

FUNCTIONAL AND ECONOMIC CATEGORY ANALYSES OF PUBLIC SECTOR EXPENDITURE

5.1 The analyses in this chapter give a picture of changes in government expenditure over recent years, adjusted as far as possible so that figures for outturn years are based on current definitions. All outturn data (to 2006-07) are National Statistics.

What's new

5.2 The budgeting treatment of NHS and Foundation Trusts has been changed so that they are more closely aligned with other bodies classified by ONS to the central government sector. The Department of Health are now reporting the spending of the trusts within their budgets, whereas previously they reported the purchase of services from the trusts and the trusts' profit or loss. **Tables 5.3 and 5.6** therefore use this information rather than reporting adjusted series based on data provided by ONS. As a result there are revisions to pay and procurement as well as additional income from the sale of goods and services.

Relationship between functional series and departments

5.3 **Table 5.1** shows TES by function split across the different government department groups for 2006-07. Departmental spending can be spread across a variety of functions, particularly in the case of the devolved administrations. This presentation allocates Local Authority expenditure to the department group most closely associated with a particular function.

Total Expenditure on Services by function

5.4 **Table 5.2** provides the most detailed analysis of TES by function for the years 2002-03 onwards. The tables are presented in a format consistent with the Level 2 breakdown of UN COFOG. The table also shows in italics the sub-functional divisions used prior to the introduction of UN COFOG in PESA 2007, where the splits do not map directly to COFOG. Further information on UN COFOG is available from the Treasury website¹.

5.5 The sub-function analysis of health is presented against HM Treasury's own functional classification. This is because the NHS is neither financed nor organised along the lines of COFOG level 2, so capturing the required additional information is not currently possible.

Total Expenditure on Services by economic category

5.6 The economic significance of components of public spending depends on their nature, for example whether they are transfer payments or expenditure on goods and services, current or capital. **Table 5.3** breaks down TES into its component economic categories.

¹ http://www.hm-treasury.gov.uk/economic_data_and_tools/finance_spending_statistics/pes_function/function.cfm

Total Managed Expenditure split by spending sector and current and capital spending

5.7 Tables 5.4 and 5.5 give a functional breakdown of the current and capital expenditure of central and local government and public corporations for the years from 2002-03. A functional split of Local Authority spending plans is not available as the allocation of spending between services is a matter for individual Local Authorities, and there is no aggregate information at this level of detail.

Current procurement spending

5.8 Table 5.6 shows current procurement expenditure on services by COFOG level 1 function. Procurement is on a National Accounts basis and so includes expenditure, for example on single use military equipment, that scores within departments' capital budgets.

Asset sales

5.9 Table 5.7 shows public sector receipts from sales of fixed assets from 2002-03, across the whole of the UK. Figures are shown separately for central government, Local Authorities and public corporations, as well as for general government, which comprises central government and Local Authorities. Receipts, which are at sales value, are split between land and building and other asset classes, and exclude receipts from sales of financial assets. Sales of assets between public sector bodies are included in this table.

Table 5.1 Total Expenditure on Services by departmental group and function, 2006–07

