

PUBLIC EXPENDITURE OVERVIEW

1.1 This chapter brings together information on public expenditure within the current budgeting and control framework. It also includes analyses of spending allocations from the central funds, information on Voted and non-Voted components of total public spending, and a breakdown of public expenditure by spending sector.

1.2 Outturn data on the budgeting and control aggregates in Tables 1.1 to 1.10 and 1.15 and 1.16 fall within the scope of National Statistics, as do outturn data in Table 1.14 (spending sectors). Data in Tables 1.11 to 1.13 are not National Statistics.

The Budgeting and Control Framework: DEL, AME and TME

1.3 Table 1.1 summarises public expenditure within the DEL/AME budgeting and control framework, which was first set out in the Economic and Fiscal Strategy Report of June 1988, and in terms of the resource accounting and budgeting system.

1.4 In accordance with the fiscal rules, a clear distinction is made between current and capital spending, with departments having separate resource and capital budgets. 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.

1.5 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. Table 1.1 is in resource terms on a RAB stage 2 basis, as are all the other tables in this chapter, except for 1.15 and 1.16. Departmental AME (which is contained in departments' budgets) includes social security spending, payments under the Common Agricultural Policy, and the various other items of departmental expenditure set out in Table 1.1. The Housing Revenue Account Subsidy line has been discontinued, with the rent rebate element contained in it now reported in the Social Security Benefits line, and the subsidy element incorporated in the Other Programme spending line. For the spending plans set in the 2002 Spending Review, most of each department's non-cash items such as depreciation and capital charges (see paragraph 1.11 below) were brought into DEL (RAB stage 2). Outside departments' budgets, other AME consists of net payments to the EC, locally financed expenditure, debt interest, public corporations own-financed capital expenditure, and accounting and other adjustments.

1.6 Table 1.12 presents a breakdown of the accounting and other adjustments line in Table 1.1. Appendix B gives further details of these accounting and other adjustments.

1.7 DEL and AME together make up Total Managed Expenditure (TME), an aggregate that is drawn from the national accounts and is defined in national accounts terms as public sector current expenditure plus net investment plus depreciation.

1.8 Table 1.2 shows DEL by departmental group. Departmental groups reflect departmental boundaries and names following the Machinery of Government changes announced in June 2003. Full details of departmental groups are set out in Appendix C. The rest of the table shows unallocated amounts remaining in the central funds and in the DEL Reserve. Details of allocations from the Invest to Save Budget are shown in Table 1.11, discussed further below.

1.9 Table 1.3 and 1.4 present the same information as in Tables 1.1 and 1.2 in real terms.

Resource Budgets and Capital Budgets

1.10 Under resource budgeting, departmental spending is separated into Resource Budgets and Capital Budgets, each containing DEL and AME. These are shown in **Table 1.5 and 1.6**, reconciled (using the accounting adjustments from Table 1.1) to the national accounts measures of total current and capital spending.

1.11 Resource Budgets, shown in **Table 1.5**, include the resource costs of the capital assets used to deliver public services. These costs consist of capital consumed in each year (depreciation), and the opportunity cost of tying up resources in these assets (capital charge). **Table 1.7** shows the Resource Budget for each main department.

1.12 Public sector investment shown in **Table 1.6** includes the capital spending of the public sector fully inside departmental budgets, including NHS trusts and non-departmental public bodies, and capital expenditure outside departmental budgets, including public corporations own financed expenditure. **Table 1.8** shows the Capital Budget for each main department.

1.13 **Table 1.9** shows departmental Resource Budgets net of non-cash components. **Table 1.10** shows the non-cash elements of the departmental Resource Budgets in aggregate.

Allocations from Central Funds: Invest to Save Budget

1.14 **Table 1.11** gives details of allocations by department of the Invest to Save Budget. Outturn spending and allocations to departments are included in individual departmental limits in Tables 1.2, 1.4, 1.7 and 1.8. The unallocated amounts remaining in the ISB are shown in a separate line in Tables 1.2, 1.4, 1.7 and 1.8.

Supply Expenditure

1.15 **Table 1.13** shows the split of DEL and AME between money voted in Estimates, which accounts for about two-thirds, and other expenditure. The relationship between the budgetary aggregates (DEL and AME) and Supply Expenditure is explained in more detail in the introductory sections of the 2004-05 Supplementary Budgetary Information (Cm 6133).

Public Expenditure by each Spending Sector

1.16 **Table 1.14** shows a breakdown of TME, and within it DEL and AME, as between the national accounts spending sectors, which are used in many of the analyses in this publication. Central government own expenditure excludes central government spending in support of the spending of other parts of the public sector – local authorities and public corporations – but includes the spending of non-departmental public bodies classified to central government, as well as central government departments' own spending. It includes the spending of the devolved administrations in Scotland, Wales and Northern Ireland, which are classified to central government. Central government own expenditure is 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 4.

I.17 Local authority expenditure is split into central government support (which can be in either DEL or AME), locally financed support in Scotland (the proceeds of non-domestic rates in Scotland which 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 6.

I.18 Public corporations expenditure is also split into DEL and AME. These DEL and Departmental AME components are included in departments' budgets. 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. Different scoring applies to NHS trusts. Further analyses for public corporations are presented in Chapter 7.

DEL, AME and TME Outturn Under RAB Stage 1 Budgeting

I.19 **Table 1.15** is the RAB Stage 1 equivalent of **Table 1.1** and shows outturns from 1998-99 to 2002-03 for Total DEL, AME and its main components, and TME in resource terms, under the budgeting rules that operated for 2001-02 and 2002-03. **Table 1.16** shows outturns for Current and Capital DEL by department over the same period on the same basis. There may be some differences between the data reported in these tables and those included in equivalent National Statistics data releases, as a consequence of more up to date data being included in these PESA tables.

