



# STATISTICAL BULLETIN: PUBLIC SPENDING STATISTICS FEBRUARY 2014

This release presents updated Public Spending data for the years 2008-09 to 2012-13. All data in this release are National Statistics and are on an outturn basis. Further background detail is found in the accompanying material published alongside this release. **We welcome any feedback on this release at: [statistics-enquiries@hmtreasury.gsi.gov.uk](mailto:statistics-enquiries@hmtreasury.gsi.gov.uk).**

HM Treasury Public Spending Statistics provide a range of information about public spending, using two related frameworks as shown in the table on page 4 below. Further detailed explanations are provided in the methodology annex to this bulletin.

## IN THIS RELEASE

- *Background: Page 3*
- *Charts on the key data: Page 7*
- *Statistical Tables: Page 9*

## KEY POINTS IN THIS RELEASE

- Total DEL expenditure (Resource DEL excluding depreciation plus Capital DEL) was £360.7 billion in 2012-13, a fall of £8.0 billion or 2.2 per cent on the previous year in nominal terms.
- Total Managed Expenditure was £673.7 billion in 2012-13, a decrease of 3.0 per cent on the previous year in nominal terms.
- Total expenditure on services was £669.8 billion in 2012-13, an increase of 1.6 per cent on the previous year.

## KEY REVISIONS IN THIS RELEASE

- Some departments, notably the Department for Education, the Department for Culture, Media and Sport, and the Scottish Government have revised their expenditure data. These have produced only small revisions to departmental budgets (DEL and AME), but larger changes to the expenditure on services framework. English and Welsh local government final outturn data for 2012-13 has been included in this release. This has affected the expenditure on services tables only.

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### Public Spending Statistics February 2014

#### UPCOMING REVISIONS AND CHANGE TO THE PRESENTATION IN FORTHCOMING RELEASES

The next Treasury Public Spending National Statistics release will be in April 2014. In this release we plan to include a new table that will present total expenditure, ie the sum of Total DEL and departmental AME, by departmental group. This table will also be included in the annual PESA publications in July 2014 and in subsequent quarterly updates.

#### FORTHCOMING CHANGES TO THE SPENDING FRAMEWORKS USED IN THIS RELEASE

No changes are expected for the next release.

#### PUBLIC SPENDING STATISTICS PUBLICATIONS SCHEDULE FOR THE FORTHCOMING YEAR

**APRIL 2014** Contains updates to the key Public Spending Statistics series. April is the first time in which full outturn for the previous financial year is published, incorporating final data for all local authorities and devolved administrations.

**JULY 2014** The July Public Spending Statistics release contains the first publication of departmental spending outturn for the 2013-14 financial year. Local authority data and much of the data from the devolved administrations are still provisional at this stage of the year. This is the main “annual” release.

**OCT/NOV 2014** Updates to the key series of the Public Spending Statistics are published in October. Additionally the Country and Regional Analysis is published in October or November each year.

**FEBRUARY 2015** This release contains updates to the key Public Spending Statistics series. It includes updated data for English and Welsh local authorities for the previous financial year.

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## BACKGROUND

Tables 1 to 7 show central government departmental spending on a budgetary basis, which are the aggregates used by the Government to plan and control expenditure. They cover departments' own spending as well as support to local government and public corporations. They are consistent with "Estimates" voted by Parliament and broadly consistent with departmental Resource Accounts, which are based on commercial International Financial Reporting Standards adapted for the Public Sector.

Budgets are divided into Departmental Expenditure Limits (DEL), which are firm plans for three or four years, and Annually Managed Expenditure (AME), covering spending which is demand-led, less predictable and more difficult to control. Table 1 shows the aggregate position for all departments and all types of spending with some of the main types of spending shown separately. Table 7 shows in detail how the budgeting data is used to construct the Total Managed Expenditure (TME) figures published by the Office for National Statistics. These are based on National Accounts concepts and are used in the aggregates which underlie the Government's fiscal policy.

Tables 8 to 9 present spending under the "expenditure on services" framework. This is based on National Accounts definitions and covers the whole of the public sector. It therefore has wider coverage than the budgeting framework and is also more stable over time.

Tables 8, 8a and 8b show public sector expenditure on services broken down by function over a period of 21 years, allowing long-term trends to be identified. Table 9 presents data broken down by economic categories such as pay or grants.

## DATA IN THIS RELEASE

## Spending frameworks used in HM Treasury spending publications

Budgeting	Expenditure on services
This framework provides information on central government departmental budgets, which are the aggregates used by the Government to plan and control expenditure. It covers departmental own spending as well as support to local government and public corporations.	This framework is used in Treasury publications for statistical analysis. It is based on National Accounts definitions and covers spending by the whole of the public sector. It therefore has wider coverage than the budgeting framework and is also more stable over time.

## BUDGETING STATISTICS

## DEPARTMENTAL EXPENDITURE LIMITS

- Total resource DEL was £343.3 billion in 2012-13, a fall of 0.7 per cent on the previous year.
- Total resource DEL less depreciation was £321.8 billion in 2012-13, a fall of 1.4 per cent on the previous year. In 2011-12 spend fell by 1.1 per cent. This reflects the Government's plans for fiscal consolidation as set out in the 2010 Spending Review.
- Total DEL expenditure (Resource DEL excluding depreciation plus Capital DEL) was £360.7 billion in 2012-13, a fall of £8.0 billion or 2.2 per cent on the previous year in nominal terms
- Total capital DEL was £38.9 billion in 2012-13, a fall of £3.4 billion or 8.0 per cent on the previous year. This is the third successive fall in the period covered by this release, in 2011-12 spend fell by 15.0 per cent.

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ANNUALLY MANAGED EXPENDITURE

- Net public service pensions decreased to £4.9 billion in 2012-13, from £6.0 billion in 2011-12. This is mainly due to an increase of £0.9 billion in contributions received by the schemes. In 2010-11 net public service pensions was -£78.1 billion. The negative expenditure in 2010-11 was caused by the decision to use the Consumer Prices Index (CPI) rather than the Retail Prices Index (RPI) for the indexation of public service pensions and the consequent reduction in the size of future liabilities. The effect of this on the major pension schemes (teachers, NHS, civil service and armed forces) is shown in the appropriate departmental budget in Table 3. As liabilities are not included in the calculation of TME, there is an offset within the accounting adjustments to remove them (see Table 7 for details).
- Capital locally financed expenditure fell to £6.6 billion in 2012-13 from £16.3 billion the year before. This reflects a one-off payment in 2011-12 to central government by local government in respect of Housing Revenue Account reform. There is an offsetting receipt in the accounting adjustments as the transaction is neutral within the public sector.

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TRENDS IN FUNCTIONAL EXPENDITURE (TABLES 8, 8A AND 8B)

Compared with the previous year;

- In real terms, spending on most functions fell in 2012-13. The exceptions were Social protection, which rose by 2.7 per cent, Health, which increased by 0.7 per cent, and Housing and community amenities, where spending rose by 0.5 per cent. There was also strong growth in EU transactions.
- The largest real terms falls in spending were in Defence, which was down by 7.6 per cent, and Economic Affairs, which fell by 6.5 per cent.

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EXPENDITURE ON SERVICES STATISTICS

- During the recession, as GDP shrank but spending increased, TME took an increasingly large share of national income. As a result, TME as a per cent of GDP peaked at 47.0 per cent in 2009-10. In each subsequent year TME as a per cent of GDP has decreased. In 2012-13 it stood at 42.8 per cent of GDP (Table 8b).

