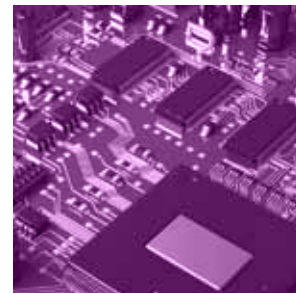
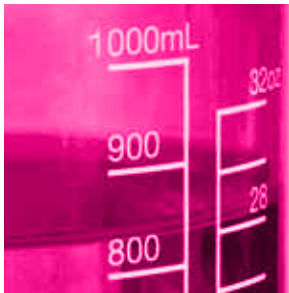


ANNUAL REPORT & ACCOUNTS 2008–2009



NWML (National Weights and Measures Laboratory) –
now known as the National Measurement Office with effect from April 1st 2009



NATIONAL WEIGHTS AND MEASURES LABORATORY

ANNUAL REPORT & ACCOUNTS 2008–2009

National Weights and Measures Laboratory

Presented to the House of Commons pursuant to section 7
of the Government Resources and Accounts Act 2000

Ordered by the House of Commons to be printed on 15 July 2009

NWML (National Weights and Measures Laboratory) –
now known as the National Measurement Office with effect from April 1st 2009



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Contents

Chapter 1	Introduction	5	
Chapter 2	Management Commentary	9	
Chapter 3	Remuneration Report	37	
Chapter 4	NWML Accounts 2008–2009	43	
Chapter 5	Contacts and Glossary	73	

The National Measurement Office's Mission

‘To provide a measurement infrastructure which supports innovation, facilitates fair competition, promotes international trade and protects consumers, health and the environment.’

Chapter 1

Introduction by the Chief Executive





2008–2009 was the last year of the Agency’s life under the title of ‘National Weights and Measures Laboratory’ and a very busy year it proved to be. We continued to increase our range of activities, ensuring that we deliver quality services to our expanding customer base. To reflect this, there have been significant developments in how we organise and manage the organisation.

In these difficult times we must make sure that we continue to provide excellent service to our customers and help them compete in what are very challenging conditions.

Commercially we have expanded further into the measurement instrument market through product and management systems certification, and have introduced a new volumetric calibration service.

There have been many highlights that we are proud of during the year such as:

- a validated saving of £129M to business through pre-packaging legislation,
- support for the GB Smart Metering Project,
- an excellent Customer Satisfaction rating, which registered 96.4% satisfied or above,
- being the first public body to send electronic data to the National Archives,
- winning the contract to enforce the new Battery Regulations,
- steering through Parliament a Legislative Reform Order which will provide a tangible economic benefit to petrol retailers.
- confirmation of our status as an Investor in People, demonstrating our management commitment and our determination to use our learning and development strategy to ensure all our people have the necessary skills for the future.

Further details of these can be found in the Management Commentary.

Looking forward, our principal challenge for the coming year will be to build on the significant expansion of our activities to bring together all of the previously existing functions of NWML with the work of the National Measurement System (NMS) Unit, formerly a unit within our parent Department. The Agency is now responsible for the whole of the national measurement infrastructure from scientific research to legal

metrology policy and regulation and, in some areas, the enforcement of environmental protection regulations based on measurement of different quantities.

Government investment in public goods, such as measurement infrastructure, can help UK businesses innovate and develop new products that can compete in global markets. It is for this reason that it is essential that we deliver the NMS Programmes effectively and efficiently, to produce demonstrable impact. Alongside these important challenges in scientific metrology, the two main themes of fair trading and better regulation will be directing the policy and regulatory work in our area. The Hampton Implementation Review has provided us with an opportunity to benchmark our approaches to both policy and our various specialist regulatory functions against other Government regulators.

I would like to acknowledge the valuable contribution made by our Steering Board members Noel Hunter (Chair), Roy Burrows, Peter Douglas and David Evans. The Board has been very useful in helping the Agency to evaluate its key responsibilities and its strategic forward look and by advising on new ways of working. One of the measures of a strong and established organisation is its ability to actively involve itself in productive change while continuously delivering effective policy and services to its stakeholders. We have made significant improvements to how we organise and manage ourselves and the Steering Board has helped strengthen the relationships and understanding with and between the Agency's directors.

I would like to pay a particular tribute to David Evans, who stood down from the Board on his retirement from the Civil Service on 31 March. David has been a great champion for what we have been trying to achieve within the Agency and his support and counsel has been invaluable. In David's place we are pleased to welcome to the Steering Board his successor at our parent Department, Philip Rycroft.

Finally, I would like to thank all staff for the continued hard work, dedication and professionalism they have shown. During 2008–09 we said good-bye to Iain MacGregor and Melanie Dixon and were saddened by the death of Clare Purdey. We were pleased to welcome Martin Gainey, Tan Wah Ip, Peter Jones, Shailaja Seneviratne, David Symons and Anita Tadd.

The year ahead presents the organisation with significant challenges resulting from the expansion to include the National Measurement System work, but I have every confidence that the newly expanded team we have here in Teddington will rise to that challenge.



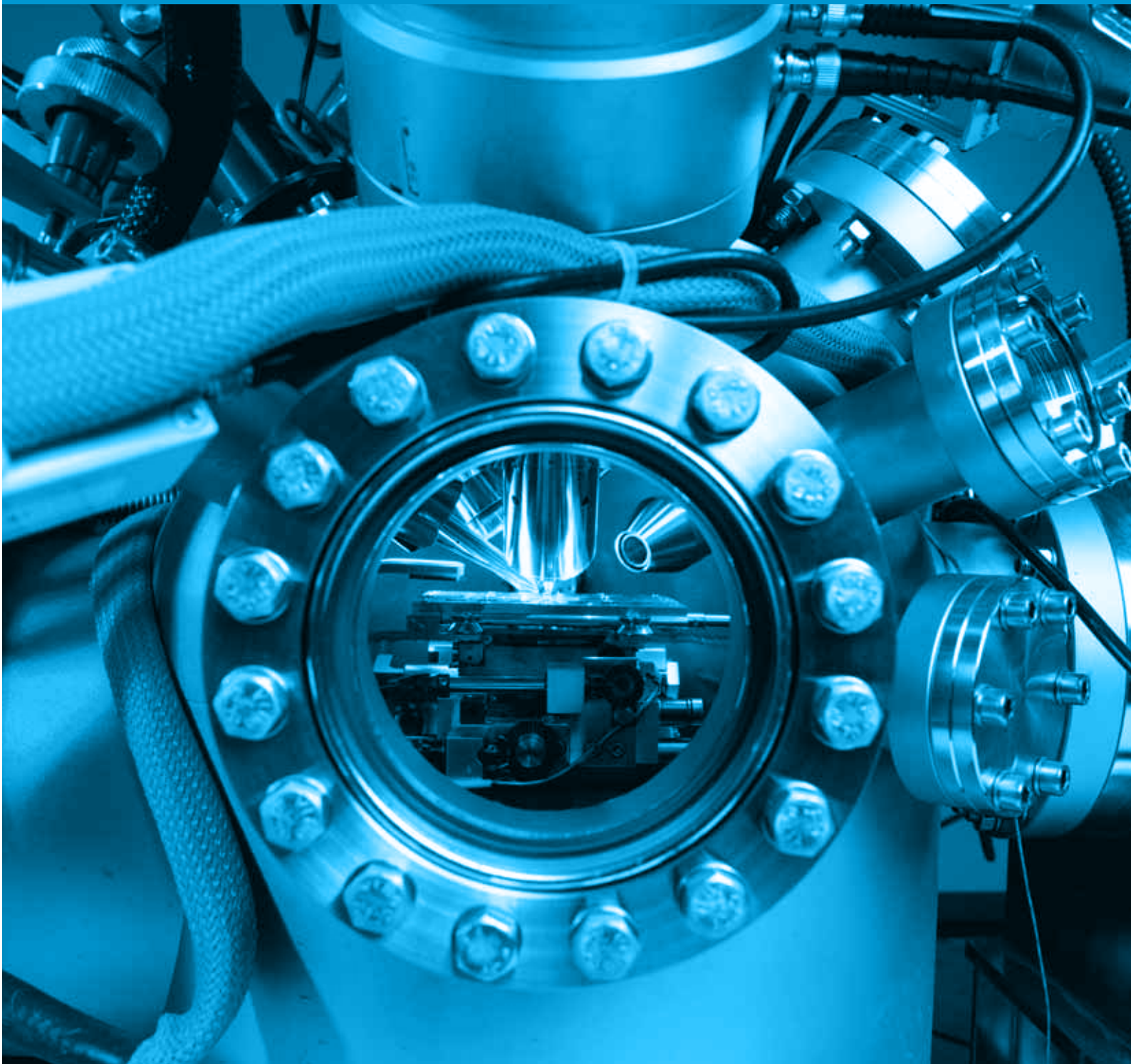
Peter Mason

29 June 2009

Chief Executive

Chapter 2

Management Commentary



History and Statutory Background

NWML became an Executive Agency of the Department of Trade and Industry in April 1989 and has been a net running cost Agency since April 1996. The majority of NWML's work arises from the Agency's statutory responsibilities and the Secretary of State is accountable to Parliament on all matters relating to NWML.

In January 2009 it was announced that the National Measurement System Unit, part of the Innovation Directorate in the Department of Innovation, Universities and Skills, should be transferred and integrated with the Agency with effect from 1 April 2009. On that date the National Weights and Measures Laboratory changed its name to the National Measurement Office reflecting this significant expansion of responsibilities. The Agency is now an Executive Agency of the Department for Business Innovation Skills (BIS) which was formed on 5 June 2009 from the previous Departments of DIUS and BERR. However, for the purposes of this report, which relates to the activities in 2008–2009, the organisation is referred to as NWML or the Agency.

10

Our Role

The main role of the Agency since it was established has been to ensure the legal system of weights and measures is fair, accurate and legal. The purpose of the legal metrology functions is to protect consumers and business alike when undertaking transactions based on a measure of quantity. The Agency is responsible for the administration of weights and measures legislation and the fulfillment of a number of statutory functions on behalf of the Secretary of State. It also has an international role, representing the UK in several international organisations and working to develop straightforward regulation. The significance of this work is considerable. Each week in the UK, more than £3.2bn¹ worth of retail goods are sold on the basis of the measurement of their quantity. A system of weights and measures which is accurate, reliable and fair is a fundamental part of an efficient trading economy. It enables consumers to be confident that they are getting what they pay for and for businesses to be confident that they are trading in a fair marketplace. Our services also allow businesses to validate new and innovative products to ensure they get to the international marketplace quickly.

We provide advice to Ministers on measurement issues, particularly in relation to the Weights and Measures Act, and we carry out the calibration of Trading Standards Departments' standards of mass, length and volume.

¹ Office for National Statistics Consumer Trends 2008 and Family Spending 2007

The Agency is one of the national measurement institutes belonging to UK's National Measurement System which delivers world class measurement science and technology. Since April 2007 the Agency has also had responsibility for sponsorship of the British Hallmarking Council and the legislation under which it operates.

Several services are provided to business and to local authority Trading Standards Departments on a commercial or statutory basis. These include measuring instrument type approval, quality management system certification and calibration services.

Since 2005 the Agency has carried out enforcement activities in respect of the restriction of the use of certain hazardous substances in electrical and electronic equipment (RoHS), under contract from what was the Sustainable Development Directorate of the Department of Trade and Industry and subsequently the Department for Business, Enterprise and Regulatory Reform (BERR). This arrangement was extended in January 2009 with the addition of a further contract to enforce the Batteries and Accumulators (Placing on the Market) Regulations 2008 (the 'Batteries Regulations').

The importance of a legal metrology infrastructure lies in its contribution to:

- supporting innovation,
- facilitating fair competition,
- promoting international trade, and
- protecting consumers, health and the environment.

