

# PUBLIC EXPENDITURE OVERVIEW

**1.1** This chapter brings together information on public expenditure within the current budgeting and control framework. It shows reconciliations to the National Accounts measures used for the fiscal framework. It also includes a breakdown of public expenditure by spending sector.

**1.2** Outturn data on the budgeting and control aggregates in **Tables 1.1 to 1.13** fall within the scope of National Statistics, as do outturn data in **Table 1.15** (spending sectors). Data in **Table 1.14** are not National Statistics.

## What's new

**1.3** **Table 1.1** has been broadened in scope to show the derivation of public sector current expenditure from resource budgets, and public sector gross investment from capital budgets. In PESA 2007 this table showed the aggregated derivation of Total Managed Expenditure from budgets. As a consequence, separate resource and capital accounting adjustments are required. **Table 1.14** has therefore been revised accordingly to show this increased detail.

**1.4** A further consequence is that certain transactions have moved between lines within departmental AME. This includes:

- receipts of payments from Work and Pensions to Culture, Media and Sport for the provision of TV licences to over 75s that have moved from BBC domestic services to other (resource) departmental expenditure;
- the take-up of provisions by Work and Pensions in respect of the Financial Assistance Scheme that moved from social security benefits to other (resource) departmental expenditure; and
- lending from the Social Fund previously included in social security benefits that is now shown as part of other (capital) departmental expenditure.

**1.5** **Tables 1.5 to 1.13** include an additional line for Independent Bodies that are not subject to Spending Reviews. Since PESA 2007 there have also been a number of Machinery of Government changes, which have resulted in further new lines to these tables. An additional line to reflect the Modernisation Funding outlined at the 2007 CSR has also been included.

**1.6** There have also been a number of budget regime changes since PESA 2007. These are outlined in paragraph 1.20 below and described more fully in **Chapter 3** and **Appendix C**.

## The budgeting and reporting framework

**1.7** **Table 1.1** summarises public expenditure both in terms of the budgeting and control framework, and in terms of the National Accounts aggregate Total Managed Expenditure (TME) and its components. **Table 1.2** presents the same information as **Table 1.1** in real terms.

**I.8** There is a fuller description of the budgeting and control framework in **Appendix C**. This chapter gives a brief explanation.

**I.9** In accordance with the fiscal rules, a clear distinction is made for budgeting between current and capital spending, with departments having separate resource and capital budgets.

**I.10** For part of their resource and capital budgets, departments are given firm three year spending limits called Departmental Expenditure Limits (DELs) within which they prioritise resources and plan ahead.

**I.11** Spending that cannot reasonably be subject to firm multi-year limits is included in Annually Managed Expenditure (AME). **Table 1.1** sets out the main elements of AME. Departmental AME (which is contained in departments' budgets) includes social security spending, and various other items of departmental expenditure set out in **Table 1.1**. Outside departments' budgets, other AME consists of net expenditure transfers to the EC, locally financed expenditure, debt interest, public corporations' own-financed capital expenditure, and accounting adjustments.

**I.12** **Table 1.14** presents a breakdown of the accounting adjustments lines in **Table 1.1**. **Appendix D** gives further details of these accounting adjustments.

**I.13** DEL and AME together make up TME, an aggregate that is drawn from the National Accounts, and is defined in National Accounts terms as public sector current expenditure plus public sector capital expenditure (see **Table 1.1**). Note that total public sector depreciation is measured on a National Accounts basis, while the depreciation referred to in the footnote at the bottom of the table is depreciation in resource budget DEL, measured on the basis of Generally Accepted Accounting Practice (GAAP).

## Reconciliations of budgeting and National Accounts aggregates

**I.14** The fiscal framework is defined by reference to National Accounts measures:

- achievement against the golden rule is measured by the surplus on the current budget (SOCB). That is the difference between the public sector National Accounts aggregates current expenditure plus depreciation less receipts; and
- the sustainable investment rule is measured by reference to the stock measure public sector net debt (PSND). The flow measure public sector net borrowing (PSNB) contributes to the accumulation of PSND. The change in PSNB is also used to assess the overall macroeconomic impact of fiscal policy on aggregate demand. The difference between the SOCB and PSNB is given by public sector net investment.

**I.15** **Table C4** in Budget 2008 (HC 388) brings together information on expenditure, receipts and balances.

**I.16** Public expenditure budgeting uses Treasury-defined aggregates, which are mainly based on GAAP components. **Tables 1.3 and 1.4** show the reconciliations between the National Accounts spending measures and the budgeting expenditure measures:

- **Table 1.3** shows the reconciliation from the resource budget to the National Accounts measure public sector current expenditure. It also shows total near-cash expenditure in resource budgets; and

- **Table 1.4** shows the reconciliation from the capital budget to the National Accounts measure of public sector gross investment (measured net of sales). With the deduction of depreciation, that figure reconciles to public sector net investment.

## Resource budgets and capital budgets

**1.17** **Table 1.5** shows the resource budget for each departmental group, with **Table 1.6** presenting the same information in real terms. Full details of departmental groups are set out in **Appendix B**. In addition to departmental allocations, these tables – as with other tables showing DEL – show unallocated amounts remaining in the central funds and in the DEL Reserve.

**1.18** Resource budgets are divided into near-cash and non-cash elements – these terms are explained in **Appendix C**. **Table 1.7** shows the near-cash components in aggregate of departmental resource budgets for each departmental group. Near-cash in resource budget DEL is a control total. **Table 1.8** shows the non-cash components in aggregate of departmental resource budgets, also by departmental group.

**1.19** **Table 1.10** shows the capital budget for each departmental group, with **Table 1.11** presenting the same information in real terms.

**1.20** All tables reflect changes to the budgeting system that are discussed further in **Chapter 3** and **Appendix C**. Major changes include the movement of expenditure in respect of the Independent Living Fund from departmental AME to DEL; the movement of certain transactions relating to student loans from DEL to departmental AME; the standardisation of the Ministry of Defence budgeting treatment; and changes to the budgeting treatment of NHS and Foundation Trusts to align them more closely with other bodies classified by the Office for National Statistics (ONS) to the central government sector.

## Total DEL

**1.21** **Table 1.12** shows total DEL by departmental group. Total DEL is made up of resource budget DEL plus capital budget DEL less depreciation in non-cash DEL. Total DEL is not a control total. **Table 1.13** presents the same information as **Table 1.12** in real terms.

## Public expenditure by spending sector

**1.22** **Table 1.15** shows a breakdown of TME, and within it DEL and AME, between the National Accounts spending sectors, which are used in many of the analyses in this publication. In this table, capital and current expenditure are added together.

**1.23** Central government own expenditure excludes central government spending in support of local authorities. Loans and capital grants in support of public corporations are also excluded. However, subsidies to public corporations are included here, as they are not consolidated out in the calculation of TME. Central government expenditure includes the spending of non-departmental public bodies classified to central government, as well as central government departments' own spending, and the spending of the devolved administrations in Scotland, Wales and Northern Ireland. Central government own expenditure is shown split into DEL, departmental AME, and the other AME elements, including locally financed expenditure. This latter category is in respect of spending of the devolved administrations that is financed locally rather than from Westminster; at present it only includes expenditure of the Northern Ireland departments financed from regional rates. Further analyses of central government own expenditure are presented in **Chapter 6**.

**1.24** Local authority expenditure is split according to how it is financed: central government support (which can be in either DEL or AME); locally financed support in Scotland (the proceeds of non-domestic rates in Scotland that are collected and distributed to local authorities by the devolved administration); and self-financed expenditure. Further analyses of local authority expenditure are presented in **Chapter 7**.

**1.25** The impact of public corporations on the parent department can be either in DEL or departmental AME. For most public corporations, departments' DELs include the subsidies and capital grants paid to, interest and dividends received from, loans and public dividend capital invested in, and a capital charge on the department's investments in, public corporations. For self-financing public corporations, grants and subsidies score in DEL and the other items are contained in departmental AME. In this table, however, subsidies to public corporations are included in central government own expenditure as they impact on central government current expenditure in TME. The total public corporations' expenditure line shows their contribution to TME: i.e. capital expenditure and interest and dividends paid to the private sector. Further analyses for public corporations, including information on subsidies, are presented in **Chapter 8**.

**1.26** TME is a consolidated measure of expenditure. As described above the sectoral split of TME presented in PESA records only the 'own' expenditure components that relate to an individual sector. That is payments from one sector that are used to finance the expenditure of another sector are excluded from the paying sector's own expenditure breakdown, as are the corresponding receipts in the counterparty sector. This is consistent with TME being a consolidated measure of public sector expenditure. As such the imputed capital spending of BNFL in 2005-06 (see **Appendix A** for further details) adds to the PC contributions to TME as presented in this table. Likewise the counterparty reduction in central government expenditure reduces the CG contribution to TME. These contributions to TME are scored in the accounting adjustments lines in **Table 1.15**.

## Administration budgets

**1.27** **Table 1.9** sets out details of administrative expenditure in resource DEL for those central government departments that are subject to administration budgets.

**1.28** Administration budgets are set for most civil service departments. These budgets help to drive economy and efficiency in the running of government itself. Around 62% of administration costs are accounted for by civil service pay. A further 33% is accounted for by procurement of goods and services (e.g. accommodation, equipment, travel) and the remainder by other items (e.g. capital charges on assets used by civil servants such as buildings and IT equipment). An analysis of administration budgets by economic category is shown in **Table 2.1**.

**1.29** There have been a number of reclassifications between administration and programme budgets since PESA 2007. The main change is a reclassification of certain front-line staff costs from administration to programme budgets for the Foreign and Commonwealth Office, Department for International Development, Ministry of Justice and the Security and Intelligence Agencies. In addition Ministry of Defence has joined the Whitehall-wide administration regime and now has an administration budget. These changes are reflected in **Table 1.9** for all years.