- In 2012-13 public expenditure on Health was equal to 7.9 per cent of GDP, compared to 5.4 per cent in 1992-93. Over the same period, Education spending has increased from 5.2 per cent to 5.5 per cent of GDP. These reflect a mix of demographics and the policy priorities of successive governments.
- The share of GDP taken by public sector debt interest payments was 3.1 per cent in 2012-13. This is still below the peak of up to 3.5 per cent last seen in 1997-98, when interest rates were significantly higher than now.
- In real terms (i.e. after adjusting for the effect of inflation);
  - spending on Social protection was £250.8 billion in 2012-13, up from £244.2 billion in the previous year.
  - Health spending (including spending by central government departments and devolved administrations) was £124.2 billion in 2012-13, compared to £123.4 billion spent in 2011-12.
  - Education spending was £87.3 billion in 2012-13, down from £88.4 billion in 2011-12.
- Financial sector interventions are scored in the Economic affairs function. Within Table 9 they appear as capital grants and income from sales of goods and services.<sup>1</sup>

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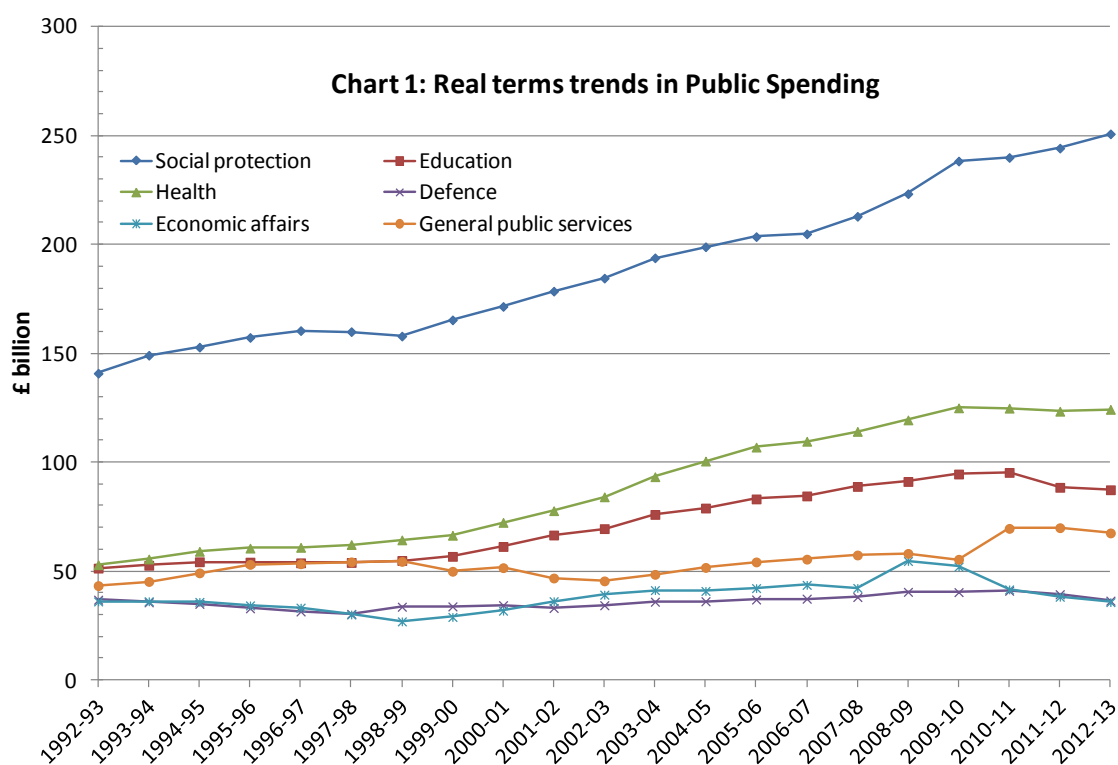
<sup>1</sup> Details of financial sector interventions within expenditure on services can be found in Box 5.A of PESA 2013.

## CHARTS

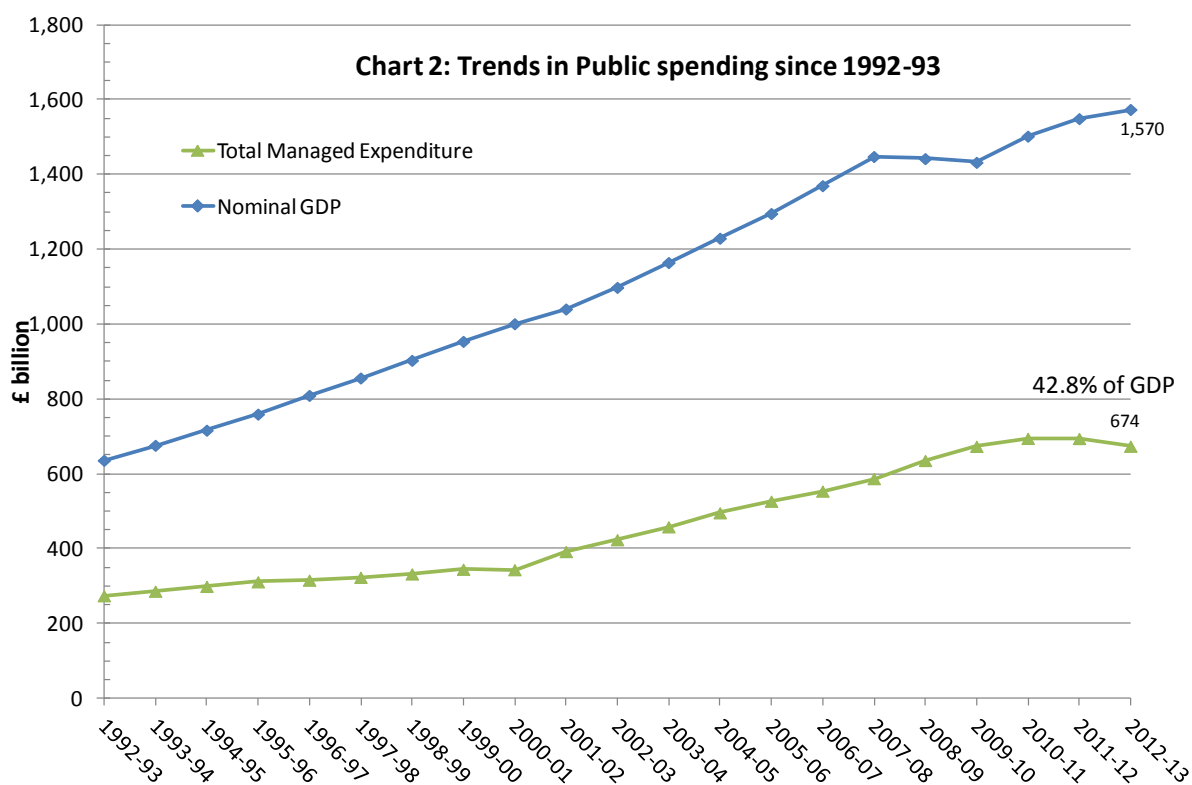
**CHART 1** shows trends in public spending in real terms according to the UN defined Classification of the Functions of Government (COFOG) framework. This breakdown allows users to see trends in expenditure over time without changes in the way government is organised (also known as machinery of government changes) introducing distortions. Departmental responsibilities have changed substantially since the early 1990s, for example, making it difficult to create consistent long-run time series. The COFOG framework enables these comparisons over time.

It is important to note that in most cases spending by function does not equate to spending by a single department. Spending within the health function, for example, represents expenditure by the devolved administrations as well as by the Department of Health and other central government departments. In the same way, a large proportion of education spending is carried out by local authorities, and not directly by the Department for Education.

Between 1992-93 and 2012-13 the health function has had the highest rate of real terms growth.



**CHART 2** shows trends in overall spending compared with overall nominal GDP. The ratio between TME and GDP is a measure of the size of government relative to the rest of the economy.



## NATIONAL STATISTICS

The United Kingdom Statistics Authority has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Official Statistics.

Designation can be broadly interpreted to mean that the statistics:

- meet identified user needs;
- are well explained and readily accessible;
- are produced according to sound methods; and
- are managed impartially and objectively in the public interest.

Once statistics have been designated as National Statistics it is a statutory requirement that the Code of Practice shall continue to be observed.



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## Public Spending Statistics February 2014