NWML contributes primarily to two Public Sector Agreements:

- PSA 4: To promote world class science and innovation in the UK, and
- PSA 6: To deliver the conditions for business success in the UK.

Our Strategy

During the year the Steering Board and the Management Board worked together to develop a strategic vision for the organisation. This vision focused on growth, both in terms of size of operation and breadth of portfolio to ensure the stability and viability of the organisation in Teddington and also to reduce the overhead costs per employee. There was a recognition that being a small organisation has advantages in terms of speed of change and response, for example making changes to process and policy and responding to external events and opportunities. However, this advantage needs to be balanced against the downsides of being small which include the risk of loss of income from one or more income streams.

The approach agreed upon was to ensure that NWML was positioned to be ready to take advantage of opportunities to grow as and when they arose. We recognised that often opportunities would arise because another organisation would prefer to outsource particular activities that NWML would be well placed to deliver.

In January 2009 it was announced that DIUS intended to transfer the National Measurement System Unit to NWML. This unit, which was at the time part of the Innovation directorate of DIUS, is responsible for the National Measurement System and managing the Government funded scientific measurement activity for the UK. The integration of this unit into NWML provides a broader remit for the organisation, a much more comprehensive portfolio of activities and brings the UK into line with the common international position where scientific metrology and legal metrology are closely aligned or fully integrated.

Our Objectives

12

During 2008–2009 NWML organised its work around the following seven Objectives:

1. To ensure that Ministers can fulfil their statutory obligations under Weights & Measures and related legislation
2. To promote better regulation and enforcement in legal metrology, both in the UK and internationally
3. To provide world class statutory and commercial metrology services
4. To promote innovation in businesses with which NWML works
5. To satisfy BERR's requirements concerning the effective enforcement of RoHS
6. To ensure that meters used to measure gas and electricity conform to requirements
7. To provide internal services that deliver efficiency savings and meet the other needs of the Agency

These objectives have been redefined for 2009–2010 to reflect the extended nature of the Agency's remit.

Staff

NWML involves all members of staff in the delivery of the objectives set out in the Corporate Plan. The main channels of internal communication include feedback from the Management Board meetings, office circulars and all staff meetings. Staff are helped to realise their potential through training. NWML has been awarded Investors in People as recognition of its commitment to staff.

NWML is fully committed to providing equal opportunity for all staff. NWML follows the Civil Service guidelines ensuring that all eligible people must have equality of opportunity for employment and advancement on the basis of their suitability for the work. There is no discrimination on the basis of age, disability, gender, part-time workers, marital status, sexual orientation, race, colour, nationality, ethnic or national origin or religious belief. NWML's consultative mechanisms provide an opportunity for staff to have an input into issues that concern them, to offer a staff view on new initiatives, and to make suggestions for improvements where appropriate.

NWML ensures that recruitment is carried out on the basis of fair and open competition and that selection is on merit in accordance with the Office of the Civil Service Commissioners (OCSC) Recruitment Code. Recruitment systems are subject to regular internal and external audits.

There were four successful external recruitment exercises during 2008–2009:

- 1 Female Part time
- 3 Male Full time

There were no exceptions to the Civil Service Commissioners' rules.

Days Lost Due to Absence

NWML encourages a culture where good attendance is expected and valued. However, it recognises that from time to time absences for medical reasons may be unavoidable. NWML aims to treat its staff who are ill with sympathy and fairness and where possible to provide them with support which will enable them to recover their health and attend work regularly.

In 2008–09, the average number of working days lost was 5.2 days per annum per employee. This compares favourably to the public sector's average of 9 days per annum per employee.

Management Board

During 2008–09 the Management Board consisted of the Chief Executive and three senior managers within NWML. The role of the Management Board is to provide collective leadership for the organisation including: advising the Chief Executive on strategic direction and business development, monitoring progress against financial, efficiency and service delivery targets, monitoring delivery of the NMS Legal Metrology Programme and the Programmes for Ofgem and BERR under their respective MoUs, and overseeing Risk Management. Travel and subsistence expenses incurred by the Management Board during 2008–09 totalled £17k.

The Management Board personnel, at 2008–09, are as follows:



Peter Mason
Chief Executive



Sarah Glasspool
Director, Finance



Adrian Rudd
Director, Services



Richard Sanders
Director, Regulation

Steering Board

The Board's key responsibilities are to consider the Agency's strategic forward look, its strategic priorities, its high level objectives and its targets as well as new ways of working. During 2008–2009 the Steering Board comprised the following personnel:

Steering Board Chair	Steering Board Members			
<p>Noel Hunter Independent Member</p>	<p>Roy Burrows Independent Member</p>	<p>Peter Douglas Independent Member</p>	<p>David Evans Director of Innovation, DIUS</p>	<p>Peter Mason Chief Executive, NWML</p>

Audit Committee

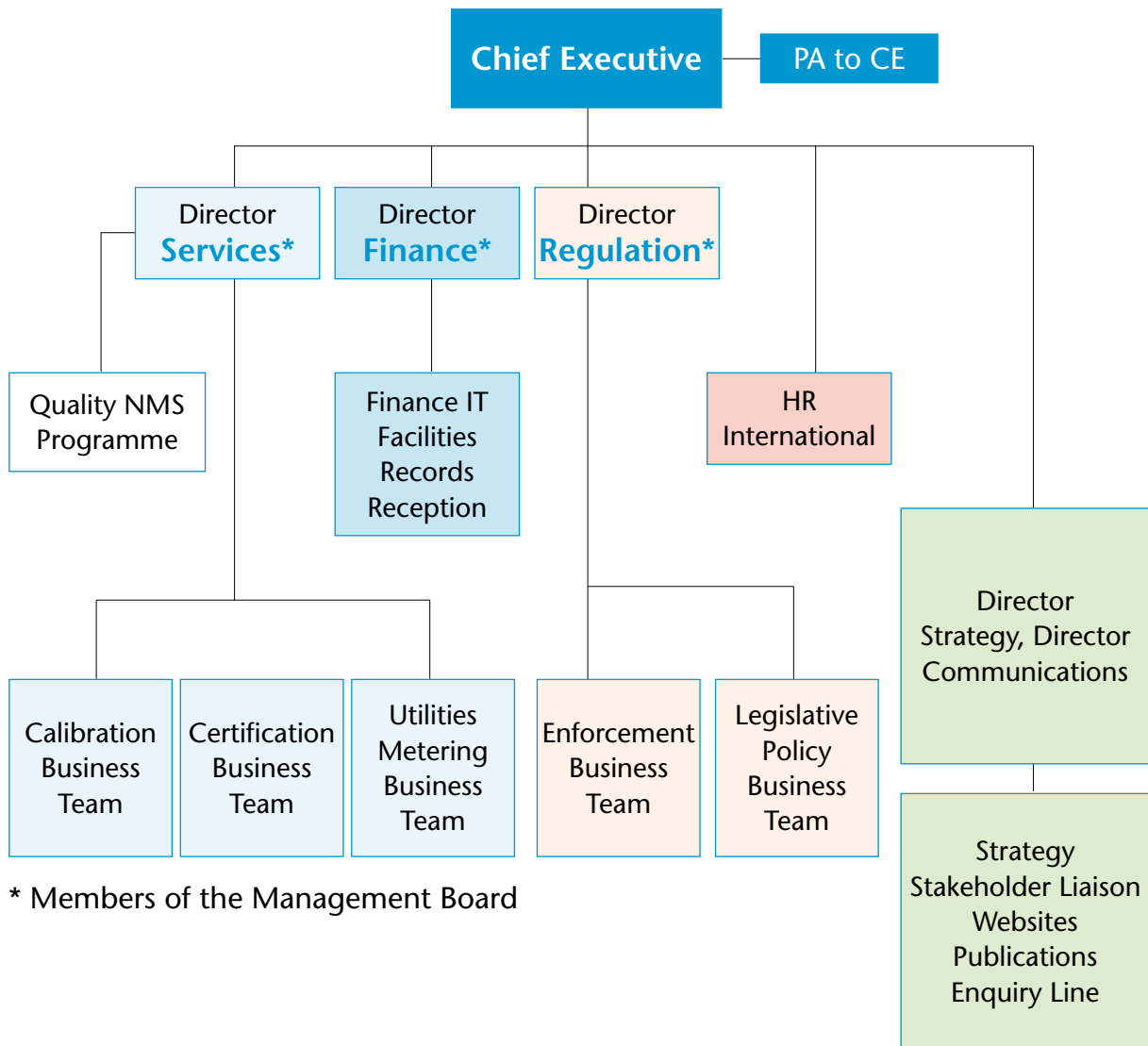
The Audit Committee is an advisory body to the NWML Steering Board with no executive powers. Its main functions are to ensure propriety and accountability of public funds through improving and promoting financial reporting and discipline. Meetings are generally held three times a year.

During 2008–2009 the Audit Committee comprised the following personnel:

Peter Douglas
Chair

Roy Burrows
Member

Organisation Structure*



Operations and Customers

NWML prides itself on being a world leading Weights and Measures organisation. In particular its Calibration and Certification Services continue to deliver improvements to service levels to an increasing portfolio of customers.

NWML offers a broad range of services including: weights and measures regulatory advice, international policy-making, measuring instrument product/management system certification, calibration, designation and monitoring of Approved Verifiers and Notified bodies, enforcement functions, (including for RoHS and Batteries) and responsibilities relating to gas and electricity meters.

Throughout the world NWML has built up a strong reputation as a provider of metrology training and consultancy advice. The main body of work is for two government bodies, its parent, the Department of Business, Innovation and Skills (formerly DIUS and BERR) and Ofgem.

16

Highlights of the Year

Net Savings of £129 million to Business

DIUS was put in fourth place in the Government's 'Top Ten Simplification Measures 2008' largely as a result of the estimated annual net saving of £129 million to businesses through greater freedom over pre-packaging legislation.

Source: Making it Simple, Annual Review 2008 by The Better Regulation Executive.

NWML Work to Bring Innovation into People's Homes

The NWML metering team successfully supported the Smart Metering Project led by DECC. Ministers used the Energy Bill to provide the first steps towards whole scale roll-out of 50 million smart meters – placing NWML at the centre of a project that should bring innovation to every home in Great Britain.

Excellent Customer Satisfaction Rating for NWML

NWML achieved a joint third out of sixty-seven Government Departments and Agencies in a benchmarking exercise undertaken as part of the ORC public sector data exchange exercise. When compared overall, NWML's customer satisfaction on

the benchmark list came in at joint third place with a score of 95%, compared with the overall Government benchmark of 88%.

NWML First to Send Electronic Data to National Archive Office

NWML participated in the Seamless Flow trial where digital records were transferred to the National Archives electronically. As a result the Agency was the first public body in the UK to send electronic data to the National Archives on 29 April 2008. These and other documents will be available to the public on the on-line National Archive catalogue.

NWML Win the Contract to Enforce the Battery Regulations

NWML successfully tendered and were awarded the responsibility for the enforcement of the Batteries and Accumulators (Placing on the Market) Regulations 2008 by the Department for Business, Enterprise and Regulatory Reform, which means the Agency will be in a position to deliver a wider scope of environmental protection in the UK and throughout Europe by associating this widened enforcement remit with its already established RoHS Enforcement delivery.

NWML Provide Savings for 7,500 SME Petrol Retailers

NWML successfully steered through Parliament a Legislative Reform Order amending the Weights and Measures Act to provide a small but welcome economic benefit to petrol retailers (of which 7,500 are SMEs). It is estimated that the changes will cut their costs by £615,000 per annum.

NMS Legal Metrology Programme

NWML is one of the measurement institutes belonging to the National Measurement System and 2008–09 was the first year of the current three year Programme of work to provide legal metrology advice and services.