Table I.1 Total Managed Expenditure 1998–99 to 2005–06

	National Statistics							
	1998–99 outturn	1999–00 outturn	2000–01 outturn	2001–02 outturn	2002–03 outturn	2003–04 estimated outturn	2004–05 plans	2005–06 plans
£ million								
Departmental Expenditure Limits								
Resource DEL	173,906	184,221	199,831	215,427	235,314	251,859	263,900	284,000
Capital DEL	12,895	11,957	15,243	18,429	20,729	23,893	26,300	28,900
Less depreciation	7,390	7,378	9,237	9,524	15,471	10,497	11,000	11,700
Total Departmental Expenditure Limits	179,411	188,801	205,837	224,332	240,572	265,255	279,300	301,100
Annually Managed Expenditure								
<i>Departmental AME</i>								
Social security benefits	95,037	99,869	101,849	109,211	113,882	120,738	126,029	127,809
Tax Credits ⁽¹⁾	140	1,268	3,903	5,189	5,829	9,798	11,183	14,258
Common Agricultural Policy	2,990	2,749	2,903	3,622	2,620	2,506	2,535	2,523
Net public service pensions ⁽²⁾	3,331	1,813	1,921	2,944	4,077	1,589	977	234
National Lottery	1,831	1,908	1,855	1,710	1,810	2,000	2,000	1,600
Non-cash items	19,278	19,278	21,112	22,072	28,710	28,218	26,427	26,485
Other departmental expenditure	802	2,324	2,377	1,850	2,201	2,269	3,408	3,292
Total Departmental AME	123,409	129,208	135,921	146,597	159,129	167,118	172,557	176,200
<i>Other AME</i>								
Net payments to EC institutions ⁽³⁾	3,590	2,807	3,734	842	2,274	2,427	2,703	3,687
Locally financed expenditure	17,444	18,483	18,269	20,144	19,820	22,558	24,334	26,128
Central Government gross debt interest	28,760	24,927	25,946	22,047	20,839	22,204	23,928	25,442
Public corporations own-financed capital expenditure	1,437	1,392	971	1,540	1,970	2,471	2,645	2,474
Total Other AME	51,232	47,608	48,920	44,574	44,903	49,661	53,610	57,731
Total AME before Accounting Adjustments	174,641	176,817	184,841	191,171	204,033	216,779	226,167	233,931
AME Margin	—	—	—	—	—	—	1,000	2,000
Accounting adjustments ⁽⁴⁾	-21,363	-21,985	-23,622	-24,955	-25,689	-23,036	-18,860	-16,684
Total Annually Managed Expenditure	153,278	154,831	161,219	166,215	178,344	193,742	208,300	219,200
Total Managed Expenditure	332,689	343,632	367,056	390,547	418,916	458,997	487,600	520,400
<i>of which:</i>								
Current expenditure	313,937	326,608	348,850	367,394	394,791	427,964	449,700	478,900
Net investment	6,410	4,148	4,994	9,370	9,767	16,200	22,400	25,200
Depreciation	12,342	12,876	13,212	13,783	14,358	14,833	15,500	16,300

(1) Tax credits include working tax credits, stakeholder pension credits, and from 2003–04, Child Tax Credits previously included as child allowances in Income Support and Jobseekers' Allowance.

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

(3) Net payments to EC institutions exclude the UK's contribution to the cost of EC aid to non-Member States (which is attributed to the aid programme). Net payments therefore differ from the UK's net contribution to the EC Budget, latest estimates for which are (UK billion):

2002–03	2003–04	2004–05	2005–06
3.1	3.3	3.3	4.3

(4) Excludes depreciation.

Table I.2 Departmental Expenditure Limits⁽¹⁾, 1998–99 to 2005–06

	National Statistics							
	1998–99	1999–00	2000–01	2001–02	2002–03	2003–04	2004–05	2005–06
	outturn	outturn	outturn	outturn	outturn	estimated outturn	plans	plans
£ million								
Resource and Net Capital DEL								
Education and Skills	12,858	13,995	16,664	19,299	23,901	26,242	27,648	31,106
Health	40,511	41,829	45,499	53,399	57,491	65,473	71,124	78,501
of which: NHS	39,771	41,241	44,881	52,469	55,724	63,667	68,882	76,144
Transport	4,613	5,122	4,753	6,830	9,039	10,655	10,752	11,285
Office of the Deputy Prime Minister	4,266	4,336	5,253	4,417	5,353	6,911	7,027	7,460
Local Government	32,734	34,194	35,325	37,006	37,598	41,184	43,684	46,175
Home Office	7,630	7,705	9,090	10,671	11,506	12,607	12,952	13,807
Constitutional Affairs	2,728	2,419	2,793	3,021	3,374	3,366	3,295	3,553
Attorney General's departments	337	335	375	431	492	583	516	575
Defence	28,472	29,482	31,466	30,748	29,327	31,286	29,868	30,813
Foreign and Commonwealth Office	1,136	1,166	1,347	1,387	1,521	1,628	1,484	1,538
International Development	2,420	2,764	2,979	3,150	3,597	3,871	3,759	4,522
Trade and Industry	3,055	3,826	5,942	5,467	4,224	5,425	5,002	5,433
Environment, Food and Rural Affairs	1,954	2,336	2,768	2,772	2,442	2,982	3,216	3,340
Culture, Media and Sport	1,009	1,041	1,059	1,012	1,209	1,499	1,444	1,543
Work and Pensions ⁽²⁾	5,217	5,786	6,101	6,593	7,893	8,418	8,223	8,316
Scotland ⁽³⁾	13,446	14,147	15,143	16,944	18,041	19,972	21,400	22,811
Wales ⁽³⁾	6,802	7,248	7,770	8,582	9,551	10,498	11,096	11,931
Northern Ireland Executive ⁽³⁾	4,774	5,045	5,789	5,920	6,930	7,126	7,068	7,503
Northern Ireland Office	1,008	1,133	979	1,085	1,098	1,106	1,157	1,214
Chancellor's departments	3,207	3,437	3,377	4,047	4,293	4,789	4,903	5,182
Cabinet Office	1,234	1,456	1,365	1,552	1,692	2,197	1,906	1,922
Invest to Save Budget	—	—	—	—	—	—	20	20
Reserve	—	—	—	—	—	—	1,400	2,600
Unallocated Special Reserve ⁽⁴⁾	—	—	—	—	—	—	300	—
Allowance for Shortfall	—	—	—	—	—	-2,563	—	—
Total DEL	179,411	188,801	205,837	224,332	240,572	265,255	279,300	301,100
Total Education Spending⁽⁵⁾	38.8	40.8	44.4	49.7	53.8	59.5	63.2	68.1

(1) Full resource budgeting basis, net of depreciation.

(2) Includes Welfare to Work expenditure financed by the Windfall Tax.

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

(4) This represents provision for the costs of the military conflict in Iraq and other International obligations.

(5) Includes spending by local authorities and devolved administrations.