Departmental Grouping	Function	National Statistics										accruals, £ million											
		1. General public services	of which: public and common services	of which: international services	of which: public sector debt interest	2. Defence	3. Public order and safety	4. Economic affairs	of which: enterprise and economic development	of which: science and technology	of which: employment policies	of which: agriculture, fisheries and forestry	of which: transport	5. Environment protection	6. Housing and community amenities	7. Health	8. Recreation, culture and religion	9. Education (includes training)	of which: education	of which: training	10. Social protection	EU transactions	Total Expenditure on Services for each department
Children, Schools and Families		-3	-3	-	-	-	-	-	-	-	-	-	-	-	-	9	-	49,486	48,604	881	1,855	-	51,452
Health		-	-	-	-	137	-	-	-	-	137	-	-	-	-	77,007	-	-	-	15,543	-	92,688	
Transport		1	1	-	-	176	15,014	40	-	-	14,974	-	-	-	466	-	-	-	-	779	-	16,438	
Innovation, Universities and Skills		45	45	-	-	-	2,432	14	2,394	23	-	-	-	-	-	523	106	10,288	9,184	1,104	-	13,739	
Communities and Local Government		4,310	4,308	2	-	27	2,311	2,155	2,155	-	-	183	7,726	-	-	-	-	-	-	1,842	-	18,555	
Home Office		111	111	-	-	-	15,162	64	-	-	64	-	287	-	-	-	9	-	-	0	-	15,634	
Justice		129	129	-	-	-	8,525	-	-	-	-	-	-	-	-	-	1	-	-	-6	-	8,649	
Law Officers' Departments		-	-	-	-	-	706	-	-	-	-	-	-	-	-	-	-	-	-	1	-	707	
Defence		42	-	42	-	30,659	-	47	47	-	-	-	-	-	-	-	1	-	-	2,762	-	33,511	
Foreign and Commonwealth Office		1,847	-	1,847	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,847	
International Development		4,313	-	4,313	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	113	-	4,426	
Business, Enterprise and Regulatory Reform		56	5	50	-	-	2,798	2,667	66	65	0	0	1,467	1	-	-	6	-	-	276	-	4,603	
Environment, Food and Rural Affairs		-	-	-	-	-	3,695	209	11	-	3,474	-	5,765	-19	-	-	960	0	0	0	-	10,402	
Culture, Media and Sport		49	41	9	-	-	199	199	-	-	115	40	115	40	115	8,514	-	113	115	-1	-298	8,847	
Work and Pensions		308	308	-	-	-	3,092	-	-1	3,094	-	3	-	-	-	-	-	7,002	6,886	116	2,583	123,307	
Scotland		903	903	-	-	7	2,135	3,844	598	88	651	2,507	687	1,660	8,992	945	3,660	3,660	3,591	69	1,500	28,758	
Wales		587	587	0	-	-	25	1,631	430	70	401	728	442	448	4,969	468	2,289	2,289	2,287	2	5,049	13,730	
Northern Ireland Executive		338	338	-	-	-	79	1,233	210	42	470	367	226	888	2,837	275	-	-	-	54	-	13,213	
Northern Ireland Office		67	67	-	-	-	1,100	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,221	
Chancellor's Departments		34,014	5,412	-	28,602	-	148	5	143	-	-	1	-	-	-	-	-	-	-	24,601	-1,761	57,003	
Cabinet Office		319	319	-	1,502	-	-	-	-	-	-	-	-	-	-	-	-	1	-	1	536	2,357	
Independent Bodies		648	648	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	652	
Public corporations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
accountable to local government		-	-	-	-	-	1,439	-	-	-	-	1,439	-	-	-	-	-	-	-	-	-	1,439	
Total Expenditure on Services for each function		48,083	13,218	6,263	28,602	32,196	30,323	37,928	6,535	2,782	3,398	5,134	20,080	9,232	11,502	94,452	11,285	72,839	70,667	2,171	177,098	-1,761	523,177

Table 5.2 Total Expenditure on Services by sub-function, 2002–03 to 2007–08

	accruals, £ million					
	National Statistics					
	2002–03 outturn	2003–04 outturn	2004–05 outturn	2005–06 outturn	2006–07 outturn	2007–08 estimated outturn
1. General public services						
1.1 Executive and legislative organs, financial and fiscal affairs, external affairs	9,526	10,024	10,998	11,439	11,748	12,289
1.2 Foreign economic aid	2,908	3,496	3,581	4,227	4,297	4,723
1.3 General services	813	975	1,049	1,052	1,286	1,388
1.4 Basic research	51	73	119	127	122	55
1.5 R&D general public services	32	30	28	30	30	39
1.6 General public services n.e.c.	1,141	1,461	1,973	2,261	1,997	2,459
1.7 Public sector debt transactions ⁽¹⁾⁽²⁾	21,742	23,044	24,919	26,752	28,602	31,184
of which: central government debt interest	20,915	22,280	23,934	25,807	27,576	29,946
of which: local authority debt interest	266	236	385	440	516	751
of which: public corporation debt interest	561	528	600	505	510	487
Total general public services	36,215	39,103	42,668	45,888	48,083	52,137
2. Defence						
2.1 Military defence	23,137	24,717	25,141	26,439	27,512	27,678
2.2 Civil defence	36	119	75	77	90	98
2.3 Foreign military aid	1,270	1,281	903	1,155	1,689	2,904
2.4 R&D defence	506	474	588	566	621	639
2.5 Defence n.e.c.	2,098	2,234	3,256	2,710	2,284	2,500
Total defence	27,048	28,824	29,963	30,946	32,196	33,820
3. Public order and safety						
3.1 Police services	13,207	14,347	15,353	16,119	16,862	17,578
of which: immigration and citizenship	1,665	1,697	1,856	1,652	1,710	1,831
of which: other police services	11,542	12,650	13,497	14,468	15,152	15,746
3.2 Fire-protection services	2,264	2,383	2,519	2,677	2,704	2,942
3.3 Law courts	5,395	6,126	6,768	6,113	6,307	6,813
3.4 Prisons	2,888	2,983	3,241	3,675	3,934	4,569
3.5 R&D public order and safety	32	30	48	23	16	24
3.6 Public order and safety n.e.c.	397	427	404	424	500	599
Total public order and safety	24,182	26,295	28,333	29,031	30,323	32,525
4. Economic affairs						
4.1 General economic, commercial and labour affairs	6,023	6,443	6,503	7,004	6,894	7,130
4.2 Agriculture, forestry, fishing and hunting	4,862	5,228	5,413	5,606	5,134	5,285
of which: market support under CAP	3,290	3,758	3,979	3,981	3,526	3,381
of which: other agriculture, food and fisheries policy	1,445	1,345	1,312	1,470	1,417	1,726
of which: forestry	128	126	122	156	191	177
4.3 Fuel and energy	1,500	1,222	1,568	1,359	1,443	1,187
4.4 Mining, manufacturing and construction	6	15	-6	135	11	66
4.5 Transport	14,825	16,189	15,981	17,004	20,080	21,259
of which: national roads	2,397	2,262	2,341	2,692	3,279	3,151
of which: local roads	4,202	4,252	4,580	4,940	4,922	5,625
of which: local public transport	1,868	3,114	2,227	2,567	2,909	3,299
of which: railway	5,714	5,867	6,050	5,946	8,100	8,185
of which: other transport	643	695	783	858	869	998
4.6 Communication	424	425	559	426	467	1,087
4.7 Other industries	315	296	314	299	319	301
4.8 R&D economic affairs	2,119	2,307	2,465	2,941	2,782	3,166
4.9 Economic affairs n.e.c.	681	867	870	747	800	748
Total economic affairs	30,755	32,991	33,667	35,520	37,928	40,229