The Programme is divided into three themes with a range of projects and associated deliverables under each theme. The themes are Statutory Policy, Statutory Infrastructure, and Communications.

With the exception of one project, NWML completed the programme in full for 2008–2009, earning £2.8 million.

The one outstanding project (the signing of a Memorandum of Understanding with China's AQSIQ), has now been completed.

Certification Services

Certification Services is split into two main areas:

1. Product Certification (Type Approval, Unit Verification and Design Examination)
2. Quality Management System (QMS) Certification

It is also responsible for managing NWML's participation in the NMS Measurement for Innovators scheme.

Product Certification

The Product Certification team is responsible for the type approval of weighing and measuring instruments that are used for trade and other legally controlled applications.

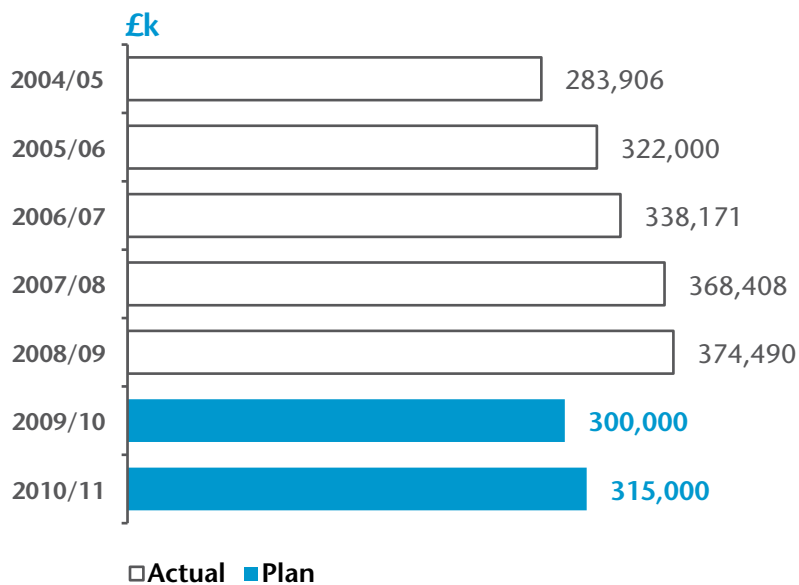
The team acts on behalf of the Secretary of State for the approval of instruments under UK National Legislation. The team is also designated as a Notified Body under the Non-automatic Weighing Instruments and Measuring Instruments Directives. It performs conformity assessment activities under these Directives and issues EC Type Examination, Unit Verification and Design Examination Certificates to manufacturers, which are valid throughout the EC. The team is also the UK Issuing Authority for OIML Certificates which enables manufacturers to gain approval for their instruments outside of Europe. In support of this, NWML is now an Issuing Participant under the OIML Mutual Acceptance Arrangement for Load Cells (R60) and Non-automatic Weighing Instruments (R76) to join arrangements already in place for Water Meters (OIML R49).

There has been a very high level of demand for NWML's Product Certification Services during the year. This demand has been driven by manufacturers seeking to gain approval under the two European Directives, gaining new customers from overseas markets where efforts to develop business are showing success.

Business development has continued with North America and China.

Our staff have been active in providing services in many parts of the world this year and this effort will ensure a sustainable future for service provision to help business fight the recession and respond to the opportunities of a future upturn.

Type Approval Testing and Pre-assessment Income for Last Five Years and Planned Income to 2010–2011



Income for Product Certification in 2008–09 was good, slightly more than the previous year in spite of the economic downturn. NWML saw increased business from manufacturers for new Measuring Instruments Directive approvals, conversion of approvals from national to the Measuring Instruments Directive and, in particular, demand from overseas manufacturers for Non-automatic Weighing Instrument (NAWI) certification.

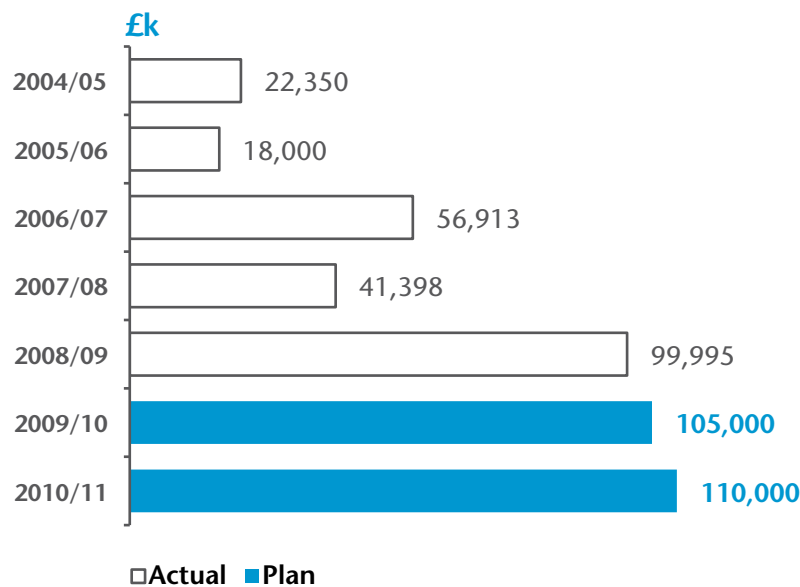
Quality Management System (QMS) Certification

This service provides companies with a route to place their instruments on the UK and European markets. NWML provides:

- ISO 9001 certification,
- audit under Section 11A of the Weights and Measures Act 1985,
- 'self-verification' under European Directives,
- other technical auditing.

The income figure for 2008–2009 rose to £99,995 compared with the 2007–2008 income of £41,398. This demonstrates success in winning new customers due to our approach and marketing activities. It is anticipated that the number of companies will continue to grow, especially as our business development activities start to take effect. This growth is reflected in the forecast income.

ACB (Accredited Certification Body) Service Income for Last Five Years and Planned Income to 2010–2011



20

Measurement for Innovators

The Measurement for Innovators programme is designed to promote innovation by linking industry with the world class expertise and facilities contained within the UK's National Measurement Institutes.

We have focused our efforts towards helping SMEs to develop new products.

Calibration

NWML supports industry and trade by providing an accurate calibration service to UK business and to local authority trading standards departments. This is an important service to business, especially to the pharmaceutical industry where people's health and life depends on the very accurate measurement methods used. Other customers include tape measure manufacturers and customers from the petrochemical industry, where NWML is responsible for calibrating dip tapes used to measure oil levels in large oil refinery tanks.

The Calibration team at NWML provide the following services:

- statutory services under the Weights & Measures and Coinage Acts,
- technical support infrastructure for trade, covering mass, length and volume measurements,

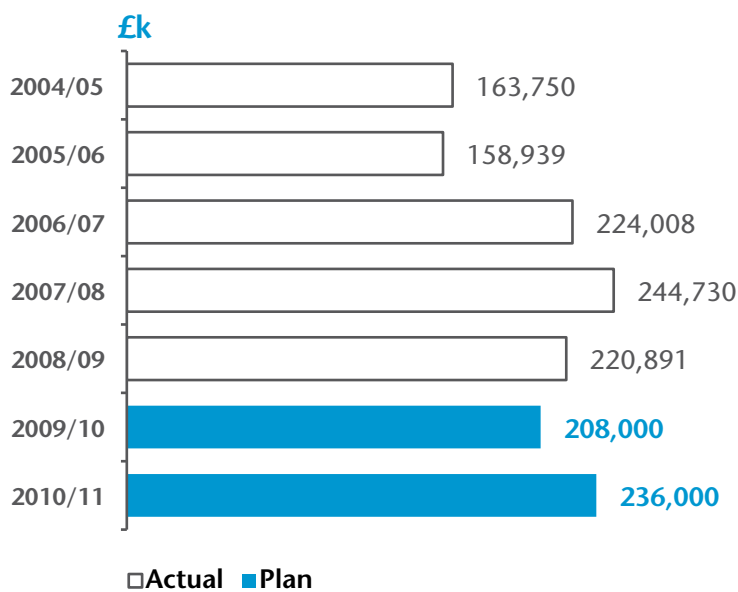
- legally traceable calibration certificates for Local Authorities,
- testing and calibration services to other government bodies and commercial organisations,
- independently accredited calibration and test certificates traceable to national standards.
- volume Calibration Service.

We are issuing approximately 470 certificates each year. We have performed work for large pharmaceutical and manufacturing organisations and more recently the Police forensic service and hospitals.

Recent additions and upgrades to our equipment and facilities have allowed the level of service to our commercial customers to be extended. We can offer our mass clients measurements significantly better than OIML Class E1 uncertainty and provide our length customers with a facility unique in the UK.

NWML has retained a contract with Camelot for the testing of national lottery balls and machines. Income was satisfactory in view of the economic downturn, only slightly less than 2007–08.

Calibration Income for Last Five Years and Planned Income to 2010–2011



International Activities

NWML acts within the EU and international forums to promote the UK national interest on metrological standards. The Agency works to provide a level playing field that allows businesses to reduce costs and compete in global markets by reducing technical barriers to trade.

To this end NWML is an actively participating member of OIML (the International Organisation of Legal Metrology) and WELMEC (the organisation for European co-operation in legal metrology). OIML works to achieve international harmonisation for legal metrology by promoting the use of international recommendations, standards infrastructure and mutual acceptance agreements. The principal aim of WELMEC is to establish a harmonised and consistent approach to European legal metrology. Currently 37 countries are represented on the WELMEC Committee.

The UK holds the Secretariat of four OIML Technical Committees and contributes to the work of thirty six others. This year NWML has produced the final draft of the rail weighbridge Recommendation and is revising the beltweigher Recommendation.

In addition we have produced three MID (Measuring Instruments Directive) Comparison tables to allow Recommendations (R21, R51 and R107) to be used as normative documents which are prerequisites for new international Standards. NWML attended the annual meeting of the OIML Committee Members held in 2008 in Sydney. This was an important meeting for NWML, as it represented the culmination of several years' technical work on three OIML Recommendations that were approved at that meeting.

NWML's recent work within WELMEC has included the provision of technical specialists who participated in each of the eight WELMEC Working Groups.

Training and Consultancy

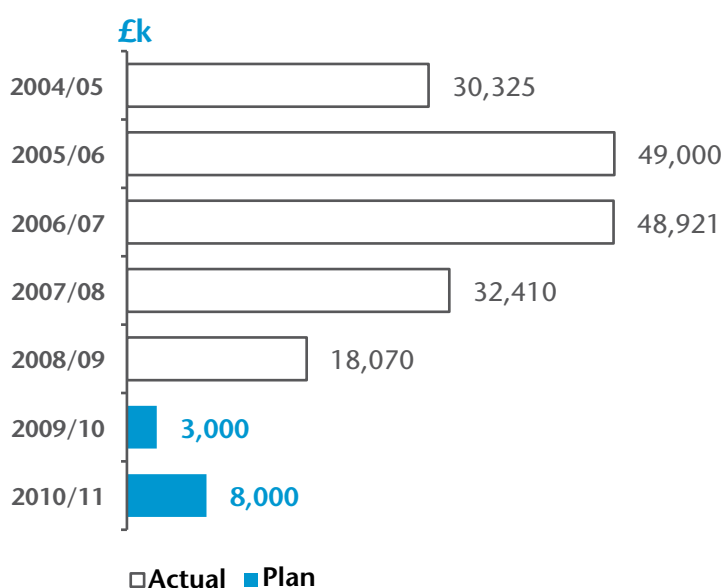
International Consultancy

NWML has been developing a close relationship with China over the last few years and has provided two extended knowledge exchange programmes to senior metrologists from AQSIQ. In 2008 NWML hosted visiting delegations from Vietnam, Brazil, China, Japan, USA and Saudi Arabia. In addition, NWML receives regular requests for advice from overseas countries and provides tailored consultancy packages, mostly to European accession countries or developing countries.