Table I.3 Total Managed Expenditure (real terms), 1998–99 to 2005–06⁽¹⁾

	National Statistics							
	1998–99 outturn	1999–00 outturn	2000–01 outturn	2001–02 outturn	2002–03 outturn	2003–04 estimated outturn	2004–05 plans	2005–06 plans
£ million								
Departmental Expenditure Limits								
Resource DEL	191,040	197,989	212,020	222,730	235,314	245,025	251,000	263,400
Capital DEL	14,165	12,851	16,173	19,053	20,729	23,245	25,000	26,800
Less depreciation	8,118	7,929	9,800	9,846	15,471	10,212	10,400	10,900
Total Departmental Expenditure Limits	197,087	202,911	218,392	231,937	240,572	258,058	265,600	279,300
Annually Managed Expenditure								
<i>Departmental AME</i>								
Social security benefits	104,401	107,333	108,062	112,913	113,882	117,462	119,843	118,548
Tax Credits ⁽²⁾	154	1,363	4,141	5,365	5,829	9,532	10,634	13,225
Common Agricultural Policy	3,284	2,954	3,080	3,745	2,620	2,438	2,410	2,340
Net public service pensions ⁽³⁾	3,659	1,948	2,038	3,044	4,077	1,546	929	217
National Lottery	2,011	2,051	1,968	1,768	1,810	1,946	1,902	1,484
Non-cash items	21,178	20,719	22,400	22,820	28,710	27,453	25,130	24,566
Other departmental expenditure	0,881	2,498	2,523	1,912	2,201	2,207	3,240	3,053
Total departmental AME	135,568	138,865	144,211	151,567	159,129	162,583	164,089	163,432
<i>Other AME</i>								
Net payments to EC institutions ⁽⁴⁾	3,944	3,016	3,962	871	2,274	2,361	2,570	3,420
Locally financed expenditure	19,163	19,864	19,383	20,827	19,820	21,946	23,140	24,235
Central Government gross debt interest	31,594	26,790	27,529	22,794	20,839	21,602	22,754	23,598
Public corporations own-financed capital expenditure	1,579	1,496	1,030	1,592	1,970	2,404	2,515	2,295
Total Other AME	56,279	51,166	51,904	46,085	44,903	48,313	50,979	53,548
Total AME before Accounting Adjustments	191,848	190,032	196,115	197,652	204,033	210,897	215,067	216,981
AME Margin	—	—	—	—	—	—	1,000	1,900
Accounting adjustments ⁽⁵⁾	-23,467	-23,629	-25,062	-25,801	-25,689	-22,411	-17,934	-15,475
Total Annually Managed Expenditure	168,380	166,403	171,053	171,850	178,344	188,486	198,000	203,400
Total Managed Expenditure	365,468	369,314	389,445	403,787	418,916	446,543	463,700	482,700
<i>of which:</i>								
Current expenditure	344,868	351,018	370,129	379,849	394,791	416,352	427,600	444,200
Net investment	7,042	4,458	5,299	9,688	9,767	15,761	21,300	23,300
Depreciation	13,558	13,838	14,018	14,250	14,358	14,430	14,800	15,100

(1) At 2002–03 prices using GDP deflators consistent with the March 2004 Financial Statement and Budget Report. For other footnotes, please see footnotes for Table I.1.

Table I.4 Departmental Expenditure Limits,⁽¹⁾ (real terms), 1998–99 to 2005–06⁽²⁾

	National Statistics							
	1998–99	1999–00	2000–01	2001–02	2002–03	2003–04	2004–05	2005–06
	outturn	outturn	outturn	outturn	outturn	estimated outturn	plans	plans
£ million								
Resource and Net Capital DEL								
Education and Skills	14,125	15,041	17,680	19,953	23,901	25,530	26,291	28,852
Health	44,503	44,955	48,275	55,209	57,491	63,697	67,634	72,813
of which: NHS	43,689	44,323	47,619	54,248	55,724	61,939	65,502	70,627
Transport	5,067	5,505	5,043	7,061	9,039	10,366	10,224	10,468
Office of the Deputy Prime Minister	4,686	4,660	5,574	4,567	5,353	6,723	6,682	6,920
Local Government	35,960	36,749	37,480	38,260	37,598	40,066	41,540	42,829
Home Office	8,381	8,281	9,644	11,033	11,506	12,265	12,317	12,807
Constitutional Affairs	2,996	2,599	2,963	3,123	3,374	3,275	3,133	3,296
Attorney General's departments	370	360	398	445	492	567	491	533
Defence	31,277	31,685	33,385	31,791	29,327	30,437	28,402	28,580
Foreign and Commonwealth Office	1,248	1,254	1,429	1,434	1,521	1,583	1,411	1,427
International Development	2,658	2,970	3,161	3,257	3,597	3,766	3,574	4,194
Trade and Industry	3,356	4,112	6,305	5,653	4,224	5,278	4,757	5,039
Environment, Food and Rural Affairs	2,146	2,511	2,937	2,866	2,442	2,901	3,058	3,098
Culture, Media and Sport	1,109	1,119	1,123	1,046	1,209	1,458	1,373	1,431
Work and Pensions ⁽³⁾	5,731	6,218	6,473	6,816	7,893	8,190	7,819	7,713
Scotland ⁽⁴⁾	14,771	15,204	16,066	17,518	18,041	19,430	20,350	21,158
Wales ⁽⁴⁾	7,472	7,789	8,244	8,873	9,551	10,213	10,551	11,067
Northern Ireland Executive ⁽⁴⁾	5,245	5,422	6,142	6,121	6,930	6,932	6,721	6,959
Northern Ireland Office	1,107	1,217	1,039	1,122	1,098	1,076	1,100	1,126
Chancellor's departments	3,523	3,693	3,583	4,184	4,293	4,659	4,662	4,807
Cabinet Office	1,356	1,565	1,449	1,604	1,692	2,138	1,813	1,782
Invest to Save Budget	—	—	—	—	—	—	17	15
Reserve	—	—	—	—	—	—	1,400	2,400
Unallocated Special Reserve ⁽⁵⁾	—	—	—	—	—	—	300	—
Allowance for Shortfall	—	—	—	—	—	-2,493	—	—
Total DEL	197,087	202,911	218,392	231,937	240,572	258,058	265,600	279,300
Total Education Spending⁽⁵⁾	42.7	43.9	47.1	51.4	53.8	57.9	60.1	63.3

(1) Full resource budgeting basis, net of depreciation.

(2) At 2002–03 prices, using GDP deflators consistent with the March 2004 Financial Statement and Budget Report.

(3) Includes Welfare to Work expenditure financed by the Windfall Tax.

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

(5) This represents provision for the costs of the military conflict in Iraq and other International obligations.

(6) See footnote (5) to Table I.2.

Table I.5 Public Sector Current Expenditure, 1998–99 to 2005–06

	National Statistics							
	1998–99	1999–00	2000–01	2001–02	2002–03	2003–04	2004–05	2005–06
	outturn	outturn	outturn	outturn	outturn	estimated outturn	plans	plans
£ million								
Resource Budget								
Resource DEL	173,906	184,221	199,831	215,427	235,314	251,859	263,900	284,000
Resource departmental AME	122,916	127,493	133,911	145,585	157,833	165,198	169,784	175,332
Total Resource Budget	296,822	311,714	333,742	361,012	393,147	417,056	433,700	459,300
<i>Current spending in other AME:</i>								
Net payments to EC institutions ⁽¹⁾	3,590	2,807	3,734	842	2,274	2,427	2,703	3,687
Locally financed current expenditure	15,984	17,653	18,642	18,951	19,180	21,291	22,169	23,821
Central Government gross debt interest	28,760	24,927	25,946	22,047	20,839	22,204	23,928	25,442
AME Margin (current)	—	—	—	—	—	—	900	1,800
Remove items classified as capital in National Accounts	-4,995	-7,071	-4,872	-6,814	-7,848	-8,648	-9,319	-11,877
Accounting and other adjustments	-26,224	-23,421	-28,342	-28,644	-32,801	-26,367	-24,400	-23,267
Public Sector Current Expenditure	313,937	326,608	348,850	367,394	394,791	427,964	449,700	478,900

(1) See footnote (3) to Table I.1.

