

Government deficit and debt under the Maastricht Treaty



Date: 31 March 2011

Coverage: United Kingdom **Theme:** The Economy

General government net borrowing in 2010, as measured on the Maastricht Treaty and Stability and Growth Pact 'Excessive Deficit Procedure' bases was:

- £148.9 billion;
- equivalent to 10.2 per cent of gross domestic product.

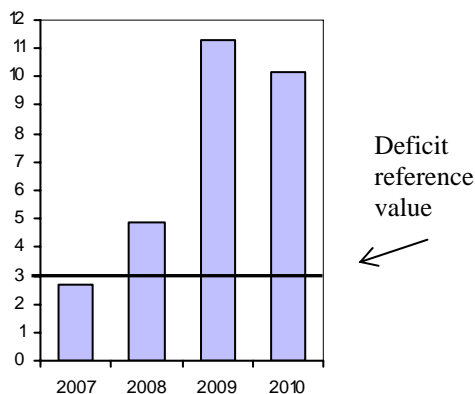
At the end of December 2010 general government gross consolidated debt at nominal value was:

- £1105.8 billion;
- equivalent to 76.1 per cent of gross domestic product.

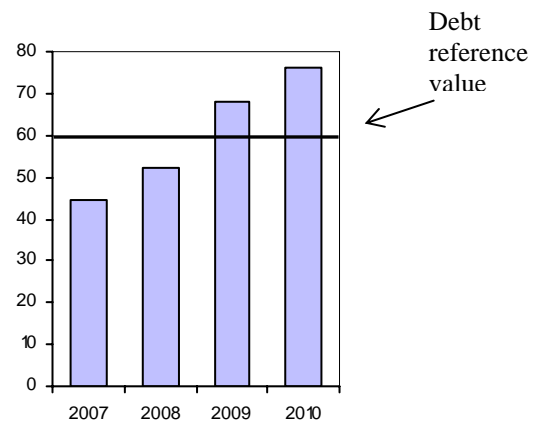
Government Deficit and Debt

Calendar Years	2007	2008	2009	2010
General government deficit £bn	37.3	71.2	157.0	148.9
as a percentage of GDP	2.7	4.9	11.3	10.2
General government debt at nominal values £bn	624.7	753.6	950.5	1105.8
as a percentage of GDP	44.5	52.1	68.1	76.1

General government net borrowing
as a percentage of GDP



General government gross debt
as a percentage of GDP

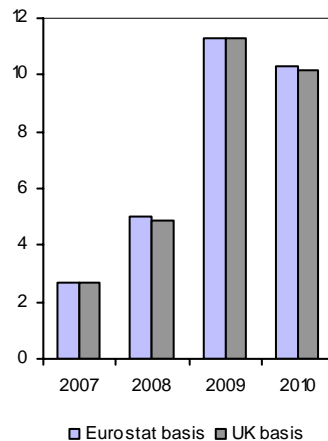


General government net borrowing

The United Kingdom, uniquely within the European Union, is assessed on a financial year basis. The tables in this bulletin present the debt and deficit position at the end of both the financial and calendar years. The reference value for 'excessive deficit' is three per cent. In 2009/10, the deficit stood at £160.3 billion (11.4 per cent of GDP). Net borrowing exceeded the reference value from 1991/2 to 1996/7, peaking at £52.5 billion (7.9 per cent of GDP) in 1993/4. It then fell steadily, moving into net lending (or surplus) in 1998/9, before starting to rise again, returning to net borrowing (or deficit) in 2001/2.

ONS has also presented in this bulletin an alternative version of the deficit, which is consistent with a Eurostat decision on the treatment of receipts for use of the electro-magnetic spectrum. In 2010 the alternative Eurostat version was £150.0 billion, (10.3 per cent of GDP) compared with £148.9 billion (10.2 per cent of GDP) for the UK version. More information is contained in the background notes to this bulletin. See table M7.

General government net borrowing
(Eurostat and UK bases as a percentage of GDP)



General government gross debt

The reference value for 'excessive debt' is 60 per cent of GDP. At the end of March 2010, gross debt was £1000.2 billion (71.1 per cent of GDP). As a percentage of GDP, it has risen every year since the end of March 2004. At the end of December 2010 gross debt was £1105.8 billion (76.1 per cent of GDP). See table M1.

