

Article

# Recent and upcoming changes to public sector finance statistics: April 2024

Includes information on upcoming developments to the public sector finance statistics, and classification announcements.



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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 . Upcoming changes in June 2024 and beyond

In accordance with our transparency strategy, and to provide predictability to users, we aim to package together methodological changes at a single point in the year, where possible. Where this is not possible, we aim to implement developments at the earliest opportunity to ensure the public sector finances (PSF) continue to reflect the best available estimates.

In this section, we provide information on the changes expected to be implemented in the PSF statistics in June 2024 and discuss further changes to our statistics and article presentation planned for the next 12 months.

In June 2024, we expect to implement the classification decision for Pool Reinsurance (Nuclear) Limited (Ltd) into PSF. We are continuing to work on this change; therefore, the estimated impacts may change. Finalised impacts will be discussed in our Recent and upcoming changes to public sector finance statistics: May 2024 article, to be released in June.

In the next 12 months, we expect to implement further classification decisions and statistical developments into PSF. This includes implementing the classification decisions for Bulb Energy Ltd in Special Administration, Octopus Energy Operations Ltd, and Octopus Energy Retail Ltd. Additionally, we expect to implement improvements to the compilation of central government interest payable and incorporate detailed information on gilt liabilities. For more detail on these developments, see Section 2 of our [Looking ahead – developments in the public sector finance statistics: 2023 article](#). We will provide further information and provisional impacts of these changes in future editions of this article.

We aim to implement our annual data updates, such as Network Rail and student loans from September onwards. Further information will be available in a future edition of this article.

## Pool Reinsurance (Nuclear) Ltd.

Next month, we expect to implement the classification of Pool Reinsurance (Nuclear) Ltd (Pool Re Nuclear) into the PSF.

Pool Re Nuclear is a reinsurance company which covers insurance companies against losses as a result of damage to or destruction of property either by fire or explosion, or both, where the proximate cause is an act of terrorism on insured nuclear sites registered in Great Britain.

In June 2023, we reviewed the sector classification status of Pool Re Nuclear. Noting the limited range of activities and evidence that Pool Re Nuclear does not act like a commercial organisation, which includes the degree of government influence and constraints over Pool Re Nuclear's assets and other aspects of its operations, the classification review concluded that Pool Re Nuclear should be classified to the central government subsector (S.1311) with effect from 24 July 1995, the date it was established. For more information on the classification decision, see Section 3 of our [Economic statistics sector classification – classification update and forward work plan: June 2023 article](#).

One feature of Pool Re Nuclear is the retrocession agreement it has with HM Treasury (HMT). Under the agreement, Pool Re Nuclear can call upon government funding if its own resources are not enough to meet extraordinary claims. In return, it pays HMT an annual premium. The payments to HMT under the retrocession agreement have not yet been recorded as revenue for the public sector. Following implementation of the classification of Pool Re Nuclear, they will be recorded as payments by Pool Re Nuclear to HMT. Since both the payer and the recipient are classified in the central government subsector (S.1311), this flow will be consolidated, leading to no impact at the central government or public sector level. To date, no claims have been made by Pool Re Nuclear's policyholders.

The implementation of the classification of Pool Re Nuclear is expected to affect the PSF statistics from the financial year ending (FYE) March 1997 onwards. While data for FYE March 1997 to FYE March 2022 is outturn data derived from published accounts, data from FYE March 2023 is forecast data, and likely to change when updated outturn data becomes available. Because of the small size of the impacts of this change, we have not presented an impact table.

The implementation of Pool Re Nuclear is expected to lead to small decreases in public sector current budget deficit (PSCBD) of up to £4 million, with an equal effect on public sector net borrowing (PSNB) from FYE March 1997 to FYE March 2022. Our forecasts for FYE March 2023 show this change having no effect on PSCBD and PSNB. This is because of drops in gross written premiums in the most recent outturn data. We are not expecting this change to affect public sector net investment (PSNI) in any period.

The implementation of the classification of Pool Re Nuclear is expected to cause a small decrease in public sector net debt (PSND) in all periods, up to a maximum of £1 million. The change is also expected to cause a small decrease in public sector net financial liabilities (PSNFL) in all periods, up to a maximum of £33 million, with an equal and opposite effect on public sector net worth (PSNW).

### Changes to the presentation of this article

We are planning to combine this article with the Public Sector Classification Guide and Forward Work Plan during the summer of 2024. We are carefully considering the impact of this change for our users and expect to provide more information in upcoming editions of this article. If you have feedback or questions about this planned change, please contact us by email at [public.sector.inquiries@ons.gov.uk](mailto:public.sector.inquiries@ons.gov.uk).

Further information on this change is also available in Section 1 of our [Economic statistics sector classification – classification update and forward work plan: April 2024 article](#).

## 3 . Items under review

## Common user charge

The Department for Environment, Food and Rural affairs (DEFRA) has announced the introduction of the common user charge, effective from 30 April 2024. The charge is applied to commercial movements of animal products, plants and plant products through the port of Dover or the Eurotunnel. This applies to imports into, as well as transits entering and leaving, Great Britain. For more information on this charge, see [DEFRA's Common user charge: rates and eligibility article on GOV.UK](#).

The common user charge is not currently recorded in the public sector finance (PSF) statistics, and further information will be provided in a future article as it becomes available.

## Infected blood compensation scheme

On 21 May 2024, the government announced details of the compensation scheme for victims of infected blood. We are considering the statistical classification of these payments and the impact they will have on the public sector finance statistics. More information will be available in a future edition of this article.

# 4 . Classification announcements

## Organisations and institutional units

The following bodies were classified to the central government subsector (S.1311) in April 2024:

- South of Scotland Enterprise, with effect from 1 April 2020
- Citizens Voice Body for Health and Social Care, with effect from 1 April 2023
- English Partnerships (LP) Limited, classified as part of its controlling body, Homes England, with effect from 20 July 2001
- The Department of Health and Social Care, with effect from 8 January 2018

The following bodies were classified as disbanded or deleted entities in April 2024:

- Community Health Councils (Wales), with effect from 1 April 2023
- Community Health Councils (Wales) Board, with effect from 1 April 2023
- The Department of Health, with effect from 8 January 2008, following a name change to The Department of Health and Social Care.

For more information on the classification decisions, see Section 3: Classification update of our [Economic statistics sector classification – classification update and forward work plan: April 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 30 April 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 22 May 2024, ONS website, article, [Recent and upcoming changes to public sector finance statistics: April 2024](#)