Table I.6 Public Sector Net Investment, 1998–99 to 2005–06

	National Statistics							
	1998–99	1999–00	2000–01	2001–02	2002–03	2003–04	2004–05	2005–06
	outturn	outturn	outturn	outturn	outturn	estimated	plans	plans
						outturn		
£ million								
Capital Budget								
Capital DEL	12,895	11,957	15,243	18,429	20,729	23,893	26,300	28,900
Capital departmental AME	493	1,716	2,009	1,012	1,297	1,920	2,773	868
Total Capital Budget	13,388	13,673	17,252	19,440	22,026	25,813	29,100	29,800
<i>Capital spending in other AME:</i>								
Public corporations own-financed								
capital expenditure	1,437	1,392	971	1,540	1,970	2,471	2,645	2,474
Locally financed capital expenditure	1,460	830	–373	1,193	640	1,267	2,165	2,307
AME Margin (capital)	—	—	—	—	—	—	100	200
Add resource budget classified as capital								
in National Accounts	4,995	7,071	4,872	6,814	7,848	8,648	9,319	11,877
Accounting and other adjustments	–2,528	–5,942	–4,516	–5,834	–8,359	–7,166	–5,438	–5,143
Public Sector gross investment	18,752	17,024	18,206	23,153	24,125	31,033	37,900	41,500
Less Depreciation (national accounts)	12,342	12,876	13,212	13,783	14,358	14,833	15,500	16,300
Public Sector net investment	6,410	4,148	4,994	9,370	9,767	16,200	22,400	25,200

Table I.7 Resource Budgets, 1998–99 to 2005–06

	National Statistics							
	1998–99	1999–00	2000–01	2001–02	2002–03	2003–04	2004–05	2005–06
	outturn	outturn	outturn	outturn	outturn	estimated	plans	plans
						outturn		
£ million								
Resource DEL								
Education and Skills	11,910	12,895	14,734	17,213	21,214	22,923	23,894	26,708
Health	39,919	41,294	44,564	51,987	55,946	63,148	68,656	74,842
of which: NHS	39,225	40,755	44,000	51,150	54,241	61,412	66,483	72,555
Transport	3,436	4,027	3,378	4,444	6,209	7,972	7,451	8,370
Office of the Deputy Prime Minister	2,474	2,767	2,932	2,683	3,870	4,673	4,712	5,048
Local Government	32,375	33,922	35,270	36,922	37,396	40,951	43,359	45,826
Home Office	7,426	7,446	8,832	10,285	11,113	11,878	12,181	12,980
Constitutional Affairs	2,686	2,311	2,806	2,991	3,341	3,265	3,275	3,526
Attorney General's departments	337	336	367	439	487	573	508	568
Defence	29,358	31,329	33,394	32,334	36,437	32,304	31,590	32,539
Foreign and Commonwealth Office	1,082	1,132	1,498	1,429	1,546	1,695	1,545	1,594
International Development	2,445	2,743	3,000	3,137	3,596	3,853	3,765	4,536
Trade and Industry	3,097	3,918	5,983	5,420	3,968	4,967	4,964	5,484
Environment, Food and Rural Affairs	1,831	2,244	2,718	2,667	2,319	2,816	3,082	3,203
Culture, Media and Sport	961	1,039	1,086	1,049	1,236	1,392	1,455	1,542
Work and Pensions ⁽¹⁾	5,592	5,798	6,115	6,478	7,271	8,434	8,104	8,341
Scotland	12,704	13,219	14,077	15,353	16,560	18,896	19,616	20,888
Wales	6,411	6,943	7,359	8,232	9,110	9,962	10,387	11,150
Northern Ireland Executive	4,547	4,809	5,674	5,748	6,610	6,718	6,761	7,167
Northern Ireland Office	1,011	1,135	974	1,075	1,101	1,085	1,149	1,191
Chancellor's departments	3,282	3,540	3,767	4,023	4,355	4,744	4,783	5,099
Cabinet Office	1,022	1,374	1,305	1,518	1,628	1,795	1,886	1,889
Invest to Save Budget	—	—	—	—	—	—	13	9
Reserve	—	—	—	—	—	—	500	1,500
Unallocated Special Reserve	—	—	—	—	—	—	300	—
Allowance for shortfall	—	—	—	—	—	–2,184	—	—
Total Resource DEL	173,906	184,221	199,831	215,427	235,314	251,859	263,900	284,000

(1) Includes Welfare to Work expenditure financed from the Windfall Tax.

Table I.7 Resource Budgets, 1998–99 to 2005–06 (continued)

	£ million							
	National Statistics					2003–04 estimated outturn	2004–05 plans	2005–06 plans
	1998–99 outturn	1999–00 outturn	2000–01 outturn	2001–02 outturn	2002–03 outturn			
Resource Departmental AME								
Education and Skills	6,096	6,273	6,402	6,786	7,069	6,761	7,150	7,620
Health	5,403	3,521	3,782	3,949	4,569	5,732	6,194	6,692
<i>of which: NHS</i>	—	—	—	—	—	–0	3	—
Transport	2,075	1,771	1,725	2,107	3,055	3,210	2,089	1,579
Office of the Deputy Prime Minister	492	472	449	355	241	1,790	1,579	1,413
Local Government	109	200	61	498	170	320	300	—
Home Office	–1	312	1	173	2,013	41	1	1
Constitutional Affairs	81	87	92	96	101	59	64	68
Defence	3,949	4,154	4,420	4,482	6,151	4,670	4,463	4,486
Foreign and Commonwealth Office	—	–1	—	–0	–1	–0	–1	–1
International Development	132	58	81	59	51	78	75	72
Trade and Industry	305	777	879	1,149	3,137	2,120	153	458
Environment, Food and Rural Affairs	2,326	2,172	3,614	2,478	1,800	1,459	1,819	1,830
Culture, Media and Sport	1,148	1,169	1,403	1,359	1,514	1,473	960	1,422
Work and Pensions	83,360	87,030	88,439	95,558	99,975	104,323	109,292	111,156
Scotland	1,994	1,732	1,793	2,208	2,217	2,210	2,197	2,175
Wales	108	94	88	310	366	554	485	481
Northern Ireland Executive	3,771	3,934	4,807	5,100	5,640	5,537	5,798	6,073
Northern Ireland Office	–88	–92	3	42	35	25	38	46
Chancellor's departments	7,461	9,640	12,622	14,176	15,155	19,608	21,768	24,819
Cabinet Office	4,197	4,190	3,251	4,701	4,572	5,230	5,361	4,943
Total Resource Departmental AME	122,916	127,493	133,911	145,585	157,833	165,198	169,784	175,332
Total Resource Budget	296,822	311,714	333,742	361,012	393,147	417,056	433,700	459,300