Interventions in the financial crisis

The statistical recording of government and central bank rescue and support operations in the financial crisis has been the subject of international discussion. Further information can be found in the September 2009 Statistical Bulletin. More detail is also contained in the ONS article on classification of financial crisis interventions at www.statistics.gov.uk/cci/article.asp?ID=2301

In January 2011, for the first time data for Royal Bank of Scotland and Lloyds Banking Group were fully incorporated into the public sector finances. This has impacted considerably on the measure of public sector net debt that includes the effects of the financial interventions. However, it has no effect upon measures of general government debt and so does not impact on the data in this bulletin. More information on this topic is available in the public sector finances statistical bulletin (see paragraph 14 background note for link).

Supplementary table for the financial crisis

Member states are required to report to Eurostat, supplementary tables on the financial crisis. The tables are published in this statistical bulletin as table M9.

Revisions since last data release

Table M8R presents revisions to key aggregates in this bulletin since data were last supplied to Eurostat in September 2010.

Revisions to the deficit and debt data are generally less than 0.1 per cent of GDP.

Background Notes

Introducing government deficit and debt under the Maastricht Treaty

1. Article 104 of the 1992 Maastricht Treaty on European Union obliges member states to avoid excessive budgetary deficits. The Protocol on the Excessive Deficit Procedure, annexed to the Maastricht Treaty, defines two criteria and reference values for compliance. These are a deficit to Gross Domestic Product (GDP) ratio of three per cent, and a debt to GDP ratio of 60 per cent.
2. EU Member Governments have to report their actual and planned government deficits, and the levels of their debt, promptly to the European Commission, to specific deadlines twice each year. The estimates in this statistical bulletin have been supplied to the European Commission by ONS in accordance with the schedules in the Excessive Deficit Procedure. Forecasts for future years are provided separately by HM Treasury.
3. The first deadline (1 April) is designed so that the European Commission can gain an early sight of member states compliance for the previous calendar year. However, for the United Kingdom, uniquely within the European Union, the Stability and Growth Pact sets the reference period to be the financial year (1 April to 31 March), recognising the different budgetary year arrangements in the United Kingdom. The second deadline (1 October) thus provides the first estimate for the latest financial year.
4. The Protocol on the Excessive Deficit Procedure gives the definition of Government deficit and debt according to the European System of Accounts. This is also the manual that governs the United Kingdom's National Accounts.
5. 'Government' is defined as the general government sector, which covers central, state and local government and social security funds. 'Government deficit' is defined as general government net borrowing.

Coherence

6. The deficit data in this Statistical Bulletin are based on that published in the Public Sector Finances Statistical Bulletin of 22 March 2011, but have been modified to take account of a European Regulation that requires payments on swaps to be treated as interest, and hence part of general government net borrowing as reported for the Excessive Deficit Procedure. The Regulation does not amend general government net borrowing for National Accounts purposes, which is also presented in the Public Sector Finances Statistical Bulletin. For these purposes swaps are treated as financial items. The UK Government does not use swaps to the same extent as some European Union member states. The reconciliation between these two versions of net borrowing is shown in table M7.

7. ONS has also presented in table M7 an alternative version of the deficit, which is consistent with a Eurostat decision on the treatment of receipts for use of the spectrum. Cash receipts of £22.5 billion were paid to government by mobile phone companies during the second and third quarters of 2000. ONS interpretation of ESA95, which is consistent with that proposed by the Inter-Secretariat Working Group on National Accounts and agreed by the United Nations Statistical Commission, is that these receipts should be treated as rents. In the National Accounts and the Public Sector Finances Statistical Bulletin they are treated as pre-payments of rent at the rate of £1 billion per annum over the life of the licences. However, Eurostat request that, for the Excessive Deficit Procedure, these are reported as being for the sale of assets. Adopting the Eurostat treatment has the effect of more than doubling the government surplus for 2000/1, (£36.7 billion as opposed to £15.1 billion), but reducing it by £1 billion in each subsequent year.
8. Table M7 shows the reconciliation of the three different versions of general government net borrowing. Net borrowing in column one is based on the latest available data, including information that has yet to be included in National Accounts. It then shows, in the third column, net borrowing incorporating the Regulation treating swaps as interest. These are the headline figures presented in this bulletin. Finally the table shows, in the sixth column, a third version of net borrowing formed from an alternative treatment of receipts by government for allowing the use of the spectrum by third generation mobile phone companies.
9. The estimate of GDP used in this bulletin is consistent with that published on 29 March 2011 in the UK National Accounts.