Table 1 Total Managed Expenditure, 2008-09 to 2012-13

	National Statistics				
	2008-09 outturn	2009-10 outturn	2010-11 outturn	2011-12 outturn	2012-13 outturn
<b>£ million</b>					
<b>CURRENT EXPENDITURE</b>					
<i>Resource DEL</i>					
Resource DEL excluding depreciation	304,997	323,893	330,034	326,398	321,800
Depreciation in resource DEL	12,389	13,843	20,509	19,269	21,507
<b>Total resource DEL</b>	<b>317,386</b>	<b>337,736</b>	<b>350,544</b>	<b>345,668</b>	<b>343,307</b>
<i>Resource departmental AME</i>					
Social security benefits	146,343	159,165	164,806	170,791	178,329
Tax credits <sup>(1)</sup>	24,171	27,667	28,938	29,976	30,170
Net public service pensions <sup>(2)</sup>	5,340	1,528	-78,073	6,012	4,938
National lottery	1,011	1,001	995	1,335	719
BBC domestic services	3,316	3,464	3,559	3,033	3,291
Student loans	-976	-256	-301	-642	-763
Non-cash items	42,788	47,141	55,299	52,443	53,191
Financial sector interventions	41,551	-27,592	-14,247	-16,143	-18,384
Other departmental expenditure	2,377	3,741	1,790	-860	3,962
<b>Total resource departmental AME</b>	<b>265,921</b>	<b>215,860</b>	<b>162,766</b>	<b>245,943</b>	<b>255,453</b>
<i>Resource other AME</i>					
Net expenditure transfers to the EU	3,060	6,419	8,414	7,702	9,131
Locally financed expenditure	26,967	25,797	22,969	22,104	23,892
Central government debt interest	30,852	30,479	45,165	48,375	47,550
Accounting adjustments <sup>(3)</sup>	-76,253	-11,280	45,410	-25,812	-22,988
<b>Total resource other AME</b>	<b>-15,374</b>	<b>51,415</b>	<b>121,958</b>	<b>52,369</b>	<b>57,585</b>
<b>Total resource AME</b>	<b>250,547</b>	<b>267,274</b>	<b>284,724</b>	<b>298,312</b>	<b>313,038</b>
<b>Public sector current expenditure</b>	<b>567,933</b>	<b>605,010</b>	<b>635,268</b>	<b>643,980</b>	<b>656,345</b>
<b>CAPITAL EXPENDITURE</b>					
<i>Capital DEL</i>					
<b>Total capital DEL</b>	<b>48,511</b>	<b>56,959</b>	<b>49,772</b>	<b>42,292</b>	<b>38,925</b>
<i>Capital departmental AME</i>					
National lottery	536	752	597	380	513
BBC domestic services	81	123	122	172	121
Student loans	4,475	4,601	4,958	5,857	6,858
Financial sector interventions	85,525	38,281	-3,015	-4,571	-3,601
Other departmental expenditure	249	738	1,147	734	-258
<b>Total capital departmental AME</b>	<b>90,866</b>	<b>44,494</b>	<b>3,809</b>	<b>2,572</b>	<b>3,633</b>
<i>Capital other AME</i>					
Locally financed expenditure	6,808	5,416	5,322	16,260	6,590
Public corporations' own-financed capital expenditure	9,331	8,191	9,302	6,623	6,897
Accounting adjustments <sup>(3)</sup>	-87,823	-46,669	-8,768	-17,411	-38,708
<b>Total capital other AME</b>	<b>-71,683</b>	<b>-33,062</b>	<b>5,856</b>	<b>5,471</b>	<b>-25,222</b>
<b>Total capital AME</b>	<b>19,182</b>	<b>11,433</b>	<b>9,665</b>	<b>8,043</b>	<b>-21,589</b>
<b>Public sector gross investment <sup>(4)</sup></b>	<b>67,693</b>	<b>68,392</b>	<b>59,437</b>	<b>50,335</b>	<b>17,336</b>
less public sector depreciation	19,146	19,999	20,784	21,616	22,510
<b>Public sector net investment <sup>(4)</sup></b>	<b>48,547</b>	<b>48,393</b>	<b>38,653</b>	<b>28,719</b>	<b>-5,174</b>
<b>TOTAL MANAGED EXPENDITURE <sup>(4)</sup></b>	<b>635,626</b>	<b>673,402</b>	<b>694,705</b>	<b>694,315</b>	<b>673,681</b>
<i>of which:</i>					
Total DEL <sup>(5)</sup>	353,507	380,852	379,806	368,690	360,725
Departmental AME	356,787	260,354	166,575	248,515	259,086
Other AME	-74,668	32,196	148,324	77,110	53,870

(1) Tax credits include working tax credits, stakeholder pension credits and Child Tax Credits. Child allowances paid as part of Income Support and Jobseekers' Allowance are shown within social security benefits. Tax credits include elements that are treated as negative tax in National Accounts, see Box 1.A PESA 2013 (Cm8663).

(2) The main pension schemes are reported under IAS19 accounting requirements, the reconciliation to National Accounts is explained in Annex D. In the 2010 Budget Statement it was announced that the Government would use the CPI rather than the RPI for the indexation of public service pensions. This change has been recognised as a negative past service cost in 2010-11 in accordance with IAS19.

(3) Transactions from 2008-09 onwards have been affected by financial sector interventions, see Box 2.A in Chapter 2 of PESA 2013 (Cm8663).

(4) This excludes the temporary effects of banks being classified to the public sector. See Box 2.A in Chapter 2 of PESA 2013 (Cm8663).

(5) Total DEL is given by resource DEL excluding depreciation plus capital DEL

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## Public Spending Statistics February 2014

Table 2 Resource DEL, 2008-09 to 2012-13

	National Statistics				
	2008-09 outturn	2009-10 outturn	2010-11 outturn	2011-12 outturn	2012-13 outturn
£ million					
<b>Resource DEL by departmental group</b>					
Education	46,657	49,412	50,496	50,298	50,956
NHS (Health)	87,623	94,422	97,469	100,266	102,563
Personal Social Services (Health) <sup>(1)</sup>	1,281	1,364	1,471	-	-
Transport	5,833	6,548	5,806	5,578	5,283
CLG Communities	4,130	4,334	3,710	1,821	1,349
CLG Local Government	29,488	30,800	28,737	29,765	27,619
Business, Innovation and Skills	17,095	18,353	21,291	20,016	19,220
Home Office	9,193	9,471	12,774	12,122	11,442
Justice	9,039	8,962	8,968	8,895	8,593
Law Officers' Departments	722	709	669	621	599
Defence	32,714	34,917	39,035	37,980	35,874
Foreign and Commonwealth Office	2,027	2,127	2,200	2,175	2,152
International Development	4,758	5,250	5,930	6,184	6,129
Energy and Climate Change	292	1,228	1,153	1,157	1,129
Environment, Food and Rural Affairs	2,412	2,461	2,376	2,198	2,055
Culture, Media and Sport	1,531	1,573	1,580	1,610	3,531
Work and Pensions	7,841	8,770	8,848	7,488	7,366
Scotland	24,481	25,489	26,151	25,812	26,124
Wales	13,011	13,753	14,022	13,903	13,893
Northern Ireland	9,188	9,636	9,967	9,858	10,036
Chancellor's Departments	4,324	4,244	3,966	3,852	3,468
Cabinet Office	2,030	2,259	2,354	2,399	2,476
Small and Independent Bodies	1,715	1,654	1,570	1,669	1,450
<b>Total resource DEL</b>	<b>317,386</b>	<b>337,736</b>	<b>350,544</b>	<b>345,668</b>	<b>343,307</b>

(1) Personal Social Services (Health) are grants previously paid by the Department of Health that are now included in CLG Local Government's budget.

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## Public Spending Statistics February 2014

**Table 3 Resource departmental AME, 2008-09 to 2012-13**

	National Statistics				
	2008-09 outturn	2009-10 outturn	2010-11 outturn	2011-12 outturn	2012-13 outturn
<b>£ million</b>					
<b>Resource departmental AME by departmental group</b>					
Education	10,642	10,427	-10,465	11,773	10,721
NHS (Health)	14,984	16,223	-10,976	19,582	18,878
Transport	572	1,143	501	876	590
CLG Communities	613	255	-112	-350	409
CLG Local Government	661	284	1,107	732	144
Business, Innovation and Skills	313	1,337	-824	-1,158	-92
Home Office	714	679	920	1,061	1,260
Justice	450	606	276	-33	915
Law Officers' Departments	11	17	-13	5	5
Defence	6,102	7,895	-878	8,039	7,360
Foreign and Commonwealth Office	-10	86	35	61	88
International Development	213	331	303	104	191
Energy and Climate Change	2,435	756	5,241	3,742	5,388
Environment, Food and Rural Affairs	-56	-73	-437	-53	-29
Culture, Media and Sport	3,893	4,060	4,369	3,793	4,481
Work and Pensions	131,215	141,938	146,544	154,478	160,761
Scotland	2,486	2,323	3,055	3,073	2,760
Wales	138	293	53	72	141
Northern Ireland	6,466	7,230	3,187	7,516	7,770
Chancellor's Departments	77,269	12,789	28,604	24,040	24,390
Cabinet Office	7,172	7,481	-7,466	8,739	9,431
Small and Independent Bodies	-363	-222	-259	-147	-110
<b>Total resource departmental AME</b>	<b>265,921</b>	<b>215,860</b>	<b>162,766</b>	<b>245,943</b>	<b>255,453</b>

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## Public Spending Statistics February 2014

