Compendium

UK National Accounts, The Blue Book: 2026

National accounts statistics including national and sector accounts, industrial analyses and environmental accounts.

Contact:
Blue Book Coordination team
Blue.book.coordination@ons.gov.uk
+44 1633 456103

Release date:
30 October 2026

Next release:
To be announced

Notice

30 October 2026

There was a technical issue that meant Blue Book links to content were not available on 30 October 2026 until 10:35am. All data were published and available on the website at 09:30am. We apologise for the delay in access to the content.

Chapters in this compendium

1. An introduction to the UK National Accounts

2. National accounts at a glance

3. The industrial analysis

4. Non-financial corporations

5. Financial corporations

6. General government

7. Households and non-profit institutions serving households

8. Rest of the world

9. Gross fixed capital formation supplementary tables

11. Public sector supplementary tables

12. Statistics for international purposes

13. Environmental economy

14. Flow of funds

15. Glossary

16. Background notes

Compendium

An introduction to the UK National Accounts

Chapter Summary and general overview of the national and sector accounts.

Contact:
Blue Book Coordination team
blue.book.coordination@ons.gov.uk
+44 1633 456103

Release date:
30 October 2026

Next release:
To be announced

Table of contents

1. Overview of the Blue Book

2. Overview of the UK National Accounts and sector accounts

3. Summary of changes

4. The basic accounting framework

5. Table numbering system

6. The purpose of an account

7. The integrated economic accounts

8. The goods and services account (Account 0)

9. Current accounts: the production and distribution of income accounts

10. Satellite accounts

11. Production included in economic activity

12. Prices used to value the products of economic activity

13. Gross domestic product: the concept of net and gross

14. Symbols used

15. Cite this chapter

1 . Overview of the Blue Book

UK National Accounts, The Blue Book was first published in August 1952 and presents a full set of economic accounts (national accounts) for the UK. These accounts are compiled by the Office for National Statistics (ONS). They record and describe economic activity in the UK and are used to support the formulation and monitoring of economic and social policies.

Content of Blue Book 2026

Note that the chapter numbers refer to the worksheet numbering sequence in our accompanying data tables.

Chapter 1

Chapter 1 of the Blue Book provides a summary of the UK National Accounts, including explanations and tables covering the main national and domestic aggregates, for example:

- GDP at current market prices and chained volume measures
- GDP deflator
- GVA at basic prices
- gross national income (GNI)
- gross national disposable income (GNDI)
- population estimates
- employment estimates
- GDP per head
- the UK Summary Accounts (the goods and services account, production accounts, distribution and use of income accounts, and accumulation accounts)

Chapter 1 also includes details of revisions to data throughout the series.

Chapter 2

Chapter 2 includes:

- input-output supply and use tables
- analyses of GVA at current market prices and chained volume measures
- capital formation
- workforce jobs by industry

Chapters 3 to 7

Chapter 3, Chapter 4, Chapter 5, Chapter 6 and Chapter 7 provide:

- a description of the institutional sectors
- the sequence of the accounts and balance sheets
- an explanation of the statistical adjustment items needed to reconcile the accounts
- the fullest available set of accounts providing transactions by sectors and appropriate subsectors of the economy (including the rest of the world)

Chapters 8 to 11

Chapter 8, Chapter 9, Chapter 10 and Chapter 11 cover additional analysis and include:

- supplementary tables for gross fixed capital formation (GFCF), national balance sheet and public sector
- statistics for international purposes

Chapter 12

Chapter 12 covers the UK Environmental Economy.

Chapter 13

Chapter 13 covers flow of funds.

2 . Overview of the UK National Accounts and sector accounts

Accounts and sector accounts

In the UK, priority is given to the production of a single gross domestic product (GDP) estimate using income, production, and expenditure data. Further analysis is available on:

- income analysis at current prices
- expenditure analysis at both current prices and chained volume measures
- value added analysis compiled on a quarterly basis in chained volume measures only

Income, capital, and financial accounts are produced for non-financial corporations, financial corporations, general government, households, and non-profit institutions serving households (NPISH).

The accounts are fully integrated, but with a statistical discrepancy (known as the statistical adjustment), shown for each sector account. This reflects the difference between the sector net borrowing or lending from the capital account, and the identified borrowing or lending in the financial accounts, which should theoretically be equal.

Financial transactions and balance sheets are produced for the rest of the world sector in respect of its dealings with the UK.

An introduction to sector accounts

The sector accounts summarise the transactions of particular groups of institutions within the economy. They show how the income from production is distributed and redistributed, and how savings are used to add wealth through investment in physical or financial assets.

Institutional sectors

The accounting framework identifies two kinds of institutions: consuming units (mainly households), and production units (mainly corporations, non-profit institutions, or government).

Units can own goods and assets, incur liabilities, and engage in economic activities and transactions with other units. All units are classified into one of five sectors:

- non-financial corporations
- financial corporations
- general government
- households and NPISH
- rest of the world

Types of transactions

There are three main types of transactions.

Transactions in products

Transactions in products are related to goods and services. They include output, intermediate and final consumption, gross capital formation, and exports and imports.

Distributive transactions

Distributive transactions transfer income or wealth between units of the economy. They include property income, taxes and subsidies, social contributions and benefits, and other current or capital transfers.

Financial transactions

Financial transactions differ from distributive transactions in that they relate to transactions in financial claims, whereas distributive transactions are unrequited. The main categories in the classification of financial instruments are:

- monetary gold and special drawing rights
- currency and deposits
- debt securities
- loans
- equity and investment fund shares or units
- insurance, pension, and standardised guarantee schemes
- financial derivatives and employee stock options
- other accounts receivable or payable

3 . Summary of changes

For Blue Book and Pink Book 2026, we have made a number of methodological and data changes to the full time series. These affect both current price and volume series. Improvements include:

- a redevelopment of the systems and methods used to estimate low pay, statutory sick pay, and redundancy pay; plus, changes to the Rent a Room scheme, and private actual and imputed rentals in the household sectors
- full integration of the Annual Survey of Goods and Services data
- a review of the energy industry and its associated products
- updates and improvements to our deflators and fixed based weights
- improvement to the treatment of transfer fees and costs within gross fixed capital formation (GFCF) estimates
- improvements to the local government subsector relating to the treatment of Scottish Integration Joint Boards

We have published information about these improvements, and their associated data impacts in our Proposed changes to be implemented in Blue Book and Pink Book: 2026 article, Blue Book 2026: industry impact analysis article, and Blue Book 2026: impact on GDP and main components article.

Household income and expenditure

We have improved and updated our low pay estimates for individuals earning below the personal allowance for the taxable pay threshold. We have also processed stored revisions going back to 2009, which were led by improvements to deflation methodology, instigated by the Department for Work and Pensions.

We have refined our processing of data from the Rent a Room scheme, which represents income generated by the letting of furnished accommodation in an already occupied home. This has allowed us to more accurately reflect the self-assessment data for 2017 onwards, supplied to us by HM Revenue and Customs, and what we draw from the Wealth and Assets Survey, to improve the quality of our mixed income outputs.

Transactions for statutory sick pay and redundancy payments have been reallocated to reflect their correct economic classification, and to align with international standards. They will now be treated as employers' actual non-pension contributions, having previously been treated as employers' imputed non-pension contributions.

We have made improvements to the way we measure private actual and imputed rentals within household final consumption expenditure. This change includes the use of hedonic-modelled rental prices, improved deflators, and other refinements to existing sources and methods.

Annual Survey of Goods and Services

Annual Survey of Goods and Services (ASGS) data are now fully integrated in the national accounts production process. The survey data are available from 2017 to 2024 and are backcast to 2006.

The ASGS itself does not change our starting estimate of the total output of industries in the non-financial business economy, as this comes from the Annual Business Survey. However, the improved understanding of the range of service products that those industries produced led us to re-evaluate how we reconciled data in our supply and use framework.

The ASGS has had some effect on current price (nominal) gross domestic product (GDP). In addition, some impact on real GDP (chained volume measures), as annual double deflation methods are based on products rather than industries.

A review of sources of data on the economic demand for products where ASGS data suggested significant change to the level of supply in the economy, therefore, our 2026 data release includes a full range of data, following a substantial and detailed quality assurance process.

Review of energy industries and products

The combination of rapid price changes, business insolvencies and government interventions has led to challenges in reconciling data covering the energy sector over recent years, particularly in the electricity and gas industries. We have reviewed our data sources and how we compile these to obtain our estimates of gross value added for the energy industries, with particular focus on changes since 2019.

In order to ensure the UK National Accounts remain comparable with the national accounts of other European economies, we have also included an estimate of own account electricity generated by households. This development allocates a value to electricity generated by households through solar panels, whether this is supplied to the energy grid or consumed directly by the household.

A market production element (P11) is valued by reference to prices received by households on the Feed-in Tariff and Smart Export Guarantee schemes, and an output for own final use element (P12) is valued by an appropriate basic price approach.

The output for own final use creates a corresponding new value for household final consumption and gross operating surplus, raising the level of GDP by a modest amount.

While the values involved are small in comparison with total electricity generation and use, this method future-proofs the UK National Accounts for any further growth in own account electricity generation. The method was designed in close cooperation with and using data supplied by the Department for Energy Security and Net Zero (DESNZ).

UK trade

As part of our methods changes for Blue Book 2025, we implemented improvements to the way we record trade in precious metals. We removed double counting of some precious metals bars and included previously under-recorded non-monetary gold that is not in bar form. We continued to monitor trends and make improvements to our methods for recording trade in precious metals, and in spring 2026, we identified and removed further double counting for periods across 2024 and 2025. In this release, we have removed this additional double counting across our full time series, resulting in revisions to 2023 and earlier.

We have also taken on latest available data.

For trade in goods, we have received updated 2024 data to inform our measurement of globalisation and multi-national enterprises (MNEs). This replaces the imputed data previously used for 2024 estimates and mainly affects chemicals, building on the pharmaceutical industry review implemented in Blue Book 2025.

For trade in services, data from the 2024 Annual International Trade in Services (ITIS) survey have been incorporated for the first time.

Deflators

We have made several deflator changes to improve our estimates.

As part of the Blue Book 2025, we incorporated corrected chain-linking methods for the Producer Price Indices (PPI), Import Price Indices (IPI), Export Price Indices (EPI), and Service Producer Price Indices (SPPI). We have made a further update to the Blue Book 2026 to include updated weights for these business price indices. Updated weights have already been used in our monthly and quarterly GDP estimates from 2024 onwards.

This brings the national accounts data fully in line with our monthly business price bulletins.

We have also made updates to:

- the fixed based weights used in the calculation of some output deflators from 2022 onwards
- the quality adjustment applied to the output and exports computer hardware deflator, to improve the monthly path for changes in quality
- plant, labour and materials weights used in our construction output deflator for the periods from 2018 onwards

Gross fixed capital formation

We have implemented important updates to improve the accuracy and relevance of our non-financial asset estimates, including refined methodologies and more up-to-date data sources.

These include:

- updated methods for estimating costs associated with the transfer of ownership of non-financial assets, otherwise known as transfer costs, to ensure we reflect real market activity and international best practice; this includes those for Land Registry fees and fees associated with the transfer of a football player but not the transfer fee
- revised Annual Survey of Hours and Earnings (ASHE) data for 2024, used to calculate labour costs in our sum-of-costs approach for calculating own-account software estimates
- updating artistic originals from 2018 onwards to incorporate improved data sources, strengthening coverage and reliability

We have also refined the bottom-level industry profile for estimates of research and development gross fixed capital formation. These changes do not affect top-level aggregates.

Local government

We have implemented a methodological improvement to remove the effects of Scottish Integration Joint Boards from the calculation of intermediate consumption (P.2). This now aligns with the recording of the equivalent bodies in England and Wales.

Integration Joint Boards (IJBs) were established in Scotland following the introduction of the Public Bodies (Joint Working) (Scotland) Act 2014. Their purpose is to bring together the 32 Scottish councils and 14 territorial NHS boards into partnerships to integrate how social care and community healthcare services are provided.

Our main source for Scottish local government intermediate consumption is the Scottish Government's Local Government Finance Statistics publication. Between the financial year ending (FYE) 2019 and FYE 2020, there was a change in how IJBs were recorded in this publication.

This change has resulted in our estimates of Scottish local government intermediate consumption being artificially increased from FYE 2020 onwards. There is no impact on this series for periods before FYE 2020.

This methodological change will bring the UK National Accounts in line with our Public sector finance publications, which implemented this improvement, as explained in our Economic statistics classifications and developments in public sector finances: August 2025 article.

Public sector finances

While no complex classification decisions requiring additional work have been identified for inclusion in this year's Blue Book dataset, a number of smaller changes have been implemented. Many decisions about whether an organisation is classified within or outside the public sector for economic statistics are implemented as part of regular updates by the relevant government departments. The resulting data are then incorporated automatically into the public sector finances and national accounts through our regular data deliveries. As a result, the effects of these decisions are both small and not always separately identifiable.

The most up-to-date information relating to public sector classifications can be found on the ONS website:

Public sector classification guide and forward work plan - Office for National Statistics

4 . The basic accounting framework

The accounting framework provides a systematic and detailed description of the UK economy, including sector accounts and the input-output framework.

All elements required to compile aggregate measures, such as gross domestic product (GDP), gross national income (GNI), saving, and the current external balance (the balance of payments) are included.

The economic accounts provide the framework for a system of volume and price indices, to allow chained volume measures of aggregates, such as GDP, to be produced. In this system, value added, from the production approach, is measured at basic prices (including other taxes less subsidies on production but not on products) rather than at factor cost (which excludes all taxes less subsidies on production).

The whole economy is subdivided into institutional sectors with current price accounts running in sequence from the production account through to the balance sheet.

The accounts for the whole UK economy and its counterpart, the rest of the world, follow a similar structure to the UK sectors, although several of the rest of the world accounts are collapsed into a single account as they can never be complete when viewed from a UK perspective.

5 . Table numbering system

The table numbering system is designed to show relationships between the UK, its sectors, and the rest of the world. For accounts drawn directly from the European System of Accounts (ESA) 2010, a three-part numbering system is used; the first two digits denote the sector, and the third digit denotes the ESA 2010 account. Not all sectors can have all types of account, so the numbering is not necessarily consecutive within each sector's chapter.

The rest of the world's identified components of accounts 2 to 6 are given in a single account, numbered 2. UK whole economy accounts consistent with ESA 2010 are given in Section 1.6 as a time series and in Section 1.7 in a detailed matrix identifying all sectors, the rest of the world and the UK total.

The ESA 2010 code for each series is shown in the left-hand column, using the following prefixes:

- S for the classification of institutional sectors
- P for transactions in products
- D for distributive transactions
- F for transactions in financial assets and liabilities
- K for other changes in assets
- B for balancing items and net worth

Within the financial balance sheets, the following prefixes are used: AF for financial assets and liabilities, and AN for non-financial assets and liabilities.

6 . The purpose of an account

An account records and displays all flows and stocks for a given aspect of economic life. The sum of resources is equal to the sum of uses, with a balancing item to ensure this equality.

The system of economic accounts allows the build-up of accounts for different areas of the economy, highlighting, for example, production, income, and financial transactions.

Accounts may be elaborated and set out for different institutional units or sectors (groups of units).

Usually, a balancing item must be introduced between the total resources and total uses of these units or sectors. When summed across the whole economy, these balancing items constitute significant aggregates.

7 . The integrated economic accounts

The integrated economic accounts of the UK provide an overall view of the economy. The accounts are grouped into four main categories:

- goods and services accounts
- current accounts
- accumulation accounts

balance sheets

8 . The goods and services account (Account 0)

The goods and services account is a transactions account, balancing total resources, from outputs and imports, against the uses of these resources in consumption, investment, inventories, and exports. No balancing item is required as the resources are simply balanced with the uses.

9 . Current accounts: the production and distribution of income accounts

The production account (Account I)

This account displays transactions involved in the generation of income by the activity of producing goods and services. The balancing item is value added (B.1). For the nation's accounts, the balancing items (the sum of value added for all industries) are (after the addition of taxes less subsidies on products) gross domestic product (GDP) at market prices or net domestic product when measured net of capital consumption. The production accounts are also shown for each industrial sector.

The distribution and use of income account (Account II)

This account shows the distribution of current income (value added) carried forward from the production account and has saving as its balancing item (B.8). Saving is the difference between income (disposable income) and expenditure (or final consumption).

The distribution of income compromises four subaccounts:

- primary distribution of income account
- secondary distribution of income
- redistribution of income in kind
- use of income account

The allocation of primary income account (Account II.2.1)

Primary incomes are accrued to institutional units because of their involvement in production or their ownership of productive assets. They include property income (from lending or renting assets) and taxes on production and imports. They exclude taxes on income or wealth, social contributions or benefits, and other current transfers.

The primary distribution of income shows the way these are distributed among institutional units and sectors. The primary distribution account is divided into two subaccounts: the generation and the allocation of primary incomes.

The secondary distribution of income account (Account II.2)

This account describes how the balance of primary income for each institutional sector is allocated by redistribution, through transfers such as taxes on income, wealth, and so on, social contributions and benefits, and other current transfers. It excludes social transfers in kind.

The balancing item of this account is gross disposable income (B.6g), which reflects current transactions and explicitly excludes capital transfers, real holding gains and losses, and the consequences of events such as natural disasters.

The redistribution of income in kind account (Account II.3)

This account shows how gross disposable income of households, non-profit institutions serving households (NPISH), and government are transformed by the receipt and payment of transfers in kind. The balancing item for this account is adjusted gross disposable income (B.7g).

The use of income account (Account II.4)

The use of income account shows how disposable income is divided between final consumption expenditure and saving. In addition, the use of income account includes, for households and for pensions, an adjustment item (D. 8: adjustment for the change in pension entitlements), which relates to the way that transactions between households and pension funds are recorded.

The accumulation accounts (Account III)

These accounts cover all changes in assets, liabilities, and net worth. The accounts are structured into two groups. The first group covers transactions that would correspond to all changes in assets, liabilities, and net worth that result from transactions and are known as the capital account and the financial account. They are distinguished to show the balancing item net lending or borrowing.

The second group relates to all changes in assets, liabilities, and net worth related to other factors, for example, the discovery or re-evaluation of mineral reserves or the reclassification of a body from one sector to another.

The capital account (Account III.1)

The capital account is presented in two parts.

The first part shows that saving (B.8g), the balance between national disposable income and final consumption expenditure from the production, distribution and use of income accounts, is reduced or increased by the balance of capital transfers (D.9) to provide an amount available for financing investment (in both non-financial and financial assets).

The second part shows total investment in non-financial assets. This is the sum of gross fixed capital formation (P.51g), changes in inventories (P.52), acquisitions less disposals of valuables (P.53) and acquisitions less disposals of non-financial, non-produced assets (NP). The balance on the capital account is known as net lending or borrowing. Conceptually, net lending or borrowing for all the domestic sectors represents net lending or borrowing to the rest of the world sector.

If actual investment is lower than the amount available for investment, the balance will be positive, representing net lending. Similarly, when the balance is negative, borrowing is represented. Where the capital accounts relate to the individual institutional sectors, the net lending or borrowing of a particular sector represents the amounts available for lending or borrowing to other sectors. The value of net lending or net borrowing is the same, irrespective of whether the accounts are shown before or after deducting consumption of fixed capital (P.51c), provided a consistent approach is adopted throughout.

The financial account (Account III.2)

This account shows how net lending and borrowing are achieved by transactions in financial instruments. The net acquisitions of financial assets are shown separately from the net incurrence of liabilities. The balancing item is net lending or borrowing.