Revisions

10. Table M8R presents revisions to the data since last supplied to Eurostat in September 2010. It includes revisions incorporated since the Excessive Deficit Procedure data were last published in September 2010.

Quality reporting

11. Data in this bulletin are consistent with those published in the latest Public Sector Finances Statistical Bulletin. A summary quality report for the public sector finances can be found at http://www.statistics.gov.uk/articles/nojournal/PSF_for_web.pdf. This report describes in detail the intended uses of the statistics presented in this publication, their general quality and the methods used to produce them.

Relevant links

12. Details of the revisions policy for this and the other public sector finances statistical bulletins is available at
www.statistics.gov.uk/about/Methodology_by_theme/Public_sector_accounts/default.asp
13. Information on the classification of institutional units for the purposes of National Accounts can be found at
www.statistics.gov.uk/about/methodology_by_theme/national_accounts_classifications.asp
14. The latest public sector finances statistical bulletin can be found at
www.statistics.gov.uk/StatBase/Product.asp?vlnk=805
15. Data supplied to Eurostat under the Excessive Deficit Procedure are available at
www.statistics.gov.uk/Statbase/Product.asp?vlnk=3766

Publication policy

16. Details of the policy governing the release of new data are available from the Press Office, including a description of the release categories featured on the front page of the bulletins.
17. National Statistics are produced to high professional standards set out in the Code of Practice for Official Statistics. They undergo regular quality assurance reviews to ensure that they meet customer needs. They are produced free from any political interference. © Crown copyright 2011.

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M1 Government Deficit and Debt Under the Maastricht Treaty

Summary Table

Not seasonally adjusted

£ million

	General government net borrowing	General government gross consolidated debt at nominal value	Gross domestic product (GDP) at current market prices	Net borrowing as a percentage of GDP	Gross consolidated debt as a percentage of GDP
Financial years					
	-MDUK	YEQG	BKTL		YEQJ
1995/96	38 723	381 518	744 099	5.2	51.3
1996/97	30 625	404 376	792 360	3.9	51.0
1997/98	8 559	404 395	843 146	1.0	48.0
1998/99	-2 498	403 167	890 272	-0.3	45.3
1999/00	-11 719	395 845	944 630	-1.2	41.9
2000/01	-15 054	384 484	989 552	-1.5	38.9
2001/02	2 411	382 059	1 031 458	0.2	37.0
2002/03	27 040	401 297	1 092 056	2.5	36.7
2003/04	37 271	450 133	1 157 408	3.2	38.9
2004/05	42 340	487 594	1 214 701	3.5	40.1
2005/06	38 666	535 264	1 273 641	3.0	42.0
2006/07	34 993	577 834	1 348 377	2.6	42.9
2007/08	38 249	620 111	1 423 649	2.7	43.6
2008/09	97 401	799 944	1 432 418	6.8	55.8
2009/10	160 311	1 000 235	1 406 248	11.4	71.1
Calendar years					
2000	-12 944	400 606	976 533	-1.3	41.0
2001	-5 907	385 510	1 021 828	-0.6	37.7
2002	21 066	402 921	1 075 564	2.0	37.5
2003	37 580	444 919	1 139 746	3.3	39.0
2004	40 454	491 646	1 202 956	3.4	40.9
2005	41 995	533 157	1 254 058	3.3	42.5
2006	34 733	577 123	1 328 363	2.6	43.4
2007	37 280	624 700	1 404 845	2.7	44.5
2008	71 247	753 605	1 445 580	4.9	52.1
2009	157 022	950 503	1 394 989	11.3	68.1
2010	148 933	1 105 814	1 453 616	10.2	76.1