Table 5.2 Total Expenditure on Services by sub-function, 2002–03 to 2007–08 (continued)

	accruals, £ million					
	National Statistics					
	2002–03 outturn	2003–04 outturn	2004–05 outturn	2005–06 outturn	2006–07 outturn	2007–08 estimated outturn
5. Environment protection						
5.1 Waste management	3,283	3,560	3,965	5,054	5,637	6,421
5.2 Waste water management	41	45	66	78	81	57
5.3 Pollution abatement	161	220	208	203	154	154
5.4 Protection of biodiversity and landscape	295	272	299	312	457	403
5.5 R&D environment protection	236	307	304	332	347	369
5.6 Environment protection n.e.c	2,040	1,856	2,112	2,433	2,556	2,617
Total environment protection	6,055	6,260	6,954	8,412	9,232	10,020
6. Housing and community amenities						
6.1 Housing development	2,886	3,511	4,365	6,345	6,973	7,523
<i>of which: local authority housing</i>	<i>1,073</i>	<i>947</i>	<i>1,828</i>	<i>3,680</i>	<i>4,024</i>	<i>4,341</i>
<i>of which: other social housing</i>	<i>1,814</i>	<i>2,564</i>	<i>2,537</i>	<i>2,665</i>	<i>2,949</i>	<i>3,181</i>
6.2 Community development	1,554	2,018	2,463	2,573	2,841	3,339
6.3 Water supply	483	477	487	883	968	849
6.4 Street lighting	371	396	416	482	521	572
6.5 R&D housing and community amenities	10	11	15	14	9	9
6.6 Housing and community amenities n.e.c	132	153	162	176	192	221
Total housing and community amenities	5,437	6,567	7,907	10,472	11,502	12,512
7. Health⁽³⁾⁽⁴⁾						
Medical services	64,593	72,940	80,791	87,614	92,198	99,952
Health research	404	471	475	574	609	617
Central and other health services	1,202	1,503	1,671	1,492	1,645	2,038
Total health	66,199	74,915	82,936	89,680	94,452	102,606
8. Recreation, culture and religion						
8.1 Recreational and sporting services	2,766	2,811	2,969	3,162	3,425	4,262
8.2 Cultural services	3,224	3,535	3,618	3,918	3,974	4,252
8.3 Broadcasting and publishing services	3,181	3,084	3,270	3,324	3,566	3,497
8.4 Religious and other community services	101	106	106	105	108	100
8.5 R&D recreation, culture and religion	2	2	1	81	110	131
8.6 Recreation, culture and religion n.e.c	61	62	74	82	102	111
Total recreation, culture and religion	9,335	9,600	10,037	10,673	11,285	12,353
9. Education (includes training)⁽³⁾⁽⁵⁾						
9.1 Pre-primary and primary education	18,281	20,699	21,787	23,382	24,059	25,743
<i>of which: under fives</i>	<i>3,278</i>	<i>3,729</i>	<i>4,104</i>	<i>4,296</i>	<i>4,101</i>	<i>4,400</i>
<i>of which: primary education</i>	<i>15,004</i>	<i>16,969</i>	<i>17,683</i>	<i>19,087</i>	<i>19,958</i>	<i>21,343</i>
9.2 Secondary education	16,096	18,212	19,854	21,379	22,571	24,048
9.3 Post-secondary non-tertiary education	6,197	7,050	7,312	7,522	8,103	8,686
9.4 Tertiary education	8,005	8,355	8,868	9,815	10,356	11,467
9.5 Education not definable by level ⁽⁵⁾	1,867	1,985	2,036	2,161	2,171	2,542
9.6 Subsidiary services to education	2,801	3,017	3,291	3,568	3,638	4,023
9.7 R&D education	37	39	42	33	37	43
9.8 Education n.e.c	1,462	1,646	1,791	1,776	1,904	2,225
Total education (includes training)	54,745	61,004	64,981	69,636	72,839	78,775