Table I.1 Total Managed Expenditure, 2002–03 to 2010–11

	£ million								
	National Statistics					2007–08	2008–09	2009–10	2010–11
	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			
<b>CURRENT EXPENDITURE</b>									
<b>Resource DEL</b>	<b>229,862</b>	<b>245,084</b>	<b>258,767</b>	<b>277,594</b>	<b>291,155</b>	<b>313,128</b>	<b>324,300</b>	<b>338,700</b>	<b>354,600</b>
Near-cash DEL	204,806	229,050	244,756	259,786	272,377	290,212	303,800	316,800	331,100
Non-cash	25,056	16,034	14,010	17,809	18,778	22,915	20,422	21,862	23,543
<b>Resource AME</b>	<b>163,497</b>	<b>180,260</b>	<b>198,107</b>	<b>207,046</b>	<b>215,876</b>	<b>227,014</b>	<b>242,000</b>	<b>253,600</b>	<b>267,800</b>
<i>Resource departmental AME</i>									
Social security benefits	113,604	117,801	124,781	129,600	133,463	140,273	147,317	153,716	159,704
Tax credits <sup>(1)</sup>	5,741	9,727	11,601	12,972	14,189	15,398	18,029	19,992	20,495
Net public service pensions <sup>(2)</sup>	4,150	1,796	352	3,681	3,307	10,083	6,364	6,729	7,110
National lottery	689	715	659	833	701	908	856	747	777
BBC domestic services	2,886	2,828	2,916	2,960	3,242	3,256	3,456	3,566	3,675
Student loans	-115	-213	-284	-367	-426	-515	-1,139	-1,385	-1,654
Non-cash items	27,898	27,167	27,811	31,780	45,338	44,535	45,357	48,517	51,681
Other departmental expenditure	1,682	1,855	1,373	2,127	2,818	2,534	1,651	1,506	1,430
<b>Resource departmental AME</b>	<b>156,536</b>	<b>161,676</b>	<b>169,209</b>	<b>183,584</b>	<b>202,632</b>	<b>216,472</b>	<b>221,891</b>	<b>233,388</b>	<b>243,217</b>
<i>Resource other AME</i>									
Net expenditure transfers to the EC <sup>(3)</sup>	2,782	3,448	4,907	4,435	4,652	5,392	5,490	6,220	6,747
Locally financed government expenditure	19,086	19,778	20,852	22,813	23,414	24,757	25,662	26,651	27,831
Central government gross debt interest	20,915	22,280	23,934	25,807	27,576	29,946	30,270	30,332	33,965
AME margin	-	-	-	-	-	-	900	1,800	2,700
Accounting adjustments	-35,823	-26,921	-20,795	-29,594	-42,399	-49,554	-42,221	-44,792	-46,685
<b>Resource other AME</b>	<b>6,961</b>	<b>18,585</b>	<b>28,898</b>	<b>23,461</b>	<b>13,244</b>	<b>10,541</b>	<b>20,100</b>	<b>20,200</b>	<b>24,600</b>
<b>Public sector current expenditure</b>	<b>393,359</b>	<b>425,344</b>	<b>456,874</b>	<b>484,640</b>	<b>507,031</b>	<b>540,141</b>	<b>566,200</b>	<b>592,300</b>	<b>622,400</b>

Table I.1 Total Managed Expenditure, 2002–03 to 2010–11 (continued)

	£ 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 outturn	plans	plans	plans
<b>CAPITAL EXPENDITURE</b>									
<b>Capital DEL</b>	<b>27,076</b>	<b>30,484</b>	<b>32,821</b>	<b>35,183</b>	<b>38,862</b>	<b>43,936</b>	<b>48,100</b>	<b>50,700</b>	<b>55,300</b>
<b>Capital AME</b>	<b>607</b>	<b>-330</b>	<b>2,943</b>	<b>4,436</b>	<b>3,832</b>	<b>2,272</b>	<b>3,400</b>	<b>3,500</b>	<b>2,200</b>
<i>Capital departmental AME</i>									
National lottery	1,121	1,193	1,039	988	701	790	614	867	774
BBC domestic services	112	-6	78	94	103	85	76	76	76
Student loans	2,303	2,314	2,261	2,419	3,207	4,166	5,212	5,841	6,218
Other departmental expenditure <sup>(4)</sup>	-122	-388	385	417	-382	-341	13,754	366	776
<b>Capital departmental AME<sup>(4)</sup></b>	<b>3,414</b>	<b>3,113</b>	<b>3,764</b>	<b>3,918</b>	<b>3,630</b>	<b>4,700</b>	<b>19,656</b>	<b>7,149</b>	<b>7,844</b>
<i>Capital other AME</i>									
Locally financed expenditure	978	746	2,407	4,278	4,743	4,178	4,588	4,044	3,360
Public corporations' own-financed capital expenditure	3,334	2,448	2,946	5,261	5,354	4,683	5,160	5,573	5,670
AME margin	-	-	-	-	-	-	100	200	300
Accounting adjustments <sup>(4)</sup>	-7,119	-6,638	-6,173	-9,022	-9,895	-11,289	-26,069	-13,445	-15,014
<b>Capital other AME<sup>(4)</sup></b>	<b>-2,807</b>	<b>-3,444</b>	<b>-820</b>	<b>518</b>	<b>202</b>	<b>-2,428</b>	<b>-16,200</b>	<b>-3,600</b>	<b>-5,700</b>
<b>Public sector gross investment</b>	<b>27,683</b>	<b>30,154</b>	<b>35,764</b>	<b>39,619</b>	<b>42,694</b>	<b>46,208</b>	<b>51,500</b>	<b>54,300</b>	<b>57,400</b>
less public sector depreciation	13,976	14,564	15,148	16,069	16,915	17,698	18,600	19,600	20,700
<b>Public sector net investment</b>	<b>13,707</b>	<b>15,590</b>	<b>20,616</b>	<b>23,550</b>	<b>25,779</b>	<b>28,510</b>	<b>32,900</b>	<b>34,700</b>	<b>36,700</b>
<b>Total Managed Expenditure</b>	<b>421,042</b>	<b>455,498</b>	<b>492,638</b>	<b>524,259</b>	<b>549,725</b>	<b>586,349</b>	<b>617,800</b>	<b>646,500</b>	<b>679,800</b>
<i>of which:</i>									
Total DEL <sup>(5)</sup>	241,159	266,874	283,655	303,156	319,738	345,249	360,800	377,200	396,700
Departmental AME	159,951	164,789	172,973	187,502	206,262	221,173	241,548	240,537	251,061
Other AME	19,932	23,835	36,010	33,600	23,725	19,928	15,400	28,800	32,000

(1) Tax credits include working tax credits, stakeholder pension credits and, from 2003–04, Child Tax Credits. From 2003–04 to 2008–09 the Child Tax Credits do not include those child allowances that were paid as part of Income Support and Jobseekers' Allowance, within social security benefits.

(2) The main pension schemes are reported under FRS17 accounting requirements.

(3) Net expenditure transfers to the EC are comprised of GNI-based contribution to the EC less the UK's abatement. Further information on EC transactions is given in Appendix C, which includes details of transactions with the institutions of the European Community in Table C1.

(4) The HM Treasury loan to Northern Rock will be repaid by December 2010. The profile of these repayments will be updated in future PESA, Budget and Pre-Budget Report publications. The totals therefore exclude these repayments.

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

Table I.2 Total Managed Expenditure in real terms<sup>(1)</sup>, 2002–03 to 2010–11

	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 outturn	plans	plans	plans
£ million									
<b>CURRENT EXPENDITURE</b>									
<b>Resource DEL</b>	<b>255,105</b>	<b>264,338</b>	<b>271,594</b>	<b>285,212</b>	<b>291,155</b>	<b>303,418</b>	<b>304,800</b>	<b>309,900</b>	<b>316,000</b>
Near-cash DEL	227,297	247,045	256,889	266,915	272,377	281,214	285,600	289,900	295,000
Non-cash	27,807	17,293	14,705	18,297	18,778	22,205	19,194	20,007	20,979
<b>Resource AME</b>	<b>181,452</b>	<b>194,422</b>	<b>207,928</b>	<b>212,728</b>	<b>215,876</b>	<b>219,975</b>	<b>227,400</b>	<b>232,100</b>	<b>238,600</b>
<i>Resource departmental AME</i>									
Social security benefits	126,080	127,056	130,967	133,156	133,463	135,923	138,457	140,673	142,311
Tax credits <sup>(2)</sup>	6,371	10,491	12,176	13,328	14,189	14,920	16,945	18,296	18,263
Net public service pensions <sup>(3)</sup>	4,606	1,937	369	3,782	3,307	9,770	5,981	6,158	6,336
National lottery	765	771	692	856	701	879	805	684	692
BBC domestic services	3,203	3,050	3,061	3,041	3,242	3,155	3,248	3,264	3,274
Student loans	–128	–230	–298	–377	–426	–499	–1,070	–1,267	–1,474
Non-cash items	30,962	29,301	29,189	32,652	45,338	43,154	42,629	44,400	46,052
Other departmental expenditure	1,867	2,001	1,441	2,185	2,818	2,456	1,552	1,378	1,274
<b>Resource departmental AME</b>	<b>173,726</b>	<b>174,378</b>	<b>177,597</b>	<b>188,622</b>	<b>202,632</b>	<b>209,760</b>	<b>208,547</b>	<b>213,585</b>	<b>216,729</b>
<i>Resource other AME</i>									
Net expenditure transfers to the EC <sup>(4)</sup>	3,088	3,718	5,150	4,557	4,652	5,225	5,160	5,692	6,013
Locally financed government expenditure	21,182	21,332	21,886	23,439	23,414	23,990	24,118	24,390	24,800
Central government gross debt interest	23,212	24,030	25,120	26,515	27,576	29,017	28,449	27,758	30,266
AME margin	–	–	–	–	–	–	800	1,600	2,400
Accounting adjustments	–39,757	–29,036	–21,826	–30,406	–42,399	–48,017	–39,682	–40,991	–41,601
<b>Resource other AME</b>	<b>7,725</b>	<b>20,045</b>	<b>30,331</b>	<b>24,105</b>	<b>13,244</b>	<b>10,215</b>	<b>18,900</b>	<b>18,500</b>	<b>21,900</b>
<b>Public sector current expenditure</b>	<b>436,556</b>	<b>458,760</b>	<b>479,522</b>	<b>497,940</b>	<b>507,031</b>	<b>523,393</b>	<b>532,200</b>	<b>542,000</b>	<b>554,600</b>