Table 4 Capital DEL, 2008-09 to 2012-13

	National Statistics				
	2008-09 outturn	2009-10 outturn	2010-11 outturn	2011-12 outturn	2012-13 outturn
£ million					
<b>Capital DEL by departmental group</b>					
Education	5,524	7,442	7,127	5,043	4,259
NHS (Health)	4,369	5,182	4,159	3,771	3,790
Transport	7,252	8,253	7,299	7,686	7,828
CLG Communities	7,167	8,992	6,459	3,821	2,472
CLG Local Government	122	260	-67	-8	1
Business, Innovation and Skills	2,134	3,027	2,104	1,153	1,240
Home Office	836	999	739	493	442
Justice	899	848	530	344	282
Law Officers' Departments	9	12	8	3	2
Defence	8,918	9,148	9,265	9,014	7,843
Foreign and Commonwealth Office	227	201	155	115	37
International Development	875	1,353	1,559	1,646	1,653
Energy and Climate Change	1,666	1,806	2,014	1,454	2,038
Environment, Food and Rural Affairs	610	693	568	385	414
Culture, Media and Sport	824	519	580	1,257	342
Work and Pensions	85	272	323	280	375
Scotland	3,333	3,927	3,284	2,732	2,939
Wales	1,627	1,932	1,751	1,386	1,362
Northern Ireland	1,307	1,277	1,192	1,000	969
Chancellor's Departments	281	285	211	257	212
Cabinet Office	396	454	432	403	363
Small and Independent Bodies	51	78	78	56	61
<b>Total capital DEL</b>	<b>48,511</b>	<b>56,959</b>	<b>49,772</b>	<b>42,292</b>	<b>38,925</b>

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## Public Spending Statistics February 2014

**Table 5 Capital departmental AME, 2008-09 to 2012-13**

	National Statistics				
	2008-09 outturn	2009-10 outturn	2010-11 outturn	2011-12 outturn	2012-13 outturn
<b>Capital departmental AME by departmental group</b>					
NHS (Health)	14	6	8	-	-
Transport	-	-	-	-33	-61
CLG Communities	516	171	843	153	4
CLG Local Government	-	-	-	-	-4
Business, Innovation and Skills	3,463	4,306	4,158	5,469	6,129
Defence	76	5	-	-10	-35
International Development	-	-	-	-	-6
Energy and Climate Change	-279	-337	-78	-58	-20
Environment, Food and Rural Affairs	1	1	1	0	-1
Culture, Media and Sport	572	875	719	552	448
Work and Pensions	136	171	177	35	27
Scotland	180	160	151	167	188
Wales	168	202	209	244	252
Northern Ireland	407	430	396	588	344
Chancellor's Departments <sup>(1)</sup>	85,822	38,668	-2,675	-4,483	-3,591
Small and Independent Bodies	-210	-162	-100	-52	-40
<b>Total capital departmental AME</b>	<b>90,866</b>	<b>44,494</b>	<b>3,809</b>	<b>2,572</b>	<b>3,633</b>

(1) Transactions from 2008-09 onwards have been affected by financial sector interventions, see Box 2.A in Chapter 2 of PESA 2013 (Cm8663).

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## Public Spending Statistics February 2014

**Table 6 Resource DEL less depreciation, 2008-09 to 2012-13**

	National Statistics				
	2008-09 outturn	2009-10 outturn	2010-11 outturn	2011-12 outturn	2012-13 outturn
<b>£ million</b>					
<b>Resource DEL less depreciation by departmental group</b>					
Education	46,637	49,385	50,461	50,265	50,124
NHS (Health)	86,671	93,237	96,260	99,073	101,432
Personal Social Services (Health) <sup>(1)</sup>	1,261	1,362	1,471	-	-
Transport	5,436	5,652	5,176	4,679	4,315
CLG Communities	4,084	4,299	3,649	1,745	1,309
CLG Local Government	29,487	30,798	28,735	29,764	27,618
Business, Innovation and Skills	16,328	17,321	17,029	16,231	15,467
Home Office	9,009	9,268	12,288	11,904	11,199
Justice	8,633	8,529	8,614	8,453	8,067
Law Officers' Departments	712	697	658	611	591
Defence	25,410	27,587	28,090	28,142	26,415
Foreign and Commonwealth Office	1,946	2,022	2,097	2,052	1,989
International Development	4,742	5,234	5,909	6,167	6,105
Energy and Climate Change	288	1,216	1,146	1,144	1,117
Environment, Food and Rural Affairs	2,219	2,261	2,175	1,988	1,866
Culture, Media and Sport	1,502	1,457	1,471	1,496	2,087
Work and Pensions	7,689	8,549	8,685	7,286	7,117
Scotland	23,901	24,852	25,587	25,189	25,341
Wales	12,610	13,289	13,615	13,475	13,487
Northern Ireland	8,894	9,293	9,597	9,437	9,459
Chancellor's Departments	4,117	4,035	3,745	3,628	3,235
Cabinet Office	1,772	1,962	2,025	2,045	2,076
Small and Independent Bodies	1,649	1,587	1,552	1,624	1,387
<b>Total Resource DEL less depreciation</b>	<b>304,997</b>	<b>323,893</b>	<b>330,034</b>	<b>326,398</b>	<b>321,800</b>

(1) Personal Social Services (Health) are grants previously paid by the Department of Health that are now included in CLG Local Government's budget.

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## Public Spending Statistics February 2014

Table 7a Accounting adjustments<sup>(1)</sup>, 2008-09 to 2012-13

	£ billion				
	2008-09 outturn	2009-10 outturn	2010-11 outturn	2011-12 outturn	2012-13 outturn
<b>Remove data in budgets which form part of public sector current expenditure but where a different source is used for National Accounts</b>					
<b>Resource DEL</b>					
Capital consumption (excluding NHS)	-10.6	-13.1	-8.5	-15.0	-14.9
NHS capital consumption	-1.8	-1.8	-1.8	-1.7	-1.8
Interest	0.1	-0.1	-0.1	-0.2	-0.2
Public corporation subsidies	-1.3	-1.0	-1.2	-1.1	-1.7
Other	0.0	0.0	-0.1	0.0	0.0
<b>Total resource DEL</b>	<b>-13.5</b>	<b>-16.0</b>	<b>-11.7</b>	<b>-18.0</b>	<b>-18.5</b>
<b>Resource departmental AME</b>					
Capital consumption	-1.7	-2.5	-1.8	-1.6	-1.5
Interest	2.4	2.2	1.0	2.2	2.7
Subsidy element of renewable obligation certificates	0.0	0.0	0.0	0.0	0.0
Subsidy element of other environmental levies	0.0	0.0	0.0	0.0	0.0
NNDR outturn adjustment	-0.6	-0.3	-1.1	-0.7	-0.1
Public corporation subsidies	-0.6	-0.7	-0.4	-7.3	0.0
Other	0.1	0.1	0.1	2.4	0.0
<b>Total resource departmental AME</b>	<b>-0.4</b>	<b>-1.2</b>	<b>-2.2</b>	<b>-5.1</b>	<b>1.0</b>
Adjustment for different data used by OBR in PSCE forecast	0.0	0.0	0.0	0.0	0.0
of which DEL	0.0	0.0	0.0	0.0	0.0
of which AME	0.0	0.0	0.0	0.0	0.0
<b>Total resource budget data replaced by different source data</b>	<b>-13.8</b>	<b>-17.3</b>	<b>-13.9</b>	<b>-23.0</b>	<b>-17.6</b>
<b>Remove data in budgets which do not form part of public sector current expenditure</b>					
<b>Resource DEL</b>					
Impairments	-1.0	0.4	-7.8	-0.4	-2.7
Receipts treated as negative DEL but revenue in National Accounts	0.6	0.6	0.7	0.6	0.8
Fees, levies and charges	0.2	0.2	0.2	0.2	0.4
Grant equivalent element of student lending	-0.7	-0.9	-4.2	-3.8	-3.9
Stock write-offs	0.5	-1.0	0.0	0.0	0.0
Change in pension scheme liabilities	-0.2	-0.2	-0.1	0.0	0.0
Miscellaneous current transfers	0.6	1.0	1.6	1.8	2.3
Northern Ireland Executive transfers between DEL and AME <sup>(2)</sup>	0.6	0.5	0.6	0.6	0.6
Profit or loss - sale of company securities	0.0	0.1	0.0	0.0	0.0
Profit or loss - sale of other assets (capital in National Accounts)	0.3	0.1	0.0	-0.1	0.0
Green Investment Bank	0.0	0.0	0.0	0.0	0.0
EU funded expenditure	-0.7	-0.4	-0.3	-0.5	-0.3
Other	0.0	0.3	0.0	-0.5	0.1
<b>Total resource DEL</b>	<b>0.2</b>	<b>0.7</b>	<b>-9.4</b>	<b>-2.1</b>	<b>-2.8</b>
<b>Resource departmental AME</b>					
Impairments	-19.3	-3.5	3.0	12.4	14.8
Bad debts	-0.5	-0.5	-0.6	-0.5	-0.5
Grant equivalent element of student lending	0.0	-0.5	0.0	1.6	0.1
Provisions	-29.0	23.5	-7.2	-5.4	-10.2
Change in pension scheme liabilities	-24.8	-22.1	56.8	-27.1	-26.9
Unwinding of discount rate on pension scheme liabilities	-36.5	-39.2	-37.6	-44.0	-40.3
Release of provisions covering payments of pension benefits	22.5	24.3	25.9	27.7	30.6
Fees, levies and charges	0.5	0.2	0.2	0.5	1.2
Profit or loss - sale of other assets (capital in National Accounts)	0.0	0.0	0.0	0.0	0.0
Fee income treated as capital in National Accounts	0.0	0.0	0.0	0.0	0.0
Imputed tax element of renewable obligation certificates	0.0	0.0	0.0	0.0	0.0
Imputed tax element of other environmental levies	0.0	0.0	0.0	0.0	0.0
Tax credits	-5.6	-5.6	-5.6	-4.6	-2.8
Other	0.1	-0.5	1.1	-0.6	-0.8
<b>Total resource departmental AME</b>	<b>-92.7</b>	<b>-24.0</b>	<b>36.1</b>	<b>-39.9</b>	<b>-34.8</b>
<b>Total resource budget data not in public sector current expenditure</b>	<b>-92.5</b>	<b>-23.3</b>	<b>26.7</b>	<b>-42.0</b>	<b>-37.6</b>