Table I.8 Capital Budgets, 1998–99 to 2005–06

	£ million							
	National Statistics					2003–04 estimated outturn	2004–05 plans	2005–06 plans
	1998–99 outturn	1999–00 outturn	2000–01 outturn	2001–02 outturn	2002–03 outturn			
Capital DEL								
Education and Skills	961	1,110	1,944	2,110	2,720	3,357	3,801	4,445
Health	746	899	1,227	1,717	1,976	2,724	3,026	4,319
<i>of which: NHS</i>	700	850	1,173	1,623	1,903	2,640	2,943	4,237
Transport	1,190	1,115	1,405	2,430	3,103	3,317	3,653	3,301
Office of the Deputy Prime Minister	1,795	1,578	2,334	1,750	1,492	2,249	2,330	2,428
Local Government	360	272	56	84	202	233	325	349
Home Office	466	395	403	576	654	967	1,004	1,071
Constitutional Affairs	75	37	38	84	88	177	103	119
Attorney General's departments	5	4	14	23	8	15	15	15
Defence	5,302	4,051	5,391	5,836	6,149	6,415	6,327	6,880
Foreign and Commonwealth Office	86	88	105	60	108	71	71	84
International Development	-22	25	-16	24	17	39	18	14
Trade and Industry	24	5	49	171	349	602	161	73
Environment, Food and Rural Affairs	179	189	170	250	254	330	334	344
Culture, Media and Sport	101	57	34	37	44	194	82	97
Work and Pensions ⁽¹⁾	-302	47	41	162	275	174	240	95
Scotland	805	1,041	1,173	1,761	1,600	1,253	1,960	2,099
Wales	542	481	556	541	679	731	918	998
Northern Ireland Executive	237	246	304	353	494	474	374	404
Northern Ireland Office	23	25	35	41	53	69	57	72
Chancellor's departments	92	87	-223	205	260	276	342	309
Cabinet Office	231	202	202	213	203	605	240	248
Invest to Save Budget	—	—	—	—	—	—	5	7
Reserve	—	—	—	—	—	—	1,000	1,100
Allowance for shortfall	—	—	—	—	—	-379	—	—
Total Capital DEL	12,895	11,957	15,243	18,429	20,729	23,893	26,300	28,900
Capital Departmental AME								
Education and Skills	1	3	2	3	5	4	1	1
Health	—	—	—	—	—	—	479	—
<i>of which: NHS</i>	—	—	—	—	—	—	479	—
Office of the Deputy Prime Minister	—	21	255	—	548	125	840	792
Local Government	—	—	—	50	210	125	—	—
Defence	—	—	—	111	-50	—	-28	-15
Foreign and Commonwealth Office	—	—	—	5	5	5	5	5
Trade and Industry	-226	919	1,260	389	184	310	130	-405
Environment, Food and Rural Affairs	9	2	1	1	1	1	1	1
Culture, Media and Sport	709	741	468	377	308	1,050	1,050	188
Work and Pensions	—	29	22	75	77	87	95	89
Wales	—	—	—	—	7	10	—	—
Northern Ireland Executive	—	—	—	—	—	201	200	200
Chancellor's departments	—	—	—	—	—	—	—	—
Total Capital Departmental AME	493	1,716	2,009	1,012	1,297	1,920	2,773	868
Total Capital Budget	13,388	13,673	17,252	19,440	22,026	25,813	29,100	29,800

(1) Includes Welfare to Work expenditure financed from the Windfall Tax.

Table I.9 Cash Equivalent Resource Budgets, 1998–99 to 2005–06

	£ million							
	National Statistics					2003–04 estimated outturn	2004–05 plans	2005–06 plans
	1998–99 outturn	1999–00 outturn	2000–01 outturn	2001–02 outturn	2002–03 outturn			
Resource DEL⁽¹⁾								
Education and Skills	11,891	12,533	14,785	17,109	21,031	22,889	23,853	26,665
Health	38,216	39,874	43,307	48,213	53,822	60,885	65,949	71,724
of which: NHS	37,523	39,335	42,744	47,378	52,129	59,164	63,789	69,450
Transport	3,448	4,087	3,583	4,510	5,767	7,394	7,244	8,130
Office of the Deputy Prime Minister	2,465	2,707	2,834	2,638	3,871	4,634	4,619	4,902
Local Government	32,375	33,922	35,269	36,922	37,396	40,950	43,359	45,826
Home Office	6,863	7,148	8,508	9,897	10,632	11,557	11,772	12,550
Constitutional Affairs	2,615	2,044	2,623	2,723	3,157	3,340	3,294	3,378
Attorney General's departments	333	330	360	402	484	565	498	556
Defence	18,378	19,984	19,391	18,554	19,956	21,494	20,305	20,702
Foreign and Commonwealth Office	965	1,037	1,201	1,277	1,333	1,488	1,353	1,388
International Development	2,012	2,527	2,731	3,131	3,352	3,922	3,809	4,488
Trade and Industry	2,965	2,956	3,342	4,009	3,933	4,651	4,694	5,207
Environment, Food and Rural Affairs	1,703	1,998	1,995	2,940	2,121	2,655	2,767	2,880
Culture, Media and Sport	866	944	978	918	1,099	1,220	1,276	1,359
Work and Pensions	5,581	5,744	6,067	6,425	7,555	8,242	7,991	8,233
Scotland	12,345	12,854	13,637	14,811	16,122	18,356	19,090	20,346
Wales	6,209	6,717	7,164	7,962	8,770	9,648	10,041	10,780
Northern Ireland Executive	4,466	4,717	5,017	5,298	5,936	6,543	6,584	6,987
Northern Ireland Office	964	962	1,040	1,088	1,042	1,076	1,120	1,149
Chancellor's departments	3,155	3,364	3,565	3,831	3,965	4,470	4,506	4,810
Cabinet Office	985	1,213	1,127	1,267	1,389	1,511	1,571	1,581
Total cash Resource DEL⁽¹⁾	158,798	167,663	178,524	193,926	212,733	237,490	245,694	263,642
Resource departmental AME								
Education and Skills	893	868	784	920	898	295	356	484
Health	1,371	—	—	—	—	1	—	—
of which: NHS	—	—	—	—	—	1	—	—
Transport	—	92	—	7	-2	—	—	—
Office of the Deputy Prime Minister	487	468	445	351	239	1,789	1,578	1,412
Local Government	109	200	61	498	170	320	300	—
Home Office	-1	312	1	179	2,025	41	1	1
Constitutional Affairs	40	43	45	46	47	1	2	4
Defence	1,281	1,302	1,428	1,334	1,174	1,165	1,271	1,081
Foreign and Commonwealth Office	—	-1	—	—	-1	—	-1	-1
International Development	132	—	—	—	—	—	—	—
Trade and Industry	316	195	340	226	727	846	943	991
Environment, Food and Rural Affairs	2,317	2,163	2,280	3,512	1,884	1,423	1,809	1,819
Culture, Media and Sport	1,148	1,169	1,403	1,359	1,512	1,474	960	1,422
Work and Pensions	83,139	86,803	88,311	95,471	99,789	104,208	109,188	111,055
Scotland	587	570	587	812	673	871	786	688
Wales	108	94	88	76	110	280	252	248
Northern Ireland Executive	3,671	3,734	3,790	3,904	3,946	3,828	3,998	4,180
Northern Ireland Office	-88	-92	3	42	35	25	38	46
Chancellor's departments	7,435	9,533	12,517	14,071	15,049	19,507	21,087	25,297
Cabinet Office	493	548	597	623	661	802	698	28
Total cash Resource departmental AME	103,437	108,001	112,679	123,432	128,975	136,875	143,265	148,757
Total cash Resource budget⁽¹⁾	262,234	275,664	291,202	317,358	341,708	374,365	388,959	412,399

(1) The cash resource DEL and cash resource budget figures shown above exclude the allowance for shortfall in DEL in 2003–04, and exclude the unallocated special reserve in 2004–05, and for 2004–05 and 2005–06, also exclude the Reserve and Invest to Save Budget. These items are part of resource budgets, as shown in Table I.7, but are not specified as cash or non-cash at this planning stage.

