



HM Treasury

Public Expenditure

Statistical Analyses 2023



Public Expenditure

Statistical Analyses 2023

Presented to Parliament by
the Chief Secretary to the Treasury
by Command of His Majesty

July 2023

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How to use PESA

This document is designed to help users understand the information contained within the Public Expenditure Statistical Analyses (PESA) National Statistics release.

What is PESA?

PESA provides a range of information about public spending, using two Treasury-defined frameworks. Thus, PESA contains different presentations of two data sets. The key elements of these frameworks are shown in **Table i.1**, with detailed explanations provided in **Annex C** and **Annex E** respectively.

Table i.1 Spending frameworks used in PESA

Budgeting	Expenditure on services
This framework provides information on central government departmental budgets, which are the aggregates used by the Government to plan and control expenditure. It covers departmental own spending as well as support to local government and public corporations.	This framework is used in PESA for statistical analysis. It is based on National Accounts definitions and covers spending by the whole of the public sector. It therefore has wider coverage than the budgeting framework and is also more stable over time.

Table i.2 shows which framework each chapter or table is presented under. A short summary of each section is then provided below. The chapter text contains further details.

Table i.2 Frameworks against which chapters/tables are presented

Section	Chapter	Budgeting framework	Expenditure on services framework
Budgets	1. Departmental budgets	All tables	–
	2. Economic analyses of budgets	All tables	–
	3. Changes in departmental budgets	All tables	–
Public sector spending	4. Trends in public sector expenditure	–	All tables
	5. Public sector expenditure by function, sub-function and economic category	–	All tables
Sectoral analyses	6. Central government own expenditure	Tables 6.1-6.3	Tables 6.4-6.6
	7. Local government financing and expenditure	Tables 7.1-7.3 (financing)	Tables 7.4-7.8 (expenditure)
	8. Public corporations	Tables 8.1-8.2 (CG support)	Tables 8.3-8.5 (expenditure)
Country and regional analysis	9. Public sector expenditure by country, region and function	–	All tables
	10. Public sector expenditure by country, function and sub-function	–	All tables

Budgets

There are two main presentations within this section:

- **departmental budgets** – the key central government departmental budgets that the government uses to control spending. Departments have separate resource and capital budgets. Each of these is divided into Departmental Expenditure Limits (DEL) and Annually Managed Expenditure (AME). Resource DEL is further divided into administration and programme; and
- **budgets by economic category** – this shows spending in budgets against categories such as pay, procurement and grants.

Public sector

This section uses the expenditure on services framework to show spending by the whole of the public sector. There are two main presentations of public sector spending in this section (but also see the country and regional analysis section below):

- **by function/sub-function** – public spending is shown against ten functions (e.g. education, health, defence, etc.) that are then further divided into more detailed sub-functions (education is split into primary, secondary, etc.). These classifications are based on the UN's Classification Of the Functions Of Government (COFOG), which is explained further in the FAQ section below and in **Annex A**; and
- **by economic category** – as in the budgets section, spending by the public sector is divided into pay, procurement, etc. The main difference between this and the budgeting breakdown is that the latter shows the grants paid to local authorities whereas this analysis shows how local authorities subsequently spend this funding.

Sectoral analysis

This analysis splits the data from the above sections by sector of government (central government, local government and public corporations). Specifically:

- budgeting data is presented as central government own spending, plus support to the local government and public corporation sectors; and
- for the public sector data, the sectoral breakdown shows the spending of each sector.

Country and regional analysis

The country and regional analysis (CRA) show identifiable public sector expenditure by country and region. The CRA is presented in **Chapters 9 and 10** of PESA and the information for these tables was gathered in a separate data collection exercise during the summer of 2022. Therefore, the figures in these chapters are not entirely consistent with the figures in other PESA chapters. **Chapter 9** contains more detail on the analysis process.

- **Chapter 9** shows spending by function, country and English region; and
- tables in **Chapter 10** show more detailed sub-functional analyses mainly at country level.

Period covered by PESA tables

All data series in PESA are annual and for financial years. Tables in PESA 2023 normally cover the years 2018-19 to 2024-25, although some show only the latest year of outturn (2022-23) and some are presented over a longer historical period.

Public Spending Statistics (National Statistics) updates

Key outturn series are updated three times a year. These are:

- Total Managed Expenditure, by budgetary category (PESA 2023, **Table 1.1**);
- resource and capital elements of Departmental Expenditure Limits and Annually Managed Expenditure by departmental group (PESA 2023, **Tables 1.3 and 1.8**);
- public sector expenditure on services by function (PESA 2023, **Table 4.2**); and
- public sector expenditure on services by economic category (PESA 2023, **Table 5.3**).

Further updates will take place in November, February and May. Most series in PESA are only published annually.

We would be interested in readers' views on how PESA might be developed to increase its value to users. Please write to:

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Frequently asked questions

How much did the government spend on x?

The answer varies depending upon which levels of government you are interested in, and what sort of spending.

The list of tables below takes transport as an example. The chapter text gives a more precise definition of the contents of each table:

- **Table 4.2** shows the total UK public sector spending on transport for a long run of years. This includes spending by devolved administrations, local government and public corporations, as well as by the Transport departmental group (details of the departments included in this group are given in **Annex B**). **Tables 4.3 and 4.4** show spending in real terms and as a percentage of GDP;
- **Table 5.2** shows the total UK public sector spending on more detailed categories of transport, such as national and local roads;
- **Table 5.4** shows the total UK public sector current and capital spending on transport, and **Tables 6.6, 7.4 and 8.4** provide a breakdown according to whether it is central government, local government or public corporations responsible for the spending;
- **Table 1.10** shows the total DEL spending of the Transport departmental group. **Tables 1.3 and 1.8** show the resource and capital spending respectively of the Transport group;
- **Table 9.8e** presents spending on transport by country and region. **Chapter 10** tables present country spending on the more detailed categories such as national and local roads.

The second list of tables takes pay as an example:

- **Table 5.3** shows the total UK public sector spending on pay;
- **Tables 6.5** shows pay for central government and **Table 7.8** shows local government pay by country. All public corporation current spending (except debt interest) is included as part of the gross operating surplus calculation, which scores on the revenue side of the National Accounts and is not therefore included as spending within the expenditure on services framework;
- **Table 2.1** shows central government pay (as in **Table 6.5**), but split between departments' DEL and AME budgets.

How can I compare spending on x to previous years?

Chapter 4 contains long-run series (from 1999-00) for public sector expenditure on services by function. Expenditure on services by function are better suited to presentation in long-run series than budgeting aggregates as they are less affected by restructuring of government departments and the movement of spending programmes between departments.

Users are strongly advised against simply splicing data together from different editions of PESA, as data is unlikely to be directly consistent due to changes in coverage and classification. Departments and the devolved administrations maintain five years of live outturn data. For years prior to the latest five years of outturn, the PESA team maintain a summarised version of historical data on a consistent basis for the production of the long-run series.

What are departmental groups?

Departmental groups are listed in **Annex B**. The departments are broadly grouped in line with ministerial responsibility.

How are the functions defined?

The functions are based on the United Nations' Classification Of the Functions Of Government (UN COFOG). Tables that show spending by function are consistent with UN COFOG level 1, but additionally show some HM Treasury-defined functions as 'of which' lines (see below). Tables that show spending by sub-function are broadly consistent with UN COFOG level 2. Definitions of the UN COFOG classifications are available on their website¹. The mapping between the HM Treasury functions and UN COFOG level 2 is as follows:

HM Treasury functions	UN COFOG level 2
1. General public services, of which: public and common services	1.1 Executive and legislative organs, financial and fiscal affairs, external affairs (excluding external affairs) 1.3 General services 1.4 Basic research 1.5 R&D general public services 1.6 General public services n.e.c.
1. General public services, of which: international services	1.1 Executive and legislative organs, financial and fiscal affairs, external affairs (external affairs part only) 1.2 Foreign economic aid
1. General public services, of which: public sector debt interest	1.7 Public sector debt interest
4. Economic affairs, of which: enterprise and economic development	4.1 General economic, commercial and labour affairs (excluding labour affairs) 4.3 Fuel and energy 4.4 Mining, manufacturing and construction 4.6 Communication 4.7 Other industries 4.9 Economic affairs n.e.c.
4. Economic affairs, of which: science and technology	4.8 R&D economic affairs
4. Economic affairs, of which: employment policies	4.1 General economic, commercial and labour affairs (labour affairs part only)
4. Economic affairs, of which: agriculture, fisheries and forestry	4.2 Agriculture, forestry, fishing and hunting
4. Economic affairs, of which: transport	4.5 Transport

How do I get real terms numbers/proportion of GDP?

How do I get real terms numbers/proportion of GDP?

A number of the tables in this publication give figures in real terms. Real terms figures are the actual (known as nominal) spend adjusted to exclude the effect of general inflation, as measured by the GDP deflator at market prices. The real terms figures in this publication

¹ <https://unstats.un.org/unsd/classifications/Econ/Structure> then from the 'Classification' drop down box on the left select 'COFOG'

are given in 2022-23 prices. The GDP deflators and GDP actuals used in this publication are those given in **Annex F**. The most up-to-date deflators and GDP numbers are available on the gov.uk website².

² <https://www.gov.uk/government/collections/gdp-deflators-at-market-prices-and-money-gdp>



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1

Departmental budgets

1.1 This chapter brings together information on public expenditure within the current budgeting and control framework. This comprises departmental budgets, including all control totals, as well as reconciling from the budgetary framework to the fiscal aggregates in the National Accounts.

What's new

1.2 Not all departments had produced their Annual Report and Accounts for 2022-23 as at publication of PESA 2023. Outturn data may therefore be subject to revisions. The public spending statistics (PSS) release, published on a quarterly basis, will reflect any later revisions made by departments to their 2022-23 outturn.

1.3 In February 2023 the Prime Minister announced a number of Machinery of Government changes which set up three new departments: the Department for Energy Security and Net Zero (DESNZ), the Department for Science, Innovation and Technology (DSIT) and the Department for Business and Trade (DBT)¹.

1.4 DESNZ took over the energy portfolio from the former Department for Business, Energy and Industrial Strategy (BEIS). DSIT brought together the relevant functions from BEIS as well as the digital portfolio of the former Department for Digital, Culture, Media and Sport, which is now the Department for Culture, Media and Sport (DCMS). DBT combined the business focused functions of BEIS with the former Department for International Trade (DIT). In addition, responsibility for National Security and Investment policy was transferred from BEIS to the Cabinet Office.

1.5 Outturn and plans data in PESA 2023 reflect these changes. Note, however, that the outturn figures are still based on provisional calculations to assign expenditure by the former BEIS to the new departments. They are likely to be revised once departments have published their audited 2022-23 Annual Reports and Accounts and have been able to reassess the historical data. These changes will be incorporated into future Public Spending Statistics publications and in the 2023-24 Annual Reports and Accounts where required.

1.6 Since PESA 2022 NHS Provider depreciation has been moved out of the Resource DEL excluding depreciation ringfence. It remains part of total Resource DEL.

1.7 Departmental DEL plans in PESA will not match those presented in the Spring Budget 2023 document. PESA takes on any subsequent changes to budgets agreed, for example, during the following Main Estimates round, at which some of the reserve was assigned to departments. In addition, not all of the funding in 2024/25 for measures announced at the Autumn Statement and Spring Budget has been allocated to departments. This will be done later in the year.

¹ Making Government Deliver for the British People (publishing.service.gov.uk)

The budgeting and reporting framework

1.8 Table 1.1 summarises public expenditure both in terms of the Treasury's budgeting and control framework², and in terms of the National Accounts aggregate Total Managed Expenditure (TME) and its components. **Table 1.2** presents the same information in real terms.

1.9 There is a fuller description of the budgeting and control framework in **Annex C**. This chapter gives a brief overview.

1.10 A clear distinction is made for budgeting between current and capital spending, with departments having separate resource and capital budgets largely based on International Financial Reporting Standards (IFRS). For part of their resource and capital budgets, departments are given firm multi-year spending limits called Departmental Expenditure Limits (DELs), within which they prioritise resources and plan ahead.

1.11 Spending that cannot reasonably be subject to firm multi-year limits, or that relates to certain non-cash transactions, 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. Outside departments' budgets, other AME consists of net expenditure transfers to the EU, locally financed expenditure, debt interest, public corporations' own-financed capital expenditure, and accounting adjustments.

1.12 At Spending Review 2020, the Resource DEL excluding depreciation budgetary control was redefined to exclude the Scottish Block Grant Adjustments. These now form part of the depreciation ringfence within Resource DEL. Total Resource DEL is left unchanged. The reclassification is fiscally neutral and does not affect the spending power of the Scottish Government.

Reconciliation of budgeting and National Accounts aggregates

1.13 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 gross investment (measured net of sales but gross of depreciation). Note that total public sector depreciation is modelled by the ONS for the National Accounts, while the depreciation referred to in the footnote to **Table 1.1** is depreciation in resource DEL, measured on an IFRS basis.

1.14 Table 1.1 shows the reconciliation from the resource and capital budgets to the National Accounts measures of public sector current expenditure and public sector gross investment, respectively. With the deduction of depreciation, the latter reconciles to public sector net investment. **Table 1.2** presents the same information in real terms.

1.15 A breakdown of the accounting adjustments used for this reconciliation is shown in **Table 1.14** and **Annex D** resource and capital budgets.

1.16 Table 1.3 shows the resource budget for each departmental group, with **Table 1.4** presenting the same information in real terms. Resource DEL is a control total, which means that departments must manage spending to keep within this total.

1.17 Table 1.5 shows resource DEL excluding depreciation as presented in Spending Reviews. The depreciation ringfence is a control total that departments must manage. **Table 1.6 presents** the same information in real terms.

² <https://www.gov.uk/government/publications/consolidated-budgeting-guidance-2021-to-2022>

1.18 Table 1.8 shows the capital budget for each departmental group, with **Table 1.8a** showing the splits for financial transactions and general capital in capital DEL. **Table 1.9** presents the same information in Table 1.8 in real terms. Capital DEL is a control total.

Administration budgets

1.19 Table 1.7 sets out details of administration expenditure in resource DEL for those central government departments that are subject to administration budgets. **Table 1.7a** sets out the same detail for administration budgets excluding depreciation. Administration budgets are set for most civil service departments and are designed to contain most back-office functions. These budgets therefore help to drive economy and efficiency in the running of government. Around 70 per cent of administration costs are accounted for by civil service pay, with the remainder mainly procurement of goods and services (e.g. accommodation, equipment, travel). An analysis of administration budgets by economic category is shown in **Table 2.1**.

Total DEL

1.20 Table 1.10 shows Total DEL by departmental group. Total DEL is made up of resource DEL excluding depreciation plus capital DEL. **Table 1.10** is consistent with **Table 1.5** plus **Table 1.8**. Note that Total DEL is not a control total. **Table 1.11** presents the same information as **Table 1.10** in real terms.

1.21 Table 1.12 presents total expenditure, i.e. the sum of Total DEL and departmental AME, by departmental group. **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 public spending sectors (central government, local government and public corporations).

1.23 This breakdown by sector is used in many of the analyses in this publication. In this table, current and capital expenditure are added together (net of depreciation).

1.24 To reflect new budgeting arrangements, expenditure by the Scottish Government is presented as AME rather than DEL in **Table 1.15**. This treatment is explained in more detail in Chapter 2.

1.25 TME is a consolidated measure of public expenditure (payments from one sector that are used to finance the expenditure of another sector are excluded from TME, as are the corresponding receipts of the counterparty sector). The split by sector of TME presented in PESA records only the 'own' expenditure components that relate to an individual sector.

Central government own expenditure

1.26 Central government own expenditure excludes central government spending in support of local government. Loans and capital grants in support of public corporations are also excluded.

1.27 However, subsidies to public corporations are included here, as exceptionally these intra-public sector flows are not consolidated out in the calculation of TME. Central government expenditure includes:

- departments' own spending;
- spending of agencies and arm's length bodies (ALBs) classified to central government;

- spending of the devolved administrations in Scotland, Wales and Northern Ireland.

1.28 Central government own expenditure is shown split into DEL, departmental AME, and other AME, including locally financed central government expenditure. This latter category at present only includes expenditure of the Northern Ireland departments financed from regional rates. Further analyses of central government own expenditure are presented in **Chapter 6**.

Local government expenditure

1.29 Local government 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 and Wales (the proceeds of non-domestic rates that are collected and distributed to local authorities by the devolved administrations);
- self-financed expenditure. Further analyses of local government expenditure are presented in **Chapter 7**.

Public corporations' expenditure

1.30 The impact of public corporations on the parent department can be either in DEL or departmental AME. For most public corporations, DEL includes:

- subsidies and capital grants paid;
- interest and dividends received;
- loans and public dividend capital invested.

1.31 For self-financing public corporations, grants and subsidies score in DEL and the other items are contained in departmental AME.

1.32 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 in this table shows their contribution to TME, which is capital expenditure plus interest and dividends paid to the private sector. Further analyses for public corporations, including information on subsidies, are presented in **Chapter 8**.

NHS England Expenditure

1.33 This data is presented in terms of Total Departmental Expenditure Limits (TDEL) and Resource Departmental Expenditure Limits excluding depreciation, as set out since Spending Review 2015. The data is also presented in real terms and for both outturn and plan years for the periods covered in each Spending Review and Spending Round.

1.34 For further information please see the Department of Health and Social Care (DHSC) annual report and accounts.

NHS England - Departmental Expenditure Limits, 2018-19 to 2024-25

		National Statistics							£ million
		2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
		outturn	outturn	outturn	outturn	outturn	plans	plans	
Total DEL ^{(1) (4)}	NHS England ⁽²⁾	112,648	121,972	141,357	146,972	155,358	160,449	162,718	
	NHS England ⁽²⁾ - real terms ⁽³⁾	129,958	137,149	149,573	156,600	155,358	156,498	156,259	
Resource DEL (exc depreciation) ⁽⁴⁾	NHS England ⁽²⁾	112,427	121,707	141,026	146,681	155,087	160,005	162,499	
	NHS England ⁽²⁾ - real terms ⁽³⁾	129,703	136,851	149,223	156,289	155,087	156,065	156,049	

⁽¹⁾ Total DEL is given by Resource DEL excluding depreciation plus Capital DEL.

⁽²⁾ For further information on NHS England expenditure please refer to the Department of Health and Social Care Annual Report and Accounts.

⁽³⁾ Real-terms figures are the cash figures adjusted to 2022-23 price levels using GDP deflators. The deflators are calculated from data published by the Office for National Statistics and the Office for Budget Responsibility. See annex F for more detail.

⁽⁴⁾ Figures for PESA 2023 now remove NHS providers depreciation in all outturn and plan years listed. Figures are therefore not directly comparable with earlier PESA editions.

Table 1.1 Total Managed Expenditure, 2018-19 to 2024-25

	National Statistics							£ million
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
	outturn	outturn	outturn	outturn	outturn	plans	plans	
CURRENT EXPENDITURE								
Resource DEL								
Resource DEL excluding depreciation ⁽¹⁾	319,228	343,464	468,655	449,574	445,472	450,914	455,120	
Depreciation in resource DEL ⁽¹⁾	13,230	28,097	26,123	20,055	9,327	30,331	34,281	
Total resource DEL	332,457	371,561	494,778	469,629	454,799	481,245	489,401	
Resource departmental AME								
Social security benefits	199,381	208,789	229,535	233,022	246,311	278,975	301,466	
Tax credits ⁽²⁾	22,345	18,396	15,390	11,021	8,915	8,917	4,197	
Net public service pensions	54,349	31,380	41,940	58,908	53,194	3,908	14,436	
National lottery	840	982	1,232	1,544	1,300	1,535	1,544	
BBC domestic services	3,447	3,487	3,191	3,607	4,201	3,640	3,590	
Student loans	-5,667	-5,887	-4,851	-5,127	-9,012	-17,972	-9,046	
Non-cash items	-61,274	61,844	38,975	204,283	-143,638	127,951	107,747	
Financial sector interventions	-15,090	-36,270	44,548	47,220	137,220	16,000	20,000	
Other departmental expenditure	45,999	92,572	127,791	65,399	70,665	81,175	55,775	
Total resource departmental AME	244,330	375,293	497,750	619,877	369,156	504,129	499,709	
Resource other AME								
Net expenditure transfers to the EU ⁽³⁾	12,892	11,549	10,930	315	-383	1,015	-1,193	
Locally financed expenditure	35,769	37,961	25,304	39,431	40,507	60,892	64,801	
Central government gross debt interest	50,368	49,606	40,969	72,516	106,837	76,897	66,582	
Accounting adjustments	85,028	-52,792	-88,676	-264,008	71,418	-68,594	-63,643	
Total resource other AME	184,056	46,324	-11,473	-151,745	218,379	70,209	66,547	
Total resource AME	428,387	421,617	486,277	468,131	587,535	574,338	566,257	
Public sector current expenditure	760,844	793,178	981,055	937,760	1,042,334	1,055,583	1,055,658	
CAPITAL EXPENDITURE								
Capital DEL								
Total capital DEL	62,562	70,159	94,917	93,022	100,312	106,594	109,353	
Capital departmental AME								
National lottery	337	269	198	164	201	344	321	
BBC domestic services	160	927	20	90	755	2,180	1,522	
Student loans	18,385	22,476	22,612	23,464	26,334	36,922	30,532	
Financial sector interventions	-2,509	-1,618	-2,742	-3,779	2,863	49,100	-	
Other departmental expenditure	-3,743	1,949	17,309	-1,974	3,744	8,178	5,013	
Total capital departmental AME	12,631	24,002	37,397	17,966	33,896	96,725	37,388	
Capital other AME								
Locally financed expenditure	12,868	14,325	11,453	8,942	9,877	9,589	9,271	
Public corporations' own-financed capital expenditure	9,511	9,729	8,655	8,035	8,088	12,001	12,969	
Accounting adjustments	-54	-22,744	-26,749	-24,259	-39,577	-91,322	-35,499	
Total capital other AME	22,325	1,310	-6,640	-7,282	-21,612	-69,732	-13,259	
Total capital AME	34,955	25,313	30,757	10,683	12,284	26,993	24,129	
Public sector gross investment⁽⁴⁾	97,517	95,472	125,674	103,705	112,596	133,587	133,482	
<i>less public sector depreciation</i>	<i>51,149</i>	<i>52,748</i>	<i>53,704</i>	<i>55,119</i>	<i>60,166</i>	<i>59,937</i>	<i>62,535</i>	
Public sector net investment⁽⁴⁾	46,368	42,724	71,970	48,586	52,430	73,650	70,948	
TOTAL MANAGED EXPENDITURE⁽⁵⁾	858,361	888,650	1,106,729	1,041,465	1,154,930	1,189,170	1,189,140	
<i>of which:</i>								
Total DEL ⁽⁶⁾	381,789	413,623	563,572	542,596	545,784	557,508	564,473	
Departmental AME	256,961	399,295	535,147	637,842	403,052	600,853	537,098	
Other AME	219,611	75,731	8,010	-138,973	206,094	30,808	87,570	

⁽¹⁾ At Spending Review 2020, the Resource DEL excluding depreciation budgetary control was redefined to exclude the Scottish Block Grant Adjustments. These now form part of the depreciation ringfence within Resource DEL. Total Resource DEL is left unchanged. The reclassification is fiscally neutral and does not affect the spending power of the Scottish Government.

⁽²⁾ Tax credits include working tax credits, stakeholder pension credits and Child Tax Credits. Child allowances paid as part of Income Support and Jobseekers' Allowance are shown within social security benefits. Tax credits include elements that are treated as negative tax in National Accounts.

⁽³⁾ European Union Financial Settlement payments and European Investment Bank receipts form part of HM Treasury's departmental AME from 2021-22. Please see Annex C for more details.

⁽⁴⁾ Transactions have been affected by financial sector interventions and Covid-19 measures.

⁽⁵⁾ This excludes the temporary effects of banks being classified to the public sector.

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

Table 1.2 Total Managed Expenditure in real terms⁽¹⁾, 2018-19 to 2024-25

	National Statistics							£ million
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
	outturn	outturn	outturn	outturn	outturn	plans	plans	
CURRENT EXPENDITURE								
Resource DEL								
Resource DEL excluding depreciation ⁽²⁾	368,284	386,201	495,896	479,023	445,472	439,810	437,053	
Depreciation in resource DEL ⁽²⁾	15,263	31,593	27,642	21,368	9,327	29,584	32,920	
Total resource DEL	383,547	417,794	523,537	500,391	454,799	469,395	469,973	
Resource departmental AME								
Social security benefits	230,020	234,769	242,876	248,286	246,311	272,106	289,499	
Tax credits ⁽³⁾	25,778	20,685	16,285	11,743	8,915	8,697	4,031	
Net public service pensions	62,701	35,285	44,377	62,766	53,194	3,812	13,863	
National lottery	970	1,104	1,304	1,645	1,300	1,497	1,482	
BBC domestic services	3,977	3,921	3,377	3,843	4,201	3,551	3,448	
Student loans	-6,537	-6,619	-5,133	-5,463	-9,012	-17,530	-8,687	
Non-cash items	-70,690	69,539	41,240	217,664	-143,638	124,800	103,470	
Financial sector interventions	-17,409	-40,783	47,138	50,313	137,220	15,606	19,206	
Other departmental expenditure	53,067	104,090	135,219	69,683	70,665	79,176	53,561	
Total resource departmental AME	281,877	421,990	526,682	660,481	369,156	491,715	479,872	
Resource other AME								
Net expenditure transfers to the EU ⁽⁴⁾	14,873	12,986	11,566	336	-383	990	-1,146	
Locally financed expenditure	41,266	42,684	26,775	42,014	40,507	59,392	62,229	
Central government gross debt interest	58,108	55,778	43,350	77,266	106,837	75,003	63,939	
Accounting adjustments	98,094	-59,361	-93,831	-281,301	71,418	-66,905	-61,116	
Total resource other AME	212,341	52,088	-12,140	-161,685	218,379	68,480	63,906	
Total resource AME	494,217	474,078	514,542	498,796	587,535	560,195	543,778	
Public sector current expenditure	877,764	891,873	1,038,080	999,187	1,042,334	1,029,589	1,013,751	
CAPITAL EXPENDITURE								
Capital DEL								
Total capital DEL	72,176	78,889	100,435	99,115	100,312	103,970	105,012	
Capital departmental AME								
National lottery	389	302	209	175	201	336	308	
BBC domestic services	185	1,042	21	96	755	2,127	1,462	
Student loans	21,210	25,273	23,927	25,001	26,334	36,013	29,320	
Financial sector interventions	-2,894	-1,820	-2,901	-4,027	2,863	47,891	-	
Other departmental expenditure	-4,318	2,191	18,315	-2,103	3,744	7,977	4,814	
Total capital departmental AME	14,571	26,989	39,571	19,142	33,896	94,343	35,904	
Capital other AME								
Locally financed expenditure	14,846	16,107	12,119	9,528	9,877	9,353	8,903	
Public corporations' own-financed capital expenditure	10,972	10,940	9,159	8,561	8,088	11,706	12,454	
Accounting adjustments	-62	-25,574	-28,304	-25,849	-39,577	-89,073	-34,090	
Total capital other AME	25,756	1,473	-7,026	-7,759	-21,612	-68,015	-12,733	
Total capital AME	40,327	28,462	32,544	11,383	12,284	26,328	23,171	
Public sector gross investment⁽⁵⁾	112,503	107,352	132,979	110,498	112,596	130,298	128,184	
<i>less public sector depreciation</i>	<i>59,009</i>	<i>59,311</i>	<i>56,826</i>	<i>58,730</i>	<i>60,166</i>	<i>58,461</i>	<i>60,052</i>	
Public sector net investment⁽⁵⁾	53,493	48,040	76,153	51,769	52,430	71,836	68,131	
TOTAL MANAGED EXPENDITURE⁽⁶⁾	990,266	999,224	1,171,059	1,109,685	1,154,930	1,159,887	1,141,935	
<i>of which:</i>								
Total DEL ⁽⁷⁾	440,459	465,090	596,330	578,138	545,784	543,780	542,065	
Departmental AME	296,448	448,979	566,253	679,623	403,052	586,058	515,777	
Other AME	253,359	85,155	8,476	-148,076	206,094	30,050	84,093	

⁽¹⁾ Real terms figures are the nominal figures adjusted to 2022-23 price levels using GDP deflators from the Office for National Statistics (released 30 June 2023) and deflator forecasts from the Office for Budget Responsibility (Economic and fiscal outlook - 15 March 2023).

⁽²⁾ At Spending Review 2020, the Resource DEL excluding depreciation budgetary control was redefined to exclude the Scottish Block Grant Adjustments. These now form part of the depreciation ringfence within Resource DEL. Total Resource DEL is left unchanged. The reclassification is fiscally neutral and does not affect the spending power of the Scottish Government.

⁽³⁾ Tax credits include working tax credits, stakeholder pension credits and Child Tax Credits. Child allowances paid as part of Income Support and Jobseekers' Allowance are shown within social security benefits. Tax credits include elements that are treated as negative tax in National Accounts.

⁽⁴⁾ European Union Financial Settlement payments and European Investment Bank receipts form part of HM Treasury's departmental AME from 2021-22. Please see Annex C for more details.

⁽⁵⁾ Transactions have been affected by financial sector interventions and Covid-19 measures.

⁽⁶⁾ This excludes the temporary effects of banks being classified to the public sector.

⁽⁷⁾ Total DEL is given by resource DEL excluding depreciation plus capital DEL.

Table 1.3 Resource budgets, 2018-19 to 2024-25

	£ million						
	National Statistics						
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn	2023-24 plans	2024-25 plans
Resource DEL by departmental group							
Health and Social Care	125,279	134,184	181,441	183,548	176,631	178,578	182,252
Education	70,443	80,861	76,822	74,605	68,795	87,929	94,534
Home Office	11,226	11,870	15,061	14,959	17,602	15,242	16,377
Justice	8,035	8,302	9,164	9,376	10,100	10,879	10,963
Law Officers' Departments	557	621	625	694	766	844	833
Defence	34,571	36,707	40,178	39,740	39,847	41,011	41,555
Single Intelligence Account	2,541	2,779	2,717	2,926	3,263	3,518	3,413
Foreign, Commonwealth and Development Office	9,606	10,585	9,918	7,603	7,425	8,178	8,284
DLUHC - Local Government	4,834	8,572	20,907	21,262	11,772	14,625	13,940
DLUHC - Housing and Communities	2,353	2,800	2,710	2,768	4,015	3,039	2,173
Culture, Media and Sport ⁽⁶⁾	1,658	1,809	3,096	1,829	1,945	1,686	1,606
Science, Innovation and Technology ⁽⁶⁾	399	378	375	503	336	563	579
Transport ⁽¹⁾	3,902	11,439	23,671	18,584	17,121	17,042	16,196
Energy Security and Net Zero ⁽⁶⁾	357	1,219	1,395	2,481	14,073	2,057	1,569
Environment, Food and Rural Affairs	1,996	2,245	4,621	4,289	4,708	4,790	4,635
Business and Trade ⁽⁶⁾	910	1,734	21,241	6,421	1,395	1,605	1,564
Work and Pensions	5,966	5,883	6,661	8,972	8,696	9,024	8,102
HM Revenue and Customs	3,939	4,257	4,809	5,698	6,329	6,375	5,520
HM Treasury	247	355	321	403	311	354	266
Cabinet Office	613	685	1,411	1,234	828	950	467
Scotland ⁽²⁾	16,495	17,736	31,037	28,557	25,780	28,404	25,764
Wales ⁽³⁾	14,011	12,859	18,623	16,252	16,253	17,792	17,224
Northern Ireland	11,006	11,945	15,525	14,438	14,339	14,854	14,413
Small and Independent Bodies	1,513	1,735	2,448	2,485	2,468	2,690	2,572
UK Shared Prosperity Fund	-	-	-	-	-	-	1,266
Budget measures not yet allocated to departments ⁽⁴⁾	-	-	-	-	-	-	4,157
Reserves	-	-	-	-	-	13,172	12,993
OBR allowance for shortfall	-	-	-	-	-	-3,755	-3,816
Adjustment for Budget Exchange ⁽⁵⁾	-	-	-	-	-	-197	-
Total resource DEL	332,457	371,561	494,778	469,629	454,799	481,245	489,401
Resource departmental AME by departmental group							
Health and Social Care	40,645	30,384	34,221	82,446	-15,504	28,844	29,703
Education	22,739	23,753	24,099	20,806	-5,254	10,605	9,563
Home Office	2,695	2,624	2,328	2,420	2,089	2,768	2,718
Justice	1,301	374	405	578	289	766	737
Law Officers' Departments	2	3	-1	1	4	6	-
Defence	594	6,908	8,617	17,498	-5,354	7,006	7,107
Single Intelligence Account	22	21	-4	111	11	38	65
Foreign, Commonwealth and Development Office	-69	-141	629	-116	490	445	421
DLUHC - Local Government	21,188	18,370	16,704	8,526	11,101	17,081	13,530
DLUHC - Housing and Communities	198	-176	-76	-862	1,518	2,794	-47
Culture, Media and Sport ⁽⁶⁾	4,507	5,292	4,758	5,262	5,710	5,643	5,660
Science, Innovation and Technology ⁽⁶⁾	360	530	303	515	255	11,272	448
Transport ⁽¹⁾	7,456	1,827	1,439	3,454	4,711	4,976	4,961
Energy Security and Net Zero ⁽⁶⁾ ⁽⁶⁾	-106,116	8,483	2,164	114,835	-81,594	42,462	39,052
Environment, Food and Rural Affairs	-501	698	-612	433	-552	2,665	-523
Business and Trade ⁽⁶⁾	92	374	-10,395	-1	305	546	906
Work and Pensions	180,877	190,782	212,378	216,030	230,471	265,464	279,945
HM Revenue and Customs	40,232	40,622	116,524	52,123	33,930	35,471	31,026
HM Treasury ⁽⁷⁾	-15,254	2,512	41,124	51,949	132,476	15,923	20,237
Cabinet Office	14,247	11,928	12,556	12,225	16,858	11,510	14,933
Scotland	19,196	18,318	16,794	18,585	22,693	22,675	24,740
Wales	260	2,521	2,552	2,546	2,963	-231	429
Northern Ireland	9,753	9,477	10,469	10,753	11,567	13,718	14,096
Small and Independent Bodies	-94	-190	776	-240	-27	1,680	4
Total resource departmental AME	244,330	375,293	497,750	619,877	369,156	504,129	499,709
Total resource budget	576,788	746,854	992,528	1,089,505	823,955	985,374	989,110

⁽¹⁾ From 2019-20 Transport DEL includes funding for expenditure by Network Rail. This was formerly part of the Transport Annually Managed Expenditure (AME) budget.

⁽²⁾ As agreed in the Scottish Government's fiscal framework, their Resource DEL block grant is adjusted for the devolution of tax and welfare powers. For detailed information on the devolution of tax and welfare powers see the Block Grant Transparency publication available on GOV.UK.

⁽³⁾ As agreed in the Welsh Government's fiscal framework, their Resource DEL block grant is adjusted for the devolution of tax powers. For detailed information on the devolution of tax powers see the Block Grant Transparency publication available on GOV.UK.

⁽⁴⁾ Not all funding for measures announced at the Autumn Statement and Spring Budget has been allocated to departments' budgets. This will be done later in the year.

⁽⁵⁾ Departmental budgets include amounts carried forward through Budget Exchange. These increases will be offset by any deposits at Supplementary Estimates in future years so are excluded from spending totals.

⁽⁶⁾ Figures reflect a change to the long-term discount rate used each year for provisions to maintain compliance with International Financial Reporting Standards.

⁽⁷⁾ Transactions have been affected by financial sector interventions.

⁽⁸⁾ Data for these departments reflect the Machinery of Government changes announced in 2023 (See paragraph 1.3 in Chapter 1). Outturn figures are provisional and are likely to be revised.