M2 General Government Gross Debt at Nominal Value

Consolidated

Not seasonally adjusted

£ million

	Loans from central bank	Other loans	Currency and deposits	Bills and short-term bonds	Medium and long-term bonds	General govt. gross consolidated debt at nominal value
Financial years						
	YEQC	YEQD	GTK4	YEQE	YEQF	YEQG
1995/96	15 655	10 490	69 213	13 812	272 348	381 518
1996/97	14 323	9 812	75 061	7 374	297 806	404 376
1997/98	12 807	8 208	76 676	4 191	302 513	404 395
1998/99	15 367	8 239	75 510	6 742	297 309	403 167
1999/00	13 370	11 501	73 347	4 093	293 534	395 845
2000/01	13 370	9 022	75 488	3 910	282 694	384 484
2001/02	13 370	10 656	74 096	9 177	274 760	382 059
2002/03	13 370	14 241	76 298	14 737	282 651	401 297
2003/04	13 370	22 912	78 500	20 285	315 066	450 133
2004/05	13 370	22 343	80 201	20 246	351 434	487 594
2005/06	13 370	26 147	87 285	18 822	389 640	535 264
2006/07	13 370	32 811	92 666	15 536	423 451	577 834
2007/08	7 370	34 956	103 453	17 505	456 827	620 111
2008/09	4 142	33 868	135 892	43 684	582 358	799 944
2009/10	370	24 532	125 192	62 637	787 504	1 000 235
Calendar years						
2000	13 370	17 596	78 035	2 358	289 247	400 606
2001	13 370	12 261	75 617	10 819	273 443	385 510
2002	13 370	14 959	77 578	21 719	275 295	402 921
2003	13 370	21 991	79 953	23 836	305 769	444 919
2004	13 370	30 767	82 580	26 461	338 468	491 646
2005	13 370	34 292	88 312	20 981	376 202	533 157
2006	13 370	33 236	93 660	19 249	417 608	577 123
2007	13 370	36 372	101 570	17 934	455 454	624 700
2008	19 892	32 052	120 877	31 406	549 378	753 605
2009	370	25 797	127 881	57 304	739 151	950 503
2010	370	24 068	122 761	54 434	904 181	1 105 814

M3 General Government Transactions in Maastricht Debt Instruments Consolidated

Not seasonally adjusted (+ = increase in liabilities, - = decrease in liabilities)

£ million

	Loans from central bank	Other loans	Currency and deposits	Bills and short-term bonds	Medium and long-term bonds	General gov. transactions in Maastricht debt instruments
Financial years						
	YEQK	YEQL	GTG3	YEQN	YEQO	YEQR
1995/96	-249	-727	6 161	2 736	28 222	36 143
1996/97	-1 332	-840	5 527	-5 789	26 768	24 334
1997/98	-1 516	-461	1 709	-2 920	6 794	3 606
1998/99	2 561	-568	-1 198	2 451	-6 521	-3 275
1999/00	-1 997	-703	-1 809	-2 626	217	-6 918
2000/01	-	-2 268	2 257	-678	-13 282	-13 971
2001/02	-	-1 245	-1 983	5 781	-9 156	-6 603
2002/03	-	3 925	2 828	5 720	7 557	20 030
2003/04	-	5 226	2 302	4 444	32 871	44 843
2004/05	-	401	1 673	1 059	37 746	40 879
2005/06	-	2 996	7 140	-1 426	38 804	47 514
2006/07	-	5 759	5 431	-3 289	36 090	43 991
2007/08	-6 000	1 198	10 735	1 969	33 734	41 636
2008/09	-3 228	2 796	32 588	26 178	128 749	187 083
2009/10	-3 772	4 790	-10 610	18 953	208 976	218 337
Calendar years						
2000	-6 081	6 608	2 714	-1 434	-12 498	-10 691
2001	-	-6 378	-2 797	8 504	-17 416	-18 087
2002	-	1 837	1 958	10 510	1 861	16 166
2003	-	3 028	3 492	2 629	31 617	40 766
2004	-	8 851	2 679	1 058	34 048	46 636
2005	-	3 555	5 743	-3 916	40 026	45 408
2006	-	-982	5 433	-1 734	41 387	44 104
2007	-	594	8 009	-1 316	39 138	46 425
2008	6 522	7 727	19 191	13 471	95 367	142 278
2009	-19 522	-486	7 913	25 898	195 767	209 570
2010	-	-6 530	-5 810	-2 871	170 930	155 719

M4 Reconciliation of General Government Net Borrowing with General Government Gross Consolidated Debt at Nominal Value