Table I.10 Non-cash Resource Budgets, 1998–99 to 2005–06

	£ million							
	National Statistics						2004–05 plans	2005–06 plans
	1998–99 outturn	1999–00 outturn	2000–01 outturn	2001–02 outturn	2002–03 outturn	2003–04 estimated outturn		
Resource DEL⁽¹⁾								
Education and Skills	18	362	–51	104	183	34	40	43
Health	1,702	1,420	1,257	3,774	2,123	2,263	2,707	3,118
<i>of which: NHS</i>	1,702	1,420	1,256	3,772	2,112	2,248	2,694	3,105
Transport	–13	–60	–205	–66	442	577	207	240
Office of the Deputy Prime Minister	9	60	98	45	–1	39	93	146
Local Government	—	—	—	—	—	—	—	—
Home Office	563	298	324	387	481	320	409	430
Constitutional Affairs	71	266	182	268	184	–75	–19	148
Attorney General's departments	5	7	7	37	4	8	10	11
Defence	10,980	11,345	14,003	13,780	16,481	10,809	11,285	11,837
Foreign and Commonwealth Office	117	95	297	152	213	207	192	207
International Development	433	216	268	6	245	–70	–44	48
Trade and Industry	132	962	2,640	1,411	36	316	269	277
Environment, Food and Rural Affairs	128	247	723	–273	198	161	316	322
Culture, Media and Sport	95	94	108	131	137	172	179	183
Work and Pensions	11	53	48	53	–284	191	113	109
Scotland	360	365	440	542	438	541	526	543
Wales	202	226	196	269	340	314	346	370
Northern Ireland Executive	81	92	658	450	674	175	177	179
Northern Ireland Office	48	174	–66	–13	59	9	29	42
Chancellor's departments	127	176	202	193	390	274	277	289
Cabinet Office	38	161	178	251	239	284	315	308
Total non-cash Resource DEL⁽¹⁾	15,108	16,558	21,307	21,501	22,581	16,553	17,428	18,850
Resource departmental AME								
Education and Skills	5,202	5,406	5,617	5,865	6,171	6,466	6,794	7,136
Health	4,032	3,521	3,782	3,949	4,569	5,731	6,194	6,692
<i>of which: NHS</i>	—	—	—	—	—	–2	3	—
Transport	2,075	1,678	1,725	2,100	3,058	3,210	2,089	1,579
Office of the Deputy Prime Minister	6	4	4	3	2	1	1	1
Home Office	—	—	—	–6	–12	—	—	—
Constitutional Affairs	41	44	47	51	54	58	62	64
Defence	2,668	2,851	2,992	3,148	4,977	3,505	3,192	3,404
International Development	—	58	81	60	52	78	75	72
Trade and Industry	–11	582	539	923	2,410	1,275	–790	–534
Environment, Food and Rural Affairs	9	9	1,334	–1,034	–84	35	11	11
Culture, Media and Sport	—	—	—	—	1	–1	—	—
Work and Pensions	221	227	129	88	146	115	104	101
Scotland	1,407	1,162	1,206	1,395	1,545	1,339	1,411	1,487
Wales	—	—	—	234	256	274	233	233
Northern Ireland Executive	100	200	1,017	1,196	1,694	1,709	1,800	1,893
Chancellor's departments	26	106	106	105	107	101	681	–479
Cabinet Office	3,704	3,642	2,653	4,078	3,912	4,427	4,663	4,915
Total non-cash Resource departmental AME	19,480	19,491	21,233	22,153	28,857	28,323	26,520	26,575
Total non-cash Resource budget⁽¹⁾	34,588	36,050	42,540	43,654	51,438	44,875	43,948	45,425

(1) See footnote 1 to table I.9.

Table I.11 Invest to Save Budget, 1999–2000 to 2005–06⁽¹⁾

	£ million						
	1999–00	2000–01	2001–02	2002–03	2003–04	2004–05	2005–06
	outturn	outturn	outturn	outturn	estimated outturn	Plans	Plans
Education and Skills	2.1	0.1	0.4	2.8	4.4	0.4	0.2
Health	0.2	5.9	6.7	4.6	2.6	2.5	3.6
Transport	0.2	0.1	—	0.8	3.3	0.4	0.1
Office of Deputy Prime Minister	0.3	4.1	12.8	15.6	18.2	12.2	1.2
Local Government	—	0.1	0.3	0.2	0.6	0.8	—
Home Office	0.5	4.7	6.0	9.0	16.0	2.1	1.4
Constitutional Affairs	0.6	2.4	0.3	1.4	1.7	0.1	0.1
Attorney General's Departments	—	—	—	—	—	10.0	8.6
Defence	—	0.1	2.2	0.2	0.4	—	—
Foreign and Commonwealth Office	—	—	—	—	—	—	—
Trade and Industry	—	1.2	3.0	7.6	1.7	1.2	0.7
Environment, Food and Rural Affairs	—	—	—	1.1	1.0	1.0	1.1
Culture, Media and Sport	0.1	—	0.4	2.8	3.1	0.7	—
Work and Pensions	30.4	16.1	21.0	0.6	4.9	3.1	3.1
Scotland	—	0.5	0.3	0.4	5.1	2.2	1.8
Wales	0.4	1.7	8.4	6.2	2.2	0.4	0.3
Northern Ireland Executive	1.2	0.5	0.5	1.8	1.1	0.3	0.2
Northern Ireland Office	0.1	0.1	—	—	—	—	—
Chancellor's Departments	1.8	3.0	3.3	1.6	2.2	1.9	—
Cabinet Office	—	0.8	0.1	0.6	3.0	—	—
Unallocated	—	—	—	—	—	17.7	15.9
Total Invest to Save Budget	37.8	41.3	65.6	57.2	71.5	57.0	38.2

(1) The departments allocated resources from the Invest to Save Budget are, in each case, the lead departments for innovative service delivery projects involving two or more departments.

