

National Accounts Revisions Policy

Updated 15 November 2016

Scope of Revisions Policy

1. National Accounts Outputs

The National Accounts revisions policy covers all published quarterly and annual series within the National Accounts. This includes all the series that appear in the following statistical bulletins; Preliminary GDP; Second estimate of GDP; Quarterly National Accounts; Balance of Payments; associated statistical bulletins such as Business Investment, UK Trade, Index of Production, Index of Services, Output in the Construction industry; and the core National Accounts publications; UK National Accounts - The Blue Book, UK Balance of Payments - The Pink Book, UK Economic Accounts, Consumer Trends, Regional Statistics and Welsh Short Term Indicators.

The Public Sector Finances statistical bulletin, although using national accounts concepts, [has adopted a different revisions policy](#):

2. Intergrated National Accounts

The National Accounts represent a wide array of data on areas as diverse as production, trade, earnings, spending, investment in fixed and financial assets and balance sheets. The nature of the integrated National Accounts system is that all activity is linked, so a change in one area will have an impact elsewhere and consequently making revisions to one part of the National Accounts may lead to revisions throughout the system. The main strength of the system is that it allows analysis of the various economic indicators both in isolation and in conjunction with others. The strength of the integrated National Accounts system however, may mean less flexibility for introducing revisions at any point in time. The National Accounts revisions policy is designed to give users a clear understanding of the time periods which could see revisions at each data release and why incorporating revisions from a single source is not a simple matter.

3. What is a Revision

A revision is a scheduled change to any published Office for National Statistics (ONS) output whether printed or electronic. Examples of revisions could be:

Updates to incorporate better or more complete source data such as:

- more accurate reporting by respondents
- source data that more closely match the concepts
- availability of late or more comprehensive data

Updates to capture routine recalculations, such as:

- incorporation of updated seasonal factors
- benchmarking

Improvements to methods or systems, such as:

- changes in statistical methods;
- changes in concepts, definitions and classifications
- updating of the base period

A correction is an unplanned revision to any published ONS output whether printed or electronic due to the identification of an error. Where an error has been identified but a decision is taken to postpone correction until the next regular release in line with the Code of Practice for Official Statistics, this will be transparently explained. Changes as a result of a correction will be clearly labelled as a correction rather than a revision. Further details regarding this practice are available on the [UK Statistics Authority website](#).

Annual reassessment

4. Data Sources

One of the key principles for compiling UK National Accounts is that our main annual sources provide the best quality and most comprehensive data. The most significant of these sources are the ONS

Annual Business Survey (ABS) and Her Majesty's Revenue and Customs (HMRC) earnings estimates. These sources provide the core inputs to estimating the level of gross domestic product (GDP) through the Supply and Use Framework. This framework provides the basis for confronting a wide range of source data and for balancing the three different approaches to compiling GDP, as well as many of the key components of the sector accounts. These key annual estimates are usually incorporated into the National Accounts around eighteen months after the year they relate to. For instance, results from the 2014 ABS were included in the 2016 Blue Book. Estimates for later periods are taken forward from this point using a wide range of shorter term sources.

5. Incorporating the data

Once the figures from these major sources have been incorporated into the National Accounts, there should be no need to revisit the period to which they relate during subsequent quarterly rounds. Typically data from these major sources will be revisited when the next set of annual results are available, in order to incorporate any late returns from the previous year and to ensure consistency between consecutive years. Following the second supply and use balance for any given year most of the data will be close to final and only exceptional changes that lead to significant revisions will be considered in subsequent periods.

6. Other sources of revisions

Other changes due to methodology, concepts or classifications can lead to revisions after the source data have been finalised. In recent years there have been a number of significant changes to the National Accounts which have resulted in major revisions outside the usual period. For instance, in 1998 the ONS introduced the European System of Accounts 1995 (ESA 1995); in 2001 the National Accounts incorporated the results from the new Annual Business Inquiry (former name of the ABS) as well as significant improvements to the Business Register which underpins ONS surveys; in 2003 annual chain-linking was introduced alongside significant improvements to price deflators for gross fixed capital formation and imports of goods. In 2011, the ONS introduced a new industrial classification, the Standard Industrial Classification 2007 (SIC07), to the National Accounts. In 2014, ONS moved from ESA 1995 to the European System of Accounts 2010 (ESA 2010). Clearly it is impossible to introduce major developments and improvements in the National Accounts without making revisions.

7. Annual chain linking

A consequence of one of our annual methodological updates known as “annual chain linking”, is that volume series, expressed in currency terms, are revised each year as the reference year to which they refer, is moved forward. For example, in the 2016 Blue Book, chained volume measures were re-referenced to 2013 from 2012 in the previous Blue Book, although growth rates will remain unchanged if current price data remain unrevised for periods before 2013. The practice, up until Blue Book 2016, has been to set the last base year to the reference year. From Blue Book 2017 onwards, the UK will separate the reference year from the last base year and set the reference year to the latest year balanced through the Supply and Use Framework. The reference year would subsequently be moved on each year in line with the most recently Supply and Use balanced year. An article, [National Accounts: proposed methodological changes to chainlinking for UK publications and international transmissions](#) was published on 12 October 2016 providing further details regarding this change.