Not seasonally adjusted

£ million

	General Government Net borrowing	Net acquisition of financial assets	LESS Swaps	Consolidating transactions in Maastricht debt instruments	LESS Other accounts payable (F.7)	Adjustment for holding gains/losses ¹	Adjustment from market to nominal value ²	Other adjustments	Increase in general gov. gross consolidated debt at nominal value
Financial years									
	-MDUK	NFPG	CFZG	-YEQP	-NFVL	EYVC	YEQT	MDQA	
1995/96	38 723	-768	-	-548	-1 059	136	-2 911	3 875	37 679
1996/97	30 625	-2 710	-	-1 244	-1 804	-601	-769	-815	22 858
1997/98	8 559	-3 436	-	-932	-1 704	-277	-2 022	-169	19
1998/99	-2 498	1 080	-	-2 107	278	116	-648	2 551	-1 228
1999/00	-11 719	7 115	-55	-1 549	-218	3 929	1 652	-6 477	-7 322
2000/01	-15 054	25 059	-265	-732	-22 012	606	-1 069	2 106	-11 361
2001/02	2 411	-8 310	92	-612	961	290	2 174	569	-2 425
2002/03	27 040	-6 263	390	3 225	-2 806	-581	-61	-1 706	19 238
2003/04	37 271	1 796	-43	3 368	2 223	808	-1 343	4 756	48 836
2004/05	42 340	701	139	-338	-2 029	-2 267	-1 232	147	37 461
2005/06	38 666	19 596	152	-5 501	-5 370	322	-439	244	47 670
2006/07	34 993	8 173	194	-205	329	80	-1 003	9	42 570
2007/08	38 249	7 568	187	-2 927	-1 258	-535	-3 934	4 927	42 277
2008/09	97 401	86 551	-850	-3 029	6 134	31	-11 730	5 325	179 833
2009/10	160 311	54 413	-1 060	-99	1 797	-7 878	-191	-7 002	200 291
Calendar years									
2000	-12 944	28 676	-184	-1 171	-24 531	3 758	201	1 141	-5 054
2001	-5 907	-13 768	-96	39	3 377	421	1 461	-623	-15 096
2002	21 066	-6 532	238	1 802	997	-463	-325	628	17 411
2003	37 580	-2 083	124	4 391	273	53	-2 059	3 719	41 998
2004	40 454	4 272	173	-518	2 388	1 000	-1 425	383	46 727
2005	41 995	9 349	-137	-2 528	-2 064	-2 063	-1 087	-1 954	41 511
2006	34 733	14 373	419	-2 488	-3 513	-276	340	378	43 966
2007	37 280	6 842	284	-1 183	1 817	371	-4 894	7 060	47 577
2008	71 247	71 231	-538	-5 176	5 973	-2 184	-8 121	-3 527	128 905
2009	157 022	52 586	-936	155	-3 791	-5 647	-3 390	899	196 898
2010	148 933	8 455	-274	-1 375	2 412	672	-3 740	228	155 311

1 (+) = holding gain, (-) = holding loss.

2 Market value minus nominal value.

M5 Reconciliation of General Government Gross Consolidated Debt at Nominal Value with ESA95 balance sheets

£ million

		2006 /07	2007 /08	2008 /09	2009 /10	2007	2008	2009	2010
GENERAL GOVERNMENT TOTAL FINANCIAL LIABILITIES	NPVQ	690 696	752 994	960 429	1 161 881	749 110	920 837	1 107 459	1 296 417
LESS Other Accounts payable (F.7)	-NNMI	-40 135	-38 468	-45 126	-46 915	-37 164	-43 364	-43 686	-43 308
General govt. gross unconsolidated debt at market prices	YEQQ	650 561	714 526	915 303	1 114 966	711 946	877 473	1 063 773	1 253 109
Consolidation									
LG deposits with CG	GTI9	-	75	2 934	2 478	60	1 859	3 087	906
LG holdings of treasury bills	NJEW	64	64	64	229	50	72	149	942
LG holdings of gilts	APEI	146	147	182	204	124	168	197	224
CG loans to LG	GTG4	47 460	50 364	50 508	50 889	48 578	51 960	50 484	53 742
LG loans to CG	GTG5	-	-	-	-	-	-	-	-
Total consolidation	MDQD	47 670	50 650	53 688	53 800	48 812	54 059	53 917	55 814
General govt. gross consolidated debt at market prices	MDQE	602 891	663 876	861 615	1 061 166	663 134	823 414	1 009 856	1 197 295
LESS British central government securities at market prices	-NIJI	-444 545	-496 749	-641 796	-847 593	-489 999	-616 895	-796 326	-994 873
PLUS British central government securities at nominal prices	BKPM	419 579	453 026	580 145	786 681	451 572	547 093	737 340	903 395
less other bonds at market prices	-NIJJ	-2 921	-2 872	-1 370	-1 360	-2 833	-1 350	-1 708	-1 370
<i>plus</i> other bonds at nominal prices	GR5N	2 830	2 830	1 350	1 341	2 826	1 343	1 341	1 367
General govt. gross consolidated debt at nominal prices ¹	YEQG	577 834	620 111	799 944	1 000 235	624 700	753 605	950 503	1 105 814