Table 1.4 Resource budgets in real terms⁽¹⁾, 2018-19 to 2024-25

	£ million						
	National Statistics						
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn	2023-24 plans	2024-25 plans
Resource DEL by departmental group							
Health and Social Care	144,530	150,880	191,987	195,571	176,631	174,180	175,017
Education	81,268	90,923	81,288	79,492	68,795	85,763	90,781
Home Office	12,951	13,347	15,937	15,938	17,602	14,866	15,727
Justice	9,270	9,335	9,697	9,991	10,100	10,611	10,528
Law Officers' Departments	642	698	661	740	766	823	800
Defence	39,884	41,274	42,513	42,343	39,847	40,001	39,905
Single Intelligence Account	2,932	3,125	2,875	3,118	3,263	3,432	3,277
Foreign, Commonwealth and Development Office	11,083	11,903	10,495	8,101	7,425	7,977	7,955
DLUHC - Local Government	5,577	9,638	22,122	22,655	11,772	14,265	13,387
DLUHC - Housing and Communities	2,715	3,148	2,867	2,950	4,015	2,964	2,086
Culture, Media and Sport ⁽⁹⁾	1,913	2,034	3,276	1,949	1,945	1,644	1,542
Science, Innovation and Technology ⁽⁹⁾	460	425	397	536	336	549	556
Transport ⁽²⁾	4,501	12,862	25,047	19,801	17,121	16,622	15,553
Energy Security and Net Zero ⁽⁹⁾	411	1,371	1,476	2,643	14,073	2,006	1,507
Environment, Food and Rural Affairs	2,302	2,524	4,890	4,570	4,708	4,672	4,451
Business and Trade ⁽⁹⁾	1,050	1,950	22,476	6,841	1,395	1,566	1,502
Work and Pensions	6,882	6,615	7,048	9,560	8,696	8,802	7,780
HM Revenue and Customs	4,544	4,787	5,089	6,071	6,329	6,218	5,301
HM Treasury	285	399	340	430	311	345	256
Cabinet Office	708	770	1,493	1,314	828	926	448
Scotland ⁽³⁾	19,030	19,943	32,841	30,428	25,780	27,704	24,741
Wales ⁽⁴⁾	16,164	14,459	19,706	17,317	16,253	17,353	16,541
Northern Ireland	12,698	13,431	16,428	15,384	14,339	14,488	13,841
Small and Independent Bodies	1,745	1,951	2,590	2,648	2,468	2,623	2,470
UK Shared Prosperity Fund	-	-	-	-	-	-	1,216
Budget measures not yet allocated to departments ⁽⁵⁾	-	-	-	-	-	-	3,992
Reserves	-	-	-	-	-	12,848	12,477
OBR allowance for shortfall	-	-	-	-	-	-3,663	-3,665
Adjustment for Budget Exchange ⁽⁶⁾	-	-	-	-	-	-192	-
Total resource DEL	383,547	417,794	523,537	500,391	454,799	469,395	469,973
Resource departmental AME by departmental group							
Health and Social Care	46,891	34,164	36,210	87,847	-15,504	28,134	28,524
Education	26,234	26,708	25,499	22,169	-5,254	10,344	9,184
Home Office	3,110	2,951	2,463	2,579	2,089	2,700	2,610
Justice	1,501	421	429	616	289	747	708
Law Officers' Departments	3	3	-1	1	4	6	-
Defence	686	7,767	9,118	18,644	-5,354	6,833	6,825
Single Intelligence Account	26	23	-4	118	11	37	63
Foreign, Commonwealth and Development Office	-80	-158	665	-123	490	434	404
DLUHC - Local Government	24,444	20,655	17,675	9,084	11,101	16,660	12,993
DLUHC - Housing and Communities	229	-198	-81	-918	1,518	2,726	-45
Culture, Media and Sport ⁽⁹⁾	5,200	5,951	5,034	5,606	5,710	5,504	5,435
Science, Innovation and Technology ⁽⁹⁾	415	595	320	549	255	10,995	430
Transport ⁽²⁾	8,602	2,055	1,523	3,681	4,711	4,853	4,764
Energy Security and Net Zero ^{(7) (9)}	-122,423	9,538	2,290	122,357	-81,594	41,416	37,501
Environment, Food and Rural Affairs	-578	785	-648	461	-552	2,599	-503
Business and Trade ⁽⁹⁾	106	421	-10,999	-1	305	533	870
Work and Pensions	208,673	214,521	224,722	230,180	230,471	258,927	268,832
HM Revenue and Customs	46,414	45,676	123,298	55,537	33,930	34,597	29,794
HM Treasury ⁽³⁾	-17,598	2,824	43,514	55,352	132,476	15,531	19,434
Cabinet Office	16,436	13,412	13,286	13,026	16,858	11,227	14,340
Scotland	22,146	20,597	17,770	19,802	22,693	22,117	23,758
Wales	300	2,835	2,700	2,713	2,963	-225	412
Northern Ireland	11,251	10,657	11,078	11,457	11,567	13,380	13,536
Small and Independent Bodies	-109	-214	822	-256	-27	1,639	4
Total resource departmental AME	281,877	421,990	526,682	660,481	369,156	491,715	479,872
Total resource budget	665,423	839,785	1,050,220	1,160,872	823,955	961,110	949,846

⁽¹⁾ Real terms figures are the nominal figures adjusted to 2022-23 price levels using GDP deflators from the Office for National Statistics (released 30 June 2023) and deflator forecasts from the Office for Budget Responsibility (Economic and fiscal outlook - 15 March 2023).

⁽²⁾ From 2019-20 Transport DEL includes funding for expenditure by Network Rail. This was formerly part of the Transport Annually Managed Expenditure (AME) budget.

⁽³⁾ As agreed in the Scottish Government's fiscal framework, their Resource DEL block grant is adjusted for the devolution of tax and welfare powers. For detailed information on the devolution of tax and welfare powers see the Block Grant Transparency publication available on GOV.UK.

⁽⁴⁾ As agreed in the Welsh Government's fiscal framework, their Resource DEL block grant is adjusted for the devolution of tax powers. For detailed information on the devolution of tax powers see the Block Grant Transparency publication available on GOV.UK.

⁽⁵⁾ Not all funding for measures announced at the Autumn Statement and Spring Budget has been allocated to departments' budgets. This will be done later in the year.

⁽⁶⁾ Departmental budgets include amounts carried forward through Budget Exchange. These increases will be offset by any deposits at Supplementary Estimates in future years so are excluded from spending totals.

⁽⁷⁾ Figures reflect a change to the long-term discount rate used each year for provisions to maintain compliance with International Financial Reporting Standards.

⁽⁸⁾ Transactions have been affected by financial sector interventions.

⁽⁹⁾ Data for these departments reflect the Machinery of Government changes announced in 2023 (See paragraph 1.3 in Chapter 1). Outturn figures are provisional and are likely to be revised.

Table 1.5 Resource DEL excluding depreciation, 2018-19 to 2024-25

	National Statistics							£ million
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
	outturn	outturn	outturn	outturn	outturn	plans	plans	
Resource DEL excluding depreciation by departmental group								
Health and Social Care	122,455	131,440	177,906	178,155	171,797	173,505	177,062	
Education	61,490	63,520	68,256	71,223	76,426	81,688	83,196	
Home Office	10,923	11,507	14,565	14,435	16,822	14,518	15,494	
Justice	7,511	7,832	8,575	8,667	9,328	9,977	10,036	
Law Officers' Departments	547	610	613	674	743	808	783	
Defence	27,732	29,520	30,655	31,749	32,493	32,205	32,758	
Single Intelligence Account	2,134	2,338	2,268	2,451	2,638	2,825	2,428	
Foreign, Commonwealth and Development Office	9,426	10,398	9,720	7,396	7,169	7,844	7,948	
DLUHC - Local Government	4,834	8,572	20,907	21,262	11,772	14,625	13,940	
DLUHC - Housing and Communities	2,359	2,778	2,719	2,760	3,986	2,989	2,123	
Culture, Media and Sport ⁽⁷⁾	1,524	1,567	2,936	1,696	1,815	1,524	1,444	
Science, Innovation and Technology ⁽⁷⁾	110	139	142	227	75	251	274	
Transport ⁽¹⁾	2,479	4,103	16,258	10,455	8,412	6,933	5,727	
Energy Security and Net Zero ⁽⁷⁾	344	1,198	1,373	2,444	14,041	1,955	1,513	
Environment, Food and Rural Affairs	1,797	2,036	4,418	4,042	4,421	4,449	4,230	
Business and Trade ⁽⁷⁾	897	1,657	21,217	6,348	1,346	1,539	1,493	
Work and Pensions	5,760	5,695	6,476	8,708	8,131	8,412	7,613	
HM Revenue and Customs	3,650	3,961	4,501	5,523	5,851	5,674	4,677	
HM Treasury	242	351	315	399	298	340	255	
Cabinet Office	562	640	1,354	1,156	705	764	244	
Scotland ^{(2) (3)}	27,255	28,621	38,852	36,939	35,829	36,717	36,068	
Wales ⁽⁴⁾	13,307	12,090	17,566	16,427	15,368	15,988	15,522	
Northern Ireland	10,481	11,361	14,885	14,119	13,736	13,680	13,309	
Small and Independent Bodies	1,411	1,532	2,180	2,319	2,272	2,483	2,383	
UK Shared Prosperity Fund	-	-	-	-	-	-	1,266	
Budget measures not yet allocated to departments ⁽⁵⁾	-	-	-	-	-	-	4,157	
Reserves	-	-	-	-	-	13,172	12,993	
OBR allowance for shortfall	-	-	-	-	-	-3,755	-3,816	
Adjustment for Budget Exchange ⁽⁶⁾	-	-	-	-	-	-197	-	
Total Resource DEL excluding depreciation⁽³⁾	319,228	343,464	468,655	449,574	445,472	450,914	455,120	

⁽¹⁾ From 2019-20 Transport DEL includes funding for expenditure by Network Rail. This was formerly part of the Transport Annually Managed Expenditure (AME) budget.

⁽²⁾ As agreed in the Scottish Government's fiscal framework, their Resource DEL block grant is adjusted for the devolution of tax and welfare powers. For detailed information on the devolution of tax and welfare powers see the Block Grant Transparency publication available on GOV.UK.

⁽³⁾ At Spending Review 2020, the Resource DEL excluding depreciation budgetary control was redefined to exclude the Scottish Block Grant Adjustments. These now form part of the depreciation ringfence within Resource DEL. Total Resource DEL is left unchanged. The reclassification is fiscally neutral and does not affect the spending power of the Scottish Government.

⁽⁴⁾ As agreed in the Welsh Government's fiscal framework, their Resource DEL block grant is adjusted for the devolution of tax powers. For detailed information on the devolution of tax powers see the Block Grant Transparency publication available on GOV.UK.

⁽⁵⁾ Not all funding for measures announced at the Autumn Statement and Spring Budget has been allocated to departments' budgets. This will be done later in the year.

⁽⁶⁾ Departmental budgets include amounts carried forward through Budget Exchange. These increases will be offset by any deposits at Supplementary Estimates in future years so are excluded from spending totals.

⁽⁷⁾ Data for these departments reflect the Machinery of Government changes announced in 2023 (See paragraph 1.3 in Chapter 1). Outturn figures are provisional and are likely to be revised.

Table 1.6 Resource DEL excluding depreciation in real terms⁽¹⁾, 2018-19 to 2024-25

	National Statistics							£ million
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
	outturn	outturn	outturn	outturn	outturn	plans	plans	
Resource DEL excluding depreciation by departmental group								
Health and Social Care	141,272	147,795	188,247	189,825	171,797	169,232	170,033	
Education	70,939	71,423	72,223	75,888	76,426	79,677	79,893	
Home Office	12,601	12,939	15,411	15,380	16,822	14,161	14,879	
Justice	8,665	8,807	9,073	9,235	9,328	9,731	9,638	
Law Officers' Departments	631	686	649	718	743	788	752	
Defence	31,993	33,193	32,437	33,829	32,493	31,412	31,457	
Single Intelligence Account	2,462	2,628	2,399	2,611	2,638	2,756	2,331	
Foreign, Commonwealth and Development Office	10,875	11,692	10,285	7,880	7,169	7,651	7,633	
DLUHC - Local Government	5,577	9,638	22,122	22,655	11,772	14,265	13,387	
DLUHC - Housing and Communities	2,721	3,123	2,877	2,940	3,986	2,915	2,039	
Culture, Media and Sport ⁽⁶⁾	1,758	1,762	3,107	1,807	1,815	1,487	1,386	
Science, Innovation and Technology ⁽⁶⁾	127	156	150	242	75	245	263	
Transport ⁽²⁾	2,860	4,614	17,203	11,140	8,412	6,762	5,500	
Energy Security and Net Zero ⁽⁶⁾	397	1,347	1,452	2,604	14,041	1,907	1,453	
Environment, Food and Rural Affairs	2,074	2,289	4,675	4,306	4,421	4,339	4,062	
Business and Trade ⁽⁶⁾	1,034	1,863	22,450	6,764	1,346	1,501	1,434	
Work and Pensions	6,645	6,403	6,852	9,278	8,131	8,205	7,311	
HM Revenue and Customs	4,211	4,454	4,762	5,885	5,851	5,534	4,491	
HM Treasury	279	395	334	425	298	332	245	
Cabinet Office	648	719	1,433	1,232	705	745	235	
Scotland ^{(3) (4)}	31,443	32,182	41,111	39,358	35,829	35,812	34,636	
Wales ⁽⁵⁾	15,352	13,595	18,587	17,503	15,368	15,595	14,906	
Northern Ireland	12,092	12,774	15,750	15,044	13,736	13,343	12,781	
Small and Independent Bodies	1,627	1,723	2,307	2,471	2,272	2,422	2,289	
UK Shared Prosperity Fund	-	-	-	-	-	-	1,216	
Budget measures not yet allocated to departments ⁽⁶⁾	-	-	-	-	-	-	3,992	
Reserves	-	-	-	-	-	12,848	12,477	
OBR allowance for shortfall	-	-	-	-	-	-3,663	-3,665	
Adjustment for Budget Exchange ⁽⁷⁾	-	-	-	-	-	-192	-	
Total Resource DEL excluding depreciation⁽⁴⁾	368,284	386,201	495,896	479,023	445,472	439,810	437,053	

⁽¹⁾ Real terms figures are the nominal figures adjusted to 2022-23 price levels using GDP deflators from the Office for National Statistics (released 30 June 2023) and deflator forecasts from the Office for Budget Responsibility (Economic and fiscal outlook - 15 March 2023).

⁽²⁾ From 2019-20 Transport DEL includes funding for expenditure by Network Rail. This was formerly part of the Transport Annually Managed Expenditure (AME) budget.

⁽³⁾ As agreed in the Scottish Government's fiscal framework, their Resource DEL block grant is adjusted for the devolution of tax and welfare powers. For detailed information on the devolution of tax and welfare powers see the Block Grant Transparency publication available on GOV.UK.

⁽⁴⁾ At Spending Review 2020, the Resource DEL excluding depreciation budgetary control was redefined to exclude the Scottish Block Grant Adjustments. These now form part of the depreciation ringfence within Resource DEL. Total Resource DEL is left unchanged. The reclassification is fiscally neutral and does not affect the spending power of the Scottish Government.

⁽⁵⁾ As agreed in the Welsh Government's fiscal framework, their Resource DEL block grant is adjusted for the devolution of tax powers. For detailed information on the devolution of tax powers see the Block Grant Transparency publication available on GOV.UK.

⁽⁶⁾ Not all funding for measures announced at the Autumn Statement and Spring Budget has been allocated to departments' budgets. This will be done later in the year.

⁽⁷⁾ Departmental budgets include amounts carried forward through Budget Exchange. These increases will be offset by any deposits at Supplementary Estimates in future years so are excluded from spending totals.

⁽⁸⁾ Data for these departments reflect the Machinery of Government changes announced in 2023 (See paragraph 1.3 in Chapter 1). Outturn figures are provisional and are likely to be revised.

Table 1.7 Administration budgets , 2018-19 to 2024-25

	£ million						
	National Statistics						
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn	2023-24 plans	2024-25 plans
Health and Social Care	2,273	2,301	2,493	2,675	2,830	2,817	2,811
Education	506	505	525	555	562	577	578
Home Office	360	359	350	318	413	419	402
Justice	398	400	424	444	473	532	517
Law Officers' Departments	38	56	40	37	51	66	68
Defence	1,681	1,908	1,874	1,753	1,758	2,004	2,030
Single Intelligence Account	75	79	71	79	62	572	769
Foreign, Commonwealth and Development Office	253	231	248	263	304	327	319
DLUHC - Housing and Communities	256	250	271	276	233	337	330
Culture, Media and Sport ⁽²⁾	205	226	218	144	202	215	200
Science, Innovation and Technology ⁽²⁾	98	110	97	152	108	185	168
Transport	279	295	295	329	336	372	372
Energy Security and Net Zero ⁽²⁾	257	278	315	296	342	384	343
Environment, Food and Rural Affairs	647	708	732	832	1,136	1,004	964
Business and Trade ⁽²⁾	224	263	291	332	356	393	356
Work and Pensions	779	797	911	920	874	1,027	938
HM Revenue and Customs	840	821	945	879	1,001	1,100	1,095
HM Treasury	187	204	258	286	309	348	261
Cabinet Office	275	326	352	607	442	502	230
Small and Independent Bodies	556	279	331	458	481	514	477
Total administration budgets	10,186	10,395	11,038	11,635	12,274	13,695	13,227
of which: administration costs paybill	7,401	8,051	8,580	9,158	9,790	8,936	8,262
Administration budgets as a percentage of Total Managed Expenditure⁽¹⁾	1.2	1.2	1.0	1.1	1.1	1.2	1.1

⁽¹⁾ TME excludes the temporary effects of banks being classified to the public sector.

⁽²⁾ Data for these departments reflect the Machinery of Government changes announced in 2023 (See paragraph 1.3 in Chapter 1). Outturn figures are provisional and are likely to be revised.

Table 1.7a Administration budgets excluding depreciation, 2018-19 to 2024-25

	National Statistics							£ million
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
	outturn	outturn	outturn	outturn	outturn	plans	plans	
Health and Social Care	2,189	2,212	2,405	2,575	2,661	2,433	2,433	
Education	478	468	490	522	515	510	507	
Home Office	347	335	345	315	394	400	378	
Justice	377	369	397	413	435	483	459	
Law Officers' Departments	36	53	36	33	41	53	55	
Defence	1,681	1,908	1,874	1,753	1,758	2,004	2,030	
Single Intelligence Account	75	79	71	79	62	95	99	
Foreign, Commonwealth and Development Office	219	201	216	235	278	289	278	
DLUHC - Housing and Communities	254	232	271	260	202	295	289	
Culture, Media and Sport ⁽²⁾	196	189	195	130	185	202	184	
Science, Innovation and Technology ⁽²⁾	89	99	86	133	101	144	140	
Transport	273	284	281	313	319	345	346	
Energy Security and Net Zero ⁽²⁾	249	267	300	277	324	310	316	
Environment, Food and Rural Affairs	588	641	664	772	1,006	848	780	
Business and Trade ⁽²⁾	218	258	287	323	340	383	346	
Work and Pensions	751	767	876	879	831	966	877	
HM Revenue and Customs	763	757	892	848	914	976	948	
HM Treasury	182	200	252	281	296	335	249	
Cabinet Office	254	307	334	563	366	406	99	
Small and Independent Bodies	546	268	319	445	453	477	438	
Total administration budgets	9,764	9,894	10,590	11,151	11,481	11,956	11,252	
of which: administration costs paybill	7,401	8,051	8,580	9,158	9,790	8,936	8,262	
Administration budgets as a percentage of Total Managed Expenditure⁽¹⁾	1.1	1.1	1.0	1.1	1.0	1.0	0.9	

⁽¹⁾ TME excludes the temporary effects of banks being classified to the public sector.

⁽²⁾ Data for these departments reflect the Machinery of Government changes announced in 2023 (See paragraph 1.3 in Chapter 1). Outturn figures are provisional and are likely to be revised.

Table 1.8 Capital budgets, 2018-19 to 2024-25

	£ million							
	National Statistics						2023-24 plans	2024-25 plans
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn	2023-24 plans		
Capital DEL by departmental group								
Health and Social Care	5,941	7,015	12,704	9,119	9,896	12,088	12,640	
Education	5,169	4,851	4,728	4,717	5,348	7,039	6,095	
Home Office	744	781	788	861	1,090	1,037	1,048	
Justice	431	492	1,068	1,421	1,349	2,308	1,844	
Law Officers' Departments	16	8	5	8	28	34	48	
Defence	10,294	10,314	11,707	14,180	20,304	18,338	18,865	
Single Intelligence Account	607	637	580	906	1,157	1,283	1,208	
Foreign, Commonwealth and Development Office	3,246	2,184	2,871	1,750	2,141	3,641	4,118	
DLUHC - Housing and Communities	7,424	8,273	9,096	6,142	6,850	7,194	7,011	
Levelling Up Fund	-	-	-	-	-	1,387	1,369	
Culture, Media and Sport ⁽⁴⁾	366	583	951	488	454	662	670	
Science, Innovation and Technology ⁽⁴⁾	8,274	8,652	10,144	9,715	10,545	13,081	13,758	
Transport ⁽¹⁾	8,274	14,242	17,134	19,151	20,542	20,705	20,452	
Energy Security and Net Zero ⁽⁴⁾	2,433	2,379	8,995	10,723	6,287	5,914	8,212	
Environment, Food and Rural Affairs	703	726	891	1,334	1,556	2,823	2,851	
Business and Trade ⁽⁴⁾	342	292	1,487	755	124	1,054	1,053	
Work and Pensions	334	81	468	626	450	800	574	
HM Revenue and Customs	349	335	542	662	556	627	501	
HM Treasury	104	139	8	12	7	8	5	
Cabinet Office	57	36	232	153	424	366	2,525	
Scotland	3,872	4,260	5,230	5,224	6,199	5,950	5,615	
Wales	2,037	2,131	3,297	2,939	2,791	3,147	2,932	
Northern Ireland	1,297	1,346	1,716	1,821	1,895	2,116	1,837	
Small and Independent Bodies	247	400	274	316	319	357	660	
UK Shared Prosperity Fund	-	-	-	-	-	-	234	
Reserves	-	-	-	-	-	4,817	1,508	
OBR allowance for shortfall	-	-	-	-	-	-8,923	-8,283	
Adjustment for Budget Exchange ⁽²⁾	-	-	-	-	-	-1,258	-	
Total capital DEL	62,562	70,159	94,917	93,022	100,312	106,594	109,353	
Capital departmental AME by departmental group								
Health and Social Care	-5	-6	-7	-	25	106	106	
Education	17,106	20,982	21,144	21,863	24,823	34,429	28,738	
Home Office	-	-	-	-	0	0	-	
Justice	-	-	-	11	5	23	23	
Law Officers' Departments	-	-	-	-2	2	3	-	
Single Intelligence Account	-	-	-	-	-	2	-	
Foreign, Commonwealth and Development Office	736	956	650	661	290	280	-	
Culture, Media and Sport ⁽⁴⁾	453	1,326	278	250	961	1,564	1,048	
Science, Innovation and Technology ⁽⁴⁾	-71	-53	-57	-67	5	2,480	0	
Transport	5,168	10	54	78	-164	83	-327	
Energy Security and Net Zero ⁽⁴⁾	-110	-118	-117	-122	-123	-24	-123	
Environment, Food and Rural Affairs	0	3	4	3	24	110	57	
Business and Trade ⁽⁴⁾	-131	34	19,718	-3,598	2,435	1,707	800	
Work and Pensions	135	309	146	30	70	333	372	
HM Revenue and Customs	0	0	0	0	0	0	-	
HM Treasury ⁽³⁾	-12,935	-2,064	-7,470	-3,779	3,084	50,077	2,653	
Scotland	787	1,171	777	893	1,005	1,329	865	
Wales	698	803	889	954	906	1,536	1,332	
Northern Ireland	374	340	280	333	524	648	510	
Small and Independent Bodies	426	308	1,109	457	26	2,038	1,335	
Total capital departmental AME	12,631	24,002	37,397	17,966	33,896	96,725	37,388	
Total capital budget	75,192	94,162	132,314	110,987	134,208	203,319	146,741	

⁽¹⁾ Following implementation of ESA10, Network rail is now classified to Central Government. The actual expenditure of Network rail appears in the Department for Transport departmental AME budget for 2018-19 and in DEL from 2019-20.

⁽²⁾ Departmental budgets include amounts carried forward through Budget Exchange. These increases will be offset by any deposits at Supplementary Estimates in future years so are excluded from spending totals.

⁽³⁾ Transactions have been affected by financial sector interventions.

⁽⁴⁾ Data for these departments reflect the Machinery of Government changes announced in 2023 (See paragraph 1.3 in Chapter 1). Outturn figures are provisional and are likely to be revised.

Table 1.8a Financial transactions and general capital in Capital DEL (CDEL), 2018-19 to 2024-25

	National Statistics							£ million
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
	outturn	outturn	outturn	outturn	outturn	plans	plans	
Financial transactions in CDEL								
Health and Social Care	-97	23	46	-30	31	-	-	
Education	36	-31	-46	-57	-63	28	-100	
Defence	9	-	-	-	-	85	90	
Foreign, Commonwealth and Development Office	-283	74	153	205	111	623	1,173	
DLUHC - Housing and Communities	4,032	3,784	4,136	2,342	2,139	740	567	
Culture, Media and Sport ⁽³⁾	6	4	371	99	-7	-	-	
Science, Innovation and Technology ⁽³⁾	38	58	100	123	19	55	56	
Transport	363	881	611	362	119	-87	-	
Energy Security and Net Zero ⁽³⁾	32	0	54	1,160	2,004	-39	426	
Environment, Food and Rural Affairs	2	30	-8	-1	0	-	-	
Business and Trade ⁽³⁾	131	82	1,533	627	-90	210	417	
Work and Pensions	137	106	170	158	184	194	144	
HM Treasury	97	137	4	7	-	-	-	
Scotland	254	247	401	-21	310	173	176	
Wales	299	239	822	169	103	93	90	
Northern Ireland	-65	-44	91	3	31	62	62	
Small and Independent Bodies	0	0	0	0	0	0	0	
Total financial transactions in CDEL	4,989	5,590	8,436	5,148	4,890	2,136	3,102	
General capital in CDEL								
Health and Social Care	6,038	6,993	12,658	9,149	9,865	12,088	12,640	
Education	5,133	4,882	4,774	4,774	5,411	7,011	6,195	
Home Office	744	781	788	861	1,090	1,037	1,048	
Justice	431	492	1,068	1,421	1,349	2,308	1,844	
Law Officers' Departments	16	8	5	8	28	34	48	
Defence ⁽¹⁾	10,286	10,314	11,707	14,180	20,304	18,253	18,775	
Single Intelligence Account	607	637	580	906	1,157	1,283	1,208	
Foreign, Commonwealth and Development Office	3,530	2,110	2,719	1,544	2,030	3,018	2,945	
DLUHC - Housing and Communities	3,392	4,489	4,961	3,800	4,711	6,454	6,444	
Culture, Media and Sport ⁽³⁾	360	580	580	389	461	662	670	
Science, Innovation and Technology ⁽³⁾	8,237	8,594	10,044	9,591	10,526	13,026	13,702	
Transport	7,912	13,361	16,522	18,789	20,423	20,793	20,452	
Energy Security and Net Zero ⁽³⁾	2,402	2,379	8,941	9,563	4,283	5,953	7,786	
Environment, Food and Rural Affairs	701	696	899	1,335	1,556	2,823	2,851	
Business and Trade ⁽³⁾	211	210	-47	128	214	844	636	
Work and Pensions	197	-25	298	468	266	606	430	
HM Revenue and Customs	349	335	542	662	556	627	501	
HM Treasury	7	2	5	4	7	8	5	
Cabinet Office	57	36	232	153	424	366	2,525	
Scotland	3,618	4,013	4,830	5,245	5,889	5,777	5,439	
Wales	1,738	1,892	2,475	2,770	2,687	3,054	2,842	
Northern Ireland	1,363	1,390	1,625	1,818	1,864	2,053	1,775	
Small and Independent Bodies	247	400	274	316	319	357	660	
Total general capital in CDEL	57,573	64,569	86,481	87,874	95,422	108,434	111,423	
Levelling Up Fund	-	-	-	-	-	1,387	1,369	
UK Shared Prosperity Fund	-	-	-	-	-	-	234	
Reserves	-	-	-	-	-	4,817	1,508	
OBR allowance for shortfall	-	-	-	-	-	-8,923	-8,283	
Adjustment for Budget Exchange ⁽²⁾	-	-	-	-	-	-1,258	-	
Total capital DEL	62,562	70,159	94,917	93,022	100,312	106,594	109,353	

⁽¹⁾ General capital figures for Defence also include figures from the single use military expenditure (SUME) ringfence.

⁽²⁾ Departmental budgets include amounts carried forward through Budget Exchange. These increases will be offset by any deposits at Supplementary Estimates in future years so are excluded from spending totals.

⁽³⁾ Data for these departments reflect the Machinery of Government changes announced in 2023 (See paragraph 1.3 in Chapter 1). Outturn figures are provisional and are likely to be revised.

Table 1.9 Capital budgets in real terms⁽¹⁾, 2018-19 to 2024-25

	National Statistics							£ million
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
	outturn	outturn	outturn	outturn	outturn	plans	plans	
Capital DEL by departmental group								
Health and Social Care	6,854	7,888	13,443	9,716	9,896	11,790	12,138	
Education	5,963	5,455	5,003	5,026	5,348	6,865	5,853	
Home Office	858	878	834	918	1,090	1,012	1,007	
Justice	497	553	1,131	1,514	1,349	2,251	1,771	
Law Officers' Departments	19	9	6	9	28	33	46	
Defence	11,876	11,597	12,387	15,109	20,304	17,886	18,116	
Single Intelligence Account	700	716	614	965	1,157	1,251	1,160	
Foreign, Commonwealth and Development Office	3,745	2,456	3,038	1,864	2,141	3,551	3,954	
DLUHC - Housing and Communities	8,565	9,303	9,625	6,545	6,850	7,017	6,733	
Levelling Up Fund	-	-	-	-	-	1,353	1,315	
Culture, Media and Sport ⁽⁵⁾	422	656	1,007	520	454	646	644	
Science, Innovation and Technology ⁽⁵⁾	9,546	9,728	10,733	10,351	10,545	12,759	13,211	
Transport ⁽²⁾	9,546	16,014	18,130	20,406	20,542	20,195	19,640	
Energy Security and Net Zero ⁽⁵⁾	2,807	2,675	9,517	11,425	6,287	5,768	7,886	
Environment, Food and Rural Affairs	811	817	942	1,421	1,556	2,754	2,738	
Business and Trade ⁽⁵⁾	395	329	1,573	805	124	1,028	1,011	
Work and Pensions	385	91	495	667	450	781	552	
HM Revenue and Customs	403	377	574	705	556	612	481	
HM Treasury	120	156	9	13	7	8	5	
Cabinet Office	65	41	246	163	424	357	2,425	
Scotland	4,467	4,791	5,535	5,567	6,199	5,804	5,392	
Wales	2,350	2,396	3,489	3,131	2,791	3,069	2,816	
Northern Ireland	1,496	1,514	1,816	1,940	1,895	2,063	1,764	
Small and Independent Bodies	285	450	290	336	319	348	634	
UK Shared Prosperity Fund	-	-	-	-	-	-	225	
Reserves	-	-	-	-	-	4,699	1,448	
OBR allowance for shortfall	-	-	-	-	-	-8,703	-7,954	
Adjustment for Budget Exchange ⁽³⁾	-	-	-	-	-	-1,227	-	
Total capital DEL	72,176	78,889	100,435	99,115	100,312	103,970	105,012	
Capital departmental AME by departmental group								
Health and Social Care	-6	-6	-8	-	25	103	101	
Education	19,734	23,593	22,373	23,296	24,823	33,581	27,597	
Home Office	-	-	-	-	0	0	-	
Justice	-	-	-	11	5	23	22	
Law Officers' Departments	-	-	-	-2	2	3	-	
Single Intelligence Account	-	-	-	-	-	2	-	
Foreign, Commonwealth and Development Office	849	1,075	688	704	290	273	-	
Culture, Media and Sport ⁽⁵⁾	522	1,491	294	266	961	1,526	1,006	
Science, Innovation and Technology ⁽⁵⁾	-82	-59	-61	-71	5	2,419	0	
Transport ⁽²⁾	5,962	12	57	83	-164	81	-314	
Energy Security and Net Zero ⁽⁵⁾	-127	-133	-124	-130	-123	-24	-119	
Environment, Food and Rural Affairs	0	3	4	3	24	108	54	
Business and Trade ⁽⁵⁾	-151	38	20,864	-3,834	2,435	1,665	768	
Work and Pensions	156	348	154	32	70	325	357	
HM Revenue and Customs	0	0	0	0	0	0	-	
HM Treasury ⁽⁴⁾	-14,922	-2,320	-7,904	-4,027	3,084	48,844	2,548	
Scotland	907	1,317	822	952	1,005	1,296	831	
Wales	805	903	941	1,016	906	1,499	1,279	
Northern Ireland	431	382	297	355	524	632	490	
Small and Independent Bodies	492	346	1,174	487	26	1,988	1,282	
Total capital departmental AME	14,571	26,989	39,571	19,142	33,896	94,343	35,904	
Total capital budget	86,747	105,878	140,005	118,257	134,208	198,312	140,916	

⁽¹⁾ Real terms figures are the nominal figures adjusted to 2022-23 price levels using GDP deflators from the Office for National Statistics (released 30 June 2023) and deflator forecasts from the Office for Budget Responsibility (Economic and fiscal outlook - 15 March 2023).

⁽²⁾ Following implementation of ESA10, Network rail is now classified to Central Government. The actual expenditure of Network rail appears in the Department for Transport departmental AME budget for 2018-19 and in DEL from 2019-20.

⁽³⁾ Departmental budgets include amounts carried forward through Budget Exchange. These increases will be offset by any deposits at Supplementary Estimates in future years so are excluded from spending totals.

⁽⁴⁾ Transactions have been affected by financial sector interventions.

⁽⁵⁾ Data for these departments reflect the Machinery of Government changes announced in 2023 (See paragraph 1.3 in Chapter 1). Outturn figures are provisional and are likely to be revised.

Table 1.10 Total Departmental Expenditure Limits⁽¹⁾, 2018-19 to 2024-25

	National Statistics							£ million
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
	outturn	outturn	outturn	outturn	outturn	plans	plans	
Total DEL by departmental group								
Health and Social Care	128,396	138,456	190,610	187,274	181,693	185,593	189,702	
Education	66,659	68,371	72,983	75,940	81,774	88,727	89,291	
Home Office	11,667	12,288	15,352	15,296	17,911	15,556	16,543	
Justice	7,941	8,324	9,643	10,088	10,677	12,285	11,880	
Law Officers' Departments	563	618	619	682	771	841	831	
Defence	38,026	39,833	42,362	45,929	52,797	50,543	51,623	
Single Intelligence Account	2,741	2,974	2,848	3,356	3,796	4,108	3,636	
Foreign, Commonwealth and Development Office	12,673	12,583	12,591	9,146	9,310	11,485	12,066	
DLUHC - Local Government	4,834	8,572	20,907	21,262	11,772	14,625	13,940	
DLUHC - Housing and Communities	9,782	11,051	11,815	8,902	10,835	10,183	9,134	
Levelling Up Fund	-	-	-	-	-	1,387	1,369	
Culture, Media and Sport ⁽⁷⁾	1,890	2,150	3,887	2,185	2,269	2,187	2,114	
Science, Innovation and Technology ⁽⁷⁾	8,384	8,791	10,285	9,942	10,620	13,333	14,032	
Transport ⁽²⁾	10,753	18,345	33,392	29,606	28,955	27,638	26,179	
Energy Security and Net Zero ⁽⁷⁾	2,778	3,577	10,367	13,167	20,328	7,868	9,725	
Environment, Food and Rural Affairs	2,500	2,762	5,309	5,376	5,977	7,272	7,081	
Business and Trade ⁽⁷⁾	1,239	1,949	22,704	7,103	1,470	2,593	2,546	
Work and Pensions	6,094	5,776	6,944	9,334	8,581	9,213	8,188	
HM Revenue and Customs	3,999	4,296	5,043	6,185	6,407	6,301	5,177	
HM Treasury	345	490	324	411	305	348	260	
Cabinet Office	619	676	1,586	1,309	1,129	1,130	2,770	
Scotland ⁽³⁾	31,126	32,881	44,083	42,163	42,028	42,667	41,683	
Wales ⁽⁴⁾	15,344	14,221	20,863	19,366	18,158	19,135	18,454	
Northern Ireland	11,778	12,707	16,601	15,940	15,631	15,795	15,146	
Small and Independent Bodies	1,658	1,932	2,454	2,635	2,591	2,840	3,043	
UK Shared Prosperity Fund	-	-	-	-	-	-	1,500	
Budget measures not yet allocated to departments ⁽⁵⁾	-	-	-	-	-	-	4,157	
Reserves	-	-	-	-	-	17,990	14,500	
OBR allowance for shortfall	-	-	-	-	-	-12,678	-12,099	
Adjustment for Budget Exchange ⁽⁶⁾	-	-	-	-	-	-1,455	-	
Total DEL by departmental group	381,789	413,623	563,572	542,596	545,784	557,508	564,473	

⁽¹⁾ Total DEL is given by Resource DEL excluding depreciation (Table 1.5) plus Capital DEL (Table 1.8).

⁽²⁾ Following implementation of ESA10, Network rail is now classified to Central Government. The actual expenditure of Network Rail appears in the Department for Transport departmental AME budget for 2018-19 and in DEL from 2019-20.

⁽³⁾ As agreed in the Scottish Government's fiscal framework, their Resource DEL block grant is adjusted for the devolution of tax and welfare powers. For detailed information on the devolution of tax and welfare powers see the Block Grant Transparency publication available on GOV.UK.

⁽⁴⁾ As agreed in the Welsh Government's fiscal framework, their Resource DEL block grant is adjusted for the devolution of tax powers. For detailed information on the devolution of tax powers see the Block Grant Transparency publication available on GOV.UK.

⁽⁵⁾ Not all funding for measures announced at the Autumn Statement and Spring Budget has been allocated to departments' budgets. This will be done later in the year.

⁽⁶⁾ Departmental budgets include amounts carried forward through Budget Exchange. These increases will be offset by any deposits at Supplementary Estimates in future years so are excluded from spending totals.

⁽⁷⁾ Data for these departments reflect the Machinery of Government changes announced in 2023 (See paragraph 1.3 in Chapter 1). Outturn figures are provisional and are likely to be revised.