In principle, net lending or borrowing should be identical for both the capital account and the financial account. In practice, however, because of errors and omissions, this identity is difficult to achieve for the sectors and the economy as a whole. The difference is known as a statistical adjustment.

The other changes in assets account (Account III.3)

The other changes in assets account is concerned with the recording of changes in the values of assets and liabilities, and therefore of the changes in net worth, between opening and closing balance sheets that result from flows that are not transactions ("other flows").

This account is further subdivided into:

- the other changes in the volume of assets account, III.3.1
- the revaluation account, III.3.2

The other changes in the volume of assets account records the changes in assets, liabilities, and net worth between opening and closing balance sheets that are neither because of transactions between institutional units (as recorded in the capital and financial accounts) nor holding gains and losses, (as recorded in the revaluation account). Examples include reclassifications and write-offs. The balancing item for this account is other changes in volume (B.102).

The revaluation account records holding gains or losses accruing during the accounting period to the owners of financial and non-financial assets and liabilities. The balancing item for this account is nominal holding gains and losses (B.103).

The balance sheet (Account IV)

The second group of accumulation accounts complete the sequence of accounts. These include the balance sheets and a reconciliation of the changes that have brought about the change in net worth between the beginning and end of the accounting period.

The opening and closing balance sheets show how total holdings of assets by the UK or its sectors match total liabilities and net worth (the balancing item). Various types of assets and liabilities can be shown in the detailed presentations of the balance sheets. Changes between the opening and closing balance sheets for each group of assets and liabilities result from transactions and other flows recorded in the accumulation accounts or reclassifications and revaluations.

Net worth equals changes in assets less changes in liabilities.

The rest of the world account (Account V)

This account covers the transactions between resident and non-resident institutional units and the related stocks of assets and liabilities. Written from the point of view of the rest of the world, its role is similar to an institutional sector.

10 . Satellite accounts

Satellite accounts cover areas or activities not included in the central framework because they either add additional detail to an already complex system, or conflict with the conceptual framework. The UK Environmental Accounts are satellite accounts linking environmental and economic data to show the interactions between the economy and the environment.

See Environmental economy for further information.

The limits of the national economy: economic territory, residence, and centre of economic interest

Economic territory and residence of economic interest

The economy of the UK is made up of institutional units that have a centre of economic interest in the UK economic territory. These units are known as resident units, and it is their transactions that are recorded in the UK National Accounts.

UK economic territory

The UK economic territory includes:

- Great Britain and Northern Ireland (the geographic territory administered by the UK government within which persons, goods, services, and capital move freely)
- any free zones, including bonded warehouses and factories under UK customs control
- the national airspace, UK territorial waters, and the UK sector of the continental shelf
- the UK economic territory excludes Crown dependencies (Channel Islands and the Isle of Man)

ESA 2010 economic territory

Within the European System of Accounts (ESA) 2010, which the UK still follows, the definition of economic territory also includes territorial enclaves in the rest of the world. These include embassies, military bases, scientific stations, information or immigration offices, and aid agencies used by the British government with the formal political agreement of the governments in which these units are located.

However, it excludes any extra territorial enclaves, that is, parts of the UK geographic territory like embassies and United States military bases used by general government agencies of other countries, by the institutions of the EU, or by international organisations under treaties, or by agreement.

Centre of economic interest

When an institutional unit engages and intends to continue engaging (normally for one year or more) in economic activities on a significant scale from a location (dwelling or place of production) within the UK economic territory, it is defined as having a centre of economic interest and is a resident of the UK.

If a unit conducts transactions on the economic territory of several countries, it has a centre of economic interest in each of them.

Ownership of land and structures in the UK is enough to qualify the owner to have a centre of interest in the UK.

Residency

Resident units are:

- households
- legal and social entities such as corporations and quasi corporations, for example, branches of foreign investors
- non-profit institutions
- government
- so-called "notional residents"

Travellers, cross-border and seasonal workers, crews of ships and aircraft, and students studying overseas are all residents of their home countries and remain members of their households.

When an individual leaves the UK for one year or more (excluding students and patients receiving medical treatment), they cease being a member of a resident household and become a non-resident, even on home visits.

11 . Production included in economic activity

Gross domestic product (GDP) is defined as the sum of all economic activity taking place in UK territory. In practice, a "production boundary" is defined, inside which are all the economic activities taken to contribute to economic performance. To decide whether to include a particular activity within the production boundary, the following factors are considered:

- Does the activity produce a useful output?
- Is the product or activity marketable and does it have a market value?
- If the product does not have a meaningful market value, can one be assigned (imputed)?
- Would exclusion (or inclusion) of the product of the activity make comparisons between countries over time more meaningful?

The following are recorded within the European System of Accounts (ESA) 2010 production boundary:

- production of individual and collective services by government
- own-account production of housing services by owner-occupiers
- production of goods for own final consumption, for example, agricultural products
- own-account construction, including that by households
- production of services by paid domestic staff
- breeding of fish in fish farms
- production forbidden by law, as long as all units involved in the transaction enter it voluntarily
- production from which the revenues are not declared in full to the fiscal authorities, for example, clandestine production of textiles

The following fall outside the production boundary:

- domestic and personal services produced and consumed within the same household, for example, cleaning, the preparation of meals, or the care of sick or elderly people
- volunteer services that do not lead to the production of goods, for example, caretaking and cleaning without payment
- natural breeding of fish in open seas

12 . Prices used to value the products of economic activity

In the UK, a number of different prices may be used to value inputs, outputs, and purchases. The prices are different depending on the perception of the bodies engaged in the transaction, that is, the producer and user of a product will usually perceive the value of the product differently. This means that the output prices received by producers can be distinguished from the prices paid by producers.

Basic prices

Basic prices are the preferred method of valuing output in the accounts.

They are the amount received by the producer for a unit of goods or services
minus
any taxes payable
plus
any subsidy receivable as a consequence of production or sale.

The only taxes included in the price will be taxes on the output process, for example, business rates, and Vehicle Excise Duty, which are not specifically levied on the production of a unit of output. Basic prices exclude any transport charges invoiced separately by the producer. When a valuation at basic prices is not feasible, producers' prices may be used.

Producers' prices

Producers' prices are basic prices
plus
those taxes paid per unit of output (other than taxes deductible by the purchaser such as Value Added Tax (VAT), invoiced for output sold)
minus
any subsidies received per unit of output.

Purchasers' or market prices

Purchasers' or market prices are the prices paid by the purchaser and include transport costs, trade margins, and taxes (unless the taxes are deductible by the purchaser).
Purchasers' or market prices are producers' prices
plus
any non-deductible VAT or similar tax payable by the purchaser
plus
transport costs paid separately by the purchaser (not included in the producers' price).

The rest of the world: national and domestic

Domestic product (or income) includes production (or primary incomes generated and distributed) resulting from all activities taking place "at home" or in the UK domestic territory.

This will include production by any foreign-owned company in the UK, but exclude any income earned by UK residents from production taking place outside the domestic territory.

Gross domestic product (GDP)
equals
the sum of primary incomes distributed by resident producer prices.

The definition of gross national income (GNI) is GDP plus income received from other countries (notably interest and dividends), less similar payments made to other countries.

GDP
plus
net property income
equals
GNI.

This can be introduced by considering the primary incomes distributed by the resident producer units. Primary incomes, generated in the production activity of resident producer units, are distributed mostly to other residents' institutional units.

For example, when a foreign company owns a resident producer unit, some of the primary incomes generated by the producer unit are likely to be paid abroad. Similarly, some primary incomes generated in the rest of the world may go to resident units. It is therefore necessary to exclude that part of resident producers' primary income paid abroad, but include the primary incomes generated abroad, but paid to resident units.

GDP (or income)
less
primary incomes payable to non-resident units
plus
primary incomes receivable from the rest of the world
equals
GNI.

GNI at market prices
equals
the sum of gross primary incomes receivable by resident institutional units or sectors.

National income includes income earned by residents of the national territory, remitted (or deemed to be remitted in the case of direct investment) to the national territory, no matter where the income is earned.

Real GDP (chained volume measures)
plus trading gain
equals
real gross domestic income (RGDI).

RGDI
plus
real primary incomes receivable from abroad
less
real primary incomes payable abroad
equals
real GNI.

Real GNI (chained volume measures)
plus
real current transfers from abroad
less
real current transfers abroad
equals
real gross national disposable income (GNDI).

Receivables and transfers of primary incomes, and transfers to and from abroad, are deflated using the gross domestic final expenditure deflator.

13 . Gross domestic product: the concept of net and gross

The term gross means that, when measuring domestic production, capital consumption or depreciation has not been allowed for.

Capital goods are different from the materials and fuels used up in the production process because they are not used up in the period of account, but are instrumental in allowing that process to take place.

However, over time, capital goods wear out or become obsolete, and in this sense gross domestic product (GDP) does not give a true picture of value added in the economy. When calculating value added as the difference between output and costs, we should also show that part of the capital goods are used up during the production process (the depreciation of capital assets).

Net concepts are net of this capital depreciation, for example:

GDP
minus
consumption of fixed capital
equals
net domestic product.

14 . Symbols used

In general, the following symbols are used in our tables:

.. denotes not available

-- denotes nil or less than £500,000

£ billion denotes £1,000 million

15 . Cite this chapter

Office for National Statistics (ONS), released 30 October 2026, ONS website, compendium chapter, Introduction to the UK National Accounts, UK National Accounts, The Blue Book: 2026

Compendium

National accounts at a glance

A summary of recent trends and movements within the UK economy.

Contact:
Blue Book Coordination team
Blue.book.coordination@ons.gov.uk
+44 1633 456103

Release date:
30 October 2026

Next release:
To be announced

Table of contents

1. Overview

2. Gross domestic product

3. Net domestic product

4. Disposable income measures

5. Output produced in the UK economy

6. Spending in the UK economy

7. Net lending and borrowing by institutional sector

8. Nominal GDP and the GDP deflator

9. International comparison

10. Cite this chapter

1 . Overview

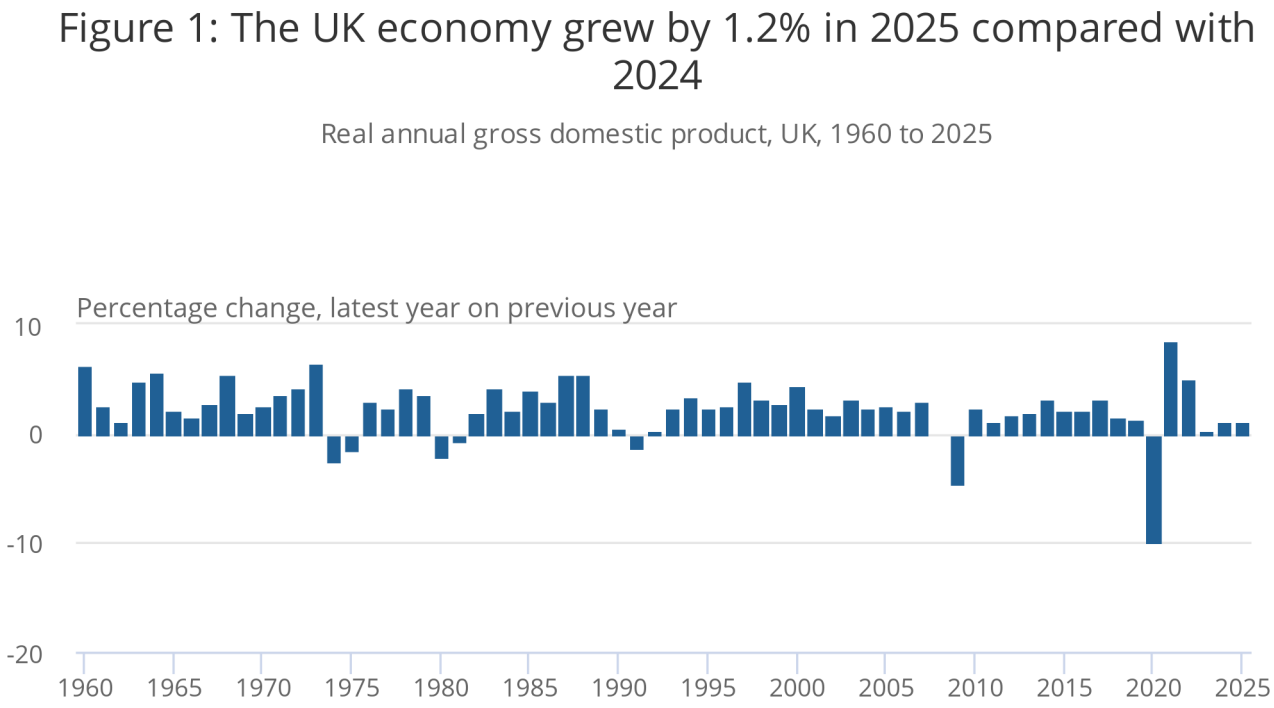
All UK figures referred to in this section are consistent with Blue Book 2026, which contains data and methodological improvements affecting estimates that are produced as part of the national accounts. Revisions occur when there are data changes or methodological improvements that are required to ensure data comparability over time, which are communicated in line with the National Accounts Revisions Policy.

2 . Gross domestic product

Real gross domestic product (GDP) is estimated to have increased by 1.2% in 2025, following growth of 1.1% in 2024. Output increased by a further 0.6% in Quarter 1 2026 and 0.5% in Quarter 2 2026. This points to continued growth in UK economic activity.

Figure 1: The UK economy grew by 1.2% in 2025 compared with 2024

Real annual gross domestic product, UK, 1960 to 2025



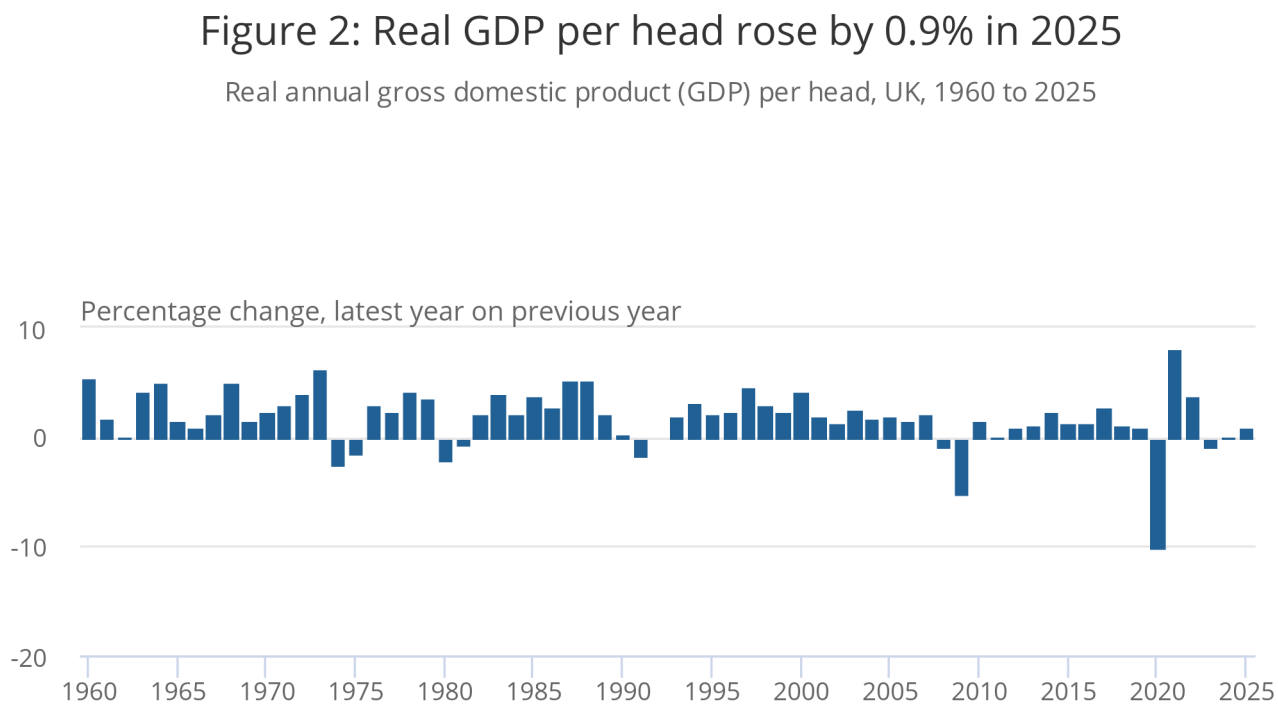
Source: Blue Book 2026 from the Office for National Statistics

GDP is a measure of the total output produced in a particular country and GDP per head is one indicator of a country's living standards. Real GDP per head increased by 0.9% in 2025, following growth of 0.1% in 2024. The stronger increase in GDP per head in 2025 coincided with a slowdown in UK population growth.

As discussed in our Population estimates for the UK, England, Wales, Scotland and Northern Ireland: mid-2025, the UK population increased by 0.3% in the year to mid-2025, the lowest rate of growth since mid-2020. Net international migration remained the main contributor to population growth, although it was lower than in the previous year, while natural change made only a small positive contribution.

Figure 2: Real GDP per head rose by 0.9% in 2025

Real annual gross domestic product (GDP) per head, UK, 1960 to 2025



Source: Blue Book 2026 from the Office for National Statistics

Notes:

1. Population figures are a combination of mid-year estimates and projections, especially for later periods. For more information on the vintages used, please see our UK resident population mid-year estimates - real-time database dataset.

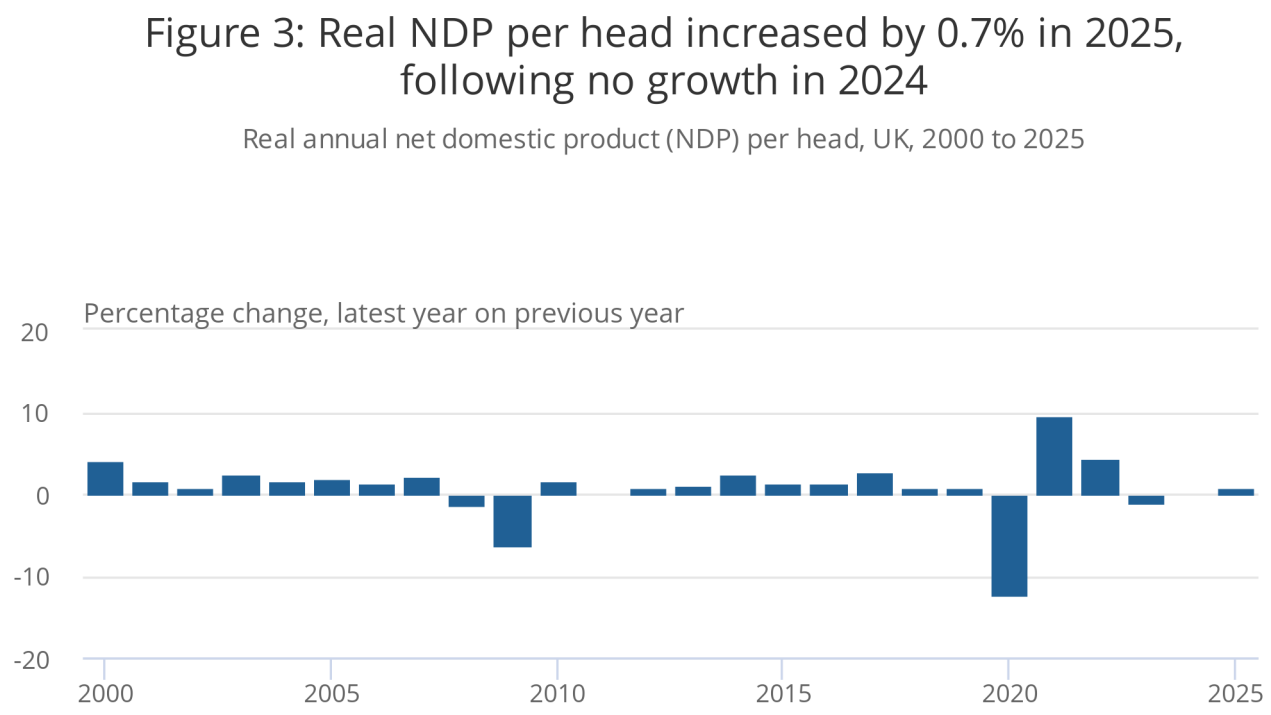
3 . Net domestic product

Gross domestic product (GDP) is a production concept, but net domestic product (NDP) is more appropriate from a welfare and sustainability perspective. It reflects the level of resources that are available for consumption or investment, and it is a proxy of the level of spending that can be maintained while leaving capital assets intact. This is because NDP considers the depreciation of capital assets - that is, the capital that is consumed as part of the production process for GDP.