Table 5.2 Total Expenditure on Services by sub-function, 2002–03 to 2007–08 (continued)

	accruals, £ million					
	National Statistics					
	2002–03 outturn	2003–04 outturn	2004–05 outturn	2005–06 outturn	2006–07 outturn	2007–08 estimated outturn
10. Social protection						
<i>of which personal social services</i>	18,651	21,105	23,234	24,584	26,359	27,401
10.1 Sickness and disability	27,509	29,291	30,904	32,257	33,404	34,969
<i>of which: personal social services</i>	5,015	5,825	6,530	7,077	7,461	7,910
<i>of which: incapacity, disability and injury benefits</i>	22,494	23,466	24,373	25,180	25,943	27,059
10.2 Old age	61,757	63,379	67,755	71,115	74,088	79,215
<i>of which: personal social services</i>	6,378	7,232	8,074	8,646	9,029	9,288
<i>of which: pensions</i>	55,378	56,147	59,681	62,469	65,059	69,927
10.3 Survivors	1,916	1,840	1,852	1,846	1,811	1,804
10.4 Family and children	24,289	26,287	26,681	27,030	27,347	28,409
<i>of which: personal social services</i>	4,316	4,968	5,534	6,101	6,549	6,814
<i>of which: family benefits, income support and tax credits</i>	19,973	21,319	21,147	20,929	20,798	21,595
10.5 Unemployment	4,088	4,036	3,721	3,557	4,251	3,954
<i>of which: personal social services</i>	1,079	1,136	1,227	917	1,502	1,453
<i>of which: other unemployment</i>	3,009	2,900	2,494	2,640	2,749	2,501
10.6 Housing	13,627	14,605	15,328	16,099	17,123	18,279
10.7 Social exclusion n.e.c.	7,900	11,801	13,605	14,985	16,177	17,520
<i>of which: personal social services</i>	1,863	1,944	1,868	1,842	1,818	1,936
<i>of which: family benefits, income support and tax credits</i>	6,037	9,857	11,737	13,143	14,359	15,584
10.8 R&D social protection	2	0	2	1	0	0
10.9 Social protection n.e.c.	4,206	4,171	4,103	4,036	2,897	2,496
Total social protection	145,293	155,410	163,951	170,926	177,098	186,646
EU transactions⁽⁶⁾						
GNI-based contribution (net of abatement and collection costs)	2,275	2,957	4,361	3,856	4,071	4,779
<i>derived as:</i>						
<i>EC gross contribution pre-abatement and after deduction of collection costs</i>	9,737	11,371	12,183	11,780	12,245	13,763
<i>Traditional Own Resources (without deduction of collection costs) and VAT contributions</i>	-4,229	-4,539	-4,100	-4,283	-4,614	-5,024
<i>UK abatement</i>	-3,233	-3,874	-3,722	-3,641	-3,560	-3,960
<i>EC receipts</i>	-3,424	-4,237	-4,555	-3,750	-5,164	-5,693
<i>Attributed aid and CFSP</i>	-736	-799	-697	-704	-668	-705
Total EU transactions	-1,885	-2,079	-892	-598	-1,761	-1,619
Unallocated						
Departmental unallocated provision	-	-	-	-	-	167
Reserve and other funds	-	-	-	-	-	-
Allowance for Shortfall	-	-	-	-	-	-1,078
AME Margin	-	-	-	-	-	-
Total unallocated	-	-	-	-	-	-911
Total Expenditure on Services	403,379	438,891	470,506	500,588	523,177	559,092
Accounting adjustments	17,663	16,607	22,132	23,671	26,548	27,257
Total Managed Expenditure	421,024	455,498	492,638	524,259	549,725	586,349

(1) Debt interest figures are gross.