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## RESTRICTED

## Public Spending Statistics February 2014

Table 7b Accounting adjustments, 2008-09 to 2012-13 (continued)

	£ billion				
	2008-09 outturn	2009-10 outturn	2010-11 outturn	2011-12 outturn	2012-13 outturn
<b>Central government adjustments in National Accounts</b>					
Expenditure on goods and services	16.6	14.7	18.5	22.2	15.9
of which: VAT refunds	3.9	3.8	4.8	5.0	5.1
of which: Single Use Military Equipment	5.7	5.3	5.4	5.5	4.7
of which: payment from EU for tax collection costs	-0.7	-0.7	-0.8	-0.7	-0.7
of which: capital consumption	7.0	7.3	7.7	8.0	8.3
of which: other	0.8	-1.2	1.4	4.5	-1.5
Net social benefits	1.8	1.6	0.4	0.5	-0.1
of which: switch between benefits and other current grants	6.9	6.9	0.4	0.6	0.3
of which: public service pensions contributions uprate	0.0	0.0	0.0	0.0	0.0
of which: other	-5.1	-5.3	0.0	-0.1	-0.4
Net current grants abroad	-0.3	0.1	0.1	0.8	0.5
of which: attributed aid	-0.8	-0.9	-0.8	-0.9	0.0
of which: DfID funding for capital projects scored in resource DEL	-0.5	0.0	0.0	0.0	0.0
of which: EU receipts	3.9	5.0	4.8	4.9	0.0
of which: other	-2.8	-3.9	-3.8	-3.2	0.5
Other current grants	-3.3	-2.5	-2.5	-7.0	0.8
of which: switch between other current grants and benefits	-6.9	-6.9	-0.4	-0.6	-0.3
of which: other	3.5	4.4	-2.1	-6.4	1.1
Subsidies	4.9	5.1	4.4	11.5	4.5
of which: Renewable Obligation Certificates	0.5	0.5	1.3	0.5	1.7
of which: other environmental levies	0.0	0.0	0.0	0.0	0.0
of which: company tax credits outside departmental AME	0.9	1.1	1.3	1.3	1.4
of which: other	3.5	3.5	1.9	9.7	1.5
<b>Total central government resource adjustments</b>	<b>19.7</b>	<b>19.0</b>	<b>21.0</b>	<b>28.0</b>	<b>21.6</b>
<b>Local government adjustments in National Accounts</b>					
Remove data which do not form part of public sector current expenditure	-5.0	-4.6	-5.2	-5.0	-3.5
of which: Northern Ireland regional rates	-0.6	-0.5	-0.5	-0.6	-0.6
of which: retirement benefits	0.0	0.0	0.0	0.0	0.0
of which: debt interest payments to central government	-3.2	-2.9	-3.0	-4.4	-2.8
of which: other	-1.2	-1.2	-1.7	0.0	0.0
Adjustments to reconcile use of different data sources	-0.6	-0.1	0.0	1.2	-1.3
of which: central government support	-1.4	-0.5	-0.4	-0.4	-2.3
of which: debt interest	0.0	-0.4	-0.7	0.1	-0.7
of which: police and fire top up grants	0.8	0.9	1.1	1.4	1.6
of which: other	0.0	-0.1	0.0	0.0	0.0
Expenditure on goods and services	13.7	14.0	15.3	15.2	15.5
of which: VAT refunds	6.1	5.6	6.4	6.8	6.5
of which: capital consumption	7.2	7.6	8.0	8.5	9.0
of which: rates	-1.2	-1.2	-1.2	-1.4	-1.4
of which: other	1.6	2.0	2.1	1.3	1.4
Subsidies	1.6	1.4	1.5	0.9	0.2
of which: equity injection into Housing Revenue Account	1.6	1.4	1.5	1.1	0.4
of which: other	0.0	0.0	0.0	-0.2	-0.2
Net social benefits	-0.5	-0.5	-0.5	-0.9	-1.0
of which: housing benefits and rent rebates	0.4	0.4	0.4	0.1	0.0
of which: other	-0.8	-0.9	-0.9	-1.0	-1.0
Other current grants and current grants abroad	-0.1	-0.1	-0.1	-0.1	0.0
<b>Total local government resource adjustments</b>	<b>9.2</b>	<b>10.1</b>	<b>11.1</b>	<b>11.3</b>	<b>9.9</b>
<b>Other resource adjustments</b>					
Public corporations	1.2	0.3	0.5	0.3	0.4
Other	0.0	-0.1	0.0	-0.4	0.1
<b>Total other resource adjustments</b>	<b>1.2</b>	<b>0.2</b>	<b>0.5</b>	<b>-0.1</b>	<b>0.5</b>
<b>Total resource adjustments</b>	<b>-76.3</b>	<b>-11.3</b>	<b>45.4</b>	<b>-25.8</b>	<b>-23.0</b>
<i>of which:</i>					
Timing adjustments <sup>(a)</sup>					
Central government	-1.2	-0.6	-2.3	5.7	0.6
Local government	0.6	0.9	0.6	-0.2	-0.1

RESTRICTED



## RESTRICTED

## Public Spending Statistics February 2014

Table 7c Accounting adjustments, 2008-09 to 2012-13 (continued)