8. Revisions policy for the next annual assessment

The table below summarises the revisions policy for the next annual reassessment of data to be published on 31 October 2017.

Year	Current price Data	Chained Volume Measure Data
Latest full year (2016 in BB2017)	Take on latest data from short-term sources.	Take on updates to current prices and deflators. Update reference year to 2015.
First results from main inquiries (2015 in BB2017)	Take on first results from ABS & HM Revenue & Customs data.	Take on updates to current prices and deflators. Update reference year to 2015.
Updated results from main inquiries (2013 and 2014 in BB2017)	Take on later results from annual inquiries and ensure adjacent years are consistent.	Take on updates to current prices and deflators. Update reference year to 2015.

Early years (2012 and earlier in BB2017)	Only exceptional changes to data or significant changes to methodology or classifications taken on for these periods (see link below).	Take on updates to current prices and deflators caused by methodology changes and classification changes. Update reference year to 2015.
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An article was published on 21 September 2016 describing the [planned scope and content of the “UK National Accounts, The Blue Book: 2017 edition”](#), and the “UK Balance of Payments, The Pink Book: 2017 edition”, due to be published on 31 October 2017.

Quarterly data

9. Treatment of quarterly data

Quarterly data are treated in a similar way to the periods set out in the table. Periods covered by the main annual sources are not reopened until the next annual reassessment, apart from in exceptional circumstances. For instance, after Blue Book 2016, the period up to and including quarter 4 in 2014 will not be reassessed until Blue Book 2017.

10. Periods from Quarter 1 2015 onwards

For periods from Quarter 1 2015 to the latest period, the quarterly process of updating the National Accounts is based on a monthly cycle affecting particularly GDP estimates. This cycle is linked notably to the production of the monthly estimates of production and retail sales and to the release of trade statistics. During each quarter, National Accounts estimates are published, as follows, in the weeks after the end of the quarter:

- Around 4 weeks: a preliminary estimate of the growth in GDP from the previous quarter
- Around 8 weeks: an updated estimate of GDP with an output, expenditure and income breakdown
- Around 12-13 weeks: full Quarterly National Accounts, including a further update of GDP, balance of payments and sector accounts.

11. Typical revisions to the different estimates of GDP

Generally quarters earlier than the latest quarter are only revised during the third of these releases. The focus of the earlier releases is to provide the best estimate of quarterly growth in the most recent period. However, an exception is made in February where the first estimate of the latest full calendar year becomes available and it is helpful to ensure that seasonally adjusted data are in line with the unadjusted data across the whole year. At the third release of each quarter it is possible to provide a complete set of accounts for the quarter and to take account of revisions to the component items for earlier quarters.

12. Planned revisions for the monthly GDP cycle

The table below summarises how revisions are planned to be incorporated over the monthly cycle for the 12 months commencing with the second estimate of GDP for quarter 3 2016:

Month of publication	First Period being revised	Comments
November 2016	Q3 2016	Second Estimate of GDP Q3 2016
December 2016	Q1 2015	Quarterly National Accounts estimate Q3 2016
January 2017	Q4 2016	Preliminary Estimate of GDP Q4 2016
February 2017	Q1 2016	Second Estimate of GDP Q4 2016
March 2017	Q1 2016	Quarterly National Accounts estimate Q4 2016
April 2017	Q1 2017	Preliminary Estimate of GDP Q1 2017
May 2017	Q1 2017	Second Estimate of GDP Q1 2017
June 2017	Q1 2017	Quarterly National Accounts estimate Q1 2017
July 2017	Q2 2017	Preliminary Estimate of GDP Q2 2017
August 2017	Q2 2017	Second Estimate of GDP Q2 2017
September 2017	Fully open to revisions	Quarterly National Accounts estimate Q2 2017
October 2017	Q3 2017	Preliminary Estimate of GDP Q3 2017

November 2017	Q3 2017	Second Estimate of GDP Q3 2017
December 2017	Q1 2016	Quarterly National Accounts estimate Q3 2017

13. Monthly indicator revisions

Statistical bulletins for the monthly indicators such as Index of Production, Index of Services, Index of Construction and UK Trade follow the same monthly rules as the National Accounts revisions policy.

Notification of revisions

14. The scope of future planned revisions are regularly announced in advance of the annual reassessment of data. These announcements are made in the form of articles on the ONS website which describe the nature of any revisions that are planned outside of the regular process. An article titled [National Accounts articles: Blue Book 2014 and Blue Book 2015 revisions analysis and impact](#) was published on 19 January 2016 detailing GDP revisions.

15. Exceptional causes of revisions such as changes to the industrial classification or international accounting standards will be accompanied by a dedicated communication plan, which might consist of a series of articles and seminars on concepts, methodology and probable effects. This was relevant in Blue Book 2014 when ESA 2010 was implemented across all of Europe.

16. Revisions to the main series presented within National Accounts statistical bulletins are published in tables. The bulletin background notes also contain tables which provide information to enable users to put these revisions into an historical context. Revisions triangles supporting this information are also published on the National Statistics website, to allow users to analyse past revisions for themselves.

Further revisions information

17. Further information on [other ONS revisions policies](#) can be found on our website.