(2) Debt interest payments to the private sector and overseas exclude all intra-public sector payments of debt interest.

(3) For 2003–04 onwards, these figures include employers' contributions for costs of pensions increases that score within DEL.

(4) The level of detail required for COFOG level 2 is not yet available. The health function is therefore presented using HM Treasury's own sub-functional classification.

(5) Education not definable by level is equivalent to training

(6) EU transactions are defined as:

- contribution to TME
- plus EC receipts
- less attributed aid
- less Common Foreign and Security Policy

Figures for the above are shown in table C1.

An explanation of why the EU transactions are defined in TES in this way is given in Appendix E.

Table 5.3 Total Expenditure on Services by economic category, 2002–03 to 2007–08

	accruals, £ million					
	National Statistics					
	2002–03	2003–04	2004–05	2005–06	2006–07	2007–08
	outturn	outturn	outturn	outturn	outturn	estimated outturn
Public sector current expenditure on services						
Pay	107,113	119,343	131,460	142,889	146,656	153,903
Procurement	93,782	103,578	108,044	111,931	119,615	127,126
Subsidies	7,801	9,611	8,900	9,022	9,016	9,537
Social benefits and other grants to private sector	145,697	153,884	161,618	168,818	175,482	186,875
Current transfers abroad	1,689	1,943	3,403	3,755	2,593	3,737
Public sector debt interest	21,742	23,044	24,919	26,752	28,602	31,184
Unallocated provision	–	–	–	–	–	–233
Total public sector current expenditure on services	377,823	411,403	438,342	463,167	481,963	512,128
Accounting adjustments	15,536	13,941	18,532	21,473	25,068	28,013
Total public sector current expenditure	393,359	425,344	456,874	484,640	507,031	540,141
Public sector capital expenditure on services						
Capital expenditure	18,272	17,618	21,785	25,407	27,255	32,537
Stock building	148	189	392	488	58	146
Capital grants	7,137	9,681	9,987	11,526	13,901	14,959
Unallocated provision	–	–	–	–	–	–677
Total public sector capital expenditure on services	25,557	27,488	32,164	37,421	41,214	46,964
Accounting adjustments	2,126	2,666	3,600	2,198	1,480	–756
Total public sector capital expenditure	27,683	30,154	35,764	39,619	42,694	46,208
Total public sector expenditure on services	403,379	438,891	470,506	500,588	523,177	559,092
Accounting adjustments	17,663	16,607	22,132	23,671	26,547	27,257
Total Managed Expenditure	421,042	455,498	492,638	524,259	549,725	586,349

Table 5.4 Public sector current expenditure by spending sector and function, 2002–03 to 2010–11

