

Article

# Economic statistics sector classification – classification update and forward work plan: September 2023

Classification of units, transactions and assets for the purposes of economic statistics.

Contact: Helen Meaker econstats.classifications@ons. gov.uk

Release date: 29 September 2023

Next release:
To be announced

#### **Table of contents**

- 1. Overview of the economic statistics sector classification update
- 2. Forward work plan

+44 1633 456763

- 3. Classification update
- 4. Related links
- 5. Cite this article

# 1. Overview of the economic statistics sector classification update

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 (ESA) 2010</u> and the accompanying <u>Manual on Government Deficit and Debt (MGDD) 2019</u>. 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 classifications web page</u>.

Our <u>Forward work plan dataset (XLSX, 131.1KB)</u> 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 <u>Classification process methodology</u>.

We do not announce or discuss such policy proposal assessments to give policymakers the space to develop policy. As with other classification decisions, when a policy is implemented, it will be classified and included in the <u>Public sector classification guide dataset (XLSX, 635.7KB).</u>

We now use the more transparent and accessible format of our <u>Public sector classification guide</u> dataset (XLSX, 635.7KB). If you have any comments on the new structure, please email us at <u>econstats.classifications@ons.gov.uk</u>.

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. Forward work plan

There are no changes to the forward work plan this month. See our <u>previous edition of this article</u> for changes added previously.

# 3. Classification update

## Celsa Steel (UK) Ltd

In April 2021, the Office for National Statistics (ONS) assessed the classification status of Celsa Steel (UK) Ltd, following the UK government's provision of an emergency loan on 2 July 2020. The ONS concluded that the conditions of the loan, which included commitments to achieving net zero carbon targets and restraints on executive pay and bonuses, meant that Celsa Steel (UK) Ltd was subject to public sector control for the period of the loan.

As such, Celsa Steel (UK) Ltd was classified to the public non-financial corporations subsector (S.11001) with effect from 2 July 2020, the date the loan was agreed.

In September 2023, the ONS conducted a subsequent classification assessment, following repayment of the UK government loan on 23 June 2023. As the Conditions Agreement and the Term Facility Agreement ceased to have effect from that point, Celsa Steel (UK) Ltd is no longer subject to public sector control.

As such, Celsa Steel (UK) Ltd has been classified to the private non-financial corporations subsector (S.11002), and as a former public non-financial corporation, with effect from 23 June 2023.

#### The Sentencing Council for England and Wales

In September 2023, the ONS assessed the classification status of the Sentencing Council for England and Wales (Sentencing Council), which was established by the Coroners and Justice Act 2009 on 6 April 2010. The Sentencing Council is an independent, non-departmental public body (NDPB) that forms part of the Ministry of Justice family of arms-length bodies. The Sentencing Council produces guidelines on sentencing for the judiciary and criminal justice professionals and aims to increase public understanding of sentencing.

It replaced two predecessor bodies, the Sentencing Advisory Council and the Sentencing Guidelines Council, which were abolished on 6 April 2010. As such, both the Sentencing Advisory Council and the Sentencing Guidelines Council are disbanded public sector bodies from 6 April 2010.

The assessment concluded that the Sentencing Council does not have the requisite autonomy of decision to be an institutional unit, and as such, for economic statistical purposes, the Sentencing Council is classified as part of its controlling unit, the Ministry of Justice.

#### **Trade Remedies Authority**

The Trade Remedies Authority (TRA) was established with the purpose of defending UK economic interests against unfair international practices.

The ONS has assessed the classification status of the TRA and concluded that it is an institutional unit, which is subject to public sector control. Public sector control exists for reasons such as all members are appointed either directly by the Secretary of State for Business and Trade, or by the Chair, who is directly appointed by the Secretary of State.

The assessment also concluded that the TRA is a non-market producer as it is mainly funded by grant-in-aid from its sponsoring body, the Department for Business and Trade. As such, and given its UK remit, the TRA has been classified to the central government subsector (S.1311). This decision is effective from 1 June 2021, the date on which it was established.

#### 4. Related links

#### Economic statistics classifications - Office for National Statistics

Web page | Updated periodically

Classification decisions taken in recent years, documentation on the classification process and a list of entities and their classification in the UK National Accounts.

#### Forward work plan

Dataset | Updated monthly

A plan which sets out the organisations and transactions that the Office for National Statistics (ONS) expects to assess and classify in the next 12 to 18 months.

#### Public Sector Classification Guide

Dataset | Updated monthly

An updated guide providing a list of bodies that have been classified by the Office for National Statistics (ONS) as public sector bodies within the National Accounts.

#### 5. Cite this article

Office for National Statistics (ONS), released 29 September 2023, ONS website, article, <u>Economic statistics</u> sector classification – classification update and forward work plan: <u>September 2023</u>