1 General govt. gross consolidated debt as defined in the Maastricht Treaty.

M6 Reconciliation of Transactions in Maastricht Debt Instruments with ESA95 financial account

£ million

		2006 /07	2007 /08	2008 /09	2009 /10	2007	2008	2009	2010
GENERAL GOVERNMENT TRANSACTIONS IN FINANCIAL LIABILITIES	NFSK	43 867	45 821	183 978	216 639	45 791	141 481	213 206	154 682
LESS Other Accounts payable (F.7)	-NFVL	329	-1 258	6 134	1 797	1 817	5 973	-3 791	2 412
General govt. unconsolidated transactions in Maastricht debt instruments	MDQF	44 196	44 563	190 112	218 436	47 608	147 454	209 415	157 094
Consolidation									
LG deposits with CG	GTF4	-29	74	2 859	-455	43	1 798	1 228	-2 180
LG holdings of treasury bills	NFPV	-214	-	1	165	-51	23	77	794
LG holdings of gilts	NFQI	-377	-	36	21	-126	45	28	17
CG loans to LG	GTF8	825	2 853	133	368	1 317	3 310	-1 488	2 744
LG loans to CG	GTF6	-	-	-	-	-	-	-	-
Total consolidating transactions	YEQP	205	2 927	3 029	99	1 183	5 176	-155	1 375
General govt. consolidated transactions in Maastricht debt instruments	YEQR	43 991	41 636	187 083	218 337	46 425	142 278	209 570	155 719