Table 1.11 Total Departmental Expenditure Limits⁽¹⁾ in real terms⁽²⁾, 2018-19 to 2024-25

	National Statistics							£ million
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
	outturn	outturn	outturn	outturn	outturn	plans	plans	
Total DEL by departmental group								
Health and Social Care	148,127	155,684	201,689	199,541	181,693	181,023	182,172	
Education	76,902	76,878	77,226	80,914	81,774	86,542	85,746	
Home Office	13,460	13,817	16,245	16,298	17,911	15,173	15,886	
Justice	9,162	9,360	10,204	10,749	10,677	11,982	11,408	
Law Officers' Departments	650	695	655	727	771	821	798	
Defence	43,870	44,790	44,824	48,937	52,797	49,298	49,573	
Single Intelligence Account	3,162	3,344	3,014	3,576	3,796	4,007	3,492	
Foreign, Commonwealth and Development Office	14,620	14,148	13,323	9,745	9,310	11,202	11,587	
DLUHC - Local Government	5,577	9,638	22,122	22,655	11,772	14,265	13,387	
DLUHC - Housing and Communities	11,286	12,426	12,502	9,485	10,835	9,932	8,771	
Levelling Up Fund	-	-	-	-	-	1,353	1,315	
Culture, Media and Sport ⁽³⁾	2,180	2,418	4,113	2,328	2,269	2,133	2,030	
Science, Innovation and Technology ⁽³⁾	9,673	9,884	10,883	10,593	10,620	13,004	13,475	
Transport ⁽³⁾	12,406	20,628	35,332	31,545	28,955	26,958	25,140	
Energy Security and Net Zero ⁽³⁾	3,204	4,022	10,970	14,029	20,328	7,675	9,339	
Environment, Food and Rural Affairs	2,885	3,106	5,618	5,728	5,977	7,093	6,800	
Business and Trade ⁽³⁾	1,429	2,191	24,023	7,569	1,470	2,529	2,445	
Work and Pensions	7,030	6,495	7,347	9,946	8,581	8,986	7,863	
HM Revenue and Customs	4,614	4,831	5,336	6,591	6,407	6,146	4,972	
HM Treasury	398	551	343	437	305	340	250	
Cabinet Office	714	760	1,679	1,395	1,129	1,102	2,660	
Scotland ⁽⁴⁾	35,910	36,973	46,645	44,925	42,028	41,616	40,029	
Wales ⁽⁵⁾	17,702	15,991	22,076	20,634	18,158	18,664	17,722	
Northern Ireland	13,588	14,288	17,565	16,984	15,631	15,407	14,545	
Small and Independent Bodies	1,912	2,173	2,597	2,808	2,591	2,770	2,922	
UK Shared Prosperity Fund	-	-	-	-	-	-	1,440	
Budget measures not yet allocated to departments ⁽⁶⁾	-	-	-	-	-	-	3,992	
Reserves	-	-	-	-	-	17,547	13,925	
OBR allowance for shortfall	-	-	-	-	-	-12,366	-11,619	
Adjustment for Budget Exchange ⁽⁷⁾	-	-	-	-	-	-1,419	-	
Total DEL by departmental group	440,459	465,090	596,330	578,138	545,784	543,780	542,065	

⁽¹⁾ Total DEL is given by Resource DEL excluding depreciation (Table 1.5) plus Capital DEL (Table 1.8).

⁽²⁾ Real terms figures are the nominal figures adjusted to 2022-23 price levels using GDP deflators from the Office for National Statistics (released 30 June 2023) and deflator forecasts from the Office for Budget Responsibility (Economic and fiscal outlook - 15 March 2023).

⁽³⁾ Following implementation of ESA10, Network rail is now classified to Central Government. The actual expenditure of Network Rail appears in the Department for Transport departmental AME budget for 2018-19 and in DEL from 2019-20.

⁽⁴⁾ As agreed in the Scottish Government's fiscal framework, their Resource DEL block grant is adjusted for the devolution of tax and welfare powers. For detailed information on the devolution of tax and welfare powers see the Block Grant Transparency publication available on GOV.UK.

⁽⁵⁾ As agreed in the Welsh Government's fiscal framework, their Resource DEL block grant is adjusted for the devolution of tax powers. For detailed information on the devolution of tax powers see the Block Grant Transparency publication available on GOV.UK.

⁽⁶⁾ Not all funding for measures announced at the Autumn Statement and Spring Budget has been allocated to departments' budgets. This will be done later in the year.

⁽⁷⁾ Data for these departments reflect the Machinery of Government changes announced in 2023 (See paragraph 1.3 in Chapter 1). Outturn figures are provisional and are likely to be revised.

Table 1.12 Total Managed Expenditure by departmental group and other expenditure , 2018-19 to 2024-25

	National Statistics							£ million
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
	outturn	outturn	outturn	outturn	outturn	plans	plans	
Total Managed Expenditure by departmental group								
Health and Social Care	169,036	168,834	224,823	269,720	166,213	214,542	219,511	
Education	106,504	113,106	118,226	118,609	101,342	133,761	127,592	
Home Office	14,362	14,912	17,680	17,716	20,000	18,324	19,261	
Justice	9,242	8,698	10,049	10,677	10,971	13,074	12,641	
Law Officers' Departments	566	621	618	682	777	850	831	
Defence	38,620	46,741	50,978	63,427	47,443	57,548	58,729	
Single Intelligence Account	2,763	2,995	2,844	3,467	3,807	4,149	3,701	
Foreign, Commonwealth and Development Office	13,339	13,398	13,869	9,691	10,090	12,210	12,487	
DLUHC - Local Government	26,022	26,942	37,611	29,788	22,873	31,705	27,470	
DLUHC - Housing and Communities	9,981	10,875	11,739	8,040	12,354	12,977	9,087	
Culture, Media and Sport ⁽¹¹⁾	6,850	8,768	8,923	7,696	8,941	9,394	8,822	
Science, Innovation and Technology ⁽¹¹⁾	8,673	9,267	10,531	10,390	10,880	27,085	14,480	
Transport	23,377	20,183	34,885	33,138	33,502	32,697	30,813	
Energy Security and Net Zero ^{(1) (11)}	-103,448	11,942	12,414	127,880	-61,389	50,306	48,654	
Environment, Food and Rural Affairs	1,999	3,464	4,701	5,811	5,448	10,047	6,615	
Business and Trade ⁽¹¹⁾	1,199	2,357	32,027	3,504	4,210	4,847	4,252	
Work and Pensions	187,106	196,867	219,467	225,394	239,122	275,010	288,504	
HM Revenue and Customs	44,231	44,918	121,567	58,309	40,337	41,772	36,203	
HM Treasury ⁽²⁾	-27,844	939	33,978	48,580	135,864	66,349	23,150	
Cabinet Office	14,865	12,604	14,142	13,534	17,987	12,641	17,702	
Scotland ⁽³⁾	51,109	52,370	61,653	61,641	65,726	66,670	67,288	
Wales ⁽⁴⁾	16,302	17,546	24,304	22,865	22,027	20,440	20,215	
Northern Ireland	21,905	22,524	27,350	27,026	27,722	30,161	29,753	
Small and Independent Bodies	1,990	2,050	4,340	2,852	2,590	6,558	4,383	
Total departmental expenditure⁽⁶⁾	638,750	812,919	1,098,719	1,180,438	948,836	1,153,118	1,092,143	
Central government gross debt interest	50,368	49,606	40,969	72,516	106,837	76,897	66,582	
Locally financed expenditure	48,637	52,285	36,757	48,374	50,384	70,480	74,072	
Public sector depreciation	51,149	52,748	53,704	55,119	60,166	59,937	62,535	
Net expenditure transfers to the EU ⁽⁶⁾	12,892	11,549	10,930	315	-383	1,015	-1,193	
Public corporations' own-financed capital expenditure	9,511	9,729	8,655	8,035	8,088	12,001	12,969	
Accounting adjustments	47,054	-100,187	-143,006	-323,332	-18,998	-189,522	-127,395	
Levelling Up Fund	-	-	-	-	-	1,387	1,369	
UK Shared Prosperity Fund	-	-	-	-	-	-	1,500	
Budget measures not yet allocated to departments ⁽⁷⁾	-	-	-	-	-	-	4,157	
Reserves	-	-	-	-	-	17,990	14,500	
OBR allowance for shortfall	-	-	-	-	-	-12,678	-12,099	
Adjustment for Budget Exchange ⁽⁸⁾	-	-	-	-	-	-1,455	-	
Total other expenditure⁽⁹⁾	219,611	75,731	8,010	-138,973	206,094	36,052	96,997	
Total Managed Expenditure⁽¹⁰⁾	858,361	888,650	1,106,729	1,041,465	1,154,930	1,189,170	1,189,140	

⁽¹⁾ Figures reflect a change to the long-term discount rate used each year for provisions to maintain compliance with International Financial Reporting Standards.

⁽²⁾ Transactions have been affected by financial sector interventions.

⁽³⁾ As agreed in the Scottish Government's fiscal framework, their Resource DEL block grant is adjusted for the devolution of tax and welfare powers. For detailed information on the devolution of tax and welfare powers see the Block Grant Transparency publication available on GOV.UK.

⁽⁴⁾ As agreed in the Welsh Government's fiscal framework, their Resource DEL block grant is adjusted for the devolution of tax powers. For detailed information on the devolution of tax powers see the Block Grant Transparency publication available on GOV.UK.

⁽⁵⁾ Total departmental expenditure is given by Resource DEL excluding depreciation plus capital DEL plus resource and capital departmental AME.

⁽⁶⁾ European Union Financial Settlement payments and European Investment Bank receipts form part of HM Treasury's departmental AME from 2021-22. See Annex C for more details.

⁽⁷⁾ Not all funding for measures announced at the Autumn Statement and Spring Budget has been allocated to departments' budgets. This will be done later in the year.

⁽⁸⁾ Departmental budgets include amounts carried forward through Budget Exchange. These increases will be offset by any deposits at Supplementary Estimates in future years so are excluded from spending totals.

⁽⁹⁾ Total other expenditure is other AME spend within Total Managed Expenditure.

⁽¹⁰⁾ This excludes the temporary effects of banks being classified to the public sector.

⁽¹¹⁾ Data for these departments reflect the Machinery of Government changes announced in 2023 (See paragraph 1.3 in Chapter 1). Outturn figures are provisional and are likely to be revised.

Table 1.13 Total Managed Expenditure by departmental group and other expenditure in real terms⁽¹⁾, 2018-19 to 2024-25

	National Statistics						£ million	
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn	2023-24 plans	2024-25 plans	
Total Managed Expenditure by departmental group								
Health and Social Care	195,012	189,842	237,891	287,388	166,213	209,259	210,797	
Education	122,870	127,179	125,098	126,379	101,342	130,467	122,527	
Home Office	16,569	16,767	18,708	18,877	20,000	17,872	18,496	
Justice	10,663	9,781	10,633	11,377	10,971	12,752	12,139	
Law Officers' Departments	653	698	654	727	777	829	798	
Defence	44,555	52,557	53,941	67,581	47,443	56,131	56,398	
Single Intelligence Account	3,187	3,368	3,009	3,694	3,807	4,047	3,554	
Foreign, Commonwealth and Development Office	15,389	15,065	14,676	10,325	10,090	11,909	11,991	
DLUHC - Local Government	30,021	30,294	39,797	31,739	22,873	30,925	26,380	
DLUHC - Housing and Communities	11,515	12,228	12,421	8,567	12,354	12,658	8,726	
Culture, Media and Sport ⁽¹²⁾	7,902	9,859	9,441	8,200	8,941	9,163	8,471	
Science, Innovation and Technology ⁽¹²⁾	10,006	10,421	11,143	11,070	10,880	26,418	13,905	
Transport	26,970	22,694	36,913	35,309	33,502	31,892	29,590	
Energy Security and Net Zero ^{(2) (12)}	-119,345	13,428	13,136	136,257	-61,389	49,067	46,722	
Environment, Food and Rural Affairs	2,307	3,895	4,974	6,192	5,448	9,800	6,352	
Business and Trade ⁽¹²⁾	1,384	2,650	33,889	3,733	4,210	4,727	4,083	
Work and Pensions	215,859	221,363	232,224	240,158	239,122	268,238	277,051	
HM Revenue and Customs	51,028	50,507	128,634	62,128	40,337	40,743	34,766	
HM Treasury ⁽³⁾	-32,122	1,056	35,953	51,762	135,864	64,715	22,231	
Cabinet Office	17,150	14,172	14,964	14,421	17,987	12,329	17,000	
Scotland ⁽⁴⁾	58,963	58,886	65,237	65,679	65,726	65,029	64,617	
Wales ⁽⁵⁾	18,807	19,729	25,717	24,363	22,027	19,937	19,413	
Northern Ireland	25,271	25,326	28,940	28,797	27,722	29,418	28,572	
Small and Independent Bodies	2,296	2,305	4,592	3,039	2,590	6,397	4,209	
Total departmental expenditure⁽⁶⁾	736,908	914,069	1,162,583	1,257,761	948,836	1,124,723	1,048,789	
Central government gross debt interest	58,108	55,778	43,350	77,266	106,837	75,003	63,939	
Locally financed expenditure	56,112	58,791	38,894	51,542	50,384	68,745	71,131	
Public sector depreciation	59,009	59,311	56,826	58,730	60,166	58,461	60,052	
Net expenditure transfers to the EU ⁽⁷⁾	14,873	12,986	11,566	336	-383	990	-1,146	
Public corporations' own-financed capital expenditure	10,972	10,940	9,159	8,561	8,088	11,706	12,454	
Accounting adjustments	54,285	-112,653	-151,318	-344,511	-18,998	-184,855	-122,338	
Levelling Up Fund	-	-	-	-	-	1,353	1,315	
UK Shared Prosperity Fund	-	-	-	-	-	-	1,440	
Budget measures not yet allocated to departments ⁽⁸⁾	-	-	-	-	-	-	3,992	
Reserves	-	-	-	-	-	17,547	13,925	
OBR allowance for shortfall	-	-	-	-	-	-12,366	-11,619	
Adjustment for Budget Exchange ⁽⁹⁾	-	-	-	-	-	-1,419	-	
Total other expenditure⁽¹⁰⁾	253,359	85,155	8,476	-148,076	206,094	35,164	93,146	
Total Managed Expenditure⁽¹¹⁾	990,266	999,224	1,171,059	1,109,685	1,154,930	1,159,887	1,141,935	

⁽¹⁾ Real terms figures are the nominal figures adjusted to 2022-23 price levels using GDP deflators from the Office for National Statistics (released 30 June 2023) and deflator forecasts from the Office for Budget Responsibility (Economic and fiscal outlook - 15 March 2023).

⁽²⁾ Figures reflect a change to the long-term discount rate used each year for provisions to maintain compliance with International Financial Reporting Standards.

⁽³⁾ Transactions have been affected by financial sector interventions.

⁽⁴⁾ As agreed in the Scottish Government's fiscal framework, their Resource DEL block grant is adjusted for the devolution of tax and welfare powers. For detailed information on the devolution of tax and welfare powers see the Block Grant Transparency publication available on GOV.UK.

⁽⁵⁾ As agreed in the Welsh Government's fiscal framework, their Resource DEL block grant is adjusted for the devolution of tax powers. For detailed information on the devolution of tax powers see the Block Grant Transparency publication available on GOV.UK.

⁽⁶⁾ Total departmental expenditure is given by Resource DEL excluding depreciation plus capital DEL plus resource and capital departmental AME.

⁽⁷⁾ European Union Financial Settlement payments and European Investment Bank receipts form part of HM Treasury's departmental AME from 2021-22. See Annex C for more details.

⁽⁸⁾ Not all funding for measures announced at the Autumn Statement and Spring Budget has been allocated to departments' budgets. This will be done later in the year.

⁽⁹⁾ Departmental budgets include amounts carried forward through Budget Exchange. These increases will be offset by any deposits at Supplementary Estimates in future years so are excluded from spending totals.

⁽¹⁰⁾ Total other expenditure is other AME spend within Total Managed Expenditure.

⁽¹¹⁾ This excludes the temporary effects of banks being classified to the public sector.

⁽¹²⁾ Data for these departments reflect the Machinery of Government changes announced in 2023 (See paragraph 1.3 in Chapter 1). Outturn figures are provisional and are likely to be revised.

Table 1.14 Accounting adjustments⁽¹⁾, 2018-19 to 2024-25

	National Statistics						£ billion
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn	2023-24 plans	2024-25 plans
Remove data in budgets which form part of public sector current expenditure but where a different source is used for National Accounts							
Resource DEL							
Capital consumption (excluding NHS)	-16.1	-23.2	-26.7	-27.9	-29.2	-35.0	-34.2
NHS capital consumption	-	-	-	-0.2	0.0	0.0	-
Interest	-0.4	-0.2	-0.5	-0.5	-0.7	0.1	0.7
Public corporation subsidies	-0.4	-0.4	-9.1	-6.2	-3.3	-1.8	-1.4
Other	0.0	0.3	0.1	0.2	0.4	0.2	0.1
Total resource DEL	-16.9	-23.6	-36.2	-34.6	-32.8	-36.5	-34.8
Resource departmental AME							
Capital consumption	-6.5	-4.8	-4.3	-8.9	-4.1	-4.1	-4.7
Interest	5.1	4.2	3.8	3.2	5.3	14.7	5.6
Subsidy element of other environmental levies	-0.8	-0.8	-0.8	-1.1	-1.1	-1.2	-
NNDR outturn adjustment	0.0	0.0	-	-0.4	-0.4	-0.4	-
Public corporation subsidies	-0.2	-0.2	-0.2	-0.5	-0.2	-0.2	-0.2
Other	1.1	1.2	0.4	0.8	1.6	0.1	0.1
Total resource departmental AME	-1.4	-0.3	-1.1	-6.9	1.1	9.0	0.8
Adjustment for different data used by OBR in PSCE forecast	-	-	-	-	-	97.6	101.5
<i>of which DEL</i>	-	-	-	-	-	58.5	60.9
<i>of which AME</i>	-	-	-	-	-	39.0	40.6
Total resource budget data replaced by different source data	-18.3	-23.9	-37.4	-41.5	-31.8	70.0	67.5
Remove data in budgets which do not form part of public sector current expenditure							
Resource DEL							
Impairments	-0.6	-0.2	-0.6	-0.9	-0.3	0.0	0.0
Receipts treated as negative DEL but revenue in National Accounts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Grant equivalent element of student lending	-8.8	-16.5	-7.6	2.4	9.2	-6.5	-13.1
Stock write-offs	0.2	0.1	-0.1	-0.4	-0.6	-	-
Change in pension scheme liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous current transfers	2.8	2.6	2.8	1.6	2.0	1.7	1.0
Northern Ireland Executive transfers between DEL and AME ⁽²⁾	0.9	3.0	2.7	2.9	3.5	3.8	3.8
Profit or loss - sale of company securities	0.1	0.1	0.1	0.1	0.1	0.0	0.0
Profit or loss - sale of other assets (capital in National Accounts)	-0.1	0.1	0.0	-0.6	-0.8	0.0	0.0
EU funded expenditure	-0.2	-0.3	-0.4	-0.4	-0.1	-0.1	-0.2
Other	1.1	0.3	-1.1	1.3	0.0	1.0	1.1
Total resource DEL	-4.6	-11.0	-4.3	5.9	13.0	-0.2	-7.4
Resource departmental AME							
Impairments	15.1	25.5	-53.9	-55.1	-132.9	-60.4	-48.6
Bad debts	-0.6	-0.4	-0.4	-1.0	-0.4	-0.2	-0.1
Grant equivalent element of student lending	0.0	-0.2	-0.1	0.1	-	0.2	-0.4
Provisions	108.1	-46.1	4.5	-160.6	201.6	-31.1	-23.6
Change in pension scheme liabilities	-82.7	-67.9	-80.8	-99.6	-97.1	-49.1	-60.1
Unwinding of discount rate on pension scheme liabilities	-40.0	-45.9	-34.4	-26.9	-37.4	-54.8	-50.8
Release of provisions covering payments of pension benefits	38.2	39.9	40.9	42.1	45.0	48.9	50.6
Profit or loss - sale of other assets (capital in National Accounts)	0.3	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.4	0.3	0.1	-2.3	-3.7	-0.3	1.2
Total resource departmental AME	38.9	-94.7	-124.1	-303.5	-24.9	-146.7	-131.8
Total resource budget data not in public sector current expenditure	34.3	-105.7	-128.3	-297.5	-11.9	-146.9	-139.1

Table 1.14 Accounting adjustments⁽¹⁾, 2018-19 to 2024-25 (continued)

	National Statistics						£ billion	
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
	outturn	outturn	outturn	outturn	outturn	plans	plans	
Central government adjustments in National Accounts								
Expenditure on goods and services	34.2	38.9	39.7	56.0	48.0	-	-	
<i>of which: VAT refunds</i>	8.6	9.2	10.8	12.4	12.4	-	-	
<i>of which: payment from EU for tax collection costs</i>	-0.7	-0.6	-0.4	-	-	-	-	
<i>of which: capital consumption</i>	29.5	30.3	31.0	31.9	35.3	-	-	
<i>of which: other</i>	-3.2	0.0	-1.7	11.7	0.3	-	-	
Net social benefits ⁽²⁾	1.2	0.8	0.6	-0.3	0.4	-	-	
<i>of which: other</i>	1.2	0.8	0.6	-0.3	0.4	-	-	
Net current grants abroad	1.1	1.0	0.8	0.6	-0.2	-	-	
<i>of which: EU receipts</i>	0.2	0.1	0.1	-0.1	-	-	-	
<i>of which: other</i>	0.9	0.9	0.7	0.7	-0.2	-	-	
Other current grants	0.0	-0.1	-3.7	-8.1	-16.6	-	-	
<i>of which: other</i>	0.0	-0.1	-3.7	-8.1	-16.6	-	-	
Subsidies	9.5	9.1	7.8	11.3	31.4	-	-	
<i>of which: Renewable Obligation Certificates</i>	7.1	7.1	7.3	6.3	7.3	-	-	
<i>of which: other environmental levies</i>	1.3	1.3	1.3	-	1.3	-	-	
<i>of which: other</i>	1.0	0.7	-0.8	5.0	22.8	-	-	
VAT and GNI based EU contributions	2.7	-1.3	-0.6	-10.9	-0.3	-	-	
<i>of which: other</i>	2.7	-1.3	-0.6	-10.9	-0.3	-	-	
Total central government resource adjustments	48.7	48.5	44.6	48.6	62.7	-	-	
Local government adjustments in National Accounts								
Remove data which do not form part of public sector								
current expenditure	-0.6	-0.7	-0.5	-0.4	-0.6	-3.8	-3.8	
<i>of which: Northern Ireland regional rates</i>	-0.6	-0.7	-0.3	-0.4	-0.6	-0.6	-0.6	
<i>of which: debt interest payments to central government</i>	-	-	-	-	-	-3.1	-3.2	
<i>of which: other</i>	-	-	-0.2	0.0	0.0	0.0	0.0	
Adjustments to reconcile use of different data sources	-6.8	-7.1	-18.4	-13.7	-4.0	-54.0	-50.4	
<i>of which: central government support</i>	-37.0	-38.5	-59.4	-34.3	-38.0	-54.0	-50.4	
<i>of which: debt interest</i>	0.1	0.2	0.3	3.1	-	-	-	
<i>of which: other</i>	30.1	31.2	40.7	17.5	34.0	-	-	
Expenditure on goods and services	22.4	27.5	27.1	24.2	32.3	28.9	30.0	
<i>of which: VAT refunds</i>	7.6	7.5	7.0	7.6	7.6	10.9	11.5	
<i>of which: Local Authority Pension Scheme</i>	0.8	0.8	0.9	1.0	1.0	-	-	
<i>of which: capital consumption</i>	13.9	14.9	15.9	16.5	16.5	17.5	18.0	
<i>of which: rates</i>	-1.4	-1.4	-1.4	-1.4	-1.4	-1.4	-1.4	
<i>of which: other</i>	1.4	5.7	4.7	0.5	8.6	1.9	1.9	
Subsidies	1.4	1.9	21.7	4.3	3.8	1.9	1.9	
<i>of which: equity injection into Housing Revenue Account</i>	1.4	2.3	1.9	3.7	3.7	1.9	1.9	
<i>of which: other</i>	0.0	-0.4	19.7	0.7	0.1	-	-	
Net social benefits	0.7	0.3	1.1	-0.6	-0.6	-1.6	-1.6	
<i>of which: housing benefits and rent rebates</i>	-0.1	-0.6	-0.3	-2.1	-2.1	-	-	
<i>of which: other</i>	0.8	0.9	1.4	1.5	1.5	-1.6	-1.6	
Total local government resource adjustments	17.1	22.0	30.9	13.8	30.8	-28.6	-23.8	
Other resource adjustments								
Public corporations	16.6	15.5	16.2	16.7	16.9	20.9	21.7	
Asset Purchase Facility and Special Liquidity Scheme	-10.7	-10.7	-15.5	-15.2	4.2	17.1	10.7	
Other	-2.6	1.5	0.7	11.1	0.4	-1.1	-0.6	
Total other resource adjustments	3.3	6.3	1.5	12.6	21.5	36.9	31.8	
Total resource adjustments	85.0	-52.8	-88.7	-264.0	71.4	-68.6	-63.6	
<i>of which:</i>								
Timing adjustments ⁽³⁾								
Central government	-9.3	-10.7	-49.6	-26.4	-60.9	-	-	
Local government	2.4	6.6	26.1	2.7	9.8	-	-	

Table 1.14 Accounting adjustments,⁽¹⁾ 2018-19 to 2024-25 (continued)

	£ billion						
	National Statistics					2023-24 plans	2024-25 plans
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn		
Remove data in budgets which form part of public sector gross investment but where a different source is used for National Accounts							
Capital DEL							
Change in inventories	-0.7	-0.5	-0.3	0.1	-0.5	-0.2	-0.3
Acquisitions less disposals of valuables	0.0	-0.1	0.0	0.0	0.0	0.0	0.0
Total capital DEL	-0.7	-0.5	-0.4	0.1	-0.5	-0.2	-0.3
Adjustment for different data used by OBR in PSGI forecast	-	-	-	-	-	4.7	10.3
<i>of which DEL</i>	-	-	-	-	-	2.8	6.2
<i>of which AME</i>	-	-	-	-	-	1.9	4.1
Total capital budget data replaced by different source data	-0.7	-0.5	-0.4	0.1	-0.5	4.5	10.0
Remove data in budgets which do not form part of public sector gross investment							
Capital DEL							
Net lending to private sector	-4.0	-4.4	-7.0	-3.9	-3.1	-1.8	-3.2
Capital support for public corporations	-0.2	-0.2	-0.3	-1.2	-2.2	-0.1	0.0
Local government supported capital expenditure	-0.5	-0.9	-0.6	-0.5	0.0	0.2	0.0
Northern Ireland Executive transfers between DEL and AME	0.1	0.0	0.0	-0.8	0.2	0.0	0.0
Other	-0.3	0.2	-5.4	-4.5	0.6	-3.1	-5.2
Total Capital DEL	-4.9	-5.3	-13.3	-11.0	-4.6	-4.9	-8.4
Capital departmental AME							
Net lending to private sector	-7.0	-22.8	-17.6	-21.4	-25.1	-40.8	-34.9
Capital support for public corporations	-0.1	-0.4	-0.2	-0.2	-0.2	1.1	1.4
Northern Ireland Executive transfers between DEL and AME ⁽²⁾	-0.1	0.0	0.0	0.0	-0.4	-0.2	-0.2
Other	0.5	0.8	0.2	0.3	-1.2	-1.0	-1.4
Total capital departmental AME	-6.7	-22.4	-17.6	-21.3	-27.0	-41.0	-35.1
Total capital budget data not in public sector gross investment	-11.6	-27.7	-30.9	-32.3	-31.5	-45.9	-43.5
Central government adjustments in National Accounts							
Gross fixed capital formation	-1.6	-2.7	-2.9	-1.5	-5.9	-	-
<i>of which: profit or loss - sale of other assets (from resource budgets)</i>	<i>-0.2</i>	<i>-0.1</i>	<i>0.0</i>	<i>0.6</i>	<i>0.8</i>	-	-
<i>of which: other</i>	<i>-1.4</i>	<i>-2.5</i>	<i>-2.9</i>	<i>-2.1</i>	<i>-6.6</i>	-	-
Capital grants to and from the private sector	10.3	11.1	11.0	11.6	0.4	-	-
<i>of which: VAT refunds</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	-	-
<i>of which: other</i>	<i>10.2</i>	<i>11.0</i>	<i>10.9</i>	<i>11.6</i>	<i>0.3</i>	-	-
Total central government capital adjustments	8.7	8.4	8.0	10.1	-5.5	-	-
Local government adjustments in National Accounts							
Adjustments to reconcile use of different data sources	-5.7	-6.7	-8.0	-3.1	-1.6	-	-
<i>of which: central government support</i>	<i>0.3</i>	<i>-1.4</i>	<i>-2.6</i>	<i>-0.4</i>	<i>0.7</i>	-	-
<i>of which: financial transactions</i>	<i>-4.0</i>	<i>-3.6</i>	<i>-3.9</i>	<i>-1.3</i>	<i>-1.1</i>	-	-
<i>of which: capital grants from private sector</i>	<i>-1.9</i>	<i>-1.7</i>	<i>-1.5</i>	<i>-1.4</i>	<i>-1.2</i>	-	-
Gross fixed capital formation	3.6	3.4	3.2	4.8	3.5	-	-
<i>of which: VAT refunds</i>	<i>2.2</i>	<i>2.2</i>	<i>2.3</i>	<i>2.4</i>	<i>2.4</i>	-	-
<i>of which: other</i>	<i>1.4</i>	<i>1.1</i>	<i>0.9</i>	<i>2.4</i>	<i>1.1</i>	-	-
Capital grants	-0.4	-0.7	-0.7	-1.1	-2.5	-	-
<i>of which: other</i>	<i>-0.4</i>	<i>-0.7</i>	<i>-0.7</i>	<i>-1.1</i>	<i>-2.5</i>	-	-
Total local government capital adjustments	-2.5	-4.1	-5.5	0.5	-0.5	-	-
Other capital adjustments							
Public corporations	0.3	0.6	0.5	1.5	2.5	-0.9	-1.4
Payments to the Bank of England for the APF	-	-	-	-	-5.0	-49.1	-
Other	5.8	0.6	1.5	-4.1	0.9	0.1	-0.6
Total other capital adjustments	6.1	1.1	2.0	-2.6	-1.6	-49.9	-2.0
Total capital adjustments	-0.1	-22.7	-26.7	-24.3	-39.6	-91.3	-35.5
<i>of which:</i>							
Timing adjustments ⁽³⁾							
Central government	8.2	10.3	-16.4	16.1	-14.4	-	-
Local government	-0.1	-0.4	0.0	1.1	0.8	-	-

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

⁽²⁾ Offsets with Northern Ireland domestic rates (part of other AME and not in budgets) in local government adjustments in National Accounts.

⁽³⁾ Reflects timing difference between the latest OSCAR and other source data and the data underlying the Public Sector Finances statistical bulletin. These mainly result from revisions policy and issues with late corrections to OSCAR data in the early years.

Table 1.15 Total Managed Expenditure by spending sector, 2018-19 to 2024-25

	£ million							
	National Statistics							
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn	2023-24 plans		
Central government own expenditure								
DEL ⁽¹⁾	285,965	311,253	415,618	400,081	414,579	418,485	424,028	
Departmental AME ^{(1) (2)}	222,788	372,423	520,943	632,911	389,530	540,386	527,189	
Locally financed support in Northern Ireland	625	656	312	370	600	606	606	
Net expenditure transfers to the EU ⁽³⁾	12,892	11,549	10,930	315	-383	1,015	-1,193	
Central government debt interest	50,368	49,606	40,969	72,516	106,837	76,897	66,582	
Accounting and other adjustments	85,246	-58,953	-107,527	-270,803	5,271	-116,933	-94,456	
Total central government own expenditure	657,883	686,535	881,246	835,391	916,435	920,456	922,756	
Local government expenditure								
Central government support in DEL	64,298	69,253	103,261	98,239	86,029	90,736	89,099	
Central government support in departmental AME	51,966	47,630	49,217	38,140	39,196	43,699	39,935	
Locally financed support in Scotland	2,636	2,853	1,868	2,090	2,766	3,047	3,285	
Locally financed support in Wales	1,050	1,061	699	770	1,030	906	1,121	
Local authority self-financed expenditure	44,326	47,715	33,878	45,144	45,988	65,921	69,060	
Accounting and other adjustments	14,026	17,351	24,434	13,265	30,010	14,558	19,199	
Total local government expenditure	178,303	185,863	213,357	197,647	205,019	218,867	221,698	
Public corporations' expenditure								
DEL	401	236	610	2,113	3,147	377	235	
Departmental AME	1,060	220	195	40	5,201	48,128	-1,425	
Public corporations' own-financed capital expenditure	9,511	9,729	8,655	8,035	8,088	12,001	12,969	
Accounting and other adjustments	21,863	16,732	18,075	13,378	12,759	-27,804	22,121	
Total public corporations' expenditure	32,835	26,917	27,536	23,566	29,195	32,701	33,900	
Bank of England⁽⁴⁾	-10,660	-10,665	-15,410	-15,139	4,281	17,145	10,786	
Total Managed Expenditure	858,361	888,650	1,106,729	1,041,465	1,154,930	1,189,170	1,189,140	

⁽¹⁾ Full resource budgeting basis, i.e. resource plus capital less depreciation. To reflect new budgeting arrangements, expenditure by the Scottish Government is scored as AME rather than DEL.

⁽²⁾ Transactions have been affected by financial sector interventions.

⁽³⁾ European Union Financial Settlement payments and European Investment Bank receipts form part of HM Treasury's departmental AME from 2021-22. See Annex C for more details.

⁽⁴⁾ Asset Purchase facility and Special Liquidity Scheme.

2

Economic analyses of budgets

2.1 This chapter provides an economic category analysis of the budgeting aggregates presented in **Chapter 1**. All outturn data in this chapter (to 2022-23) fall within the scope of National Statistics.

What's new

2.2 In February 2023 the Prime Minister announced a number of Machinery of Government changes which set up three new departments: the Department for Energy Security and Net Zero (DESNZ), the Department for Science, Innovation and Technology (DSIT) and the Department for Business and Trade (DBT)¹.

2.3 DESNZ took over the energy portfolio from the former Department for Business, Energy and Industrial Strategy (BEIS). DSIT brought together the relevant functions from BEIS as well as the digital portfolio of the former Department for Digital, Culture, Media and Sport, which is now the Department for Culture, Media and Sport (DCMS). DBT combined the business focused functions of BEIS with the former Department for International Trade (DIT). In addition, responsibility for National Security and Investment policy was transferred from BEIS to the Cabinet Office.

2.4 Outturn and plans data in PESA 2023 reflect these changes. Note, however, that the outturn figures are still based on provisional calculations to assign expenditure by the former BEIS to the new departments. They are likely to be revised once departments have published their audited 2022-23 Annual Reports and Accounts and have been able to reassess the historical data. These changes will be incorporated into future Public Spending Statistics publications and in the 2023-24 Annual Reports and Accounts where required.

2.5 Not all departments had produced their Annual Report and Accounts for 2022-23 as at publication of PESA 2023. Outturn data may therefore be subject to revisions. The public spending statistics (PSS) release, published on a quarterly basis, will reflect any later revisions made by departments to their 2022-23 outturn.

2.6 Plans information should be used with caution because forecasts are subject to change and improvement. Where departments have been unable to supply full breakdowns of their DEL and AME plans for use in PESA, HM Treasury has imputed functional and economic category splits, using earlier years as a guide.

2.7 For 2023 and 2024, HM Treasury will be publishing a Covid Cost tracker. The Covid Cost Tracker brings together data from across the UK government. It provides estimates of the cost of measures announced in response to the COVID-19 pandemic and how much the government has spent on these measures so far. This will be available on gov.uk once published.

¹Making Government Deliver for the British People (publishing.service.gov.uk)

Spending by economic category

2.8 Following the implementation of the Scotland Act 2016 and the associated fiscal Framework, new budgeting arrangements have been agreed with the Scottish government which see its spend scored as AME rather than DEL. The changes affect tables in **Chapter 1 (Table 1.15 only) Chapter 2** and **Chapter 6**. In **Table 2.1** the block grant paid by the UK Government to the Scottish Government is shown against the **Other** economic category in both resource and capital DEL, offset by a corresponding receipt in resource and capital departmental AME. Spending funded by the block grant and the Scottish government itself, is then shown against economic categories within resource and capital departmental AME. Total spending by the Scottish government is not affected.

2.9 At Spending Review 2020, the Resource DEL excluding depreciation budgetary control was redefined to exclude the Scottish Block Grant Adjustments. These now form part of the depreciation ringfence within Resource DEL. Total Resource DEL is left unchanged. The reclassification is fiscally neutral and does not affect the spending power of the Scottish Government.

2.10 **Table 2.1** shows analyses of budgets by economic category of spending, consistent with the budgeting aggregates reported in **Chapter 1**. The breakdowns of resource DEL and resource departmental AME are consistent with **Table 1.3**; administration budgets in resource DEL with **Table 1.7**; and capital budgets with **Table 1.8**.

2.11 Brief descriptions of the largest economic categories are given below, including the main differences from the corresponding economic categories presented against the expenditure on services framework in **Tables 5.3 and 6.5**.

2.12 Staff costs includes wages and salaries, employers' social contributions, payments of accruing superannuation liability charges for UK staff and locally engaged staff overseas, and amounts that finance employee contributions to pension schemes. It also includes income from the recovery of secondee costs and payments for contract and agency staff that were formerly treated as procurement expenditure.

2.13 Gross current procurement shows expenditure on goods and services, including accommodation and building management, ICT outsourcing, maintenance and support, travel costs and payments for consultancy and audit services. It also includes the purchase of services from GPs.

2.14 Current grants include all transfer payments other than subsidies (see 2.15 below) that are not used to fund capital formation. In **Table 2.1** these grants are analysed by recipient: local government; persons and non-profit bodies; and overseas recipients. **Current grants to local government** are intra-public sector payments that consolidate out of Total Managed Expenditure (TME), which is the government's preferred measure of total public spending. Further information on local government finance is given in **Chapter 7**. **Current grants to persons and non-profit bodies** largely comprise social security benefits included in resource departmental AME, as well as funding (usually in DEL) to further and higher education institutions and other non-profit private sector bodies. In **Table 2.1** they include tax credits previously scored as negative tax. **Current grants abroad** are mainly foreign aid, such as programmes to reduce poverty.

2.15 Subsidies are current transfer payments to trading businesses (both private sector companies and public corporations) to provide support for current costs, including payments to farmers under the EU's Common Agricultural Policy as well as subsidies to rail and bus operators. They are given with the objective of influencing their levels of production, their prices, or other factors. Unlike other intra-public sector transactions, subsidies to public

corporations (PCs) are included within TME as the receipt of this funding, and subsequent spending, is included within the calculation of the PC's gross operating surplus (which scores on the revenue side of the National Accounts).