Real UK NDP is estimated to have increased by 1.1% in 2025. Real NDP per head increased by 0.7% in 2025, following no growth in 2024, pointing to an improvement in the resources available per person after accounting for depreciation of capital assets. Real NDP decreased more than real GDP during the coronavirus (COVID-19) pandemic because consumption of fixed capital did not fall during this period, unlike other types of expenditure.

Figure 3: Real NDP per head increased by 0.7% in 2025, following no growth in 2024

Real annual net domestic product (NDP) per head, UK, 2000 to 2025



Source: Blue Book 2026 from the Office for National Statistics

Notes:

1. Population figures are a combination of mid-year estimates and projections, especially for later periods. For more information on the vintages used, please see our UK resident population mid-year estimates - real-time database dataset.

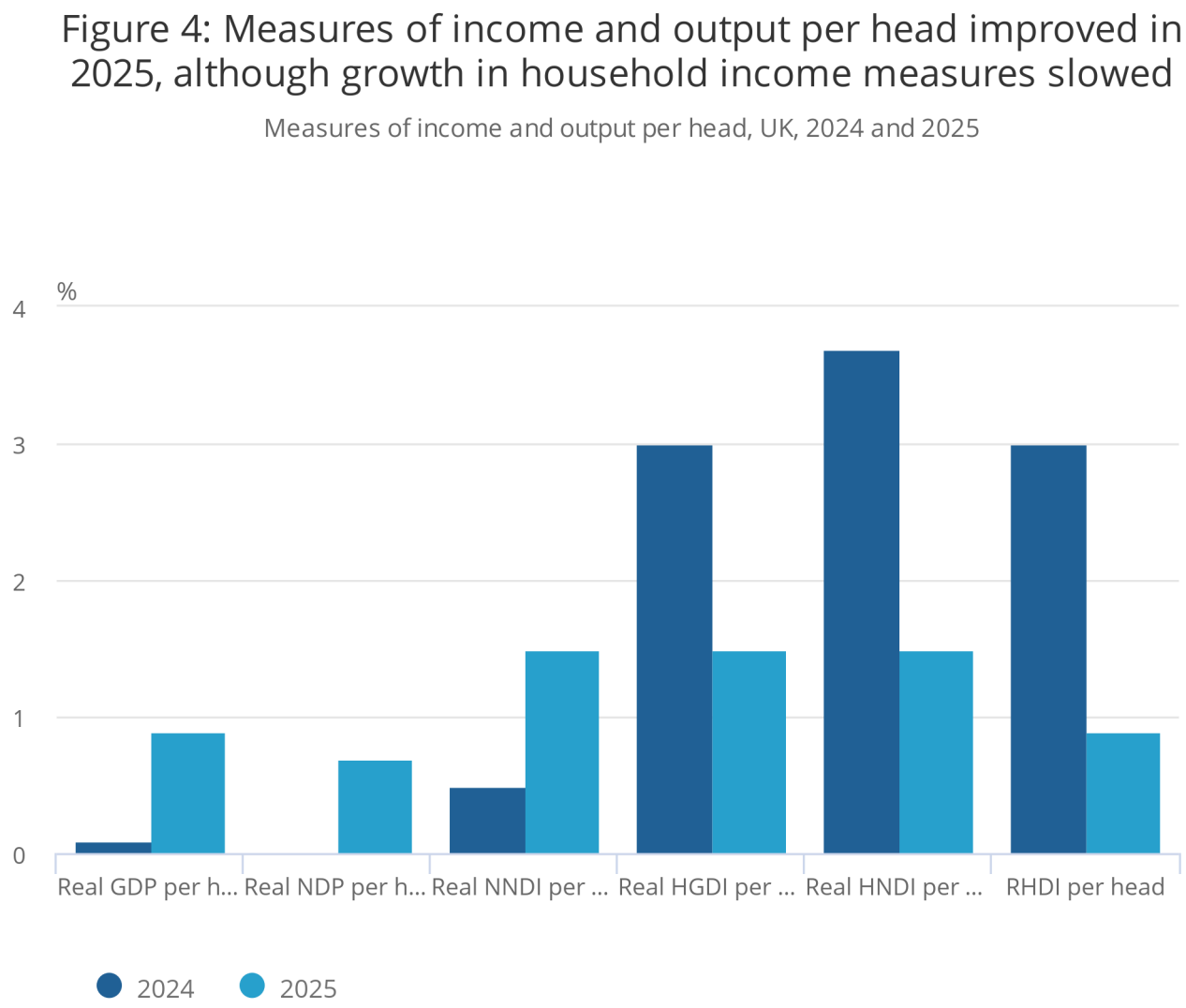
4 . Disposable income measures

Measures of economic welfare increased further in 2025, although the pace of growth varied across measures. Growth in real GDP, NDP and net national disposable income (NNDI) per head strengthened compared with 2024, while growth in the measures of real household disposable income per head slowed.

Household disposable income is the amount of money that individuals in the household sector can spend or save after income distribution measures. Real household gross and net disposable income, on a per-head basis, both increased by 1.5% in 2025, following increases of 3.0% and 3.7%, respectively, in 2024. These measures are adjusted for social transfers in kind; without this adjustment real household disposable income (RHDI) per head increased by 0.9% in 2025, following an increase of 3.0% in 2024. On aggregate, these measures of household disposable income pointed to a continued improvement in economic welfare in 2025 although the pace of improvement slowed compared with 2024.

Figure 4: Measures of income and output per head improved in 2025, although growth in household income measures slowed

Measures of income and output per head, UK, 2024 and 2025



Source: Blue Book 2026 from the Office for National Statistics

Notes:

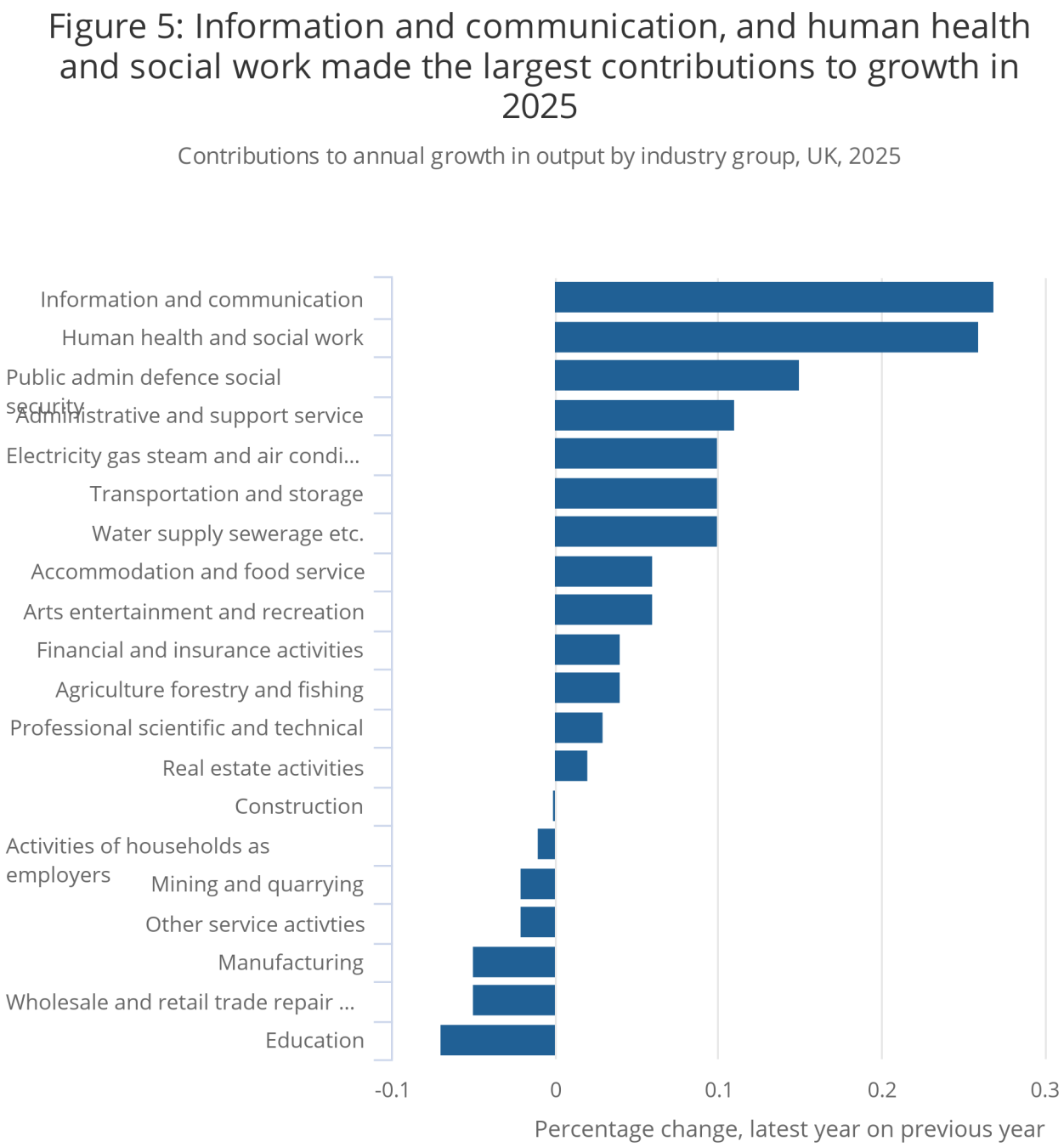
1. GDP denotes gross domestic product.
2. NDP denotes net domestic product.
3. NNDI denotes net national disposable income.
4. HGDI denotes adjusted household gross disposable income.
5. HNDI denotes adjusted household net disposable income.

5 . Output produced in the UK economy

Economic growth in 2025 was led by services industries, which together make up around 80% of UK economic output. Services output increased by 1.2% in 2025, while construction and production output increased by 0.6% and 0.4%, respectively. Growth was relatively broad across industries, although performance varied. Information and communication, and human health and social work made the largest positive contributions to annual growth, contributing 0.27 and 0.26 percentage points, respectively. Public administration and defence made the next largest contribution, at 0.15 percentage points. In contrast, education, and wholesale and retail trade and repair of motor vehicles made the largest negative contributions, at negative 0.07 and negative 0.05 percentage points, respectively.

Figure 5: Information and communication, and human health and social work made the largest contributions to growth in 2025

Contributions to annual growth in output by industry group, UK, 2025



Source: Blue Book 2026 from the Office for National Statistics

Notes:

1. Gross value added weights for each subsector are available in the accompanying dataset.

6 . Spending in the UK economy

Real household final consumption expenditure is estimated to have increased by 1.0% in 2025, following growth of 0.3% in 2024. This increase occurred against a mixed economic backdrop, with household disposable income continuing to increase, while conditions in the labour market weakened during the year.

Alongside the increase in household spending, households continued to save a relatively high proportion of their income. The household saving ratio increased slightly to 9.6% in 2025, from 9.5% in 2024. This remained below the pandemic high of 16.5% in 2020, when forced savings were a factor. A relatively high household saving ratio might indicate some precautionary saving, or could reflect returns on savings, among other factors.

Gross fixed capital formation is estimated to have increased by 3.4% in 2025, following growth of 0.6% in 2024. Growth in 2025 was supported by general government investment, which increased by 8.5% and business investment, which increased by 3.9%. This was partly offset by investment in private sector dwellings, which fell by 3.0% in 2025, following no growth in 2024.

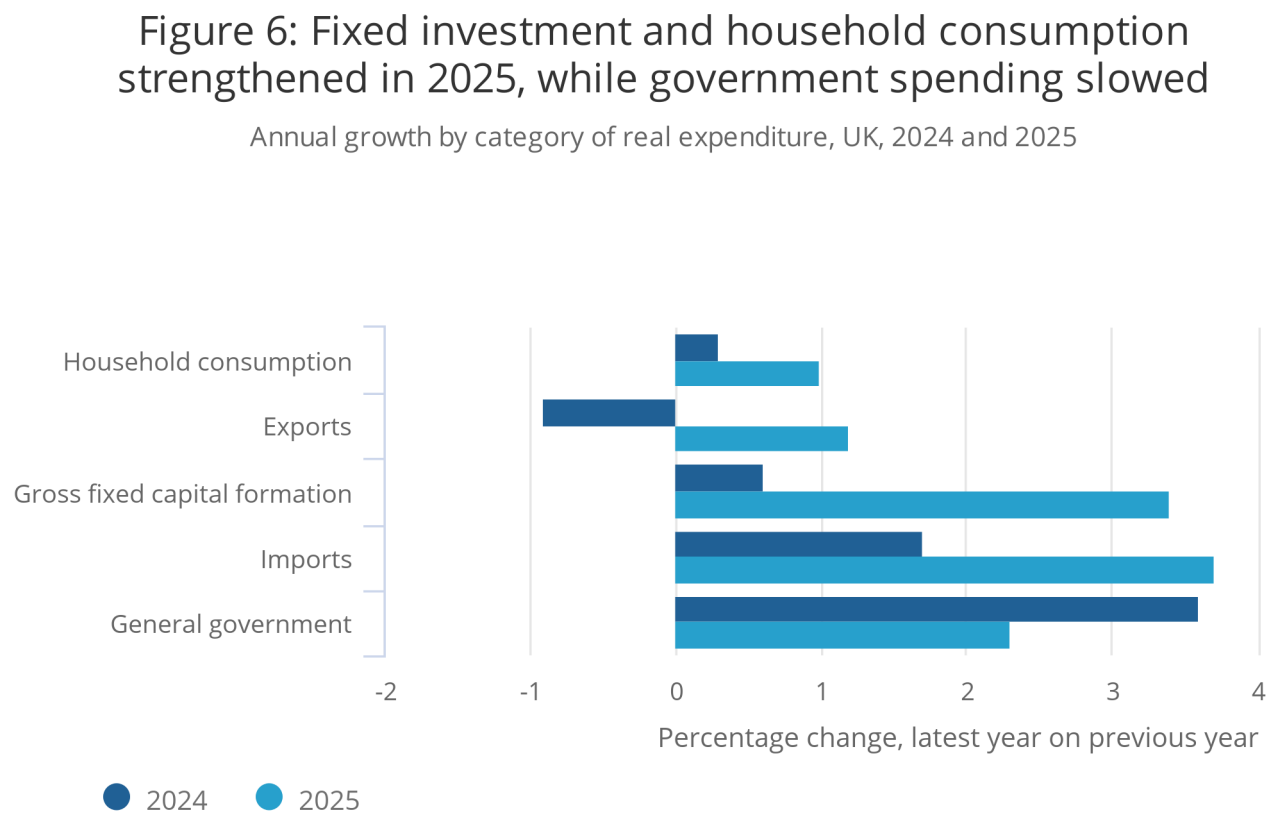
The asset breakdown shows that investment trends varied significantly across asset types in 2025. Investment in ICT equipment and other machinery and equipment increased by 10.9%, while investment in other buildings and structures increased by 8.1%. Investment in intellectual property products also increased by 4.6%. In contrast, investment in transport equipment fell sharply by 22.3%, following growth of 3.0% in 2024.

General government final consumption expenditure increased by 2.3% in 2025, down from growth of 3.6% in 2024. This indicates that government consumption continued to increase but at a slower rate. The largest increase in expenditure in volume terms was for health, rising by £6.6 billion, followed by social protection and military defence, which increased by around £3.3 billion and £3.1 billion, respectively.

Net trade continued to make a negative contribution to GDP growth in 2025, although this eased slightly compared with 2024. Export volumes increased by 1.2% in 2025, while import volumes increased by a stronger 3.7%. The composition of trade differed, with export growth driven by services, while import growth was led by goods. Services exports increased by 3.1%, while goods exports fell by 1.1%; goods imports increased by 5.2%, compared with growth of 1.0% in services imports. The increase in barriers to trade and the decoupling of global supply chains in recent years may be weighing on UK goods exports.

Figure 6: Fixed investment and household consumption strengthened in 2025, while government spending slowed

Annual growth by category of real expenditure, UK, 2024 and 2025



Source: Blue Book 2026 from the Office for National Statistics

7 . Net lending and borrowing by institutional sector

The UK's net borrowing from the rest of the world increased slightly in 2025. Household net lending increased and net borrowing by non-financial corporations and general government decreased, but this was more than offset by a fall in net lending by financial corporations.

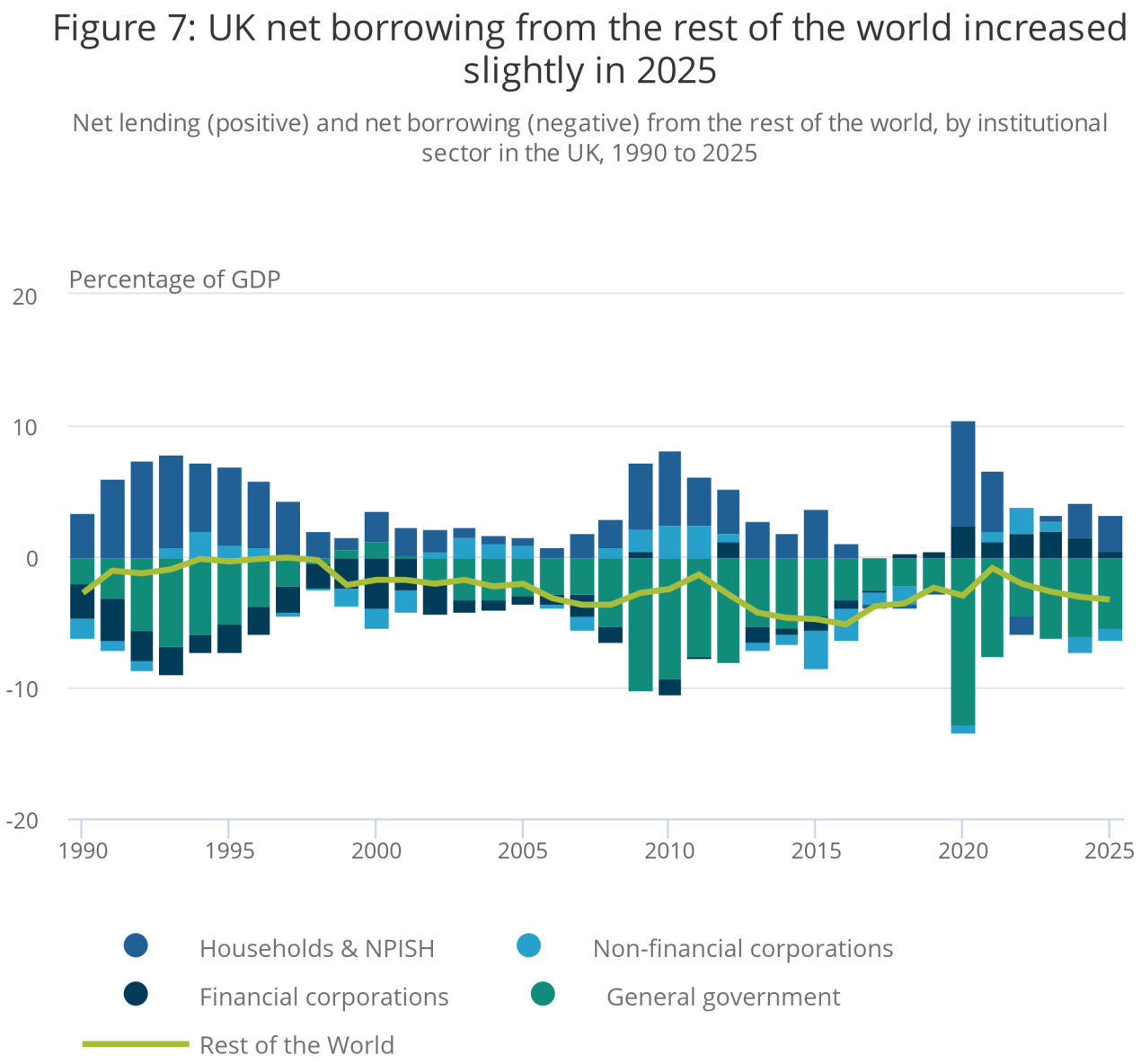
The household sector, including non-profit institutions serving households, increased its net lending to 2.8% of GDP in 2025, from 2.6% in 2024. This occurred alongside continued growth in real household disposable income and household consumption in 2025.