M7 Government Deficit under the Maastricht Treaty

Reconciliation of versions of net borrowing

Not seasonally adjusted

£ million

	General government net borrowing (UK Public Sector Finances) ¹		Spectrum Use Adjustments			General government net borrowing (Eurostat version) ²	Gross domestic product at current market prices	Net borrowing as a percentage of GDP (Public sector finances) ¹	Net borrowing as a percentage of GDP (EDP version) ¹	Net borrowing as a percentage of GDP (Eurostat version) ²
	Swaps adjustment	General government net borrowing (EDP version)	accrued rent	adjusted cash receipts						
Financial years										
	-NNBK	-CFZG	-MDUK	BKTK	-LSNY	-LSNP	BKTL			
1995/96	38 723	–	38 723	–	–	38 954	744 099	5.2	5.2	5.2
1996/97	30 625	–	30 625	–	–	30 801	792 360	3.9	3.9	3.9
1997/98	8 559	–	8 559	–	–	8 559	843 146	1.0	1.0	1.0
1998/99	–2 498	–	–2 498	–	–	–2 498	890 272	–0.3	–0.3	–0.3
1999/00	–11 774	55	–11 719	–	–	–11 719	944 630	–1.2	–1.2	–1.2
2000/01	–15 319	265	–15 054	806	–22 477	–36 725	989 552	–1.5	–1.5	–3.7
2001/02	2 503	–92	2 411	1 044	–	3 455	1 031 458	0.2	0.2	0.3
2002/03	27 430	–390	27 040	1 044	–	28 084	1 092 056	2.5	2.5	2.6
2003/04	37 228	43	37 271	1 045	–	38 316	1 157 408	3.2	3.2	3.3
2004/05	42 479	–139	42 340	1 044	–	43 384	1 214 701	3.5	3.5	3.6
2005/06	38 818	–152	38 666	1 044	–	39 710	1 273 641	3.0	3.0	3.1
2006/07	35 187	–194	34 993	1 045	–	36 038	1 348 377	2.6	2.6	2.7
2007/08	38 436	–187	38 249	1 044	–	39 293	1 423 649	2.7	2.7	2.8
2008/09	96 551	850	97 401	1 044	–	98 445	1 432 418	6.7	6.8	6.9
2009/10	159 251	1 060	160 311	1 045	–	161 356	1 406 248	11.3	11.4	11.5
Calendar years										
1992	40 500	–	40 500	–	–	40 625	622 080	6.5	6.5	6.5
1993	52 131	–	52 131	–	–	52 273	654 201	8.0	8.0	8.0
1994	47 385	–	47 385	–	–	47 500	692 987	6.8	6.8	6.9
1995	43 370	–	43 370	–	–	43 614	733 266	5.9	5.9	5.9
1996	33 312	–	33 312	–	–	33 549	781 726	4.3	4.3	4.3
1997	18 052	–	18 052	–	–	18 052	830 094	2.2	2.2	2.2
1998	951	–	951	–	–	951	879 102	0.1	0.1	0.1
1999	–8 528	–	–8 528	–	–	–8 528	928 730	–0.9	–0.9	–0.9
2000	–13 128	184	–12 944	545	–22 477	–34 876	976 533	–1.3	–1.3	–3.6
2001	–6 003	96	–5 907	1 044	–	–4 863	1 021 828	–0.6	–0.6	–0.5
2002	21 304	–238	21 066	1 044	–	22 110	1 075 564	2.0	2.0	2.1
2003	37 704	–124	37 580	1 045	–	38 625	1 139 746	3.3	3.3	3.4
2004	40 627	–173	40 454	1 044	–	41 498	1 202 956	3.4	3.4	3.4
2005	41 858	137	41 995	1 044	–	43 039	1 254 058	3.3	3.3	3.4
2006	35 152	–419	34 733	1 045	–	35 778	1 328 363	2.6	2.6	2.7
2007	37 564	–284	37 280	1 044	–	38 324	1 404 845	2.7	2.7	2.7
2008	70 709	538	71 247	1 044	–	72 291	1 445 580	4.9	4.9	5.0
2009	156 086	936	157 022	1 045	–	158 067	1 394 989	11.2	11.3	11.3
2010	148 659	274	148 933	1 045	–	149 978	1 453 616	10.2	10.2	10.3

1 Net borrowing includes some new information not yet included in Public Sector Finances. Classification of spectrum use as rent.

2 Version used by Eurostat, classification of spectrum use (see note page 3) as sale of asset. LSNP= MDUK-BKTK+LSNY

M8R Government Deficit and Debt Under the Maastricht Treaty

(Revisions from last published figures)

	General government net borrowing	General government gross consolidated debt at nominal value	Gross domestic product (GDP) at current market prices	Net borrowing as a percentage of GDP	Gross consolidated debt as a percentage of GDP
	-MDUK	YEQG			YEQJ
Financial years					
1996/97	0	0	0	0.0	0.0
1997/98	0	0	1	0.0	0.0
1998/99	0	0	0	0.0	0.0
1999/00	0	0	0	0.0	0.0
2000/01	0	0	0	0.0	0.0
2001/02	0	0	0	0.0	0.0
2002/03	0	0	0	0.0	0.0
2003/04	0	0	0	0.0	0.0
2004/05	0	0	0	0.0	0.0
2005/06	0	0	0	0.0	0.0
2006/07	0	0	0	0.0	0.0
2007/08	0	0	0	0.0	0.0
2008/09	0	-42	756	0.0	-0.1
2009/10	488	-154	3009	0.0	-0.2
Calendar years					
1998	0	0	0	0.0	0.0
1999	0	0	0	0.0	0.0
2000	0	0	0	0.0	0.0
2001	0	0	0	0.0	0.0
2002	0	0	0	0.0	0.0
2003	0	0	0	0.0	0.0
2004	0	0	0	0.0	0.0
2005	0	0	0	0.0	0.0
2006	0	0	0	0.0	0.0
2007	0	0	0	0.0	0.0
2008	0	-25	0	0.0	0.0
2009	-28	830	2355	0.0	-0.1

M9 Supplementary table for the financial crisis ⁽¹⁾

Part 1 : Net general government revenue (impact on government deficit)