2.16 Rentals shows net expenditure on hire and rentals under PFI and non-PFI operating leases.

2.17 Depreciation, also termed capital consumption, represents the amount of capital used up in respect of fixed assets measured using International Financial Reporting Standards (IFRS). The depreciation lines in **Table 2.1** also include releases from the donated assets and government grant reserves, as well as impairments and downward revaluations of fixed assets. As mentioned above, depreciation now also includes the grant equivalent element of student lending. This is the subsidy implied in student loans being issued at the inflation rate rather than the market interest rate.

2.18 Take-up of provisions are costs in resource budgets recognising that liabilities have been incurred that will more likely than not lead to a future payment, but where the amount and timing of these future payments are uncertain. Upon settling the liability the payment scores to the resource or capital budget according to the economic category of the transaction, whilst an equal and opposite (negative) **release of provisions** scores as a benefit to the resource budget. These lines do not include pension scheme provisions (see 2.19).

2.19 Net public service pensions shows the costs of pensions on a National Accounts basis; that is, payments to pensioners less receipts of contributions by employers and employees. It also includes cash payments and receipts associated with bulk and individual transfers into and out of the scheme. **Change in pension scheme liabilities** shows increases to the liability as measured on an IFRS basis. This includes changes to current service costs, the non-cash impact of bulk or individual transfers in or out, and purchases of added years. **Release of provisions covering payments of pension benefits** records a reduction equal and opposite to the pension benefits paid, where these are charged to the provision. The **unwinding of the discount rate** on pension scheme liabilities shows the increase in the liability as future payments move one year closer to being paid (so the effects of discounting reduce). More information on pensions is included in **Annex D**, and a reconciliation from IFRS pensions in departmental AME to the National Accounts measure is given in **Table D.1**.

2.20 Capital grants are transfer payments that are usually made on the condition that the recipient uses the funds for capital projects. Capital grants in **Table 2.1** are analysed by the nature of the recipient: persons and non-profit bodies; private sector companies; and overseas recipients. Capital grants to local government and public corporations are included as part of the respective capital support rows (see paragraphs 2.21 and 2.22).

2.21 Capital support for local government shows central government support for local government capital expenditure, comprising capital grants and Supported Capital Expenditure (Revenue). More information is given in **Chapter 7**.

2.22 Capital support for public corporations comprises capital grants, net lending (see paragraph 2.25) and public corporations' market and overseas borrowing where this scores in the parent department's budget.

2.23 Gross capital procurement comprises the acquisition of fixed assets (such as land, buildings and machinery) as well as any net increases in stock (where included in budgets). It is measured gross of depreciation. It includes the pay of civil servants engaged in in-house capital formation that is recorded as capital expenditure, rather than as pay.

2.24 Income from sales of capital assets records the sale value (book value plus profit/loss) of any assets disposed of, such as land, buildings or machinery.

2.25 Net lending to private sector means lending by government net of any repayments of previous lending. It includes transactions in shares of private companies – so for example privatisation receipts count as negative net lending.

2.26 Other includes items that are too small or too uncommon to warrant an individual line. These include certain receipts that are usually treated as part of revenue in the National Accounts, write-offs of stock, loans written-off, and certain financial transactions. In **Chapters 5 and 6** they are recorded as capital grants in line with National Accounts.

2.27 Table 2.2 shows central government gross current procurement expenditure in budgets by departmental group.

2.28 Table 2.3 shows central government own capital procurement, gross of depreciation and before deduction of sales, broken down by departmental group.

Table 2.1 Budgets by economic category of spending, 2018-19 to 2024-25

	£ million							
	National Statistics						2023-24 plans	2024-25 plans
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn	2023-24 plans		
Resource DEL								
Staff costs	115,509	129,620	143,604	151,706	161,460	158,357	150,920	
Gross current procurement	113,078	120,812	151,221	153,452	159,008	168,372	173,539	
Income from sales of goods and services	-18,628	-19,076	-15,599	-21,191	-26,958	-20,468	-23,292	
Current grants to local government	54,896	58,938	90,576	86,244	74,653	77,452	76,123	
Current grants to persons and non-profit bodies	16,975	16,582	21,525	25,945	31,963	19,773	25,476	
Current grants abroad	2,160	3,545	5,964	3,320	3,800	4,496	4,555	
Subsidies to private sector companies	4,933	5,273	20,030	6,693	2,974	3,343	2,623	
Subsidies to public corporations	418	404	9,124	6,184	3,306	1,843	1,389	
Net public service pensions ⁽¹⁾	83	92	187	100	88	90	93	
Rentals	5,565	5,404	6,028	5,241	4,107	2,399	2,406	
Depreciation	13,230	28,097	26,123	20,055	9,327	30,331	34,281	
Take up of provisions	44	79	411	250	233	10	14	
Release of provisions	0	0	-1	0	0	-5	-	
Change in pension scheme liabilities	29	36	6	6	6	4	4	
Unwinding of the discount rate on pension scheme liabilities	2	0	0	0	0	0	0	
Release of provisions covering payments of pensions benefits	0	-1	0	0	-	-	-	
Other	24,163	21,756	35,581	31,625	30,833	26,029	26,670	
<i>Plus unallocated funds</i>	-	-	-	-	-	<i>9,220</i>	<i>14,599</i>	
Total resource DEL	332,457	371,561	494,778	469,629	454,799	481,245	489,401	
Of which: administration budgets in resource DEL								
Staff costs	7,401	8,051	8,580	9,158	9,790	8,936	8,262	
Gross current procurement	3,917	3,638	3,898	4,170	4,242	5,501	4,686	
Income from sales of goods and services	-1,505	-1,417	-1,648	-1,654	-1,518	-2,247	-1,742	
Rentals	326	333	360	240	136	44	33	
Depreciation	422	501	447	485	793	1,739	1,975	
Other	-375	-712	-600	-763	-1,168	-279	13	
Total administration budgets in resource DEL	10,186	10,395	11,038	11,635	12,274	13,695	13,227	
Resource departmental AME								
Staff costs	13,250	12,426	12,804	13,378	14,745	15,640	15,169	
Gross current procurement	17,102	13,889	16,624	17,330	16,388	16,873	16,497	
Income from sales of goods and services	-4,151	-3,818	-3,553	-3,936	-3,727	-4,310	-3,580	
Current grants to local government	51,131	46,249	48,111	37,138	38,074	42,276	38,867	
Current grants to persons and non-profit bodies	205,478	213,705	235,926	237,093	275,264	296,161	300,577	
Current grants abroad	-726	-622	-264	8,285	8,933	7,121	1,862	
Subsidies to private sector companies	7,899	12,175	91,608	31,128	21,145	16,114	16,436	
Subsidies to public corporations	175	166	159	506	184	199	200	
Net public service pensions ⁽¹⁾	9,924	3,351	2,044	1,407	1,053	3,754	4,979	
Rentals	86	375	411	328	426	333	349	
Depreciation	-8,669	-20,714	58,246	57,201	136,741	64,174	53,926	
Take up of provisions	-99,374	56,912	15,165	178,779	-180,225	45,399	31,074	
Release of provisions	-8,771	-10,776	-19,612	-18,111	-21,342	-14,344	-7,452	
Change in pension scheme liabilities	82,660	67,924	80,757	99,607	97,132	49,076	60,094	
Unwinding of the discount rate on pension scheme liabilities	39,995	45,858	34,379	26,939	37,352	54,779	50,810	
Release of provisions covering payments of pensions benefits ⁽²⁾	-38,235	-39,894	-40,862	-42,107	-44,991	-48,922	-50,638	
Other	-23,444	-21,914	-34,192	-25,090	-27,995	-40,194	-29,462	
Total resource departmental AME	244,330	375,293	497,750	619,877	369,156	504,129	499,709	

Table 2.1 Budgets by economic category of spending, 2018-19 to 2024-25 (continued)

	£ million							
	National Statistics						2023-24 plans	2024-25 plans
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn			
Resource budgets								
Staff costs	128,759	142,046	156,408	165,084	176,205	173,996	166,089	
Gross current procurement	130,180	134,702	167,845	170,782	175,396	185,244	190,036	
Income from sales of goods and services	-22,779	-22,894	-19,152	-25,127	-30,685	-24,778	-26,872	
Current grants to local government	106,027	105,186	138,687	123,382	112,726	119,729	114,990	
Current grants to persons and non-profit bodies	222,453	230,287	257,451	263,038	307,226	315,934	326,053	
Current grants abroad	1,434	2,923	5,699	11,605	12,733	11,617	6,417	
Subsidies to private sector companies	12,832	17,448	111,639	37,821	24,119	19,457	19,058	
Subsidies to public corporations	593	570	9,282	6,691	3,490	2,041	1,589	
Net public service pensions ⁽¹⁾	10,007	3,442	2,231	1,507	1,141	3,844	5,073	
Rentals	5,651	5,779	6,439	5,569	4,533	2,732	2,755	
Depreciation	4,561	7,014	80,971	73,896	144,949	93,540	89,016	
Take up of provisions	-99,330	56,992	15,575	179,030	-179,992	45,409	31,089	
Release of provisions	-8,771	-10,776	-19,613	-18,111	-21,343	-14,349	-7,452	
Change in pension scheme liabilities	82,689	67,960	80,763	99,613	97,138	49,080	60,098	
Unwinding of the discount rate on pension scheme liabilities	39,997	45,858	34,379	26,939	37,352	54,779	50,810	
Release of provisions covering payments of pensions benefits ⁽²⁾	-38,235	-39,895	-40,862	-42,107	-44,991	-48,922	-50,638	
Other	720	212	4,787	9,893	3,957	-13,200	-3,601	
<i>Plus unallocated funds</i>	-	-	-	-	-	9,220	14,599	
Total resource budgets	576,788	746,854	992,528	1,089,505	823,955	985,374	989,110	
Capital DEL								
Capital support for local government	9,402	10,316	12,685	11,995	11,376	13,284	12,976	
Capital grants to persons and non-profit bodies	7,778	7,965	10,011	9,362	10,387	11,165	10,975	
Capital grants to private sector companies	1,879	2,293	2,222	2,594	2,273	4,355	3,516	
Capital grants abroad	3,174	2,395	2,955	1,895	2,306	5,725	5,820	
Capital support for public corporations	569	465	739	2,209	3,285	465	292	
Release of provisions	-	-	-	0	0	2	-	
Gross capital procurement	33,407	40,076	51,301	55,780	65,067	65,917	68,791	
Income from sales of assets	-1,646	-1,683	-2,400	-4,856	-2,300	-962	-1,281	
Net lending and investment to the private sector and abroad	3,928	4,175	7,097	3,514	2,349	1,436	2,558	
Other	4,071	4,158	10,307	10,529	5,568	9,185	10,878	
<i>Plus unallocated funds in capital DEL</i>	-	-	-	-	-	-3,976	-5,172	
Total capital DEL	62,562	70,159	94,917	93,022	100,312	106,594	109,353	
Capital departmental AME								
Capital support for local government	835	1,381	1,106	1,001	1,123	1,423	1,068	
Capital grants to persons and non-profit bodies	520	542	591	385	459	691	576	
Capital grants to private sector companies	1,261	1,468	21,840	-1,579	3,918	2,477	1,949	
Capital grants abroad	-32	-33	-41	-71	-23	2,641	-5	
Capital support for public corporations	1,292	442	258	319	5,321	48,210	-1,336	
Take up of provisions	-234	2	4	18	49	209	171	
Release of provisions	-395	-529	-324	-308	-228	-553	-430	
Gross capital procurement	8,381	2,553	1,561	2,075	3,233	5,675	4,726	
Income from sales of assets	-1,218	-86	-78	-91	-55	-170	-116	
Net lending and investment to the private sector and abroad	5,808	22,752	17,593	21,346	25,130	40,804	34,899	
Other	-3,588	-4,490	-5,112	-5,129	-5,031	-4,682	-4,113	
Total capital departmental AME	12,631	24,002	37,397	17,966	33,896	96,725	37,388	

Table 2.1 Budgets by economic category of spending, 2018-19 to 2024-25 (continued)

	£ million						
	National Statistics					2023-24 plans	2024-25 plans
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn		
Capital budgets							
Capital support for local government	10,237	11,697	13,790	12,996	12,499	14,706	14,043
Capital grants to persons and non-profit bodies	8,299	8,507	10,603	9,748	10,846	11,857	11,550
Capital grants to private sector companies	3,141	3,760	24,062	1,015	6,192	6,832	5,465
Capital grants abroad	3,142	2,362	2,913	1,823	2,282	8,366	5,815
Capital support for public corporations	1,861	907	998	2,528	8,605	48,675	-1,044
Take up of provisions	-234	2	4	18	49	211	171
Release of provisions	-395	-529	-324	-308	-228	-553	-430
Gross capital procurement	41,788	42,629	52,862	57,855	68,301	71,591	73,518
Income from sales of assets	-2,864	-1,769	-2,478	-4,947	-2,355	-1,132	-1,397
Net lending and investment to the private sector and abroad	9,735	26,928	24,690	24,860	27,479	42,240	37,457
Other	483	-331	5,195	5,400	538	4,503	6,766
<i>Plus unallocated funds in capital DEL</i>	-	-	-	-	-	-3,976	-5,172
Total capital budgets	75,192	94,162	132,314	110,987	134,208	203,319	146,741

⁽¹⁾ Figures here are based on payments and receipts that score in TME and incorporate the net effect of bulk and individual transfers. The Resource Accounts based measure of net public service pensions is used in Table 1.1.

⁽²⁾ Payments that release provision include bulk and individual transfers, including the transfer of liabilities within government.

Table 2.2 Gross current procurement in budgets, 2018-19 to 2024-25

	£ million						
	National Statistics					2023-24 plans	2024-25 plans
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn		
Gross current procurement in budgets							
Health and Social Care	64,256	66,728	94,241	88,765	91,053	97,136	108,579
Education	5,717	6,158	5,681	6,507	7,679	7,911	7,394
Home Office	2,943	2,950	3,402	4,675	6,762	3,745	2,791
Justice	4,993	5,056	4,943	5,129	5,450	6,138	6,079
Law Officers' Departments	321	331	285	345	379	524	455
Defence	12,253	13,134	13,085	14,965	15,527	16,066	16,923
Single Intelligence Account	1,223	1,357	1,326	1,559	1,624	1,875	1,532
Foreign, Commonwealth and Development Office	1,791	1,953	1,529	1,579	868	1,039	1,211
DLUHC - Housing and Communities	207	495	231	287	273	891	255
Culture, Media and Sport ⁽¹⁾	3,395	3,331	2,681	3,319	4,412	2,790	2,768
Science, Innovation and Technology ⁽¹⁾	-69	-1,369	-969	227	85	241	222
Transport	5,260	5,388	5,207	5,279	6,004	7,222	5,931
Energy Security and Net Zero ⁽¹⁾	1,836	3,266	2,787	2,611	2,537	2,258	2,462
Environment, Food and Rural Affairs	1,081	1,152	1,256	1,338	1,432	1,355	1,230
Business and Trade ⁽¹⁾	366	421	592	513	532	1,174	193
Work and Pensions	2,098	1,953	2,237	2,505	2,324	3,529	3,369
HM Revenue and Customs	1,262	1,274	1,845	2,703	2,023	2,213	1,855
HM Treasury	927	391	295	234	494	379	301
Cabinet Office	558	252	1,160	1,180	681	916	394
Scotland	10,412	10,875	14,214	14,330	12,828	13,848	13,903
Wales	4,149	4,272	5,250	5,385	5,201	6,239	5,596
Northern Ireland	4,482	4,579	5,218	5,650	5,980	5,840	5,351
Small and Independent Bodies	721	754	1,348	1,695	1,249	1,916	1,242
Total gross current procurement in budgets	130,180	134,702	167,845	170,782	175,396	185,244	190,036

⁽¹⁾ Data for these departments reflect the Machinery of Government changes announced in 2023 (See paragraph 1.3 in Chapter 1). Outturn figures are provisional and are likely to be revised.

Table 2.3 Gross capital procurement in budgets, 2018-19 to 2024-25

	£ million						
	National Statistics					2023-24 plans	2024-25 plans
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn		
Gross capital procurement in budgets							
Health and Social Care	5,973	6,671	12,341	11,417	10,115	11,701	12,255
Education	2,422	1,984	2,704	2,718	3,004	1,421	745
Home Office	528	576	740	666	935	842	812
Justice	522	553	1,069	1,423	1,356	2,311	1,844
Law Officers' Departments	16	8	5	7	30	34	48
Defence	10,731	10,643	12,046	14,470	20,327	18,373	18,895
Single Intelligence Account	666	674	599	937	1,164	1,283	1,208
Foreign, Commonwealth and Development Office	215	209	323	169	340	535	234
DLUHC - Housing and Communities	272	385	344	275	244	380	364
Culture, Media and Sport ⁽¹⁾	355	1,471	420	347	1,124	3,638	2,608
Science, Innovation and Technology ⁽¹⁾	1,497	1,379	1,657	1,583	1,587	2,221	2,354
Transport	12,392	11,840	13,610	15,258	17,175	17,650	17,533
Energy Security and Net Zero ⁽¹⁾	2,218	2,076	2,160	2,468	3,582	3,732	4,903
Environment, Food and Rural Affairs	256	266	342	420	688	1,000	983
Business and Trade ⁽¹⁾	41	153	75	54	21	127	16
Work and Pensions	200	113	324	474	297	628	431
HM Revenue and Customs	374	420	565	895	648	710	510
HM Treasury	22	10	9	36	3	13	13
Cabinet Office	78	38	122	168	824	364	2,525
Scotland	969	1,020	1,113	1,578	2,374	1,710	2,292
Wales	676	632	788	840	638	840	836
Northern Ireland	1,116	1,105	1,231	1,337	1,506	1,721	1,448
Small and Independent Bodies	249	401	275	316	319	357	660
Total gross capital procurement in budgets	41,788	42,629	52,862	57,855	68,301	71,591	73,518

⁽¹⁾ Data for these departments reflect the Machinery of Government changes announced in 2023 (See paragraph 1.3 in Chapter 1). Outturn figures are provisional and are likely to be revised.

3

Changes in departmental budgets

3.1 This chapter compares the latest budgeting aggregates in **Chapter 1** with those previously published and sets out the main reasons for the changes. Specifically:

- for 2021-22, estimated outturn published in PESA 2022 (CP 735) is compared with the final outturn in **Chapter 1**;
- for 2022-23, the plans published in PESA 2022 are reconciled to final plans and compared to the estimated outturn in **Chapter 1**; and
- for 2023-24 and 2024-25, latest plans are compared with the published figures in PESA 2022.

3.2 The tables in this chapter are consequently split into three sections –

- **Tables 3.1, 3.2, 3.3 and 3.4** show changes for 2021-22;
- **Tables 3.5, 3.6, 3.7 and 3.8** show changes for 2022-23;
- **Tables 3.9-3.11** show plans for 2023-24 and 2024-25.

Within the first two sections the four tables show, respectively, resource DEL by departmental group, resource DEL excluding depreciation by departmental group, capital DEL by departmental group, and Total Managed Expenditure (TME) by budgeting category.

What's new

3.3 Not all departments had produced their Annual Report and Accounts for 2022-23 as at publication of PESA 2023. Outturn data may therefore be subject to revisions. The public spending statistics (PSS) release, published on a quarterly basis, will reflect any later revisions made by departments to their 2022-23 outturn.

3.4 Since PESA 2022 NHS Provider depreciation has been moved out of the Resource DEL excluding depreciation ringfence. It remains part of total Resource DEL.

3.5 Departmental DEL plans in PESA will not match those presented in the Spring Budget 2023 document. PESA takes on any subsequent changes to budgets agreed, for example, during the following Main Estimates round, at which some of the reserve was assigned to departments. In addition, not all of the funding in 2024/25 for measures announced at the Autumn Statement and Spring Budget has been allocated to departments. This will be done later in the year.

Types of changes

3.6 The comparisons distinguish between the following types of change:

- Machinery of Government changes, which are implemented in the starting position of all tables so that other changes are not obscured by departmental restructuring;

- changes that result from spending being reclassified or where financing responsibility transfers between departments (i.e. changes in the way public expenditure is measured); and
- changes that reflect policy decisions or are due to the availability of updated outturn or forecasts. This also takes account of any departmental underspends carried forward from 2022-23 to 2023-24 under the Budget Exchange system.

Machinery of Government and classification changes

3.7 In February 2023 the Prime Minister announced a number of Machinery of Government changes which set up three new departments: the Department for Energy Security and Net Zero (DESNZ), the Department for Science, Innovation and Technology (DSIT) and the Department for Business and Trade (DBT)¹.

3.8 DESNZ took over the energy portfolio from the former Department for Business, Energy and Industrial Strategy (BEIS). DSIT brought together the relevant functions from BEIS as well as the digital portfolio of the former Department for Digital, Culture, Media and Sport, which is now the Department for Culture, Media and Sport (DCMS). DBT combined the business focused functions of BEIS with the former Department for International Trade (DIT). In addition, responsibility for National Security and Investment policy was transferred from BEIS to the Cabinet Office.

3.9 Outturn and plans data in PESA 2023 reflect these changes. Note, however, that the outturn figures are still based on provisional calculations to assign expenditure by the former BEIS to the new departments. They are likely to be revised once departments have published their audited 2022-23 Annual Reports and Accounts and have been able to reassess the historical data. These changes will be incorporated into future Public Spending Statistics publications and in the 2023-24 Annual Reports and Accounts where required.

Policy changes

3.10 This section sets out the key spending policy decisions taken since PESA 2022. This mainly includes:

- measures announced at the Autumn Statement 2022 and the Spring Budget 2023
- claims on the Reserve
- carry forward of estimated resource and capital DEL underspends (with the agreement of the Treasury) from 2022-23 under the Budget Exchange (BX) system

Policy changes in 2022-23 Tables 3.5 to 3.7

3.11 The impact of policy decisions on resource DEL and capital DEL budgets in 2022-23 are set out in **Tables 3.5 and 3.7**, respectively. The main policy decisions are set out below.

The main claims on the resource DEL Reserve in 2022-23 were:

- DHSC was given £5.7 billion, the majority of which was for Covid-19 related costs
- DfE received £4.1 billion, mainly in relation to the student loan book
- Home Office received £3.4 billion mainly to cover asylum support, illegal migration and Afghanistan resettlement pressures
- MoD was given £0.6 billion mainly for the cost of peacekeeping and other operations

¹ Making Government Deliver for the British People (publishing.service.gov.uk)

- SIA was given £0.1 billion to cover depreciation costs
- FCDO was given £0.3 billion to cover various programme costs
- DLUHC Local Government received £0.1 billion mainly in respect of Council Tax Rebates
- DLUHC Comms received £1.5 billion, mainly to cover the costs of Homes for Ukraine
- Former BEIS was given £0.9 billion of RDEL mainly in respect of the energy price guarantee for alternative fuels
- DfT was given £1.5 billion mainly to cover depreciation costs and support for Transport for London
- DWP received £0.1 billion mainly to cover depreciation costs
- HMRC was given £0.1 billion to cover depreciation costs
- Cabinet Office received £0.2 billion to cover depreciation and various programme costs

The main claims on the capital DEL Reserve in 2022-23 were:

- Home Office was given £0.2 billion to cover costs of illegal migration
- MoD received £2.5 billion to cover peacekeeping and other operations as well as Dreadnought contingency
- FCDO was given £0.3 billion, mainly in respect of IFRS16 leases
- DLUHC Communities was given £0.3 billion mainly in respect of the Levelling Up Fund and Freeports
- DCMS was given £0.1 billion for various programmes
- Former BEIS received £3.1 billion mainly for the Energy Special Administration Regime
- DfT received £0.9 billion mainly in respect of support for Transport for London

The other main policy decisions affecting 2022-23 DELs were:

- DHSC gave up £0.6 billion of CDEL, part of which related to Covid-19 vaccine supply
- DfE gave up £0.2 billion of RDEL and £0.5 billion of CDEL underspends
- HO surrendered £0.2 billion of CDEL underspends
- MoJ reprofiled £0.4 billion of CDEL into 2024-25
- MoD gave up £0.5 billion of RDEL relating to depreciation
- FCDO gave up £1.2 billion of RDEL and £0.7 billion of CDEL, mainly in respect of Official Development Assistance
- Former BEIS surrendered £2.3 billion of CDEL mainly in respect of Horizon and Euratom
- DLUHC Communities gave up £2.0 billion of CDEL, mainly in respect of financial transactions, and reprofiled £0.5 billion of CDEL into 2023-24 and £0.2 billion into 2024-25.
- DCMS gave up £0.2 billion of CDEL underspends
- DfT gave up £0.3 billion of CDEL underspends
- DEFRA gave up £0.2 billion of CDEL underspends

- DWP surrendered £0.2 billion of CDEL underspends
- Cabinet Office gave up £0.3 billion of CDEL, mainly related to IFRS16 leases

3.12 Under the Budget Exchange system departments carried forward £0.2 billion resource DEL and £1.3 billion capital DEL from 2022-23 into later years.

Policy changes in 2023-24 Tables 3.9 to 3.11

3.13 The impact of policy decisions on resource DEL and capital DEL budgets in 2023-24 are set out in **Tables 3.9 and 3.11 respectively**. The main policy decisions are set out below:

A number of claims on the reserve have already fed into 2023-24 control totals at Main Estimates 2023-24. These include changes to depreciation budgets, following a review of the capital allocations made at Spending Review 2021.

The main claims on the resource DEL Reserve in 2023-24 were:

- Home Office received an additional £0.2 billion, mainly to cover depreciation costs
- MoJ was given £0.3 billion, to cover additional depreciation costs and other pressures
- MoD was given £0.3 billion to cover peacekeeping and other operations
- SIA was given £0.3 billion, mainly in respect of depreciation
- FCDO received an additional £0.1 billion in respect of various programmes
- DLUHC Communities was given £0.6 billion from the UK Shared Prosperity Fund
- DfT was given an additional £2.0 billion mainly to cover depreciation costs
- DESNZ was given £0.3 billion funding for domestic and non-domestic alternative fuel payments schemes
- DEFRA received £0.1 billion mainly for flood programmes and depreciation
- DWP received £0.2 billion mainly to cover depreciation
- HMRC was given £0.3 billion to cover depreciation costs
- Cabinet Office was given £0.3 billion to cover various programme costs and depreciation
- Scottish Government received £1.3 billion mainly to cover depreciation and Barnett consequentials arising from UK Government departments
- Welsh Government was given £0.8 billion mainly to cover depreciation and Barnett consequentials arising from UK Government departments
- Northern Ireland Executive received £0.6 billion mainly for depreciation and Barnett consequentials arising from UK Government departments

The main claims on the capital DEL Reserve in 2023-24 were:

- DHSC was given an additional £0.1 billion for hospital upgrades
- DfT was given £0.6 billion mainly in respect of support for TfL
- Northern Ireland Executive was given £0.1 billion in respect of various programmes

The other main policy decisions affecting 2023-24 DELs were:

- DHSC was given an additional net £3.1 billion of RDEL, mainly as a result of the additional funding for the NHS announced at Autumn Statement 2022, as well as £1.2 billion of additional IFRS16 provision in CDEL
- DfE gave up £5.4 billion of RDEL mainly in respect of Student Loans and depreciation, but received an additional £2.5 billion of RDEL from Autumn Statement 2022 and Spring Budget 2023 for measures such as core schools uplift and childcare funding
- HO gave up £0.1 billion of RDEL
- MoJ received an additional £0.1 billion of RDEL for IFRS16 leases
- MoD was given £0.5 billion of RDEL and £1.5 billion of CDEL from the budget uplift announced at Spring Budget. In addition, £0.4 billion of RDEL and £0.6 billion of CDEL was provided to cover IFRS16 leases
- FCDO was given £0.3 billion of CDEL to cover IFRS16 leases
- DLUHC Local Government received a net £2.8 billion of additional RDEL to cover the costs of business rates relief and adult social care funding
- DLUHC Communities reprofiled £0.5 billion of CDEL from 2022-23 into 2023-24
- DSIT reprofiled £1.0 billion of CDEL from 2023-24 into 2024-25 and gave up a further £0.5 billion
- DWP was given £1.5 billion of additional RDEL funding in respect of measures announced at Autumn Statement and Spring Budget
- Transport received £0.2 billion of CDEL funding for potholes
- HMRC was given £0.7 billion of RDEL for cost of living payments and other measures
- SG received £0.3 billion of CDEL Barnett consequentials arising from UK Government departments
- WG was given £0.4 billion of CDEL Barnett consequentials arising from UK Government departments
- NIE was given £0.1 billion of CDEL Barnett consequentials arising from UK Government departments

Policy changes in 2024-25 Tables 3.9 to 3.11

3.14 The impact of policy decisions on resource DEL in 2024-25 are set out in **Table 3.9**. The impact on capital DEL budgets in 2024-25 are set out in **Table 3.11**. The main policy decisions are set out below. These include changes to depreciation budgets, following a review of the capital allocations made at Spending Review 2021.

- DHSC received a net £3.3 billion of RDEL following the announcement of additional funding for the NHS and various other programmes, as well as £1.4 billion of CDEL for IFRS16 leases
- DfE was given £2.5 billion of RDEL, mainly for the core schools uplift
- Home Office was given an additional £0.2 billion of RDEL to cover depreciation costs and £0.3 billion of CDEL for IFRS16

- MoJ was given £0.2 billion of RDEL for depreciation and £0.1 billion for IFRS16 leases reclassification. In addition, £0.4 billion of CDEL was reprofiled from 2022-23 into 2024-25
- MoD received an additional £0.7 billion of RDEL and £2.3 billion of CDEL following the uplift to the defence budget. In addition, £0.4 billion of RDEL and £0.3 billion of CDEL was provided for IFRS16 leases
- SIA received an additional £0.5 billion of RDEL for depreciation costs
- FCDO was given £0.2 billion of RDEL and £0.1 billion of CDEL for IFRS16 leases
- DLUHC Local Government received £1.2 billion of RDEL for adult social care
- DLUHC Communities reprofiled £0.2 billion of CDEL from 2022-23 into 2024-25
- DCMS was given £0.2 billion of RDEL to cover depreciation
- DSIT reprofiled £1.0 billion of CDEL from 2023-24 into 2024-25
- DWP was given £1.0 billion of RDEL for various measures announced at Spring Budget
- DfT received £2.2 billion of additional RDEL for depreciation
- DEFRA was given an extra £0.1 billion of RDEL for depreciation
- HMRC was given £0.4 billion of RDEL for depreciation
- Cabinet Office received £2.2 billion of additional CDEL funding for IFRS16 leases
- Scottish Government was given £0.1 billion of CDEL Barnett consequentials arising from UK Government departments
- WG was given £0.3 billion of CDEL Barnett consequentials arising from UK Government departments

Table 3.1 Resource DEL 2021-22; changes since PESA 2022

					£ million
	Final provision adjusted for MoG	Outturn in PESA 2022 adjusted for MoG	Transfers and classification changes since PESA 2022	Other changes since PESA 2022	Outturn
Resource DEL					
Health and Social Care	186,895	183,772	-	-223	183,548
Education	82,983	72,374	-	2,231	74,605
Home Office	15,530	14,958	-	1	14,959
Justice	9,410	9,433	-	-57	9,376
Law Officers' Departments	736	694	-	-	694
Defence	39,821	39,740	-	-	39,740
Single Intelligence Account	3,017	2,926	-	-	2,926
Foreign, Commonwealth and Development Office	7,857	7,740	-	-137	7,603
DLUHC - Local Government	21,454	21,262	-	-	21,262
DLUHC - Housing and Communities	3,087	2,854	-	-86	2,768
Culture, Media and Sport ⁽¹⁾	2,321	1,863	-	-34	1,829
Science, Innovation and Technology ⁽¹⁾	1,359	-365	-	867	503
Transport	20,897	18,669	-	-85	18,584
Energy Security and Net Zero ⁽¹⁾	2,481	2,481	-	-	2,481
Environment, Food and Rural Affairs	4,444	4,367	-	-78	4,289
Business and Trade ⁽¹⁾	6,429	6,421	-	-	6,421
Work and Pensions	9,180	8,972	-	-	8,972
HM Revenue and Customs	6,024	5,698	-	-	5,698
HM Treasury	421	403	-	-	403
Cabinet Office	1,506	1,252	-	-19	1,234
Scotland	31,443	28,602	-	-45	28,557
Wales	18,863	16,239	-	13	16,252
Northern Ireland	15,396	14,441	-	-3	14,438
Small and Independent Bodies	2,790	2,499	-	-14	2,485
Total resource DEL	494,343	467,297	-	2,331	469,629

⁽¹⁾Data for these departments reflect the Machinery of Government changes announced in 2023 (see para 3.7). Outturn figures are provisional and are likely to be revised.

Table 3.2 Resource DEL excluding depreciation 2021-22; changes since PESA 2022

				£ million	
	Final provision adjusted for MoG	Outturn in PESA 2022 adjusted for MoG	Transfers and classification changes since PESA 2022	Other changes since PESA 2022	Outturn
Resource DEL excluding depreciation					
Health and Social Care	185,315	180,723	-2,641	73	178,155
Education	71,669	70,974	-	249	71,223
Home Office	15,055	14,434	-	1	14,435
Justice	8,684	8,748	-	-80	8,667
Law Officers' Departments	713	674	-	-	674
Defence	31,621	31,749	-	-	31,749
Single Intelligence Account	2,531	2,451	-	-	2,451
Foreign, Commonwealth and Development Office	7,633	7,532	-	-136	7,396
DLUHC - Local Government	21,454	21,262	-	-	21,262
DLUHC - Housing and Communities	3,059	2,844	-	-85	2,760
Culture, Media and Sport ⁽¹⁾	2,134	1,711	-	-14	1,696
Science, Innovation and Technology ⁽¹⁾	1,098	-625	-	852	227
Transport	12,618	10,546	-	-91	10,455
Energy Security and Net Zero ⁽¹⁾	2,444	2,444	-	-	2,444
Environment, Food and Rural Affairs	4,189	4,138	-	-96	4,042
Business and Trade ⁽¹⁾	6,357	6,348	-	-	6,348
Work and Pensions	8,921	8,708	-	-	8,708
HM Revenue and Customs	5,690	5,523	-	-	5,523
HM Treasury	417	399	-	-	399
Cabinet Office	1,381	1,175	-	-19	1,156
Scotland	37,839	37,104	-	-166	36,939
Wales	17,280	16,422	-	5	16,427
Northern Ireland	14,340	14,122	-	-2	14,119
Small and Independent Bodies	2,621	2,386	-	-67	2,319
Total resource DEL	465,062	451,792	-2,641	423	449,574

⁽¹⁾Data for these departments reflect the Machinery of Government changes announced in 2023 (see para 3.7). Outturn figures are provisional and are likely to be revised.

Table 3.3 Capital DEL 2021-22; changes since PESA 2022

					£ million
	Final provision adjusted for MoG	Outturn in PESA 2022 adjusted for MoG	Transfers and classification changes since PESA 2022	Other changes since PESA 2022	Outturn
Capital DEL					
Health and Social Care	10,447	9,035	-	84	9,119
Education	5,191	4,706	-	11	4,717
Home Office	950	861	-	0	861
Justice	1,546	1,439	-	-19	1,421
Law Officers' Departments	12	8	-	-	8
Defence	14,265	14,180	-	-	14,180
Single Intelligence Account	951	906	-	-	906
Foreign, Commonwealth and Development Office	1,772	1,750	-	-	1,750
DLUHC - Housing and Communities	7,352	6,157	-	-14	6,142
Culture, Media and Sport ⁽¹⁾	634	500	-	-12	488
Science, Innovation and Technology ⁽¹⁾	10,789	9,539	-	175	9,715
Transport	19,421	19,182	-	-31	19,151
Energy Security and Net Zero ⁽¹⁾	10,723	10,723	-	-	10,723
Environment, Food and Rural Affairs	1,420	1,403	-	-69	1,334
Business and Trade ⁽¹⁾	757	755	-	-	755
Work and Pensions	635	626	-	-	626
HM Revenue and Customs	738	662	-	-	662
HM Treasury	48	12	-	-	12
Cabinet Office	370	273	-	-121	153
Scotland	5,562	5,143	-	81	5,224
Wales	2,570	3,033	-	-94	2,939
Northern Ireland	1,942	1,821	-	0	1,821
Small and Independent Bodies	417	316	-	0	316
Total capital DEL	98,513	93,030	-	-9	93,022

⁽¹⁾Data for these departments reflect the Machinery of Government changes announced in 2023 (see para 3.7). Outturn figures are provisional and are likely to be revised.

