



BANK OF ENGLAND



Transforming data collection from the UK financial sector:

Plan overview

March 2021

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Our extensive industry engagement



The discussion paper was discussed at **over 260 different external events**



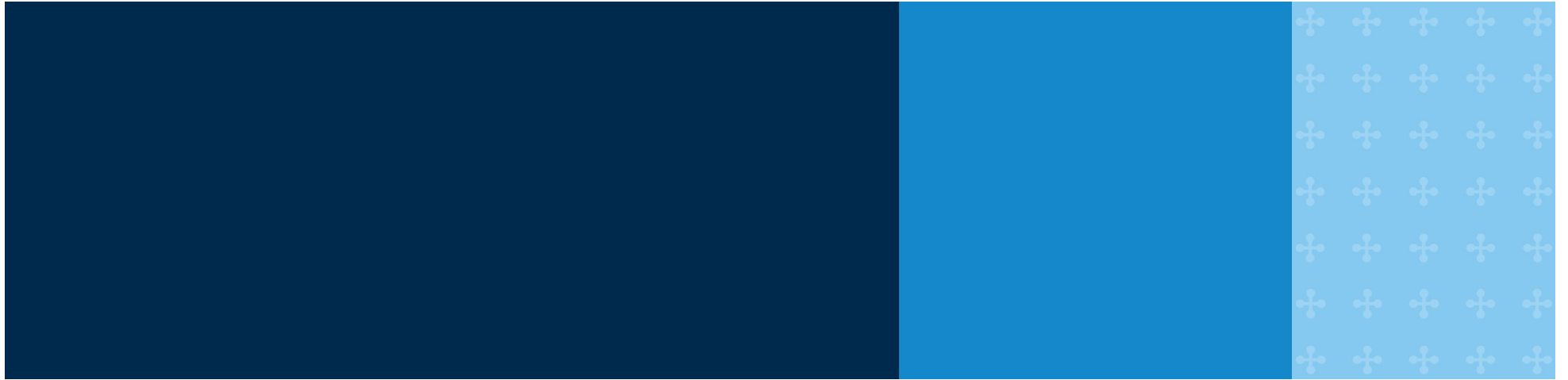
We spoke to **over 130 different organisations**, including banks, insurers, regulators, service providers and trade bodies



We received **over 60 written responses** to the discussion paper published in January 2020

Review findings published here:

<https://www.bankofengland.co.uk/paper/2021/transforming-data-collection-from-the-uk-financial-sector-a-plan-for-2021-and-beyond>



Key findings

Current problems with data collection



Interpretation

Difficult to use and understand current corpus of reporting instructions



Value and collection rationale

Difficult to measure value or cost of data collection



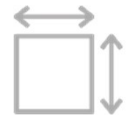
Complexity, legacy and strategic planning

Multiple reporting processes within firms, legacy systems and complex reporting rules hamper change



Finding and sourcing data

Data requested is sometimes not available, and can be difficult to find and extract



Reconciliation and data quality

Difficult to reconcile similar data across reports; costly data quality controls

What we think needs to change



Common data standards

- Consistently identify and describe data throughout the financial sector
- Open and accessible by all
- Embedded in operational processes



