

Article

Recent and upcoming changes to public sector finance statistics: February 2024

Includes implications of the 2024 Spring Budget for public sector finance statistics, data updates to public sector finance statistics, and classification announcements.



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Release date:
21 March 2024

Next release:
23 April 2024

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1 . Overview

This article increases transparency around our current methodology work, the implementation of classification decisions into the public sector, and provides impacts on the public sector aggregates. The need for statistics to keep pace with the evolving economy prompts most methodological changes to the public sector finances (PSF) statistics. These changes bring PSF statistics closer in line with government's true fiscal exposure, as measured by the fiscal aggregates, such as public sector net borrowing (PSNB), or public sector net debt (PSND).

For more information about future developments in public sector finance statistics, see our [Looking ahead - developments in public sector finance statistics: 2023 article](#).

2 . Items under review

Spring Budget 2024

On 6 March 2024, the UK government announced changes to some existing taxes, benefits and to a range of other policies in the [2024 Spring Budget, published on GOV.UK](#).

Changes in the rates of taxes and benefits will be reflected in the public sector finances at the earliest opportunity, effective from the dates when the new terms apply.

The UK government announced the introduction of a new duty on vaping products, which will come into effect from 1 October 2026. As a new duty, this may require a classification assessment to decide the appropriate statistical recording. We will review this policy when more information becomes available so we can fully evaluate the impact it may have on our public sector finance statistics.

The UK government also reiterated its intention to fully exit its shareholdings of NatWest Group plc (formerly known as the Royal Bank of Scotland Group) by the financial year ending 2026, utilising a range of disposal measures. NatWest Group plc is currently the only banking group within the public sector. We will establish the impact of the share sales on the public sector finance statistics when further details become available.

3 . Updates to public sector finances statistics

Data updates in March 2024

This month we have implemented data updates for COVID-19 loan guarantees, and student loans to reflect the latest available data in the public sector finances.

Covid-19 loan guarantees

This month we have updated our estimates for COVID-19 loan guarantees to include the latest available data from the British Business Bank. Updated outturn data led to revisions for the current financial year to date (FYTD) from April 2023 to January 2024 inclusive, as well as some small revisions for the financial year ending (FYE) March 2023. The impacts of this data update on the headline fiscal aggregates are presented in Table 1.

In addition, an amendment to our processing of the COVID-19 loan guarantees data led to small revisions to public sector current budget deficit (PSCBD), public sector net investment (PSNI), public sector net financial liabilities (PSNFL) and public sector net worth (PSNW) for FYE March 2023. These revisions do not appear in Table 1, because they are less than £0.1 billion. The revisions to the fiscal aggregates in FYTD from April 2023 to January 2024 as a result of updated outturn data, are larger.

In FYTD from April 2023 to January 2024, the data updates decrease our estimates for provisions for calls under standardised guarantees liabilities (AF.66), which led to a decrease in PSNFL of £3.1 billion, with an equal and opposite effect on PSNW. There is also a small increase of £0.1 billion to PSNI in the same period. This data update led to revisions to PSCBD and public sector net borrowing (PSNB), however these revisions are not visible in Table 1, as they are less than £0.1 billion.

There have been no revisions to public sector net debt (PSND) as a result of this data update.

Table 1: Impacts of updates to COVID-19 loan guarantees data on the latest estimates of the headline fiscal aggregates, UK

	PSCBD ex	PSNI ex	PSNB ex	PSND ex	PSNFL ex	PSNW ex
2022 to 2023	0.0	0.0	0.0	0.0	0.0	0.0
April 2023 to January 2024	0.0	0.1	0.0	0.0	-3.1	3.1

Source: Public sector finances from the Office for National Statistics

Notes

1. "PSCBD ex" represents public sector current budget deficit excluding public sector banks.
2. "PSNI ex" represents public sector net investment excluding public sector banks.
3. "PSNB ex" represents public sector net borrowing excluding public sector banks.
4. "PSND ex" represents public sector net debt excluding public sector banks.
5. "PSNFL ex" represents public sector net financial liabilities excluding public sector banks.
6. "PSNW ex" represents public sector net worth excluding public sector banks.

Student loans

This month we have updated our estimates for student loans to include the latest available data. This routine data update is a result of including the latest student loan repayment forecasts from the UK Department for Education and the devolved administrations. The data update has led to revisions to data for the current financial year to date (FYTD) from April 2023 to January 2024 inclusive. The impacts of this data update on the headline fiscal aggregates are presented in Table 2.

This data update led to a decrease in the value of other long-term loan assets (AF.424) held by the public sector, resulting in an increase in public sector net financial liabilities (PSNFL) of £3.4 billion in this period, with an equal and opposite effect on public sector net worth (PSNW). The data update has had a less notable impact on the other fiscal aggregates, with a £0.1 billion increase to both public sector current budget deficit (PSCBD) and public sector net investment (PSNI) in the current financial year to date. There is also an increase of £0.2 billion in PSNB. This data update had no impact on public sector net debt (PSND) for this period.

For further information on how we record student loans in our public sector finance statistics see our [Student loans in the public sector: a methodological guide](#) article.

Table 2: Impacts of updates to student loans data on the latest estimates of the headline fiscal aggregates, UK

	PSCBD ex	PSNI ex	PSNB ex	PSND ex	PSNFL ex	PSNW ex
April 2023 to January 2024	0.1	0.1	0.2	0	3.4	-3.4

Source: Public sector finances from The Office for National Statistics

Notes

1. "PSCBD ex" represents public sector current budget deficit excluding public sector banks.
2. "PSNI ex" represents public sector net investment excluding public sector banks.
3. "PSNB ex" represents public sector net borrowing excluding public sector banks.
4. "PSND ex" represents public sector net debt excluding public sector banks.
5. "PSNFL ex" represents public sector net financial liabilities excluding public sector banks.
6. "PSNW ex" represents public sector net worth excluding public sector banks.

4 . Classification announcements

Organisations and institutional units

The following bodies were classified in February 2024:

- Centre for Ecology & Hydrology - the predecessor body to the UK Centre for Ecology & Hydrology, listed as a former central government (S.1311) body with effect from 1 December 2019
- UK Centre for Ecology & Hydrology - classified as part of the public non-financial corporations subsector (S.11001) from 1 December 2019 until 17 June 2023; part of the private non-financial corporations subsector (S.11002) from 18 June 2023
- UK Centre for Ecology & Hydrology Enterprise Limited - classified as part of its controlling body UK Centre for Ecology and Hydrology, with effect from 1 December 2019
- Cwmni Eginio - classified as part of the central government subsector (S.1311), with effect from 24 June 2021

For more information on the classification decisions, see [Section 3: Classification update of our Economic statistics sector classification - classification update and forward work plan: February 2024 article](#).

For more information on what these classifications mean (including the full European System of Accounts 2010 publication), see the publication details of the [European system of accounts - ESA 2010 on the Eurostat website](#).

5 . Related links

[Public sector finances, UK](#)

Bulletin | Released monthly

How the relationship between UK public sector monthly income and expenditure leads to changes in deficit and debt.

[Looking ahead - developments in public sector finance statistics: 2023](#)

Article | Released 21 December 2023

What the Office for National Statistics sees as areas for future development in the public sector finance statistics.

[Public sector classification guide and forward work plan](#)

Methodology | Released 29 February 2024

The forward work plan sets out the units and transactions that we expect to assess and classify in the coming 12 to 18 months.

6 . Cite this article

Office for National Statistics (ONS), released 21 March 2024, ONS website, article, [Recent and upcoming changes to public sector finance statistics: February 2024](#)