Financial corporations remained net lenders in 2025, although their net lending decreased to 0.4% of GDP, from 1.5% in 2024. Non-financial corporations remained net borrowers, although net borrowing decreased to 0.9% of GDP in 2025, from 1.2% in 2024.

General government net borrowing decreased to 5.4% of GDP in 2025, from 6.0% in 2024. Overall, the UK remained a net borrower from the rest of the world, with net borrowing increasing slightly to 3.3% of GDP in 2025, from 3.1% in 2024.

Figure 7: UK net borrowing from the rest of the world increased slightly in 2025

Net lending (positive) and net borrowing (negative) from the rest of the world, by institutional sector in the UK, 1990 to 2025



Source: Blue Book 2026 from the Office for National Statistics

Notes:

1. These data are based on UK non-financial accounts.
2. NPISH denotes non-profit institutions serving households.
3. The sector accounts in some years do not sum to zero because of rounding.
4. The sum of the net lending by sector is equal (but opposite sign) to the residual error between the expenditure and income-based estimates of GDP.
5. The Rest of the world line shows UK net lending and borrowing with the rest of the world.

8 . Nominal GDP and the GDP deflator

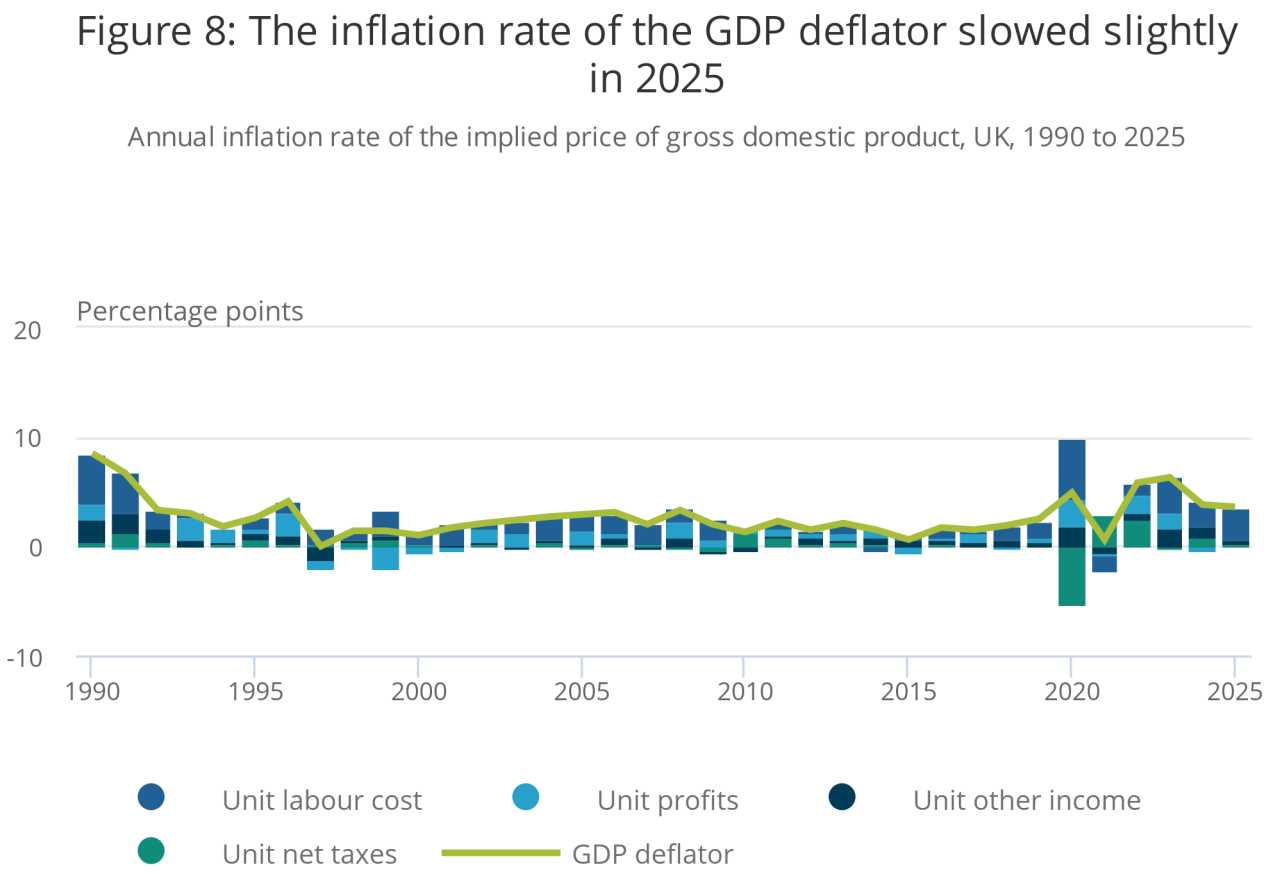
Nominal gross domestic product (GDP) increased by 4.8% in 2025, down slightly from 5.0% in 2024. The GDP implied deflator eased to 3.6% in 2025 from 3.8% in 2024.

The GDP implied deflator measures changes in the price of economic output produced in the UK and is a broad measure of inflation. It can be decomposed into unit labour costs, unit profits, unit other income and unit net taxes. These are proxy measures for household, firm, and the government shares of income per unit of economic output.

By income category, the GDP deflator moderated slightly in 2025. Growth in compensation of employees strengthened, while gross operating surplus returned to growth following a fall in 2024. Growth in other income slowed, while both taxes on products and production and subsidies increased.

Figure 8: The inflation rate of the GDP deflator slowed slightly in 2025

Annual inflation rate of the implied price of gross domestic product, UK, 1990 to 2025



Source: Blue Book 2026 from the Office for National Statistics

Notes:

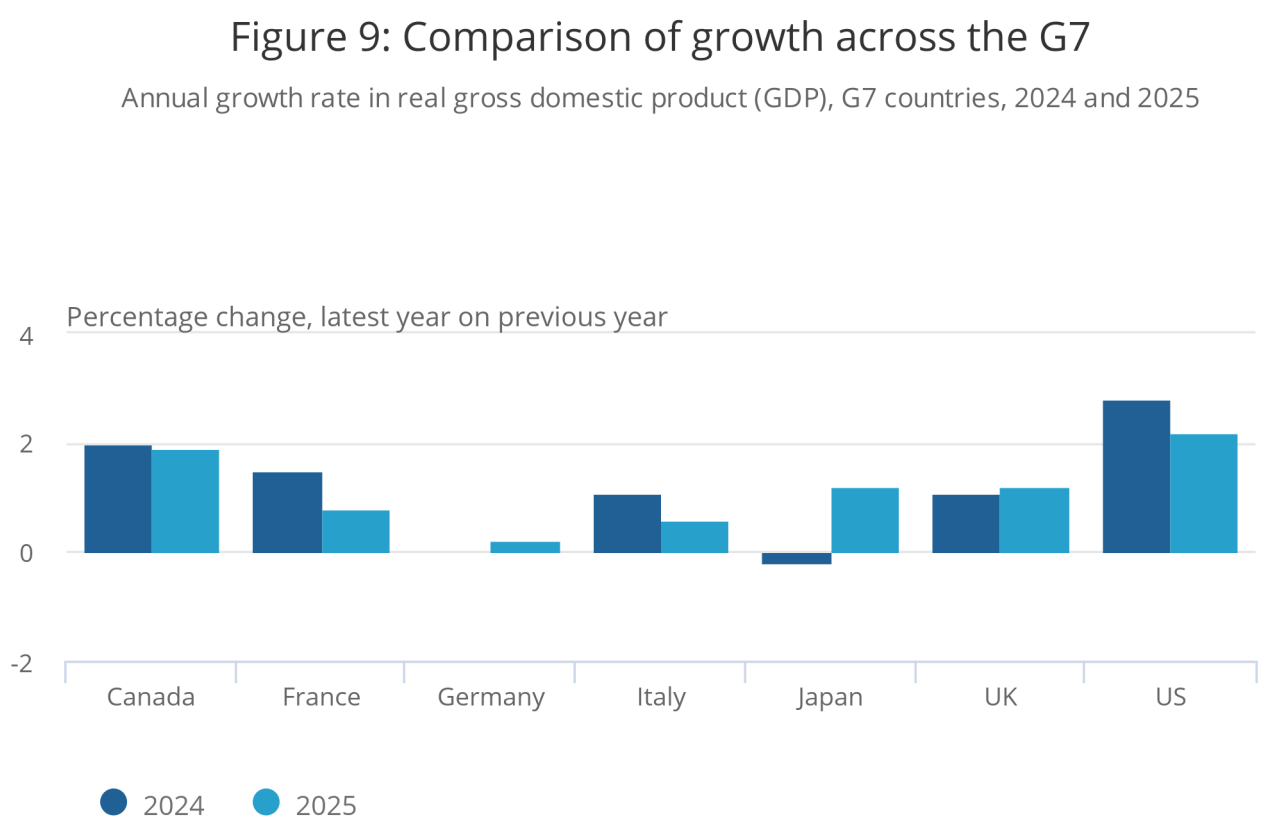
1. Unit labour costs are based on compensation of employees, which comprise wages and salaries, and employers' social contributions.
2. Unit profits are based on total gross operating surplus of corporations.
3. Other income includes mixed income and the operating surplus of non-corporations.
4. Net taxes measure taxes less subsidies on products and productions.
5. There is a residual in 2025 that reflects the statistical discrepancy.

9 . International comparison

All G7 economies saw growth in real gross domestic product (GDP) in 2025. Growth slowed in Canada, France, Italy and the United States, while it increased in Germany, Japan and the UK compared with 2024. The United States remained the fastest-growing G7 economy, with growth of 2.2% in 2025. The UK economy grew by 1.2% in 2025, up slightly from 1.1% in 2024 and equal to growth in Japan. UK growth was below that of the United States and Canada, but above France, Italy and Germany. More information about the G7 countries can be found in our Glossary.

Figure 9: Comparison of growth across the G7

Annual growth rate in real gross domestic product (GDP), G7 countries, 2024 and 2025



Source: Organisation for Economic Co-operation and Development, Office for National Statistics

Notes:

1. Data for the UK are the Office for National Statistics (ONS) measure of real gross domestic product (GDP). Data for other countries are using OECD data for real GDP measured as chain-linked volumes.

2. OECD data correct as of 13 October 2026. Some observations use estimated values that are still open to revisions based on individual country revision policies.

10 . Cite this chapter

Office for National Statistics (ONS), released 30 October 2026, ONS website, compendium chapter, National accounts at a glance, UK National Accounts, The Blue Book: 2026

Compendium

The industrial analysis

Analysis of the 10 broad industrial groups' contributions to gross value added, compensation of employees and workforce jobs, and summary supply and use tables.

Contact:
Blue Book Coordination team
blue.book.coordination@ons.gov.uk
+44 1633 456103

Release date:
30 October 2026

Next release:
To be announced

Table of contents

1. The industrial analysis

2. Input-output supply and use tables

3. Current price analysis

4. Chained volume indices (2024 equals 100) analyses

5. Workforce jobs by industry

6. Cite this chapter

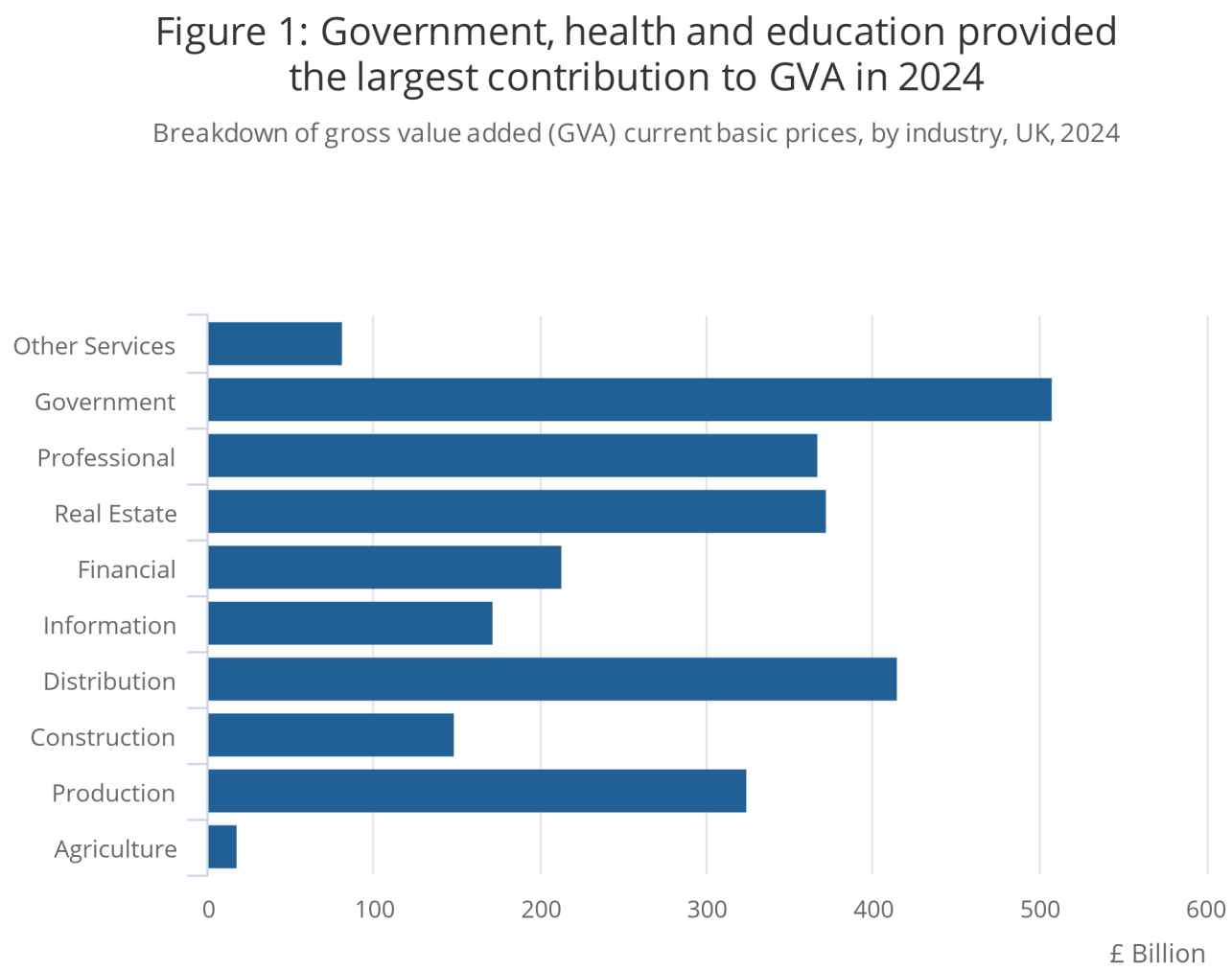
1 . The industrial analysis

Analysis of the 10 broad industrial groups shows that in 2024, the government, health, and education industries provided the largest contribution to gross value added (GVA) at current basic prices. These industries contributed 19.4% to the total GVA of £2,623 billion, with a value of £508 billion. Of the remaining industries:

- distribution, transport, hotels and restaurants contributed 15.8%
- real estate (including imputed rental of owner-occupied housing) contributed 14.2%
- professional, scientific and support contributed 14.0%
- production contributed 12.4%

Figure 1: Government,healthand education provided thelargestcontribution to GVA in2024

Breakdown of gross valueadded (GVA) currentbasic prices, by industry, UK,2024



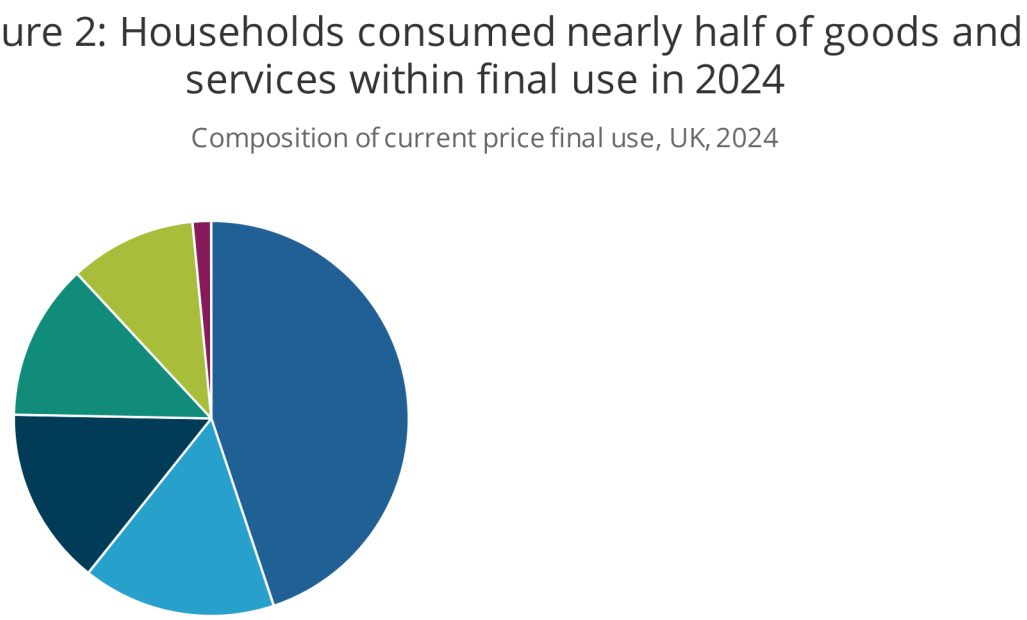
Source: Blue book 2026 from the Office for National Statistics

In 2024, of all goods and services within final demand:

- households consumed 44.9%
- government, both central and local, consumed 15.8%
- gross capital formation, by all sectors of the economy, consumed 14.6%
- 10.4% were exported goods and 12.8% were exported services
- non-profit institutions serving households (NPISH) consumed 1.5%

Figure 2: Households consumednearly halfof goods and services within final use in2024