Table I.12 Accounting adjustments, 1998–99 to 2005–06

	£ billion							
	1998–99	1999–00	2000–01	2001–02	2002–03	2003–04	2004–05	2005–06
	outturn	outturn	outturn	outturn	outturn	estimated outturn	plans	plans
Tax credits for individuals	1.9	1.8	1.0	0.8	0.9	0.1	—	—
Pensions	-15.5	-13.5	-13.5	-16.6	-19.8	-22.0	-22.4	-23.8
European Community contributions	-6.2	-5.5	-6.3	-6.1	-4.1	-4.4	-4.0	-3.9
Other central government programmes	1.5	1.6	1.9	2.2	2.2	2.1	1.7	2.0
VAT refunds	5.3	5.8	6.7	7.6	8.8	10.3	11.1	12.2
Central government capital consumption	4.2	4.4	4.4	4.4	4.5	4.6	4.9	5.2
Non-cash items not in TME	-11.2	-13.6	-18.4	-20.0	-19.6	-12.8	-10.8	-9.9
Expenditure financed by revenue receipts	0.1	0.1	0.2	0.2	0.5	0.4	0.5	0.4
Local authorities	3.8	3.9	4.0	4.3	4.6	3.3	4.8	5.1
General government consolidation	-5.2	-5.2	-5.2	-5.1	-6.2	-4.9	-5.5	-5.6
Public corporations	1.3	1.3	1.5	1.3	1.4	0.9	1.0	1.1
Financial transactions	0.4	-0.9	-1.3	-0.1	-0.5	-0.3	0.1	0.8
Data adjustment	-0.3	-0.1	-0.1	-0.1	—	-0.2	-0.3	-0.3
Balancing reconciliation to national accounts	-1.5	-2.0	1.6	2.2	1.7	—	—	—
Total accounting adjustments	-21.4	-22.0	-23.6	-25.0	-25.7	-23.0	-18.9	-16.7

The accounting adjustments are described in Appendix B.

Table I.13 Voted and non-voted expenditure in TME, 1998–99 to 2005–06

	£ million							
	1998–99	1999–00	2000–01	2001–02	2002–03	2003–04	2004–05	2005–06
	outturn	outturn	outturn	outturn	outturn	estimated outturn	plans	plans
Voted expenditure in TME:								
DEL⁽¹⁾								
Central government excluding depreciation ⁽¹⁾								
spending	93,866	100,220	108,974	117,207	120,133	132,002	133,777	145,237
Support for local authorities	42,467	42,575	46,178	49,259	52,499	58,081	61,221	65,254
Support for public corporations	1,523	1,876	1,333	1,330	1,627	960	951	1,007
Depreciation ⁽¹⁾	6,982	6,849	8,540	8,710	14,600	9,522	9,868	10,562
Departmental AME								
Central Government own spending	60,009	60,969	61,774	66,113	75,676	72,284	72,294	71,274
Support for local authorities	11,259	11,282	11,549	13,808	14,925	16,654	18,678	18,847
Support for public corporations	5	103	104	95	76	817	585	101
Other AME								
Central governments spending (EU receipts)	-3,815	-3,639	-3,552	-3,510	-3,784	-4,226	-4,146	-4,129
Total voted expenditure in TME	212,295	220,236	234,900	253,012	275,751	286,094	293,229	308,151
Non-voted expenditure in TME:								
DEL⁽¹⁾								
Central government own spending,								
excluding depreciation ⁽¹⁾⁽²⁾	31,148	33,134	37,155	43,763	51,008	56,356	61,720	67,860
Support for local authorities	10,110	10,479	11,720	12,153	14,739	16,253	17,519	18,072
Public corporations	297	517	477	620	568	1,603	2,335	1,100
Depreciation ⁽¹⁾	408	529	697	814	871	975	1,110	1,164
DEL not allocated by spending sector	—	—	—	—	—	-2,563	1,800	2,600
AME								
Central government own spending ⁽²⁾	51,803	56,573	62,220	66,174	67,931	76,150	79,391	85,611
Support for local authorities	342	331	341	449	555	1,233	1,291	399
Public corporations	-8	-50	-68	-42	-34	-20	318	-33
Other AME and AME margin								
Central Government debt interest, AME margin,								
locally financed expenditure, non-voted net								
payments to EU, and accounting and other								
adjustments	26,294	21,884	19,614	13,605	7,528	22,916	28,917	35,451
Total non-voted expenditure in TME	120,394	123,396	132,156	137,535	143,165	172,903	194,400	212,200
Total Managed Expenditure	332,689	343,632	367,056	390,547	418,916	458,997	487,600	520,400
Memorandum:								
Voted expenditure not in TME (included within "Non-Budget" in Estimates):								
Grants to NDPBs to finance their expenditure	11,659	13,545	15,644	20,911	25,195	30,728	31,295	32,454
Grants to devolved administrations to finance								
their expenditure	1,620	21,967	26,999	31,369	35,404	37,976	40,196	—
Other non-public expenditure	-883	1,092	2,766	1,165	2,012	2,229	-2,892	-2,960
Total voted expenditure not in TME	12,397	36,604	45,409	53,446	62,610	70,933	68,599	29,494
Total voted expenditure	224,692	256,840	280,309	306,457	338,362	357,027	361,828	337,645

(1) Total DEL is normally shown excluding depreciation.

(2) Central government non-voted own spending includes spending by the devolved administrations and Non-Departmental Public Bodies.

Table I.14 Total Managed Expenditure by spending sector, 1998–99 to 2005–06

	National Statistics							
	1998–99	1999–00	2000–01	2001–02	2002–03	2003–04	2004–05	2005–06
	outturn	outturn	outturn	outturn	outturn	estimated outturn	plans	plans
£ million								
Central government own expenditure:								
DEL ⁽¹⁾⁽²⁾	125,014	133,355	146,129	160,970	171,146	188,358	195,496	213,097
Departmental AME	111,811	117,542	123,995	132,287	143,608	148,434	151,686	156,885
Locally financed support in								
Northern Ireland	97	111	129	156	169	145	154	168
Net payments to EC institutions	3,590	2,807	3,734	842	2,274	2,427	2,703	3,687
Central government debt interest	28,760	24,927	25,946	22,047	20,839	22,204	23,928	25,442
Accounting and other adjustments ⁽¹⁾	-22,886	-25,962	-29,369	-29,889	-30,522	-27,361	-21,000	-19,600
Total central government own expenditure	246,386	252,780	270,564	286,413	307,514	334,207	352,900	379,700
Local authority expenditure:								
Central government support in DEL ⁽²⁾	52,576	53,054	57,898	61,412	67,238	74,334	78,740	83,326
Central Government support in departmental AME	11,601	11,614	11,890	14,257	15,480	17,886	19,969	19,247
Locally financed support in								
Scotland	1,395	1,441	1,511	1,554	1,718	1,804	1,874	2,009
Local authority self-financed expenditure	15,952	16,931	16,629	18,434	17,933	20,609	22,306	23,952
Accounting and other adjustments ⁽¹⁾	195	3,506	3,318	3,200	4,665	4,891	5,200	7,400
Total local authority expenditure	81,720	86,545	91,246	98,857	107,034	119,525	128,100	135,900
Public corporation expenditure:								
DEL ⁽²⁾	1,820	2,392	1,810	1,950	2,189	2,563	3,287	2,107
Departmental AME	-3	53	36	53	41	797	902	68
Public Corporations' own-financed capital expenditure	1,437	1,392	971	1,540	1,970	2,471	2,645	2,474
Accounting and other adjustments ⁽¹⁾	1,328	470	2,429	1,735	168	-566	-300	200
Total public corporation expenditure	4,583	4,307	5,246	5,277	4,368	5,265	6,600	4,800
Total Managed Expenditure	332,689	343,632	367,056	390,547	418,916	458,997	487,600	520,400

(1) Full resource budgeting basis, net of depreciation.