Skills and Knowledge – Metrology Training

For the first half of 2008–2009 NWML delivered training courses to Trading Standards Officers and others. The courses were mainly provided by external lecturers drawn from key partner organisations. During the second half of the year NWML conducted a review of the delivery and desired outcomes of our training programme. During 2008–09 NWML conducted a review of our training provision. The work of 2009–10 will focus on assessing market opportunities for this aspect of our work and for this reason income projection for 2009–10 and 2010–11 is lower than it has been.

Training Income for Last Five Years and Planned Income to 2010–2011



Utilities

Accuracy of Gas and Electricity Meters

NWML has responsibility for the measurement accuracy of gas and electricity meters. With this responsibility comes the assurance that the UK's metering policies and practices are aligned with the European Union Measuring Instruments Directive, which aims to create a single market for measuring instruments across Europe.

Up to 31 March 2009 the statutory responsibility for these functions lay with Ofgem. A Memorandum of Understanding (MoU) set out the arrangements for NWML to undertake the administrative duties, covering the period 1 April 2006 to 31 March 2009.

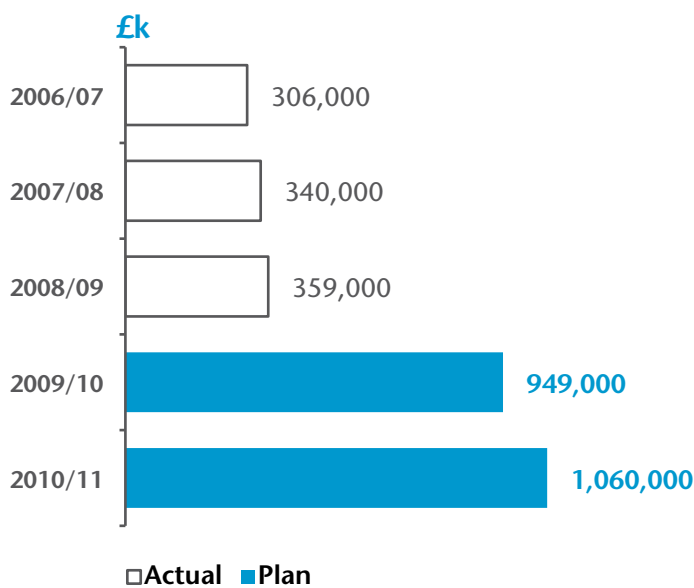
The new Energy Act provided the vehicle to change primary legislation to effect a formal transfer of the statutory responsibilities to NWML. This was the highest priority work for the Utilities Business Team which resulted in a successful transfer taking place on 1 April 2009.

A service provider supplies the testing facilities for gas and electricity meters under an outsourcing agreement let under competitive terms in 2002. In parallel with the

transfer of statutory responsibilities, NWML, Ofgem and the service providers have agreed the changes necessary to transfer the outsourcing contract and the future funding for this work.

Income for the Utilities Business Team is due to increase from 2009–2010 onwards. This reflects the formal transfer of the statutory responsibilities, at which point NWML will become responsible for the outsourcing agreement and the costs of the operational services that support the statutory responsibilities. Up to March 2009 those costs were borne directly by Ofgem but following formal transfer these funds will be directed through NWML's own financial management systems.

Ofgem Income for Last Three Years and Planned Income to 2010–2011



Enforcement

NWML's Enforcement Team works in partnership with local Trading Standards departments as well as with the organisations that support the wider enforcement role. These include notified bodies conducting conformity assessment activities and approved verifiers who ensure weighing and measuring equipment is accurate before being put on the market.

The team is responsible for all the market surveillance activities undertaken in the UK in accordance with the Non-automatic Weighing Instruments Directive and the Measuring Instruments Directive. In this area of work, the NWML's Enforcement Team assesses the way in which companies place products on the European market and ensure that the products conform to all the legal requirements. The team takes action to address any non-conformity and is responsible should any product recalls be necessary. The team co-ordinates at the European level with other Member States' market surveillance authorities.

Designation and Monitoring of Approved Verifiers

The Enforcement Team have worked closely with Local Government representatives throughout the year attending and presenting at a wide variety of events and regional forums. This included participation in the initial stages of the LACORS medical weighing project which addresses at a national level the issue of accurate weighing of patients for medical assessment and treatment.

Other activities included a national legal metrology seminar, various co-ordination meetings for national certification bodies and the continuing assessment of the competence of students wishing to become inspectors of weights and measures and work for Local Weights and Measures Authorities.

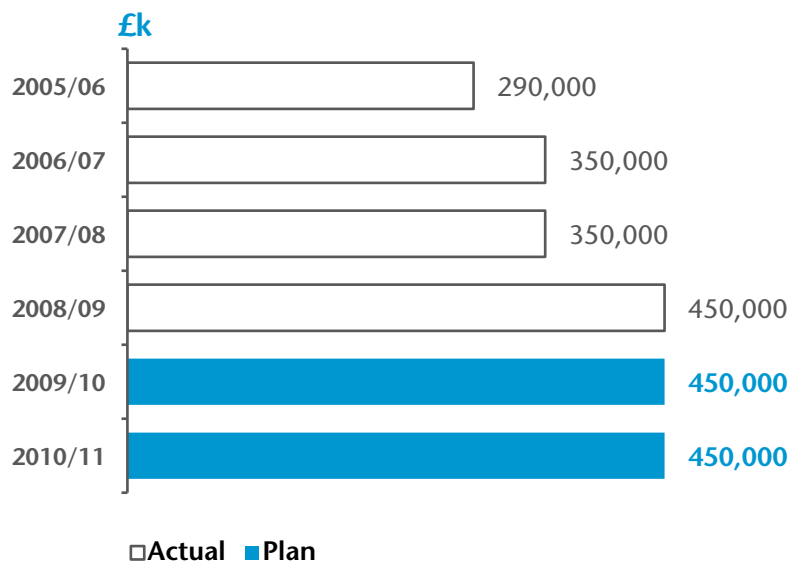
The team is responsible for the assessment, appointment and ongoing supervision of companies that self verify instruments that the companies have manufactured, installed or repaired. This allows manufacturers, installers and repairers of weighing and measuring equipment to apply to the Secretary of State for approval to conduct their own verification of weighing and measuring equipment under Section 11A of the Weights and Measures Act 1985. This has been delivered as an ongoing programme of company assessments.

RoHS

RoHS stands for 'the restriction of the use of certain hazardous substances in electrical and electronic equipment'. The EU Directive 2002/95/EEC restricts the use of lead, cadmium, mercury, hexavalent chromium, polybrominated biphenyl (PBB) and polybrominated diphenyl ether (PBDE) flame retardants in new electrical and electronic equipment, for the purpose of reducing the amount of harmful waste in electrical and electronic equipment destined for landfill. In the UK the RoHS Directive is implemented through the RoHS Regulations (Statutory Instrument SI2008 No. 37). NWML has delivered RoHS enforcement since the UK Regulations were fully implemented on 1 July 2006.

Over the last year the team have further developed their approach of working with industry to meet the objectives of the Directive while delivering an effective enforcement regime. The team continued to raise awareness through a programme of providing speakers at conferences, engaging directly with the press, supporting trade associations and providing resources to exhibitions. In addition to presentations delivered in the UK, the team also presented in China, the USA, Europe and Thailand.

RoHS Income for Last Four Years and Planned Income to 2010–2011



26

Batteries

Working in partnership with the policy lead at our parent Department, NWML is the UK Enforcement Authority for the Batteries and Accumulators (Placing on the Market) Regulations 2008 (the 'Batteries Regulations'). These Regulations implement the placing on the market obligations of the EU Directive 2006/66/EEC which:

- bans the placing on the EU market of new batteries containing more than agreed levels of cadmium and mercury,
- controls the marking of batteries, and
- sets design requirements on producers of electrical and electronic equipment that contain batteries.

Part of our role is to help producers of batteries and electrical and electronic equipment to understand the requirements of the Batteries Regulations so they can ensure that their products comply.

Better Regulation

Within NWML, the Legislative Policy Team is responsible for national policy for the whole of the Weights and Measures Act 1985 and on EU legislation covering transactions in goods and weighing and measuring instruments. Legislation is provided to protect the consumer (including small businesses) and to promote competitiveness in the marketplace. The team is also responsible for hallmarking policy and the Hallmarking Act 1973.

Packaged Goods, Quantity, and Units of Measurement Legislation

With effect from April 2007, NWML has had responsibility for all aspects of weights and measures regulation including units of measure, Part IV of the Weights and Measures Act 1985 (loose goods) and the Weights and Measures (Packaged Goods) Regulations 2006. This means that NWML is now the national centre of expertise for all weights and measures issues. NWML has continued to provide advice and guidance to Trading Standards and business on compliance with the Packaged Goods Regulations, including the publication, in August 2007, of revised guidance and best practice which took into account the feedback we sought and received from business and others on the operation of the new Regulations since they came into force in April 2006.

NWML has represented the UK in a series of negotiations with other Member States and the European Commission on proposals to update the Units of Measurement Directive. We ensured that the revised Directive continues to reflect the UK's needs.

NWML also has policy responsibility for quantity labelling, including of foodstuffs. In January 2008 the European Commission published its proposals for a new Regulation on Food Labelling to replace Directive 2000/13/ EC. We have been working closely with the Food Standards Agency on a UK response to the European Commission's proposals to ensure that any new Regulation takes account of the interests of UK business and consumers.

Specified Quantities

Under weights and measures law, certain pre-packaged goods have previously had to be sold only in standard pack sizes. These have included staple foodstuffs such as bread, milk, breakfast cereals, tea, coffee and alcohol. During the period 2008–09 NWML issued a consultation on the implementation of Directive 2007/45 which, following its implementation into UK law in April 2009, removes restrictions on the pre-pack sizes on all foodstuffs, except for wines and spirits. In total 127 responses were received. NWML published part 1 of the Government response to the consultation, a Guidance for Business on Specified Quantities for Pre-packages and a press statement. The regulations covering pre-packaged specified quantities came into force on 11 April 2009 – and Part 2 of the Government response will follow later this year.

Spirit Measuring

In March 2009, NWML issued a consultation on proposals to change the Measuring Instruments (Intoxicating Liquor) Regulations to allow statistical sampling in the testing of fixed capacity spirit measuring instruments.

British Hallmarking Council

NWML took over sponsorship of the British Hallmarking Council (BHC) in April 2007. Hallmarking is a method of safeguarding consumers which involves testing articles made of precious metal and marking them to indicate that they are of a minimum standard of purity. The year proved to be a very busy one in respect of Hallmarking.

NWML delivered the policy responsibility in relation to the normal issues of Government representation at the BHC and International Hallmarking Convention meetings. In addition, we have dealt with issues of legislative change as a consequence of EU legislation, in particular that of the transposition of the Services Directive and the drafting of the Mutual Recognition Regulation. After much effort a satisfactory outcome was achieved. On the international front the UK has produced a position paper on off-shore and off-site marking, both in relation to Convention and non-Convention countries.

Hallmarking

The consultation to apply the Hallmarking Act to palladium closed on 31 December 2008. All respondents agreed that palladium should be prescribed. Work will continue during 2009–10 with the aim of making the necessary amendments to the Act.

Personal Data Related Incidents

NWML had no protected personal data related incidents during 2008–2009 and none during the previous three years. Planned steps for the coming year include, primarily, guidance for all staff on IT assets and further training for relevant staff. NWML will continue to monitor and assess its information risks in order to identify and address any weaknesses and ensure continuous improvement of its systems.