Composition ofcurrent pricefinal use, UK,2024

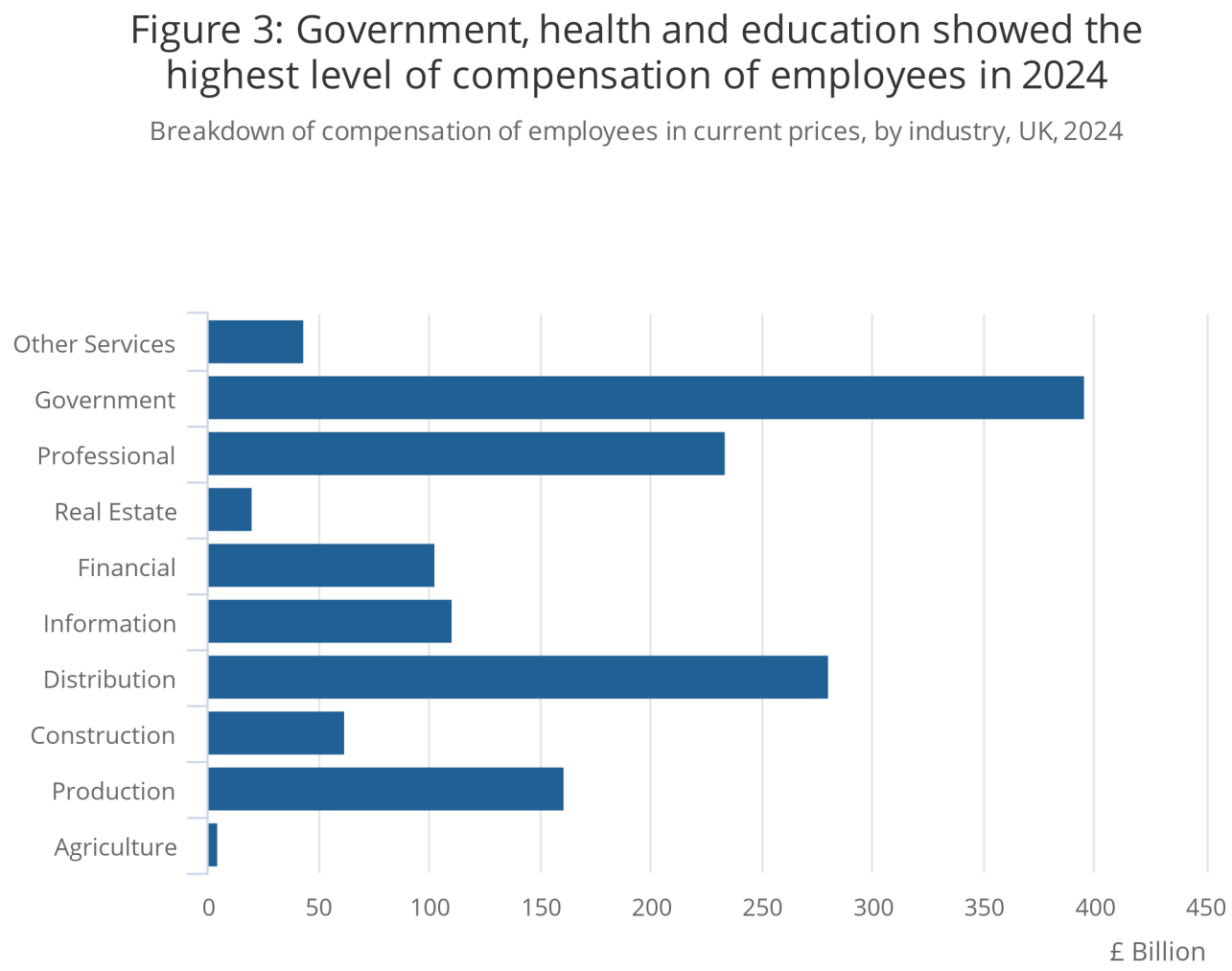


Source: Blue book 2026 from the Office for National Statistics

The government, health, and education industries showed the highest level of compensation of employees in 2024 at £396 billion (28.0%). The second largest industry grouping, in terms of their contribution to total compensation of employees, were the distribution, transport, and hotels and restaurants industries at £280 billion (19.8%).

Figure 3: Government,healthand education showed the highest level of compensation of employees in2024

Breakdown of compensation of employees in current prices, by industry, UK,2024



Source: Blue book 2026 from the Office for National Statistics

2 . Input-output supply and use tables

The annual estimates included in the UK National Accounts, The Blue Book: 2026 edition, incorporate the results of annual inquiries that become available in the first part of the year. However, estimates for 2025 are based largely on quarterly information. Any newly collected data are shown as revisions.

To reassess these estimates, supply and use tables (SUTs) are prepared using all the available information on inputs, outputs, gross value added, and income and expenditure. To produce consolidated sector and financial accounts requires preparation of "top-to-bottom" sector and subsector accounts to identify discrepancies in the estimates relating to each sector.

The latest annual SUTs provide estimates for the years 1997 to 2024. Data for 2024 are balanced for the first time. Data for 2022 and 2023 have been fully re-balanced. Data from 1997 to 2021 have been revised to incorporate changes required under new international standards and guidelines, as well as to make sure the data are comparable and meet user needs.

Table 2.1a: Summary supply and use tables 2021 (XLSX, 44.5KB)

Table 2.1b: Summary supply and use tables 2022 (XLSX, 44.5KB)

Table 2.1c: Summary supply and use tables 2023 (XLSX, 44.5KB)

Table 2.1d: Summary supply and use tables 2024 (XLSX, 44.5KB)

Further general information regarding the supply and use framework and the balancing process can be found in our Guide to UK National Accounts methodology.

3 . Current price analysis

The analyses of gross value added (GVA) and other variables by industry, shown in Tables 2.1, 2.1A, and 2.2 in the accompanying dataset (XLS, 3.4 MB), reflect estimates based on Standard Industrial Classification 2007 (SIC 2007). These tables are based on current price data reconciled through the input-output supply and use the framework from 1997 to 2024.

Estimates of total output and GVA are valued at basic prices; the method recommended by the European System of Accounts 2010 (ESA 2010). Therefore, the only taxes and subsidies included in the price will be those paid or received as part of the production process (such as business rates), rather than those associated with the production of a unit of output (such as Value Added Tax).

This also includes supplementary information for the different components that make up GVA for each industry. Under the income approach, GVA is split into compensation of employees (CoE), taxes less subsidies on production, gross operating surplus (GOS), and mixed income. Estimates of each industry's intermediate consumption and total output are also published, with the difference between the two equalling GVA.

This additional information allows for more detailed analysis of national output to be conducted. For example, CoE can be used to calculate how much of an industry's production income is spent on wages, salaries, and employers' social contributions. GOS data can be used to estimate how much profit is generated by companies after considering labour costs and taxes less subsidies.

Data from after the supply use balanced years (2025 onwards) are derived from the movements in the short-term measures of output (such as Index of Production and Index of Services).

4 . Chained volume indices (2024 equals 100) analyses

Worksheet 2.3 in the accompanying dataset (XLS, 3.4 MB) shows chained volume estimates of gross value added (GVA) at basic prices by industry. These GVA measures are based on appropriately deflated data that have been reconciled through the supply and use tables (SUTs) framework for the years 1997 to 2024.

These industry-level estimates from within the SUTs framework are based on more detailed information than those that currently feed into the industry short-term volume estimates. This not only reflects that the annual estimates are based on a wider range of annual surveys and administrative information, but that it is also measuring the correct concept of GVA, rather than turnover as a proxy indicator. Monthly and quarterly industry data in Blue Book 2026 are benchmarked to these annual volume estimates up to 2024.

Data from after the supply use balanced years (2025 onwards) are derived from the movements in the short-term measures of output (such as Index of Production and Index of Services).

5 . Workforce jobs by industry

Workforce jobs (WFJ) is the preferred measure of the change in jobs by industry. A person can have more than one job; the number of jobs is not the same as the number of people employed.

Table 2.4 in the accompanying dataset (XLS, 3.4 MB) breaks down WFJ into 10 broad industry groupings on Standard Industrial Classification 2007 (SIC 2007).

The main component of WFJ is employee jobs. Estimates for employee jobs are obtained mainly from surveys of businesses selected from the Inter-Departmental Business Register (IDBR). All other business surveys collecting economic data also use this register.

The Labour Force Survey (LFS), a household survey, collects self-employment jobs data for all SIC sections, employee jobs data for SIC sections A and T, and government-supported trainees data for England. It codes respondents according to their own view of the industry they work in, therefore the industry breakdown is less reliable than that of the business surveys.

WFJ also includes HM armed forces (within industry section O) and government-supported trainees. Government-supported trainees from the devolved governments are sourced from administrative sources, split by industry using the LFS.

6 . Cite this chapter

Office for National Statistics (ONS), released 30 October 2026, ONS website, compendium chapter, The industrial analyses, UK National Accounts, The Blue Book: 2026

Compendium

Non-financial corporations

Public and private sector non-financial corporations.

Contact:
Blue Book Coordination team
blue.book.coordination@ons.gov.uk
+44 1633 456103

Release date:
30 October 2026

Next release:
To be announced

Table of contents

1. Non-financial corporations

2. Cite this chapter

1 . Non-financial corporations

Non-financial corporations produce goods and services for the market and do not, as a primary activity, deal in financial assets and liabilities.

This sector includes: retailers, manufacturers, utilities, business service providers (such as accountancy and law firms), caterers, haulage companies, airlines, construction companies, and farms, among others.

The non-financial corporations sector is split into two subsectors:

- public sector non-financial corporations
- private sector non-financial corporations

In our accompanying dataset (XLSX, 3.4 MB):

- worksheets 3.1.1 to 3.1.11 relate to non-financial corporations as a whole
- worksheets 3.2.1 to 3.2.11 relate to public non-financial corporations, which are government-owned or government-controlled trading businesses
- worksheets 3.3.1 to 3.3.11 relate to private non-financial corporations, which are trading businesses in the private sector

All the tables are available to download as an Excel workbook.

Further information about our sector classifications and classification decisions can be found on our Economic statistics classifications web page.

2 . Cite this chapter

Office for National Statistics (ONS), released 30 October 2026, ONS website, compendium chapter, Non-financial corporations, UK National Accounts, The Blue Book: 2026

Compendium

Financial corporations

Financial corporations including monetary financial institutions, insurance corporations and pension funds, and other financial corporations.

Contact:
Blue Book Coordination team
blue.book.coordination@ons.gov.

Release date:
30 October 2026

Next release:
Blue Book Coordination team

uk
+44 1633 456103

Table of contents

1. Financial corporations

2. Cite this chapter

1 . Financial corporations

The financial corporations sector (S.12) consists of institutional units that are independent legal entities and market producers, and whose principal activity is the production of financial services. Such institutional units comprise all corporations and quasi corporations that are principally engaged in:

- financial intermediation (financial intermediaries)
- auxiliary financial activities (financial auxiliaries)

Also included are institutional units providing financial services, where most of their assets or their liabilities are not transacted on open markets.

Financial intermediation is the activity in which an institutional unit acquires financial assets and incurs liabilities on its own account by engaging in financial transactions on the market. The assets and liabilities of financial intermediaries are transformed or repackaged in relation to, for example, maturity, scale, or risk in the financial intermediation process. Auxiliary financial activities are activities related to financial intermediation, but which do not involve financial intermediation themselves.

Financial corporations are presented in the following groupings:

- monetary financial institutions (MFI)
- insurance corporations and pension funds (ICPF)
- financial corporations except MFI and ICPF

Further information on sector classifications and classification decisions is available in our Public sector classification guide and forward work plan.

2 . Cite this chapter

Office for National Statistics (ONS), released 30 October 2026, ONS website, compendium chapter, Financial corporations, UK National Accounts, The Blue Book: 2026

Compendium

General government

General government sector by central and local government.

Contact:	Release date:	Next release:
Blue Book Coordination team	30 October 2026	To be announced

blue.book.coordination@ons.gov.uk
+44 1633 456103

Table of contents

1. General government

2. Cite this chapter

1 . General government

The general government sector is made up of units providing services for collective or individual consumption that are not sold at market prices. These units are usually funded by compulsory payments from units in other sectors (taxes) and may be involved in the redistribution of national income (for example, benefits and State Pension).

The sector includes government departments and agencies, local authorities, the devolved governments in Northern Ireland, Scotland, and Wales, the state education system, the NHS, the armed forces, and the police. Non-departmental public bodies are also included in the general government sector.

The UK National Accounts, The Blue Book: 2026 edition presents estimates for the general government sector and subsector breakdowns for:

- central government
- local government

You can find further information on sector classifications and classification decisions in our Public sector classification guide and forward work plan.

2 . Cite this chapter

Office for National Statistics (ONS), released 30 October 2026, ONS website, compendium chapter, General government, UK National Accounts, The Blue Book: 2026

Compendium

Households and non-profit institutions serving households

Households, and non-profit institutions serving households sectors.

Contact:
Blue Book Coordination team
blue.book.coordination@ons.gov.uk
+44 1633 456103

Release date:
30 October 2026

Next release:
To be announced

Table of contents

1. Households and non-profit institutions serving households

2. Cite this chapter

1 . Households and non-profit institutions serving households

The households sector covers people living independently in residential accommodation and those living in communal establishments.

Residential households are groups of people sharing the same living accommodation who share some or all of their income, and collectively consume certain types of goods and services, such as food, electricity, or housing. Examples of communal establishments include prisons, student accommodation, care homes and boarding schools.

The households sector also includes the self-employed (market producers), who do not form part of quasi-corporations, as well as individuals or groups of individuals who produce goods and non-financial services for their own final use.

Non-profit institutions serving households (NPISH) are institutions that:

- provide goods and services, either free, or below market prices
- mainly derive their income from grants and donations
- are not controlled by the government

In the UK, the NPISH sector includes:

- charitable organisations
- trade unions
- religious organisations
- political parties
- universities and further education establishments

The UK National Accounts, The Blue Book: 2026 edition presents estimates for the households and NPISH sectors separately. To allow comparison with previous Blue Book publications, estimates for the combined households and NPISH sectors are also presented.

Further information on sector classifications and classification decisions can be found in our Public sector classification guide and forward work plan.

2 . Cite this chapter

Office for National Statistics (ONS), released 30 October 2026, ONS website, compendium chapter, Households and non-profit institutions serving households, UK National Accounts, The Blue Book: 2026

Rest of the world

Rest of the world sector including all institutions or individuals not resident in the UK that have economic interactions with resident units.

Contact:
Blue Book Coordination team
blue.book.coordination@ons.gov.uk
+44 1633 456103

Release date:
30 October 2026

Next release:
To be announced

Table of contents

1. Rest of the world

2. Cite this chapter

1 . Rest of the world

The rest of the world sector includes all those institutions or individuals not resident in the UK that have economic interactions with resident units. It can include overseas corporations, charities, governments, or private individuals. The sector also includes foreign embassies and consulates on UK soil.

Further information on sector classifications and classification decisions can be found in our Public sector classification guide and forward work plan.

2 . Cite this chapter

Office for National Statistics (ONS), released 30 October 2026, ONS website, compendium chapter, Rest of the world, UK National Accounts, The Blue Book: 2026

Compendium

Gross fixed capital formation supplementary tables

Gross fixed capital formation estimates of net capital expenditure on fixed assets by public and private sectors.

Contact:
Blue Book Coordination team
blue.book.coordination@ons.gov.uk
+44 1633 456103

Release date:
30 October 2026

Next release:
To be announced

Table of contents

1. Gross fixed capital formation supplementary tables

2. Cite this chapter

1 . Gross fixed capital formation supplementary tables

Gross fixed capital formation (GFCF) is the estimate of net capital expenditure (acquisitions less the proceeds from disposals) on fixed assets by both the public and private sectors. Fixed assets are purchased assets used in production processes for more than one year.

Capital expenditure includes spending on:

- machinery and equipment
- transport equipment
- software
- artistic originals
- research and development
- new dwellings and major improvements to dwellings
- other buildings and major improvements to buildings
- structures, such as roads

In Blue Book 2026, we have implemented several methodological improvements and incorporated more up-to-date data sources to enhance the accuracy, relevance and reliability of our GFCF estimates.

We have implemented updated methods for estimating costs associated with the transfer of ownership of non-financial assets, otherwise known as transfer costs. These updates help ensure that our estimates better reflect real market activity and international best practice. This includes updates for Land Registry fees and fees associated with the transfer of a football player.

We have also included revised Annual Survey of Hours and Earnings (ASHE) data for 2024, which we use to calculate labour costs in our sum-of-costs approach for estimating own-account software.

We have updated artistic originals from 2018 onwards to incorporate improved data sources, strengthening coverage and reliability for these periods.

We have also refined the bottom-level industry profile for estimates of research and development (R&D) GFCF. These changes improve the detailed industry allocation of R&D estimates but do not affect top-level aggregates.

We have incorporated revised Annual Business Survey (ABS) benchmarks for 2023 and new ABS data for 2024. Revised data from important surveys, such as the Quarterly Acquisitions and Disposals of Capital Assets Survey (QCAS), and the ABS continue to play a central role.

Together, these changes are designed to deliver more granular, transparent and accurate estimates, strengthening the quality of the UK National Accounts.

GFCF data in Blue Book 2026 are open for revision from 1997. Additionally, in our chained volume estimates, we have moved the last base year on to 2024, as part of our production process. Our revisions approach aligns with our latest National Accounts Revisions Policy.

Further changes include the latest seasonal adjustment review. Each year, the seasonal adjustment models used in the processing of GFCF data are reviewed to ensure they are still appropriate following revisions to the data.

As is usual during the Blue Book process, the opportunity was taken to review and improve national accounts balancing adjustments across all transactions.

2 . Cite this chapter

Office for National Statistics (ONS), released 30 October 2026, ONS website, compendium chapter, Gross fixed capital formation supplementary tables, UK National Accounts, The Blue Book: 2026

Compendium

Public sector supplementary tables

Contact:

Release date:
30 October 2026

Next release:
To be announced

Table of contents

1. Introduction

2. Taxes and social contributions payable by UK residents

3. Cite this chapter

1 . Introduction

The majority of government income is provided by taxes and social contributions. Worksheet 10.1 in our accompanying dataset (XLSX, 3.4MB) provides a breakdown of the main taxes and social contributions payable by UK residents to both the government (central and local government) and the European Union (EU).

2 . Taxes and social contributions payable by UK residents

Taxes on production are included in gross domestic product (GDP) at market prices.

Other taxes on production include taxes levied on inputs to production. These include national non-domestic rates, also known as business rates, and a range of compulsory unrequited levies that producers must pay.

Taxes on products are taxes levied on the sale of goods and services; this includes Value Added Tax (VAT) and Fuel Duty. Taxes on income and wealth include Income Tax and Corporation Tax.

Income Tax is the largest single source of tax revenue paid by UK residents. This category also includes a number of other charges payable by households including:

- Council Tax
- the BBC licence fee
- taxes, such as Vehicle Excise Duty, which, when paid by businesses, are classified as taxes on production

The totals include tax credits and reliefs recorded as expenditure in the national accounts, such as Working Tax Credit and Child Tax Credit.

The European System of Accounts 2010 (ESA 2010) has a specific category of payments to the government called "compulsory social contributions". These are payments associated with social security schemes, such as unemployment benefit and pensions. In the UK accounts this category includes all National Insurance contributions. Details of total social contributions and benefits are shown in Worksheets 5.2.4S and 5.3.4S in our accompanying dataset (XLSX, 3.4MB).

Capital taxes are taxes levied at irregular or infrequent intervals on the values of assets, gifts or legacies. In the UK, the main capital tax is Inheritance Tax.

Some UK taxes are recorded as the resources of the European Union (EU). These include taxes on imports, which were payable to the EU under the EU treaties before the UK left the EU.