Table I.2 Total Managed Expenditure in real terms<sup>(1)</sup>, 2002–03 to 2010–11 (continued)

	£ 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 outturn	plans	plans	plans
<b>CAPITAL EXPENDITURE</b>									
<b>Capital DEL</b>	<b>30,049</b>	<b>32,879</b>	<b>34,448</b>	<b>36,148</b>	<b>38,862</b>	<b>42,574</b>	<b>45,200</b>	<b>46,400</b>	<b>49,300</b>
<b>Capital AME</b>	<b>674</b>	<b>-356</b>	<b>3,089</b>	<b>4,558</b>	<b>3,832</b>	<b>2,201</b>	<b>3,200</b>	<b>3,200</b>	<b>1,900</b>
<i>Capital departmental AME</i>									
National lottery	1,245	1,287	1,091	1,015	701	766	577	793	689
BBC domestic services	124	-6	82	97	103	82	71	70	68
Student loans	2,556	2,496	2,373	2,485	3,207	4,037	4,899	5,345	5,541
Other departmental expenditure <sup>(5)</sup>	-135	-418	405	429	-382	-330	12,927	335	692
<b>Capital departmental AME<sup>(5)</sup></b>	<b>3,789</b>	<b>3,358</b>	<b>3,950</b>	<b>4,026</b>	<b>3,630</b>	<b>4,555</b>	<b>18,474</b>	<b>6,542</b>	<b>6,989</b>
<i>Capital other AME</i>									
Locally financed expenditure	1,085	805	2,526	4,396	4,743	4,048	4,312	3,701	2,994
Public corporations' own-financed capital expenditure	3,700	2,640	3,092	5,406	5,354	4,538	4,850	5,100	5,052
AME margin	-	-	-	-	-	-	100	200	300
Accounting adjustments <sup>(5)</sup>	-7,901	-7,159	-6,479	-9,269	-9,895	-10,939	-24,501	-12,304	-13,379
<b>Capital other AME<sup>(5)</sup></b>	<b>-3,115</b>	<b>-3,714</b>	<b>-861</b>	<b>532</b>	<b>202</b>	<b>-2,353</b>	<b>-15,200</b>	<b>-3,300</b>	<b>-5,100</b>
<b>Public sector gross investment</b>	<b>30,723</b>	<b>32,523</b>	<b>37,537</b>	<b>40,706</b>	<b>42,694</b>	<b>44,775</b>	<b>48,400</b>	<b>49,700</b>	<b>51,200</b>
less public sector depreciation	15,511	15,708	15,899	16,510	16,915	17,150	17,500	17,900	18,400
<b>Public sector net investment</b>	<b>15,212</b>	<b>16,815</b>	<b>21,638</b>	<b>24,196</b>	<b>25,779</b>	<b>27,626</b>	<b>30,900</b>	<b>31,700</b>	<b>32,700</b>
<b>Total Managed Expenditure</b>	<b>467,279</b>	<b>491,283</b>	<b>517,059</b>	<b>538,646</b>	<b>549,725</b>	<b>568,168</b>	<b>580,600</b>	<b>591,700</b>	<b>605,800</b>
<i>of which:</i>									
Total DEL <sup>(6)</sup>	267,642	287,840	297,716	311,476	319,738	334,544	339,100	345,200	353,500
Departmental AME	177,516	177,736	181,547	182,648	206,262	214,315	227,000	220,100	223,700
Other AME	22,121	25,708	37,795	34,522	23,725	19,310	14,400	26,300	28,500

(1) Real terms figures are the cash figures adjusted to 2006–07 price levels using GDP deflators. For years 2002–03 to 2006–07 deflators are calculated from the latest data from the Office for National Statistics (released 28 March 2008). From 2007–08 deflators are consistent with the March 2008 Financial Statement and Budget Report.

(2) Tax credits include working tax credits, stakeholder pension credits and, from 2003–04, Child Tax Credits. From 2003–04 to 2008–09 the Child Tax Credits do not include those child allowances that were paid as part of Income Support and Jobseekers' Allowance, within social security benefits.

(3) The main pension schemes are reported under FRS17 accounting requirements.

(4) Net expenditure transfers to the EC are comprised of GNI-based contribution to the EC less the UK's abatement. Further information on EC transactions is given in Appendix C, which includes details of transactions with the institutions of the European Community in Table C1.

(5) The HM Treasury loan to Northern Rock will be repaid by December 2010. The profile of these repayments will be updated in future PESA, Budget and Pre-Budget Report publications. The totals therefore exclude these repayments.

(6) Total DEL is given by resource DEL plus capital DEL less depreciation.

Table I.3 Public sector current expenditure, 2002–03 to 2010–11

	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 outturn	plans	plans	plans
<b>£ million</b>									
<b>Resource budget</b>									
Resource DEL	229,862	245,084	258,767	277,594	291,155	313,128	324,300	338,700	354,600
Resource departmental AME	156,536	161,676	169,209	183,584	202,632	216,472	221,891	233,388	243,217
<b>Total resource budget</b>	<b>386,398</b>	<b>406,759</b>	<b>427,976</b>	<b>461,179</b>	<b>493,787</b>	<b>529,600</b>	<b>546,100</b>	<b>572,100</b>	<b>597,800</b>
less non-cash in resource DEL	25,056	16,034	14,010	17,809	18,778	22,915	20,422	21,862	23,543
less non-cash in resource AME	28,255	27,217	27,003	35,284	47,625	52,573	48,684	51,324	54,152
<b>Total near-cash in resource budgets</b>	<b>333,088</b>	<b>363,509</b>	<b>386,962</b>	<b>408,086</b>	<b>427,384</b>	<b>454,112</b>	<b>477,000</b>	<b>498,900</b>	<b>520,100</b>
<i>of which:</i>									
Near-cash in resource DEL	204,806	229,050	244,756	259,786	272,377	290,212	303,800	316,800	331,100
Near-cash in resource AME	128,281	134,459	142,206	148,301	155,007	163,899	173,208	182,064	189,065
<b>Total near-cash in resource budgets</b>	<b>333,088</b>	<b>363,509</b>	<b>386,962</b>	<b>408,086</b>	<b>427,384</b>	<b>454,112</b>	<b>477,000</b>	<b>498,900</b>	<b>520,100</b>
<b>Current spending in other AME</b>									
Net expenditure transfers to the EC <sup>(1)</sup>	2,782	3,448	4,907	4,435	4,652	5,392	5,490	6,220	6,747
Locally financed current expenditure	19,086	19,778	20,852	22,813	23,414	24,757	25,662	26,651	27,831
Central government gross debt interest	20,915	22,280	23,934	25,807	27,576	29,946	30,270	30,332	33,965
AME margin (current)	–	–	–	–	–	–	900	1,800	2,700
<i>Other adjustments</i>									
Add spending classified as current in National Accounts	5,212	5,221	5,409	6,007	6,506	6,549	6,254	6,466	6,934
Remove near-cash items classified as capital in National Accounts	–	–	–	–	–	–	–	–	–
Accounting and other adjustments	12,276	11,109	14,810	17,491	17,498	19,385	20,630	21,928	24,076
<b>Public sector current expenditure</b>	<b>393,359</b>	<b>425,344</b>	<b>456,874</b>	<b>484,640</b>	<b>507,031</b>	<b>540,141</b>	<b>566,200</b>	<b>592,300</b>	<b>622,400</b>

(1) Net expenditure transfers to the EC are comprised of GNI-based contribution to the EC less the UK's abatement. Further information on EC transactions is given in Appendix C, which includes details of transactions with the institutions of the European Community in Table C1.

Table I.4 Public sector net investment, 2002–03 to 2010–11

	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 outturn	plans	plans	plans
<b>£ million</b>									
<b>Capital budget</b>									
Capital DEL	27,076	30,484	32,821	35,183	38,862	43,936	48,100	50,700	55,300
Capital departmental AME <sup>(1)</sup>	3,414	3,113	3,764	3,918	3,630	4,700	19,656	7,149	7,844
<b>Total capital budget<sup>(1)</sup></b>	<b>30,490</b>	<b>33,598</b>	<b>36,584</b>	<b>39,101</b>	<b>42,492</b>	<b>48,636</b>	<b>67,700</b>	<b>57,900</b>	<b>63,100</b>
<b>Capital spending in other AME</b>									
Public corporations' own-financed expenditure	3,334	2,448	2,946	5,261	5,354	4,683	5,160	5,573	5,670
Locally financed capital expenditure	978	746	2,407	4,278	4,743	4,178	4,588	4,044	3,360
AME margin (capital)	–	–	–	–	–	–	100	200	300
<i>Other adjustments</i>									
Remove items classified as current in National Accounts	–5,212	–5,221	–5,409	–6,007	–6,506	–6,549	–6,254	–6,466	–6,934
Add resource budget classified as capital in National Accounts	–	–	–	7	–	–	–	–	–
Accounting and other adjustments <sup>(1)</sup>	–1,907	–1,417	–764	–3,022	–3,389	–4,740	–19,815	–6,979	–8,080
<b>Public sector gross investment</b>	<b>27,683</b>	<b>30,154</b>	<b>35,764</b>	<b>39,619</b>	<b>42,694</b>	<b>46,208</b>	<b>51,500</b>	<b>54,300</b>	<b>57,400</b>
Less depreciation (National Accounts)	13,976	14,564	15,148	16,069	16,915	17,698	18,600	19,600	20,700
<b>Public sector net investment</b>	<b>13,707</b>	<b>15,590</b>	<b>20,616</b>	<b>23,550</b>	<b>25,779</b>	<b>28,510</b>	<b>32,900</b>	<b>34,700</b>	<b>36,700</b>

(1) The HM Treasury loan to Northern Rock will be repaid by December 2010. The profile of these repayments will be updated in future PESA, Budget and Pre-Budget Report publications. The totals therefore exclude these repayments.