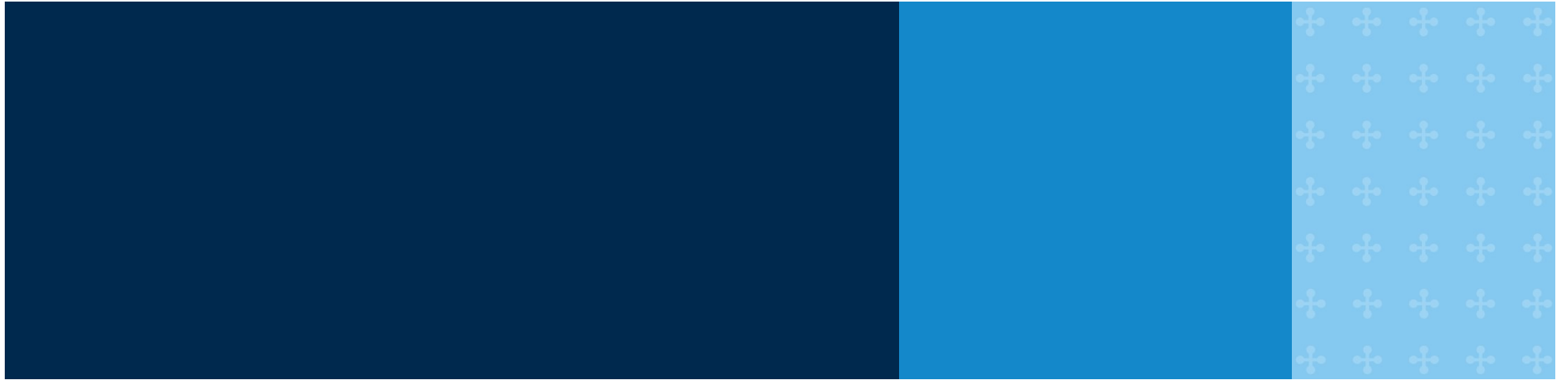
Modernised reporting instructions

- Improve how our reporting instructions are written, interpreted and implemented
- Range of options including: instructions as code and industry interpretation forums



Integrated reporting approach

- Reporting processes part of one consistent solution
- End-to-end integration of steps in data collection
- Integration of firm input data and our reports



Delivering change

Delivering our reforms

Reporting and Data Standards Transformation Board



Transformation programme

Committee on data standards



Reporting transformation committee



Delivery teams, working groups, user groups



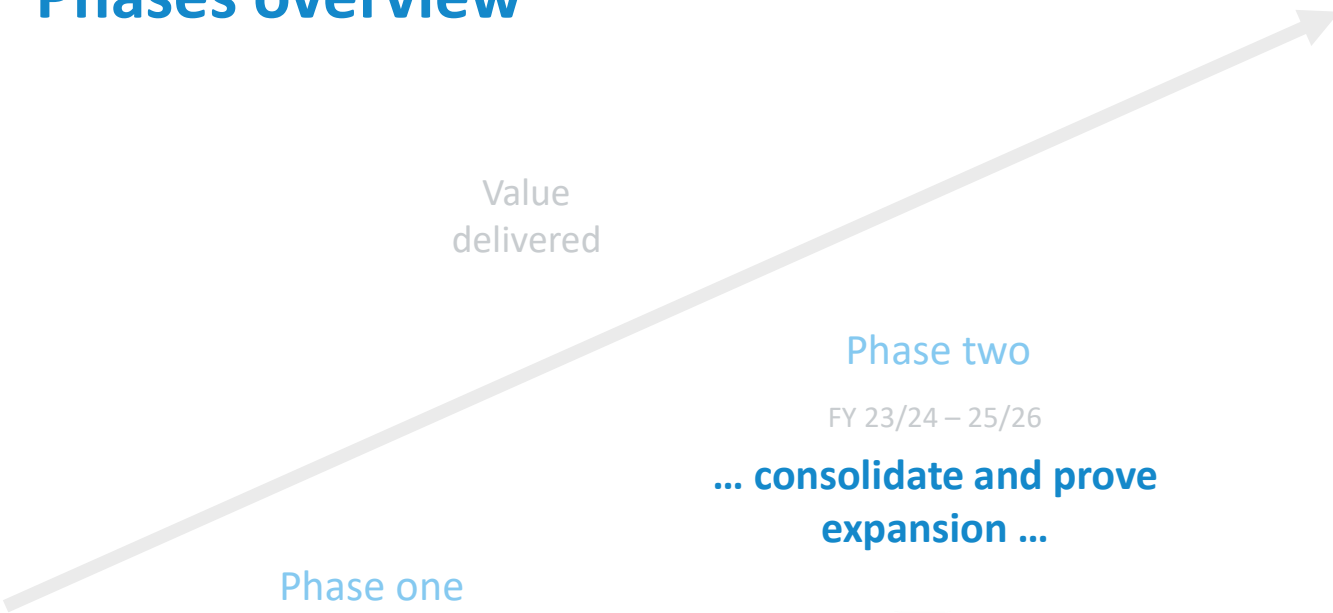
Bank internal initiatives



Other relevant initiatives



Phases overview



Value delivered

Phase one

FY 21/22 – 22/23

Design the future solution & deliver in limited scope...