	accruals, £ million								
	National Statistics					2007–08 estimated outturn	2008–09 plans	2009–10 plans	2010–11 plans
	2002–03 outturn	2003–04 outturn	2004–05 outturn	2005–06 outturn	2006–07 outturn				
Central government own									
1. General public services	31,119	33,666	36,140	39,118	41,202	44,027	44,720	44,983	49,533
<i>of which: public and common services</i>	5,929	6,446	6,861	7,447	7,751	7,645	8,014	7,923	8,104
<i>of which: international services</i>	4,275	4,940	5,345	5,863	5,875	6,436	6,436	6,728	7,463
<i>of which: public sector debt interest</i>	20,915	22,280	23,934	25,807	27,576	29,946	30,270	30,332	33,965
2. Defence	25,913	27,360	28,286	29,816	31,214	32,395	30,469	31,649	33,014
3. Public order and safety	11,042	11,818	12,813	13,116	13,609	14,533	14,503	14,953	15,058
4. Economic affairs	16,493	17,818	17,729	18,304	18,706	19,341	18,792	17,986	17,589
<i>of which: enterprise and economic development</i>	3,503	3,709	3,822	3,819	3,740	3,976	3,562	3,054	2,994
<i>of which: science and technology</i>	1,756	1,801	1,951	2,257	2,160	2,453	2,577	2,707	2,814
<i>of which: employment policies</i>	2,881	2,928	3,082	3,052	3,203	3,195	3,268	3,010	2,685
<i>of which: agriculture, fisheries and forestry</i>	4,659	4,960	5,166	5,315	4,801	4,890	5,109	4,975	4,913
<i>of which: transport</i>	3,694	4,420	3,708	3,861	4,803	4,826	4,276	4,241	4,183
5. Environment protection	1,998	1,707	1,988	1,774	2,384	2,778	2,545	2,642	2,815
6. Housing and community amenities	1,277	1,639	1,034	1,080	1,035	1,279	694	715	713
7. Health	62,847	71,174	78,906	86,169	90,374	97,940	105,375	111,462	118,249
8. Recreation, culture and religion	4,623	4,636	4,938	5,247	5,569	5,762	5,919	6,054	6,283
9. Education (includes training)	18,385	20,121	21,315	22,501	23,715	26,501	27,564	28,867	30,587
<i>of which: education</i>	16,691	18,275	19,421	20,495	21,778	24,045	24,630	25,675	27,001
<i>of which: training</i>	1,695	1,846	1,895	2,006	1,936	2,457	2,934	3,192	3,586
10. Social protection	115,065	122,393	128,246	132,496	136,796	144,882	154,400	162,349	168,660
EU transactions	-1,885	-2,079	-892	-598	-1,761	-1,619	-1,674	306	373
Total central government own current expenditure on services	286,878	310,253	330,503	349,023	362,843	387,819	403,307	421,968	442,875
Accounting adjustments	6,523	7,070	7,180	8,068	11,009	10,982	15,700	16,800	18,800
Total central government own current expenditure	293,401	317,323	337,683	357,091	373,852	398,801	419,000	438,800	461,700
Local Authorities									
1. General public services	3,400	3,640	4,006	4,268	4,485	5,415	–	–	–
<i>of which: public and common services</i>	3,134	3,404	3,621	3,828	3,969	4,664	–	–	–
<i>of which: public sector debt interest</i>	266	236	385	440	516	751	–	–	–
2. Defence	32	33	40	53	59	72	–	–	–
3. Public order and safety	11,836	13,088	13,826	14,329	14,914	15,392	–	–	–
4. Economic affairs	4,206	5,302	5,594	5,780	5,602	5,690	–	–	–
<i>of which: enterprise and economic development</i>	971	1,039	1,274	1,393	1,213	1,153	–	–	–
<i>of which: agriculture, fisheries and forestry</i>	6	10	9	10	11	15	–	–	–
<i>of which: transport</i>	3,229	4,254	4,312	4,376	4,378	4,522	–	–	–
5. Environment protection	3,518	3,827	4,124	4,490	4,723	5,058	–	–	–
6. Housing and community amenities	1,623	2,108	2,229	2,446	2,594	2,728	–	–	–
7. Health	478	423	312	298	231	291	–	–	–
8. Recreation, culture and religion	3,258	3,545	3,613	3,805	3,923	3,953	–	–	–
9. Education (includes training)	32,490	36,108	38,257	40,706	42,512	44,618	–	–	–
<i>of which: education</i>	32,472	36,089	38,238	40,681	42,483	44,591	–	–	–
<i>of which: training</i>	18	19	19	25	30	26	–	–	–
10. Social protection	29,544	32,549	35,239	37,462	39,567	40,840	–	–	–
Total Local Authorities' current expenditure on services	90,384	100,622	107,239	113,638	118,611	124,056	–	–	–
Accounting adjustments	9,013	6,871	11,352	13,406	14,058	16,797	–	–	–
Total Local Authorities' current expenditure	99,397	107,493	118,591	127,044	132,669	140,853	147,100	153,600	160,800
Public corporations									
1. General public services	561	528	600	505	510	487	100	-100	-100
<i>of which: public sector debt interest</i>	561	528	600	505	510	487	100	-100	-100
Total public corporations' current expenditure	561	528	600	505	510	487	100	-100	-100
Unallocated provision	–	–	–	–	–	-234	4,800	6,800	7,700
Public sector current expenditure	393,359	425,344	456,874	484,640	507,031	540,141	566,200	592,300	622,400

Table 5.5 Public sector capital expenditure by spending sector and function, 2002–03 to 2010–11