	£ billion				
	2008-09 outturn	2009-10 outturn	2010-11 outturn	2011-12 outturn	2012-13 outturn
<b>Remove data in budgets which form part of public sector gross investment but where a different source is used for National Accounts</b>					
<b>Capital DEL</b>					
Change in inventories	-0.4	0.0	0.1	0.0	0.0
Acquisitions less disposals of valuables	-0.2	0.0	0.0	-0.1	-0.1
<b>Total capital DEL</b>	<b>-0.6</b>	<b>-0.1</b>	<b>0.0</b>	<b>-0.2</b>	<b>-0.1</b>
Adjustment for different data used by OBR in PSGI forecast	0.0	0.0	0.0	0.0	0.0
of which DEL	0.0	0.0	0.0	0.0	0.0
of which AME	0.0	0.0	0.0	0.0	0.0
<b>Total capital budget data replaced by different source data</b>	<b>-0.6</b>	<b>-0.1</b>	<b>0.0</b>	<b>-0.2</b>	<b>-0.1</b>
<b>Remove data in budgets which do not form part of public sector gross investment</b>					
<b>Capital DEL</b>					
Single Use Military Equipment	-5.7	-5.3	-5.4	-5.3	-4.8
Net lending to private sector	-0.6	-1.2	-1.0	-2.1	-1.5
Capital support for public corporations	-0.1	-0.1	0.2	0.1	0.0
Local government supported capital expenditure	0.0	0.0	0.0	0.0	0.0
Northern Ireland Executive transfers between DEL and AME	0.3	0.0	0.2	0.4	0.2
Green Investment Bank	0.0	0.0	0.0	0.0	0.0
Other	0.1	0.1	0.1	0.0	-0.2
<b>Total Capital DEL</b>	<b>-6.1</b>	<b>-6.5</b>	<b>-5.9</b>	<b>-6.9</b>	<b>-6.3</b>
<b>Capital departmental AME</b>					
Net lending to private sector	-90.0	-53.0	-2.1	-1.3	-3.3
Capital support for public corporations	0.9	0.1	0.4	-0.1	0.2
Purchase of company securities	0.0	0.0	0.0	0.0	0.0
Sale of company securities	0.0	6.9	0.0	0.0	0.0
Northern Ireland Executive transfers between DEL and AME	-0.3	-0.3	-0.2	-0.4	-0.1
Other	-0.1	3.0	-0.2	0.1	0.2
<b>Total capital departmental AME</b>	<b>-89.5</b>	<b>-43.3</b>	<b>-2.1</b>	<b>-1.8</b>	<b>-3.0</b>
<b>Total capital budget data not in public sector gross investment</b>	<b>-95.5</b>	<b>-49.8</b>	<b>-8.0</b>	<b>-8.7</b>	<b>-9.3</b>
<b>Central government adjustments in National Accounts</b>					
Gross fixed capital formation	-0.4	0.5	-0.1	0.1	-2.5
of which: profit or loss - sale of other assets (from resource budgets)	-0.3	-0.1	0.0	0.1	0.0
of which: 4G Spectrum receipts	0.0	0.0	0.0	0.0	-2.3
of which: other	-0.1	0.5	-0.1	0.0	-0.2
Capital grants to and from the private sector	9.7	4.9	1.0	0.7	-28.1
of which: VAT refunds	0.1	0.1	0.1	0.1	0.1
of which: transfer of Royal Mail Pension Plan assets	0.0	0.0	0.0	0.0	-28.6
of which: fee income (from resource budgets)	0.0	0.0	0.0	0.0	0.0
of which: DfID funding for capital projects scored in resource DEL	0.5	0.0	0.0	0.0	0.0
of which: other	9.1	4.8	1.0	0.7	0.5
<b>Total central government capital adjustments</b>	<b>9.3</b>	<b>5.3</b>	<b>1.0</b>	<b>0.8</b>	<b>-30.6</b>
<b>Local government adjustments in National Accounts</b>					
Adjustments to reconcile use of different data sources	-3.9	-4.8	-3.5	-3.8	-1.6
of which: overhanging debt	-0.5	-0.2	-0.8	-0.2	0.0
of which: central government support	-1.2	-2.2	-0.5	-1.3	1.0
of which: financial transactions	-1.3	-1.6	-1.4	-1.8	-2.1
of which: capital grants from private sector	-0.8	-0.9	-0.8	-0.7	-0.4
Gross fixed capital formation	3.2	2.0	2.1	1.6	1.2
of which: VAT refunds	1.9	1.7	2.0	2.2	2.1
of which: roads de-trunking	1.0	0.0	0.1	0.0	0.0
of which: other	0.2	0.3	0.0	-0.6	-0.9
Capital grants	0.4	0.4	0.2	0.5	1.8
of which: grants to public corporations	0.0	0.0	0.0	0.0	0.0
of which: other	0.4	0.4	0.2	0.5	1.8
<b>Total local government capital adjustments</b>	<b>-0.3</b>	<b>-2.4</b>	<b>-1.3</b>	<b>-1.8</b>	<b>1.4</b>
<b>Other capital adjustments</b>					
Public corporations	0.0	0.2	-0.5	0.1	-0.2
Housing Revenue Account reform receipts	0.0	0.0	0.0	-8.1	0.0
Other	-0.7	0.0	0.1	0.3	0.0
<b>Total other capital adjustments</b>	<b>-0.7</b>	<b>0.3</b>	<b>-0.5</b>	<b>-7.6</b>	<b>-0.1</b>
<b>Total capital adjustments</b>	<b>-87.8</b>	<b>-46.7</b>	<b>-8.8</b>	<b>-17.4</b>	<b>-38.7</b>
<i>of which:</i>					
Timing adjustments <sup>(3)</sup>					
Central government	9.8	5.6	1.2	0.5	0.2
Local government	0.2	0.3	-0.3	-0.5	-0.1

(1) The accounting adjustments are described in Annex D of PESA 2013

(2) Offsets with Northern Ireland domestic rates (part of other AME and not in budgets) in local government adjustments in National Accounts below.

(3) Reflects timing difference between the latest OSCAR and other source data and the data underlying the Public Sector Finances statistical bulletin. These mainly result from revisions policy and issues with late corrections to OSCAR data in the early years.

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## Public Spending Statistics February 2014

Table 8 Public sector expenditure on services by function, 1992-93 to 2012-13

	cash						accruals															£ billion	
	National Statistics						National Statistics																
	1992-93 outturn	1993-94 outturn	1994-95 outturn	1995-96 outturn	1996-97 outturn	1997-98 outturn	1998-99 outturn	1999-00 outturn	2000-01 outturn	2001-02 outturn	2002-03 outturn	2003-04 outturn	2004-05 outturn	2005-06 outturn	2006-07 outturn	2007-08 outturn	2008-09 outturn	2009-10 outturn	2010-11 outturn	2011-12 outturn	2012-13 outturn		
1. General public services	28.0	29.8	32.8	36.3	37.5	38.8	39.7	37.1	38.6	36.0	35.8	38.9	42.6	45.5	47.9	50.8	52.9	51.8	66.8	68.7	67.5		
<i>of which: public and common services</i>	5.8	5.8	5.9	6.1	6.2	6.2	7.2	8.0	7.9	9.2	9.8	10.9	12.1	12.8	12.7	12.5	14.0	13.8	12.9	11.7	11.3		
<i>of which: international services</i>	3.1	3.2	3.3	3.4	3.1	3.1	3.2	3.7	4.2	4.3	4.5	5.1	5.5	6.2	6.3	6.7	6.4	7.1	8.0	8.0	7.9		
<i>of which: public sector debt interest</i>	19.0	20.8	23.5	26.8	28.1	29.6	29.3	25.4	26.5	22.6	21.1	22.7	24.9	26.4	28.6	31.4	32.5	31.0	45.9	49.0	48.2		
2. Defence	23.8	23.5	23.3	22.5	22.1	21.7	24.5	25.1	25.7	25.4	27.0	28.8	29.8	31.0	32.2	33.7	36.8	37.7	39.3	38.7	36.4		
3. Public order and safety	14.4	15.0	15.6	16.0	16.4	17.1	18.0	18.4	20.4	23.1	24.4	26.4	28.5	29.3	30.4	31.7	33.7	34.1	33.0	32.0	31.0		
4. Economic affairs	23.3	23.8	23.9	23.4	23.3	21.5	19.6	21.5	23.8	27.8	30.8	33.1	33.7	35.4	37.7	37.4	49.7	48.7	39.9	37.5	35.7		
<i>of which: enterprise and economic development<sup>(1)</sup></i>	5.4	5.5	4.7	4.5	4.3	4.3	3.1	4.4	4.9	5.1	5.9	6.0	6.5	6.4	6.3	7.1	16.2	12.2	4.8	4.9	4.9		
<i>of which: science and technology</i>	1.4	1.5	1.1	1.2	1.4	1.4	1.4	1.4	1.4	1.7	2.1	2.3	2.5	3.0	2.9	3.3	3.2	3.6	3.4	3.6	3.6		
<i>of which: employment policies</i>	2.9	3.1	3.2	3.1	2.8	2.5	2.9	3.5	3.8	3.3	3.0	3.2	3.2	3.3	3.3	2.1	3.5	4.1	4.7	3.3	3.1		
<i>of which: agriculture, fisheries and forestry</i>	2.9	3.8	3.4	3.9	5.4	4.7	4.4	4.3	4.7	6.3	4.9	5.3	5.4	5.6	5.1	4.3	5.8	5.8	5.5	5.8	5.3		
<i>of which: transport</i>	10.8	10.0	11.5	10.9	9.5	8.7	7.8	7.9	9.0	11.3	14.8	16.3	16.0	17.0	19.9	20.6	21.0	23.0	21.5	20.0	18.8		
5. Environment protection	3.6	3.4	3.8	4.1	3.7	4.0	4.3	4.9	5.1	5.4	6.0	6.2	7.0	8.5	9.4	9.6	9.2	10.4	10.9	10.5	10.6		
6. Housing and community amenities	7.1	6.2	6.2	6.0	5.7	4.9	5.5	4.7	5.5	6.2	5.4	6.7	8.0	10.7	11.5	13.0	15.3	16.3	13.0	9.9	10.1		
7. Health	34.2	36.6	39.4	41.4	42.8	44.5	46.9	49.4	54.2	59.8	66.2	74.9	82.9	89.8	94.7	101.1	108.7	116.9	119.8	121.2	124.2		
8. Recreation, culture and religion	5.1	5.1	5.2	5.5	5.7	6.4	7.2	7.7	7.8	8.6	9.3	9.7	10.0	10.8	11.4	11.9	12.4	13.2	13.0	12.5	12.7		
9. Education	33.2	34.7	36.2	37.0	37.8	38.6	40.0	42.2	45.9	51.2	54.7	61.0	65.1	69.8	73.0	78.7	83.0	88.5	91.5	86.9	87.3		
10. Social protection	91.1	98.3	102.0	107.6	112.8	114.5	115.2	123.0	128.5	137.4	145.3	155.6	164.1	171.0	177.0	188.6	203.4	223.0	230.4	240.0	250.8		
EU transactions	-3.4	-4.7	-4.3	-4.1	-5.2	-3.7	-2.6	-2.7	-2.6	-4.8	-1.9	-2.1	-0.9	-0.6	-1.8	-1.5	-2.9	-0.0	2.7	1.2	3.5		
<b>Public sector expenditure on services</b>	<b>260.5</b>	<b>271.6</b>	<b>284.1</b>	<b>295.8</b>	<b>302.5</b>	<b>308.4</b>	<b>318.4</b>	<b>331.2</b>	<b>353.0</b>	<b>376.1</b>	<b>402.8</b>	<b>439.2</b>	<b>470.8</b>	<b>501.0</b>	<b>523.0</b>	<b>554.6</b>	<b>602.2</b>	<b>640.6</b>	<b>660.2</b>	<b>659.0</b>	<b>669.8</b>		
Accounting adjustments <sup>(2)</sup>	13.7	14.7	15.1	15.6	13.3	15.0	14.0	13.7	-9.2	16.1	21.1	19.1	25.0	25.8	30.8	32.5	33.4	32.8	34.5	35.3	3.9		
<b>Total Managed Expenditure<sup>(3)</sup></b>	<b>274.2</b>	<b>286.3</b>	<b>299.2</b>	<b>311.4</b>	<b>315.8</b>	<b>323.4</b>	<b>332.4</b>	<b>344.9</b>	<b>343.8</b>	<b>392.2</b>	<b>423.9</b>	<b>458.3</b>	<b>495.8</b>	<b>526.8</b>	<b>553.8</b>	<b>587.1</b>	<b>635.6</b>	<b>673.4</b>	<b>694.7</b>	<b>694.3</b>	<b>673.7</b>		