Table 3.4 Total Managed Expenditure 2021-22; changes since PESA 2022

	Outturn in PESA 2022	Transfers and classification changes since PESA 2022	Other changes since PESA 2022	£ million Outturn
CURRENT EXPENDITURE				
<i>Resource DEL</i>				
Total resource DEL	467,297	-	2,331	469,629
<i>Resource departmental AME</i>				
Social security benefits	233,022	-	-	233,022
Tax credits	11,021	-	-	11,021
Net public service pensions	59,114	-	-206	58,908
National lottery	1,727	-	-183	1,544
BBC domestic services	3,621	-	-14	3,607
Student loans	-5,127	-	0	-5,127
Non-cash items	206,245	-	-1,962	204,283
Financial sector interventions	47,220	-	-	47,220
Other departmental expenditure	65,951	-	-552	65,399
Total resource departmental AME	622,795	-	-2,918	619,877
<i>Resource other AME</i>				
Net expenditure transfers to the EU	315	-	-	315
Locally financed expenditure	40,666	-	-1,235	39,431
Central government gross debt interest	69,878	-	2,638	72,516
Accounting adjustments	-259,438	-	-4,570	-264,008
Total resource other AME	-148,578	-	-3,167	-151,745
Total resource AME	474,217	-	-6,085	468,131
Public sector current expenditure	941,514	-	-3,754	937,760
CAPITAL EXPENDITURE				
<i>Capital DEL</i>				
Total capital DEL	93,030	-	-9	93,022
<i>Capital departmental AME</i>				
National lottery	150	-	14	164
BBC domestic services	165	-	-75	90
Student loans	23,470	-	-6	23,464
Financial sector interventions	-3,779	-	-	-3,779
Other departmental expenditure	-1,985	-	11	-1,974
Total capital departmental AME	18,021	-	-56	17,966
<i>Capital other AME</i>				
Locally financed expenditure	9,215	-	-273	8,942
Public corporations' own-financed capital expenditure	10,413	-	-2,378	8,035
Accounting adjustments	-11,893	-	-12,367	-24,259
Total capital other AME	7,735	-	-15,018	-7,282
Total capital AME	25,757	-	-15,073	10,683
Public sector gross investment	118,787	-	-15,082	103,705
<i>less public sector depreciation</i>	<i>55,075</i>	<i>-</i>	<i>44</i>	<i>55,119</i>
Public sector net investment	63,712	-	-15,126	48,586
Total Managed Expenditure	1,060,301	-	-18,836	1,041,465

Table 3.5 Resource DEL 2022-23; changes since PESA 2022

	£ million				
	Plans in PESA 2022 adjusted for MOG	Transfers and classification changes since PESA 2022	Other changes since PESA 2022	Final provision	Outturn
Resource DEL					
Health and Social Care	169,948	525	5,676	176,148	176,631
Education	73,837	18	3,876	77,731	68,795
Home Office	15,141	-765	3,367	17,743	17,602
Justice	10,255	41	-49	10,246	10,100
Law Officers' Departments	803	-1	-8	794	766
Defence	40,897	-87	71	40,881	39,847
Single Intelligence Account	3,125	69	120	3,314	3,263
Foreign, Commonwealth and Development Office	8,525	18	-930	7,614	7,425
DLUHC - Local Government	11,766	-22	108	11,852	11,772
DLUHC - Housing and Communities	3,100	-103	1,389	4,387	4,015
Culture, Media and Sport ⁽¹⁾	2,062	23	32	2,117	1,945
Science, Innovation and Technology ⁽¹⁾	-534	131	1,007	604	336
Transport	16,618	3	1,466	18,087	17,121
Energy Security and Net Zero ⁽¹⁾	16,056	-	-	16,056	14,073
Environment, Food and Rural Affairs	4,790	2	-49	4,743	4,708
Business and Trade ⁽¹⁾	1,541	8	-8	1,541	1,395
Work and Pensions	8,900	-36	-97	8,767	8,696
HM Revenue and Customs	6,379	1	20	6,400	6,329
HM Treasury	367	-1	17	383	311
Cabinet Office	918	-12	67	973	828
Scotland	27,015	130	-202	26,944	25,780
Wales	17,056	152	-400	16,808	16,253
Northern Ireland	14,596	-110	124	14,610	14,339
Small and Independent Bodies	2,567	15	-13	2,569	2,468
UK Shared Prosperity Fund	-	-	-	-	-
Budget measures not yet allocated to departments	-	-	-	-	-
Reserves	917	-	-917	-	-
OBR allowance for shortfall	-4,453	-	4,453	-	-
Adjustment for Budget Exchange	-	-	-	-	-
Total resource DEL	452,193	-	19,120	471,312	454,799

⁽¹⁾ Data for these departments reflect the Machinery of Government changes announced in 2023 (see para 3.7). Outturn figures are provisional and are likely to be revised.

Table 3.6 Resource DEL excluding depreciation 2022-23; changes since PESA 2022

	£ million				
	Plans in PESA 2022 adjusted for MOG	Transfers and classification changes since PESA 2022	Other changes since PESA 2022	Final provision	Outturn
Resource DEL excluding depreciation					
Health and Social Care	168,207	-2,768	5,198	170,637	171,797
Education	77,104	18	-135	76,987	76,426
Home Office	14,576	-765	3,111	16,922	16,822
Justice	9,400	41	-61	9,380	9,328
Law Officers' Departments	766	-1	-7	758	743
Defence	32,147	-87	571	32,631	32,493
Single Intelligence Account	2,603	69	-15	2,658	2,638
Foreign, Commonwealth and Development Office	8,193	18	-951	7,260	7,169
DLUHC - Local Government	11,766	-22	108	11,852	11,772
DLUHC - Housing and Communities	3,051	-103	1,389	4,338	3,986
Culture, Media and Sport ⁽¹⁾	1,882	23	32	1,937	1,815
Science, Innovation and Technology ⁽¹⁾	-810	131	970	291	75
Transport	8,339	3	395	8,737	8,412
Energy Security and Net Zero ⁽¹⁾	15,973	-	-	15,973	14,041
Environment, Food and Rural Affairs	4,503	2	-40	4,464	4,421
Business and Trade ⁽¹⁾	1,492	8	-7	1,493	1,346
Work and Pensions	8,416	-36	-206	8,174	8,131
HM Revenue and Customs	5,907	1	-49	5,859	5,851
HM Treasury	353	-1	19	371	298
Cabinet Office	709	-12	48	745	705
Scotland	35,279	130	600	36,010	35,829
Wales	15,273	152	151	15,576	15,368
Northern Ireland	13,434	-110	461	13,784	13,736
Small and Independent Bodies	2,386	15	-31	2,369	2,272
UK Shared Prosperity Fund	-	-	-	-	-
Budget measures not yet allocated to departments	-	-	-	-	-
Reserves	917	-	-917	-	-
OBR allowance for shortfall	-4,453	-	4,453	-	-
Adjustment for Budget Exchange	-	-	-	-	-
Total resource DEL	437,412	-3,293	15,086	449,205	445,472

⁽¹⁾ Data for these departments reflect the Machinery of Government changes announced in 2023 (see para 3.7). Outturn figures are provisional and are likely to be revised.

Table 3.7 Capital DEL 2022-23; changes since PESA 2022

	£ million				
	Plans in PESA 2022 adjusted for MOG	Transfers and classification changes since PESA 2022	Other changes since PESA 2022	Final provision	Outturn
Capital DEL					
Health and Social Care	12,048	6	-861	11,193	9,896
Education	6,365	-1	-476	5,888	5,348
Home Office	1,168	9	-17	1,160	1,090
Justice	1,760	1	-303	1,458	1,349
Law Officers' Departments	58	-	1	59	28
Defence	18,491	32	1,950	20,472	20,304
Single Intelligence Account	1,243	-53	-17	1,172	1,157
Foreign, Commonwealth and Development Office	2,645	71	-409	2,306	2,141
DLUHC - Housing and Communities	9,584	-12	-2,417	7,155	6,850
Levelling Up Fund	900	-	-900	-	-
Culture, Media and Sport ⁽¹⁾	694	-3	-159	533	454
Science, Innovation and Technology ⁽¹⁾	10,123	3	924	11,050	10,545
Transport	20,147	-8	450	20,588	20,542
Energy Security and Net Zero ⁽¹⁾	8,288	-	-	8,288	6,287
Environment, Food and Rural Affairs	2,126	-105	-260	1,762	1,556
Business and Trade ⁽¹⁾	808	-	-3	805	124
Work and Pensions	854	2	-279	576	450
HM Revenue and Customs	676	-	-15	661	556
HM Treasury	10	-1	6	15	7
Cabinet Office	1,123	8	-462	669	424
Scotland	7,193	13	-794	6,412	6,199
Wales	2,982	0	-93	2,889	2,791
Northern Ireland	2,064	29	21	2,114	1,895
Small and Independent Bodies	427	8	-31	404	319
UK Shared Prosperity Fund	-	-	-	-	-
Funding for leases reclassification exercise (IFRS16)	-	-	-	-	-
Reserves	-	-	-	-	-
OBR allowance for shortfall	-9,934	-	9,934	-	-
Adjustment for Budget Exchange	-3,206	-	3,206	-	-
Total capital DEL	98,635	-	8,995	107,630	100,312

⁽¹⁾ Data for these departments reflect the Machinery of Government changes announced in 2023 (see para 3.7). Outturn figures are provisional and are likely to be revised.

Table 3.8 Total Managed Expenditure 2022-23; changes since PESA 2022

	Plans in PESA 2022	Transfers and classification changes since PESA 2022	Other changes since PESA 2022	£ million Outturn
CURRENT EXPENDITURE				
<i>Resource DEL</i>				
Total resource DEL	452,193	-	2,607	454,799
<i>Resource departmental AME</i>				
Social security benefits	244,431	-	1,880	246,311
Tax credits	8,283	-	632	8,915
Net public service pensions	71,217	-	-18,023	53,194
National lottery	1,544	-	-244	1,300
BBC domestic services	3,590	-	611	4,201
Student loans	-9,026	-	13	-9,012
Non-cash items	113,102	-	-256,740	-143,638
Financial sector interventions	20,000	-	117,220	137,220
Other departmental expenditure	57,333	-	13,332	70,665
Total resource departmental AME	510,473	-	-141,318	369,156
<i>Resource other AME</i>				
Net expenditure transfers to the EU	752	-	-1,135	-383
Locally financed expenditure	58,637	-	-18,130	40,507
Central government gross debt interest	87,179	-	19,658	106,837
Accounting adjustments	-136,263	-	207,681	71,418
Total resource other AME	10,305	-	208,074	218,379
Total resource AME	520,778	-	66,757	587,535
Public sector current expenditure	972,971	-	69,363	1,042,334
CAPITAL EXPENDITURE				
<i>Capital DEL</i>				
Total capital DEL	98,635	-	1,677	100,312
<i>Capital departmental AME</i>				
National lottery	321	-	-119	201
BBC domestic services	1,522	-	-767	755
Student loans	30,414	-	-4,080	26,334
Financial sector interventions	-	-	2,863	2,863
Other departmental expenditure	7,954	-	-4,210	3,744
Total capital departmental AME	40,210	-	-6,314	33,896
<i>Capital other AME</i>				
Locally financed expenditure	9,023	-	854	9,877
Public corporations' own-financed capital expenditure	10,246	-	-2,158	8,088
Accounting adjustments	-44,476	-	4,899	-39,577
Total capital other AME	-25,206	-	3,595	-21,612
Total capital AME	15,004	-	-2,719	12,284
Public sector gross investment	113,639	-	-1,043	112,596
<i>less public sector depreciation</i>	<i>57,237</i>	<i>-</i>	<i>2,929</i>	<i>60,166</i>
Public sector net investment	56,401	-	-3,971	52,430
Total Managed Expenditure	1,086,609	-	68,321	1,154,930

Table 3.9 Resource DEL 2023-24 and 2024-25; changes since PESA 2022

	£ million							
	2023-24				2024-25			
	Plans in PESA 2022 adjusted for MOG	Transfers and classification changes	Reserve allocation and other policy changes	New Plans	Plans in PESA 2022 adjusted for MOG	Transfers and classification changes	Reserve allocation and other policy changes	New Plans
Resource DEL								
Health and Social Care	174,931	597	3,050	178,578	178,954	-	3,299	182,252
Education	90,558	224	-2,853	87,929	91,972	-	2,562	94,534
Home Office	16,076	-849	15	15,242	16,212	0	165	16,377
Justice	10,527	65	286	10,879	10,801	-	163	10,963
Law Officers' Departments	804	0	40	844	817	-	16	833
Defence	40,027	-132	1,116	41,011	40,573	-	982	41,555
Single Intelligence Account Foreign, Commonwealth and Development Office	3,144	137	237	3,518	2,949	-	464	3,413
DLUHC - Local Government	8,146	-112	144	8,178	8,016	-	267	8,284
DLUHC - Housing and Communities	12,103	-358	2,879	14,625	12,757	-	1,183	13,940
Culture, Media and Sport ⁽¹⁾	2,201	204	633	3,039	2,173	-	0	2,173
Science, Innovation and Technology ⁽¹⁾	1,611	-3	78	1,686	1,612	-	-6	1,606
Transport	480	-13	96	563	554	-	24	579
Energy Security and Net Zero ⁽¹⁾	15,099	-21	1,964	17,042	14,027	-	2,169	16,196
Environment, Food and Rural Affairs	1,724	30	303	2,057	1,569	-	-	1,569
Business and Trade ⁽¹⁾	4,619	7	164	4,790	4,523	-	112	4,635
Work and Pensions	1,582	6	17	1,605	1,558	-	6	1,564
HM Revenue and Customs	7,414	-53	1,664	9,024	7,113	-	988	8,102
HM Treasury	5,258	68	1,049	6,375	5,024	60	436	5,520
Cabinet Office	287	-1	68	354	269	-	-2	266
Scotland	649	20	281	950	640	-60	-114	467
Wales	27,016	82	1,306	28,404	25,727	-	37	25,764
Northern Ireland	16,933	52	807	17,792	17,221	-	3	17,224
Small and Independent Bodies	14,213	28	613	14,854	14,407	-	6	14,413
UK Shared Prosperity Fund	2,616	22	52	2,690	2,566	0	5	2,572
Budget measures not yet allocated to departments	627	-	-627	-	1,266	-	-	1,266
Reserves	-	-	-	-	-	-	4,157	4,157
OBR allowance for shortfall	11,064	-	2,108	13,172	15,731	-	-2,738	12,993
Adjustment for Budget Exchange	-3,704	-	-51	-3,755	-3,378	-	-438	-3,816
Total resource DEL	466,004	-	15,242	481,245	475,654	-	13,747	489,401

⁽¹⁾Data for these departments reflect the Machinery of Government changes announced in 2023 (see para 3.7).

Table 3.10 Resource DEL excluding depreciation 2023-24 and 2024-25; changes since PESA 2022

	£ million							
	2023-24				2024-25			
	Plans in PESA 2022 adjusted for MOG	Transfers and classification changes	Reserve allocation and other policy changes	New Plans	Plans in PESA 2022 adjusted for MOG	Transfers and classification changes	Reserve allocation and other policy changes	New Plans
Resource DEL excluding depreciation								
Health and Social Care	173,351	597	-443	173,505	177,374	-	-312	177,062
Education	79,245	224	2,220	81,688	80,659	-	2,537	83,196
Home Office	15,600	-849	-232	14,518	15,736	0	-242	15,494
Justice	9,802	65	110	9,977	10,075	-	-39	10,036
Law Officers' Departments	780	0	27	808	793	-	-10	783
Defence	31,827	-127	505	32,205	32,373	-	385	32,758
Single Intelligence Account	2,658	132	34	2,825	2,463	-	-35	2,428
Foreign, Commonwealth and Development Office	7,922	-112	35	7,844	7,792	-	156	7,948
DLUHC - Local Government	12,103	-358	2,879	14,625	12,757	-	1,183	13,940
DLUHC - Housing and Communities	2,174	204	611	2,989	2,145	-	-22	2,123
Culture, Media and Sport ⁽¹⁾	1,448	-3	79	1,524	1,448	-	-5	1,444
Science, Innovation and Technology ⁽¹⁾	247	-13	17	251	274	-	-	274
Transport	6,820	-21	135	6,933	5,748	-	-21	5,727
Energy Security and Net Zero ⁽¹⁾	1,622	30	303	1,955	1,513	-	-	1,513
Environment, Food and Rural Affairs	4,364	7	77	4,449	4,268	-	-38	4,230
Business and Trade ⁽¹⁾	1,523	6	11	1,539	1,501	-	-8	1,493
Work and Pensions	7,155	-51	1,308	8,412	6,855	-	758	7,613
HM Revenue and Customs	4,924	65	684	5,674	4,691	60	-73	4,677
HM Treasury	282	-1	59	340	264	-	-9	255
Cabinet Office	524	20	220	764	516	-60	-212	244
Scotland	35,658	82	977	36,717	36,291	-	-222	36,068
Wales	15,351	52	586	15,988	15,639	-	-117	15,522
Northern Ireland	13,157	28	496	13,680	13,351	-	-42	13,309
Small and Independent Bodies	2,458	22	3	2,483	2,409	0	-26	2,383
UK Shared Prosperity Fund	627	-	-627	-	1,266	-	-	1,266
Budget measures not yet allocated to departments	-	-	-	-	-	-	4,157	4,157
Reserves	11,064	-	2,108	13,172	15,731	-	-2,738	12,993
OBR allowance for shortfall	-3,704	-	-51	-3,755	-3,378	-	-438	-3,816
Adjustment for Budget Exchange	-	-	-197	-197	-	-	-	-
Total resource DEL	438,980	-	11,933	450,914	450,553	-	4,567	455,120

⁽¹⁾Data for these departments reflect the Machinery of Government changes announced in 2023 (see para 3.7).

Table 3.11 Capital DEL 2023-24 and 2024-25; changes since PESA 2022

	£ million							
	2023-24				2024-25			
	Plans in PESA 2022 adjusted for MOG	Transfers and classification changes	Reserve allocation and other policy changes	New Plans	Plans in PESA 2022 adjusted for MOG	Transfers and classification changes	Reserve allocation and other policy changes	New Plans
Capital DEL								
Health and Social Care	10,447	0	1,641	12,088	11,195	-	1,445	12,640
Education	7,035	-1	4	7,039	6,095	-	0	6,095
Home Office	988	2	47	1,037	792	-	257	1,048
Justice	2,237	5	66	2,308	1,431	-	413	1,844
Law Officers' Departments	8	-	26	34	7	-	41	48
Defence	15,920	-155	2,573	18,338	16,333	-	2,532	18,865
Single Intelligence Account	1,170	138	-24	1,283	1,204	-	4	1,208
Foreign, Commonwealth and Development Office	3,484	-22	179	3,641	3,997	-	121	4,118
DLUHC - Housing and Communities	6,856	-35	373	7,194	6,752	-	259	7,011
Levelling Up Fund	1,387	-	-	1,387	1,369	-	-	1,369
Culture, Media and Sport ⁽¹⁾	544	2	117	662	520	-	150	670
Science, Innovation and Technology ⁽¹⁾	14,528	-1	-1,446	13,081	12,760	-	998	13,758
Transport	19,873	-13	845	20,705	20,452	-	-	20,452
Energy Security and Net Zero ⁽¹⁾	5,886	28	0	5,914	8,212	-	-	8,212
Environment, Food and Rural Affairs	2,962	10	-149	2,823	2,800	-	51	2,851
Business and Trade ⁽¹⁾	1,050	0	4	1,054	1,052	-	2	1,053
Work and Pensions	457	13	330	800	375	-	199	574
HM Revenue and Customs	579	21	28	627	469	30	2	501
HM Treasury	7	-	1	8	5	-	-	5
Cabinet Office	333	-9	42	366	343	-30	2,212	2,525
Scotland	5,575	0	375	5,950	5,498	-	117	5,615
Wales	2,610	8	529	3,147	2,594	-	339	2,932
Northern Ireland	1,851	-	264	2,116	1,821	-	16	1,837
Small and Independent Bodies	460	8	-111	357	607	-	53	660
UK Shared Prosperity Fund	63	-	-63	-	234	-	-	234
Funding for leases reclassification exercise (IFRS16)	2,240	-	-2,240	-	2,465	-	-2,465	-
Reserves	3,672	-	1,145	4,817	3,455	-	-1,947	1,508
OBR allowance for shortfall	-8,788	-	-135	-8,923	-8,163	-	-120	-8,283
Adjustment for Budget Exchange	-	-	-1,258	-1,258	-	-	-	-
Total capital DEL	103,433	-	3,162	106,594	104,674	-	4,679	109,353

⁽¹⁾Data for these departments reflect the Machinery of Government changes announced in 2023 (see para 3.7).

4

Trends in public sector expenditure

4.1 The analyses in this chapter show trends in government spending over a longer time span than presented elsewhere in PESA, adjusted as far as possible so that figures for historical outturn years are based on current definitions.

4.2 Data in this chapter are on an accruals basis only. All outturn data in this chapter are National Statistics.

4.3 Note that many of the economic categories and functions shown in the tables throughout PESA reflect higher Covid-19 related spend in 2020-21 and 2021-22.

4.4 In 2022-23 expenditure in 'Economic affairs – of which: enterprise and economic development' shows a significant increase largely due to measures taken to support businesses with the rising cost of living.

4.5 The GDP deflator used for real terms calculations in PESA has been produced by the ONS for outturn and by the OBR for plans, as per previous years. However, it should be noted that in 2020-21 and 2021-22 particularly, it reflects the impact of Covid-19 on calculations of GDP and shows negative growth between the two years. The effects on UK GDP and difficulties involved in calculating GDP at this time have been highlighted by the ONS and it should be noted that the deflator is still subject to revision.¹

What's new

4.6 There are no changes to classifications or presentation of tables to report since PESA 2022.

4.7 Not all departments had produced their Annual Report and Accounts for 2022-23 as at publication of PESA 2023. Outturn data may therefore be subject to revisions. The public spending statistics (PSS) release, published on a quarterly basis, will reflect any later revisions made by departments to their 2022-23 outturn.

Public spending aggregates

4.8 **Table 4.1** shows trends in public spending since 1981-82 in terms of three spending aggregates: public sector current expenditure; public sector net investment; and Total Managed Expenditure (TME). All aggregates are presented in both nominal and real terms, and as a percentage of Gross Domestic Product (GDP). Data for a fourth aggregate, public sector depreciation, are shown in nominal terms only.

4.9 Outturn data for these aggregates up to 2022-23 are taken from the public sector accounts compiled by the Office for National Statistics (ONS). The public sector accounts are a part of the National Accounts that are updated on a monthly basis.

¹ Coronavirus and the effects on UK GDP – Office for National Statistics (ons.gov.uk)

4.10 Plans data from 2023-24 are taken from the Office for Budget Responsibility, and are consistent with their Economic and Fiscal Outlook forecasts published at the time of the 2023 Budget.

Public sector expenditure on services by function

4.11 The public spending by function series uses the Total Expenditure on Services spending aggregate (TES). Expenditure on services covers most expenditure by the public sector that is included in TME.

4.12 Public sector expenditure on services includes central government spending, but excludes the part that is finance to local government and capital finance to public corporations. This central government own expenditure is then combined with actual spending by local government and public corporations to give total public sector expenditure. Expenditure on services excludes non-cash items such as depreciation and provisions. Full details of the definition of expenditure on services and the relationship to departments' budgets are available in **Annex E**.

4.13 **Table 4.2** shows public sector expenditure on services by United Nations Classification Of the Functions Of Government (COFOG) level 1² from 1999-00. **Tables 4.3 and 4.4** present this in real terms and as a percentage of GDP respectively. These tables cover outturn years up to 2022-23. They also show, in italics, additional Treasury-defined functional divisions that were used prior to the introduction of UN COFOG, but which don't correspond to COFOG level 1.

Methods and data quality for long run TES series

4.14 Our aim is for the functional breakdown of spending to be broadly consistent across all tables.

4.15 Data in **Tables 4.2, 4.3 and 4.4** for years before 2018-19 are not taken directly from the 'live' public expenditure database that is maintained by government departments (see **Annex A**). Data that precede the most recent five outturn years cease to be 'live' and are archived in a summarised form.

4.16 Historical outturn data are not usually subject to adjustment. However, reclassifications sometimes affect the long-run functional series. These include ONS decisions on the National Accounts, and decisions taken by the Treasury in conjunction with departments to improve the allocation of spending to functions.

4.17 Only substantial classification changes are reflected in the historical years, based on the change in spending relative to the size of the function or functions concerned. Reclassifications that are reflected in the historical series are based on archived data. The decision as to the procedure used to implement reclassifications for historical years is taken by Treasury officials after discussions with the relevant government departments and can sometimes entail a simple percentage split based on the best information available.

4.18 It should be noted that the attribution of spending to functions for historical years is less accurate than for live years. In some cases, the presentation of functional numbers as accurate to within £100 million overstates the accuracy of the figures due to rounding. Minor differences in figures or rates of change should be disregarded.

² <https://unstats.un.org/unsd/classifications/Econ/Structure> then from the 'Classification' drop down box on the left select 'COFOG'

Table 4.1 Public expenditure aggregates, 1981-82 to 2024-25

	Public sector current expenditure				Depreciation		Public sector net investment			Total Managed Expenditure ⁽³⁾		
	Nominal		Real terms ⁽¹⁾		Nominal		Nominal		Nominal		Real terms ⁽¹⁾	
	£ billion	Per cent of GDP ⁽²⁾	£ billion	Per cent of GDP ⁽²⁾	£ billion	Per cent of GDP ⁽²⁾	£ billion	Per cent of GDP ⁽²⁾	£ billion	Per cent of GDP ⁽²⁾	£ billion	Per cent of GDP ⁽²⁾
1981-82	110.6	37.1	422.4	37.1	13.0	4.4	16.7	127.9	488.6	1.5	42.9	
1982-83	121.4	37.1	431.0	36.6	13.6	6.3	22.5	141.4	502.0	1.9	43.2	
1983-84	131.0	36.6	442.3	36.7	14.3	7.8	26.4	153.2	517.1	2.2	42.8	
1984-85	141.8	36.7	451.6	35.5	14.6	7.5	23.8	163.9	521.9	1.9	42.5	
1985-86	150.6	35.5	452.5	34.9	14.4	6.3	19.0	171.3	514.8	1.5	40.4	
1986-87	158.9	34.9	456.0	33.3	15.9	4.2	12.1	179.0	513.7	0.9	39.3	
1987-88	170.2	33.3	461.7	31.0	18.6	1.4	3.8	190.2	515.9	0.3	37.2	
1988-89	177.2	31.0	448.5	30.5	19.9	0.2	0.5	197.3	499.4	0.0	34.6	
1989-90	192.4	30.5	449.9	30.8	21.8	4.8	11.2	218.9	512.0	0.8	34.7	
1990-91	209.7	30.8	452.2	32.7	21.6	6.5	14.0	237.9	512.8	1.0	35.0	
1991-92	233.9	32.7	474.5	34.5	20.8	8.9	18.0	263.6	534.8	1.2	36.8	
1992-93	254.8	34.5	501.7	34.3	21.0	7.6	15.0	283.4	558.2	1.0	38.4	
1993-94	268.8	34.3	514.5	34.1	21.4	6.0	11.4	296.2	566.9	0.8	37.8	
1994-95	280.5	34.1	528.0	32.8	21.6	6.5	12.3	308.7	580.9	0.8	37.6	
1995-96	294.5	32.8	535.4	32.9	22.1	6.4	11.7	323.0	587.3	0.7	37.3	
1996-97	303.6	32.9	530.0	32.4	21.8	5.2	5.6	328.6	573.6	0.5	35.5	
1997-98	317.5	32.4	553.8	32.0	23.1	4.8	8.4	344.7	601.3	0.5	35.7	
1998-99	327.2	32.0	560.8	32.4	23.1	5.0	8.5	355.4	609.2	0.5	35.2	
1999-00	338.8	32.0	573.6	32.4	24.2	5.0	8.5	368.1	623.1	0.5	34.8	
2000-01	361.3	32.4	604.0	32.9	25.1	4.7	7.8	391.1	653.8	0.4	35.1	
2001-02	379.8	32.9	622.3	33.8	26.2	12.6	20.6	418.7	685.9	1.1	36.3	
2002-03	408.3	33.8	653.9	34.9	28.1	17.7	28.3	454.0	727.2	1.5	37.6	
2003-04	445.5	34.9	696.5	35.7	28.3	21.7	33.9	495.6	774.8	1.7	38.9	
2004-05	478.8	35.7	726.7	35.8	29.9	28.0	42.5	536.7	814.5	2.1	40.0	
2005-06	508.1	35.8	750.3	36.1	32.2	27.0	39.9	567.3	837.8	1.9	39.9	
2006-07	532.2	35.8	763.1	36.1	34.2	27.6	39.6	594.0	851.8	1.9	39.9	
2007-08	565.7	36.1	792.5	36.1	36.5	28.4	39.8	630.7	883.4	1.8	40.2	
2008-09	600.4	37.9	811.7	40.7	39.9	47.8	64.7	688.1	930.3	3.0	43.5	
2009-10	634.8	40.7	846.9	40.6	41.8	46.9	62.6	723.5	965.3	3.0	46.3	
2010-11	662.7	40.6	869.6	40.2	42.4	39.8	52.2	744.8	977.4	2.4	45.7	
2011-12	671.4	40.2	865.7	39.6	43.8	30.7	39.6	745.9	961.7	1.8	44.6	
2012-13	683.1	39.6	865.8	38.5	45.0	32.3	40.9	760.4	963.7	1.9	44.0	
2013-14	694.7	38.5	862.6	37.6	46.2	26.1	32.4	767.0	952.3	1.4	42.5	
2014-15	705.2	37.6	866.1	35.9	47.3	35.6	43.7	788.1	967.8	1.9	42.0	
2015-16	716.0	37.0	872.3	35.4	48.2	32.3	39.3	796.5	970.4	1.7	41.1	
2016-17	727.1	36.8	868.0	35.3	49.8	36.5	43.5	813.3	971.0	1.8	40.2	
2017-18	743.6	35.4	873.2	34.9	50.5	46.4	54.5	840.5	987.0	2.2	40.0	
2018-19	760.8	34.9	877.8	35.3	51.1	46.4	53.5	858.4	990.3	2.1	39.4	
2019-20	793.2	35.3	891.9	47.0	53.7	42.7	48.0	888.7	999.2	1.9	39.5	
2020-21	981.1	40.1	1,038.1	41.2	53.7	72.0	76.2	1,106.7	1,171.1	3.5	53.1	
2021-22	937.8	40.1	999.2	41.2	60.2	48.6	51.8	1,041.5	1,109.7	2.1	44.5	
2022-23	1,042.3	41.2	1,042.3	41.0	60.2	52.4	52.4	1,154.9	1,154.9	2.1	45.6	
2023-24	1,055.6	41.0	1,029.6	39.6	59.9	73.6	71.8	1,189.2	1,159.2	2.9	46.2	
2024-25	1,055.7	39.6	1,013.8	39.6	62.5	70.9	68.1	1,189.1	1,141.9	2.7	44.6	

⁽¹⁾ Real terms figures are the nominal figures adjusted to 2022-23 price levels using GDP deflators from the Office for National Statistics (released 30 June 2023) and deflator forecasts from the Office for Budget Responsibility (Economic and fiscal outlook - 23 March 2023).

⁽²⁾ GDP until 2022-23 is consistent with the latest figures from the Office for National Statistics (published 30 June 2023). GDP forecasts for 2023-24 to 2024-25 are from the Office for Budget Responsibility (Economic and fiscal outlook - 23 March 2023).

⁽³⁾ This excludes the temporary effects of banks being classified to the public sector.

Table 4.2 Public sector expenditure on services by function, 1999-00 to 2022-23

		National Statistics																					£ billion	
		outturn																						
		1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020		2020-2021
1. General public services of which: public and common services	45.0	46.9	45.0	45.0	48.8	54.1	58.1	61.0	64.6	69.0	65.4	78.3	79.6	75.3	77.4	76.2	77.0	80.8	84.9	81.5	80.9	71.9	111.0	163.7
of which: international services	8.0	7.9	9.2	9.8	10.9	12.1	12.8	12.7	12.5	14.0	13.8	12.8	11.5	11.2	11.2	11.5	14.3	12.5	12.4	12.7	14.4	18.4	28.1	26.8
of which: public sector debt interest	3.7	4.2	4.3	4.5	5.1	5.5	6.2	6.3	6.7	6.4	7.1	7.8	7.7	7.7	9.8	10.5	7.2	10.8	10.4	11.9	11.7	11.2	8.4	8.5
2. Defence ⁽¹⁾	33.3	34.8	31.5	30.7	32.8	36.5	39.1	42.0	45.4	48.6	44.5	57.7	60.4	56.4	56.4	54.2	55.5	57.5	62.1	56.9	54.8	42.2	74.5	128.4
3. Public order and safety	25.1	25.7	25.4	27.0	28.8	29.8	31.0	32.2	33.7	36.8	37.7	39.3	38.7	36.3	36.4	36.7	36.6	37.1	38.7	40.2	42.2	44.6	48.7	55.5
4. Economic affairs of which: enterprise and economic development ⁽²⁾	18.4	20.4	23.1	24.4	26.4	28.5	29.3	30.4	31.7	33.7	34.1	33.1	32.1	31.3	29.6	30.2	30.2	30.1	31.5	32.4	34.5	38.9	39.8	43.9
of which: science and technology	21.5	23.8	27.7	30.7	33.1	33.6	35.3	37.5	37.4	49.7	48.7	40.0	37.8	36.7	40.9	41.1	47.0	49.2	53.1	60.8	66.6	196.2	98.4	125.0
of which: employment policies	4.4	4.9	5.1	5.9	6.0	6.5	6.4	6.3	7.1	16.2	12.2	4.9	4.8	5.0	6.7	6.6	7.5	8.3	10.7	14.1	18.1	131.3	36.9	63.8
of which: agriculture, fisheries and forestry of which: transport ⁽³⁾	1.4	1.4	1.7	2.1	2.3	2.5	3.0	2.9	3.3	3.2	3.6	3.4	3.6	3.3	4.2	4.4	4.7	4.5	4.9	5.6	6.0	6.6	6.6	7.2
5. Environment protection	3.5	3.8	3.3	3.0	3.2	3.2	3.3	3.3	2.1	3.5	4.1	4.7	3.2	2.9	3.8	2.9	2.4	2.4	2.6	2.7	2.3	2.6	4.2	3.8
6. Housing and community amenities	4.3	4.7	6.3	4.9	5.3	5.4	5.6	5.1	4.3	5.8	5.8	5.5	5.8	5.3	5.4	5.2	4.5	5.2	4.6	5.7	5.8	6.3	6.0	6.7
7. Health	7.9	9.0	11.3	14.8	16.3	16.0	17.0	19.9	20.6	21.0	23.0	21.5	20.4	20.2	20.8	22.0	27.9	28.8	30.3	32.7	34.4	49.4	44.7	43.6
8. Recreation, culture and religion	4.9	5.1	5.4	6.0	6.2	7.0	8.5	9.4	9.6	9.2	10.4	10.9	10.5	10.7	11.2	11.6	11.6	11.1	11.8	11.1	11.8	13.0	13.8	13.9
9. Education ⁽⁵⁾	4.7	5.5	6.2	5.4	6.7	8.0	10.7	11.5	13.0	15.3	16.3	13.3	10.2	10.0	9.9	10.3	9.8	10.3	11.4	12.1	14.2	13.7	15.2	17.8
10. Social protection	49.4	54.2	59.8	66.2	74.9	82.9	89.8	94.7	101.1	108.7	116.9	119.9	121.3	124.3	129.4	134.1	138.5	142.6	147.3	152.9	164.1	218.6	216.2	211.6
EU transactions ⁽⁶⁾	7.7	7.8	8.6	9.3	9.7	10.0	10.8	11.4	11.9	12.4	13.2	13.0	12.5	12.7	11.6	12.4	11.4	11.6	11.5	11.4	12.5	12.8	12.9	14.0
Public sector expenditure on services	42.2	45.9	51.2	54.7	61.0	65.1	69.8	73.0	78.7	83.0	88.5	91.5	86.5	84.1	84.7	85.1	84.9	84.9	86.1	88.1	90.6	95.5	100.1	105.5
Accounting adjustments	123.0	128.5	137.4	145.3	155.6	164.1	171.0	177.0	188.6	203.4	223.0	230.4	244.8	253.4	254.2	261.1	264.9	265.4	268.7	274.8	275.8	299.3	300.0	318.8
Total Managed Expenditure⁽⁷⁾	-2.7	-2.6	-4.8	-1.9	-2.1	-0.9	-0.6	-1.8	-1.5	-2.9	0.9	5.9	4.3	6.7	7.2	6.2	7.7	4.7	5.4	7.8	5.8	7.0	-2.0	-2.3
Public sector expenditure on services	339.2	361.2	385.0	412.1	449.1	482.2	513.7	536.3	568.8	618.3	655.1	675.6	678.3	681.5	692.5	705.0	719.6	727.8	750.4	773.1	799.2	1,011.4	954.1	1,067.5
Accounting adjustments	28.8	29.8	33.7	41.9	46.4	54.5	53.7	57.7	61.8	69.9	68.4	69.2	67.5	78.9	74.4	83.0	76.9	85.5	90.1	85.2	89.5	95.3	87.4	87.4
Total Managed Expenditure⁽⁷⁾	368.1	391.1	418.7	454.0	495.6	536.7	594.0	630.7	688.1	723.5	744.8	745.9	760.4	767.0	788.1	796.5	813.3	840.5	858.4	888.7	1,106.7	1,041.5	1,154.9	

⁽¹⁾ Spending Review 2021 continued the commitment to meet the NATO investment pledge to spend 2% of GDP on Defence. This is evaluated using the NATO definitions of Defence spending rather than the UN COFOG definitions that are used in this table. The UN COFOG and NATO measures of Defence use different definitions and are therefore not comparable. For example, the NATO Defence figures include pensions whereas in COFOG these are included in Social Protection. Details and figures on NATO Defence expenditures can be found at the following link⁽¹⁾: http://www.nato.int/cps/on/nato/hq/topics_49198.htm

⁽²⁾ Transactions in 2008-09 onwards have been affected by financial sector interventions. Increases in spending from 2020-21 have been affected by measures taken in response to Covid-19 and increases in the cost of living.

⁽³⁾ Following implementation of ESA2010, Network Rail is now classified to Central Government. Consequently Total Managed Expenditure (TME) includes Network Rail spending in all years shown, however the actual expenditure of Network Rail only appears in the Department for Transport budget from 2015-16 and is therefore only included within 'Total Expenditure on services' from that year.

⁽⁴⁾ In order to align with ONS data, the transport function now includes expenditure relating to the local government part of the TIL subsidiary, 'Transport Trading Limited'. This data has been obtained from the Office for National Statistics and currently includes expenditure of bodies such as Crossrail and Rail for London from 2011-12 onwards.

⁽⁵⁾ From 2011-12 onwards the 'grant-equivalent' element of student loans' is no longer part of the TES framework and has therefore been removed from the Education function. Therefore figures are not directly comparable between 2010-11 and 2011-12. A full explanation of this decision can be found in PESA 2016 Annex E.

⁽⁶⁾ From 2010-11 onwards VAT-based payments are no longer deducted from EU transactions thus bringing these totals in-line with ESA10.

⁽⁷⁾ This excludes the temporary effects of banks being classified to the public sector.