Phase two

FY 23/24 – 25/26

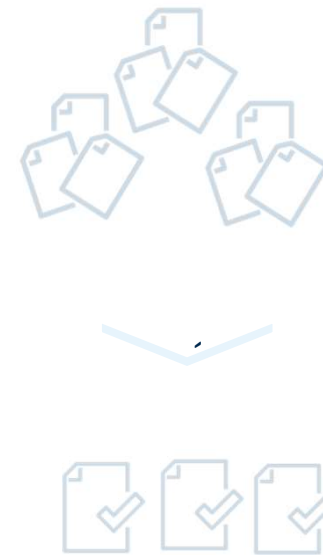
... consolidate and prove expansion ...



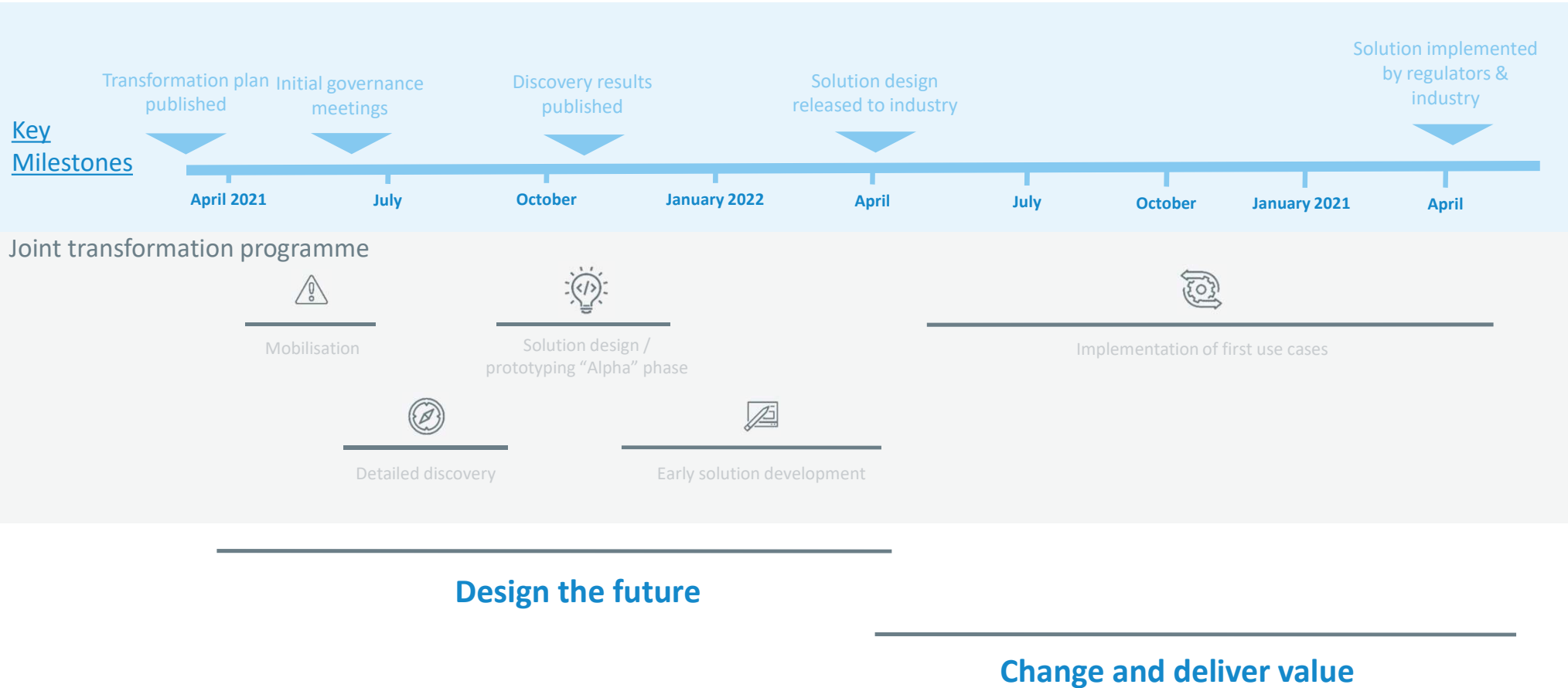
Phase three +

FY 25/26 +

... scale for value



2021-2023 Indicative Plan*



* Exact timelines may change depending on use case and feasible level of implementation



