Office for National Statistics

Article

Economic statistics classifications and developments in public sector finances: February 2025

Includes the latest economic statistics classification updates, and information on future developments in public sector finance statistics.

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1 . Overview

This article provides a summary of the most recent economic statistics classification decisions and provides transparency around our current methodology work to public sector finance (PSF) statistics, including the implementation of classification decisions.

Most methodological changes to the PSF statistics are prompted by the need to keep pace with the evolving economy, including the need to properly reflect classification decisions in the measurement of public sector fiscal aggregates. Where necessary, this article will outline the impact that our methodological changes have on PSF statistics. For more information about future developments, see our Looking ahead - developments in public sector finance statistics: 2023 article.

Classification decisions facilitate the allocation of UK organisations to sectors of the UK economy based on their characteristics. These decisions are informed by the application of international statistical guidance contained within the United Nations System of National Accounts 2008 (2008 SNA), along with the European System of Accounts 2010 (ESA 2010) and the accompanying Manual on Government Deficit and Debt 2022 (MGDD 2022) where useful and appropriate. More information on classification decisions can be found in our public sector classification guide.

The guide enables the identification of those bodies classified to the public sector to inform the public sector boundary in the UK National Accounts. The guide also includes other classification decisions, including transactions and schemes. Information on the organisations and transactions we expect to assess and classify in the next 12 to 18 months can be found in our forward work plan. For more information see our Public sector classification guide and forward work plan.

2 . Economic statistics classification announcements

A summary of the most recent classification decisions can be found later in this release. For more information on classification decisions, see our Public sector classification guide (XLSX,718KB). Classification decisions are implemented in official statistics at the earliest opportunity using sound methodology. All practical considerations are taken into account, including resource availability within wider prioritisation.

WEPCo Limited

In March 2025, the Office for National Statistics (ONS) completed an assessment of WEPCo Limited, an entity created following a competitive tendering process to deliver the Welsh Government's Mutual Investment Model (MIM) for Public-Private Partnership (PPP) education projects across Wales, under the Welsh Education Partnership (WEP) framework. WEPCo Limited is the vehicle established to help design, procure, build, finance and maintain schools and colleges in Wales.

WEPCo Limited has been classified to the foreign controlled non-financial corporations subsector (S.11003) with effect from 16 August 2020, the date it was incorporated through a partnership between DBW Investments (MIMs) Ltd (a UK registered company) and Meridiam Investments II SAS, which is based in France and is the majority shareholder.

Forward work plan

The Forward work plan (XLSX,45KB) contains information on the organisations and transactions we expect to assess and classify in the next 12 to 18 months, as changing priorities allow. However, it does not contain everything that may be classified.

For more information on our classification process, as well as our forward work plan and public sector classification guide, see our Economic statistics classifications web page.

Please email the Economic Statistics Classifications team at econstats.classifications@ons.gov.uk with any queries about the classification decisions or the classifications process.

3 . Improvements and data updates in public sector finances statistics

COVID-19 loan guarantee schemes

In March 2025, we implemented a data update to our estimates for coronavirus (COVID-19) loan guarantees to include the latest available data from the British Business Bank and the Department for Business and Trade. These loan guarantee schemes were set up to support businesses during the coronavirus (COVID-19) pandemic. Further information on these schemes can be found in our Recent and upcoming changes to public sector finance statistics: February 2021 article.

The final impacts of this data update on the headline fiscal aggregates are presented in Table 1. As a result of further work on converting the accounting estimates to the statistical concepts, these final impacts may differ from the provisional estimates quoted in the last month's article. Relative to the estimates employed in public sector finance (PSF) statistics previously, the update leads to a downward revision of about £1.3 billion to public sector net investment (PSNI) and public sector net borrowing (PSNB) for the financial year ending (FYE) March 2024. This change reflects the reassessment of the expected losses since the time of the 2024 update.

The data update has also changed the trajectory of provisions for calls under the standardised guaranteed schemes liability recorded on the balance sheet, with the public sector net financial liabilities (PSNFL) decreasing by £2.4 billion in the FYE March 2024.

There are no revisions to public sector net debt (PSND), as well as minor revisions to public sector current budget deficit (PSCDB) for both periods, because of this data update. The revisions to PSCDB are not visible in Table 1 as they are below £0.1 billion.

Table 1: Impacts of data updates to COVID-19 loan guarantees, introduced in March 2025, on the latest estimates of the headline fiscal aggregates, UK
Financial year (£ billion)

	PSCBD ex	PSNI ex	PSNB ex	PSND ex	PSNFL ex	PSNW ex
2023 to 2024	0	-1.3	-1.3	0	-2.4	-2.4
April 2024 to December 2024	0	0	0	0	-4.3	4.3

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.

Other data updates

This month, we have implemented an annual data update to Pool Reinsurance Company Limited to reflect the latest available outturn data. Figures quantifying the revisions due to the update are not included in this article because they have minimal impacts on the headline fiscal aggregates.

4 . Review of emerging issues in the economy

Aid for Ukraine

On 1 March, the Chancellor of the Exchequer announced a £2.26 billion aid package to Ukraine under the Group of Seven (G7) Extraordinary Revenue Acceleration (ERA) scheme. The Office for National Statistics (ONS) will review the statistical treatment of the ERA facility and provide information on its impact on the fiscal aggregates in the future editions of this article.

For any queries about the information discussed in Section 3: Improvements and data updates in public sector finances statistics and Section 4: Review of emerging issues in the economy, please contact public sector inquiries by emailing public.sector.inquiries@ons.gov.uk.

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 21 March 2025
The Public sector classification guide sets out a list of bodies that have been classified by the Office for National Statistics (ONS) as public sector bodies within the UK National Accounts. The forward work plan sets out the organisations and transactions that the ONS expects to assess and classify in the next 12 to 18 months.

Statistical classification to the public sector
Article | Released 8 July 2024
Explains why entities are classified to the public sector, and the concept of public sector control and how this differs from the notion of independence.

Taxes and fees for sales of service: how they differ and why it is important
Article | Released 31 May 2019
Defines and explains the main characteristics that lead to the classification of a transaction as a tax or a fee in the national accounts and public sector finances, and describes the effect that these classifications can have on economic indicators and the operation of government.

Classification review of universities in the UK
A further statement about our intention to review the transactions in which UK universities engage.

6 . Cite this article

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