Communications

During the year the communications team adopted a new way of working based on an account management approach. Each member of the team has an internal team, or 'account', that they manage. A major project during this financial year was the development of the website and intranet. The style, navigation and content of the website was refreshed and the intranet was improved in terms of navigation and content. The work of the team included supporting the enforcement team at two conferences; the Trading Standards Institute conference and the Metrology Seminar in November. On the regulatory side the support has been focussed on publishing guidance and issuing consultation documents. For the Services Directorate, the communications team developed new publicity leaflets, managed events and helped with international visits and business development.

Sustainability Commitment

Sustainability is steadily becoming embedded in the philosophy and culture of NWML. A Sustainability Working Group manages the Agency's Sustainable Development Action Plan, with measures identified for the coming year.

A Travel Plan has been drafted and will be implemented in the coming year.

This Travel Plan will aim to provide an overview of the current situation regarding transport arrangements at NWML. It will set out measures which the Agency will introduce in order to meet the Travel Plan objectives and will be reviewed on an annual basis.

Financial Report

NWML showed a £56k surplus for the year 2008–2009; income of £4,477k and costs of £4,421k.

Much of NWML's income was from the contract with former DIUS which represented 63% of total income – a reduction on 69% of income in 2007–2008. This reduction was due to the increase in demand for the other services that we provide such as Type Approvals and ACB Certification. NWML was also successful in obtaining the Batteries enforcement contract from former BERR which commenced in 2008–2009.

Expenditure was increased from 2007–2008, although there was a reduction in staff costs. Key areas of expenditure during the year was on a newly developed website and intranet to aid communication, research on the economics of weights and measures, replacement office chairs and refurbishment of the conference room.

Efficiency savings during the year included streamlining of our Quality Management System, provision for on-line application forms for product certification and QMS and improving financial reporting. In addition the office space has been rearranged to accommodate additional staff joining NWML from April 2009 and also improve communication for existing staff.

Capital spend during the year included investment in replacement computers and upgraded software. Equipment was purchased to widen the scope of Certification Services and a management and workflow database for RoHS enforcement was introduced.

In addition there was investment in the building initiated by NWML including a new flood detection system to protect valuable laboratory equipment and also replacement lighting with more efficient system.

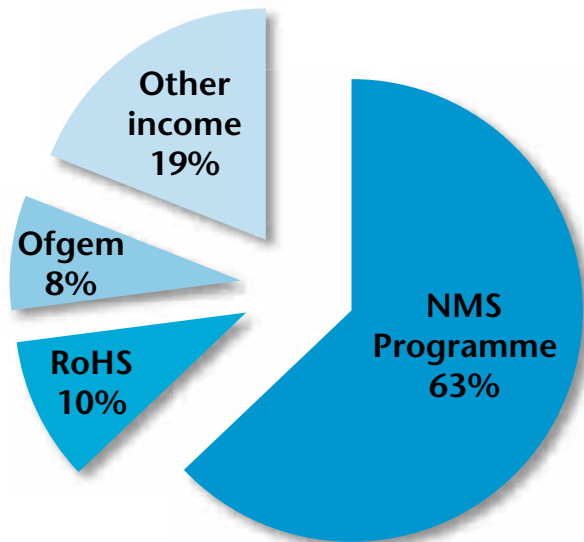
As a net running cost Agency NWML is expected to break even; i.e. our income should cover our total costs. The accounting policies are set out in this Annual Report and Accounts. Fees are set in accordance with *Managing Public Money* published by HM Treasury.

The current Corporate Plan indicates a modest surplus in each of the next two years.

Income

Total income was £4.5 million, of which 63% was from former DIUS in the form of the NMS Legal Metrology Programme.

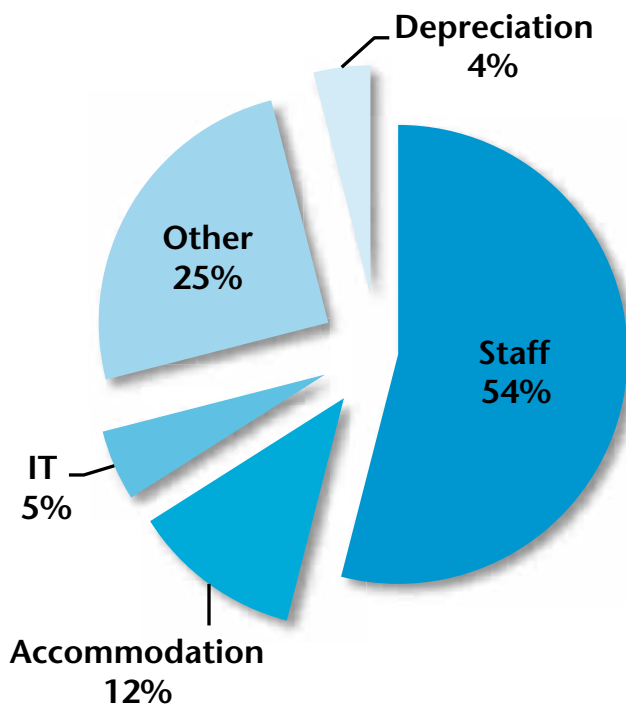
Share of Income 2008–2009



Costs

Costs (a total of £4.4 million) were well controlled during the year and the major expenditure headings were:

Share of Costs 2008–2009



Basis of Accounts and Audit

Arrangements

The accounts cover the activities of the National Weights and Measures Laboratory for the year ended 31 March 2009. They have been prepared in accordance with the direction given by the Treasury in pursuance of Section 7 of the Government Resources and Accounts Act 2000. They have been audited by the Comptroller and Auditor General.

Auditors

The Comptroller and Auditor General has been appointed under statute to perform the statutory audit and report to Parliament.

A notional charge of £27,200 has been made in the 2008–2009 accounts in respect of this. This includes £4,200 for auditing the transition to International Financial Reporting Standards (IFRS). In addition audits were made during 2008–2009 by BERR Internal Audit. A charge to cover all internal audit services of £12,975 was made and is included in the Income & Expenditure Account.

Disclosure of Relevant Audit Information

There is no relevant audit information of which NWML's auditors are unaware and we have taken all the steps that we ought to have taken to make ourselves aware of any relevant audit information and to establish that NWML's auditors are aware of that information.

Pension Liabilities

The provisions of the Principal Civil Service Pension Scheme (PCSPS) cover present and past employees. The costs of contributions for currently employed staff are charged through the Income and Expenditure Account. There is no liability for future benefits – this is a charge to the PCSPS.

Creditors Payment, Policy and Performance

NWML settles its own accounts with payments made every two weeks: 99% of invoices were paid within thirty days of receipt of invoice. In 2007–2008, 97% of invoices were paid within thirty days of receipt of invoice. Invoices were settled within an average of seven days. In 2007–2008, invoices were settled within an average of nine days.

In November 1998, the Late Payment of Commercial Debts (Interest) Act came into force, providing small businesses with a statutory right to claim interest from large businesses (and all public sector bodies) on payments that are more than thirty days overdue. Amended legislation (the Late Payment of Commercial Debts Regulations 2002) came into force on 7 August 2002 providing all businesses, irrespective of size, with the right to claim statutory interest for the late payment of commercial debts. No interest has been paid to trade creditors under this Act during 2008–2009.

Ministerial Targets

Each year NWML agrees its key public targets with Ministers following discussion and agreement of its Corporate Plan. The targets cover finance, customer satisfaction and delivery issues and reflect the Laboratory's overall strategic priorities.

NWML has a collective bonus scheme for performance-related payments to staff. The achievement of the primary financial target triggers this bonus and the other Ministerial targets form the basis for evaluating the level of the performance bonus awarded.

Targets and Out-turns 2008–2009

Financial Target

To report a break even balance, after providing for the Agency bonus scheme, in the Income and Expenditure Account.

The target was achieved.

A surplus of £56k was reported.

Customer Satisfaction Target

To satisfy all its customers as demonstrated by at least 90% of them reporting that they are satisfied with NWML's provision of services.

The target was achieved.

96.4% of customers reported that they were satisfied or above.

Delivery Targets

To complete applications for certification in accordance with agreed customer requirements.

This target was achieved.

98.5% completed within requirements.

To complete calibration jobs within the time requested by customers, with at least 95% of all jobs (including preparation of certificates) completed within fifteen working days of acceptance of the work and an average completion time of less than ten working days.

This target was achieved.

99% completed within fifteen working days with an average time of four days.

In respect of approved verification to complete the evaluation of the application and supporting quality documentation within thirty working days of receipt for at least 80% of applications.

This target was achieved.

100% completed within thirty working days.

To complete 90% of the scheduled milestones for the year 2008–2009 of the National Measurement System (NMS) Legal Metrology Programme by the due dates.

This target was achieved.

99.6% of milestones completed by due dates.

To complete 90% of the scheduled milestones for the year 2008–2009 of the Ofgem Programme by the due dates.

This target was achieved.

97% of milestones completed by due dates.

To meet RoHS Regulations enforcement contract delivery targets by dates specified in the Memorandum of Understanding with BERR.

This target was achieved.

All targets were met by their due dates

To meet all administrative, financial and operational obligations under the Measurement for Innovators programme.

This target was achieved.

The Chief Executive to reply within ten working days to all letters from Members of Parliament delegated to him to reply.

This target was achieved.

No letters covered by this target were received.

Efficiency Target

Reduce overhead activity by 3% as measured by hours reported by staff (including employment agency staff) on activities that are not attributable to performance of customers' agreed work.

This target was achieved.

The overhead activity was reduced by 7%.

Targets set for 2009–2010

Financial Targets

To manage the finances of the Agency so that the Income and Expenditure Account breaks even.

To manage the finances effectively by ensuring that all Metrology Programmes are provided within 1% of the allocated budget.

To manage the Teddington estate finances within 1% of the allocated budget.

Delivery Targets

- to supply a customer focussed Certification service by completing applications in accordance with agreed customer requirements,
- to provide a prompt Calibration service that completes at least 95% of jobs (including preparation of certificates) within fifteen working days of acceptance of the work and also an average completion time of less than ten working days,
- to ensure that NMO maintains a quality metrology service by providing a Legal Metrology Programme that completes 90% of the scheduled milestones by their due dates,
- to provide a timely metering service to customers by ensuring all meter examiner appointments, manufacturer authorisations/consents and modifications to meter approvals are considered and decisions made within five business days of receipt of all required reports and supporting information,
- chief Executive to reply within ten working days to all letters from MPs delegated to him to reply.

Efficiency Target

To ensure that the efficiency savings passed on to NMO are realised, and preserve the investment of public monies by ensuring that spend on science programme is at least as much as forecast agreed on transfer to the Agency.

Forward Look

The Agency underwent a significant expansion in April 2009 when responsibility for the policy, maintenance and funding of the National Measurement System transferred to the Agency from the former DIUS HQ. The Agency therefore became responsible for the whole of the UK scientific and legal National Measurement System (NMS), and for the management, on behalf of our parent Department of the Teddington Estate within which the Agency resides. Our short-term effort therefore needs to be focused on integrating the new functions in the most effective and efficient way. We will also actively pursue opportunities in the services area to ensure that our laboratories remain financially sustainable and able to confront the challenges of the global recession. The expansion of the Agency will enable the organisation to become more efficient by benefitting from economies of scale.

36

The current economic situation presents a number of significant challenges – for ourselves, for the businesses we deal with directly and for those who are the ultimate beneficiaries of our work. For ourselves as an organisation we expect to see an increasing impact over the next year on our commercial services which rely on the health of the manufacturing sector within the UK but also more widely in Europe and the Far East.