Planned phase 1 use cases

- Quarterly statistical derivatives return
 - including consideration of broader derivatives data requirements
- Commercial real estate lending data
 - including consideration of broader lending requirements
- Upgrade Liquidity Monitoring Metric Tool (start Q4 2021)
 - including consideration of broader liquidity requirements



Email us to get involved or get in touch

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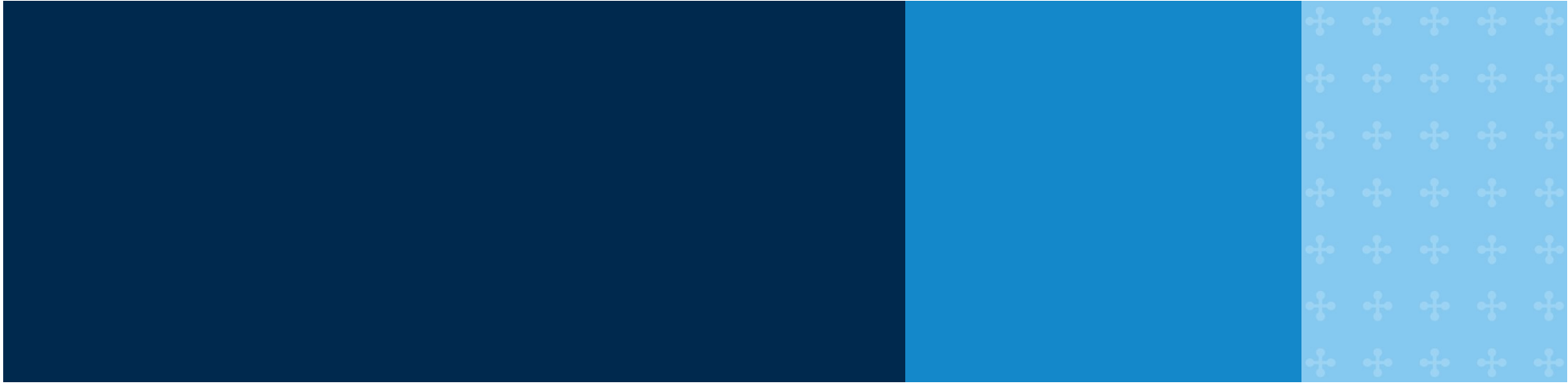
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Annex

Use case prioritisation criteria



WHAT MIGHT WE EXPECT TO DELIVER?



WHAT DO WE NEED TO DELIVER?



WHAT ARE WE WILLING TO GIVE TO DELIVER IT?



Value

What value might we expect this use case to deliver?



Transformation potential

Can this use case help the programme as a whole?



Feasibility

How easy is it to try new processes for this use case?



Resource requirements

How much resource do we need to deliver changes in the use case?



Risk appetite

What are the impacted area's appetite for change?



Resource availability

How much resource can impacted areas commit?



Draft phase 1 goals

DISCOVERY

ALPHA

BETA

LIVE

To move beyond our Digital Regulatory Reporting and Data Collection Review work by:

- Creating a **detailed shared* understanding of the problems** faced by all parties involved in the data collection process
- Creating a **tangible, shared* vision of the future of data collection**, including designing and evaluating, on a limited basis, a new end-to-end data collection solution
- **Delivering part of that future solution** for a small number of discrete use cases in a way that delivers value for those use cases
- **Learning about the operational impact**, including skills, operating model and legal/policy changes, required to deliver a future data collection solution
- **Building relationships with private and public initiatives** with relevance to the delivery of the key reforms
- Plan and prepare for phase 2 use cases

* Amongst parties involved in data collection from the UK financial sector to the UK financial authorities



Draft FY 21/22 goals

DISCOVERY

ALPHA

To set the foundation for programme delivery by:

- Establishing an **effective system of governance / management** of a joint private / public programme
- **Establishing design principles** for future solutions
- **For initial phase 1 use cases, defining in detail the problems** that our programme is looking to solve
- Considering **applicability of identified problems to future use cases**
- **Designing, testing and evaluating solutions** for phase 1 data collection use cases
- **Designing an end-to-end solution** for future data collection use cases
- Establishing an **effective system / model for communication** and engagement externally and within organisations
- **Identifying and engaging relevant initiatives and actors** to data collection transformation including international public sector actors

* Amongst parties involved in data collection from the UK financial sector to the UK financial authorities