3 . Cite this chapter

Office for National Statistics (ONS), released 30 October 2026, ONS website, compendium chapter, Public sector supplementary tables, UK National Accounts, The Blue Book: 2026

Statistics for international purposes

How the EU uses national accounts data in the calculation of gross national income, used to set the EU budget and member contributions.

Contact:
Blue Book Coordination team
blue.book.coordination@ons.gov.uk
+44 1633 456103

Release date:
30 October 2026

Next release:
To be announced

Table of contents

1. Overview of statistics for international purposes

2. UK transactions with the institutions of the EU

3. Data to monitor government deficit and debt

4. Calculation of UK Gross National Income for EU own resource: 2010 to 2020

5. Cite this chapter

1 . Overview of statistics for international purposes

Data comparability between countries is crucial for administrative and economic purposes. The UK provides data to a range of international organisations, including the International Monetary Fund (IMF) and the Organisation for Economic Co-operation and Development (OECD).

The EU also uses UK National Accounts data. Gross National Income (GNI) is one of the four measures used by the EU and is calculated in accordance with the European System of Accounts (ESA). GNI is used to set the EU budget and to calculate part of member states' contributions to the EU budget. It is based on ESA 2010.

The following sections outline how the EU uses our data.

2 . UK transactions with the institutions of the EU

Table 1 shows payments that flowed between the EU and the UK before the UK left the EU. The first part of the table shows the payments that flowed into the UK in the form of EU expenditure. The second part of the table shows the UK contribution to the EU budget, which depended on UK gross national income (GNI).

Our explanatory article detailing the UK contribution to the EU budget was published on 30 September 2019. Our dataset on gross national income with usage notes was published on 9 December 2021. This explained differences between the UK GNI as published in the annual national accounts and the UK GNI used to calculate UK budget payments to the EU, known as GNI for EU own resource purposes (GNI OR). From Blue Book 2022, the content of the 9 December 2021 publication has been incorporated in Section 4: Calculation of UK GNI for UK own resource: 2010 to 2020.

Under the EU withdrawal agreement, the UK continues to make payments towards the EU budget for years up to 2020. Contributions are still to be finalised for the years 2010 to 2020, for both the UK and the EU member states (MS). This may mean additional payment flows between the UK and EU after 2020.

3 . Data to monitor government deficit and debt

The convergence criteria for the Economic and Monetary Union (EMU) are set out in the 1992 Treaty on European Union (The Maastricht Treaty). The treaty and the Stability and Growth Pact require member states to avoid excessive government deficits, defined as general government net borrowing and gross debt as a percentage of gross domestic product (GDP). The treaty does not determine what constitutes "excessive". This is agreed by the Economic and Finance Council (ECOFIN).

Member states report their planned and actual deficits, and the levels of their debt to the European Commission. Data to monitor excessive deficits are supplied in accordance with EU legislation. While the UK is no longer in the EU, data on UK government debt and deficit are still compiled and are consistent with previous releases.

Table1. Estimates of UK government debt and deficit, September 2026

General Government deficit	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Deficit (£bn)	48.8	52.5	274.8	173.4	115.9	168.9	172.3	162.7
as % GDP[2]	2.2	2.3	12.9	7.5	4.5	6.1	6.0	5.4
General Government debt								
Debt[1] (£bn)	1,860.5	1,914.5	2,228.5	2,402.2	2,514.1	2,718.8	2,885.9	3,106.4
as % GDP[2]	85.7	85.0	104.9	103.4	97.4	98.8	99.9	102.4

Source: UK government debt and deficit from the Office for National Statistics

Notes

1. Debt is recorded as at the end of December each calendar year.
2. Gross domestic product (GDP).

4 . Calculation of UK Gross National Income for EU own resource: 2010 to 2020

The Agreement on the withdrawal of the UK from the European Union (EU) sets out, among other things, the UK's contribution to, and participation in, the EU budget. Article 136 states that "the applicable Union law concerning the Union's own resources relating to financial years until 2020 shall continue to apply to the UK after 31 December 2020, including where the own resources concerned are to be made available, corrected or subject to adjustments after that date".

The UK pays budget contributions to the EU for the years up to 2020. Contributions are still to be finalised for the years 2010 to 2020, for both the UK and the EU member states (MS).

The gross national income (GNI) estimates, on which a large part of calculating budget payments is based, are produced for the UK by the Office for National Statistics (ONS) and published in the Blue Book. The calculation of GNI in both the UK and the MS is subject to verification by the European Commission's statistical arm, Eurostat. If Eurostat finds an issue relating to the calculation of GNI, it can place a reservation on a country's national accounts. This means that improvements to data sources, methods, or both may need to be implemented.

The UK was subject to 23 reservations placed in 2019; 18 issues were specific to the UK and five transversal issues applied to both the UK and all MS. Many MS also had a large number of country-specific reservations, because of a major verification of sources and methods following the adoption of a new accounting framework in 2014 (the European System of Accounting (ESA) 2010).

The years 2010 to 2020, which are still open for recalculating EU budget payments are now "time-barred", except for revisions related to reservations. The GNI data we release in the annual national accounts often include routine revisions to methods and source data that affect the UK-published GNI estimates. These routine revisions must be excluded from GNI data notified to Eurostat, known as GNI for Own Resource purposes (GNI OR), in the years that have become "time-barred". This is a standard practice that also applies to all MS.

A further difference between published GNI and GNI OR applies to the years 2010 to 2013, when GNI OR is based on the previous international standard (the ESA 1995 accounting framework). There is a standard list of major changes between the ESA 1995 and ESA 2010 frameworks. This is used to estimate the impact of differences in definitions between them.

Eurostat publishes UK and MS GNI for own resource estimates (currently only 2025-consistent data are available). Worksheet 11.2 in our accompanying dataset (XLSX, 3.4MB) shows the differences between the UK GNI OR and the UK-published GNI estimates. It is produced for Eurostat each time the UK annual national accounts are updated.

In March 2025, the last of the 23 UK reservations placed in 2019 was lifted by the European Commission. While this means that UK GNI OR is now finalised for the years 2010 to 2017, budget payments for those years may still change somewhat. A small number of MS have outstanding reservations still being addressed for those years. The budget contributions are calculated on comparative share of EU GNI so are not settled until GNI for all countries is finalised.

EU budget contributions for the years 2018 to 2020 remain under scrutiny for all countries. General UK GNI compilation methods were approved by Eurostat in the latest verification cycle (confirmed in November 2024). Consequently, no additional country-specific reservations have been placed for those years. However, the EU is mandating two important improvements to methods that apply to all countries from 2018 onwards. These are treatment of non-resident VAT traders; and recognising households' own account production of electricity.

Transversal reservations have been placed on all countries to implement these improvements by the end of 2026. As with previous reservations, the UK must implement these improvements (if deemed necessary) under the terms of the EU withdrawal agreement.

Earlier this year, the European Commission lifted the transversal reservation on treatment of non-registered Value Added Tax (VAT) traders for the UK, without requiring a revision to the UK accounts. This was because we were able to show that the likely impact of the method change was immaterial (that is, less than 0.1% of GNI). However, the change related to the transversal reservation on household own account production of electricity has been applied in the accounts for 2026. This gives a small increase in the level of UK GNI OR.

Table 11.2 has been updated to show this change. It also separately shows the impact of several methods changes applied in production of the 2025 data release that are not permitted to affect GNI OR but have changed published GNI for the UK. These include implementation of Annual Survey of Goods and Services (ASGS) data, improvements to measurement of actual and imputed rentals, and changes to align national accounts data with public sector finances.

We will continue to update Worksheet 11.2 in future years, until all reservations are lifted. This may show further divergence between published and own resources versions of GNI.

5 . Cite this chapter

Office for National Statistics (ONS), released 30 October 2026, ONS website, compendium chapter, Statistics for international purposes, UK National Accounts, The Blue Book: 2026

Compendium

Environmental economy

Estimates of energy consumption, atmospheric emissions, material flows and natural capital.

Contact:
Blue Book Coordination team
blue.book.coordination@ons.gov.uk
+44 1633 456103

Release date:
30 October 2026

Next release:
To be announced

Table of contents

1. Environmental accounts

2. Energy consumption

3. Atmospheric emissions

4. Material flows

5. Natural capital accounts

6. Environmental taxes

7. More information about environmental accounts

8. Cite this chapter

1 . Environmental accounts

Environmental accounts are "satellite" or extended accounts to the main UK National Accounts.

They are compiled in accordance with the System of Environmental-Economic Accounting (SEEA), which closely follows the United Nations System of National Accounts (SNA).

They measure the impact the economy has on the environment, how the environment contributes to the economy, and how society responds to environmental issues by using the accounting framework and concepts of the national accounts.

They are used to inform sustainable development policy, model impacts of fiscal or monetary measures, and evaluate the environmental impacts of different sectors of the economy.

Data are provided in units of physical measurement (mass or volume) and monetary units, where these are the most relevant or only data available.

In our accompanying dataset (XLSX, 3.2MB):

- Worksheets 12.2 to 12.5 show estimates of energy consumption, atmospheric emissions and material flows
- Worksheets 12.6 to 12.8 show natural capital accounts
- Worksheets 12.9 to 12.12 show data on environmental taxes

More data, information and other environmental accounts (including fuel use, environmental goods and services sector, and environmental protection expenditure) can be found on our Environmental accounts release web page.

2 . Energy consumption

Worksheet 12.2 in our accompanying dataset (XLSX, 3.4MB) presents energy consumption by industry for the UK.

Energy consumption is defined as the use of energy for power generation, heating and transport. This is essential to most economic activities, for example, as an input for production processes.

The term "direct use of energy" refers to the energy content of fuel for energy at the point of use, allocated to the original purchasers and consumers of fuels. Alternatively, "reallocated use of energy" means that the losses incurred during transformation and distribution are allocated to the final consumer of the energy, rather than incorporating it all in the electricity generation sector.

Transformation losses are the differences between the energy content of the input and output product, arising from the transformation of one energy product to another.

Distribution losses are losses of energy product during transmission (for example, losses of electricity in the grid) between the supplier and the user of the energy.

Fossil fuels are the main source of energy for consumption, although other sources (including nuclear, net imports, renewable and waste sources) are becoming increasingly important.

Renewable sources include:

- solar photovoltaic
- geothermal and energy from wind, wave and tide
- hydroelectricity
- wood
- charcoal
- straw
- liquid biofuels
- biogas from anaerobic digestion
- sewage gas

Landfill gas, poultry litter and municipal solid waste combustion have also been included within this definition.

Short-term fluctuations in energy consumption are often attributable to changes in temperature or gross domestic product (GDP). Longer term, the decline in energy consumption for these purposes has largely been driven by the switch away from coal by the energy supply and manufacturing industries to other, more efficient fuels, such as natural gas and, more recently, renewable sources.

Data are provided by Ricardo Energy and Environment.

3 . Atmospheric emissions

Worksheets 12.3 and 12.4 in our accompanying dataset (XLSX, 3.4MB) show emissions of greenhouse gases, acid rain precursors (ARPs) and other pollutants by industry for the UK.

Greenhouse gases (GHG) are covered by the Paris Agreement, which has superseded the Kyoto Protocol. These gases contribute directly to global warming and climate change because of their positive radiative forcing effect. The potential of each GHG to cause global warming is assessed in relation to a given weight of CO2, so all GHG emissions are measured as carbon dioxide equivalents (CO2e).

The greenhouse gases included in the worksheets are:

- carbon dioxide (CO2)
- methane (CH4)
- nitrous oxide (N2O)
- hydrofluorocarbons (HFC)
- perfluorocarbons (PFC)
- nitrogen trifluoride (NF3)
- sulphur hexafluoride (SF6)

Other important atmospheric emissions include acid rain precursors (ARPs). Acid rain is caused primarily by emissions of sulphur dioxide (SO2), nitrogen oxides (NOX) and ammonia (NH3), and can have harmful effects on the environment. For comparability, all figures are weighted according to their acidifying potential and presented as sulphur dioxide equivalents (SO2e).

Emissions levels are influenced by factors such as gross domestic product (GDP) and UK temperatures. They are also influenced by policy initiatives, for example, those encouraging adoption of cleaner technologies or emissions standards on motor vehicles. Changes in energy consumption, particularly energy from fossil fuels, directly influence air emissions.

Data are provided by Ricardo Energy and Environment.

4 . Material flows

Worksheet 12.5 in our accompanying dataset (XLSX, 3.4MB) presents economy-wide material flow accounts, which estimate the physical flow of materials through the UK economy.

Domestic extraction is divided into four categories:

- biomass, which includes material of biological origin that is not from fossil, such as crops, wood and wild fish catch
- non-metallic minerals, which are mainly construction and industrial minerals, including limestone and gypsum, sand and gravel, and clays
- fossil energy materials and carriers, which include coal, peat, crude oil and natural gas
- metal ores, which include precious metals, such as gold

For fossil energy materials and carriers (which include coal, crude oil, natural gas and peat), peat estimates were not available from 2016.

Data are compiled from multiple sources including the Department for Environment, Food and Rural Affairs (DEFRA), the United Nations Food and Agriculture Organisation (FAO), the British Geological Survey (BGS), Eurostat, HM Revenue and Customs (HMRC) and the Department for Energy Security and Net Zero (DESNZ).

Physical trade balance

The physical trade balance (PTB) shows the relationship between imports and exports, and is calculated by subtracting the weight of exports from the weight of imports. The PTB (imports minus exports) is defined in reverse to the monetary trade balance (exports minus imports). Physical estimates can differ quite substantially from monetary estimates.

The UK has a positive PTB, meaning that more materials and products are imported than are exported. This suggests that the UK may be becoming more reliant on the production of materials in other countries.

Material consumption

Direct material input (DMI) (domestic extraction plus imports) measures the total amount of materials that are available for use in the economy.

Domestic material consumption (DMC) (domestic extraction plus imports minus exports) measures the number of materials used in the economy and is calculated by subtracting exports from DMI.

5 . Natural capital accounts

Natural wealth is reflected in the productivity of soils, access to clean water, and recreational green space, for example. Any natural resource or process that supports human life, society, and the economy is an important part of our natural capital.

Natural capital accounting estimates the current value of natural assets and what ecosystem services provide for current and future generations.

These accounts are currently classed as official statistics in development.

In addition to physical flows, a measure of the output of the ecosystem service in non-monetary terms, natural capital is part of a wider move to better understand wealth. The total of what we are currently able to value is presented in our annual UK natural capital accounts.

Monetary estimates should be interpreted as partial or minimal value of the ecosystem services provided by the natural environment, as a number of these services are not currently measured. The ecosystem services that we can currently measure include:

- timber provisioning
- woodfuel provisioning
- agricultural biomass provisioning
- fish provisioning
- water provisioning (physical flows only)
- oil and gas provisioning
- coal provisioning (physical flows only)
- minerals and metals provisioning
- renewable electricity provisioning
- air pollution regulating
- greenhouse gas regulating
- noise regulating
- urban heat regulating
- recreation and tourism
- recreation (health benefits)
- aesthetics and recreation (house prices)

We will continue to work to include as much of the economic value of natural capital as possible. Our annual and asset values are market driven, following UN System of Environment-Economic Accounting guidance, and are not intended as an absolute or intrinsic "value" of the natural world. More details about the natural capital accounts are available in our UK natural capital accounts: 2025 bulletin and our UK natural capital accounts quality and methods guide.

With methodologies under development, these estimates within Blue Book are not comparable with those published in previous natural capital accounts. Users should note that they reflect a number of methods updates that follow, which will be applied to the next set of natural capital accounts planned for December 2026, with full details of these methodological updates published in the updated quality and methods guide.

Methodological updates since the 2025 natural capital accounts mean we have:

- where possible, moved towards using industry and product-specific deflators for estimating monetary values for the certain ecosystem services: agricultural biomass provisioning, fish provisioning, mineral and metals provisioning, oil and gas provisioning, renewable electricity provisioning, timber provisioning, woodfuel provisioning, recreation and aesthetic (house prices)

- updated our recreation and tourism (expenditure) methodology, which revises estimates of the physical flow, annual and asset values

- also updated our recreation (health benefits) methodology, which will also revise estimates of the physical flow, annual and asset values

We no longer publish annual and asset value estimates for coal provisioning as coal will no longer be published as a separate industry, because of its size, within the supply and use and input-output tables, as noted in our Blue Book 2026: industry impact analysis article. We will continue to publish physical flow, which are based on different data sources.

We have also paused publication of monetary annual flows and asset values for water provisioning while we review our approach to monetary valuation for this ecosystem service. This is based on stakeholder feedback and our initial investigation of negative values in our UK natural capital accounts: 2025. We are currently reviewing alternative valuation methods, based on Economic Statistics Centre of Excellence (ESCoE) research and international research literature, and intend to resume publishing these values once this research phase has been completed and can be integrated into the annual natural capital accounts. We will continue to publish the physical flow for this ecosystem service in the meantime.

6 . Environmental taxes

Environmental taxes are those for which the base is a physical unit, for example, a litre of petrol or a passenger flight, that has a proven negative impact on the environment. These taxes should reduce the activity, and therefore reduce negative environmental impacts. Increases in tax revenue can occur from either rising tax rates, increased activity, or both.

Other initiatives may promote environmentally positive behaviour, but are not considered an environmental tax under this definition. For example, charges on single-use plastic bags by retailers are not classified as a tax.

An environmental tax needs to be defined as a tax (and not another type of payment) in the System of National Accounts (SNA 2008). The National Tax List is published by the Office for National Statistics (ONS) using the European System of National and Regional Accounts (ESA 2010), which is consistent with the SNA. This definition is also explained in the Central Framework for the System of Environmental-Economic Accounting from the United Nations, which uses concepts, definitions and classifications consistent with the SNA.

Source data on aggregate revenue for each type of tax are provided to the ONS from HM Treasury, to enable compilation of public sector accounts. We produce a breakdown of the aggregate by industry, including allocation to households and the rest of the world. To do so, we use a number of sources, including supply and use tables.

More information on this environmental taxes measure can be found in our Environmental accounts on environmental taxes quality and methodology information (QMI).

7 . More information about environmental accounts

More information about environmental accounts, including data rounded to a thousand tonnes, is available on our Environmental accounts release web page.

The residence adjustment is included, as the UK Environmental Accounts are based on a UK residence basis (as opposed to a territory basis). This is in line with national accounting principles, allowing environmental impacts to be compared on a consistent basis with economic indicators such as gross domestic product (GDP).

UK figures for energy and air emissions on a territory basis are published by the Department for Energy Security and Net Zero (DESNZ). Energy and air emissions bridging tables, which show the difference between these estimates, are available.

Further explanation of the differences can be found in our Energy consumption article and our Measuring UK greenhouse gas emissions methodology.

8 . Cite this chapter

Office for National Statistics (ONS), released 30 October 2026, ONS website, compendium chapter, Environmental accounts, UK National Accounts, The Blue Book: 2026.

Compendium

Flow of funds

Estimates of stocks and flows of financial assets and liabilities by institutional sector and financial instrument.

Contact:
Blue Book Coordination team
blue.book.coordination@ons.gov.uk
+44 1633 456103

Release date:
30 October 2026

Next release:
To be announced

Table of contents

1. Introduction

2. Flow of funds

3. Cite this chapter

1 . Introduction

The tables in this chapter present estimates of stocks and flows of financial assets and liabilities by institutional sector and financial instrument.

Of these tables, in our accompanying dataset (XLSX, 3.4MB):

- Worksheet 13.1 presents flows (or transactions) of financial assets and liabilities for each institutional sector and lower-level financial instrument (financial account)
- Worksheet 13.2 presents levels (or stocks) of financial assets and liabilities for each institutional sector and lower-level financial instrument (balance sheet)
- Worksheets 13.3.1 to 13.3.8 present both financial flows and stocks by institutional sector and financial instrument\ Estimates for all the institutional sectors are brought together in these tables to allow changes in assets and liabilities to be compared across the sectors. Estimates for each individual sector are also published in the appropriate sector pages in this publication.