Table 4.3 Public sector expenditure on services by function in real terms⁽¹⁾, 1999-00 to 2022-23

		National Statistics																							£ billion
		outturn																							
		1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
1.	General public services of which: public and common services	76.2	78.5	73.6	72.0	76.3	82.1	85.7	87.5	90.5	93.2	87.3	102.7	102.7	95.4	96.1	93.6	93.8	96.4	99.7	94.0	90.9	76.1	118.3	163.7
	of which: international services	13.5	13.2	15.1	15.7	17.0	18.4	18.9	18.2	17.5	18.9	18.4	16.8	14.8	14.2	13.9	14.1	17.4	14.9	14.6	14.7	16.2	19.5	29.9	26.8
	of which: public sector debt interest	6.3	7.0	7.0	7.2	8.0	8.3	9.2	9.0	9.4	8.7	9.5	10.2	9.9	9.8	12.2	12.9	8.8	12.9	12.2	13.7	13.2	11.9	8.9	8.5
2.	Defence ⁽²⁾	56.4	58.2	51.5	49.1	51.3	55.4	57.7	60.2	63.6	65.6	59.4	75.7	77.9	71.4	70.1	66.6	67.6	68.6	73.0	65.6	61.6	44.7	79.4	128.4
3.	Public order and safety	42.5	43.0	41.6	43.2	45.0	45.2	45.8	46.2	47.2	49.8	50.3	51.6	49.9	46.0	45.2	45.1	44.6	44.3	45.4	46.4	47.5	47.2	51.9	55.5
4.	Economic order and safety of which: enterprise and economic development ⁽³⁾	31.1	34.1	37.8	39.1	41.3	43.3	43.3	43.6	44.4	45.6	45.5	43.4	41.4	39.7	36.8	37.1	36.8	35.9	37.0	37.4	38.8	41.2	42.4	43.9
	of which: science and technology	36.4	39.8	45.4	49.2	51.8	51.0	52.1	53.8	52.4	67.2	65.0	52.5	48.7	46.5	50.8	50.5	57.3	58.7	62.4	70.1	74.9	207.6	104.8	125.0
	of which: employment policies	7.4	8.2	8.4	9.4	9.4	9.9	9.5	9.0	9.9	21.9	16.3	6.4	6.2	6.3	8.3	8.1	9.1	9.9	12.6	16.2	20.4	138.9	39.3	63.8
	of which: agriculture, fisheries and forestry	2.4	2.3	2.8	3.4	3.6	3.8	4.4	4.2	4.6	4.3	4.8	4.5	4.6	4.2	5.2	5.4	5.7	5.4	5.8	6.5	6.7	7.0	7.0	7.2
	of which: transport ⁽⁴⁾ , ⁽⁵⁾	5.9	6.4	5.4	4.8	5.0	4.9	4.9	4.7	2.9	4.7	5.5	6.2	4.1	3.7	4.7	3.6	2.9	2.9	3.1	3.1	2.5	2.8	4.5	3.8
	of which: environment protection	7.3	7.9	10.3	7.8	8.3	8.2	8.3	7.3	6.0	7.8	7.7	7.2	7.5	6.7	6.7	6.4	5.5	6.2	5.4	6.6	6.5	6.7	6.4	6.7
	of which: housing and community amenities	13.4	15.0	18.5	23.7	25.5	24.3	25.1	28.5	28.9	28.4	30.7	28.2	26.3	25.6	25.8	27.0	34.0	34.4	35.6	37.7	38.7	52.3	47.6	43.6
	of which: social protection	8.3	8.5	8.8	9.6	9.7	10.6	12.6	13.5	13.4	12.4	13.9	14.3	13.5	13.6	13.9	14.2	14.1	13.3	13.9	12.8	13.3	13.7	14.7	13.9
	of which: EU transactions ⁽⁷⁾	8.0	9.2	10.2	8.6	10.5	12.1	15.8	16.5	18.2	20.7	21.7	17.5	13.2	12.7	12.3	12.6	11.9	12.3	13.4	14.0	16.0	14.5	16.2	17.8
	Public sector expenditure on accounting adjustments	83.6	90.6	98.0	106.0	117.1	125.8	132.6	135.8	141.6	147.0	156.0	157.3	156.4	157.5	160.7	164.7	168.7	170.2	173.0	176.4	184.6	231.3	230.4	211.6
	Total Managed Expenditure ⁽⁸⁾	13.0	13.0	14.1	14.9	15.2	15.2	15.9	16.3	16.7	16.8	17.6	17.1	16.1	16.1	14.4	15.2	13.9	13.8	13.5	13.1	14.1	13.5	13.8	14.0
		71.4	76.7	83.9	87.6	95.4	98.8	103.1	104.7	110.2	112.2	118.1	120.1	111.5	106.6	105.2	104.5	103.4	101.4	101.1	101.6	101.9	101.1	106.7	105.5
		208.2	214.8	225.1	232.7	243.3	249.0	252.5	253.8	264.2	275.0	297.5	302.3	315.6	321.2	315.6	320.7	322.7	316.9	315.5	317.0	310.1	316.7	319.7	318.8
		-4.6	-4.3	-7.9	-3.0	-3.3	-1.4	-0.9	-2.6	-2.1	-3.9	1.2	7.7	5.5	8.5	8.9	7.6	9.4	5.6	6.3	9.1	6.6	7.4	-2.1	-2.3
	Public sector expenditure on accounting adjustments	574.2	603.9	630.6	660.0	702.2	731.8	758.6	769.0	796.8	835.9	874.0	886.5	874.6	863.7	859.9	865.8	876.7	868.9	881.2	891.9	898.6	1,070.2	1,016.6	1,067.5
	Total Managed Expenditure ⁽⁸⁾	48.8	49.9	55.2	67.2	72.6	82.7	79.3	82.8	86.6	94.5	91.3	90.9	87.0	100.0	92.4	102.0	93.7	102.1	105.8	98.3	100.6	100.9	93.1	87.4
		623.1	653.8	685.9	727.2	774.8	814.5	837.8	851.8	883.4	930.3	965.3	977.4	961.7	963.7	952.3	967.8	970.4	971.0	987.0	990.3	999.2	1,171.1	1,109.7	1,154.9

⁽¹⁾ Real terms figures are the nominal figures adjusted to 2022-23 price levels using GDP deflators from the Office for National Statistics (released 30 June 2023).

⁽²⁾ Spending Review 2021 continued the commitment to meet the NATO investment pledge to spend 2% of GDP on Defence. This is evaluated using the NATO definitions of Defence spending rather than the UN COFOG definitions that are used in this table. The UN COFOG and NATO measures of Defence use different definitions and are therefore not comparable. For example, the NATO Defence figures include pensions whereas in COFOG these are included in Social Protection. Details and figures on NATO Defence expenditures can be found at the following link: http://www.nato.int/cps/nato/topics_49198.htm

⁽³⁾ Transactions in 2008-09 onwards have been affected by financial sector interventions. Increases in spending from 2020-21 have been affected by measures taken in response to Covid-19 and increases in the cost of living.

⁽⁴⁾ Following implementation of ESA2010, Network Rail is now classified to Central Government. Consequently, Total Managed Expenditure (TME) includes Network Rail spending in all years shown, however the actual expenditure of Network Rail only appears in the Department for Transport budget from 2015-16. The functional analysis shown includes Network Rail spending from 2015-16 and is therefore only included within 'Total Expenditure on services' from that year.

⁽⁵⁾ In order to align with ONS data, the transport function now includes expenditure relating to the local government part of the TfL subsidiary, 'Transport Trading Limited'. This data has been obtained from the Office for National Statistics and currently includes expenditure of bodies such as Crossrail and Rail for London from 2011-12 onwards.

⁽⁶⁾ From 2011-12 onwards the grant-equivalent element of student loans⁽⁶⁾ is no longer part of the TES framework and has therefore been removed from the Education function. Therefore figures are not directly comparable between 2010-11 and 2011-12. A full explanation of this decision can be found in PESA 2016 Annex E.

⁽⁷⁾ From 2010-11 onwards VAT-based payments are no longer deducted from EU transactions thus bringing these totals in-line with ESA10.

⁽⁸⁾ This excludes the temporary effects of banks being classified to the public sector.

Table 4.4 Public sector expenditure on services by function as a per cent of GDP⁽¹⁾, 1999-00 to 2022-23

	National Statistics																							per cent
	outturn																							
	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	
1. General public services of which: public and common services	4.3	4.2	3.9	3.7	3.8	4.0	4.1	4.1	4.1	4.4	4.2	4.8	4.8	4.4	4.3	4.1	4.0	4.0	4.0	3.7	3.6	3.4	4.7	6.5
of which: international services	0.8	0.7	0.8	0.8	0.9	0.9	0.9	0.9	0.8	0.9	0.9	0.8	0.7	0.6	0.6	0.6	0.7	0.6	0.6	0.6	0.6	0.9	1.2	1.1
of which: public sector debt interest	0.3	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.4	0.5	0.6	0.4	0.5	0.5	0.5	0.5	0.5	0.4	0.3
2. Defence ⁽²⁾	3.1	3.1	2.7	2.5	2.6	2.7	2.7	2.8	2.9	3.1	2.9	3.5	3.6	3.3	3.1	2.9	2.9	2.8	3.0	2.6	2.4	2.0	3.2	5.1
3. Public order and safety	2.4	2.3	2.2	2.2	2.3	2.2	2.2	2.2	2.2	2.3	2.4	2.4	2.3	2.1	2.0	2.0	1.9	1.8	1.8	1.8	1.9	2.1	2.1	2.2
4. Economic affairs of which: enterprise and economic development ⁽³⁾	1.7	1.8	2.0	2.0	2.1	2.1	2.0	2.0	2.1	2.2	2.0	2.0	1.9	1.8	1.6	1.6	1.6	1.5	1.5	1.5	1.5	1.9	1.7	1.7
of which: science and technology	2.0	2.1	2.4	2.5	2.6	2.5	2.5	2.4	2.4	3.1	3.1	2.5	2.3	2.1	2.3	2.2	2.4	2.4	2.5	2.8	3.0	9.4	4.2	4.9
of which: employment policies	0.4	0.4	0.4	0.5	0.5	0.5	0.4	0.5	1.0	0.8	0.8	0.3	0.3	0.3	0.4	0.4	0.4	0.4	0.5	0.6	0.8	6.3	1.6	2.5
of which: agriculture, fisheries and forestry of which: transport ⁽⁴⁾ , ⁽⁵⁾	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3
5. Environment protection	0.3	0.3	0.3	0.2	0.3	0.2	0.2	0.2	0.1	0.2	0.3	0.3	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2
6. Housing and community amenities	0.4	0.5	0.5	0.4	0.5	0.6	0.8	0.8	0.8	1.0	1.0	0.8	0.6	0.6	0.5	0.5	0.5	0.5	0.5	0.6	0.6	0.7	0.7	0.7
7. Health	4.7	4.9	5.2	5.5	5.9	6.2	6.3	6.4	6.5	6.9	7.5	7.4	7.3	7.2	7.1	7.1	7.1	7.0	7.0	7.0	7.3	10.5	9.2	8.4
8. Recreation, culture and religion	0.7	0.7	0.7	0.8	0.8	0.7	0.8	0.8	0.8	0.8	0.8	0.8	0.7	0.7	0.6	0.7	0.6	0.6	0.5	0.5	0.6	0.6	0.6	0.6
9. Education ⁽⁶⁾	4.0	4.1	4.4	4.5	4.8	4.8	4.9	4.9	5.0	5.2	5.7	5.6	5.2	4.9	4.7	4.5	4.4	4.2	4.1	4.0	4.0	4.6	4.3	4.2
10. Social protection	11.6	11.5	11.9	12.0	12.2	12.2	12.0	11.9	12.0	12.8	14.3	14.1	14.6	14.7	14.1	13.9	13.7	13.1	12.8	12.6	12.3	14.4	12.8	12.6
EU transactions ⁽⁷⁾	-0.3	-0.2	-0.4	-0.2	-0.2	-0.1	0.0	-0.1	-0.1	-0.2	0.1	0.4	0.3	0.4	0.4	0.3	0.4	0.2	0.3	0.4	0.3	0.3	-0.1	-0.1
Public sector expenditure on services	32.0	32.4	33.4	34.1	35.2	35.9	36.1	36.0	36.3	39.0	42.0	41.4	40.6	39.5	38.3	37.6	37.1	36.0	35.7	35.5	35.5	48.5	40.8	42.2
Accounting adjustments	2.7	2.7	2.9	3.5	3.6	4.1	3.8	3.9	3.9	4.4	4.4	4.2	4.0	4.6	4.1	4.4	4.0	4.2	4.3	3.9	4.0	4.6	3.7	3.5
Total Managed Expenditure⁽⁸⁾	34.8	35.1	36.3	37.6	38.9	40.0	39.9	40.2	43.5	46.3	46.3	45.7	44.6	44.0	42.5	42.0	41.1	40.2	40.0	39.4	39.5	53.1	44.5	45.6

⁽¹⁾ GDP until 2022-23 is consistent with the latest figures from the Office for National Statistics (published 30 June 2023).

⁽²⁾ Spending Review 2021 continued the commitment to meet the NATO investment pledge to spend 2% of GDP on Defence. This is evaluated using the NATO definitions of Defence spending rather than the UN COFOG definitions that are used in this table. The UN COFOG and NATO measures of Defence use different definitions and are therefore not comparable. For example, the NATO Defence figures include pensions whereas in COFOG these are included in Social Protection. Details and figures on NATO Defence expenditures can be found at the following link: http://www.nato.int/cps/nato/hq/topics_49198.htm

⁽³⁾ Transactions in 2008-09 onwards have been affected by financial sector interventions. Increases in spending from 2020-21 have been affected by measures taken in response to Covid-19 and increases in the cost of living.

⁽⁴⁾ Following implementation of ESA2010, Network Rail is now classified to Central Government. Consequently, Total Managed Expenditure (TME) includes Network Rail spending in all years shown, however the actual expenditure of Network Rail only appears in the Department for Transport budget from 2015-16. The functional analysis shown includes Network Rail spending from 2015-16 and is therefore only included within 'Total Expenditure on services' from that year.

⁽⁵⁾ In order to align with ONS data, the transport function now includes expenditure relating to the local government part of the TfL subsidiary, 'Transport Trading Limited'. This data has been obtained from the Office for National Statistics and currently includes expenditure of bodies such as Crossrail and Rail for London from 2011-12 onwards.

⁽⁶⁾ From 2011-12 onwards the grant-equivalent element of student loans⁽⁸⁾ is no longer part of the TES framework and has therefore been removed from the Education function. Therefore figures are not directly comparable between 2010-11 and 2011-12. A full explanation of this decision can be found in PESA 2016 Annex E.

⁽⁷⁾ From 2010-11 onwards VAT-based payments are no longer deducted from EU transactions thus bringing these totals in-line with ESA10.

⁽⁸⁾ This excludes the temporary effects of banks being classified to the public sector.

5

Public sector expenditure by function, sub-function and economic category

5.1 The analyses in this chapter present public sector expenditure for the years 2018-19 onwards, adjusted so that figures for all years are based on current definitions. All data are National Statistics and are based on the expenditure on services framework (explained in **Annex E**).

5.2 Note that many of the economic categories and functions shown in the tables throughout PESA reflect higher Covid-19 related spend in 2020-21 and 2021-22.

What's new

5.3 In February 2023 the Prime Minister announced a number of Machinery of Government changes which set up three new departments: the Department for Energy Security and Net Zero (DESNZ), the Department for Science, Innovation and Technology (DSIT) and the Department for Business and Trade (DBT)¹.

5.4 DESNZ took over the energy portfolio from the former Department for Business, Energy and Industrial Strategy (BEIS). DSIT brought together the relevant functions from BEIS as well as the digital portfolio of the former Department for Digital, Culture, Media and Sport, which is now the Department for Culture, Media and Sport (DCMS). DBT combined the business focused functions of BEIS with the former Department for International Trade (DIT). In addition, responsibility for National Security and Investment policy was transferred from BEIS to the Cabinet Office.

5.5 Outturn and plans data in PESA 2023 reflect these changes. Note, however, that the outturn figures are still based on provisional calculations to assign expenditure by the former BEIS to the new departments. They are likely to be revised once departments have published their audited 2022-23 Annual Reports and Accounts and have been able to reassess the historical data. These changes will be incorporated into future Public Spending Statistics publications and in the 2023-24 Annual Reports and Accounts where required.

5.6 Not all departments had produced their Annual Report and Accounts for 2022-23 as at publication of PESA 2023. Outturn data may therefore be subject to revisions. The public spending statistics (PSS) release, published on a quarterly basis, will reflect any later revisions made by departments to their 2022-23 outturn.

5.7 For 2023 and 2024, HM Treasury will be publishing a Covid Cost tracker. The Covid Cost Tracker brings together data from across the UK government. It provides estimates of the cost of measures announced in response to the COVID-19 pandemic and how much the government has spent on these measures so far. This will be available on gov.uk once published.

¹ Making Government Deliver for the British People (publishing.service.gov.uk)

Relationship between functional series and departments

5.8 Tables 5.1, 5.1a and 5.1b show public sector expenditure on services by function split across the different government departmental groups for 2022-23. Departmental spending can be spread across a variety of functions, particularly in the case of the devolved administrations.

Public sector expenditure on services by sub-function

5.9 Table 5.2 provides the most detailed functional analysis of public sector expenditure on services. The tables are presented in a format generally consistent with the level 2 breakdown of the United Nations' Classification Of the Functions Of Government (UN COFOG). The table also shows, in italics, additional Treasury-defined sub-functional divisions that were used prior to the introduction of UN COFOG, but which do not map directly to COFOG level 2. Definitions of the UN COFOG classifications are available on their website².

5.10 The sub-function analysis of health is presented against HM Treasury's own sub-functional classification. This is because the NHS in England and Wales (not applicable to Scotland or Northern Ireland) is neither financed nor organised along the lines of COFOG level 2, so capturing the required additional information is not currently possible.

Public sector expenditure on services by economic category

5.11 The economic significance of public spending, such as its impact on GDP, depends on its nature; firstly whether it is current or capital, but also whether it is, for example, a transfer payment or expenditure on goods and services. **Table 5.3** breaks down expenditure on services into its component economic categories.

5.12 The presentation of economic categories in **Table 5.3** is broadly consistent with the economic categories used by the Office for National Statistics for the National Accounts. Brief descriptions of each category within expenditure on services are given below. Except where specifically stated, these categories are consistent with the definitions of the corresponding economic categories presented against the budgeting framework in **Table 2.1**:

- **pay** includes wages and salaries, employers' social contributions, payments of accruing superannuation liability charges for UK staff and locally engaged staff overseas, and amounts that finance employee contributions to pension schemes. It also includes income from the recovery of secondee costs. Unlike **Chapter 2**, it does not include payments for contract and agency staff which are treated as procurement instead;
- **gross current procurement** includes expenditure on goods and services, including payments for contract and agency staff, and payments for consultancy and audit services. Expenditure on hire and rentals under PFI and non-PFI operating leases, shown as **Rentals** in **Chapter 2**, are included here. **Income from the sales of goods and services** is now shown separately;
- **current grants to persons and non-profit bodies** are payments to these recipients that do not fund capital formation. They are mainly social security payments but also comprise grants to further and higher education institutions and other non-profit private sector bodies;
- **current grants abroad** are mainly foreign aid, such as programmes to reduce poverty. They also include the EU transactions set out in **Table 5.2**;

² <https://unstats.un.org/unsd/classifications/Econ/Structure> then from the 'Classification' drop down box on the left select 'COFOG'

- **subsidies** are payments by government to trading businesses (both private sector and public corporations) to provide support for current costs, including payments to farmers under the EU's Common Agricultural Policy as well as subsidies to rail and bus operators. They are given with the objective of influencing their levels of production, their prices, or other factors;
- **net public service pensions** are the costs of pensions on a National Accounts basis; that is, payments to pensioners less receipts of contributions by employers and employees. More information on pensions is included in **Annex D**;
- **public sector debt interest** reflects the debt interest payments to the private sector, so it excludes intra-public sector payments. These payments do not form part of departmental budgets so are not included within **Table 2.1**;
- **capital grants** are transfer payments to the private sector that are usually made on the condition that the recipient uses the funds for capital projects;
- **gross capital procurement** comprises the acquisition of fixed assets (such as land, buildings and machinery) as well as any increases in stock. It is measured gross of depreciation; and
- **income from sales of capital assets** is the sale value of any assets, such as land, buildings and machinery, disposed of.

Public sector expenditure on services split by current and capital spending

5.13 Table 5.4 gives a functional (COFOG level 1) breakdown of the current and capital expenditure of the public sector for the years from 2018-19. A functional split by sector is available in **Chapter 6** (central government), **Chapter 7** (local government) and **Chapter 8** (public corporations). Totals in **Chapter 5** in addition include expenditure by the Bank of England. The split between capital and current follows the National Accounts definition.

Public sector gross procurement by function

5.14 Table 5.5 shows public sector gross current procurement by COFOG level 1 function. This is a breakdown of the figure shown in **Table 5.3** and is defined on a National Accounts basis, as described above. Procurement of goods and services by one public sector body from another are included in this table.

5.15 Table 5.6 shows public sector gross capital procurement by COFOG level 1 function, and receipts from sales of fixed assets. These are defined on a National Accounts basis, as described above. Figures for asset sales are shown separately for central government, local government and public corporations, as well as for general government, which comprises central government and local government. Receipts, which are at sales value (i.e. book value plus profit or loss), are split between fixed and intangible asset classes, and exclude receipts from sales of financial assets, which are not included within expenditure on services. Sales of assets between public sector bodies are included in this table.

Table 5.1 Public sector expenditure on services by departmental group and function, 2022-23

Departmental Grouping	Function	National Statistics										Public sector expenditure on services for each department									
		1. General public services	of which: public and common services	of which: international services	of which: public sector debt interest	2. Defence	3. Public order and safety	4. Economic affairs and economic development	of which: science and technology	of which: employment policies	of which: agriculture, fisheries and forestry		of which: transport	5. Environment protection	6. Housing and community amenities	7. Health	8. Recreation, culture and religion	9. Education	10. Social protection	EU transactions	
Health and Social Care		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	170,545
Education		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	47,541
Home Office		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,098
Justice		5	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,667
Law Officers' Departments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	811
Defence		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	53,626
Single Intelligence Account		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,796
Foreign, Commonwealth and Development Office		8,742	309	8,433	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,782
Levelling Up, Housing and Communities		353	353	-	-	-	-	16	16	0	-	-	-	-	-	-	-	-	-	-	6,819
Culture, Media and Sport ⁽¹⁾		-	-	-	-	-	-	65	65	-	-	-	-	-	-	-	-	-	-	-	9,388
Science, Innovation and Technology ⁽¹⁾		155	155	-	-	-	-	6,897	169	6,727	1	-	-	-	-	-	-	-	-	-	10,692
Transport		-1	-1	-	-	-	-	29,194	8	-4	-	-	-	-	-	-	-	-	-	-	29,556
Energy Security and Net Zero ⁽¹⁾		38	-	38	-	-	-	43,068	43,068	-	-	-	-	-	-	-	-	-	-	-	46,917
Environment, Food and Rural Affairs		-	-	-	-	-	-	4,277	-	-	-	-	-	-	-	-	-	-	-	-	5,817
Business and Trade ⁽¹⁾		39	38	0	-	-	-	4,092	3,736	296	61	-	-	-	-	-	-	-	-	-	4,504
Work and Pensions		16	16	-	-	-	-	3,635	2	-2	3,636	-	-	-	-	-	-	-	-	-	225,731
HM Revenue and Customs		4,471	4,471	-	-	-	-	13,286	13,286	-	-	-	-	-	-	-	-	-	-	-	40,238
HM Treasury		137,358	9,703	-	-	-	-	157	157	-	-	-	-	-	-	-	-	-	-	-	135,245
Cabinet Office		1,780	1,780	-	-	-	-	18	-	-	18	-	-	-	-	-	-	-	-	-	4,136
Scotland		1,237	1,236	1	-	-	-	3,296	678	3	-	-	-	-	-	-	-	-	-	-	35,315
Wales		268	268	-	-	-	-	968	244	25	-	-	-	-	-	-	-	-	-	-	13,591
Northern Ireland		447	447	-	-	-	-	1,895	269	110	105	-	-	-	-	-	-	-	-	-	24,068
Small and Independent Bodies		2,158	2,158	-	-	-	-	454	297	7	-	-	-	-	-	-	-	-	-	-	2,805
Local Government		6,637	5,894	-	-	-	-	18,854	13,732	1,832	-	-	-	-	-	-	-	-	-	-	168,796
Public sector expenditure on services for each function		163,702	26,832	8,472	128,398	55,507	43,935	125,050	63,826	7,162	3,821	6,664	43,578	13,884	17,790	211,570	14,010	105,539	318,772	-2,274	1,067,484

⁽¹⁾Data for these departments reflect the Machinery of Government changes announced in 2023 (see para 5.3). Outturn figures are provisional and are likely to be revised.

Table 5.1a Public sector current expenditure on services by departmental group and function, 2022-23

Departmental Grouping	Function	National Statistics										Public sector current expenditure on services for each department										
		1. General public services	of which: public and common services	of which: international services	of which: public sector debt interest	2. Defence	3. Public order and safety	4. Economic affairs	of which: enterprise and economic development	of which: science and technology	of which: employment policies		of which: agriculture, fisheries and forestry	of which: transport	5. Environment protection	6. Housing and community amenities	7. Health	8. Recreation, culture and religion	9. Education	10. Social protection	EU transactions	
Health and Social Care		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	161,146
Education		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	44,425
Home Office		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,207
Justice		5	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,358
Law Officers' Departments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	789
Defence		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	32,788
Single Intelligence Account		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,614
Foreign, Commonwealth and Development Office		6,712	-	6,712	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,752
Levelling Up, Housing and Communities		306	306	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	704
Culture, Media and Sport ⁽¹⁾		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,993
Science, Innovation and Technology ⁽¹⁾		47	47	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	440
Transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,079
Energy Security and Net Zero ⁽¹⁾		29	-	29	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	42,997
Environment, Food and Rural Affairs		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,500
Business and Trade ⁽¹⁾		34	34	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,989
Work and Pensions		16	16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	225,465
HM Revenue and Customs		4,216	4,216	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	39,667
HM Treasury		137,358	9,703	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	135,104
Cabinet Office		1,304	1,304	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,660
Scotland		1,126	1,125	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	30,109
Wales		257	257	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,730
Northern Ireland		396	396	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21,935
Small and Independent Bodies		1,866	1,866	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,488
Local Government		5,346	4,603	-	743	65	17,990	4,894	959	-	-	-	-	-	-	-	-	-	-	-	-	146,948
Public sector current expenditure on services for each function		159,018	23,878	6,742	128,398	33,488	40,513	84,418	58,533	296	3,746	5,576	16,269	8,440	3,650	200,396	10,822	95,411	318,005	-2,274	951,887	

⁽¹⁾Data for these departments reflect the Machinery of Government changes announced in 2023 (see para 5.3). Outturn figures are provisional and are likely to be revised.

Table 5.1b Public sector capital expenditure on services by departmental group and function, 2022-23

Departmental Grouping	Function	National Statistics										Public sector capital expenditure on services for each department										
		1. General public services	of which: public and common services	of which: international services	of which: public sector debt interest	2. Defence	3. Public order and safety	4. Economic affairs	of which: enterprise and economic development	of which: science and technology	of which: employment policies		of which: agriculture, fisheries and forestry	of which: transport	5. Environment protection	6. Housing and community amenities	7. Health	8. Recreation, culture and religion	9. Education	10. Social protection	EU transactions	
Health and Social Care		-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,399	-	-	-	-	-	9,399
Education		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,112	4	-	-	3,116
Home Office		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	891
Justice		0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,309
Law Officers' Departments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22
Defence		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20,838
Single Intelligence Account		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,182
Foreign, Commonwealth and Development Office		2,030	309	1,721	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,030
Levelling Up, Housing and Communities		47	47	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,115
Culture, Media and Sport ⁽¹⁾		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,394
Science, Innovation and Technology ⁽¹⁾		108	108	-	-	6,774	70	6,704	-	-	-	-	-	-	-	-	-	-	-	-	-	10,252
Transport		-1	-1	-	-	18,448	5	-27	-	-	-	-	-	-	-	-	-	-	-	-	-	18,477
Energy Security and Net Zero ⁽¹⁾		9	-	9	-	884	884	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,920
Environment, Food and Rural Affairs		-	-	-	-	509	-	-	-	-	509	-	-	-	-	-	-	-	-	-	-	1,318
Business and Trade ⁽¹⁾		4	4	-	-	2,511	2,461	49	1	-	-	-	-	-	-	-	-	-	-	-	-	2,516
Work and Pensions		-	-	-	-	72	276	2	70	-	-	-	-	-	-	-	-	-	-	-	-	266
HM Revenue and Customs		255	255	-	-	276	276	-	-	-	-	-	-	-	-	-	-	-	-	-	-	571
HM Treasury		-1	-1	-	-	142	142	-	-	-	-	-	-	-	-	-	-	-	-	-	-	141
Cabinet Office		476	476	-	-	0	-	-	0	-	-	-	-	-	-	-	-	-	-	-	-	476
Scotland		111	111	-	-	999	362	-	-	-	93	545	162	2,302	881	29	407	107	-	-	-	5,205
Wales		11	11	-	-	373	107	21	-	-	67	177	48	922	389	36	80	1	-	-	-	1,861
Northern Ireland		51	51	-	-	787	105	110	3	-	78	491	18	551	332	19	266	7	-	-	-	2,134
Small and Independent Bodies		292	292	-	-	18	8	7	-	-	2	0	-	-	-	-	6	-	-	-	-	316
Local Government		1,291	1,291	-	-	8,838	874	-	-	-	339	7,626	1,216	4,247	31	1,624	3,286	452	-	-	-	21,848
Public sector capital expenditure on services for each function		4,684	2,954	1,730	-	22,020	3,422	40,631	5,293	6,866	75	1,088	27,309	5,444	14,139	11,175	3,188	10,128	766	-	-	115,597

⁽¹⁾Data for these departments reflect the Machinery of Government changes announced in 2023 (see para 5.3). Outturn figures are provisional and are likely to be revised.

Table 5.2 Public sector expenditure on services by sub-function, 2018-19 to 2022-23

	£ million				
	National Statistics				
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn
1. General public services					
1.1 Executive and legislative organs, financial and fiscal affairs, external affairs	11,416	11,911	13,456	22,867	24,483
1.2 Foreign economic aid ⁽¹⁾	9,447	9,134	8,546	5,720	5,129
1.3 General services	1,304	1,494	2,732	3,444	1,822
1.4 Basic research	-	-	-	-	-
1.5 R&D general public services	372	376	676	41	330
1.6 General public services n.e.c.	2,047	3,168	4,249	4,397	3,539
1.7 Public debt transactions ^{(2), (3)}	56,881	54,800	42,240	74,515	128,398
<i>of which: central government debt interest</i>	<i>50,368</i>	<i>49,606</i>	<i>40,969</i>	<i>72,516</i>	<i>106,837</i>
<i>of which: local government debt interest</i>	<i>850</i>	<i>648</i>	<i>763</i>	<i>787</i>	<i>743</i>
<i>of which: public corporation debt interest</i>	<i>642</i>	<i>559</i>	<i>525</i>	<i>530</i>	<i>539</i>
<i>of which: Bank of England</i>	<i>-10,962</i>	<i>-10,969</i>	<i>-15,728</i>	<i>-15,465</i>	<i>3,955</i>
<i>of which: public sector pensions</i>	<i>15,983</i>	<i>14,956</i>	<i>15,711</i>	<i>16,147</i>	<i>16,324</i>
Total general public services	81,468	80,883	71,899	110,984	163,702
2. Defence⁽⁴⁾					
2.1 Military defence	37,980	40,257	42,432	45,751	50,358
2.2 Civil defence	41	54	143	125	65
2.3 Foreign military aid	696	476	478	509	2,618
2.4 R&D defence	1,339	1,233	1,318	2,061	2,253
2.5 Defence n.e.c.	182	226	211	221	215
Total defence	40,238	42,246	44,582	48,667	55,507
3. Public order and safety					
3.1 Police services	18,019	18,685	21,620	22,513	25,285
<i>of which: immigration and citizenship</i>	<i>834</i>	<i>510</i>	<i>2,417</i>	<i>1,845</i>	<i>3,550</i>
<i>of which: other police services</i>	<i>17,185</i>	<i>18,176</i>	<i>19,204</i>	<i>20,669</i>	<i>21,734</i>
3.2 Fire-protection services	2,739	2,971	3,012	3,103	3,360
3.3 Law courts	6,275	6,888	6,936	7,838	8,035
3.4 Prisons	4,555	4,361	5,512	5,388	6,088
3.5 R&D public order and safety	30	1	1	1	1
3.6 Public order and safety n.e.c.	795	1,619	1,809	924	1,167
Total public order and safety	32,412	34,526	38,890	39,769	43,935
4. Economic affairs					
4.1 General economic, commercial and labour affairs	11,694	15,810	130,300	35,295	22,767
4.2 Agriculture, forestry, fishing and hunting	5,733	5,803	6,317	6,021	6,664
<i>of which: market support under CAP</i>	<i>3,230</i>	<i>3,062</i>	<i>2,789</i>	<i>2,613</i>	<i>2,646</i>
<i>of which: other agriculture, food and fisheries policy</i>	<i>2,369</i>	<i>2,649</i>	<i>3,371</i>	<i>3,281</i>	<i>3,837</i>
<i>of which: forestry</i>	<i>134</i>	<i>92</i>	<i>157</i>	<i>127</i>	<i>181</i>
4.3 Fuel and energy ⁽⁵⁾	1,225	1,277	1,294	3,557	42,940
4.4 Mining, manufacturing and construction	2,870	2,385	1,100	965	517
4.5 Transport	32,701	34,420	49,387	44,685	43,578
<i>of which: national roads</i>	<i>4,820</i>	<i>5,574</i>	<i>6,153</i>	<i>5,438</i>	<i>5,660</i>
<i>of which: local roads</i>	<i>5,304</i>	<i>5,619</i>	<i>6,797</i>	<i>5,867</i>	<i>5,468</i>
<i>of which: local public transport</i>	<i>2,484</i>	<i>2,403</i>	<i>7,199</i>	<i>4,983</i>	<i>4,344</i>
<i>of which: railway</i>	<i>18,226</i>	<i>18,285</i>	<i>27,052</i>	<i>25,862</i>	<i>25,942</i>
<i>of which: other transport</i>	<i>1,867</i>	<i>2,539</i>	<i>2,185</i>	<i>2,536</i>	<i>2,163</i>
4.6 Communication	115	96	203	248	344
4.7 Other industries	276	272	340	351	338
4.8 R&D economic affairs	5,616	5,961	6,599	6,578	7,162
4.9 Economic affairs n.e.c.	564	562	663	674	741
Total economic affairs	60,795	66,586	196,203	98,373	125,050
5. Environment protection					
5.1 Waste management	8,163	8,773	9,136	9,532	10,183
5.2 Waste water management	-	-	-	-	-
5.3 Pollution abatement	161	197	284	815	433
5.4 Protection of biodiversity and landscape	340	329	369	442	500
5.5 R&D environment protection	208	168	179	166	346
5.6 Environment protection n.e.c.	2,188	2,352	2,986	2,807	2,423
Total environment protection	11,060	11,819	12,955	13,762	13,884
6. Housing and community amenities					
6.1 Housing development	7,161	8,753	8,124	9,412	11,404
<i>of which: local authority housing</i>	<i>5,447</i>	<i>6,415</i>	<i>5,962</i>	<i>7,449</i>	<i>9,168</i>
<i>of which: other social housing</i>	<i>1,714</i>	<i>2,338</i>	<i>2,162</i>	<i>1,963</i>	<i>2,236</i>
6.2 Community development	3,000	3,440	3,584	3,473	3,874
6.3 Water supply	793	798	797	970	1,127
6.4 Street lighting	775	752	762	821	884
6.5 R&D housing and community amenities	2	1	1	2	3
6.6 Housing and community amenities n.e.c.	419	469	419	542	498
Total housing and community amenities	12,149	14,212	13,687	15,219	17,790

Table 5.2 Public sector expenditure on services by sub-function, 2018-19 to 2022-23 (continued)

	£ million				
	National Statistics				
	2018-19	2019-20	2020-21	2021-22	2022-23
	outturn	outturn	outturn	outturn	outturn
7. Health⁽⁶⁾					
Medical services	145,600	158,893	187,280	193,314	199,888
Medical research	1,621	1,638	1,678	1,829	1,944
Central and other health services	5,696	3,609	29,609	21,093	9,738
Total health	152,917	164,140	218,567	216,237	211,570
8. Recreation, culture and religion					
8.1 Recreational and sporting services	3,144	3,050	3,566	3,987	4,003
8.2 Cultural services	3,807	4,272	5,176	4,533	4,481
8.3 Broadcasting and publishing services	4,171	4,890	3,695	4,172	5,123
8.4 Religious and other community services	92	71	60	73	147
8.5 R&D recreation, culture and religion	73	89	123	74	97
8.6 Recreation, culture and religion n.e.c.	101	146	150	88	160
Total recreation, culture and religion	11,388	12,518	12,769	12,927	14,010
9. Education					
9.1 Pre-primary and primary education	30,566	31,131	31,942	33,254	33,769
<i>of which: under fives</i>	3,926	4,236	4,653	4,623	4,500
<i>of which: primary education</i>	26,640	26,896	27,289	28,631	29,269
9.2 Secondary education ⁽⁷⁾	43,078	45,002	47,457	50,648	54,265
9.3 Post-secondary non-tertiary education	485	529	571	634	748
9.4 Tertiary education	4,621	4,372	4,898	4,720	4,552
9.5 Education not definable by level	709	972	1,120	944	1,272
9.6 Subsidiary services to education	3,646	4,185	4,771	5,159	5,169
9.7 R&D education	2,259	2,324	2,692	2,608	2,972
9.8 Education n.e.c.	2,687	2,107	2,075	2,163	2,792
Total education	88,051	90,622	95,526	100,129	105,539
10. Social protection					
<i>of which: personal social services</i>	33,883	35,674	38,816	40,126	41,491
10.1 Sickness and disability	57,105	58,065	60,774	61,498	65,419
<i>of which: personal social services</i>	10,747	11,320	12,500	12,705	13,411
<i>of which: incapacity, disability and injury benefits</i>	46,358	46,745	48,274	48,793	52,008
10.2 Old age	128,030	123,973	125,720	128,443	137,274
<i>of which: personal social services</i>	11,061	11,551	12,510	12,749	13,473
<i>of which: pensions</i>	116,968	112,422	113,210	115,694	123,800
10.3 Survivors	1,128	1,162	1,169	1,213	1,357
10.4 Family and children	25,632	26,136	26,815	27,605	28,060
<i>of which: personal social services</i>	11,151	11,752	12,461	13,276	13,430
<i>of which: family benefits, income support and tax credits</i>	14,481	14,384	14,354	14,330	14,630
10.5 Unemployment	1,683	1,189	1,860	1,219	1,003
<i>of which: personal social services</i>	-	-	-	-	-
<i>of which: other unemployment benefits</i>	1,683	1,189	1,860	1,219	1,003
10.6 Housing	22,315	19,792	18,854	17,653	16,559
10.7 Social exclusion n.e.c. ⁽⁸⁾	34,231	40,786	58,359	56,114	57,135
<i>of which: personal social services</i>	923	1,052	1,345	1,397	1,178
<i>of which: family benefits, income support, Universal Credit and tax credits</i>	33,308	39,734	57,014	54,717	55,957
10.8 R&D social protection	-	-	-	-	-
10.9 Social protection n.e.c.	4,686	4,698	5,765	6,289	11,965
Total social protection	274,811	275,801	299,316	300,034	318,772

Table 5.2 Public sector expenditure on services by sub-function, 2018-19 to 2022-23 (continued)

	£ million				
	National Statistics				
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn
EU transactions⁽⁹⁾					
VAT-based and GNI-based contributions (net of abatement and collection costs)	12,227	10,886	10,395	303	-395
<i>derived as:</i>					
<i>EU gross contribution pre-abatement and after deduction of collection costs</i>	20,377	18,355	16,875	171	83
<i>Traditional Own Resources (without deduction of collection costs)</i>	-3,304	-3,320	-2,695	-49	-50
<i>UK abatement</i>	-4,846	-4,149	-3,785	181	-428
EU receipts	-4,378	-5,059	-3,406	-2,308	-1,879
Other attributed costs and repayments	-	-	-	-	-
Total EU transactions	7,850	5,828	6,988	-2,005	-2,274
Public sector expenditure on services	773,140	799,180	1,011,382	954,096	1,067,484
Accounting adjustments	85,221	89,470	95,347	87,369	87,446
Total Managed Expenditure⁽¹⁰⁾	858,361	888,650	1,106,729	1,041,465	1,154,930

⁽¹⁾ Official Development Assistance (ODA) is the internationally-agreed classification of foreign aid financing and is measured in accordance with international standards agreed by the Organisation for Economic Co-operation and Development (OECD). The UN COFOG measure of Foreign economic aid presented in this table is quite different from the UK ODA measure and therefore not comparable. For example the UK ODA measure includes financial transactions such as loans, whereas the UN COFOG measure does not. Also, the UK ODA analysis is on a calendar year rather than financial year basis. A link to the latest ODA release is provided here: <https://www.gov.uk/government/collections/statistics-on-international-development>

⁽²⁾ Debt interest figures show gross payments to the private sector and overseas.