Table I.5 Resource budgets, 2002–03 to 2010–11

	£ 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 outturn	plans	plans	plans
<b>Resource DEL by departmental group</b>									
Children, Schools and Families	10,611	11,933	12,593	14,326	42,135	44,935	46,909	49,237	51,945
Health	57,115	63,605	69,118	76,372	80,428	89,151	93,997	99,907	106,339
<i>of which: NHS England</i>	55,405	61,865	66,873	74,168	78,468	87,133	92,475	98,263	104,603
Transport	4,781	6,114	6,085	6,076	6,920	6,760	6,356	6,398	6,571
Innovation, Universities and Skills	11,425	12,169	12,615	13,594	14,079	15,539	16,379	17,155	18,207
CLG Communities	1,613	3,414	3,606	3,467	3,626	4,235	4,327	4,475	4,619
CLG Local Government	37,396	40,915	43,316	46,244	22,541	22,739	24,705	25,591	26,392
Home Office	7,313	7,914	7,977	8,298	8,343	8,654	9,066	9,313	9,607
Justice	8,073	7,487	7,577	7,987	8,357	8,974	9,333	9,380	9,440
Law Officers' Departments	514	575	646	688	698	738	725	720	714
Defence	36,462	31,376	31,316	33,462	33,491	36,746	33,623	35,171	36,709
Foreign and Commonwealth Office	1,478	1,511	1,710	1,877	1,827	1,939	1,830	1,610	1,618
International Development	3,001	3,447	3,645	4,107	4,206	4,563	4,869	5,502	6,386
Business, Enterprise and Regulatory Reform	1,618	1,709	2,005	1,886	2,157	2,874	2,353	2,290	2,281
Environment, Food and Rural Affairs	2,242	2,443	2,814	2,817	3,103	3,063	2,936	2,967	2,974
Culture, Media and Sport	1,227	1,225	1,326	1,452	1,527	1,652	1,620	1,678	1,753
Work and Pensions	7,017	7,809	7,981	8,008	7,870	8,070	7,966	7,799	7,539
Scotland	16,247	18,421	19,459	20,791	22,354	23,844	24,422	25,398	26,507
Wales	8,887	9,643	10,379	10,986	11,699	12,506	12,987	13,569	14,219
Northern Ireland Executive	5,811	6,058	6,445	6,799	7,150	7,630	8,077	8,389	8,749
Northern Ireland Office	1,096	1,044	1,150	1,176	1,224	1,363	1,207	1,172	1,181
Chancellor's Departments	4,040	4,279	4,600	4,782	4,952	4,817	4,753	4,636	4,522
Cabinet Office	1,240	1,314	1,660	1,569	1,732	1,876	2,100	2,247	2,431
Independent Bodies	656	677	744	829	738	810	859	842	941
Modernisation Funding	–	–	–	–	–	–	500	400	100
DEL Reserve	–	–	–	–	–	–	2,300	2800	2,900
Allowance for Shortfall	–	–	–	–	–	–351	–	–	–
<b>Total resource DEL</b>	<b>229,862</b>	<b>245,084</b>	<b>258,767</b>	<b>277,594</b>	<b>291,155</b>	<b>313,128</b>	<b>324,300</b>	<b>338,700</b>	<b>354,600</b>
<b>Resource departmental AME by departmental group</b>									
Children, Schools and Families	7,156	6,575	6,344	8,037	8,599	10,665	11,138	11,680	12,258
Health	4,665	6,294	6,451	9,409	10,450	14,552	14,597	15,606	16,662
<i>of which: NHS England</i>	96	100	55	129	223	530	526	614	704
Transport	2,166	2,326	2,741	3,076	3,315	3,696	3,980	4,264	4,492
Innovation, Universities and Skills	122	128	141	167	170	275	213	213	198
CLG Communities	241	256	179	322	303	249	74	78	19
CLG Local Government	170	304	461	524	1,036	941	463	463	463
Home Office	1,690	40	1	4	291	356	543	620	730
Justice	425	58	62	82	84	102	131	99	97
Defence	6,151	4,798	4,468	5,181	4,919	6,469	6,754	7,083	7,475
Foreign and Commonwealth Office	60	40	3	–22	27	23	50	50	50
International Development	102	129	132	140	469	160	355	162	159
Business, Enterprise and Regulatory Reform	3,585	1,335	–547	214	6,922	377	244	283	290
Environment, Food and Rural Affairs	193	73	72	126	–5	–15	–18	–18	–21
Culture, Media and Sport	3,272	3,714	3,208	3,397	3,532	3,732	3,863	3,846	3,967
Work and Pensions	99,815	103,759	110,591	115,094	119,074	129,479	130,911	136,404	141,918
Scotland	1,846	1,449	1,737	2,211	2,041	3,184	3,252	3,468	3,700
Wales	181	532	224	292	340	339	348	380	411
Northern Ireland Executive	4,881	5,272	5,777	6,338	10,018	7,648	8,054	8,678	9,245
Northern Ireland Office	–	–	208	212	214	236	265	278	291
Chancellor's Departments	15,237	19,578	21,574	23,054	24,790	26,409	29,443	32,152	32,904
Cabinet Office	4,577	5,015	5,378	5,725	6,043	7,593	7,211	7,578	7,890
Independent Bodies	4	2	5	1	1	1	21	21	21
<b>Total resource departmental AME</b>	<b>156,536</b>	<b>161,676</b>	<b>169,209</b>	<b>183,584</b>	<b>202,632</b>	<b>216,472</b>	<b>221,891</b>	<b>233,388</b>	<b>243,217</b>
<b>Total resource budget</b>	<b>386,398</b>	<b>406,759</b>	<b>427,976</b>	<b>461,179</b>	<b>493,787</b>	<b>529,600</b>	<b>546,100</b>	<b>572,100</b>	<b>597,800</b>

Table I.6 Resource budgets in real terms<sup>(1)</sup>, 2002–03 to 2010–11

	£ 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				
<b>Resource DEL by departmental group</b>										
Children, Schools and Families	11,777	12,871	13,217	14,720	42,135	43,542	44,088	45,059	46,288	
Health	63,387	68,602	72,544	78,468	80,428	86,387	88,343	91,430	94,758	
<i>of which: NHS England</i>	61,489	66,725	70,188	76,203	78,468	84,432	86,914	89,925	93,211	
Transport	5,306	6,595	6,386	6,243	6,920	6,551	5,973	5,855	5,856	
Innovation, Universities and Skills	12,679	13,125	13,241	13,967	14,079	15,057	15,393	15,699	16,224	
CLG Communities	1,791	3,682	3,785	3,562	3,626	4,104	4,066	4,095	4,116	
CLG Local Government	41,502	44,129	45,463	47,514	22,541	22,034	23,220	23,420	23,518	
Home Office	8,117	8,536	8,372	8,526	8,343	8,386	8,521	8,523	8,560	
Justice	8,959	8,075	7,953	8,206	8,357	8,696	8,772	8,584	8,412	
Law Officers' Departments	570	620	678	707	698	715	682	659	636	
Defence	40,466	33,841	32,868	34,380	33,491	35,607	31,601	32,187	32,711	
Foreign and Commonwealth Office	1,640	1,630	1,795	1,928	1,827	1,879	1,720	1,473	1,442	
International Development	3,331	3,718	3,826	4,220	4,206	4,422	4,576	5,035	5,691	
Business, Enterprise and Regulatory Reform	1,796	1,843	2,105	1,938	2,157	2,785	2,211	2,096	2,032	
Environment, Food and Rural Affairs	2,489	2,635	2,954	2,895	3,103	2,968	2,760	2,715	2,650	
Culture, Media and Sport	1,362	1,321	1,392	1,492	1,527	1,600	1,523	1,536	1,562	
Work and Pensions	7,787	8,423	8,377	8,227	7,870	7,819	7,486	7,137	6,718	
Scotland	18,031	19,868	20,424	21,362	22,354	23,105	22,953	23,243	23,620	
Wales	9,863	10,400	10,894	11,288	11,699	12,118	12,206	12,417	12,671	
Northern Ireland Executive	6,449	6,534	6,764	6,986	7,150	7,393	7,592	7,678	7,796	
Northern Ireland Office	1,216	1,126	1,207	1,209	1,224	1,320	1,134	1,073	1,052	
Chancellor's Departments	4,483	4,616	4,828	4,914	4,952	4,667	4,468	4,243	4,029	
Cabinet Office	1,376	1,417	1,742	1,612	1,732	1,818	1,974	2,056	2,166	
Independent Bodies	728	731	780	852	738	785	808	770	838	
Modernisation Funding	–	–	–	–	–	–	500	400	0	
DEL Reserve	–	–	–	–	–	–	2,200	2,500	2,600	
Allowance for Shortfall	–	–	–	–	–	–340	–	–	–	
<b>Total resource DEL</b>	<b>255,105</b>	<b>264,338</b>	<b>271,594</b>	<b>285,212</b>	<b>291,155</b>	<b>303,418</b>	<b>304,800</b>	<b>309,900</b>	<b>316,000</b>	
<b>Resource departmental AME by departmental group</b>										
Children, Schools and Families	7,941	7,091	6,658	8,258	8,599	10,335	10,468	10,689	10,923	
Health	5,177	6,789	6,771	9,667	10,450	14,101	13,719	14,282	14,848	
<i>of which: NHS England</i>	106	108	57	132	223	513	494	562	627	
Transport	2,403	2,509	2,877	3,161	3,315	3,581	3,741	3,902	4,003	
Innovation, Universities and Skills	135	138	148	172	170	267	200	195	176	
CLG Communities	268	277	188	331	303	241	70	72	17	
CLG Local Government	188	328	484	539	1,036	912	435	424	413	
Home Office	1,876	43	1	4	291	345	510	567	650	
Justice	471	63	65	84	84	99	123	90	86	
Law Officers' Departments	–	–	–	–	–	–	–	–	–	
Defence	6,826	5,175	4,689	5,323	4,919	6,269	6,348	6,482	6,661	
Foreign and Commonwealth Office	66	43	3	–23	27	22	47	46	45	
International Development	113	139	139	143	469	155	334	148	142	
Business, Enterprise and Regulatory Reform	3,978	1,439	–575	220	6,922	365	229	259	259	
Environment, Food and Rural Affairs	215	79	75	129	–5	–15	–17	–16	–18	
Culture, Media and Sport	3,631	4,006	3,367	3,490	3,532	3,616	3,631	3,520	3,535	
Work and Pensions	110,776	111,910	116,073	118,252	119,074	125,464	123,037	124,829	126,461	
Scotland	2,048	1,563	1,823	2,272	2,041	3,086	3,056	3,174	3,297	
Wales	201	573	235	300	340	329	327	348	366	
Northern Ireland Executive	5,417	5,687	6,064	6,511	10,018	7,411	7,570	7,942	8,238	
Northern Ireland Office	–	0	219	218	214	229	249	254	259	
Chancellor's Departments	16,911	21,116	22,644	23,687	24,790	25,590	27,673	29,424	29,321	
Cabinet Office	5,080	5,409	5,645	5,882	6,043	7,358	6,777	6,935	7,030	
Independent Bodies	4	2	5	1	1	1	19	19	18	
<b>Total resource departmental AME</b>	<b>173,726</b>	<b>174,378</b>	<b>177,597</b>	<b>188,622</b>	<b>202,632</b>	<b>209,760</b>	<b>208,547</b>	<b>213,585</b>	<b>216,729</b>	
<b>Total resource budget</b>	<b>428,831</b>	<b>438,716</b>	<b>449,191</b>	<b>473,835</b>	<b>493,787</b>	<b>513,178</b>	<b>513,300</b>	<b>523,500</b>	<b>532,700</b>	