These financial statistics are important for identifying the build-up of risks in the financial sector and for understanding financial connections among the institutional sectors and subsectors within the economy.

2 . Flow of funds

"Flow of funds" refers to the financial flows across sectors of the UK economy and the rest of the world. Information can be presented on debtor and creditor relationships and the changes in financial assets and liabilities in the economy.

Flow of funds is based on the principle that the movement of all funds must be accounted for. Across the total economy (UK and the rest of the world), the total sources of funds must equal the total uses of funds, and every financial asset transaction must have a counterpart liability transaction.

Since the global financial crisis of the late 2000s, the international community has had an increased focus on the analysis of financial stability, and the development of improvements to the data that support that analysis. This is particularly important for those countries, such as the UK, that have a substantial financial sector.

An important area identified internationally for improvement is the development of flow of funds counterpart statistics. These improve our understanding of how each individual sector may be exposed to the risk that could build up in other sectors. These statistics support macroeconomic analysis and financial stability policy.

Counterpart statistics are not currently presented in this publication. However, in response to the need for counterpart statistics, the Office for National Statistics (ONS) and the Bank of England started the joint Flow of Funds Project in 2014. More information on the project and the most recent experimental counterpart statistics are available in our UK financial accounts experimental statistics flow of funds matrices: 2020 article, based on Blue Book 2020 data. The work on the experimental counterpart statistics highlighted improvements needed to the data sources used to inform financial statistics, so the ONS has been improving the sources of financial sector data. More details are in our UK Financial Accounts Update 2026 article.

3 . Cite this chapter

Office for National Statistics (ONS), released 30 October 2026, ONS website, compendium chapter, Flow of funds, UK National Accounts, The Blue Book: 2026

Compendium

Glossary

An A-to-Z list defining the main terms used within the national accounts.

Contact:
Blue Book Coordination team
blue.book.coordination@ons.gov.uk
+44 1633 456103

Release date:
30 October 2026

Next release:
To be announced

Table of contents

1. A to B

2. C to D

3. E to F

4. G to H

5. I to J

6. K to L

7. M to N

8. O to P

9. Q to R

10. S to T

11. U to Z

12. Cite this chapter

1 . A to B

Above the line

Transactions in the production, current and capital accounts that are above the net lending (positive) or net borrowing (negative) (financial surplus or deficit) line in the presentation used in the economic accounts. The financial transactions account is below the line in this presentation.

Accruals basis

A method of recording transactions based on when the exchange of ownership of the goods, services or financial asset occurs (see also cash basis). For example, Value Added Tax (VAT) accrues when the expenditure to which it relates takes place but HM Revenue and Customs (HMRC) receives the cash some time later. The difference between accruals and cash results in an asset and liability in the financial accounts, shown as amounts receivable or payable.

Actual final consumption

The value of goods consumed, but not necessarily purchased, by a sector (see also final consumption expenditure, intermediate consumption).

Advance and progress payments

Payments made for goods in advance of completion and delivery of the goods and services. Also referred to as staged payments.

Asset boundary

A boundary separating assets included (for example, plant and factories, and non-produced assets such as land and water resources) and those excluded (such as natural assets not managed for an economic purpose) in creating core economic accounts.

Assets

Entities over which ownership rights are enforced by institutional units - individually or collectively - and from which economic benefits may be derived by owners holding them over a period of time.

Balancing item

An accounting construct obtained by subtracting the total value of the entries on one side of an account from the total value for the other side.

Balance of payments

A summary of the transactions between residents of a country and residents abroad in a given time period.

Balance of trade

The balance of trade in goods and services is a summary of the imports and exports of goods and services across an economic boundary in a given period.

Balance sheet

A statement, drawn up at a particular point in time, of the value of assets owned and of the financial claims (liabilities) against the owner of these assets.

Bank of England

This comprises the central bank subsector of the financial corporations sector.

Bank of England - Issue Department

This part of the Bank of England deals with the issue of bank notes on behalf of central government. It was formerly classified to central government, though it is now part of the central bank and monetary authorities sector. Its activities include, among other things, market purchases of commercial bills from UK banks.

Basic prices

These are the preferred method of measuring gross value added (GVA) and output. They reflect the amount received by the producer for a unit of goods or services, minus any taxes payable, plus any subsidy receivable on that unit as a consequence of production or sale (that is, the cost of production including subsidies).

The only taxes included in the basic price are taxes on the production process - such as business rates and any Vehicle Excise Duty paid by businesses - that are not specifically levied on the production of a unit of output. Basic prices exclude any transport charges invoiced separately by the producer.

Below the line

The financial transactions account that shows the financing of net lending (positive) or net borrowing (negative) (formerly financial surplus or deficit).

Bond

A financial instrument that usually pays interest to the holder. Bonds are issued by governments and by companies and other institutions, for example, local authorities. Most bonds have a fixed date on which the borrower will repay the holder.

Bonds are attractive to investors because they can be bought and sold easily in a secondary market. Special forms of bonds include deep discount bonds, equity warrant bonds, Eurobonds and zero-coupon bonds.

British government securities

Securities issued or guaranteed by the UK government; these are also known as gilts.

2 . C to D

Capital

Capital assets are those that contribute to the productive process to produce an economic return. In other contexts, the word can include tangible assets (for example, buildings, plant and machinery), intangible assets and financial capital (see also fixed assets, inventories).

Capital formation

Acquisitions less disposals of fixed assets, improvement of land, change in inventories and acquisitions less disposals of valuables.

Capital stock

A measure of the cost of replacing the capital assets of a country held at a particular point in time.

Capital transfers

Transfers that are related to the acquisition or disposal of assets by the recipient or payer. They may be in cash or kind and may be imputed to reflect the assumption or forgiveness of debt.

Cash basis

The recording of transactions when cash or other assets are actually transferred, rather than on an accruals basis.

Certificate of deposit

A short-term, interest-paying instrument issued by deposit-taking institutions in return for money deposited for a fixed period. Interest is earned at a given rate. The instrument can be used as security for a loan if the depositor requires money before the repayment date.

Chained volume measures

Time series that measure economic activity in real terms (that is, excluding price effects). Series are calculated in the prices of the previous year and in current price, and these two-year series are then "chain linked" together. The advantage of the chain-linking method is that the previous period's price structure is more relevant than the price structure of a fixed period from further in the past.

Cost, insurance and freight (CIF)

The basis of valuation of imports for customs purposes, including the cost of insurance premiums and freight services. These need to be deducted to obtain the Free On Board (FOB) valuation consistent with the valuation of exports that is used in the economic accounts.

Classification of individual consumption by purpose (COICOP)

An international classification that groups consumption according to its function or purpose. The heading clothing, for example, includes expenditure on garments, clothing materials, laundry and repairs. It is used to classify the expenditure of households.

Combined use table

Table of the demand for products by each industry group or sector, whether from domestic production or imports, estimated at purchasers' prices. It displays the inputs used by each industry to produce their total output and separates out intermediate purchases of goods and services. The table shows which industries use which products: columns represent the purchasing industries; rows represent the products purchased.

Commercial paper

This is an unsecured promissory note for a specific amount, maturing on a specific date. The commercial paper market allows companies to issue short-term debt directly to financial institutions, which then market this paper to investors or use it for their own investment purposes.

Compensation of employees

Total remuneration payable to employees in cash or in kind. Includes the value of social contributions payable by the employer.

Conditional liabilities

Where the transfer of assets only takes place under certain defined circumstances, known as contingent liabilities.

Consolidated accounts

Accounts drawn up to reflect the affairs of a group of entities. For example, a ministry or holding company with many different operating agencies or subsidiary companies may prepare consolidated accounts reflecting the affairs of the organisation as a whole and accounts for each operating agency or subsidiary.

Consolidated fund

An account of central government into which most government revenue (excluding borrowing and certain payments to government departments) is paid and from which most government expenditure (excluding loans and National Insurance benefits) is paid.

Consumption

See final consumption, intermediate consumption.

Consumption of fixed capital

The amount of capital resources used up in the process of production in any period. It is not an identifiable set of transactions but an imputed transaction, which can only be measured by a system of conventions.

Corporations

All bodies recognised as independent legal entities that are producers of market output and whose principal activity is the production of goods and services.

Counterpart

In a double-entry system of accounting, each transaction gives rise to two corresponding entries. These entries are the counterparts to each other, so the counterpart of a payment by one sector is the receipt by another.

Debenture

A long-term bond issued by a UK or foreign company and secured on fixed assets. A debenture entitles the holder to a fixed-interest payment or a series of such payments.

Deflators

A price index or other modifier used to remove the change in prices, commonly referred to as inflation, between any two given time periods. This allows the data in the two periods to be compared in real price terms.

Depreciation

A fall in the value of an asset or currency.

Derivatives

Financial instruments whose value is linked to the value of another financial instrument, indicator or commodity. Unlike the holder of a primary financial instrument (for example, a government bond or a bank deposit), who has an unqualified right to receive cash (or some other economic benefit), the holder of a derivative has only a qualified right to receive such a benefit. Examples of derivatives are options and swaps.

Dividend and Interest Matrix (DIM)

This represents property income flows related to holdings of financial transactions. The gross flows are shown in property income.

Direct investment

Net investment by UK or foreign companies in their foreign or UK branches, subsidiaries or associated companies. A direct investment in a company means that the investor has a significant influence on the operations of the company, defined as having an equity interest in an enterprise resident in another country of 10% or more of the ordinary shares or voting stock.

Investment includes not only acquisition of fixed assets, stock building and stock appreciation, but also all other financial transactions such as: additions to, or payments of, working capital; other loans and trade credit; and acquisitions of securities. Estimates of investment flows allow for depreciation in any undistributed profits. Funds raised by the subsidiary or associate company in the economy in which it operates are excluded as they are locally raised and not sourced from the parent company.

Discount market

The part of the market dealing with short-term borrowing. It is called the discount market because the interest on loans is expressed as a percentage reduction (discount) on the amount paid to the borrower. For example, for a loan of £100 face value, when the discount rate is 5%, the borrower will receive £95 but will repay £100 at the end of the term.

Double deflation

A method for calculating value added by industry chained volume measures, which takes separate account of the differing price and volume movements of input and outputs in an industry's production process.

Dividend

A payment made to company shareholders from current or previously retained profits. Dividends are recorded when they become payable.

3 . E to F

Economically significant prices

These are prices where the level significantly affects the supply of the good or service concerned. Market output consists mainly of goods and services sold at "economically significant" prices, while non-market output comprises those provided free or at prices that are not economically significant.

Employee stock options

An agreement made on a given date (the "grant" date) under which an employee may purchase a given number of shares of the employer's stock at a stated price (the "strike" price), either at a stated time (the "vesting" date) or within a period of time (the "exercise" period) immediately following the vesting date.

Enterprise

An institutional unit producing market output. Enterprises are found mainly in the non-financial and financial corporations sectors but exist in all sectors. Each enterprise consists of one or more kind-of-activity units.

Environmental accounts

A satellite account describing the relationship between the environment and the economy.

Equity

The ownership of a residual claim on the assets of the institutional unit that issued the instrument. Equities differ from other financial instruments in that they confer ownership of something more than a financial claim. Shareholders are owners of the company, whereas bond holders are just outside creditors.

European System of National and Regional Accounts (ESA)

An integrated system of economic accounts; the European version of the System of National Accounts (SNA).

European Investment Bank

This was set up to assist economic development within the EU. Its members are the member states of the EU.

Exchange Cover Scheme (ECS)

A scheme introduced in 1969 whereby UK public bodies raise foreign currency from overseas residents, either directly or through UK banks, and surrender it to the Exchange Equalisation Account in exchange for sterling to finance expenditure in the UK. HM Treasury sells the borrower foreign currency to service and repay the loan at the exchange rate that applied when the loan was taken out.

Exchange Equalisation Account (EEA)

The government account with the Bank of England in which transactions in reserve assets are recorded. These transactions are classified to the central government sector. It is the means by which the government, through the Bank of England, influences exchange rates.

Export credit

Credit extended abroad by UK institutions, primarily in connection with UK exports but also including some credit in respect of third country trade.

Export Credit Guarantee Department (ECGD)

A non-ministerial government department, classified to the public corporations sector, the main function of which is to provide insurance cover for export credit transactions.

Factor cost

In the System of National Accounts (SNA) 1968, this was the basis of valuation that excluded the effects of taxes on expenditure and subsidies.

Final consumption expenditure

The expenditure on those goods and services used for the direct satisfaction of individual needs or the collective needs of members of the community, as distinct from their purchase for use in the productive process. It may be contrasted with actual final consumption, which is the value of goods consumed, but not necessarily purchased, by that sector (see also intermediate consumption).

Financial auxiliaries

Activities closely related to financial intermediation but that are not financial intermediation themselves, such as the repackaging of funds, insurance broking and fund management. Financial auxiliaries include insurance brokers and fund managers.

Financial corporations

All bodies recognised as independent legal entities whose principal activity is financial intermediation or the production of auxiliary financial services.

Financial intermediation

The activity by which an institutional unit acquires financial assets and incurs liabilities on its own account by engaging in financial transactions on the market. The assets and liabilities of financial intermediaries have different characteristics so that the funds are transformed or repackaged with respect to maturity, scale or risk, for example, in the financial intermediation process.

Financial Intermediation Services Indirectly Measured (FISIM)

The implicit charge for the service provided by monetary financial institutions paid for by the interest differential between borrowing and lending rather than through fees and commissions.

Financial leasing

A form of leasing in which the lessee (the lease holder) contracts to assume the rights and responsibilities of ownership of leased goods from the lessor (the legal owner) for the whole (or virtually the whole) of the economic life of the asset. In the economic accounts, this is recorded as the sale of the asset to the lessee, financed by an imputed loan. The leasing payments are split into interest payments and repayments of principal.

Fixed assets

Produced assets that are themselves used repeatedly or continuously in the production process for more than one year. They comprise buildings and other structures, vehicles and other plant and machinery, as well as plants and livestock that are used repeatedly or continuously in production, for example, fruit trees or dairy cattle. They also include intangible assets such as computer software, research and development, and artistic originals.

Flows

These reflect the creation, transformation, exchange, transfer or extinction of economic value. They involve changes in the volume, composition or value of an institutional unit's assets and liabilities. They are recorded in the production, distribution and use of income and accumulation accounts.

Free On Board (FOB)

A Free On Board (FOB) price excludes the cost of insurance and freight from the country of consignment but includes all charges up to the point of the exporting country's customs frontier.

Futures

Forward contracts traded on organised exchanges. They give the holder the right to purchase a commodity or a financial asset at a future date.

4 . G to H

Gilts

Bonds issued or guaranteed by the UK government. Also known as gilt-edged securities or British Government securities.

Globalisation

The revised concept of economic ownership first recommended by the System of National Accounts (SNA) in 2008 that proposes that imports and exports be recorded strictly when a change of ownership occurs, rather than when goods cross a border, to better reflect the nature of multinational enterprises.

Gold

The System of National Accounts (SNA) and the International Monetary Fund (IMF) (in the sixth edition of its Balance of Payments Manual) recognise three types of gold:

- monetary gold, treated as a financial asset
- gold held as a store of value, to be included in valuables
- gold as an industrial material, to be included in intermediate consumption or inventories

The present treatment is as follows.

In the accounts, a distinction is drawn between gold held as a financial asset (financial gold) and gold held like any other commodity (commodity gold). Commodity gold in the form of finished manufactures, together with net domestic and overseas transactions in gold moving into or out of finished manufactured form (as in for jewellery, dentistry, electronic goods, medals and proof - but not bullion - coins) is recorded in exports and imports of goods.

All other transactions in gold (that is, those involving semi-manufactures, for example, rods and wire, bullion, bullion coins, or banking-type assets and liabilities denominated in gold, including official reserve assets) are treated as financial gold transactions and included in the financial account of the balance of payments.

The UK has adopted different treatment to avoid distortion of its trade in goods account by the substantial transactions of the London bullion market.

Grants

Voluntary transfer payments. They may be current or capital in nature. Grants from the government or the EU to producers are subsidies.

Gross

Important economic series can be shown as gross (as in, before deduction of the consumption of fixed capital) or net (as in, after deduction). Gross has this meaning throughout this publication unless otherwise stated.

Gross domestic product (GDP)

The total value of output in the economic territory. It is the balancing item on the production account for the whole economy. Domestic product can be measured gross or net. It is presented in the accounts at market (or purchasers') prices.

Gross fixed capital formation (GFCF)

Acquisitions less disposals of fixed assets and the improvement of land.

Gross national disposable income

The income available to the residents arising from gross domestic product (GDP) and receipts from, less payments to, the rest of the world of employment income, property income and current transfers.

Gross national income (GNI)

The total value of goods produced and services provided by a country during one year, equal to the gross domestic product plus the net income from foreign investments.

Gross value added (GVA)

The value generated by any unit engaged in production and the contributions of individual sectors or industries to gross domestic product (GDP). It is measured at basic prices, excluding taxes less subsidies on products.

Holding companies

A purely financial concern that uses its capital solely to acquire interests (normally controlling interests) in a number of operating companies. Although the purpose of a holding company is mainly to gain control and not to operate, it will typically have representation on the boards of directors of the operating firms.

Holding companies provide a means by which corporate control can become highly concentrated through pyramiding. A holding company may gain control over an operating company, which itself has several subsidiaries.

Holding gains or losses

Profit or loss obtained by virtue of the changing price of assets being held. Holding gains or losses may arise from either physical or financial assets.

Households

Individuals or small groups of individuals as consumers, and in some cases as entrepreneurs, producing goods and market services (where such activities cannot be hived off and treated as those of a quasi corporation).

5 . I to J

Imputation

The process of inventing a transaction where, although no money has changed hands, there has been a flow of goods or services. It is confined to a very small number of cases where a reasonably satisfactory basis for the assumed valuation is available.

Index-linked gilts

Gilts whose coupon and redemption value are linked to movements in the Retail Prices Index.

Institutional unit

The individual bodies whose data are merged to form the sectors of the economy. A body is regarded as an institutional unit if it has decision-making autonomy in respect of its principal function and either keeps a complete set of accounts or is in a position to compile, if required, a complete set of accounts that would be meaningful from both an economic and a legal viewpoint.

Input-output

A detailed analytical framework based on supply and use tables. These are matrices showing the composition of output of individual industries by types of product and how the domestic and imported supply of goods and services is allocated between various intermediate and final uses, including exports.

Institutional sector

In the economic accounts, the economy is split into different institutional sectors, that is, units grouped according broadly to their role in the economy. The main sectors are:

- non-financial corporations
- financial corporations
- general government
- households
- non-profit institutions serving households (NPISH)

The rest of the world is also treated as a sector for many purposes within the accounts.

Intellectual property products

Products including mineral exploration, computer software, research and development, and entertainment, literary or artistic originals. Expenditure on them is part of gross fixed capital formation. They exclude non-produced non-financial assets such as leases, transferable contracts and purchased goodwill, expenditure on which would be intermediate consumption.

Intermediate consumption

The consumption of goods and services in the production process. It may be contrasted with final consumption and capital formation.

International Monetary Fund (IMF)

A fund set up as a result of the Bretton Woods Conference in 1944, which began operations in 1947. It currently has 190 member countries (at time of publication) including most of the major countries of the world. The fund was set up to supervise the fixed exchange rate system agreed at Bretton Woods and to make available to its members a pool of foreign exchange resources to assist them when they have balance of payments difficulties. It is funded by member countries' subscriptions according to agreed quotas.

