details	☐	(Please specify below)
Yes, other errors	☐	(Please specify below)
No	☑	(Please say below when you last examined this)

The sampling frame is the list of insurance companies as supplied by the Financial Services Authority. Other possibilities are under review.

44   **What steps have you taken to minimise the burden on small businesses specifically ?**

Survey holidays applied to businesses in line with osmotherly rules	☐
Reduced sampling fractions for small businesses	☐
Use of estimation in place of sampling	☐
Other (Please specify)	☑
No feasible steps taken	☐

By definition, insurance companies are large businesses and therefore Osmotherly rules do not apply to these surveys. Nevertheless, the size of business and the stratum into which they fall, is considered during sample allocation.The last review of the questionnaires saw changes to questions in order to reduce the burden on companies.

45 **What steps have you taken to minimise the burden on individual respondents more generally while ensuring users' needs will be met?**

Clear quality requirements established up-front ☐
Appropriate use made of results ☑
Rotation of respondents ☐
Use of efficient sample design ☐
Other (Please specify) ☑
No feasible steps taken ☐

The last questionnaire review was conducted in 2007 in conjunction with respondents. We are happy to accept estimates when actual data is not available. We are also developing a programme to meet with individual respondents.

46 **When did you last review the sample allocation?**
Please give approximate date

January 2010 (for Q1 2010 despatch) The sample is reviewed every 2 years.

47 **What recommendations could be made for changes to the sample design to improve quality or reduce burden on respondents?**

Whilst sample design is important, it is secondary to looking at the way data are collected, in order to improve quality and reduce burden. We have liaised with respondents on this issue and the consensus was that a move to collecting balance sheets quarterly would be favourable. We will continue to keep the sample design review on the agenda.

Data collection
This section investigates in more detail how the data is collected and validated on the survey

48 **What is/are the mode(s) of data collection for the survey?**

Paper self-completion questionnaire ☑
Computer-assisted self-completion interviews ☐
Computer-assisted personal interviewing ☐
Paper-based personal interviewing ☐
Computer-assisted telephone interviewing ☐
Electronic collection (e.g. web,email or spreadsheet) ☐
Telephone Data Entry ☐
Other ☐ (Please specify below)

49 **Has the questionnaire been reviewed by someone with specialist knowledge in questionnaire design in the last three years?**

Yes ☑ (Please give details below of the last expert review) ☐
No, but we review the questionnaire ourselves at least every five years ☐
Not to our knowledge ☐

Data Collection Methodology (DCM) were involved in the 2007/8 questionnaire review.

50 **At which stage does validation of data items occur?**

At point of entry ☑
Within ten calendar days ☐
Longer than ten days ☐
No validation takes place ☐ (please give reasons why not)

Questionnaires are input onto the take-on system and validation checks are run. Further validation can occur whilst results are processed.

51 **What proportion of respondents are re-contacted to check data items?**

None ☐
Less than 5% ☐
Between 5% and 10% ☐
Between 11% and 20% ☐
Over 20% ☑
Comment if you wish

A number of factors contribute to the relatively high recontact rate of the survey. The small number of respondents surveyed is one factor.The complexity and number of questions on the surveys (an average of 97 on the quarterly questionnaires, 105 on the annual) and the resulting fluctuations period on period mean the validation gates, put in place to ensure the quality of the statistics produced, raise a number of queries which need to be made to ensure accuracy.

52 **How do the systems you use minimise the burden on individual respondents due to validation of data?**

Use of checks to identify large changes (eg. validation gates) ☑
Automatic edits made for common adjustable errors ☐
Only re-contact on errors that have the largest impact on quality (selective editing) ☐
Imputation of missing or suspect data items ☑
Provided respondents with opportunity to explain unusual values during survey ☑
Use of a system to share information on changes to businesses ☑
Other (please specify) ☐
No feasible steps taken (please state why) ☐

Please state how these systems have reduced burden

Validation checks were reviewed in 2011 to ensure their appropriateness. The use of Financial Inquiries Contributor Comments (FICC) allows information to be exchanged across surveys, reducing the need for re-contact.

53 **What recommendations could be made for changes to the data collection and validation methods to improve quality or reduce burden on respondents?**

There is a strong case for improving quality and this could be achieved by adopting an approach similar to Australia and Ireland, whereby quarterly balance sheet data is collected rather than quarterly transactions. More work is needed on this but so far our respondents have said this would be feasible and improve the quality of returns, whilst our users have been enthusiastic.
Within the present data collection, we will look to collect electronically and have recently undertaken validation improvements.

