

Economic statistics classifications and developments in public sector finances: September 2026

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: 2026 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 \(SNA 2008\)](#), 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 and forward work plan](#).

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.

2 . Economic statistics classification announcements

A summary of the most recent classification decisions can be found in this section. For more information on classification decisions, see our [Public sector classification guide \(xlsx, 734.3KB\)](#). 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.

Institutional units

We determined that the following organisations have the requisite autonomy of decision to be regarded as institutional units.

Transport and Storage Companies within the Carbon Capture, Usage and Storage model

Transport and Storage Companies (T&S Cos) own and operate the carbon dioxide (CO₂) transport and storage networks associated with the wider Carbon Capture, Usage and Storage (CCUS) initiatives. We have classified two T&S Cos:

- Liverpool Bay CCS Limited
- Net Zero North Sea Storage Limited

We concluded that these T&S Cos are Special Purpose Entities (SPEs) and under public sector control. This is because of several indicators, including control through excessive regulation, contractual restrictions over important operational aspects, and full reliance on government support mechanisms. We concluded that together, these indicators determined their general corporate policy.

Once operational, T&S Cos will receive an allowed revenue through the Revenue Support Agreement and User Charges. Emitters pay the User Charges for use of the network, which are fully repaid by government.

We also concluded that the companies are non-market producers because the government-funded allowed revenue substantially shields them from demand and revenue risk, limiting their response to economic signals.

Therefore, we have classified the following T&S Cos to the central government subsector:

- Liverpool Bay CCS Limited, with effect from 24 April 2025, when financial close was reached
- Net Zero North Sea Storage Limited, with effect from 10 December 2024, when financial close was reached

Holding companies within the Carbon Capture, Usage and Storage model

Holding companies are responsible for holding the financial assets of T&S Cos. We have classified two holding companies:

- Eni CCUS Holding Limited, a parent company of Liverpool Bay CCS Limited
- Net Zero North Sea Storage Holdings Limited, a parent company of Net Zero North Sea Storage Limited

We concluded that both holding companies are SPEs and are not under public sector control because government has no ownership interest or contractual relationship with these organisations. We further concluded that both holding companies are market producers because they operate as investment and financing vehicles, undertaking commercial activities such as managing investments, raising capital and bearing financial risks.

Therefore, we have classified the following holding companies to the private financial corporations sector:

- Eni CCUS Holding Limited, with effect from 24 April 2023, the date it was incorporated
- Net Zero North Sea Storage Holdings Limited, with effect from 8 December 2023, the date it was incorporated

Transactions and schemes

User Charges paid by private sector carbon dioxide emitters to licensed Transport and Storage Companies within the Carbon Capture, Usage and Storage model

Once operational, licensed T&S Cos will receive User Charges. These are compulsory payments under the [Energy Act 2023](#). They were established under the [Carbon Capture and Storage \(CCS\) Network Code](#).

We concluded that a service is being provided to emitters for the payment of the User Charges, and they are therefore required. User Charges are fully repaid to emitters by government through the emitter business models (such as Industrial Carbon Capture contracts), meaning that revenues are indirectly supported by government rather than purely by market-based demand. Therefore, the charges are not economically significant.

As such, the User Charges have been classified as payments for non-market output. These are paid by eligible companies in the private, non-financial corporations subsector to the central government subsector, with effect from 10 July 2025, the date the transaction was established by the CCS Network Code.

Forward work plan

The [Forward work plan \(xlsx, 44.7KB\)](#) 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.

Transport and Storage Company within Carbon Capture, Usage and Storage has been removed from the forward work plan, following its classification this month.

Rolling Stock Lease Agreements have been added to the forward work plan.

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

We implemented and explained the latest improvements and data update changes in public sector finance statistics in our [previous edition of this article](#), published on 22 September 2026.

Routine data updates made this month are explained in our main [Public sector finances, UK: September 2026 bulletin](#).

4 . Review of emerging issues in the economy

Avanti West Coast

On 28 September 2026, the Department for Transport announced that [Avanti West Coast will transition to public ownership](#) on 7 March 2027, when their current contract expires.

The classification of train operating companies is determined by the nature of their contractual and financial arrangements with the UK government, rather than ownership alone. This is outlined in our [The ONS classifies train operating companies now running under Emergency Measures Agreements article](#).

Under Emergency Measures Agreements and the subsequent National Rail Contracts, operators are subject to public sector control over their activities, revenues and costs. This level of control meets the criteria for classification as public non-financial corporations.

Avanti West Coast was already classified to the public sector before their formal transition to public ownership. As such, their treatment in the economic statistics will not change.

2026 Autumn Budget

The Chancellor of the Exchequer will present the 2026 Autumn Budget, outlining the UK government's plans for taxation and public spending, on 28 October 2026. The statistical treatment of the policies announced in the 2026 Autumn Budget will be discussed in our next edition of this article, publishing on 20 November 2026.

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: 2026](#)

Article | Released 22 June 2026

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 October 2026

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.

[Defining the boundary between the general government sector and public non-financial corporations in economic statistics](#)

Article | Released 28 November 2025

Explains how an entity under public sector control is classified as either a market or non-market producer.

[Classification review of universities in the UK](#)

Statement | Last updated 12 March 2026

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

6 . Cite this article

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