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Mr. Andrew Evans
General Expenditure Policy Team
HM Treasury
2/N1 1 Horse Guards Road
London
SW1A 2HQ

Dear Mr. Evans,

Notification of Review of Private Registered Providers (PRPs)

Her Majesty's Treasury invited ONS to consider the provisional statistical classification of PRPs in England, most recently in respect of additional information provided on 21 June 2017.

ONS assessed a copy of the draft regulations against the internationally agreed rules in the European System of Accounts 2010 and the accompanying Manual on Government Deficit and Debt 2016.

Having carried out an assessment on the additional information, ONS has determined that if the proposed regulations come into force as proposed then local authority and central government influence in combination with the existence of nomination agreements would not constitute public sector control, and English PRPs would be reclassified as Private Non-Financial Corporations (S.11002).

As such, ONS will be happy to review the classification once the secondary legislation has been enacted. This assessment has been endorsed by the Economic Statistics Classifications Committee and Director of National Accounts and Economic Statistics.

ONS will treat this advice as given in confidence. If any indication of the contents of this advice is made public, by you or otherwise, we reserve the right to publish the advice in full, or confirm that we have been approached to provide advice. You are free to make this advice public but we ask that if you plan to do so that you contact us in advance to discuss.

I hope this provides a sufficient overview of the process undertaken. Please do get in touch if you have any questions or comments.

Yours sincerely,

David Beckett