Burden and respondents

This section investigates respondents' views and and how the cost to respondents is justified by the needs of users.

54 **What was the selected sample size for the respondent survey for this review?**
Please also state what proportion of the main sample was selected for the respondent survey

General Insurance, Quarterly Transactions and Income and Expenditure Surveys: 29
General Insurance, Annual Balance Sheet and Income and Expenditure Surveys 29.

Long-term insurance, Quarterly Transactions and Income and Expenditure Surveys: 30
Long-term Insurance, Annual Balance Sheet and Income and Expenditure Surveys 30.

As the samples are small and some respondents complete questionnaires for both long-term and general insurance, these sample sizes ensured that no company received more than one pair of review questionnaires.

55 **What was the response rate for the respondent survey for this review?**

General Insurance, Quarterly transactions: 65.5%
General Insurance, Quarterly I&E: 62.1%
General Insurance, Annual Balance Sheet: 55.2%
General Insurance, Annual I&E: 58.6%

Long-term Insurance, Quarterly transactions: 46.7%
Long-term Insurance, Quarterly I&E: 46.7%
Long-term Insurance, Annual Balance Sheet: 56.7%
Long-term Insurance, Annual I&E: 63.3%

56 **When invited to comment on the survey, what points did your respondents make?**

For general insurance, 58 respondents (across the 4 surveys) were invited to comment as part of this review. Of those, 11 respondents made specific responses. The points made were specific to the individual business concerned and were, information not readily available and systems needing to be put in place, tight deadlines, a lack of guidance notes, terminology changes, the asset breakdown on the balance sheet can be time-consuming and external cost implications. Respondents also commented on the lack of availability of electronic collection/communication.

For long-term insurance, 60 respondents (across the 4 surveys) were invited to comment as part of this review. Of those, 10 respondents made specific responses. The points made were specific to the individual business concerned and were, information not readily available and systems needing to be put in place, a lack of guidance notes, terminology changes and external cost implications.

57 **Based on replies from respondents, what have you estimated the cost to respondents to be?**
(This information is the same as question 17)

The combined total for the four general insurance surveys reviewed is estimated to be £74,000.
The combined total for the four long-term insurance surveys is estimated to be £145,000.

58   **Did you assume actual response when calculating respondents' costs?**

Yes, only actual respondents costs/time assumed	☑
No, assumed 100% response rate but with lower cost/time for non-respondents	☐
No, assumed 100% response rate with no differentation between respondents' and non-respondents' cost/time	☐

59   **Which method did you use to calculate the cost to survey respondents?**

Please also provide a breakdown of the calculation, to show how you arrived at the total cost.

In compliance with ONS current practice, the following method was used. Number of questionnaires x median time to complete adjusted to allow for re-contact rates (100%) x average hourly rate. The average hourly rate we used was of £18.51.

60   **Did you find that the benefits justified the cost to respondents?**

Yes	☑	(Please give an outline of the benefits justifying the cost, in the 'Yes' set of boxes below)
No	☐	(Please explain, in the single 'No' box below, why you are going ahead with collecting the extra information)

Yes:

Type of user	Justification of the cost to respondents
Government users	Data supplied from the insurance surveys are an essential requirement for ONS due to them feeding into the UK National Accounts and Balance of Payments.
Respondent users	As noted in question 33, the Statistical Bulletin, Investment by insurance companies, pension funds and trusts (MQ5) has a wide range of users and they use the statistics in a variety of ways. Some users incorporate the statistics into their financial models, whilst others use them to measure their portfolios against those of other funds managers or to assess whether the style of investing is changing.
Other users - please specify here	Statistics supplied from the Insurance surveys feed into some international outputs. Holdings of international equities are sent, via the Balance of Payments branch, to the International Monetary Fund.

No:

61   **Do you have a policy on the procedures for dealing with day-to-day complaints from both suppliers and users of information?**

Please tick all that apply

Yes - for complaints from suppliers	☑
Yes - for complaints from users	☑
No	☐

62   **What are the main causes of complaints and what action have you taken to make improvements in response to these complaints?**

For general insurance, in the last three years we have received 1 complaint for the annual surveys and 14 complaints for the quarterly surveys. The complaints range from not being able to use electronic data collection, to problems changing systems when questionnaires are amended and the questionnaires themselves being time consuming. There is an on-going project reviewing the use of data collection and the feasibility for insurance surveys will be analysed. Notice is given where possible when amendments are made to the questionnaires and respondents are also involved in the change process. The reason for the increase in quarterly complaints for general insurance was due to some confusion around reporting requirements following the questionnaire reviews in 2007/08.