(1) Real terms figures are the cash figures adjusted to 2006–07 price levels using GDP deflators. For years 2002–03 to 2006–07 deflators are calculated from the latest data from the Office for National Statistics (released 28 March 2008). From 2007–08 deflators are consistent with the March 2008 Financial Statement and Budget Report.

Table 1.7 Near-cash elements of resource budgets, 2002–03 to 2010–11

	£ 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 outturn	plans	plans	plans
<b>Resource DEL by departmental group</b>									
Children, Schools and Families	10,612	11,916	12,571	14,279	42,135	44,947	46,945	49,275	51,970
Health	54,413	61,152	68,723	74,422	77,427	84,001	90,815	96,453	102,639
<i>of which: NHS England</i>	52,714	59,421	66,495	72,234	75,488	82,001	89,313	94,827	100,921
Transport	4,453	5,902	5,919	5,813	6,360	6,546	6,068	6,054	5,955
Innovation, Universities and Skills	10,575	11,352	11,952	12,772	13,401	14,514	15,021	15,626	16,565
CLG Communities	1,616	3,419	3,545	3,432	3,465	4,130	4,173	4,277	4,407
CLG Local Government	37,395	40,914	43,314	46,244	22,540	22,739	24,705	25,591	26,392
Home Office	7,163	7,825	7,896	8,182	8,184	8,521	8,864	9,116	9,418
Justice	6,611	7,234	7,812	7,809	8,062	8,670	8,653	8,675	8,710
Law Officers' Departments	510	571	636	679	691	718	715	709	703
Defence	19,981	21,360	21,847	22,726	23,452	24,714	22,913	23,740	24,464
Foreign and Commonwealth Office	1,333	1,404	1,601	1,706	1,680	1,809	1,673	1,453	1,461
International Development	2,843	3,423	3,541	4,041	4,098	4,515	4,780	5,407	6,288
Business, Enterprise and Regulatory Reform	1,617	1,746	1,824	1,672	2,025	2,631	2,225	2,179	2,180
Environment, Food and Rural Affairs	1,945	2,201	2,466	2,349	2,542	2,701	2,628	2,628	2,628
Culture, Media and Sport	1,078	1,084	1,197	1,297	1,358	1,472	1,406	1,441	1,480
Work and Pensions	6,862	7,730	7,893	7,796	7,591	7,830	7,804	7,641	7,386
Scotland	15,584	17,890	18,482	19,976	21,399	22,932	23,532	24,432	25,454
Wales	8,517	9,416	10,085	10,662	11,357	11,967	12,477	13,028	13,645
Northern Ireland Executive	5,504	5,841	6,202	6,503	6,830	7,394	7,732	8,028	8,362
Northern Ireland Office	917	935	905	974	1,012	1,005	928	928	928
Chancellor's Departments	3,738	4,135	4,351	4,531	4,686	4,551	4,444	4,334	4,227
Cabinet Office	1,040	1,089	1,437	1,351	1,494	1,596	1,730	1,851	2,022
Independent Bodies	499	513	555	569	589	661	745	718	814
Modernisation Funding	–	–	–	–	–	–	500	400	100
DEL Reserve	–	–	–	–	–	–	2,300	2,800	2,900
Allowance for Shortfall	–	–	–	–	–	–351	–	–	–
<b>Total near-cash resource DEL</b>	<b>204,806</b>	<b>229,050</b>	<b>244,756</b>	<b>259,786</b>	<b>272,377</b>	<b>290,212</b>	<b>303,800</b>	<b>316,800</b>	<b>331,100</b>
<b>Resource departmental AME by departmental group</b>									
Children, Schools and Families	1,567	659	871	1,107	1,235	1,417	1,774	2,123	2,399
Health	–108	–2,144	–2,345	–2,628	–2,605	–2,225	–1,858	–1,740	–1,553
<i>of which: NHS England</i>	0	2	0	–2	–23	–15	–22	–22	–20
Transport	–2	–	31	35	43	45	44	42	40
Innovation, Universities and Skills	–16	–83	–127	–191	–231	–614	–891	–1,127	–1,401
CLG Communities	246	209	83	253	298	202	16	16	–48
CLG Local Government	170	304	461	524	1,036	941	463	463	463
Home Office	1,690	40	1	4	291	356	543	620	730
Justice	36	–11	–12	20	–6	1	15	0	–2
Defence	2,493	2,443	2,562	2,546	2,749	2,790	2,828	2,829	2,838
International Development	116	119	117	104	113	115	111	109	106
Business, Enterprise and Regulatory Reform	1,198	1,166	1,000	1,349	1,088	958	708	531	499
Environment, Food and Rural Affairs	273	63	61	69	61	62	60	60	57
Culture, Media and Sport	3,206	3,648	3,141	3,327	3,462	3,662	3,793	3,776	3,897
Work and Pensions	99,660	103,665	110,255	114,832	118,177	124,137	130,634	136,141	141,649
Scotland	195	–68	–135	–172	–153	337	–91	–81	–75
Wales	–72	190	–94	–73	–33	–45	–52	–34	–18
Northern Ireland Executive	3,818	3,637	3,732	3,815	4,062	4,453	4,453	4,649	4,857
Northern Ireland Office	120	94	125	141	140	142	169	183	191
Chancellor's Departments	15,057	19,447	21,431	23,196	24,738	26,383	29,343	32,047	32,794
Cabinet Office	–1,370	1,078	1,041	33	536	779	1,135	1,447	1,631
Independent Bodies	6	5	8	10	7	3	11	11	11
<b>Total near-cash resource departmental AME</b>	<b>128,281</b>	<b>134,459</b>	<b>142,206</b>	<b>148,301</b>	<b>155,007</b>	<b>163,899</b>	<b>173,208</b>	<b>182,064</b>	<b>189,065</b>
<b>Total near-cash resource budget</b>	<b>333,088</b>	<b>363,509</b>	<b>386,962</b>	<b>408,086</b>	<b>427,384</b>	<b>454,112</b>	<b>477,000</b>	<b>498,900</b>	<b>520,100</b>

Table I.8 Non-cash elements of resource budgets, 2002–03 to 2010–11

	£ 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				
<b>Resource DEL by departmental group</b>										
Children, Schools and Families	–1	17	21	47	0	–12	–36	–38	–25	
Health	2,702	2,453	395	1,950	3,001	5,151	3,181	3,454	3,700	
<i>of which: NHS England</i>	2,690	2,443	378	1,933	2,980	5,133	3,162	3,436	3,682	
Transport	328	213	165	263	559	214	287	344	616	
Innovation, Universities and Skills	849	817	663	822	677	1,025	1,358	1,529	1,641	
CLG Communities	–2	–5	61	35	161	105	153	197	211	
CLG Local Government	0	0	1	1	1	1	–	–	–	
Home Office	150	89	81	116	159	133	202	197	189	
Justice	1,462	253	–235	178	295	304	680	705	729	
Law Officers' Departments	4	5	10	9	7	20	11	11	11	
Defence	16,481	10,017	9,469	10,736	10,039	12,033	10,710	11,431	12,245	
Foreign and Commonwealth Office	145	107	109	171	147	130	157	157	157	
International Development	159	24	105	66	108	48	89	95	98	
Business, Enterprise and Regulatory Reform	1	–37	181	214	133	243	128	111	101	
Environment, Food and Rural Affairs	297	242	349	468	560	362	308	339	346	
Culture, Media and Sport	149	140	129	155	169	179	214	237	273	
Work and Pensions	155	79	88	212	278	239	162	158	153	
Scotland	663	531	977	815	955	912	890	967	1,053	
Wales	370	227	294	324	342	539	510	541	575	
Northern Ireland Executive	307	217	243	297	320	236	345	362	387	
Northern Ireland Office	179	109	244	202	212	358	279	244	253	
Chancellor's Departments	302	145	250	251	266	265	310	302	295	
Cabinet Office	200	224	223	219	237	281	370	396	409	
Independent Bodies	156	164	189	260	149	150	115	124	127	
<b>Total non-cash resource DEL</b>	<b>25,056</b>	<b>16,034</b>	<b>14,010</b>	<b>17,809</b>	<b>18,778</b>	<b>22,915</b>	<b>20,422</b>	<b>21,862</b>	<b>23,543</b>	
<b>Resource departmental AME by departmental group</b>										
Children, Schools and Families	5,589	5,916	5,473	6,930	7,364	9,248	9,364	9,557	9,858	
Health	4,773	8,438	8,796	12,037	13,054	16,777	16,455	17,346	18,215	
<i>of which: NHS England</i>	95	99	55	131	246	545	548	636	724	
Transport	2,168	2,326	2,710	3,041	3,272	3,651	3,937	4,222	4,452	
Innovation, Universities and Skills	137	211	268	359	401	889	1,104	1,340	1,599	
CLG Communities	–5	48	96	70	5	47	58	63	68	
Justice	388	69	74	62	90	101	117	99	98	
Defence	3,658	2,355	1,906	2,634	2,170	3,679	3,926	4,254	4,637	
Foreign and Commonwealth Office	60	40	3	–22	27	23	50	50	50	
International Development	–14	10	15	36	356	45	244	53	53	
Business, Enterprise and Regulatory Reform	2,387	169	–1,548	–1,135	5,834	–581	–463	–249	–209	
Environment, Food and Rural Affairs	–79	10	11	56	–66	–77	–77	–77	–77	
Culture, Media and Sport	66	67	67	70	70	70	70	70	70	
Work and Pensions	155	94	336	262	896	5,342	276	263	269	
Scotland	1,650	1,517	1,872	2,384	2,194	2,847	3,342	3,550	3,775	
Wales	253	341	318	365	373	384	399	414	429	
Northern Ireland Executive	1,062	1,636	2,045	2,523	5,955	3,195	3,601	4,029	4,387	
Northern Ireland Office	–120	–94	83	72	74	94	96	95	99	
Chancellor's Departments	181	131	143	–142	52	26	100	105	110	
Cabinet Office	5,947	3,936	4,337	5,692	5,507	6,814	6,076	6,132	6,259	
Independent Bodies	–2	–2	–3	–9	–6	–2	9	10	10	
<b>Total non-cash resource departmental AME</b>	<b>28,255</b>	<b>27,217</b>	<b>27,003</b>	<b>35,284</b>	<b>47,625</b>	<b>52,573</b>	<b>48,684</b>	<b>51,324</b>	<b>54,152</b>	
<b>Total non-cash resource budget</b>	<b>53,310</b>	<b>43,250</b>	<b>41,013</b>	<b>53,092</b>	<b>66,403</b>	<b>75,488</b>	<b>69,106</b>	<b>73,186</b>	<b>77,695</b>	