For the businesses we deal with there is much we can do to provide real help for them, not only through existing programmes such as Measurement for Innovators but also by being sensitive to their need for rapid, professional service. In difficult economic times such as these, Government investment in public goods, such as scientific measurement, can help UK businesses innovate and develop new products that can help them remain sustainable and able to compete in global markets. We will continue to consult our wide network of external advisers so that we hear at first hand the problems facing business and respond quickly through initiatives such as our targeted research and knowledge transfer programmes.

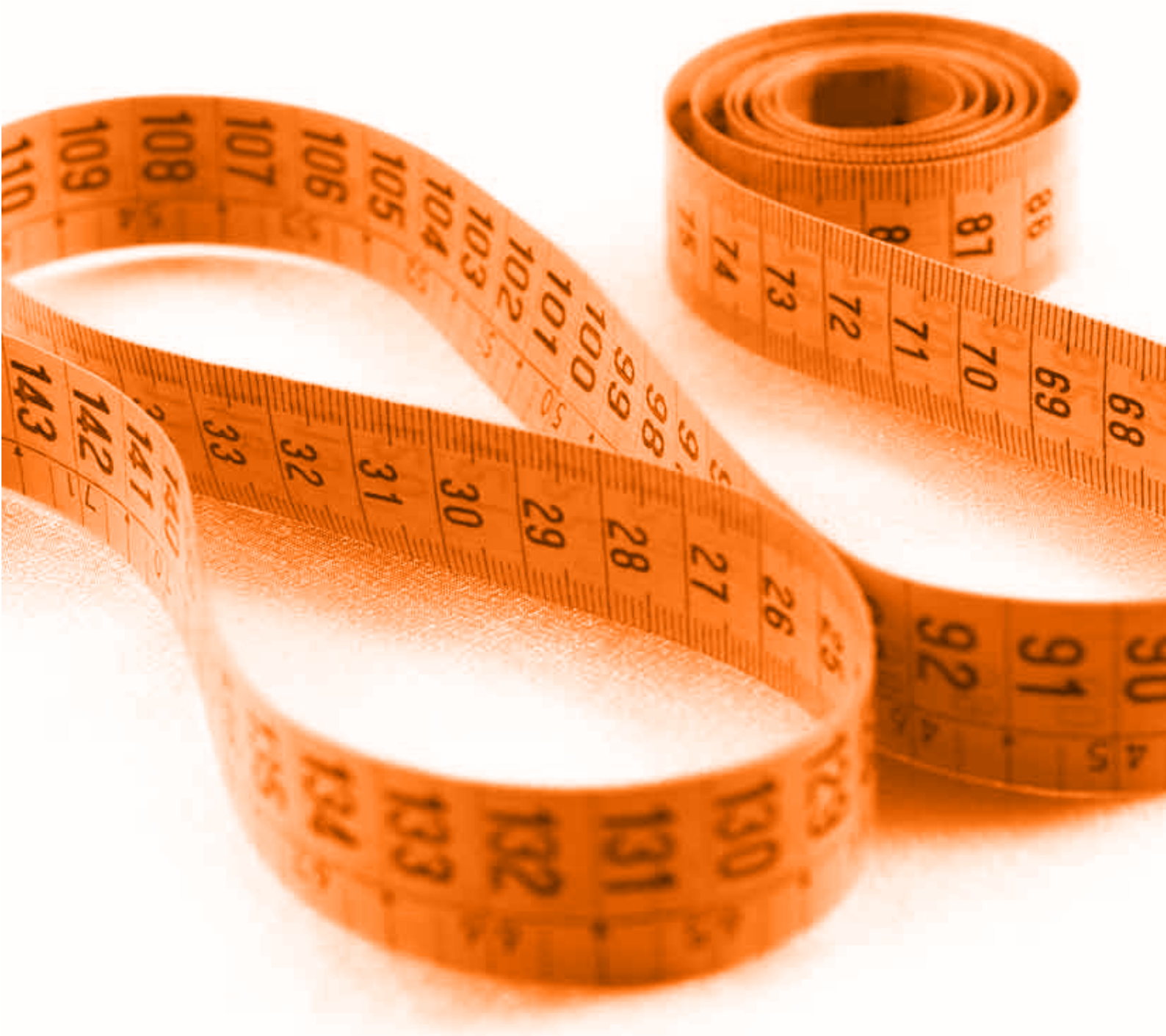
The current economic climate also increases the importance of our work in protecting the interests of consumers, particularly in maintaining the structures which allow them to assess value for money. For instance, the upward trend in the price charged for utilities and their environmental impact will focus more attention on our role in ensuring the accuracy of equipment that measures the amount supplied of these valuable commodities.

Social changes mean that the public are becoming increasingly aware of the environment and their health; both areas where accurate measurement will become more important over the forthcoming years.

All of these considerations come together when we look at our continuing efforts to improve the value for money of what we do. It is essential that we deliver the NMS programmes effectively and efficiently, to produce demonstrable impact.

Chapter 3

Remuneration Report



Remuneration Report

Remuneration Policy

The remuneration of senior civil servants is set by the Prime Minister following independent advice from the Review Body on Senior Salaries. In reaching its recommendations, the Review body is to have regard to the following considerations:

- the need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities,
- regional and local variations in labour markets and their effects on the recruitment and retention of staff,
- government policies for improving the public services including the requirement on Departments to meet the output targets for the delivery of departmental services,
- the funds available to Departments as set out in the Government's Departmental Expenditure Limits,
- the Government's inflation target.

38

The Review Body takes account of the evidence it receives about wider economic considerations and the affordability of its recommendations. Further information about the work of the Review Body can be found at www.ome.uk.com.

The only senior civil servant is Peter Mason, the Chief Executive. For all other staff members their remuneration is determined by the staffing and pay system operating within our parent Department.

Service Contracts

Civil Service appointments are made in accordance with the Civil Service Commissioners' Recruitment Code. The code requires appointments to be made on merit on the basis of fair and open competition but also includes the circumstances when appointments may otherwise be made.

Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Peter Mason was appointed on a five year term commencing 1 September 2007. Further information about the work of the Civil Service Commissioners can be found at www.civilservicecommissioners.gov.uk.

The Salary and Pension Entitlements

The following sections provide details of the remuneration and pension interests of the most senior management (i.e. Board members) of the Agency.

Agency Steering Board

The non-executive members were entitled to the following fee:

Name	Fee (£k)
Mr R Burrows	0–5
Mr P Douglas	0–5
Mr N Hunter	0–5

Dr David Evans was a member of the Steering Board during 2008–2009 but as a salaried employee of DIUS drew no remuneration.

	Full year numbers
NWML	1
DIUS	1
Private sector	3

Salary

‘Salary’ includes gross salary; performance pay or bonuses; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. This presentation is based on payments made by NWML and thus recorded in these accounts.

Benefits in Kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by the HM Revenue and Customs as a taxable emolument.

The Cash Equivalent Transfer Value (CETV)

This is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member’s accrued benefits and any contingent spouse’s pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits they have accrued in their former scheme. The pension figures shown relate to the benefits that the individual has

accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations and do not take account of any actual or potential benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

The Real Increase in the Value of the CETV

This is effectively the element of the increase in accrued pension funded by the Exchequer. It excludes increases due to inflation and contributions paid by the employee and uses common market valuation factors for the start and end of the period.

The Salary and Pension Entitlements 2009 Annual Report

The following section provides details of the remuneration and pension interests of the most senior management (i.e. Management Board members) of the Agency.

	Mr Peter Mason Chief Executive	Mr Adrian Rudd Director	Mr Richard Sanders Director	Miss Sarah Glasspool Director
Salary including performance pay £k (previous year in brackets)	85–90 (75–80)	70–75* (70–75)	55–60 (55–60)	40–45** (30–35)
Accrued pension at pension age at 31/3/09 and related lump sum (£k)	35–40 Plus lump sum of 105–110	15–20 plus lump sum of 55–60	15–20 plus lump sum of 55–60	5–10 plus lump sum of 5–10
Real increase in pension and related lump sum at pension age (£k)	0–2.5 plus lump sum of 0–2.5	0–2.5 plus lump sum of 0–2.5	0–2.5 plus lump sum of 0–2.5	0–2.5 plus lump sum of 0–2.5
CETV at 31/3/09 (nearest £k)	788	295	309	87
CETV at 31/3/08*** (nearest £k)	736	270	282	62
Real increase in CETV (nearest £k)	3	5	6	19
Employer contribution to partnership pension account (to nearest £100)	0	0	0	0
Benefits in kind (rounded to nearest £100)	0	0	0	0

* This includes a pre-existing relocation allowance.

** This salary is based on part time working.

*** This figure may be different from the closing figure in last year's accounts. This is due to the CETV factors being updated to comply with The Operational Pension Schemes (Transfer Values) (Amendment) Regulations 2008.

Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 20 July 2007, civil servants may be in one of four defined benefit schemes, either a 'final salary' scheme (**classic**, **premium**, or **classic plus**); or a 'whole career' scheme (**nuvos**).

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under **classic**, **premium**, **classic plus** and **nuvos** are increased annually in line with changes in the Retail Prices Index (RPI). Members who joined from 1 October 2002 could opt for either the appropriate defined benefit arrangement or a good quality 'money purchase' stakeholder pension with a significant employer contribution (**partnership** pension account).

Employee contributions are set at the rate of 1.5% of pensionable earnings for **classic** and 3.5% for **premium**, **classic plus** and **nuvos**. Benefits in **classic** accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For **premium**, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike **classic**, there is no automatic lump sum. **Classic plus** is essentially a hybrid with benefits for service from October 2002 worked out as in premium. In **nuvos** a member builds up a pension based on pensionable earnings during the period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and, immediately after the scheme year end, the accrued pension is uprated in line with RPI. In all cases members may opt to give up (commute) pension for lump sum up to the limits set by the Finance Act 2004.

The **partnership** is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of three providers. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is sixty for members of **classic**, **premium** and **classic plus** and sixty-five for members of **nuvos**.

Further details about the Civil Service pension arrangements can be found at the website: www.civilservice-pensions.gov.uk.

The Principal Civil Service Pension Scheme

The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme and NWML is unable to identify its share of the underlying assets and liabilities. The scheme Actuary valued the scheme as at 31 March 2007.

You can find details in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice-pensions.gov.uk). For 2008–2009 employers' contributions of £367,360 were payable to the PCSPS (2007–2008 – £376,060) at one of four rates in the range 17.1% to 25.5% of pensionable pay, based on salary bands. The scheme's Actuary reviews employer contributions every four years following a full scheme valuation. The rates changed with effect from 1 April 2009. The contribution rates are set to meet the cost of the benefits accruing during 2008–2009 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. No member of the senior management have opted to open a partnership pension account.



Peter Mason

29 June 2009

Chief Executive and Accounting Officer

Chapter 4

NWML Accounts 2008–2009



Statement of Accounting Officer's Responsibilities

Under the Government Resources and Accounts Act 2000, the Secretary of State with the consent of the HM Treasury has directed NWML to prepare, for each financial year, a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of NWML, the income and expenditure, recognised gains and losses, and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual, and in particular to:

- observe the Accounts Direction issued by HM Treasury including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis,
- make judgements and estimates on a reasonable basis,
- state whether applicable accounting standards, as set out in the Government Financial Reporting Manual, have been followed, and disclose and explain any material departures in the accounts, and
- prepare the accounts on a going concern basis.

The Accounting Officer of the Department of Innovation Universities and Skills has designated the Chief Executive as Accounting Officer of NWML.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding NWML's assets, are set out in *Managing Public Money*, as published by HM Treasury.

Statement on Internal Control

Scope of Responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of NWML's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me in *Managing Public Money*.