(2) The sectoral DEL figures shown above exclude the 300 million unallocated Special Reserve in 2004–05 (see footnote 4 to table I.2), and, for 2004–05 and 2005–06, also exclude the DEL reserve and unallocated amounts for the Invest to Save Budget. AME figures for 2004–05 and 2005–06 exclude the AME margin. Amounts for each of these items are shown in Tables I.1 and I.2. These items are included within the accounting and other adjustments figures in Table I.14 above, reflecting notional forecast allocations. The accounting and other adjustments in this table differ from those shown in Tables I.1 and I.12, by these amounts.

Table I.15 Total Managed Expenditure, 1998–99 to 2002–03 (RAB stage I basis)

	£ million				
	National Statistics				
	1998–99	1999–00	2000–01	2001–02	2002–03
	outturn	outturn	outturn	outturn	outturn
Departmental Expenditure Limits					
Resource DEL	154,177	160,561	173,352	188,239	204,824
Capital DEL	17,138	18,456	19,921	24,064	27,970
Total Departmental Expenditure Limits	171,315	179,017	193,274	212,303	232,794
Annually Managed Expenditure					
<i>Departmental AME</i>					
Social security benefits	95,045	99,874	101,853	109,300	114,089
Common Agricultural Policy	2,990	2,749	2,903	3,622	2,620
Export Credits Guarantee Department	–154	925	1,315	349	98
Self-financing Public Corporations	709	1,387	1,374	912	842
Net public service pensions	4,810	5,006	4,783	4,876	3,872
National Lottery	1,831	1,908	1,855	1,710	1,810
Other programme spending	458	1,420	2,243	4,503	2,779
Non-cash items:					
Depreciation	7,347	7,329	9,189	9,435	15,837
Cost of capital charges	9,529	9,920	11,039	10,911	8,988
Provisions and other charges	969	2,771	5,051	3,890	6,558
Total departmental AME	123,534	133,290	141,607	149,507	157,493
<i>Other AME</i>					
Net payments to EC institutions ⁽¹⁾	3,590	2,807	3,734	842	2,274
Locally financed expenditure	17,444	18,483	18,269	20,144	19,820
Central Government gross debt interest	28,760	24,927	25,945	22,047	20,839
Total Other AME	49,794	46,216	47,949	43,034	42,933
Accounting adjustments	–11,954	–14,891	–15,773	–14,297	–14,304
AME Margin					
Total Annually Managed Expenditure	161,374	164,615	173,782	178,244	186,122
Total Managed Expenditure	332,689	343,632	367,056	390,547	418,916
of which:					
Current expenditure	313,937	326,608	348,850	367,394	394,791
Net investment	6,410	4,148	4,994	9,370	9,767
Depreciation	12,342	12,876	13,212	13,783	14,358

(1) See footnote 3 to Table I.1.

Table I.16 Departmental Expenditure Limits, 1998–99 to 2002–03 (RAB stage I basis)

	£ million				
	National Statistics				
	1998–99 outturn	1999–00 outturn	2000–01 outturn	2001–02 outturn	2002–03 outturn
Resource DEL					
Education and Skills	11,698	12,303	14,430	16,708	20,516
Health	38,216	39,832	43,249	48,125	53,628
of which: NHS	37,523	39,293	42,686	47,289	51,935
Transport	2,593	2,705	2,832	2,686	3,165
Office of the Deputy Prime Minister	646	607	702	1,279	1,693
Local Government	32,375	33,922	35,270	36,922	37,396
Home Office	6,809	7,058	8,416	9,684	10,341
Constitutional Affairs	2,655	2,059	2,654	2,740	3,143
Attorney General's departments	333	331	361	403	485
Defence	17,729	18,152	19,239	18,521	19,958
Foreign and Commonwealth Office	953	1,025	1,178	1,263	1,338
International Development	2,012	2,528	2,732	3,131	3,410
Trade and Industry	2,746	2,855	3,039	3,573	3,548
Environment, Food and Rural Affairs	1,612	1,868	1,877	2,777	2,048
Culture, Media and Sport	834	908	944	884	1,089
Work and Pensions	5,338	5,279	5,472	6,431	7,146
Scotland	12,177	12,564	13,309	14,558	15,694
Wales	6,028	6,296	6,798	7,498	8,455
Northern Ireland Executive	4,046	4,282	4,542	4,876	5,378
Northern Ireland Office	964	962	1,039	1,086	1,038
Chancellor's departments	3,160	3,319	3,513	3,821	3,962
Cabinet Office	985	1,215	1,122	1,273	1,393
Welfare to Work ⁽¹⁾	269	492	634	—	—
Invest to Save Budget	—	—	—	—	—
Reserve	—	—	—	—	—
Unallocated Special Reserve	—	—	—	—	—
Allowance for Shortfall	—	—	—	—	—
Total Resource DEL	154,177	160,561	173,352	188,239	204,824
Capital DEL					
Education and Skills	901	1,106	1,592	2,645	3,420
Health	746	957	1,300	1,826	2,180
of which: NHS	700	908	1,246	1,732	2,107
Transport	1,990	2,488	2,152	4,319	5,723
Office of the Deputy Prime Minister	3,160	3,127	3,791	2,639	3,198
Local Government	360	272	56	85	202
Home Office	473	458	481	802	948
Constitutional Affairs	96	57	64	112	109
Attorney General's departments	5	4	14	23	8
Defence	5,989	5,976	5,740	5,918	6,185
Foreign and Commonwealth Office	101	102	130	77	108
International Development	–22	25	–16	24	17
Trade and Industry	247	191	345	627	766
Environment, Food and Rural Affairs	284	343	344	448	442
Culture, Media and Sport	135	94	72	71	55
Work and Pensions	–286	68	68	178	308
Scotland	978	1,371	1,544	2,158	2,126
Wales	783	632	774	933	995
Northern Ireland Executive	591	564	652	706	654
Northern Ireland Office	23	26	36	44	59
Chancellor's departments	108	156	–146	215	265
Cabinet Office	231	203	210	213	204
Welfare to Work ⁽¹⁾	244	237	715	—	—
Invest to Save Budget	—	—	—	—	—
Reserve	—	—	—	—	—
Total Capital DEL	17,138	18,456	19,921	24,064	27,970
Total DEL	171,315	179,017	193,274	212,303	232,794

(1) Spending financed by Windfall Tax