**Table I.9 Administration budgets<sup>(1)</sup> by departmental group, 2002–03 to 2010–11**

	£ million								
	National Statistics					2007–08	2008–09	2009–10	2010–11
	2002–03	2003–04	2004–05	2005–06	2006–07	estimated	plans	plans	plans
	outturn	outturn	outturn	outturn	outturn	outturn			
Children, Schools and Families	206	223	234	217	224	223	218	213	207
Health	329	323	314	290	277	281	270	264	257
Transport	385	405	277	314	280	288	282	275	269
Innovation, Universities and Skills	70	73	82	65	66	69	70	68	67
CLG Communities	229	293	314	311	296	291	280	273	267
Home Office	499	492	458	444	399	382	429	419	409
Justice	261	330	428	459	416	431	440	429	414
Law Officers' Departments	51	59	73	67	60	81	70	68	69
Defence <sup>(2)</sup>	2,054	2,137	2,560	2,617	2,357	2,351	2,294	2,238	2,184
Foreign and Commonwealth Office	353	376	405	400	393	438	431	421	412
International Development	85	146	158	162	190	167	163	159	155
Business, Enterprise and Regulatory Reform	417	431	444	439	432	546	441	415	403
Environment, Food and Rural Affairs	435	346	370	392	391	362	356	347	339
Culture, Media and Sport	36	39	40	47	51	55	49	48	46
Work and Pensions	5,586	5,912	5,981	5,849	5,867	5,707	5,697	5,559	5,424
Northern Ireland Office	136	78	82	78	79	70	77	75	74
Chancellor's Departments	3,931	4,177	4,468	4,582	4,827	4,650	4,601	4,487	4,375
Cabinet Office	276	270	270	273	260	270	333	325	317
<i>of which: Security and Intelligence Agencies<sup>(2)</sup></i>	87	87	87	87	88	89	87	85	83
<b>Total administration budgets</b>	<b>15,340</b>	<b>16,111</b>	<b>16,956</b>	<b>17,005</b>	<b>16,866</b>	<b>16,660</b>	<b>16,500</b>	<b>16,084</b>	<b>15,688</b>
<i>of which: administration costs paybill</i>	9,455	10,088	10,704	11,200	10,838	10,453	10,732	10,367	10,141
<b>Administration budgets as a percentage of Total Managed Expenditure</b>	<b>3.7%</b>	<b>3.6%</b>	<b>3.5%</b>	<b>3.3%</b>	<b>3.1%</b>	<b>2.9%</b>	<b>2.7%</b>	<b>2.5%</b>	<b>2.3%</b>

(1) The Statistics Board Main Estimate includes administration expenditure of the Office for National Statistics up to 2007–08 (the period for which the ONS was a ministerial department) but not in plans. This reflects the fact that the Statistics Board was created as an independent body from 1 April 2008, so is outside the administration budgets regime. This table excludes this outturn administration expenditure to provide a consistent series and is in line with the CSR presentation.

(2) The historical data for Defence and Security and Intelligence Agencies are estimates and will be reviewed prior to PESA 2009.

Table I.10 Capital budgets, 2002–03 to 2010–11

	£ million								
	National Statistics					2007–08	2008–09	2009–10	2010–11
	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			
<b>Capital DEL by departmental group</b>									
Children, Schools and Families	2,736	3,471	4,070	4,413	4,052	5,532	6,011	6,376	7,631
Health	2,146	2,689	2,708	2,245	3,194	3,575	4,711	5,475	6,208
<i>of which: NHS England</i>	2,073	2,602	2,624	2,151	3,069	3,316	4,567	5,328	6,059
Transport	5,059	5,233	5,223	4,999	6,505	7,104	7,294	7,614	8,112
Innovation, Universities and Skills	1,102	1,299	1,429	2,004	1,882	2,029	1,990	2,205	2,260
CLG Communities	3,057	4,597	4,984	5,531	5,431	6,036	6,975	7,337	7,524
CLG Local Government	202	214	257	316	223	65	87	107	93
Home Office	654	680	586	626	592	780	854	782	853
Justice	363	364	599	508	536	980	692	779	744
Law Officers' Departments	8	11	11	-23	11	15	13	13	13
Defence	6,115	6,002	6,701	6,410	7,070	8,120	7,871	8,187	8,871
Foreign and Commonwealth Office	102	87	117	132	160	246	206	216	205
International Development	448	302	304	447	765	731	891	1,366	1,556
Business, Enterprise and Regulatory Reform	268	444	220	1,127	1,152	1,128	1,231	1,232	1,235
Environment, Food and Rural Affairs	432	567	489	836	922	910	1,000	1,050	1,200
Culture, Media and Sport	28	124	154	110	284	455	1,045	404	566
Work and Pensions	281	222	290	354	215	100	82	81	71
Scotland	1,906	1,697	2,171	2,390	3,035	3,542	3,147	3,342	3,641
Wales	1,004	985	1,008	1,208	1,319	1,527	1,568	1,678	1,841
Northern Ireland Executive	663	618	767	835	803	1,015	994	1,058	1,156
Northern Ireland Office	53	50	71	59	69	9	72	72	72
Chancellor's Departments	246	229	380	369	302	291	269	262	255
Cabinet Office	176	570	180	242	283	411	361	390	354
Independent Bodies	28	33	102	44	56	63	60	52	45
DEL Reserve	-	-	-	-	-	-	700	700	800
Allowance for Shortfall	-	-	-	-	-	-727	-	-	-
<b>Total capital DEL</b>	<b>27,076</b>	<b>30,484</b>	<b>32,821</b>	<b>35,183</b>	<b>38,862</b>	<b>43,936</b>	<b>48,100</b>	<b>50,700</b>	<b>55,300</b>
<b>Capital departmental AME by departmental group</b>									
Health	-	-	229	649	89	43	10	-	-
<i>of which: NHS England</i>	-	-	229	649	89	43	10	-	-
Innovation, Universities and Skills	1,869	1,910	1,883	2,067	2,822	3,696	4,759	5,366	5,740
CLG Local Government	56	125	-	-	-	-	-	-	-
Defence	-50	-4	-	-	13	-710	-	-	-
Business, Enterprise and Regulatory Reform	-228	-1,092	-342	-958	-1,166	-297	-913	-379	-35
Environment, Food and Rural Affairs	1	1	1	0	0	0	1	1	1
Culture, Media and Sport	1,243	1,197	1,127	1,095	818	885	690	943	850
Work and Pensions	77	90	80	101	185	153	125	131	133
Scotland	216	191	170	150	147	170	124	125	125
Wales	141	146	135	121	128	161	166	169	166
Northern Ireland Executive	90	149	252	249	339	300	434	434	394
Chancellor's Departments	-	400	228	444	255	299	14,260	#	#
<b>Total capital departmental AME<sup>(1)</sup></b>	<b>3,414</b>	<b>3,113</b>	<b>3,764</b>	<b>3,918</b>	<b>3,630</b>	<b>4,700</b>	<b>19,656</b>	<b>7,149</b>	<b>7,844</b>
<b>Total capital budget<sup>(1)</sup></b>	<b>30,490</b>	<b>33,598</b>	<b>36,584</b>	<b>39,101</b>	<b>42,492</b>	<b>48,636</b>	<b>67,700</b>	<b>57,900</b>	<b>63,100</b>

(1) The HM Treasury loan to Northern Rock will be repaid by December 2010. The profile of these repayments will be updated in future PESA, Budget and Pre-Budget Report publications. The totals therefore exclude these repayments.