£ millions

		2007	2008	2009	2010
A	REVENUE (a+b+c+d)	179	22508	9700	3336
a)	Guarantee fees receivable	0	399	2614	2421
b)	Interest receivable	179	925	921	474
c)	Dividends received	0	0	0	0
d)	Other	0	21184	6165	441
B	EXPENDITURE (e+f+g+h)	137	27547	16989	3760
e)	Interest payable (2)	0	581	2935	3582
f)	Capital injections recorded as deficit-increasing (capital transfer)	0	2468	11339	0
g)	Guarantee calls	0	0	0	0
h)	Other	137	24498	2715	178
C	Net general government revenue (A-B)	42	-5039	-7289	-424

Part 2 : Outstanding amount of general government assets, actual liabilities⁽⁴⁾ and contingent liabilities

£ millions (3)

Assets (D=a+b+c)		2007	2008	2009	2010
D	Closing balance sheet	0	35307	71658	93751
a)	Loans	0	17859	25829	33226
b)	Securities other than shares (4)	0	5000	0	0
c)	Shares and other equity	0	12448	45829	60525
Liabilities (D=a+b)					
D	Closing balance sheet	-1	62038	111439	119126
a)	Loans	0	2719	0	0
b)	Securities other than shares (4)	-1	59319	111439	119126
Outside general government - Contingent liabilities					
d)	Liabilities and assets outside general government under guarantee (5)	26930	125000	345537	249178
e)	Securities issued under liquidity schemes (6)	0	184570	205694	110000

1. This table relates to activities undertaken to support financial institutions. It does not include wider economic stimulus packages.

2. Interest payable includes actual interest where relevant, and otherwise imputed interest on financing interventions. More detail is provided in <http://www.statistics.gov.uk/cci/article.asp?ID=2301>

3. The valuation used in part 2 is nominal value with the exception for shares held as assets, which are recorded at market value.

4. By convention, for the liabilities entry under "general government" (which is the impact on Maastricht Debt from activities to support financial institutions), there is assumed to be a direct impact on government debt from activities which imply a transfer of cash from government (e.g. transfer of cash relating to capital injections, loans granted, purchase of financial assets), except for the impact from direct borrowing. In addition, imputations relating to the financing costs are included.

5. Guarantees covered are those granted by general government to non-general government units. It excludes guarantees on bank deposits, or guarantees on the liabilities of special purpose entities. It is only the value of active guarantees, not announced ceilings for schemes. It also includes guarantees on assets, which would imply incurrence of government liability in case of a call. Figures are rounded to nearest £billion.

6. Liquidity schemes included here are those where the government securities used are not recorded in government debt. By convention they are recorded as "contingent liabilities outside the general government", as for guarantees, though it should be noted that the exposure of government is likely to be limited. For the UK's Special Liquidity Scheme the estimate shown is the latest published data on the amount of Treasury Bills lent for use in the scheme, which will be higher than government's contingent liability position. The value used for end-2008 is that disclosed by the Bank of England as at 30 January 2009. The value used for end-2009 is that disclosed in the *DMO Report and Accounts* at end-March 2010. The value used for end-2010 is that reported in the National Audit Office's report 'Maintaining the financial stability of UK banks: update on the support schemes', published Dec 2010 and relating to balances as at 1 December 2010. See http://www.nao.org.uk/publications/1011/support_for_banks.aspx for more information. Information on the levels at end calendar year is not available.

M9**Supplementary table for the financial crisis**

continued

Eurostat's Part 2 only covers part of the financial balance sheet and can therefore be misleading.
A full financial balance sheet, on a market value basis, is given below.

Financial balance sheet*Market value (£m)*

Assets	2007	2008	2009	2010
Total	41	59879	93668	114629
Deposits	0	2963	0	0
Securities other than shares (4)	0	5051	0	0
Loans	41	17955	25853	33368
Shares and other equity	0	12448	45829	60525
Accounts receivable/payable	0	21462	21986	20736
Liabilities	2007	2008	2009	2010
Total	-1	64317	113361	120050
Deposits				
Securities other than shares (4)	-1	59319	111439	119126
Loans	0	2719	0	0
Shares and other equity	0	0	0	0
Accounts receivable/payable	0	2279	1922	924
Net financial assets	42	-4438	-19693	-5421

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