	accruals, £ million									
	National Statistics									
	2002–03	2003–04	2004–05	2005–06	2006–07	2007–08	2008–09	2009–10	2010–11	
	outturn	outturn	outturn	outturn	outturn	estimated	plans	plans	plans	
						outturn				
Central government own										
1. General public services	718	739	946	784	780	839	804	1,202	1,313	
<i>of which: public and common services</i>	545	589	773	603	557	476	334	509	466	
<i>of which: international services</i>	172	150	173	181	223	363	469	692	846	
2. Defence	1,012	1,370	1,541	1,006	821	1,254	1,906	2,053	2,231	
3. Public order and safety	779	760	984	901	1,173	1,780	1,567	1,763	1,797	
4. Economic affairs	3,378	5,224	5,158	5,615	7,304	7,791	7,783	7,578	7,553	
<i>of which: enterprise and economic development</i>	766	1,037	998	1,049	1,025	1,299	1,029	944	916	
<i>of which: science and technology</i>	363	505	514	683	622	713	552	544	523	
<i>of which: employment policies</i>	128	307	147	344	192	101	88	66	48	
<i>of which: agriculture, fisheries and forestry</i>	148	214	189	225	258	283	275	205	-8	
<i>of which: transport</i>	1,973	3,161	3,310	3,314	5,207	5,396	5,838	5,820	6,074	
5. Environment protection	356	446	518	1,798	1,826	1,796	1,927	1,983	2,199	
6. Housing and community amenities	1,507	2,029	2,548	2,819	3,032	3,134	3,744	4,189	4,641	
7. Health	2,870	3,253	3,655	3,168	3,762	4,266	5,414	5,862	5,973	
8. Recreation, culture and religion	768	717	604	526	738	1,028	2,135	1,899	1,859	
9. Education (includes training)	1,248	1,454	1,688	2,162	2,226	2,445	2,461	2,542	2,364	
<i>of which: education</i>	1,097	1,340	1,573	2,042	2,030	2,404	2,227	2,259	2,021	
<i>of which: training</i>	151	113	115	121	196	42	233	282	343	
10. Social protection	530	297	275	654	476	561	468	508	605	
Total central government own capital expenditure on services	13,167	16,289	17,918	19,434	22,139	24,894	28,207	29,577	30,535	
Accounting adjustments	-2,205	-1,768	-66	-15,222	1,141	-224	1,100	2,000	3,500	
Total central government own capital expenditure	10,962	14,521	17,852	4,212	23,280	24,670	29,300	31,600	34,000	
Local Authorities										
1. General public services	349	413	835	944	813	1,108	-	-	-	
<i>of which: public and common services</i>	349	413	835	944	813	1,108	-	-	-	
3. Public order and safety	512	618	704	684	621	819	-	-	-	
4. Economic affairs	2,646	2,802	3,074	3,739	3,754	4,735	-	-	-	
<i>of which: enterprise and economic development</i>	-17	2	-13	127	-4	63	-	-	-	
<i>of which: employment policies</i>	1	0	0	0	0	0	-	-	-	
<i>of which: agriculture, fisheries and forestry</i>	34	42	49	52	63	96	-	-	-	
<i>of which: transport</i>	2,629	2,757	3,037	3,560	3,695	4,576	-	-	-	
5. Environment protection	165	276	362	392	330	425	-	-	-	
6. Housing and community amenities	575	561	991	999	1,160	1,413	-	-	-	
7. Health	2	60	63	45	86	110	-	-	-	
8. Recreation, culture and religion	663	679	856	1,065	1,043	1,610	-	-	-	
9. Education (includes training)	2,622	3,321	3,721	4,267	4,385	5,211	-	-	-	
<i>of which: education</i>	2,617	3,314	3,714	4,257	4,376	5,194	-	-	-	
<i>of which: training</i>	4	7	7	10	9	17	-	-	-	
10. Social protection	153	171	191	314	258	363	-	-	-	
Total Local Authorities' capital expenditure on services	7,687	8,901	10,798	12,449	12,450	15,793	-	-	-	
Accounting adjustments	3,760	3,174	2,828	1,357	1,056	-903	-	-	-	
Total Local Authorities' capital expenditure	11,447	12,075	13,626	13,806	13,506	14,890	15,900	16,300	16,900	

Table 5.5 Public sector capital expenditure by spending sector and function, 2002–03 to 2010–11 (continued)