Table I.11 Capital budgets in real terms<sup>(1)</sup>, 2002–03 to 2010–11

	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 outturn	plans	plans	plans
<b>£ million</b>									
<b>Capital DEL by departmental group</b>									
Children, Schools and Families	3,037	3,744	4,272	4,534	4,052	5,360	5,649	5,835	6,800
Health	2,381	2,900	2,842	2,307	3,194	3,465	4,428	5,010	5,532
<i>of which: NHS England</i>	2,301	2,806	2,754	2,210	3,069	3,214	4,293	4,876	5,400
Transport	5,614	5,644	5,482	5,137	6,505	6,883	6,855	6,968	7,229
Innovation, Universities and Skills	1,223	1,401	1,500	2,059	1,882	1,966	1,870	2,018	2,014
CLG Communities	3,392	4,958	5,231	5,683	5,431	5,849	6,556	6,714	6,705
CLG Local Government	224	231	270	324	223	63	82	98	83
Home Office	726	733	615	643	592	756	803	716	760
Justice	403	393	629	522	536	949	650	713	663
Law Officers' Departments	8	11	12	-24	11	15	12	12	11
Defence	6,786	6,473	7,033	6,586	7,070	7,868	7,398	7,492	7,905
Foreign and Commonwealth Office	113	93	122	135	160	238	194	198	183
International Development	498	325	319	459	765	709	837	1,250	1,387
Business, Enterprise and Regulatory Reform	297	478	231	1,157	1,152	1,093	1,157	1,127	1,101
Environment, Food and Rural Affairs	480	612	513	859	922	882	940	961	1,069
Culture, Media and Sport	31	133	161	113	284	441	982	370	505
Work and Pensions	311	239	305	364	215	97	77	74	63
Scotland	2,115	1,830	2,278	2,456	3,035	3,432	2,958	3,058	3,244
Wales	1,115	1,062	1,058	1,242	1,319	1,479	1,474	1,536	1,641
Northern Ireland Executive	736	666	805	858	803	984	934	968	1,030
Northern Ireland Office	59	54	74	61	69	8	68	66	64
Chancellor's Departments	273	247	399	380	302	282	253	240	228
Cabinet Office	196	615	189	249	283	398	339	357	316
Independent Bodies	31	35	107	45	56	61	57	48	41
DEL Reserve	-	-	-	-	-	-	600	600	700
Allowance for Shortfall	-	-	-	-	-	-704	-	-	-
<b>Total capital DEL</b>	<b>30,049</b>	<b>32,879</b>	<b>34,448</b>	<b>36,148</b>	<b>38,862</b>	<b>42,574</b>	<b>45,200</b>	<b>46,400</b>	<b>49,300</b>
<b>Capital departmental AME by departmental group</b>									
Health	-	-	241	667	89	42	9	-	-
<i>of which: NHS England</i>	-	-	241	667	89	42	9	-	-
Innovation, Universities and Skills	2,074	2,060	1,976	2,124	2,822	3,582	4,472	4,911	5,115
CLG Local Government	62	135	-	-	-	-	-	-	-
Defence	-55	-5	-	-	13	-688	-	-	-
Business, Enterprise and Regulatory Reform	-253	-1,178	-359	-984	-1,166	-288	-858	-347	-31
Environment, Food and Rural Affairs	1	1	1	0	0	0	1	1	1
Culture, Media and Sport	1,380	1,291	1,183	1,125	818	858	649	863	757
Work and Pensions	85	98	84	104	185	148	117	119	119
Scotland	240	206	178	155	147	165	117	114	111
Wales	156	158	141	125	128	156	156	154	148
Northern Ireland Executive	100	160	264	255	339	290	408	398	351
Chancellor's Departments	-	431	239	456	255	289	13,402	#	#
<b>Total capital departmental AME<sup>(1)</sup></b>	<b>3,789</b>	<b>3,358</b>	<b>3,950</b>	<b>4,026</b>	<b>3,630</b>	<b>4,555</b>	<b>18,474</b>	<b>6,542</b>	<b>6,989</b>
<b>Total capital budget<sup>(1)</sup></b>	<b>33,838</b>	<b>36,237</b>	<b>38,398</b>	<b>40,174</b>	<b>42,492</b>	<b>47,128</b>	<b>63,700</b>	<b>53,000</b>	<b>56,200</b>

(1) Real terms figures are the cash figures adjusted to 2006–07 price levels using GDP deflators. For years 2002–03 to 2006–07 deflators are calculated from the latest data from the Office for National Statistics (released 28 March 2008). From 2007–08, deflators are consistent with the March 2008 Financial Statement and Budget Report.

(2) The HM Treasury loan to Northern Rock will be repaid by December 2010. The profile of these repayments will be updated in future PESA, Budget and Pre-Budget Report publications. The totals therefore exclude these repayments.

**Table I.12 Total Departmental Expenditure Limits<sup>(1)</sup>, 2002–03 to 2010–11**

	£ 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				
<b>Resource and net capital DEL</b>										
<b>by departmental group</b>										
Children, Schools and Families	13,330	15,386	16,641	18,713	46,169	50,449	52,908	55,601	59,563	
Health	58,821	65,991	71,366	78,108	82,630	91,833	97,861	104,417	111,437	
<i>of which: NHS England</i>	<i>57,049</i>	<i>64,173</i>	<i>69,051</i>	<i>75,822</i>	<i>80,561</i>	<i>89,568</i>	<i>96,213</i>	<i>102,642</i>	<i>109,568</i>	
Transport	9,643	10,974	11,053	10,795	13,117	13,492	13,256	13,745	14,448	
Innovation, Universities and Skills	12,436	13,374	13,946	15,485	15,854	17,431	18,223	19,198	20,291	
CLG Communities	4,662	7,991	8,555	8,972	9,030	10,240	11,251	11,761	12,078	
CLG Local Government	37,598	41,128	43,571	46,560	22,763	22,804	24,793	25,698	26,485	
Home Office	7,847	8,514	8,499	8,838	8,841	9,276	9,755	9,961	10,334	
Justice	8,234	7,637	7,915	8,137	8,546	9,519	9,625	9,720	9,725	
Law Officers' Departments	518	582	649	657	701	744	730	724	718	
Defence	29,317	31,076	32,977	33,285	33,964	36,906	34,076	35,371	36,897	
Foreign and Commonwealth Office	1,513	1,534	1,760	1,900	1,906	2,110	1,931	1,723	1,723	
International Development	3,434	3,718	3,924	4,532	4,955	5,277	5,738	6,843	7,917	
Business, Enterprise and Regulatory Reform	1,866	2,084	2,181	2,968	3,273	3,971	3,506	3,442	3,437	
Environment, Food and Rural Affairs	2,516	2,867	3,103	3,512	3,867	3,782	3,746	3,815	3,961	
Culture, Media and Sport	1,187	1,281	1,427	1,481	1,726	2,014	2,552	1,971	2,202	
Work and Pensions	7,211	7,937	8,149	8,251	7,898	8,012	7,918	7,743	7,456	
Scotland <sup>(2)</sup>	17,929	19,915	21,212	22,851	24,951	27,029	27,267	28,377	29,752	
Wales <sup>(2)</sup>	9,654	10,532	11,240	11,999	12,839	13,774	14,273	14,965	15,779	
Northern Ireland Executive <sup>(2)</sup>	6,374	6,568	7,082	7,494	7,824	8,557	8,881	9,246	9,675	
Northern Ireland Office	1,093	1,053	1,176	1,188	1,235	1,311	1,184	1,146	1,153	
Chancellor's Departments	4,053	4,362	4,742	4,984	5,042	4,881	4,830	4,711	4,595	
Cabinet Office	1,251	1,692	1,679	1,637	1,858	2,094	2,165	2,319	2,451	
Independent Bodies	672	678	808	810	749	821	871	843	932	
Modernisation Funding	–	–	–	–	–	–	500	400	100	
DEL Reserve	–	–	–	–	–	–	3,000	3,400	3,700	
Allowance for Shortfall	–	–	–	–	–	–1,078	–	–	–	
<b>Total DEL</b>	<b>241,159</b>	<b>266,874</b>	<b>283,655</b>	<b>303,156</b>	<b>319,738</b>	<b>345,249</b>	<b>360,800</b>	<b>377,200</b>	<b>396,700</b>	
<b>Total UK education spending<sup>(3)</sup></b>										
<b>(£ billion)</b>	<b>52.9</b>	<b>59.0</b>	<b>62.9</b>	<b>67.5</b>	<b>70.7</b>	<b>76.2</b>	<b>81.9</b>	<b>86.1</b>	<b>91.5</b>	

(1) Full resource budgeting basis, excluding depreciation.

(2) Allocations within DEL totals may be subject to final decisions in allocation by devolved administrations.

(3) This presents education spending against the UN Classification Of the Functions Of Governments (COFOG) and includes spending by Local Authorities.

**Table I.13 Total Departmental Expenditure Limits<sup>(1)</sup> in real terms<sup>(2)</sup>, 2002–03 to 2010–11**

	£ 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 outturn	plans	plans	plans
<b>Resource and net capital DEL</b>									
<b>by departmental group</b>									
Children, Schools and Families	14,794	16,594	17,466	19,227	46,169	48,885	49,726	50,883	53,076
Health	65,281	71,176	74,903	80,251	82,630	88,985	91,975	95,557	99,300
<i>of which: NHS England</i>	<i>63,314</i>	<i>69,215</i>	<i>72,474</i>	<i>77,903</i>	<i>80,561</i>	<i>86,791</i>	<i>90,427</i>	<i>93,932</i>	<i>97,635</i>
Transport	10,702	11,836	11,601	11,091	13,117	13,073	12,458	12,579	12,875
Innovation, Universities and Skills	13,801	14,425	14,637	15,910	15,854	16,891	17,127	17,569	18,082
CLG Communities	5,173	8,619	8,979	9,218	9,030	9,922	10,574	10,763	10,762
CLG Local Government	41,726	44,359	45,731	47,837	22,763	22,097	23,301	23,518	23,601
Home Office	8,709	9,183	8,920	9,081	8,841	8,989	9,169	9,116	9,208
Justice	9,138	8,237	8,307	8,361	8,546	9,224	9,046	8,895	8,666
Law Officers' Departments	575	627	681	675	701	720	686	662	640
Defence	32,537	33,518	34,612	34,199	33,964	35,762	32,026	32,370	32,878
Foreign and Commonwealth Office	1,679	1,654	1,847	1,952	1,906	2,045	1,815	1,577	1,535
International Development	3,811	4,010	4,119	4,656	4,955	5,113	5,393	6,262	7,055
Business, Enterprise and Regulatory Reform	2,071	2,247	2,289	3,049	3,273	3,847	3,295	3,150	3,062
Environment, Food and Rural Affairs	2,793	3,093	3,257	3,609	3,867	3,664	3,520	3,491	3,530
Culture, Media and Sport	1,317	1,381	1,498	1,521	1,726	1,952	2,399	1,804	1,962
Work and Pensions	8,003	8,561	8,553	8,478	7,898	7,764	7,441	7,086	6,644
Scotland <sup>(3)</sup>	19,898	21,480	22,264	23,478	24,951	26,191	25,627	25,969	26,511
Wales <sup>(3)</sup>	10,714	11,359	11,797	12,329	12,839	13,347	13,415	13,695	14,061
Northern Ireland Executive <sup>(3)</sup>	7,074	7,083	7,433	7,700	7,824	8,292	8,347	8,461	8,622
Northern Ireland Office	1,213	1,136	1,235	1,220	1,235	1,271	1,113	1,048	1,027
Chancellor's Departments	4,498	4,704	4,977	5,121	5,042	4,730	4,540	4,311	4,095
Cabinet Office	1,389	1,825	1,762	1,682	1,858	2,029	2,034	2,122	2,184
Independent Bodies	746	732	848	832	749	795	818	772	831
Modernisation Funding	–	–	–	–	–	–	500	400	0
DEL Reserve	–	–	–	–	–	–	2,800	3,100	3,300
Allowance for Shortfall	–	–	–	–	–	–1,045	–	–	–
<b>Total DEL</b>	<b>267,642</b>	<b>287,840</b>	<b>297,716</b>	<b>311,476</b>	<b>319,738</b>	<b>334,544</b>	<b>339,100</b>	<b>345,200</b>	<b>353,500</b>
<b>Total UK education spending<sup>(4)</sup></b>									
<b>(£ billion)</b>	<b>58.7</b>	<b>63.6</b>	<b>66.0</b>	<b>69.4</b>	<b>70.7</b>	<b>73.8</b>	<b>77.0</b>	<b>78.8</b>	<b>81.5</b>