For long-term insurance, in the last three years we have received 4 complaints for both quarterly and annual surveys. The complaints are the same as those for the general surveys and the steps taken to make improvements are also the same as those for general insurance.

63	**What recommendations could be made based on the comments of respondents?**

Recommendations based on the respondent surveys, official complaints and feedback from the data collection team are;
1. The introduction of electronic data collection
2. Further investigation into the use of administrative data
3. The possibility of moving to quarterly balance sheet questionnaires
4. Clearer guidance notes.

Recommendations

Each of the previous sections concluded with a description of potential improvements to the survey. This section draws together those potential changes to make recommendations arising from this review along with an action plan for implementing them. Those changes that are more ambitious or cannot be implemented at this time are also described.

64	**Based on the information supplied above, list the recommendations for aspects of the survey that need further improvement or investigation and your action plan for doing this work prior to the next review.**

A conclusion of these reviews is that the following recommendations are made;
1. The questionnaires need a review to incorporate any changes to requirements to comply with ESA 2010. This review could also look at the guidance notes that are currently on the questionnaires, with a view to making them clearer.
2. Further investigations to be carried out to test the feasibility of moving to quarterly balance sheet collection. This will however be affected by any ESA changes (point 1).
3. We should continue to be mindful of the burden on respondents and should therefore conduct a review of various aspects of survey methodology, such as universe/sample design, imputation and grossing estimation and the treatment of births/deaths.
4. With respondent burden in mind, we should also continue to investigate the use of administrative data and electronic data collection for these surveys.
5. An implementation plan should be both compiled and enacted to ensure the recommendations put together are carried out.

These recommendations will be subject to external issues, however they should be pursued where appropriate.

65	**Please list any improvements to the survey that are not possible at this time including the barriers to implementation.**

Achieving improvements to these surveys will require resources that are tight at this time of public sector stringency.

Office for
National Statistics

Independent assessment sheet for triennial/quinquennial reviews evaluated using the Quality, Methods and Harmonisation Tool (QMHT).

Name of survey:	Insurance Companies Survey(s)
Name of Independent Observer:	Dr James J Brown
Date:	22nd March 2012

Section 1

		Yes/No	Comments
i	Were you provided with the review sample allocation at the start of the review process?	Yes	
ii	Are you satisfied that the review sample is representative of the main survey sample?	Yes	
iii	Were you notified of any issues regarding the response rate for this review?	N/A	

Section 2

		Yes/No	Comments
i	Are you satisfied that a thorough investigation into alternative sources of data has been carried out and that all questions asked by the survey are necessary? QMHT Questions; 29, 31, 32, 33	Yes	And there is on-going work to review these aspects.
ii	Are you satisfied that all the proposals from the last review have been acted on, or that an adequate explanation has been given for any that have not been? QMHT Questions; 21, 22	Yes	
iii	Are you satisfied that there has been sufficient research into the potential overlap of the survey with those conducted in other National Statistical Institutes? QMHT Questions; 24, 25, 26	Yes	There is useful reflection on alternative approaches to the data collection.
iv	Are you satisfied that the users' requirements have been considered and the returned user information appropriately analysed? QMHT Questions; 33, 34, 35, 36, 37, 41	Yes	
v	Are you satisfied that the returned respondent information was	Yes	The proposed actions carefully reflect what has been

	appropriately analysed? QMHT Questions; 56, 57, 60, 62, 63, 64, 65		highlighted by the review.
vi	Are you satisfied that the reference to Osmotherly is an accurate reflection of this survey's practices? QMHT Question; 44	Yes	
vii	Are you satisfied that the comments on respondent complaints have been considered? QMHT Questions; 61,62	Yes	Given many complaints centre on electronic collection it is good to see this in the recommendations.

Section 3

	Yes/No	Comments
Do you have any general comments about the conduct of the Review?	No	

Section 4

Given that 'A' very good, 'B' good, and 'C' satisfactory, how would you grade this review? See below for definitions.	Grade Awarded: A

Overall mark	Definition
A = Very good	• Complies fully with 'Best Practice'. • All recommendations have been promptly acted upon where possible
B = Good	• Complies with 'Best Practice'. • Most recommendations have been acted upon where possible but some remain
C = Satisfactory	• Complies with 'Best Practice'. • Several recommendations remain