	accruals, £ million								
	National Statistics					2007–08 estimated outturn	2008–09 plans	2009–10 plans	2010–11 plans
	2002–03 outturn	2003–04 outturn	2004–05 outturn	2005–06 outturn	2006–07 outturn				
Public corporations									
1. General public services	67	118	141	268	292	262	268	233	204
<i>of which: public and common services</i>	58	63	120	109	127	140	142	108	78
<i>of which: international services</i>	9	55	21	160	165	122	126	126	126
2. Defence	91	61	96	70	103	99	51	51	51
3. Public order and safety	12	10	6	1	5	1	2	2	2
4. Economic affairs	4,033	1,845	2,112	2,083	2,562	2,671	2,237	2,390	2,564
<i>of which: enterprise and economic development</i>	710	238	487	183	561	722	690	567	423
<i>of which: employment policies</i>	6	7	10	3	3	9	8	8	8
<i>of which: agriculture, fisheries and forestry</i>	16	3	0	4	2	1	-3	-3	-3
<i>of which: transport</i>	3,301	1,597	1,615	1,893	1,996	1,939	1,542	1,818	2,136
5. Environment protection	18	5	-38	-43	-30	-37	-54	-28	-27
6. Housing and community amenities	455	230	1,105	3,128	3,680	3,958	4,424	4,448	4,580
7. Health	3	5	-	-	-	-	-	-	-
8. Recreation, culture and religion	24	23	27	30	12	-	-	-	-
10. Social protection	-	-	-	0	2	-	1	1	1
Total public corporations' capital expenditure on services	4,702	2,297	3,448	5,538	6,625	6,955	6,930	7,098	7,375
Accounting adjustments	572	1,261	838	16,063	-717	-307	-700	-700	-900
Total public corporations' capital expenditure	5,274	3,558	4,286	21,601	5,908	6,648	6,300	6,400	6,500
Unallocated provision	-	-	-	-	-	-677	1,300	1,800	3,600
Public sector capital expenditure	27,683	30,154	35,764	39,619	42,694	46,208	51,500	54,300	57,400

Table 5.6 Current procurement spending by function, 2002–03 to 2007–08

	accruals, £ million					
	National Statistics					
	2002–03	2003–04	2004–05	2005–06	2006–07	2007–08
	outturn	outturn	outturn	outturn	outturn	estimated outturn
1. General public services	2,931	3,067	3,219	3,447	3,301	2,976
<i>of which: public and common services</i>	2,191	2,200	2,162	1,895	1,732	1,760
<i>of which: international services</i>	741	867	1,058	1,552	1,569	1,216
2. Defence	17,014	17,652	18,241	19,393	20,717	21,686
3. Public order and safety	8,666	9,696	10,140	10,299	11,056	9,336
4. Economic affairs	7,253	7,469	7,910	8,106	8,202	8,986
<i>of which: enterprise and economic development</i>	1,716	1,682	2,094	2,028	1,894	2,042
<i>of which: science and technology</i>	524	515	519	546	573	495
<i>of which: employment policies</i>	853	1,006	1,124	1,214	1,290	1,560
<i>of which: agriculture, fisheries and forestry</i>	894	957	968	1,029	1,043	1,456
<i>of which: transport</i>	3,267	3,309	3,205	3,288	3,402	3,433
5. Environment protection	4,124	4,188	4,329	5,705	6,124	6,512
6. Housing and community amenities	847	1,307	1,453	1,515	1,575	1,637
7. Health	41,850	46,447	48,637	51,538	54,818	60,646
8. Recreation, culture and religion	4,516	4,524	4,652	4,865	5,109	5,056
9. Education (includes training)	7,548	8,276	8,781	9,268	9,747	10,400
<i>of which: education</i>	7,060	7,801	8,437	8,929	9,432	9,970
<i>of which: training</i>	488	474	344	339	315	430
10. Social protection	12,832	15,923	17,225	17,928	18,535	18,950
Total current procurement expenditure on services	107,580	118,548	124,587	132,063	139,183	146,185
Plus income from goods and services	-13,799	-14,971	-16,543	-20,132	-19,568	-19,059
Total net current procurement expenditure on services	93,782	103,578	108,044	111,931	119,615	127,126

Table 5.7 Public sector receipts from sales of assets⁽¹⁾, 2002–03 to 2007–08

accruals, £ million

	National Statistics					2007–08 estimated outturn
	2002–03 outturn	2003–04 outturn	2004–05 outturn	2005–06 outturn	2006–07 outturn	
Central government						
Receipts from sale of land and existing buildings	806	843	955	1,460	1,573	2,140
Other	1,146	668	478	780	631	291
Total central government	1,952	1,511	1,432	2,241	2,205	2,431
Local Authorities						
Receipts from sale of land and existing buildings	1,541	1,804	1,684	1,737	2,111	2,226
Other	5	15	19	29	47	15
Total Local Authorities	1,546	1,818	1,703	1,766	2,158	2,241
General government	3,498	3,329	3,135	4,007	4,363	4,672
Public corporations						
Receipts from sale of land and existing buildings	3,817	4,042	3,779	2,709	2,275	1,884
Other	288	192	26	316	-104	-22
Total public corporations	4,105	4,234	3,806	3,025	2,171	1,861
Total public sector	7,603	7,563	6,941	7,032	6,534	6,533

(1) This table uses National Accounts definition of capital and therefore excludes single use military equipment (SUME) by Ministry of Defence, which is treated as capital under resource accounting. However, where tables in PESA refer to resource budgeting, expenditure on and sales of SUME are included in the capital budget.