

NSCASE – Eurostat PPP Clarification Note

NSCASE23(25)

Committee Request for information on the recording of Hinkley Point C (HPC)

Summary

HPC contract documents were signed on 29 September 2016 and reviewed by the Economic Statistics Classification Committee in September 2017.

The review considered that the project could best be described for economic statistical purposes as a concession arrangement (not a Public Private Partnership) as the assets are funded by the end user. The concessionaire NNB Generation Company Ltd is a private market producer, classified as a Foreign controlled Non-Financial Corporation. It is not subject to public sector control and is expected to sell its output of electricity at economically significant prices.

The UK government has provided no capital funding to this project, so the assets and associated liabilities will be recorded in the private sector balance sheet.

Hinkley is not yet operational (current estimate is June 2027) but the fair value future estimates of the payments the UK government will be committed to make across the 35 year operational contract payment period, are estimated as detailed in [BEIS Annual Report and accounts 2021-2022](#) – page 220 to 223. This information is currently not included in the ONS publication on [Government contingent liabilities](#) as these are based on requirements under EU legislation and have not yet been expanded.