In accordance with *Managing Public Money* I am personally responsible for managing the risks of the Agency and the key risks are set out in its Corporate Plan which is approved by Ministers each year. NMO (formerly NWML) is a net running cost Executive Agency and reports to the Director General responsible for Innovation in our parent Department.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Agency's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and manage them efficiently, effectively and economically. This system of internal control has been in place in NWML for the year ended 31 March 2009 and up to the date of approval of the annual report and accounts, and accords with Treasury guidance.

Capacity to Handle Risk

I have appointed a member of the Management Board to act as risk management 'champion' and to be responsible for the maintenance of risk management policies, operations and profile. Detailed written guidance, which was extensively revised last year, is provided to managers and all staff. Training on the operation of the risk management processes has been provided to all staff in the Agency. Risk Management was reviewed by Internal Audit during the course of the year and it was concluded that the Agency's management demonstrated an ongoing commitment to embedding risk management with a framework that was tailored to fit and applied good practice. The guidance was found to be effectively communicated, with a consistent and dynamic approach, and management were encouraged to continue to consider further initiatives that would further promote a risk culture throughout the Agency.

The Risk and Control Framework

Risk management is built into the Agency's business planning process, which involves all staff in formulating the objectives and activities of the Agency. Risk registers are drawn up at Business Team level, and are reviewed monthly by the Business Team Managers. The same approach is in place for bespoke projects undertaken within the Agency by identified Project Managers. The Agency has risk appetite and risk assessment guidance which determines the acceptable level of risk, and any risks which are considered high or very high are considered by the Management Board and included in the Agency's high level risk register. Changes to the Business Team, Project or NWML risk registers are documented.

NWML has a designated Departmental Security Officer (DSO), an Information Technology Security Officer (ITSO) and a Board level Senior Information Risk Owner (SIRO). During 2008–2009 NWML's Internal Audit reviewed data security arrangements, which included handling information risk. This concluded that they were satisfied that NWML complied with *Data Handling Procedures in Government* and that all recommendations had been implemented.

Data Handling Procedures in Government recommends that each Department (and its Agencies) submit an Information Risk Report to the Cabinet Office, which for NWML should focus on the requirements identified in Appendix E of the Cabinet Office guidance issued in February 2009. The NWML report was completed and submitted on 18 June 2009. Information risk is included as a key risk on the Agency's risk register which is reviewed each month by the Management Board.

Review of Effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within the Agency who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. Internal Audit have confirmed their opinion that the system of internal control that operated within NWML during 2008–09 was satisfactory. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Steering Board and the Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

On 1 April responsibility for the management of the National Measurement System Programme, supervision of the contract under which the National Physical Laboratory operates and day to day responsibility for the Estate at Teddington transferred to the Agency from the then Department of Innovation, Universities and Skills. The position on internal control for these activities between 1 April 2008 and 31 March 2009 is covered in the Statement of Internal Control issued by the Departments's Accounting Officer. Since the transfer I have reviewed the system of internal control as it now applies to those activities within the Agency, using the same methodology as described above, and I am satisfied that it is operating effectively.

Many of the technical elements of the Agency's functions are subject to external auditing standards, in particular through UKAS accreditation. In addition to this, the Agency uses internal audit services provided by BIS (formerly BERR) Internal Audit, whose programme is considered by the Audit Committee annually. The Audit Committee meets three times a year and considers reports from Internal Audit and the National Audit Office, the Agency's external auditors. The Steering Board is advised by reports from the Audit Committee.

The Agency's controls are cascaded to Primary Budget Holders and then in the case of the operational directorates to Business Team level. Operational and financial issues are addressed at monthly meetings attended by both Business Team Managers and the Management Board, informed by a scorecard process which was reviewed and refined during the course of the year. Any issues which are seen to be significant are then addressed by the Management Board. The scorecard is derived from the Corporate Plan, and assesses both risk registers and targets at Business Team and Agency levels. There were no significant control issues in 2008–2009 which required intervention from myself or the Management Board.

A handwritten signature in black ink, appearing to read 'Peter Mason', with a horizontal line underneath the name.

Peter Mason

29 June 2009

Chief Executive and Accounting Officer

The Certificate and Report of the Comptroller and Auditor General to the House of Commons

I certify that I have audited the financial statements of the National Weights and Measures Laboratory for the year ended 31 March 2009 under the Government Resources and Accounts Act 2000. These comprise the Income and Expenditure Account and Statement of Total Recognised Gains and Losses, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective Responsibilities of the Agency, the Chief Executive and Auditor

The Agency and Chief Executive, as Accounting Officer, are responsible for preparing the Annual Report, which includes the Remuneration Report, and the financial statements in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions made thereunder and for ensuring the regularity of financial transactions. These responsibilities are set out in the Statement of Accounting Officer's Responsibilities.

My responsibility is to audit the financial statements and the part of the Remuneration Report to be audited in accordance with relevant legal and regulatory requirements, and with International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000. I report to you whether, in my opinion, the information, which comprises the Management Commentary, included in the Annual Report, is consistent with the financial statements. I also report whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

In addition, I report to you if the Agency has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by HM Treasury regarding remuneration and other transactions is not disclosed.

I review whether the Statement on Internal Control reflects the Agency's compliance with HM Treasury's guidance, and I report if it does not. I am not required to consider whether this statement covers all risks and controls, or to form an opinion on the

effectiveness of the Agency's corporate governance procedures or its risk and control procedures.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises the Introduction by the Chief Executive and the unaudited part of the Remuneration Report and Ministerial Targets. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

Basis of Audit Opinions

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgments made by the Agency and Chief Executive in the preparation of the financial statements, and of whether the accounting policies are most appropriate to the Agency's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error, and that in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

Opinions

In my opinion:

- the financial statements give a true and fair view, in accordance with the Government Resources and Accounts Act 2000 and directions made thereunder by HM Treasury, of the state of the Agency's affairs as at 31 March 2009, and of the surplus, recognised gains and losses and cash flows for the year then ended;
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000; and
- information, which comprises the Management Commentary, included within the Annual Report, is consistent with the financial statements.

Opinion on Regularity

In my opinion, in all material respects, the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Report

I have no observations to make on these financial statements.

Amyas C E Morse
Comptroller and Auditor General
National Audit Office
151 Buckingham Palace Road
Victoria
London
SW1W 9SS
1 July 2009

Income and Expenditure Account

for the year ended 31 March 2009

	Notes	2009	2008
		£'000	£'000
Income			
Income from activities	2	4,477	4,578
Expenditure			
Staff costs	3	2,389	2,518
Other operating costs	4	2,032	1,774
Total operating costs for the year		4,421	4,292
Surplus for the financial year		56	286

All income and expenditure are derived from continuing operations.

Statement of Total Recognised Gains and Losses

for the year ended 31 March 2009

	2009	2008
	£'000	£'000
Surplus for the financial year	56	286
Net (loss)/gain on revaluation of fixed assets current year	(7)	68
Total recognised gains for the financial year	49	354

The notes on pages 54 to 72 form part of the accounts.

Balance Sheet

at 31 March 2009

	Notes	2009		2008	
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible fixed assets	5		1,389		1,353
Intangible fixed assets	6		98		67
Debtors falling due after more than one year	8		200		–
Current assets					
Stocks	7	44		59	
Debtors	8	965		748	
Cash at bank and in hand	9	1,327		1,695	
Total current assets		2,336		2,502	
Creditors: amounts falling due within one year	10	(654)		(681)	
Net current assets			1,682		1,821
Total assets less current liabilities			3,369		3,241
Creditors (amounts falling due after more than one year)	10		–		(10)
Provisions for liabilities and charges	11		(30)		(30)
Net Assets			3,339		3,201
Taxpayers' Equity					
General fund	12		3,209		3,049
Revaluation reserve	13		130		152
Totals			3,339		3,201



Peter Mason
29 June 2009
Chief Executive and Accounting Officer

The notes on pages 54 to 72 form part of the accounts

Cash Flow Statement

for the year ended 31 March 2009

	Notes	2009	2008
		£'000	£'000
Net cash (outflow)/inflow from operating activities	14(a)	(109)	362
Capital payments	14(b)	(259)	(192)
(Decrease)/Increase in cash in the period		(368)	170

Notes to the Accounts

For the year ended 31 March 2009

1. Statement of Accounting Policies

These accounts have been prepared in accordance with the 2008–2009 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM follow UK generally accepted accounting practice for companies (UK GAAP) to the extent that it is meaningful and appropriate to the public sector.

Where the FReM permits a choice of accounting policy, the accounting policy which has been judged to be most appropriate to the particular circumstances of the Agency for the purpose of giving a true and fair view has been selected. The Agency's accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

Accounting Convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of fixed assets.

Tangible Fixed Assets

Expenditure on tangible fixed assets of over £1,000 are capitalised with the exception of IT equipment where everything over £500 is capitalised. Tangible fixed assets are restated to current value each year and published indices appropriate to the category of asset are normally used to estimate value. The increase or decrease in value is transferred to the revaluation reserve unless there has been a permanent diminution in which case it is charged to the operating cost statement in accordance with FRS11. Tangible fixed assets are depreciated on a straight line basis to the residual value over the assets' expected useful life. There is a group of assets which are held for statutory purposes; these are not revalued or depreciated as they have very long estimated lives. Heritage assets are capitalised and are valued in the same way as other tangible assets.

If any asset becomes out of use due to obsolescence or physical deterioration then it is treated as an impairment in the year that it became out of use. Any impairment is included in the cumulative depreciation; in accordance with FRS11 the Gross value is not adjusted.

The stock of furniture and fittings is treated as a permanent asset pool which is re-valued each year, but not depreciated; replacement expenditure is charged to the income and expenditure account in the year of purchase.

Asset lives are normally in the following ranges:

Plant and machinery	from 5 to 30 years
Scientific equipment	from 5 to 110 years
Computer equipment and office machinery	from 3 to 10 years
Motor vehicles	from 5 to 10 years

Heritage Assets

There is a cost value of approximately £155k of heritage assets which are included in tangible fixed assets. Most of these are about 80 years old and were acquired by the former DTI, which were then passed to NWML when it became an Agency. They are mostly weighing and measuring standards which are no longer of operational use due to technological advances and the change from imperial to metric measures.

Intangible Fixed Assets

Expenditure on purchased software licences over £1,000 are capitalised and re-valued in the same way as tangible fixed assets. They are amortised on a straight line basis on the shorter of the term of the licence and the useful economic life of the asset.

Stocks and Work in Progress

Stocks are valued at the lower of cost or net realisable value. Work in progress is valued at the lower of cost, including appropriate overheads, and net realisable value.

Income

Income comprises services provided net of VAT. Income is recognised in the period to which it relates.

Segmentation

The income is analysed in segments to meet the relevant sections of the statutes under which NWML operates, which is a fees and charges requirement. Income is also analysed on a geographical basis, in accordance with SSAP25, Segmental Reporting.

Value Added Tax

NWML is covered under the VAT registration of the Department for Innovation, Universities and Skills. It recovers VAT on certain contracted-out services, as directed by the Treasury. Irrecoverable VAT is included as expenditure or included in the costs of tangible fixed assets purchased.

Insurance

No insurance is effected against fire, explosion, common law, third party and similar risks.

Capital Charge

A charge reflecting the cost of capital utilised by NWML is included in operating costs. The charge is calculated at the real rate set by HM Treasury (currently 3.5%) on the average carrying amount of all assets and liabilities, except for cash balances with the Office of the Paymaster General, where the charge is nil.

Leases

Operating lease rentals are charged to the Income and Expenditure Account on a straight line basis over the term of the lease. Finance leases are capitalised and depreciation charged to the Income and Expenditure on a straight line basis in accordance with SSAP21.

