

#### Article

# Economic statistics sector classification – classification update and forward work plan: December 2022

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

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### 1. Introduction

Our economic statistics are produced in accordance with international rules and guidance. Central to this are the rules set out in the <u>United Nations System of National Accounts (SNA) 2008</u>, the <u>European System of Accounts</u> (<u>ESA) 2010</u> and the accompanying <u>Manual on Government Deficit and Debt (MGDD)</u> 2019. These include rules on classifying statistical units (organisations or bodies) and the transactions they engage in. A summary of these, and our approach to their application, can be found on our <u>Economic statistics classification web page</u>.

Our Forward work plan (XLS, 121.9kB) sets out the organisations and transactions that we expect to assess and classify in the next 12 to 18 months. Please note that classification priorities can change quickly, and the expected dates of completion are only indicative at the time of publication. There is high demand for classification assessments, and we progress many active cases at the same time, with new cases often arising. These include confidential assessments of government and devolved administration policy proposals, as explained in our classification process.

We do not announce or discuss such policy proposal assessments, to give policymakers the space to develop policy. When a policy is implemented, we will publish a classification decision. You can read our <u>Public Sector</u> <u>Classification Guide (XLS, 3.0MB)</u> for more information.

Therefore, the forward work plan does not cover all cases that will arise over the next 12 to 18 months; cases that are likely to have a smaller statistical and policy impact will be assessed as resources allow. The cases scheduled in this article have been prioritised because of the impact they will have on important statistics and their importance to public policy.

### 2. Future developments

There are no additions to or deletions from the forward work plan.

## 3. Classification update

#### 2023 Cycling World Championships Limited

We carried out a classification assessment of 2023 Cycling World Championships Limited (2023 CWC Limited), in the context of internationally agreed statistical guidance as described in the <u>Introduction</u>.

2023 CWC Limited is a wholly-owned subsidiary of VisitScotland, with responsibility for the delivery of the 2023 Cycling World Championships in Glasgow and across Scotland. The assessment concluded that 2023 CWC Limited has the requisite autonomy of decision to be an institutional unit and is subject to public sector control as VisitScotland is classified to the central government subsector and can appoint a majority of 2023 CWC Limited's board.

The assessment further concluded that 2023 CWC Limited is a non-market body as it receives all of its income from ring-fenced grant-in-aid from the Scottish Government. It has therefore been classified to the central government subsector (S.1311), effective from 28 February 2020, the date that 2023 CWC Limited was incorporated.

#### **National Citizen Service Trust**

National Citizen Service Trust (NCS Trust) is responsible for managing and supporting the National Citizen Service programme, which provides opportunities for young people in England to equip them for adulthood, build confidence and improve social cohesion between communities.

We have assessed the classification of NCS Trust in the context of internationally-agreed statistical guidance as described in the <u>Introduction</u>. We have concluded that NCS Trust has the requisite autonomy of decision to be an institutional unit and is subject to public sector control. This is because the members of the board are all appointed by the Department for Digital, Culture, Media and Sport (DCMS), (SNA 2008 4.80(b), and ESA 2010 20.309 (a) and 20.310). The assessment also concluded that NCS Trust is a non-market producer as it is mainly financed by grant-in-aid from DCMS.

As such, NCS Trust has been classified to the central government subsector (S.1311) with effect from 26 April 2017, the date that NCS Trust was incorporated by Royal Charter by the National Citizen Service Act 2017.

#### **Education Workforce Council**

The Education Workforce Council (EWC) is the independent regulator for the education workforce in Wales.

In December 2022, we assessed the sector classification status of the EWC, having previously classified this unit to the central government subsector (S.1311) in March 2019. The December 2022 assessment concluded that the EWC has the requisite autonomy of decision to be an institutional unit, and is subject to public sector control, for reasons including:

- legislation gives the Welsh Ministers the right to appoint all members of the governing body of the organisation
- the main functions of the EWC are established in legislation
- the Welsh Government can exercise control of the EWC's income through the legislative process that establishes the payment of registration fees, and through the provision of grant funding

The assessment further concluded that the EWC is a non-market producer because the registration fee is unlikely to have a substantial effect on levels of supply and demand, and relevant professionals cannot choose whether to pay the fee. The registration fees paid by professionals, which are used to fund the operating costs of the EWC's statutory functions, were classified as payments for non-market output (P.131). This is because they are compulsory, requited fees, which are not out of proportion with the cost of the related activities.

As such, the EWC will continue to be classified to the central government subsector (S.1311), with the effective date remaining as 1 April 2015, the date on which the EWC was established.

### 4. Cite this article

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