(1) Transactions in 2008-09 onwards have been affected by financial sector interventions. Details are provided in Box 5.A in PESA 2013.

(2) In 2012-13 this includes a £28 billion adjustment in respect of Royal Mail pension assets.

(3) This excludes the temporary effects of banks being classified to the public sector. See Box 5.A in PESA 2013 for details.

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Public Spending Statistics February 2014

Table 8a Public sector expenditure on services by function in real terms<sup>(1)</sup>, 1992-93 to 2012-13

	cash						accruals															£ billion	
	National Statistics						National Statistics																
	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13		
	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn		
1. General public services	43.3	45.2	49.1	53.1	53.3	54.2	54.4	49.9	51.5	46.8	45.5	48.5	51.6	54.2	55.4	57.3	58.1	55.4	69.6	69.9	67.5		
<i>of which: public and common services</i>	9.0	8.8	8.8	8.9	8.8	8.7	9.9	10.8	10.5	12.0	12.4	13.6	14.7	15.2	14.7	14.1	15.4	14.7	13.4	11.9	11.3		
<i>of which: international services</i>	4.8	4.9	4.9	5.0	4.4	4.3	4.4	5.0	5.6	5.6	5.7	6.4	6.7	7.4	7.3	7.6	7.0	7.6	8.3	8.1	7.9		
<i>of which: public sector debt interest</i>	29.4	31.5	35.2	39.2	40.0	41.3	40.2	34.1	35.4	29.4	26.8	28.3	30.2	31.4	33.1	35.4	35.7	33.1	47.8	49.8	48.2		
2. Defence	36.8	35.6	34.9	32.9	31.4	30.3	33.6	33.7	34.3	33.0	34.3	35.9	36.1	36.9	37.3	38.0	40.4	40.3	40.9	39.3	36.4		
3. Public order and safety	22.3	22.8	23.4	23.4	23.3	23.9	24.7	24.7	27.2	30.0	31.0	32.9	34.5	34.9	35.2	35.8	36.9	36.5	34.4	32.6	31.0		
4. Economic affairs	36.0	36.1	35.8	34.2	33.1	30.0	26.9	28.9	31.8	36.1	39.1	41.2	40.9	42.1	43.6	42.2	54.6	52.0	41.5	38.2	35.7		
<i>of which: enterprise and economic development<sup>(2)</sup></i>	8.3	8.3	7.0	6.6	6.1	6.0	4.2	5.9	6.5	6.6	7.5	7.5	7.9	7.6	7.3	8.0	17.8	13.1	5.0	4.9	4.9		
<i>of which: science and technology</i>	2.2	2.3	1.6	1.8	2.0	2.0	1.9	1.9	1.9	2.2	2.7	2.9	3.0	3.6	3.4	3.7	3.5	3.8	3.5	3.6	3.6		
<i>of which: employment policies</i>	4.5	4.7	4.8	4.5	4.0	3.5	4.0	4.7	5.1	4.3	3.8	4.0	3.9	3.9	3.8	2.4	3.9	4.4	4.9	3.3	3.1		
<i>of which: agriculture, fisheries and forestry</i>	4.5	5.8	5.1	5.7	7.7	6.6	6.0	5.8	6.3	8.2	6.2	6.6	6.5	6.7	5.9	4.9	6.3	6.2	5.7	5.9	5.3		
<i>of which: transport</i>	16.7	15.2	17.2	15.9	13.5	12.2	10.7	10.6	12.0	14.7	18.8	20.3	19.4	20.2	23.0	23.3	23.0	24.5	22.4	20.4	18.8		
5. Environment protection	5.6	5.2	5.7	6.0	5.3	5.6	5.9	6.6	6.8	7.0	7.6	7.7	8.5	10.1	10.9	10.8	10.1	11.1	11.4	10.6	10.6		
6. Housing and community amenities	11.0	9.4	9.3	8.8	8.1	6.8	7.5	6.3	7.3	8.1	6.9	8.3	9.7	12.7	13.3	14.7	16.7	17.5	13.5	10.1	10.1		
7. Health	52.9	55.5	59.0	60.5	60.9	62.2	64.3	66.4	72.3	77.7	84.1	93.3	100.5	106.9	109.6	114.1	119.4	124.9	124.8	123.4	124.2		
8. Recreation, culture and religion	7.9	7.7	7.8	8.0	8.1	8.9	9.9	10.4	10.4	11.2	11.8	12.1	12.1	12.9	13.2	13.4	13.7	14.1	13.5	12.7	12.7		
9. Education	51.3	52.6	54.2	54.1	53.8	53.9	54.8	56.7	61.3	66.5	69.5	76.0	78.9	83.1	84.5	88.8	91.1	94.5	95.3	88.4	87.3		
10. Social protection	140.8	149.1	152.8	157.3	160.4	159.9	157.9	165.3	171.5	178.5	184.5	193.8	198.9	203.6	204.8	212.9	223.3	238.3	239.9	244.2	250.8		
EU transactions	-5.3	-7.1	-6.4	-6.0	-7.4	-5.2	-3.6	-3.6	-3.5	-6.2	-2.4	-2.6	-1.1	-0.7	-2.1	-1.7	-3.2	0.0	2.8	1.2	3.5		
<b>Public sector expenditure on services</b>	<b>402.7</b>	<b>411.9</b>	<b>425.6</b>	<b>432.3</b>	<b>430.2</b>	<b>430.8</b>	<b>436.4</b>	<b>445.2</b>	<b>471.2</b>	<b>488.7</b>	<b>511.5</b>	<b>547.1</b>	<b>570.7</b>	<b>596.4</b>	<b>605.2</b>	<b>626.1</b>	<b>661.1</b>	<b>684.6</b>	<b>687.5</b>	<b>670.7</b>	<b>669.8</b>		
Accounting adjustments <sup>(3)</sup>	21.2	22.3	22.6	22.8	18.9	21.0	19.2	18.4	-12.3	20.9	26.8	23.8	30.3	30.7	35.6	36.7	36.7	35.0	35.9	35.9	3.9		
<b>Total Managed Expenditure<sup>(4)</sup></b>	<b>423.9</b>	<b>434.2</b>	<b>448.3</b>	<b>455.1</b>	<b>449.1</b>	<b>451.7</b>	<b>455.6</b>	<b>463.6</b>	<b>458.9</b>	<b>509.6</b>	<b>538.3</b>	<b>570.9</b>	<b>601.0</b>	<b>627.2</b>	<b>640.9</b>	<b>662.7</b>	<b>697.8</b>	<b>719.6</b>	<b>723.4</b>	<b>706.6</b>	<b>673.7</b>		

(1) Real terms figures are the nominal figures adjusted to 2012-13 price levels using GDP deflators from the Office for National Statistics (released 20 December 2013)

(2) The increase in 2008-09 relates to the financial sector interventions. Details are provided in Box 5.A in Chapter 5 of PESA 2013

(3) In 2012-13 this includes a £28 billion adjustment in respect of Royal Mail pension assets.