⁽³⁾ Bank of England public debt transactions shows data in respect of the Asset Purchase Facility and Special Liquidity Scheme.

⁽⁴⁾ Spending Review 2021 continued the commitment to meet the NATO investment pledge to spend 2% of GDP on Defence. This is evaluated using the NATO definitions of Defence spending rather than the UN COFOG definitions that are used in this table. The UN COFOG and NATO measures of Defence use different definitions and are therefore not comparable. For example, the NATO Defence figures include pensions whereas in COFOG these are included in Social Protection. Details and figures on NATO Defence expenditures can be found at the following link: http://www.nato.int/cps/on/natohq/topics_49198.htm

⁽⁵⁾ Spending in 2022-23 has been affected by measures taken in response to increases in the cost of living.

⁽⁶⁾ The level of detail required for COFOG level 2 is not yet available in England and Wales. Health spending is therefore presented using HM Treasury's own sub-functional classification.

⁽⁷⁾ The Department for Education is currently recording all central government academy expenditure as 'Secondary Education', across all years presented. While secondary schools currently account for the largest population in the academy sector, it is recognised that this will also cover some schools in primary and other functional categories. In future editions of PESA the Department for Education will look to improve apportionment of spending across the education categories.

⁽⁸⁾ Social exclusion n.e.c. includes Child and Working Tax Credits. Also included here are Universal Credit additional costs that were previously scored in 10.9 Social protection n.e.c.

⁽⁹⁾ An explanation of why the EU transactions are defined in TES in this way is given in Annex E. Complete transactions with the institutions of the EU are shown in Table C.1.

⁽¹⁰⁾ This excludes the temporary effects of banks being classified to the public sector.

Table 5.3 Public sector expenditure on services by economic category, 2018-19 to 2022-23

	National Statistics					£ million
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn	
Public sector current expenditure on services						
Pay	187,453	203,585	219,373	230,302	240,498	
Gross current procurement	224,505	232,113	274,007	280,459	288,130	
Income from sales of goods and services	-58,882	-59,838	-54,880	-65,541	-71,759	
Current grants to persons and non-profit bodies	242,949	248,486	274,654	278,995	322,151	
Current grants abroad	14,507	13,159	14,040	11,174	12,108	
Subsidies to private sector companies	13,949	18,420	116,224	40,689	26,513	
Subsidies to public corporations	713	691	9,414	6,822	3,614	
Net public service pensions	10,007	3,442	2,231	1,507	1,141	
Public sector debt interest	56,881	54,800	42,240	74,515	128,398	
Other	1,105	1,187	1,203	1,188	1,094	
Total public sector current expenditure on services	693,187	716,045	898,505	860,110	951,887	
Accounting adjustments	67,657	77,133	82,550	77,650	90,447	
Total public sector current expenditure	760,844	793,178	981,055	937,760	1,042,334	
Public sector capital expenditure on services						
Capital grants	15,358	15,434	37,764	13,819	22,623	
Gross capital procurement	71,165	72,868	79,982	87,337	97,183	
Income from sales of capital assets	-6,570	-5,167	-4,869	-7,169	-4,208	
Total public sector capital expenditure on services	79,953	83,135	112,877	93,986	115,597	
Accounting adjustments	17,564	12,337	12,797	9,719	-3,001	
Total public sector capital expenditure	97,517	95,472	125,674	103,705	112,596	
Total public sector expenditure on services	773,140	799,180	1,011,382	954,096	1,067,484	
Accounting adjustments	85,221	89,470	95,347	87,369	87,446	
Total Managed Expenditure	858,361	888,650	1,106,729	1,041,465	1,154,930	

Table 5.4 Public sector current and capital expenditure on services by function⁽¹⁾, 2018-19 to 2022-23

	National Statistics					£ million
	2018-19	2019-20	2020-21	2021-22	2022-23	
	outturn	outturn	outturn	outturn	outturn	
Public sector current expenditure on services						
1. General public services	76,089	76,543	66,488	105,882	159,018	
<i>of which: public and common services</i>	10,210	11,789	15,188	24,566	23,878	
<i>of which: international services</i>	8,998	9,954	9,059	6,801	6,742	
of which: public sector debt interest ⁽²⁾	56,881	54,800	42,240	74,515	128,398	
2. Defence ⁽³⁾	29,422	31,358	32,247	32,959	33,488	
3. Public order and safety	30,438	32,253	35,893	36,733	40,513	
4. Economic affairs	30,346	35,623	143,993	66,751	84,418	
<i>of which: enterprise and economic development⁽⁴⁾</i>	10,213	14,761	108,968	37,968	58,533	
<i>of which: science and technology</i>	193	174	204	354	296	
<i>of which: employment policies</i>	2,632	2,253	2,543	4,098	3,746	
<i>of which: agriculture, fisheries and forestry</i>	5,344	5,405	5,800	5,261	5,576	
of which: transport	11,963	13,030	26,478	19,070	16,269	
5. Environment protection	7,376	7,909	8,519	9,040	8,440	
6. Housing and community amenities	3,188	3,311	3,807	3,474	3,650	
7. Health	145,899	156,509	204,991	206,623	200,396	
8. Recreation, culture and religion	9,267	9,123	10,683	10,552	10,822	
9. Education	79,051	82,255	86,217	90,927	95,411	
10. Social protection	274,261	275,333	298,678	299,173	318,005	
EU transactions	7,850	5,828	6,988	-2,005	-2,274	
Total public sector current expenditure on services	693,187	716,045	898,505	860,110	951,887	
Accounting adjustments	67,657	77,133	82,550	77,650	90,447	
Public sector current expenditure	760,844	793,178	981,055	937,760	1,042,334	
Public sector capital expenditure on services						
1. General public services	5,379	4,340	5,411	5,102	4,684	
<i>of which: public and common services</i>	2,500	2,581	3,244	3,543	2,954	
<i>of which: international services</i>	2,879	1,759	2,167	1,560	1,730	
2. Defence ⁽³⁾	10,816	10,887	12,335	15,707	22,020	
3. Public order and safety	1,975	2,273	2,997	3,035	3,422	
4. Economic affairs	30,449	30,963	52,209	31,623	40,631	
<i>of which: enterprise and economic development⁽⁵⁾</i>	3,853	3,387	22,313	-1,100	5,293	
<i>of which: science and technology</i>	5,422	5,787	6,395	6,223	6,866	
<i>of which: employment policies</i>	47	2	77	124	75	
<i>of which: agriculture, fisheries and forestry</i>	389	398	517	760	1,088	
of which: transport	20,737	21,390	22,909	25,616	27,309	
5. Environment protection	3,684	3,910	4,436	4,722	5,444	
6. Housing and community amenities	8,961	10,902	9,880	11,745	14,139	
7. Health	7,018	7,630	13,576	9,613	11,175	
8. Recreation, culture and religion	2,121	3,395	2,086	2,374	3,188	
9. Education	9,000	8,366	9,309	9,201	10,128	
10. Social protection	550	468	638	861	766	
Total public sector capital expenditure on services	79,953	83,135	112,877	93,986	115,597	
Accounting adjustments	17,564	12,337	12,797	9,719	-3,001	
Public sector capital expenditure	97,517	95,472	125,674	103,705	112,596	
Total public sector expenditure on services	773,140	799,180	1,011,382	954,096	1,067,484	
Accounting adjustments	85,221	89,470	95,347	87,369	87,446	
Total Managed Expenditure⁽⁶⁾	858,361	888,650	1,106,729	1,041,465	1,154,930	

⁽¹⁾ Expenditure on services by function and sector is available in the appropriate sectoral chapter: for central government see Table 6.6; for local government see Table 7.4; for public corporations see Table 8.4.

⁽²⁾ Debt interest figures include Bank of England public debt transactions in respect of the Asset Purchase Facility and Special Liquidity Scheme.

⁽³⁾ Spending Review 2021 continued the commitment to meet the NATO investment pledge to spend 2% of GDP on Defence. This is evaluated using the NATO definitions of Defence spending rather than the UN COFOG definitions that are used in this table. The UN COFOG and NATO measures of Defence use different definitions and are therefore not comparable. For example, the NATO Defence figures include pensions whereas in COFOG these are included in Social Protection. Details and figures on NATO Defence expenditures can be found at the following link: http://www.nato.int/cps/0n/natohq/topics_49198.htm

⁽⁴⁾ Increases in spending from 2020-21 have been affected by measures taken in response to Covid-19 and increases in the cost of living.

⁽⁵⁾ Figures in 2020-21 and 2021-22 reflect expenditure on various Covid-19 related loan guarantee schemes and subsequent revaluations.

⁽⁶⁾ This excludes the temporary effects of banks being classified to the public sector.

Table 5.5 Public sector gross current procurement expenditure on services by function, 2018-19 to 2022-23

	£ million				
	National Statistics				
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn
Public sector gross current procurement expenditure on services					
1. General public services	11,594	12,220	14,096	15,203	13,478
<i>of which: public and common services</i>	9,804	10,244	12,533	13,605	12,571
<i>of which: international services</i>	1,790	1,976	1,563	1,598	906
2. Defence	17,133	18,053	18,382	19,833	20,266
3. Public order and safety	13,788	14,134	14,455	16,345	19,094
4. Economic affairs	13,908	14,085	15,679	17,398	17,326
<i>of which: enterprise and economic development</i>	2,797	2,517	3,806	4,799	3,483
<i>of which: science and technology</i>	25	37	40	110	55
<i>of which: employment policies</i>	762	682	878	1,037	869
<i>of which: agriculture, fisheries and forestry</i>	930	1,071	1,213	1,131	1,711
<i>of which: transport</i>	9,394	9,777	9,742	10,321	11,207
5. Environment protection	7,694	7,847	8,038	8,283	8,498
6. Housing and community amenities	2,660	2,682	2,639	2,862	3,132
7. Health	88,324	91,522	125,637	119,684	121,208
8. Recreation, culture and religion	6,804	6,444	5,805	6,706	7,487
9. Education	26,028	27,112	27,032	30,305	32,491
10. Social protection	36,573	38,014	42,242	43,839	45,152
Total public sector gross current procurement expenditure on services	224,505	232,113	274,007	280,459	288,130

Table 5.6 Public sector capital procurement expenditure on services by function, 2018-19 to 2022-23

	National Statistics					£ million
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn	
Public sector gross capital procurement expenditure on services						
1. General public services	3,122	2,899	3,311	3,625	3,781	
<i>of which: public and common services</i>	2,952	2,725	3,032	3,447	3,429	
<i>of which: international services</i>	169	174	278	178	352	
2. Defence	11,397	11,317	12,645	15,407	21,491	
3. Public order and safety	2,188	2,345	3,160	3,315	3,610	
4. Economic affairs	26,396	25,040	25,531	27,587	30,440	
<i>of which: enterprise and economic development</i>	3,604	3,157	1,941	1,831	2,357	
<i>of which: science and technology</i>	1,201	1,251	1,318	1,278	1,401	
<i>of which: employment policies</i>	47	30	81	125	75	
<i>of which: agriculture, fisheries and forestry</i>	347	339	416	516	655	
<i>of which: transport</i>	21,197	20,262	21,775	23,837	25,952	
5. Environment protection	3,054	3,258	3,167	3,660	4,496	
6. Housing and community amenities	7,781	8,854	8,225	9,853	11,174	
7. Health	7,096	7,602	13,285	12,680	10,932	
8. Recreation, culture and religion	1,688	3,407	1,713	1,932	2,810	
9. Education	7,925	7,676	8,352	8,485	7,827	
10. Social protection	519	471	594	792	620	
Total public sector gross capital procurement expenditure on services	71,165	72,868	79,982	87,337	97,183	
Plus public sector receipts from sales of assets						
Central government						
Fixed assets	-3,060	-1,806	-2,305	-5,063	-1,901	
Intangible assets	-12	-159	-161	720	897	
Total central government receipts	-3,072	-1,965	-2,466	-4,343	-1,004	
Local government						
Fixed assets	-1,853	-1,830	-1,247	-1,317	-1,717	
Intangible assets	-	-	-	-	-	
Total local government receipts	-1,853	-1,830	-1,247	-1,317	-1,717	
Total general government receipts	-4,925	-3,795	-3,713	-5,659	-2,721	
Public corporations						
Fixed assets	-1,645	-1,372	-1,155	-1,510	-1,487	
Intangible assets	-	-	-	-	-	
Total public corporations receipts	-1,645	-1,372	-1,155	-1,510	-1,487	
Total public sector income from sales of capital assets	-6,570	-5,167	-4,869	-7,169	-4,208	

6

Central government own expenditure

6.1 This section provides summary analyses of central government own expenditure, which comprises the expenditure of government departments and other central government bodies on their own activities. Central government, as defined by the Office for National Statistics (ONS) for the National Accounts, includes the devolved administrations, executive agencies and Arms Length Bodies (ALBs), health trusts and academies.

6.2 In addition to staff pay and procurement, central government own expenditure includes grants and subsidies paid to individuals and enterprises in the private sector and subsidies to public corporations. It excludes central government support for local government and support for the capital expenditure of public corporations. These data are shown in **Chapters 7 and 8** respectively.

6.3 Central government own expenditure accounts for about 83 per cent of Departmental Expenditure Limits (DEL) and about 89 per cent of departmental Annually Managed Expenditure (AME).

6.4 **Tables 6.1 to 6.3** are presented against the budgeting framework, whereas **Tables 6.4 to 6.6** are presented against the expenditure on services framework.

6.5 Note that many of the economic categories and functions shown in the tables throughout PESA reflect higher Covid-19 related spend in 2020-21 and 2021-22.

What's new

6.6 In February 2023 the Prime Minister announced a number of Machinery of Government changes which set up three new departments: the Department for Energy Security and Net Zero (DESNZ), the Department for Science, Innovation and Technology (DSIT) and the Department for Business and Trade (DBT)¹.

6.7 DESNZ took over the energy portfolio from the former Department for Business, Energy and Industrial Strategy (BEIS). DSIT brought together the relevant functions from BEIS as well as the digital portfolio of the former Department for Digital, Culture, Media and Sport, which is now the Department for Culture, Media and Sport (DCMS). DBT combined the business focused functions of BEIS with the former Department for International Trade (DIT). In addition, responsibility for National Security and Investment policy was transferred from BEIS to the Cabinet Office.

6.8 Outturn and plans data in PESA 2023 reflect these changes. Note, however, that the outturn figures are still based on provisional calculations to assign expenditure by the former BEIS to the new departments. They are likely to be revised once departments have published their audited 2022-23 Annual Reports and Accounts and have been able to reassess the historical data. These changes will be incorporated into future Public Spending Statistics publications and in the 2023-24 Annual Reports and Accounts where required.

¹ Making Government Deliver for the British People (publishing.service.gov.uk)

6.9 As set out in paragraph 1.7, not all funding for measures announced in the Autumn Statement and Spring Budget has been allocated to departments in 2024/25. Once this is completed later in the year, functional spending in certain categories could further increase in 2024/25. The functional breakdowns will be updated in PESA 2024.

6.10 Not all departments had produced their Annual Report and Accounts for 2022-23 as at publication of PESA 2023. Outturn data may therefore be subject to revisions. The public spending statistics (PSS) release, published on a quarterly basis, will reflect any later revisions made by departments to their 2022-23 outturn.

6.11 Since PESA 2022 NHS Provider depreciation has been moved out of the Resource DEL excluding depreciation ringfence. It remains part of total Resource DEL.

6.12 Plans information should be used with caution because forecasts are subject to change and improvement. Where departments have been unable to supply full breakdowns of their DEL and AME plans for use in PESA, HM Treasury has imputed functional and economic category splits, using earlier years as a guide. AME budgets have not been set beyond 2023-24. Where departments have been unable to provide AME data, OBR forecasts have been used if available.

6.13 For 2023 and 2024, HM Treasury will be publishing a Covid Cost tracker. The Covid Cost Tracker brings together data from across the UK government. It provides estimates of the cost of measures announced in response to the COVID-19 pandemic and how much the government has spent on these measures so far. This will be available on gov.uk once published.

Central government own resource and capital expenditure by department

6.14 **Table 6.1** gives a departmental breakdown of central government own expenditure. Expenditure in DEL is shown separately from expenditure in departmental AME. DEL expenditure in this table is shown on a full resource budgeting basis, which is given by resource DEL plus capital DEL less depreciation (including impairments) in DEL. In a number of areas, for example education, transport, and law and order, a relatively large proportion of expenditure is by local government, with only a relatively small proportion spent directly by central government – some of which will be recorded by Scotland, Wales or Northern Ireland. Other AME includes locally financed expenditure in Northern Ireland that by convention is classified as central government spending.

6.15 **Tables 6.2 and 6.3** show the resource and capital elements of **Table 6.1**, respectively. Expenditure for each departmental group is therefore shown on a budgeting basis, while the final line in each table shows total central government own expenditure on a National Accounts basis. The lower section of each table shows the adjustments required to move from the budgeting framework to the National Accounts framework.

Central government own expenditure on services by sub-function

6.16 **Table 6.4** shows central government own expenditure by sub-function, within the expenditure on services framework. Expenditure on services is an overall measure of public spending that is close to TME, and so broadly represents total current and capital expenditure as in the National Accounts. Full details are available in **Annex E**.

Central government own expenditure on services by economic category

6.17 Table 6.5 shows central government own expenditure by economic category, set within the framework of expenditure on services. An explanation of the different economic categories is available in **Chapter 5**.

Central government own current and capital expenditure on services by function

6.18 Table 6.6 shows central government own current and capital expenditure on services by function. This shows the capital and current split on a National Accounts basis.

Table 6.1 Central government own expenditure in budgets by departmental group⁽¹⁾, 2018-19 to 2024-25

	National Statistics							£ million
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
	outturn	outturn	outturn	outturn	outturn	plans	plans	
Within DEL								
Health and Social Care	125,356	134,630	183,224	180,718	177,888	181,553	185,494	
Education	34,373	36,893	40,131	41,872	45,021	50,056	50,432	
Home Office	2,674	2,661	4,710	4,305	5,713	2,829	2,955	
Justice	7,776	8,182	9,461	9,891	10,444	12,285	11,880	
Law Officers' Departments	563	618	619	682	771	841	831	
Defence	38,031	39,878	42,394	45,893	52,807	50,543	51,623	
Single Intelligence Account	2,741	2,974	2,848	3,356	3,796	4,108	3,636	
Foreign, Commonwealth and Development Office	12,698	12,585	12,541	9,142	9,233	11,445	12,066	
DLUHC - Local Government	1	-1	-	-	-	-	-	
DLUHC - Housing and Communities	4,038	5,161	4,701	2,867	2,961	4,308	3,693	
Culture, Media and Sport ⁽²⁾	1,797	2,086	3,660	2,160	2,230	2,158	2,107	
Science, Innovation and Technology ⁽²⁾	8,388	8,770	10,269	9,822	10,639	13,397	14,075	
Transport ⁽³⁾	7,510	14,888	26,245	23,328	23,951	22,773	22,203	
Energy Security and Net Zero ⁽²⁾	2,764	3,567	9,207	11,169	17,979	6,861	8,542	
Environment, Food and Rural Affairs	2,192	2,433	4,971	4,932	5,516	6,613	6,524	
Business and Trade ⁽²⁾	1,062	1,737	14,565	3,012	1,360	2,593	2,546	
Work and Pensions	5,526	5,312	6,234	8,148	7,234	7,984	7,885	
HM Revenue and Customs	3,999	4,296	5,043	6,185	6,407	6,301	5,177	
HM Treasury	345	490	324	411	305	348	260	
Cabinet Office	624	674	1,582	1,312	1,165	1,130	2,770	
Scotland ⁽⁴⁾	-	-	-	-	-	-	-	
Wales	10,334	9,017	14,237	12,739	11,348	12,049	11,469	
Northern Ireland	11,516	12,471	16,197	15,502	15,221	15,469	14,819	
Small and Independent Bodies	1,658	1,932	2,454	2,635	2,591	2,841	3,043	
Total CG own expenditure within DEL	285,965	311,253	415,618	400,081	414,579	418,485	424,028	
Within departmental AME								
Health and Social Care	40,640	30,378	34,213	82,446	-15,480	28,950	29,809	
Education	39,845	44,735	45,243	42,669	19,568	45,034	38,301	
Home Office	-31	230	-1	169	-8	50	-	
Justice	1,301	374	405	589	294	789	761	
Law Officers' Departments	2	3	-1	-1	6	9	-	
Defence	594	6,908	8,617	17,498	-5,354	7,006	7,107	
Single Intelligence Account	22	21	-4	111	11	40	65	
Foreign, Commonwealth and Development Office	667	815	1,279	545	779	725	421	
DLUHC - Housing and Communities	199	-176	-76	-862	1,518	2,794	-47	
Culture, Media and Sport ⁽²⁾	4,929	6,567	4,863	5,567	6,603	8,941	8,014	
Science, Innovation and Technology ⁽²⁾	289	477	245	448	260	13,752	448	
Transport ⁽³⁾	13,264	1,838	1,493	3,533	4,548	5,059	4,634	
Energy Security and Net Zero ⁽²⁾	-106,226	8,365	2,047	114,713	-81,717	42,437	38,928	
Environment, Food and Rural Affairs	-501	701	-608	435	-529	2,775	-467	
Business and Trade ⁽²⁾	87	378	9,389	-3,525	2,691	1,453	1,706	
Work and Pensions	160,834	173,279	195,496	200,515	215,665	251,500	266,365	
HM Revenue and Customs	40,232	40,622	116,524	52,123	33,930	35,471	31,026	
HM Treasury ⁽⁵⁾	-29,311	498	33,652	48,175	130,555	16,906	22,893	
Cabinet Office	14,247	11,928	12,556	12,225	16,858	11,510	14,933	
Scotland ⁽⁴⁾	30,314	31,257	39,559	40,761	43,396	45,546	44,585	
Wales	933	3,293	3,417	3,472	3,843	1,305	1,761	
Northern Ireland	10,127	9,817	10,749	11,087	12,091	14,366	14,606	
Small and Independent Bodies	332	118	1,886	217	-1	3,965	1,339	
Total CG own expenditure within dept AME	222,788	372,423	520,943	632,911	389,530	540,386	527,189	
Locally financed expenditure in Northern Ireland	625	656	312	370	600	606	606	
Net expenditure transfers to the EU	12,892	11,549	10,930	315	-383	1,015	-1,193	
Central government debt interest	50,368	49,606	40,969	72,516	106,837	76,897	66,582	
Accounting and other adjustments	85,246	-58,953	-107,527	-270,803	5,271	-116,933	-94,456	
Total CG own expenditure⁽⁶⁾	657,883	686,535	881,246	835,391	916,435	920,456	922,756	

⁽¹⁾ Shown on a full resource budgeting basis, i.e. resource DEL less depreciation plus Capital DEL.

⁽²⁾ Data for these departments reflect the Machinery of Government changes announced in 2023 (see para 6.6). Outturn figures are provisional and are likely to be revised.

⁽³⁾ Following implementation of ESA10, Network Rail is now classified to Central Government. The actual expenditure of Network Rail appears in the Department for Transport Resource departmental AME budget for 2018-19 and in DEL from 2019-20.

⁽⁴⁾ To reflect new budgeting arrangements, all expenditure by the Scottish Government is now scored within AME.

⁽⁵⁾ Transactions have been affected by financial sector interventions.

⁽⁶⁾ This excludes the temporary effects of banks being classified to the public sector.

Table 6.2 Central government own resource expenditure in budgets by departmental group, 2018-19 to 2024-25

	National Statistics							£ million
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
	outturn	outturn	outturn	outturn	outturn	plans	plans	
Within resource DEL								
Health and Social Care	119,384	128,446	171,474	172,452	168,166	170,135	173,677	
Education	31,621	33,972	36,692	39,152	42,344	44,948	46,746	
Home Office	2,077	2,033	4,012	3,564	4,744	1,791	1,907	
Justice	7,346	7,690	8,392	8,470	9,095	9,977	10,036	
Law Officers' Departments	547	610	613	674	743	808	783	
Defence	27,745	29,564	30,687	31,776	32,507	32,205	32,758	
Single Intelligence Account	2,134	2,338	2,268	2,451	2,638	2,825	2,428	
Foreign, Commonwealth and Development Office	9,451	10,401	9,722	7,398	7,173	7,844	7,948	
DLUHC - Local Government	1	-1	-	-	-	-	-	
DLUHC - Housing and Communities	28	551	142	203	257	1,215	779	
Culture, Media and Sport ⁽¹⁾	1,509	1,563	2,828	1,674	1,786	1,519	1,436	
Science, Innovation and Technology ⁽¹⁾	151	170	175	242	105	320	315	
Transport ⁽²⁾	1,889	3,663	12,899	8,018	6,973	6,007	4,754	
Energy Security and Net Zero ⁽¹⁾	336	1,188	1,355	2,426	14,020	1,942	1,500	
Environment, Food and Rural Affairs	1,587	1,804	4,150	3,828	4,199	4,167	4,040	
Business and Trade ⁽¹⁾	887	1,488	13,113	2,432	1,318	1,539	1,493	
Work and Pensions	5,285	5,303	5,874	7,632	6,922	7,248	7,311	
HM Revenue and Customs	3,650	3,961	4,501	5,523	5,851	5,674	4,677	
HM Treasury	242	351	315	399	298	340	255	
Cabinet Office	568	638	1,349	1,160	741	764	244	
Scotland ⁽³⁾	-	-	-	-	-	-	-	
Wales	9,067	7,652	11,989	10,766	9,404	10,353	9,780	
Northern Ireland	10,321	11,213	14,623	13,928	13,572	13,509	13,136	
Small and Independent Bodies	1,411	1,532	2,180	2,319	2,272	2,485	2,383	
Total within resource DEL	237,235	256,130	339,355	326,487	335,128	327,613	328,386	
Within resource departmental AME								
Health and Social Care	40,645	30,384	34,221	82,446	-15,504	28,844	29,703	
Education	22,739	23,753	24,099	20,806	-5,254	10,605	9,563	
Home Office	-31	230	-1	169	-8	50	-	
Justice	1,301	374	405	578	289	766	737	
Law Officers' Departments	2	3	-1	1	4	6	-	
Defence	594	6,908	8,617	17,498	-5,354	7,006	7,107	
Single Intelligence Account	22	21	-4	111	11	38	65	
Foreign, Commonwealth and Development Office	-69	-141	629	-116	490	445	421	
DLUHC - Housing and Communities	199	-176	-76	-862	1,518	2,794	-47	
Culture, Media and Sport ⁽¹⁾	4,521	5,317	4,661	5,354	5,680	5,582	5,604	
Science, Innovation and Technology ⁽¹⁾	360	530	303	515	255	11,272	448	
Transport ⁽²⁾	7,795	1,827	1,439	3,454	4,711	4,976	4,961	
Energy Security and Net Zero ⁽¹⁾	-106,116	8,483	2,164	114,835	-81,594	42,462	39,052	
Environment, Food and Rural Affairs	-501	698	-612	433	-552	2,665	-523	
Business and Trade ⁽¹⁾	98	381	-10,392	2	311	546	906	
Work and Pensions	160,699	172,969	195,351	200,485	215,595	251,167	265,993	
HM Revenue and Customs	40,232	40,622	116,524	52,123	33,930	35,471	31,026	
HM Treasury ⁽⁴⁾	-15,196	2,561	41,122	51,955	132,482	15,928	20,240	
Cabinet Office	14,247	11,928	12,556	12,225	16,858	11,510	14,933	
Scotland ⁽³⁾	26,978	27,535	34,903	35,998	37,534	40,042	39,199	
Wales	235	2,490	2,528	2,519	2,937	-231	429	
Northern Ireland	9,753	9,477	10,469	10,753	11,567	13,718	14,096	
Small and Independent Bodies	-94	-190	776	-240	-27	1,680	4	
Total within resource departmental AME	208,412	345,983	479,680	611,042	355,878	487,344	483,917	
Within resource other AME								
Locally financed expenditure in Northern Ireland	625	656	312	370	600	606	606	
Net expenditure transfers to the EU	12,892	11,549	10,930	315	-383	1,015	-1,193	
Central government debt interest	50,368	49,606	40,969	72,516	106,837	76,897	66,582	
Accounting and other adjustments	86,787	-40,770	-85,709	-250,897	40,008	-71,112	-54,408	
Total CG own current expenditure	596,319	623,155	785,537	759,833	838,068	822,362	823,890	

⁽¹⁾ Data for these departments reflect the Machinery of Government changes announced in 2023 (see para 6.6). Outturn figures are provisional and are likely to be revised.

⁽²⁾ Following implementation of ESA10, Network Rail is now classified to Central Government. The actual expenditure of Network Rail appears in the Department for Transport Resource departmental AME budget for 2018-19 and in DEL from 2019-20.

⁽³⁾ To reflect new budgeting arrangements, all expenditure by the Scottish Government is now scored within AME.

⁽⁴⁾ Transactions have been affected by financial sector interventions.

Table 6.3 Central government own capital expenditure by departmental group, 2018-19 to 2024-25

	National Statistics							£ million
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
	outturn	outturn	outturn	outturn	outturn	plans	plans	
Within capital DEL								
Health and Social Care	5,972	6,183	11,749	8,266	9,722	11,418	11,817	
Education	2,752	2,921	3,439	2,720	2,676	5,108	3,686	
Home Office	597	628	699	741	969	1,037	1,048	
Justice	431	492	1,068	1,421	1,349	2,308	1,844	
Law Officers' Departments	16	8	5	8	28	34	48	
Defence	10,286	10,314	11,707	14,117	20,300	18,338	18,865	
Single Intelligence Account	607	637	580	906	1,157	1,283	1,208	
Foreign, Commonwealth and Development Office	3,246	2,184	2,819	1,745	2,060	3,601	4,118	
DLUHC - Housing and Communities	4,009	4,610	4,559	2,663	2,705	3,093	2,914	
Culture, Media and Sport ⁽¹⁾	288	522	833	486	444	639	670	
Science, Innovation and Technology ⁽¹⁾	8,237	8,599	10,094	9,580	10,534	13,077	13,759	
Transport ⁽²⁾	5,621	11,225	13,345	15,310	16,978	16,767	17,449	
Energy Security and Net Zero ⁽¹⁾	2,428	2,379	7,852	8,742	3,959	4,919	7,041	
Environment, Food and Rural Affairs	605	629	821	1,104	1,317	2,446	2,484	
Business and Trade ⁽¹⁾	175	249	1,452	580	42	1,054	1,053	
Work and Pensions	241	9	360	516	311	736	573	
HM Revenue and Customs	349	335	542	662	556	627	501	
HM Treasury	104	139	8	12	7	8	5	
Cabinet Office	56	36	232	153	424	366	2,525	
Scotland ⁽³⁾	-	-	-	-	-	-	-	
Wales	1,267	1,365	2,248	1,973	1,944	1,696	1,689	
Northern Ireland	1,195	1,258	1,575	1,575	1,648	1,960	1,683	
Small and Independent Bodies	247	400	274	316	319	357	660	
Total within capital DEL	48,729	55,123	76,263	73,594	79,452	90,872	95,642	
Within capital departmental AME								
Health and Social Care	-5	-6	-7	-	25	106	106	
Education	17,106	20,982	21,144	21,863	24,823	34,429	28,738	
Home Office	-	-	-	-	0	0	-	
Justice	-	-	-	11	5	23	23	
Law Officers' Departments	-	-	-	-2	2	3	-	
Single Intelligence Account	-	-	-	-	-	2	-	
Foreign, Commonwealth and Development Office	736	956	650	661	290	280	-	
DLUHC - Housing and Communities	-	-	-	-	-	-	-	
Culture, Media and Sport ⁽¹⁾	407	1,250	202	212	924	3,359	2,411	
Science, Innovation and Technology ⁽¹⁾	-71	-53	-57	-67	5	2,480	0	
Transport ⁽²⁾	5,469	10	54	78	-164	83	-327	
Energy Security and Net Zero ⁽¹⁾	-110	-118	-117	-122	-123	-24	-123	
Environment, Food and Rural Affairs	0	3	4	3	24	110	57	
Business and Trade ⁽¹⁾	-11	-3	19,781	-3,526	2,380	907	800	
Work and Pensions	135	309	146	30	70	333	372	
HM Revenue and Customs	-	0	-	-	-	0	-	
HM Treasury ⁽⁴⁾	-14,115	-2,064	-7,470	-3,779	-1,926	977	2,653	
Scotland ⁽³⁾	3,336	3,722	4,656	4,763	5,862	5,504	5,386	
Wales	698	803	889	954	906	1,536	1,332	
Northern Ireland	374	340	280	333	524	648	510	
Small and Independent Bodies	426	308	1,109	457	26	2,285	1,335	
Total within capital departmental AME	14,376	26,440	41,263	21,870	33,652	53,042	43,272	
Within capital other AME								
Accounting and other adjustments	-1,541	-18,183	-21,817	-19,905	-34,736	-45,820	-40,048	
Total CG own capital expenditure⁽⁵⁾	61,564	63,380	95,709	75,558	78,367	98,094	98,866	

⁽¹⁾ Data for these departments reflect the Machinery of Government changes announced in 2023 (see para 6.6). Outturn figures are provisional and are likely to be revised.

⁽²⁾ Following implementation of ESA10, Network Rail is now classified to Central Government. The actual expenditure of Network Rail appears in the Department for Transport Resource departmental AME budget for 2018-19 and in DEL from 2019-20.

⁽³⁾ To reflect new budgeting arrangements, all expenditure by the Scottish Government is now scored within AME.

⁽⁴⁾ Transactions have been affected by financial sector interventions.

⁽⁵⁾ This excludes the temporary effects of banks being classified to the public sector.