Inventories

Finished goods (held by the producer prior to sale, further processing or other use) and products (materials and fuel) acquired from other producers to be used for intermediate consumption or resold without further processing as well as military inventories.

6 . K to L

Kind-of-activity unit (KAU)

An enterprise, or part of an enterprise, that engages in only one kind of non-ancillary productive activity or in which the principal productive activity accounts for most of the value added. Each enterprise consists of one or more kind-of-activity units.

Liability

A claim on an institutional unit by another body that gives rise to a payment or other transaction transferring assets to the other body. Conditional liabilities, where the transfer of assets only takes place under certain defined circumstances, are known as contingent liabilities.

Life assurance

An insurance policy that, in return for the payment of regular premiums, pays a lump sum on the death of the insured. In the case of policies limited to investments that have a cash value, in addition to life cover, a savings element provides benefits that are payable before death. In the UK, endowment assurance provides life cover or a maturity value after a specified term, whichever is sooner.

Liquidity

The ease with which a financial instrument can be exchanged for goods and services. Cash is very liquid whereas a life assurance policy is less so.

Lloyd's of London

The international insurance and reinsurance market in London.

7 . M to N

Marketable securities

Securities that can be sold on the open market.

Market output

Output of goods and services sold at economically significant prices.

Merchant banks

Monetary financial institutions whose main business is primarily concerned with corporate finance and acquisitions.

Mixed income

The balancing item on the generation of income account for unincorporated businesses owned by households. The owner or members of the same household often provide unpaid labour inputs to the business. The surplus is therefore a mixture of remuneration for such labour and return to the owner as entrepreneur.

Monetary financial institutions (MFIs)

As defined by the European Central Bank, these consist of all institutional units included in the central bank, deposit-taking corporations except the central bank and money market funds subsectors.

Money market

The market in which short-term loans are made and short-term securities traded. "Short-term" usually applies to periods of under one year but can be longer in some instances.

NACE

The industrial classification used in the EU. Revision 2 is the "Statistical classification of economic activities in the European Community in accordance with Commission Regulation (EC) No. 1893/2006 of 20 December 2006".

National income

The total value of goods produced, and services provided, by a country during one year, equal to the gross domestic product (GDP) plus the net income from foreign investments.

Net

After deduction of the consumption of fixed capital. Also used in the context of financial accounts and balance sheets to denote, for example, assets less liabilities.

Net domestic product

Net domestic product (NDP) is equal to gross domestic product (GDP) minus the consumption of fixed capital (CFC). This considers the decline in the value of fixed assets that are used up in the production process, because of wear and tear, and obsolescence.

Non-market output

Output of own account production of goods and services provided free or at prices that are not economically significant. Non-market output is produced mainly by the general government and non-profit institutions serving households (NPISH) sectors.

Non-observed economy

Certain activities that may be productive and also legal but are concealed from the authorities for various reasons, for example, to evade taxes or regulation. In principle these, as well as economic production that is illegal, are to be included in the accounts but are by their nature difficult to measure.

Non-profit institutions serving households (NPISH)

An institutional sector consisting of non-profit institutions that provide goods or services to households for free or at prices that are not economically significant. These include bodies such as charities, universities, churches, and trade unions.

8 . O to P

Operating leasing

The conventional form of leasing in which the lessee makes use of the leased asset for a period in return for a rental while the asset remains on the balance sheet of the lessor. The leasing payments are part of the output of the lessor and the intermediate consumption of the lessee (see also financial leasing).

Operating surplus

The balance on the generation of income account. Households also have a mixed income balance. It may be seen as the surplus arising from the production of goods and services before taking into account flows of property income.

Ordinary share

The most common type of share in the ownership of a corporation. Holders of ordinary shares receive dividends (see also equity).

Output for own final use

Production of output for final consumption or gross fixed capital formation (GFCF) by the producer. Also known as own-account production.

Own-account production

Production of output for final consumption or gross fixed capital formation (GFCF) by the producer. Also known as output for own final use.

Par value

A security's face or nominal value. Securities can be issued at a premium or discount to par.

Pension funds

The institutions that administer pension schemes. Pension schemes are significant investors in securities. Self-administered funds are classified in the financial accounts as pension funds. Those managed by insurance companies are treated as long-term business of insurance companies.

Perpetual inventory model (or method) (PIM)

A method for estimating the level of assets held at a particular point in time by accumulating the acquisitions of such assets over a period and subtracting the disposals of assets over that period. Adjustments are made for price changes over the period. The perpetual inventory model (PIM) is used in the UK National Accounts to estimate the stock of fixed capital and as such the value of the consumption of fixed capital.

Portfolio

A list of the securities owned by a single investor. In the balance of payments statistics, portfolio investment is investment in securities that does not qualify as direct investment.

Preference share

This type of share guarantees its holder a prior claim on dividends. The dividend paid to preference shareholders is normally more than that paid to holders of ordinary shares. Preference shares may give the holder a right to a share in the ownership of the company (participating preference shares). However, in the UK they usually do not, and are therefore classified as bonds.

Prices

See economically significant prices, basic prices, purchasers' prices.

Principal

The lump sum that is lent under a loan or a bond.

Production boundary

Boundary between production included in creating core economic accounts (such as all economic activity by industry and commerce) and production that is excluded (such as production by households that is consumed within the household).

Promissory note

A security that entitles the bearer to receive cash. These may be issued by companies or other institutions (see commercial paper).

Property income

Incomes that accrue from lending or renting financial or tangible non-produced assets, including land, to other units. See also tangible assets.

Public corporations

These are public trading bodies that have a substantial degree of financial independence from the public authority which created them. A body is normally treated as a trading body when more than half of its income is financed by fees. A public corporation is publicly controlled to the extent that the public authorities appoint a majority of the board of management or when public authorities can exert significant control over general corporate policy through other means.

Since the 1980s, many public corporations, such as the BT Group, have been privatised and reclassified within the accounts as private non-financial corporations. Public corporations can also exist in the financial sector.

Public sector

Central government, local government and public corporations.

Purchasers' prices

These are the prices paid by purchasers. They include transport costs, trade margins and taxes (unless the taxes are deductible by the purchaser from their own tax liabilities).

9 . Q to R

Quasi corporations

Unincorporated enterprises that function as if they were corporations. For the purposes of allocation to sectors and subsectors, they are treated as if they were corporations, that is, separate units from those to which they legally belong. Three main types of quasi corporation are recognised in the accounts:

- unincorporated enterprises owned by the government that are engaged in market production
- unincorporated enterprises (including partnerships) owned by households
- unincorporated enterprises owned by foreign residents

The last group consists of permanent branches or offices of foreign enterprises and production units of foreign enterprises that engage in significant amounts of production in the territory over long or indefinite periods of time.

Real national disposable income (RNDI)

Gross national disposable income adjusted for changes in prices and in the terms of trade.

Related companies

Branches, subsidiaries, associates or parents.

Related import or export credit

Trade credit between related companies included in direct investment.

Rental

The amount payable by the user of a fixed asset to its owner for the right to use that asset in production for a specified period of time. It is included in the output of the owner and the intermediate consumption of the user.

Rents

The property income derived from land and subsoil assets. It should be distinguished in the current system from rental income derived from buildings and other fixed assets, which is included in output.

Repurchase agreement (repo or reverse repo)

This is short for "sale and repurchase agreement". One party agrees to sell bonds or other financial instruments to other parties under a formal legal agreement to repurchase them at some point in the future, usually up to six months, at a fixed price.

Reverse repos are the counterpart asset to any repo liability. Repo or reverse repo transactions are generally treated as borrowing or lending within other investment, rather than as transactions in the underlying securities.

The exception is for banks, where repos are recorded as deposit liabilities. Banks' reverse repos are recorded as loans, the same as for all other sectors. Legal ownership does not change under a "repo" agreement. It was previously treated as a change of ownership in the UK financial account but under the System of National Accounts (SNA) is treated as a collateralised deposit.

Reserve assets

Short-term assets that can be very quickly converted into cash. They comprise the UK's official holdings of gold, convertible currencies, special drawing rights and changes in the UK reserve position in the International Monetary Fund (IMF). Also included between July 1979 and December 1998 are European Currency Units (ECUs) acquired from swaps with the European Monetary Cooperation Fund (EMCF), European Monetary Institute (EMI) and the European Central Bank (ECB).

Residents

These comprise general government, individuals, private non-profit-making bodies serving households and enterprises within the territory of a given economy.

Residual error

The term used in the former accounts for the difference between the measures of gross domestic product (GDP) from the expenditure and income approaches.

Resources and uses

The term resources refers to the side of the current accounts where transactions that add to the amount of economic value of a unit or sector appear. For example, wages and salaries are a resource for the unit or sector receiving them. Resources are by convention put on the right side or at the top of tables arranged vertically.

The left side (or bottom section) of the accounts, which relates to transactions that reduce the amount of economic value of a unit or sector, is termed "uses". To continue the example, wages and salaries are a use for the unit or sector that must pay them.

Rest of the world

This sector records the counterpart of transactions of the whole economy with non-residents.

10 . S to T

Satellite accounts

Satellite accounts describe areas or activities not dealt with by core economic accounts. These areas or activities are considered to require too much detail for inclusion in the core accounts or they operate with a different conceptual framework. Internal satellite accounts re-present information within the production boundary. External satellite accounts present new information not covered by the core accounts.

Saving

The balance on the use of income account. It is that part of disposable income that is not spent on final consumption and may be positive or negative.

Secondary market

A market in which holders of financial instruments can resell all or part of their holding. The larger and more effective the secondary market for any particular financial instrument, the more liquid that instrument is to the holder.

Sector

See institutional sector.

Securities

Tradable or potentially tradable financial instruments.

Special drawing rights (SDRs)

These are reserve assets created and distributed by decision of the members of the International Monetary Fund (IMF). Participants accept an obligation to provide convertible currency to another participant, when designated by the IMF to do so, in exchange for special drawing rights (SDRs) equivalent to three times their own allocation.

Only countries with a sufficiently strong balance of payments are so designated by the IMF. SDRs may also be used in certain direct payments between participants in the scheme and for payments of various kinds to the IMF.

Special purpose entities (SPEs)

These are generally organised or established in economies other than those in which the parent companies are resident and engaged primarily in international transactions but in few or no local operations.

Special purpose entities (SPEs) are defined either by their structure (for example, financing subsidiary, holding company, base company or regional headquarters) or their purpose (for example, sale and regional administration, management of foreign exchange risk, or facilitation of financing of investment).

SPEs should be treated as direct investment enterprises if they meet the 10% criterion. They are an integral part of direct investment networks as are, for the most part, SPE transactions with other members of the group.

Staged payments

See advance and progress payments.

Standard Industrial Classification (SIC)

The industrial classification applied to the collection and publication of a wide range of economic statistics. The current version, Standard Industrial Classification (SIC) 2007, is consistent with NACE, revision 2. See NACE for further details.

Standardised guarantees

These are normally issued in large numbers, usually for fairly small amounts, along identical lines. There are three parties involved in these arrangements: the debtor, the creditor and the guarantor. Either the debtor or creditor may contract with the guarantor to repay the creditor if the debtor defaults. The classic examples are export credit guarantees and student loan guarantees.

Subsidiaries

Companies owned or controlled by another company. Under Section 1159 of the Companies Act (2006) this means, broadly speaking, that another company either:

- holds a majority of the voting rights
- is a member and has the right to appoint or remove a majority of its board of directors
- is a member and controls alone (pursuant to an agreement with other members) a majority of the voting rights

The category also includes subsidiaries of subsidiaries.

Subsidies

Current unrequited payments made by general government or the EU to enterprises. Those made on the basis of a quantity or value of goods or services are classified as "subsidies on products". Other subsidies based on levels of productive activity (for example, numbers employed) are designated "other subsidies on production".

Suppliers' credit

Export credit extended overseas directly by UK firms other than to related concerns.

Supply table

Table of estimates of domestic industries' output by type of product. Compiled at basic prices and including columns for imports of goods and services, for distributors' trading margins and for taxes less subsidies on products. The final column shows the value of the supply of goods and services at purchasers' prices. This table shows which industries make which products: columns represent the supplying industries, rows represent the products supplied.

System of National Accounts (SNA)

The internationally agreed standard system for macroeconomic accounts. The latest version is described in SNA 2008.

Taxes

Compulsory unrequited transfers to central or local government or the EU. Taxation is classified in the following main groups: taxes on production and imports, current taxes on income wealth and so on, and capital taxes.

Technical reserves (of insurance companies)

These reserves consist of prepaid premiums, reserves against outstanding claims, actuarial reserves for life insurance and reserves for with-profit insurance. They are treated in the economic accounts as the property of policy holders.

Terms of trade

Ratio of the change in export prices to the change in import prices. An increase in the terms of trade implies that the receipts from the same quantity of exports will finance an increased volume of imports, so measurement of real national disposable income needs to take account of this factor.

Transfers

Unrequited payments made by one unit to another. They may be current transfers or capital transfers. The most important types of transfers are taxes, social contributions, and benefits.

Treasury bills

Short-term securities or promissory notes that are issued by the government in return for funding from the money market. Each week in the UK, the Bank of England invites tenders for sterling Treasury bills from the financial institutions operating in the market. European currency unit (ECU) or euro-denominated bills were issued by tender each month, but this programme has now wound down; the last bill was redeemed in September 1999. Treasury bills are an important form of short-term borrowing for the government, generally being issued for periods of three or six months.

11 . U to Z

Unit trusts

Institutions within the Other monetary financial institutions subsector through which investors pool their funds to invest in a diversified portfolio of securities. Unit trusts give individual investors the opportunity to invest in a diversified and professionally managed portfolio of securities, without the need for detailed knowledge of the individual companies issuing the stocks and bonds. They differ from investment trusts in that the latter are companies in which investors trade shares on the stock exchange, whereas unit trust units are issued and bought back on demand by the managers of the trust.

Uses

See resources and uses.

Use table

See combined use table.

United Kingdom (UK)

Broadly, in the accounts, the United Kingdom (UK) comprises Great Britain plus Northern Ireland and that part of the continental shelf deemed by international convention to belong to the UK. It excludes the Channel Islands and the Isle of Man.

Valuables

Goods of considerable value that are not used primarily for production or consumption but are held as stores of value over time, for example, precious metals, precious stones, jewellery and works of art.

Valuation

See basic prices, purchasers' prices, factor cost.

Value added

The balance on the production account: output less intermediate consumption. Value added may be measured net or gross.

Value Added Tax (VAT)

A tax paid by enterprises. In broad terms an enterprise is liable for VAT on the total of its taxable sales but may deduct tax already paid by suppliers on its inputs (intermediate consumption). Therefore, the tax is effectively on the value added by the enterprise. Where the enterprise cannot deduct tax on its inputs, the tax is referred to as non-deductible. VAT is the main UK tax on products.

12 . Cite this chapter

Office for National Statistics (ONS), released 30 October 2026, ONS website, compendium chapter, Glossary, UK National Accounts, The Blue Book: 2026

Compendium

Background notes

Information about the compilation of the latest national accounts including quality and reliability issues.

Contact:
Blue Book Coordination team
blue.book.coordination@ons.gov.uk
+44 1633 456103

Release date:
30 October 2026

Next release:
To be announced

Table of contents

1. Feedback

2. Release policy

3. Continuous improvement of sources, methods and communication

4. National accounts classification decisions

5. Economic context

6. Important quality issues

7. The quality of Blue Book estimates

8. Reliability

9. Further information

10. Code of Practice

11. Cite this chapter

1 . Feedback

We welcome your feedback on this publication. Please email blue.book.coordination@ons.gov.uk if you would like to get in touch.

2 . Release policy

This release includes data up to 2026. Data are consistent with:

- our Index of Production bulletin, published on 15 October 2026
- our Index of Services bulletin, published on 15 October 2026
- the current price trade in goods data within our UK trade: August 2026 bulletin, published on 15 October 2026
- the Construction output price indices dataset, published on 13 August 2026
- our Balance of payments bulletin, published on 30 September 2026
- our GDP quarterly national accounts bulletin, published on 30 September 2026
- the UK Economic Accounts dataset, published on 30 September 2026

3 . Continuous improvement of sources, methods and communication

During 2026, we published a series of articles detailing changes that will affect Blue Book 2026. These articles can be found on the Office for National Statistics (ONS) website using the following keywords: BlueBook2026, BB26 and National Accounts.

4 . National accounts classification decisions

The UK National Accounts are produced under internationally agreed guidance and rules set out in the European System of Accounts: ESA 2010 (PDF, 6.4MB) and the accompanying Manual on Government Deficit and Debt: Implementation of ESA 2010 to 2016 edition (MGDD) (PDF, 3.7MB).

In the UK, we are responsible for the application and interpretation of these rules. Therefore, we make classification decisions based on the agreed guidance and rules, as shown in our UK economic statistics sector and transaction classifications: the classification process methodology.

5 . Economic context

We publish economic commentary, giving commentary on the latest gross domestic product (GDP) estimate and our other economic releases. The next commentary will be published on 22 December 2026.

6 . Important quality issues

Commonly occurring issues in interpreting the series include:

- expectations of accuracy and reliability in early estimates are often too high
- revisions are an inevitable consequence of the trade-off between timeliness and accuracy
- early estimates are based on incomplete data

Very few statistical revisions arise because of "errors". All estimates, by definition, are subject to statistical "error". In this context, the word refers to the uncertainty inherent in any process or calculation that uses sampling, estimation, or modelling.

Most revisions reflect either the adoption of new statistical techniques or the incorporation of new information, which allow the statistical error of previous estimates to be reduced. Only rarely are there avoidable "errors", such as human or system failures, and such mistakes are made clear when they do occur.

On 30 October 2026, we published the latest analysis in our GDP revisions in Blue Book article.

7 . The quality of Blue Book estimates

Unlike many of the short-term indicators we publish, there is no simple way of measuring the accuracy of the Blue Book dataset. All estimates, by definition, are subject to statistical uncertainty.

For many well-established statistics, we measure and publish the sampling error and non-sampling error associated with the estimate, using this as an indicator of accuracy. Since sampling is typically done to determine the characteristics of a whole population, the difference between the sample and population values is considered a sampling error. Non-sampling errors are a result of deviations from the true value that are not a function of the sample chosen, including various systematic errors and any other errors that are not because of sampling.

The Blue Book dataset, however, is currently constructed from various data sources, some of which are not based on random samples or do not have published sampling and non-sampling errors available. This makes it very difficult to measure both error aspects and their impact on gross domestic product (GDP). While development work continues in this area, like all other G7 national statistical institutes (NSIs), we do not publish a measure of the sampling error or non-sampling error associated with this dataset.

8 . Reliability

Estimates for the most recent quarters are provisional and are subject to revision in the light of updated source information. We currently provide an analysis of past revisions in the gross domestic product (GDP) and other statistical bulletins that present data time series.

Our revisions to economic statistics web page brings together our work on revisions analysis, linking to articles and revisions policies. Revisions to data provide one indication of the reliability of main indicators.

9 . Further information

You can see all of our latest releases on the Office for National Statistics (ONS) release calendar.

Details of the policy governing the release of new data are also available. We are committed to ensuring that all information provided is kept strictly confidential and will only be used for statistical purposes. Further details regarding confidentiality can be found in our Respondent charter for business surveys and in our Respondent charter for households.

10 . Code of Practice

Official statistics are produced to high professional standards set out in the Code of Practice for Statistics. They undergo regular quality assurance reviews to ensure that they meet user needs. They are produced free from any political interference.

11 . Cite this chapter

Office for National Statistics (ONS), released 30 October 2026, ONS website, compendium chapter, Background notes, UK National Accounts, The Blue Book: 2026