(4) This excludes the temporary effects of banks being classified to the public sector. See Box 5.A in PESA 2013

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## Public Spending Statistics February 2014

Table 8b Public sector expenditure on services by function as a per cent of GDP<sup>(1)</sup>, 1992-93 to 2012-13

	cash						accruals															per cent
	National Statistics						National Statistics															
	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	
	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	
1. General public services	4.4	4.4	4.6	4.8	4.6	4.5	4.4	3.9	3.9	3.5	3.3	3.3	3.5	3.5	3.5	3.5	3.7	3.6	4.4	4.4	4.3	
<i>of which: public and common services</i>	0.9	0.9	0.8	0.8	0.8	0.7	0.8	0.8	0.8	0.9	0.9	0.9	1.0	1.0	0.9	0.9	1.0	1.0	0.9	0.8	0.7	
<i>of which: international services</i>	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.4	0.5	0.5	0.5	0.5	
<i>of which: public sector debt interest</i>	3.0	3.1	3.3	3.5	3.5	3.5	3.2	2.7	2.6	2.2	1.9	1.9	2.0	2.0	2.1	2.2	2.3	2.2	3.1	3.2	3.1	
2. Defence	3.7	3.5	3.3	3.0	2.7	2.5	2.7	2.6	2.6	2.4	2.5	2.5	2.4	2.4	2.4	2.3	2.6	2.6	2.6	2.5	2.3	
3. Public order and safety	2.3	2.2	2.2	2.1	2.0	2.0	2.0	1.9	2.0	2.2	2.2	2.3	2.3	2.3	2.2	2.2	2.3	2.4	2.2	2.1	2.0	
4. Economic affairs	3.7	3.5	3.3	3.1	2.9	2.5	2.2	2.3	2.4	2.7	2.8	2.8	2.7	2.7	2.8	2.6	3.4	3.4	2.7	2.4	2.3	
<i>of which: enterprise and economic development <sup>(2)</sup></i>	0.8	0.8	0.7	0.6	0.5	0.5	0.3	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	1.1	0.9	0.3	0.3	0.3	
<i>of which: science and technology</i>	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	
<i>of which: employment policies</i>	0.5	0.5	0.4	0.4	0.3	0.3	0.3	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.2	0.1	0.2	0.3	0.3	0.2	0.2	
<i>of which: agriculture, fisheries and forestry</i>	0.5	0.6	0.5	0.5	0.7	0.5	0.5	0.5	0.5	0.6	0.4	0.5	0.4	0.4	0.4	0.3	0.4	0.4	0.4	0.4	0.3	
<i>of which: transport</i>	1.7	1.5	1.6	1.4	1.2	1.0	0.9	0.8	0.9	1.1	1.3	1.4	1.3	1.3	1.5	1.4	1.5	1.6	1.4	1.3	1.2	
5. Environment protection	0.6	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.6	0.7	0.7	0.7	0.6	0.7	0.7	0.7	0.7	
6. Housing and community amenities	1.1	0.9	0.9	0.8	0.7	0.6	0.6	0.5	0.5	0.6	0.5	0.6	0.7	0.8	0.8	0.9	1.1	1.1	0.9	0.6	0.6	
7. Health	5.4	5.4	5.5	5.5	5.3	5.2	5.2	5.2	5.4	5.7	6.0	6.4	6.7	6.9	6.9	7.0	7.5	8.2	8.0	7.8	7.9	
8. Recreation, culture and religion	0.8	0.8	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.9	0.9	0.9	0.8	0.8	
9. Education	5.2	5.1	5.1	4.9	4.7	4.5	4.4	4.4	4.6	4.9	5.0	5.2	5.3	5.4	5.3	5.4	5.8	6.2	6.1	5.6	5.5	
10. Social protection	14.3	14.5	14.2	14.2	13.9	13.4	12.8	12.9	12.8	13.2	13.2	13.4	13.3	13.2	12.9	13.0	14.1	15.6	15.3	15.5	15.9	
EU transactions	-0.5	-0.7	-0.6	-0.5	-0.6	-0.4	-0.3	-0.3	-0.3	-0.5	-0.2	-0.2	-0.1	0.0	-0.1	-0.1	-0.2	0.0	0.2	0.1	0.2	
<b>Public sector expenditure on services</b>	<b>41.0</b>	<b>40.2</b>	<b>39.7</b>	<b>39.0</b>	<b>37.4</b>	<b>36.0</b>	<b>35.3</b>	<b>34.7</b>	<b>35.3</b>	<b>36.2</b>	<b>36.7</b>	<b>37.7</b>	<b>38.3</b>	<b>38.7</b>	<b>38.2</b>	<b>38.3</b>	<b>41.8</b>	<b>44.7</b>	<b>44.0</b>	<b>42.5</b>	<b>42.6</b>	
Accounting adjustments <sup>(3)</sup>	2.2	2.2	2.1	2.1	1.6	1.8	1.6	1.4	-0.9	1.5	1.9	1.6	2.0	2.0	2.2	2.2	2.3	2.3	2.3	2.3	0.2	
<b>Total Managed Expenditure<sup>(4)</sup></b>	<b>43.1</b>	<b>42.4</b>	<b>41.8</b>	<b>41.0</b>	<b>39.0</b>	<b>37.8</b>	<b>36.8</b>	<b>36.2</b>	<b>34.3</b>	<b>37.7</b>	<b>38.6</b>	<b>39.4</b>	<b>40.3</b>	<b>40.7</b>	<b>40.4</b>	<b>40.5</b>	<b>44.1</b>	<b>47.0</b>	<b>46.2</b>	<b>44.8</b>	<b>42.8</b>	

(1) GDP is consistent with the latest figures from the Office for National Statistics (published 20 December 2013)

(2) The increase in 2008-09 relates to the financial sector interventions. Details are provided in Box 5.A in Chapter 5 of PESA 2013.

(3) In 2012-13 this includes a £28 billion adjustment in respect of Royal Mail pension assets.

(4) This excludes the temporary effects of banks being classified to the public sector. See Box 5.A in PESA 2013.

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## Public Spending Statistics February 2014

**Table 9 Public sector expenditure on services by economic category, 2008-09 to 2012-13**

	National Statistics				
	2008-09	2009-10	2010-11	2011-12	2012-13
	outturn	outturn	outturn	outturn	outturn
<b>Public sector current expenditure on services</b>					
Pay	160,323	165,154	169,346	166,161	164,977
Gross current procurement	185,664	193,747	188,661	189,310	193,440
Income from sales of goods and services	-52,892	-51,863	-47,463	-44,961	-46,021
Current grants to persons and non-profit bodies	198,598	218,049	222,635	229,096	234,627
Current grants abroad	1,592	5,057	8,461	6,768	9,112
Subsidies to private sector companies	7,211	8,287	7,941	8,246	7,802
Subsidies to public corporations	1,058	1,016	706	476	1,728
Net public service pensions	3,052	3,611	4,627	6,678	8,628
Grant equivalent element of student lending	757	1,445	4,242	2,215	3,809
Public sector debt interest	32,497	30,956	45,891	48,984	48,230
Other	63	65	59	82	238
<b>Total public sector current expenditure on services</b>	<b>537,922</b>	<b>575,524</b>	<b>605,104</b>	<b>613,055</b>	<b>626,569</b>
Accounting adjustments	30,011	29,486	30,164	30,925	29,776
<b>Total public sector current expenditure</b>	<b>567,933</b>	<b>605,010</b>	<b>635,268</b>	<b>643,980</b>	<b>656,345</b>
<b>Public sector capital expenditure on services</b>					
Capital grants <sup>(1)</sup>	24,944	22,961	15,566	12,046	10,974
Gross capital procurement	42,447	45,113	42,832	38,037	35,391
Income from sales of capital assets	-3,108	-2,952	-3,258	-4,108	-3,183
Other	0	0	0	0	0
<b>Total public sector capital expenditure on services</b>	<b>64,283</b>	<b>65,123</b>	<b>55,139</b>	<b>45,975</b>	<b>43,182</b>
Accounting adjustments	3,410	3,269	4,298	4,360	-25,846
<b>Total public sector capital expenditure</b>	<b>67,693</b>	<b>68,392</b>	<b>59,437</b>	<b>50,335</b>	<b>17,336</b>
<b>Total public sector expenditure on services</b>	<b>602,205</b>	<b>640,647</b>	<b>660,243</b>	<b>659,030</b>	<b>669,752</b>
Accounting adjustments <sup>(2)</sup>	33,421	32,755	34,462	35,285	3,929
<b>Total Managed Expenditure<sup>(3)</sup></b>	<b>635,626</b>	<b>673,402</b>	<b>694,705</b>	<b>694,315</b>	<b>673,681</b>

(1) Transactions from 2008-09 onwards have been affected by financial sector interventions. See Box 5.A in PESA 2013 for details.

(2) In 2012-13 this includes a £28 billion adjustment in respect of Royal Mail pension assets.

(3) This excludes the temporary effects of banks being classified to the public sector.

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