Foreign Exchange

Transactions which are denominated in a foreign currency are translated into sterling at the exchange rate ruling at the date of each transaction, except where rates do not fluctuate significantly, in which case an average rate for a period is used. These translation differences are dealt with in the Income and Expenditure Account. Monetary assets and liabilities denominated in foreign currency at the balance sheet date are translated at the rates ruling as at that date.

Pensions

Past and present employees are covered by the provisions of the Civil Service Pension Schemes. The defined benefit schemes are unfunded and are non-contributory except in respect of dependents' benefits. NWML recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the Principal Civil Service Pension Schemes (PCSPS) of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution schemes, NWML recognises the contributions payable for the year.

2. Income

The following information is given to satisfy the disclosure requirements for fees and charges. This requires the disclosure of the financial objective, full cost, income, surplus or deficit and performance against each objective. The financial objective is to recover the full cost on each market segment as indicated below.

Legal Metrology

	2009	2009	2009	2008	2008	2008
	Income	Full cost	Surplus/ (Deficit)	Income	Full cost	Surplus/ (Deficit)
	£'000	£'000	£'000	£'000	£'000	£'000
Intradepartmental	2,815	2,829	(14)	3,152	2,872	280
Intragovernmental	849	846	3	690	677	13
Statutory	705	676	29	644	623	21
Commercial	108	70	38	92	120	(28)
Total	4,477	4,421	56	4,578	4,292	286

Geographical Analysis of Income

The geographical analysis of income is as follows:

	2009	2008
	£'000	£'000
UK	4,234	4,312
EU	68	53
North America	120	116
– includes USA	96	89
South America	2	–
Asia	49	69
– includes China	25	19
Australasia	4	20
Africa	–	8
Total	4,477	4,578

3. Staff Costs

a) Staff costs

	2009	2008
	£'000	£'000
Wages and salaries	1,829	1,933
Social security costs	150	163
Other pension costs	367	376
Agency staff	43	46
Total	2,389	2,518

b) Average number of full time equivalent staff employed during the year.

	2009	2008
Services	17	16
Regulation	20	21
Total	37	37
Administration	11	12
Total	48	49

4. Other Operating Costs

Other operating charges comprise:

	2009	2009	2008	2008
	£'000	£'000	£'000	£'000
Rentals under operating leases		12		11
Accommodation		537		518
Travel and subsistence		111		77
Telecommunications		25		17
IT		215		185
General administrative expenses		857		624
Non-cash items				
Depreciation	153		125	
Amortisation	20		17	
Loss on disposal of fixed asset	8		5	
Cost of capital charges	62		51	
Notional Audit fee	27		21	
Central overheads	–		85	
Provision provided for in year	–		30	
Permanent diminution in fixed assets	5		8	
		275		342
Total		2,032		1,774

Note: Central overheads were paid in cash during 2008–2009 and are included within general administration costs.

5. Tangible Fixed Assets

	Plant and Machinery £'000	Scientific Equipment £'000	Computer Equipment and Office Machinery £'000	Furniture and Fittings £'000	Motor Vehicles £'000	Total £'000
Cost/valuation						
At 1 April 2008	540	1,741	379	179	39	2,878
Additions	–	93	101	14	–	208
Revaluation	(21)	(2)	(6)	4	3	(22)
Disposals	–	(49)	(27)	–	–	(76)
At 31 March 2009	519	1,783	447	197	42	2,988
Depreciation						
At 1 April 2008	(425)	(797)	(220)	(47)	(36)	(1,525)
Charge for year	(9)	(82)	(60)	(2)	–	(153)
Disposals	–	48	19	–	–	67
Revaluation	18	(8)	5	(1)	(2)	12
At 31 March 2009	(416)	(839)	(256)	(50)	(38)	(1,599)
Net book value						
At 31 March 2009	103	944	191	147	4	1,389
At 1 April 2008	115	944	159	132	3	1,353

Note: Scientific equipment at 31 March 2009 includes a finance lease of which the net book value was £38k and depreciation charge in the year of £5k.

6. Intangible Fixed Assets

Purchased software licences	
£'000	
Cost/valuation	
At 1 April 2008	162
Additions	52
Revaluation	(4)
Disposals	–
At 31 March 2009	210
Amortisation	
At 1 April 2008	(95)
Charged in year	(20)
Revaluation	3
Disposals	–
At 31 March 2009	(112)
Net book value at 31 March 2009	98
Net book value 1 April 2008	67

7. Stock and Work in Progress

	2009	2008
	£'000	£'000
Work in Progress	44	59
Total	44	59

8. Debtors

a) Analysis by type

	2009	2008
	£'000	£'000
Amounts falling due within one year:		
Trade debtors	147	375
Intradepartmental debtor	368	–
VAT debtors	–	14
Other debtors	5	4
Prepayments and accrued income	445	355
Total	965	748
Amounts falling due after more than one year:		
Deposits and advances	200	–

b) Intra-Government balances

	2009	2008
	£'000	£'000
Balances with department	432	–
Balances with other central government bodies	91	440
Balances with local authorities	97	96
Balances with bodies external to government	345	212
Total debtors at 31 March	965	748

9. Cash at Bank and in Hand

	Balance at 1 April 2008	Net cashflows	Balance at 31 March 2009
	£'000	£'000	£'000
Total	1,695	(368)	1,327

Note: The balance is held at the Office of HM Paymaster General.

10. Creditors

a) Analysis by type

Amounts falling due within one year

	2009	2008
	£'000	£'000
Trade creditors	246	217
Intradepartment creditor	–	215
VAT creditor	1	–
Other creditors	75	99
Accruals and deferred income	322	131
Current part of finance lease	10	19
Total	654	681

Amounts falling due after more than one year

Finance lease	–	10
Total	–	10

b) Intra-Government balances

	2009	2008
	£'000	£'000
Balance with department	–	215
Balances with other central government bodies	297	87
Balances with local authorities	1	–
Balances with bodies external to government	356	389
Total	654	691

11. Provisions for Liabilities and Charges

A provision has been recognised in the accounts during 2008–2009, none of which has been used. It is expected that it will be used during 2009–2010. This provision relates to a claim made by an employee of the organisation for injuries sustained on NWML premises.

The provision is based on information provided by solicitors and is the estimated cost of settlement including legal costs.

	£'000
Balance at 1 April 2008	30
Provided for in the year	–
Balance at 31 March 2009	30

12. General Fund

	2009	2008
	£'000	£'000
Balance at 1 April	3,049	2,760
Intradepartment balance transferred to creditors	–	(162)
Surplus for the financial year	56	286
Other notional and non-cash costs	89	157
Disposals	(5)	3
Realised element of revalued assets	20	5
Balance at 31 March	3,209	3,049

13. Revaluation Reserve

	2009	2008
	£'000	£'000
Balance at 1 April	152	92
(Deficit)/Surplus on revaluation	(7)	68
Disposals	5	(3)
Realised element of revalued assets	(20)	(5)
Balance at 31 March	130	152

14. Note to the Cash Flow Statement

a) Reconciliation of surplus to operating cash flow

	2009	2008
	£'000	£'000
Surplus	56	286
Adjustments for non-cash transactions	275	342
Decrease/(Increase) in stocks	15	(6)
(Increase) in debtors	(417)	(406)
(Decrease)/increase in creditors	(38)	308
Transfer from general reserve	–	(162)
Net cash (outflow)/inflow from operating activities	(109)	362

b) Analysis of capital payments

	2009	2008
	£'000	£'000
Payments to acquire tangible fixed assets	(208)	(172)
Payments to acquire intangible fixed assets	(52)	(25)
Receipt from sale of fixed assets	1	5
Total	(259)	(192)

15. Capital Commitments

There were no capital commitments authorised or contracted as at 31 March 2009.
(2008–Nil)

16. Commitments Under Leases

16.1 Operating Leases

Commitments under operating leases to pay rentals following the year of these accounts are given in the table below, analysed according to the period in which the lease expires.

	2009	2008
	£'000	£'000
Office equipment		
Expiry after one year but not more than five years	8	6
More than five years	–	1
Motor vehicles		
Expiry after one year but not more than five years	4	3
Total	12	10

16.2 Finance Leases

Obligations under finance leases are as follows.

Amounts payable:

	2009	2008
	£'000	£'000
In the next year	10	19
In the next 2–5 years	–	10
Total	10	29

17. Other Financial Commitments

NWML has not entered into any non-cancellable contracts.

18. Related Party Transactions

During 2008–09 NWML was an Executive Agency of the Department for Innovation, Universities and Skills (DIUS), and DIUS was regarded as a related party with which the Agency had various material transactions during the year.

During the year none of the Steering Board members, Management Board members or associated bodies of these members, members of the key management staff or other related parties have undertaken any material transactions with NWML.

19. Post Balance Sheet Events

On the 1 April 2009 responsibility for the policy, maintenance and funding of the National Measurement System transferred to the Agency from former DIUS HQ. The Agency therefore became responsible for the whole of the UK scientific and legal National Measurement System. It also manages, on behalf of our parent Department, the Teddington Estate within which the Agency resides. The full effect of this transfer can be seen in the Corporate Plan which is available on the website.

On Friday 5th June 2009, the Government announced the creation of a new Department for Business, Innovation and Skills (BIS) by merging the Department for Business, Enterprise and Regulatory Reform (BERR) and the Department for Innovation, Universities and Skills (DIUS). From this date, BIS will take over the work previously undertaken by DIUS.

The financial statements have been authorised for issue by the Accounting Officer on 1 July 2009.

20. Contingent Liabilities

There were no contingent liabilities as at 31 March 2009.

21. Financial Instruments

As the cash requirements of the Agency are mainly met from BIS, financial instruments play a more limited role in creating risk than would apply to a non-public body of a similar size.

The majority of financial instruments relate to contracts to buy non-financial items in line with the Agency's expected purchase and usage requirements and the Agency is therefore exposed to little credit liquidity or market risk.

Chapter 5

Contacts and Glossary



Contacts and Glossary

Contacts

Address:

National Measurement Office
Stanton Avenue
Teddington
Middlesex
TW11 0JZ

General Enquiry Line:

+44 (0) 20 8943 7272

Website:

www.nmo.bis.gov.uk

Glossary: Abbreviations

ACB	Accredited Certification Body	NAWI	Non Automatic Weighing Instrument
AQSIQ	General Administration of Quality Supervision, Inspection and Quarantine (in China)	NEL	National Engineering Laboratory
BERR	The Department for Business, Enterprise and Regulatory Reform	NMS	National Measurement System
BIS	The Department for Business, Innovation and Skills	NPL	National Physical Laboratory
BSI	British Standards Institute	NWML	National Weights and Measures Laboratory
CIML	International Committee of Legal Metrology	OFT	Office of Fair Trading
DIUS	The Department for Innovation, Universities and Skills	OIML	International Organisation of Legal Metrology
DTI	The Department of Trade and Industry	RoHS	Restriction of the use of Certain Hazardous Substances
LACORS	Local Authority Co-ordinating Body for Regulatory Services	TSI	Trading Standards Institute
LBRO	Local Better Regulation Office	TSO	Trading Standards Officer
LGC	Independent UK Chemical Analysis Laboratory	UKAS	United Kingdom Accreditation Service
MID	Measuring Instruments Directive	WELMEC	European Cooperation in Legal Metrology

Glossary: Technical Terms

Calibration

The process of determining the error associated with a standard or measuring instrument

Metrology

The science of measurement

Self Verification

Verification conducted by a manufacturer, installer or repairer, who has been granted an approval by the Secretary of State to undertake such activities (subject to the requirements and conditions of the approval)

Testing

Process and procedure for determining whether or not the equipment under assessment complies with specific criteria

Type Approval

Affirmation that a weighing or measuring instrument is suitable for use for trade or complies with requirements in a Directive or Act

Verification

The testing, passing as fit for use for trade, and stamping (with the prescribed stamp) of equipment



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