(1) Full resource budgeting basis, excluding depreciation.

(2) Real terms figures are the cash figures adjusted to 2006–07 price levels using GDP deflators. For years 2002–03 to 2006–07 deflators are calculated from the latest data from the Office for National Statistics (released 28 March 2008). From 2007–08 deflators are consistent with the March 2008 Financial Statement and Budget Report.

(3) Allocations within DEL totals may be subject to final decisions in allocation by devolved administrations.

(4) This presents education spending against the UN Classification Of the Functions Of Governments (COFOG) and includes spending by Local Authorities.

Table I.14 Accounting adjustments<sup>(1)</sup>, 2002–03 to 2010–11

	£ billion								
	2002–03	2003–04	2004–05	2005–06	2006–07	2007–08	2008–09	2009–10	2010–11
	outturn	outturn	outturn	outturn	outturn	estimated outturn	plans	plans	plans
<b>Resource accounting adjustments</b>									
Tax credits for individuals	0.9	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pensions	-19.7	-22.3	-23.2	-30.8	-31.7	-40.7	-40.5	-42.2	-44.4
Other central government programmes	-0.4	0.0	0.0	0.0	-0.1	-0.1	0.0	0.0	-0.0
VAT refunds	6.4	7.4	8.1	8.5	9.4	9.8	10.7	11.5	12.4
Central government capital consumption	5.2	5.5	5.5	5.7	5.9	6.2	6.6	7.1	7.5
Non-cash items not in TME	-33.5	-20.7	-17.6	-22.4	-34.4	-34.8	-28.9	-31.5	-34.2
Resource items treated as capital in									
National Accounts	0.6	0.6	0.9	1.0	1.0	1.0	1.7	2.0	2.2
Capital budget items treated as current									
in National Accounts	-0.8	-0.8	-0.8	-1.6	-0.8	-1.1	-1.2	-1.3	-1.2
Expenditure financed by revenue receipts	5.2	5.2	5.4	6.0	6.5	6.5	6.5	6.6	7.1
Local Authorities	5.7	6.9	6.8	7.6	5.9	8.4	8.4	9.1	9.8
General government consolidation	-5.5	-5.4	-4.5	-4.5	-4.5	-4.7	-4.8	-5.4	-5.5
Public corporations	0.8	0.9	1.0	0.8	0.7	0.6	0.3	-0.1	-0.1
Financial transactions	0.0	0.0	0.0	0.1	0.0	-0.2	-0.2	-0.1	-0.1
Data adjustment	-0.5	-4.1	-2.4	0.0	-0.3	-0.5	-0.7	-0.4	-0.2
Balancing reconciliation	-0.1	-0.1	-0.1	0.0	0.1	-0.1	-0.2	-0.1	-0.1
<b>Total resource accounting adjustments</b>	<b>-35.8</b>	<b>-26.9</b>	<b>-20.8</b>	<b>-29.6</b>	<b>-42.4</b>	<b>-49.6</b>	<b>-42.2</b>	<b>-44.8</b>	<b>-46.7</b>
<b>Capital accounting adjustments</b>									
VAT refunds	1.2	1.3	1.5	1.6	1.7	1.8	1.9	2.0	2.1
Resource items treated as capital in									
National Accounts	0.8	0.8	0.8	1.6	0.8	1.1	1.2	1.3	1.2
Capital budget items treated as current									
in National Accounts	-5.2	-5.2	-5.4	-6.0	-6.5	-6.5	-6.5	-6.6	-7.1
Local Authorities	-1.0	-1.2	-3.6	-3.8	-3.6	-3.5	-3.6	-3.7	-4.0
Financial transactions <sup>(2)</sup>	-3.0	-2.3	-2.1	-2.4	-3.9	-4.3	-20.1	-6.9	-7.4
Data adjustment	0.1	-0.1	2.5	0.1	1.4	0.2	0.3	0.1	-0.1
Balancing reconciliation	0.0	0.0	0.0	-0.2	0.1	-0.1	0.7	0.3	0.3
<b>Total capital accounting adjustments<sup>(2)</sup></b>	<b>-7.1</b>	<b>-6.6</b>	<b>-6.2</b>	<b>-9.0</b>	<b>-9.9</b>	<b>-11.3</b>	<b>-26.1</b>	<b>-13.4</b>	<b>-15.0</b>

(1) The accounting adjustments are described in Appendix D.

(2) The HM Treasury loan to Northern Rock will be repaid by December 2010. The profile of these repayments will be updated in future PESA, Budget and Pre-Budget Report publications. The totals therefore exclude these repayments.

Table I.15 Total Managed Expenditure by spending sector, 2002–03 to 2010–11

	National Statistics								
	2002–03 outturn	2003–04 outturn	2004–05 outturn	2005–06 outturn	2006–07 outturn	2007–08 estimated outturn	2008–09 plans	2009–10 plans	2010–11 plans
<b>£ million</b>									
<b>Central government own expenditure</b>									
DEL <sup>(1)(2)</sup>	171,040	187,402	198,857	212,755	226,225	246,592	254,476	266,134	280,755
Departmental AME <sup>(1)</sup>	145,291	150,151	155,451	169,646	186,163	199,508	205,642	217,296	226,426
Locally financed support in									
Northern Ireland	361	384	417	462	452	589	525	445	463
Net expenditure transfers to the EC	2,782	3,448	4,907	4,435	4,652	5,392	5,490	6,220	6,747
Central government debt interest	20,915	22,280	23,934	25,807	27,576	29,946	30,270	30,332	33,965
Accounting and other adjustments <sup>(2)</sup>	-36,026	-31,821	-28,030	-51,802	-47,936	-58,556	-48,100	-50,100	-52,700
<b>Total central government own expenditure</b>	<b>304,363</b>	<b>331,844</b>	<b>355,535</b>	<b>361,303</b>	<b>397,132</b>	<b>423,471</b>	<b>448,300</b>	<b>470,300</b>	<b>495,700</b>
<b>Local Authority expenditure</b>									
Central government support in DEL <sup>(1)(2)</sup>	67,754	77,931	83,540	89,169	92,600	98,792	102,132	106,634	111,678
Central government support in departmental AME <sup>(1)</sup>	14,574	14,454	16,885	17,875	20,028	21,010	21,837	23,159	24,428
Locally financed support in Scotland	1,718	1,804	1,896	1,897	1,884	1,860	1,963	2,019	2,014
Local Authority self-financed expenditure	17,985	18,335	20,946	24,733	25,821	26,486	27,762	28,232	28,714
Accounting and other adjustments <sup>(2)</sup>	8,814	7,044	8,950	7,176	5,842	7,596	9,300	9,900	10,900
<b>Total local authority expenditure</b>	<b>110,844</b>	<b>119,568</b>	<b>132,217</b>	<b>140,850</b>	<b>146,175</b>	<b>155,743</b>	<b>163,000</b>	<b>169,900</b>	<b>177,700</b>
<b>Public corporation expenditure</b>									
DEL <sup>(1)(2)</sup>	2,365	1,540	1,258	1,232	913	943	729	571	576
Departmental AME <sup>(1)(3)</sup>	86	185	637	-18	72	655	14,069	82	208
Public corporations' own-financed capital expenditure	3,334	2,448	2,946	5,261	5,354	4,683	5,160	5,573	5,670
Accounting and other adjustments <sup>(2)(3)</sup>	50	-87	45	15,631	79	854	-13,600	100	-100
<b>Total public corporation expenditure</b>	<b>5,835</b>	<b>4,086</b>	<b>4,886</b>	<b>22,106</b>	<b>6,418</b>	<b>7,135</b>	<b>6,400</b>	<b>6,300</b>	<b>6,400</b>
<b>Total Managed Expenditure</b>	<b>421,042</b>	<b>455,498</b>	<b>492,638</b>	<b>524,259</b>	<b>549,725</b>	<b>586,349</b>	<b>617,800</b>	<b>646,500</b>	<b>679,800</b>

(1) Full resource budgeting basis, excluding depreciation.

(2) The sectoral DEL figures shown above exclude the Allowance for Shortfall in 2007–08. The DEL Reserve and unallocated amounts of Modernisation Funding are also excluded in 2008–09, 2009–10 and 2010–11. AME figures for 2008–09, 2009–10 and 2010–11 exclude the AME margin. Amounts for the DEL Reserve and Modernisation Funding can be found in Table I.12. The amounts for the AME margin can be found in Table I.1. The accounting and other adjustments in this table differ from those shown in Table I.1 by these amounts.

(3) The HM Treasury loan to Northern Rock will be repaid by December 2010. The profile of these repayments will be updated in future PESA, Budget and Pre-Budget Report publications. The totals therefore exclude these repayments.