

INTRODUCTION AND OVERVIEW

Public Expenditure Statistical Analyses (PESA) is a compendium that brings together recent outturn data, estimated outturns for the latest year and spending plans over the whole range of UK public expenditure. It is published annually as a Command paper, normally alongside the Main Supply Estimates and Supplementary Budgetary Information. Further information on each government department's spending is set out in the individual departmental reports, which will be published sometime after PESA.

The two objectives of PESA

PESA serves two purposes:

- It provides information on Government spending plans and offers a measure of accountability on spending outturns expressed in terms of the aggregates used by the Government for expenditure planning and control. These aggregates – Departmental Expenditure Limits and Annually Managed Expenditure – are reconciled to an aggregate drawn from the national accounts – Total Managed Expenditure (TME) – and to other national accounts expenditure concepts. TME and certain other national accounts measures broadly represent the expenditure side of the measures used for the Government's fiscal framework. PESA includes analyses of public spending by department, spending sector and budgetary control aggregates.
- PESA analyses public expenditure in ways that transcend the budgeting and managerial control frameworks. For statistical analysis, PESA uses an expenditure concept – Total Expenditure on Services (TES) – that is more stable than the budgeting aggregates and that is closer to TME. TES is analysed by function, economic category and country and region.

These twin purposes are reflected in the ordering of the tables:

- Tables in Chapters 1, 2 and 5, and the early tables in chapters 4, 6 and 7 deal mainly with the budgeting aggregates, and their reconciliation to national accounts;
- Tables in Chapters 3 and 8, and the later tables in chapters 4, 6 and 7 provide analyses of TES.

Period covered by PESA tables

All data series in PESA are annual, and for financial years. Tables in PESA normally cover a span of up to nine years – five years' outturns, estimated outturn for the latest year and two or three years' spending plans, depending on the year of the latest Spending Review, where available. (In certain areas, eg. local authority expenditure, detailed plans for future years are not available.) In this year's PESA, plans are available for three years so analyses generally cover the nine years 1999-2000 to 2007-08. Some series are presented over a longer historical period.

Consistency with FSBR

Information in PESA 2005 is consistent with the fiscal projections and public spending plans set out in Chapter C of the 2005 Financial Statement and Budget Report (HC372; 16 March 2005), except in a few areas where later information is available and has been incorporated.

National Statistics in PESA

Most of the outturn data (up to 2003-04) are National Statistics. National Statistics are those figures which Ministers have decided should come within the scope of the principles of the National Statistics Code of Practice. The Code seeks to ensure that National Statistics will be valued for their relevance, integrity, quality and accessibility. More information about National Statistics is available on the National Statistics web site at www.statistics.gov.uk.

The scope of National Statistics in the tables for each chapter of PESA is indicated in the text for that chapter. Where tables contain National Statistics, they show that in column headers.

Estimated outturns for 2004-05 and spending plans for future years are outside the scope of National Statistics. So are certain presentations of data relating to costs within the departmental administration costs control regime.

Public expenditure National Statistics updates

Outturn data to 2003-04 for certain key series in PESA were released on Budget day, 16 March 2005. The key series were:

- Total Managed Expenditure, by budgetary category (PESA 2005 Table 1.1);
- Departmental Expenditure Limits, resource and capital, by departmental group (PESA 2005, DEL parts of Tables 1.5 and 1.9); and
- Total Expenditure on Services by function, (PESA 2005, Table 3.2).

These key series are updated three times throughout the year as National Statistics updates. They will next be updated in a release in July, at the time of publication of the Public Expenditure Outturn White Paper. The July release will include the first provisional estimates of 2004-05 outturns. It will be available on the web in the Public Spending Annual Outturns News Release at http://www.hm-treasury.gov.uk/newsroom_and_speeches/press/press_index.cfm.

Most other series in PESA are only published annually, in PESA.

Additional material

Supplementary material, such as a pdf version of PESA and Excel versions of many of the tables, will be published on the Treasury's website on the day of publication and in the following week: http://www.hm-treasury.gov.uk/economic_data_and_tools/finance_spending_statistics/finexp_index.cfm

Changes from last year's PESA

PESA 2005 contains some limited changes from last year which are set out below. Further details are available in the relevant chapter text.

Discontinued Tables. Four tables have been discontinued from PESA 2004 (PESA 2004 Tables 1.11, 1.15, 1.16 and 5.2). Table 1.11, Invest to Save Budget, has been discontinued as more detailed information is published elsewhere. Tables 1.15 and 1.16 were on the superseded RAB Stage 1 budgeting basis and have been discontinued as data previously published are consistent with audited accounts, and further changes to data are not expected. Table 5.2 has been discontinued as data on staff numbers will now be published quarterly by the Cabinet Office and the Office for National Statistics.

Discontinued Appendix. Appendix D from PESA 2004 has been discontinued as it duplicated most of the information relating to public corporations already contained within Table 7.3. PESA 2005 Table 7.3 has been modified this year to present additional information that was contained in Appendix D (such as whether a public corporation was a trading fund) so none of the information is lost.

Future development of PESA

The form and content of PESA are being reviewed in 2005 through a user consultation exercise. Some tables may be dropped and new analyses added. The Editor would be grateful for notice of any individuals or organisations who wish to be consulted as part of this exercise and for more general comments on how PESA could be made more useful to users:

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