Table 6.4 Central government own expenditure on services by sub-function, 2018-19 to 2024-25

	National Statistics							£ million
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn	2023-24 plans	2024-25 plans	
1. General public services								
1.1 Executive and legislative organs, financial and fiscal affairs, external affairs	9,210	9,962	11,318	20,670	22,095	19,758	16,573	
1.2 Foreign economic aid ⁽¹⁾	9,447	9,134	8,546	5,720	5,129	6,641	6,999	
1.3 General services	718	852	1,349	2,235	1,476	1,548	747	
1.4 Basic research	-	-	-	-	-	-	-	
1.5 R&D general public services	372	376	676	41	330	476	510	
1.6 General public services n.e.c.	141	451	831	1,280	379	710	646	
1.7 Public sector debt interest	50,368	49,606	40,969	72,516	106,837	76,897	66,582	
<i>of which: central government debt interest⁽²⁾</i>	<i>50,368</i>	<i>49,606</i>	<i>40,969</i>	<i>72,516</i>	<i>106,837</i>	<i>76,897</i>	<i>66,582</i>	
Total general public services	70,257	70,382	63,689	102,463	136,247	106,030	92,056	
2. Defence⁽³⁾								
2.1 Military defence	37,980	40,257	42,432	45,751	50,358	50,440	52,984	
2.2 Civil defence	-	-	-	-	-	-	-	
2.3 Foreign military aid	696	476	478	509	2,618	359	73	
2.4 R&D defence	1,339	1,233	1,318	2,061	2,253	2,611	1,436	
2.5 Defence n.e.c.	182	226	211	221	215	206	-	
Total defence	40,198	42,192	44,439	48,542	55,443	53,616	54,493	
3. Public order and safety								
3.1 Police services	5,293	4,964	7,044	7,314	9,339	6,495	5,886	
<i>of which: immigration and citizenship</i>	<i>834</i>	<i>510</i>	<i>2,417</i>	<i>1,845</i>	<i>3,550</i>	<i>1,041</i>	<i>1,275</i>	
<i>of which: other police services</i>	<i>4,459</i>	<i>4,455</i>	<i>4,628</i>	<i>5,469</i>	<i>5,789</i>	<i>5,454</i>	<i>4,611</i>	
3.2 Fire-protection services	485	490	514	536	582	563	539	
3.3 Law courts	6,172	6,774	6,804	7,704	7,905	8,247	8,015	
3.4 Prisons	4,555	4,361	5,512	5,388	6,088	7,749	7,371	
3.5 R&D public order and safety	30	1	1	1	1	1	1	
3.6 Public order and safety n.e.c.	795	1,619	1,809	924	1,167	1,184	1,306	
Total public order and safety	17,328	18,210	21,683	21,868	25,081	24,238	23,118	
4. Economic affairs								
4.1 General economic, commercial and labour affairs	10,873	14,924	128,877	33,938	21,589	18,846	18,792	
4.2 Agriculture, forestry, fishing and hunting	5,555	5,538	5,999	5,677	6,184	6,518	6,598	
<i>of which: market support under CAP</i>	<i>3,230</i>	<i>3,062</i>	<i>2,789</i>	<i>2,613</i>	<i>2,646</i>	<i>3,325</i>	<i>3,651</i>	
<i>of which: other agriculture, food and fisheries policy</i>	<i>2,193</i>	<i>2,386</i>	<i>3,062</i>	<i>2,944</i>	<i>3,385</i>	<i>2,909</i>	<i>2,637</i>	
<i>of which: forestry</i>	<i>132</i>	<i>90</i>	<i>149</i>	<i>120</i>	<i>153</i>	<i>284</i>	<i>310</i>	
4.3 Fuel and energy ⁽⁴⁾	1,223	1,277	1,294	3,557	42,940	8,839	3,885	
4.4 Mining, manufacturing and construction	31	38	24	8	9	9	2	
4.5 Transport	21,620	23,390	34,729	31,816	30,511	31,476	29,840	
<i>of which: national roads</i>	<i>4,815</i>	<i>5,570</i>	<i>6,145</i>	<i>5,426</i>	<i>5,643</i>	<i>6,264</i>	<i>6,548</i>	
<i>of which: local roads</i>	<i>371</i>	<i>382</i>	<i>379</i>	<i>384</i>	<i>352</i>	<i>505</i>	<i>503</i>	
<i>of which: local public transport</i>	<i>540</i>	<i>546</i>	<i>1,850</i>	<i>1,142</i>	<i>858</i>	<i>734</i>	<i>934</i>	
<i>of which: railway</i>	<i>14,467</i>	<i>14,837</i>	<i>24,608</i>	<i>22,826</i>	<i>22,068</i>	<i>22,151</i>	<i>19,990</i>	
<i>of which: other transport</i>	<i>1,426</i>	<i>2,056</i>	<i>1,747</i>	<i>2,038</i>	<i>1,590</i>	<i>1,821</i>	<i>1,864</i>	
4.6 Communication	115	96	203	248	344	185	165	
4.7 Other industries	177	174	229	237	191	160	160	
4.8 R&D economic affairs	5,616	5,961	6,599	6,578	7,162	12,599	9,848	
4.9 Economic affairs n.e.c.	564	562	663	674	741	1,129	663	
Total economic affairs	45,773	51,960	178,618	82,732	109,671	79,761	69,953	
5. Environment protection								
5.1 Waste management	2,461	2,695	2,798	3,014	3,016	3,417	3,297	
5.2 Waste water management	-	-	-	-	-	-	-	
5.3 Pollution abatement	161	197	284	815	433	958	1,526	
5.4 Protection of biodiversity and landscape	336	324	364	438	495	531	486	
5.5 R&D environment protection	208	168	179	166	346	523	575	
5.6 Environment protection n.e.c.	1,561	1,701	2,315	2,151	1,681	2,311	2,318	
Total environment protection	4,728	5,085	5,940	6,583	5,971	7,739	8,201	
6. Housing and community amenities								
6.1 Housing development	2,008	2,673	2,480	2,387	2,747	3,426	3,468	
<i>of which: local authority housing</i>	<i>290</i>	<i>325</i>	<i>310</i>	<i>415</i>	<i>515</i>	<i>419</i>	<i>417</i>	
<i>of which: other social housing</i>	<i>1,719</i>	<i>2,348</i>	<i>2,170</i>	<i>1,972</i>	<i>2,232</i>	<i>3,007</i>	<i>3,051</i>	
6.2 Community development	546	560	931	493	530	614	520	
6.3 Water supply	284	285	350	381	474	358	342	
6.4 Street lighting	28	28	38	51	45	34	34	
6.5 R&D housing and community amenities	2	1	1	2	3	28	8	
6.6 Housing and community amenities n.e.c.	151	232	208	292	219	251	359	
Total housing and community amenities	3,019	3,778	4,009	3,607	4,019	4,710	4,729	

Table 6.4 Central government own expenditure on services by sub-function, 2018-19 to 2024-25 (continued)

	National Statistics						
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	outturn	outturn	outturn	outturn	outturn	plans	plans
£ million							
7. Health⁽⁵⁾							
Medical services	142,302	155,645	183,473	189,072	196,218	205,619	200,324
Medical research	1,621	1,638	1,678	1,829	1,944	1,589	1,408
Central and other health services	5,645	3,555	29,564	21,040	9,689	9,532	18,579
Total health	149,568	160,837	214,716	211,942	207,851	216,739	220,311
8. Recreation, culture and religion							
8.1 Recreational and sporting services	567	427	703	1,100	1,022	511	770
8.2 Cultural services	2,010	2,393	3,285	2,609	2,591	2,330	2,408
8.3 Broadcasting and publishing services	4,171	4,890	3,695	4,172	5,123	7,700	6,728
8.4 Religious and other community services	137	120	106	115	209	78	86
8.5 R&D recreation, culture and religion	73	89	123	74	97	225	237
8.6 Recreation, culture and religion n.e.c.	101	146	150	88	159	238	97
Total recreation, culture and religion	7,059	8,065	8,061	8,158	9,201	11,082	10,325
9. Education							
9.1 Pre-primary and primary education	828	953	1,080	1,054	1,056	1,302	1,214
<i>of which: under fives</i>	87	110	197	130	127	326	226
<i>of which: primary education</i>	741	843	883	924	929	976	988
9.2 Secondary education ⁽⁶⁾	32,796	34,880	37,115	39,912	42,909	43,313	43,003
9.3 Post-secondary non-tertiary education	-	-	-	-	-	-	-
9.4 Tertiary education	4,621	4,372	4,898	4,720	4,552	5,067	4,846
9.5 Education not definable by level	544	807	967	779	1,108	1,852	1,104
9.6 Subsidiary services to education	595	652	858	849	828	828	878
9.7 R&D education	2,259	2,324	2,692	2,608	2,972	2,661	2,817
9.8 Education n.e.c.	2,654	2,071	2,031	2,124	2,752	2,760	2,588
Total education	44,296	46,059	49,640	52,046	56,177	57,782	56,449
10. Social protection							
<i>of which: personal social services</i>	1,363	1,476	1,606	1,613	1,813	2,388	1,890
10.1 Sickness and disability	46,739	47,170	48,695	49,264	52,534	61,172	64,623
<i>of which: personal social services</i>	381	425	421	471	526	492	499
<i>of which: incapacity, disability and injury benefits</i>	46,358	46,745	48,274	48,793	52,008	60,680	64,123
10.2 Old age	116,812	112,242	113,246	115,803	123,884	141,804	151,194
<i>of which: personal social services</i>	542	579	622	626	715	670	680
<i>of which: pensions</i>	116,271	111,663	112,625	115,177	123,169	141,134	150,514
10.3 Survivors	1,128	1,162	1,169	1,213	1,357	1,423	1,415
10.4 Family and children	14,874	14,798	14,805	14,763	15,118	16,814	16,228
<i>of which: personal social services</i>	394	414	451	434	488	521	643
<i>of which: family benefits, income support and tax credits</i>	14,481	14,384	14,354	14,330	14,630	16,293	15,585
10.5 Unemployment	1,683	1,189	1,860	1,219	1,003	1,129	724
<i>of which: personal social services</i>	-	-	-	-	-	-	-
<i>of which: other unemployment benefits</i>	1,683	1,189	1,860	1,219	1,003	1,129	724
10.6 Housing	532	483	467	447	426	400	314
10.7 Social exclusion n.e.c. ⁽⁷⁾	33,355	39,792	57,127	54,799	56,042	65,423	70,196
<i>of which: personal social services</i>	47	58	113	83	84	705	68
<i>of which: family benefits, income support, Universal Credit and tax credits</i>	33,308	39,734	57,014	54,717	55,957	64,718	70,129
10.8 R&D Social protection	-	-	-	-	-	-	-
10.9 Social protection n.e.c.	4,458	4,377	5,482	5,933	11,558	15,142	7,094
Total social protection	219,581	221,227	242,846	243,450	260,593	272,990	288,458

Table 6.4 Central government own expenditure on services by sub-function, 2018-19 to 2024-25 (continued)

	National Statistics							£ million
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
	outturn	outturn	outturn	outturn	outturn	plans	plans	
EU transactions⁽⁸⁾								
VAT-based and GNI-based contributions (net of abatement and collection costs)	12,227	10,886	10,395	303	-395	1,013	-1,193	
<i>derived as:</i>								
<i>EU gross contribution pre-abatement and after deduction of collection costs</i>	20,377	18,355	16,875	171	83	990	-1,193	
<i>Traditional Own Resources (without deduction of collection costs)</i>	-3,304	-3,320	-2,695	-49	-50	-9	-	
<i>UK abatement</i>	-4,846	-4,149	-3,785	181	-428	32	-	
EU receipts	-4,378	-5,059	-3,406	-2,308	-1,879	-1,086	-329	
Other attributed costs and repayments	-	-	-	-	-	-	-	
Total EU transactions	7,850	5,828	6,988	-2,005	-2,274	-73	-1,522	
Total central government own expenditure on services	609,657	633,610	840,635	779,375	869,307	864,931	849,902	
Accounting adjustments	48,226	52,925	40,611	56,016	47,128	55,526	72,853	
Total central government own expenditure⁽⁹⁾	657,883	686,535	881,246	835,391	916,435	920,456	922,756	

⁽¹⁾ Official Development Assistance (ODA) is the internationally-agreed classification of foreign aid financing and is measured in accordance with international standards agreed by the Organisation for Economic Co-operation and Development (OECD). The UN COFOG measure of Foreign economic aid presented in this table is quite different from the UK ODA measure and therefore not comparable. For example the UK ODA measure includes financial transactions such as loans, whereas the UN COFOG measure does not. Also, the UK ODA analysis is on a calendar year rather than financial year basis. A link to the latest ODA release is provided here: <https://www.gov.uk/government/collections/statistics-on-international-development>

⁽²⁾ Central government debt interest figures show gross payments to the private sector and overseas.

⁽³⁾ Spending Review 2021 continued the commitment to meet the NATO investment pledge to spend 2% of GDP on Defence. This is evaluated using the NATO definitions of Defence spending rather than the UN COFOG definitions that are used in this table. The UN COFOG and NATO measures of Defence use different definitions and are therefore not comparable. For example, the NATO Defence figures include pensions whereas in COFOG these are included in Social Protection. Details and figures on NATO Defence expenditures can be found at the following link: http://www.nato.int/cps/0n/hatohq/topics_49198.htm

⁽⁴⁾ Spending in 2022-23 has been affected by measures taken in response to increases in the cost of living.

⁽⁵⁾ The level of detail required for COFOG level 2 is not yet available in England and Wales. Health spending is therefore presented using HM Treasury's own sub-functional classification.

⁽⁶⁾ The Department for Education is currently recording all central government academy expenditure as 'Secondary Education', across all years presented. While secondary schools currently account for the largest population in the academy sector, it is recognised that this will also cover some schools in primary and other functional categories. In future editions of PESA the Department for Education will look to improve apportionment of spending across the education categories.

⁽⁷⁾ Social exclusion n.e.c. includes Child and Working Tax Credits. Also included here are Universal Credit additional costs that were previously scored in 10.9 Social protection n.e.c.

⁽⁸⁾ An explanation of how the EU transactions are defined in TES is given in Annex E. From 2021-22 onwards, EU Withdrawal Agreement financial settlement payments form part of HM Treasury's departmental expenditure (departmental AME) and are therefore scored against the available United Nations' Classification Of the Functions Of Government categories. As a result, these payments are scored against 'General Public Services'. However please note, a complete picture of transactions with the institutions of the EU is shown in Table C.1.

⁽⁹⁾ This excludes the temporary effects of banks being classified to the public sector.

Table 6.5 Central government own expenditure on services by economic category, 2018-19 to 2024-25

	National Statistics					£ million	
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn	2023-24 plans	2024-25 plans
Central government current expenditure on services							
Pay	125,432	138,644	152,606	161,288	169,582	173,987	166,078
Gross current procurement	142,928	147,791	183,164	184,369	190,334	188,315	194,532
Income from sales of goods and services	-24,081	-23,954	-20,164	-26,292	-31,705	-25,219	-27,311
Current grants to persons and non-profit bodies	222,219	230,101	257,315	262,865	307,121	315,968	324,093
Current grants abroad	14,507	13,159	14,040	11,174	12,108	12,762	6,092
Subsidies to private sector companies	12,832	17,448	111,639	37,821	24,119	19,457	19,058
Subsidies to public corporations	593	570	9,282	6,691	3,490	2,041	1,589
Net public service pensions	10,007	3,442	2,231	1,507	1,141	3,844	5,073
Central government debt interest	50,368	49,606	40,969	72,516	106,837	76,897	66,582
Other	1,105	1,187	1,203	1,188	1,094	79	75
Total central government own current expenditure on services	555,910	577,993	752,285	713,127	784,121	768,132	755,861
Accounting adjustments	40,409	45,162	33,252	46,706	53,947	54,231	68,029
Total central government own current expenditure	596,319	623,155	785,537	759,833	838,068	822,362	823,890
Central government capital expenditure on services							
Capital grants to persons and non-profit bodies	7,912	8,501	10,671	9,789	10,645	11,860	11,546
Capital grants to private sector companies	1,667	1,861	21,909	-995	5,230	6,956	6,215
Capital grants abroad	3,565	2,520	3,238	2,039	2,533	8,516	6,026
Gross capital procurement	43,675	44,699	54,998	59,757	67,782	70,609	71,668
Income from sales of capital assets	-3,072	-1,965	-2,466	-4,343	-1,004	-1,142	-1,414
Total central government own capital expenditure on services	53,747	55,617	88,350	66,248	85,186	96,799	94,042
Accounting adjustments	7,817	7,763	7,359	9,310	-6,819	1,295	4,824
Total central government own capital expenditure	61,564	63,380	95,709	75,558	78,367	98,094	98,866
Total central government own expenditure on services	609,657	633,610	840,635	779,375	869,307	864,931	849,902
Accounting adjustments	48,226	52,925	40,611	56,016	47,128	55,526	72,853
Total central government own expenditure⁽¹⁾	657,883	686,535	881,246	835,391	916,435	920,456	922,756

⁽¹⁾ This excludes the temporary effects of banks being classified to the public sector.

Table 6.6 Central government own current and capital expenditure on services by function, 2018-19 to 2024-25

	National Statistics							£ million
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
	outturn	outturn	outturn	outturn	outturn	plans	plans	
Central government own current expenditure on services								
1. General public services	66,171	67,393	60,057	99,018	132,853	101,331	85,167	
<i>of which: public and common services</i>	6,805	7,834	10,029	19,701	19,275	17,066	10,977	
<i>of which: international services</i>	8,998	9,954	9,059	6,801	6,742	7,368	7,608	
<i>of which: public sector debt interest</i>	50,368	49,606	40,969	72,516	106,837	76,897	66,582	
2. Defence ⁽¹⁾	29,382	31,305	32,104	32,834	33,423	34,436	34,583	
3. Public order and safety	16,089	16,903	19,582	19,774	22,523	20,703	20,124	
4. Economic affairs	26,846	31,970	135,521	60,944	79,524	44,218	36,996	
<i>of which: enterprise and economic development</i> ⁽²⁾	9,605	14,071	107,637	36,797	57,574	22,778	17,505	
<i>of which: science and technology</i>	193	174	204	354	296	234	200	
<i>of which: employment policies</i>	2,632	2,253	2,543	4,098	3,746	2,777	2,791	
<i>of which: agriculture, fisheries and forestry</i>	5,256	5,304	5,694	5,156	5,466	5,393	5,335	
<i>of which: transport</i>	9,159	10,169	19,442	14,538	12,443	13,036	11,165	
5. Environment protection	1,604	2,008	2,208	2,743	1,743	2,408	2,254	
6. Housing and community amenities	944	991	1,475	1,025	1,043	963	986	
7. Health	142,571	153,229	201,164	202,354	196,707	203,850	207,739	
8. Recreation, culture and religion	6,265	6,156	7,221	7,313	7,636	6,331	6,406	
9. Education	38,785	41,042	43,425	46,151	49,335	51,177	51,759	
10. Social protection	219,402	221,169	242,540	242,976	261,608	302,788	311,368	
EU transactions	7,850	5,828	6,988	-2,005	-2,274	-73	-1,522	
Total central government own current expenditure on services	555,910	577,993	752,285	713,127	784,121	768,132	755,861	
Accounting adjustments	40,409	45,162	33,252	46,706	53,947	54,231	68,029	
Total central government own current expenditure	596,319	623,155	785,537	759,833	838,068	822,362	823,890	
Central government own capital expenditure on services								
1. General public services	4,085	2,989	3,632	3,444	3,393	4,698	6,889	
<i>of which: public and common services</i>	1,220	1,241	1,476	1,893	1,663	2,125	4,425	
<i>of which: international services</i>	2,866	1,747	2,156	1,551	1,730	2,574	2,465	
2. Defence ⁽¹⁾	10,816	10,887	12,335	15,707	22,020	19,180	19,910	
3. Public order and safety	1,239	1,307	2,101	2,094	2,559	3,535	2,993	
4. Economic affairs	18,927	19,990	43,097	21,788	30,147	35,543	32,958	
<i>of which: enterprise and economic development</i> ⁽³⁾	698	746	21,034	-2,358	4,420	3,447	3,286	
<i>of which: science and technology</i>	5,422	5,787	6,395	6,223	6,866	12,365	9,648	
<i>of which: employment policies</i>	47	2	77	124	75	167	86	
<i>of which: agriculture, fisheries and forestry</i>	299	234	305	521	718	1,125	1,263	
<i>of which: transport</i>	12,460	13,221	15,286	17,278	18,067	18,440	18,675	
5. Environment protection	3,124	3,078	3,732	3,840	4,227	5,331	5,947	
6. Housing and community amenities	2,074	2,787	2,534	2,582	2,976	3,748	3,743	
7. Health	6,997	7,608	13,552	9,587	11,144	12,889	12,572	
8. Recreation, culture and religion	793	1,909	840	845	1,564	4,751	3,919	
9. Education	5,511	5,017	6,214	5,895	6,842	6,605	4,691	
10. Social protection	179	45	312	465	314	518	420	
Total central government own capital expenditure on services	53,747	55,617	88,350	66,248	85,186	96,799	94,042	
Accounting adjustments	7,817	7,763	7,359	9,310	-6,819	1,295	4,824	
Total central government own capital expenditure⁽⁴⁾	61,564	63,380	95,709	75,558	78,367	98,094	98,866	

⁽¹⁾ Spending Review 2021 continued the commitment to meet the NATO investment pledge to spend 2% of GDP on Defence. This is evaluated using the NATO definitions of Defence spending rather than the UN COFOG definitions that are used in this table. The UN COFOG and NATO measures of Defence use different definitions and are therefore not comparable. For example, the NATO Defence figures include pensions whereas in COFOG these are included in Social Protection. Details and figures on NATO Defence expenditures can be found at the following link: http://www.nato.int/cps/orn/hatohq/topics_49198.htm

⁽²⁾ Increases in spending from 2020-21 have been affected by measures taken in response to Covid-19 and increases in the cost of living.

⁽³⁾ Figures in 2020-21 and 2021-22 reflect expenditure on various Covid-19 related loan guarantee schemes and subsequent revaluations.

⁽⁴⁾ This excludes the temporary effects of banks being classified to the public sector.

7

Local government financing and expenditure

7.1 This chapter describes central government support for local government within budgets (**Tables 7.1 to 7.3**) and local government expenditure on services (**Tables 7.4 to 7.8**). It deals primarily with Great Britain – most equivalent spending in Northern Ireland is central government spending carried out by Northern Ireland departments. Where relevant, district council spending in Northern Ireland is included in this chapter.

7.2 Data for outturn years (to 2022-23) are covered by National Statistics protocols.

7.3 Central government support data (**Tables 7.1 to 7.3**) for all years up to 2022-23 are final outturn figures and data from 2023-24 onwards are latest plans.

7.4 Local government spending data (**Tables 7.4 to 7.8**) for all years up to 2021-22 are final outturn, while data for 2022-23 are based on budget plans and provisional outturns, where the latter are available.

7.5 Not all departments had produced their Annual Report and Accounts for 2022-23 as at publication of PESA 2023. Outturn data may therefore be subject to revisions. The public spending statistics (PSS) release, published on a quarterly basis, will reflect any later revisions made by departments to their 2022-23 outturn.

7.6 Note that many of the economic categories and functions shown in the tables throughout PESA reflect higher Covid-19 related spend in 2020-21 and 2021-22.

What's new

7.7 In February 2023 the Prime Minister announced a number of Machinery of Government changes which set up three new departments: the Department for Energy Security and Net Zero (DESNZ), the Department for Science, Innovation and Technology (DSIT) and the Department for Business and Trade (DBT)¹.

7.8 DESNZ took over the energy portfolio from the former Department for Business, Energy and Industrial Strategy (BEIS). DSIT brought together the relevant functions from BEIS as well as the digital portfolio of the former Department for Digital, Culture, Media and Sport, which is now the Department for Culture, Media and Sport (DCMS). DBT combined the business focused functions of BEIS with the former Department for International Trade (DIT). In addition, responsibility for National Security and Investment policy was transferred from BEIS to the Cabinet Office.

7.9 Outturn and plans data in PESA 2023 reflect these changes. Note, however, that the outturn figures are still based on provisional calculations to assign expenditure by the former BEIS to the new departments. They are likely to be revised once departments have published their audited 2022-23 Annual Reports and Accounts and have been able to reassess the historical data. These changes will be incorporated into future Public Spending Statistics publications and in the 2023-24 Annual Reports and Accounts where required.

¹ Making Government Deliver for the British People (publishing.service.gov.uk)

7.10 Plans information should be used with caution because forecasts are subject to change and improvement. Where departments have been unable to supply full breakdowns of their DEL and AME plans for use in PESA, HM Treasury has imputed functional and economic category splits, using earlier years as a guide. AME budgets have not been set beyond 2023-24. Where departments have been unable to provide AME data, OBR forecasts have been used if available. In other cases, budgets have been rolled forward from 2023-24 if appropriate.

The financing of local government expenditure

7.11 Central government support for local government expenditure is provided in two main forms: capital and current grants and the redistribution of non-domestic rate payments. Grant support may be non-specific (e.g. Revenue Support Grant), or related to specific services (e.g. Dedicated Schools Grant). A non-domestic rates retention scheme was introduced in England from April 2013, which allows local authorities to keep a proportion of the rates they collect, along with growth in the revenue that is generated in their area. Local government expenditure can also be financed by Supported Capital Expenditure (Revenue), equivalent to supported borrowing in Scotland. However, this was discontinued in England as of 31 March 2011.

7.12 Local authorities also raise finance locally, largely through council tax; receipts from sales of assets; contributions from developers; sales, fees and charges; and borrowing. By convention, Scottish Non-Domestic Rates Income (NDRI) is shown in PESA as locally financed central government support in other AME, as it is raised in Scotland rather than funded by Whitehall.

7.13 Funding provided to local government by the EU was channelled through departmental budgets but was not treated as central government support in PESA. This was because the receipts from the EU offset in budgets against the subsequent payment to local government, so this funding formed part of the accounting and other adjustments that were required to reconcile the departmental budgeting data to an aggregate drawn from the National Accounts.

7.14 **Table 7.1** shows current and capital support provided to local government within each country in the UK, according to whether support is in DEL or AME. As noted above, further adjustments are made to these budgeting aggregates to reconcile with total local government expenditure in the National Accounts.

Support for local government current spending

7.15 Central government support for current expenditure on local services is largely provided through:

- Revenue Support Grant (RSG) – a non-ring-fenced grant paid to local government in England, Scotland and Wales;
- non-domestic (business) rate payments – the proceeds of National Non-Domestic Rates (NNDR) were originally pooled separately in England and Wales, and then redistributed. As noted above, equivalent payments in Scotland are considered to be locally financed rather than central government support. From 1 April 2013 local authorities in England retain a proportion of this income. Also, from 2015-16 Welsh non-domestic rates move from central government DEL support to locally raised finance, and;
- other specific and special grants such as the schools grant and police grant, which fund part of the current expenditure on a specific service or activity.

7.16 **Table 7.2** shows the above support by country, departmental group and grant.

Support for local government capital programmes

7.17 Central government support for local government capital expenditure comprises capital grants and Supported Capital Expenditure (Revenue) in Wales, equivalent to supported borrowing in Scotland. The latter enables local authorities to borrow or use other forms of credit to finance capital expenditure, with central government providing a revenue stream to support repayment of principal and interest. This is distinct from prudential borrowing where local authorities finance any additional borrowing from their own available resources.

Table 7.3 shows the components of central government capital support within the United Kingdom by country and department.

Data sources and data quality

7.18 The central government support for local government shown in **Tables 7.1 to 7.3** is taken from finance data loaded onto the HM Treasury spending database by departments, consistent with their resource accounts.

7.19 **Tables 7.1 to 7.3** show central government support for local government allocated by territory. There are several instances where support or grant payments cover more than one territory, for example Home Office grants that cover England and Wales. In these circumstances the grant or support has been allocated entirely to the majority territory, namely England.

Local government expenditure

7.20 Total local government expenditure is defined as the contribution of local government to Total Managed Expenditure (TME). TME is a consolidated measure in the sense that most transactions between parts of the public sector are excluded. For example, total local government expenditure defined here excludes capital grants paid to public corporations and interest paid to central government. Local government expenditure accounts for around one quarter of TME.

7.21 Local government have considerable discretion to determine the level, pattern, and standard of the main services – subject to the financial resources available, including the implications for local taxation, and in some cases subject also to central government regulation and inspection of the service provided.

Local government expenditure on services

7.22 The measure of local government spending that is analysed by function and economic category in PESA is local government expenditure on services. It is largely equivalent to the National Accounts measure of local government expenditure, which is also shown in the tables. **Annex E** gives more information on expenditure on services.

7.23 The functional categories in **Tables 7.4 to 7.7** are based on the UN Classification Of the Functions Of Government (COFOG)² and are consistent with the functional categories used in other PESA chapters:

- **Table 7.4** presents total local government expenditure by function;
- **Table 7.5** shows local government current expenditure by country and function;
- **Table 7.6** shows gross capital expenditure, split by country and function. Gross indicates that it is before sales of capital assets and depreciation; and
- **Table 7.7** shows local government capital receipts within the United Kingdom, again by country and function.

² <https://unstats.un.org/unsd/classifications/Econ/Structure> then from the 'Classification' drop down box on the left select 'COFOG'

7.24 Table 7.8 shows local government expenditure by country and economic category. The economic categories are broadly consistent with those used by the ONS for the National Accounts. These are described in **Chapter 5**.

Data sources and data quality

7.25 The local government expenditure shown in **Tables 7.4 to 7.8** is based on revenue (current) and capital data collections completed by local authorities and sent to the Department for Levelling Up, Housing and Communities (DLUHC) and the devolved administrations (Scottish Government, Welsh Government and Northern Ireland Executive). These departments carry out quality assurance on the data received, produce aggregate results for publication, and supply this information to the Treasury.

7.26 Information is sought from all local authorities, who derive the material from the accounting records used to produce audited accounts. However, detailed expenditure breakdowns may be of lower quality because of inconsistencies of classification by respondents and resource constraints on quality assurance.

7.27 Spending information received from local government is described in terms of local authority services (e.g. education, roads, etc.). The Treasury assign spending to the COFOG functional categories used in PESA. In general the link from service categories to COFOG categories is relatively clear, but in some cases it is less straightforward and assumptions are applied.

7.28 Although the quality of the local government expenditure data in PESA is good enough to provide a broad picture of local government spending, the quality is likely to be lower than the quality of the central government data in PESA. Figures are shown to the nearest £1m so that users performing calculations on the numbers do not introduce errors due to working on rounded numbers.

7.29 The Treasury are working with DLUHC and the ONS to improve the quality and timeliness of local government spending data.

7.30 More information on local government finance and spending is available from the following sources:

England – Department for Levelling Up, Housing and Communities

- [<https://www.gov.uk/government/collections/local-authority-revenue-expenditure-and-financing>]
- [<https://www.gov.uk/government/collections/local-authority-capital-expenditure-receipts-and-financing>]

Scotland – Scottish Government

- [<http://www.gov.scot/Topics/Statistics/Browse/Local-Government-Finance>]

Wales – Welsh Government

- [<https://statswales.gov.wales/Catalogue/Local-Government/Finance>]

Table 7.1 Financing of local government in the United Kingdom by country, 2018-19 to 2024-25

	National Statistics							£ million
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn	2023-24 plans	2024-25 plans	
Current finance in DEL								
England	50,494	54,321	84,706	80,363	68,494	71,626	70,189	
Scotland	-	19	21	18	19	11	11	
Wales	4,240	4,448	5,587	5,671	5,973	5,641	5,747	
Northern Ireland	162	150	262	192	167	173	176	
Total current finance in DEL	54,896	58,938	90,576	86,244	74,653	77,452	76,123	
Capital support in DEL								
England	8,761	9,649	11,775	11,012	10,547	11,872	11,769	
Scotland	-	0	0	0	0	-	-	
Wales	634	655	909	983	828	1,397	1,192	
Northern Ireland	7	11	1	0	2	14	14	
Total capital support in DEL	9,402	10,316	12,685	11,995	11,376	13,284	12,976	
Total central government support in DEL⁽¹⁾	64,298	69,253	103,261	98,239	86,029	90,736	89,099	
Current finance in departmental AME								
England	41,670	36,299	33,994	24,429	26,244	32,325	28,468	
Scotland	8,514	9,039	13,309	11,960	11,120	9,251	9,710	
Wales	948	911	808	749	710	700	690	
Northern Ireland	-	-	-	-	-	-	-	
Total current finance in departmental AME	51,131	46,249	48,111	37,138	38,074	42,276	38,867	
Capital support in departmental AME								
England	-205	-	74	33	37	126	118	
Scotland	1,040	1,381	1,031	969	1,085	1,297	950	
Wales	-	-	-	-	-	-	-	
Northern Ireland	-	-	-	-	-	-	-	
Total capital support in departmental AME	835	1,381	1,106	1,001	1,123	1,423	1,068	
Total central government support in departmental AME⁽²⁾	51,966	47,630	49,217	38,140	39,196	43,699	39,935	
Locally financed expenditure								
Local authority self-financed expenditure	44,326	47,715	33,878	45,144	45,988	65,921	69,060	
Locally financed support in Scotland ⁽³⁾	2,636	2,853	1,868	2,090	2,766	3,047	3,285	
Locally financed support in Wales	1,050	1,061	699	770	1,030	906	1,121	
Total locally financed expenditure	48,012	51,629	36,445	48,004	49,784	69,874	73,466	
Total financing of local government expenditure	164,277	168,512	188,923	184,382	175,009	204,309	202,500	
Accounting and other adjustments	14,026	17,351	24,434	13,265	30,010	14,558	19,199	
Total local government expenditure	178,303	185,863	213,357	197,647	205,019	218,867	221,698	

⁽¹⁾ Receipts from the EU offset in budgets against the subsequent payment to local government.

⁽²⁾ Includes lottery grants.

⁽³⁾ By convention, non-domestic rates income (NDRI) in Scotland (equivalent to non-domestic rate payments in England and Wales) is shown in PESA as locally raised central government support, as it is finance raised in Scotland rather than funding from Whitehall.

Table 7.2 Central government current grants for local government in the United Kingdom by departmental group, 2018-19 to 2024-25

	National Statistics					£ million	
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn	2023-24 plans	2024-25 plans
England							
Health and Social Care							
Social Care	-	-	-	-	-	-	-
Public Health	3,011	2,932	4,206	4,217	3,196	3,370	3,385
Other	59	62	2,225	1,485	436	-	-
Total Health and Social Care	3,070	2,994	6,431	5,703	3,631	3,370	3,385
Education⁽¹⁾							
Schools Grant	23,405	22,812	23,723	25,307	26,970	28,803	28,634
Pupil Premium	1,351	1,273	1,233	1,211	1,268	1,347	1,257
Private finance initiative grant	751	751	738	752	752	752	751
Other	4,362	4,709	5,870	4,801	5,092	5,839	5,808
Total Education	29,869	29,545	31,563	32,071	34,082	36,741	36,450
Home Office							
Police	10,623	11,346	11,804	11,992	12,763	13,424	14,682
Other	949	522	1,078	1,130	1,412	2,021	1,623
Total Home Office	11,572	11,868	12,882	13,122	14,175	15,445	16,306
DLUHC Housing and Communities							
New Homes Bonus	948	918	907	622	556	291	-
PFI special grant (Housing)	192	187	185	185	173	168	168
Troubled Families	174	155	160	168	207	235	165
City Deals	122	130	175	167	168	166	152
Other	896	840	1,149	1,414	2,624	914	858
Total DLUHC Housing and Communities	2,332	2,229	2,577	2,556	3,729	1,774	1,344
DLUHC Local Government							
Non-domestic rate payments/Revenue Support Grant ⁽²⁾	23,433	22,460	19,216	17,345	18,484	22,185	13,530
Social Care and Better Care Fund	1,818	2,398	3,389	3,689	4,386	6,325	12,757
Covid grants	-	-	12,643	10,347	1,735	-	-
Independent Living Fund	166	161	161	161	161	-	-
PFI special grant	26	26	25	25	25	26	-
Other	578	1,898	2,177	-1,779	-1,918	3,170	1,183
Total DLUHC Local Government	26,021	26,942	37,611	29,788	22,873	31,705	27,470
Transport							
GLA transport	29	28	2,457	1,718	442	16	-
Strategic rail authority	87	0	151	84	104	109	110
PFI special grant	323	322	322	322	322	322	322
Other	180	177	438	317	591	484	544
Total Transport	619	527	3,369	2,441	1,460	930	977
Business and Trade⁽³⁾							
Covid Business Support grants	-	-	8,051	3,852	-1	-	-
Other	13	173	53	66	31	-	-
Total Business, Energy and Industrial Strategy	13	173	8,104	3,918	30	-	-
Environment, Food and Rural Affairs							
Environment, Food and Rural Affairs	211	232	269	214	222	282	190
Total Environment, Food and Rural Affairs	211	232	269	214	222	282	190
Work and Pensions							
Housing benefits ⁽⁴⁾	17,708	15,499	14,908	13,580	13,015	12,493	12,192
Other	508	402	609	1,078	1,207	1,161	295
Total Work and Pensions	18,216	15,901	15,516	14,658	14,222	13,654	12,487
Other government departments	239	208	379	321	315	50	49
Total England	92,164	90,620	118,700	104,791	94,738	103,951	98,657

Table 7.2 Central government current grants for local government in the United Kingdom by departmental group, 2018-19 to 2024-25 (continued)

	National Statistics					£ million	
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn	2023-24 plans	2024-25 plans
Scotland							
Work and Pensions							
Housing benefits ⁽⁴⁾	1,548	1,434	1,335	1,242	1,177	1,104	1,070
Other	-	19	21	18	19	11	11
Total Work and Pensions	1,548	1,453	1,356	1,261	1,196	1,115	1,081
Scottish Government							
Revenue Support Grant	6,885	6,937	10,355	9,167	8,993	7,134	7,635
Non-domestic rate income ⁽⁵⁾	2,636	2,853	1,868	2,090	2,766	3,047	3,285
Other	420	668	1,618	1,551	950	1,013	1,005
Total Scottish Government	9,941	10,458	13,842	12,808	12,709	11,194	11,925
Other government departments	-339	-	-	-	-	-	-
Total Scotland	11,150	11,911	15,198	14,069	13,905	12,309	13,005
Wales							
Home Office							
Police	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total Home Office	-	-	-	-	-	-	-
Work and Pensions							
Housing benefits ⁽⁴⁾	923	880	784	722	684	700	690
Other	-	10	11	10	10	6	6
Total Work and Pensions	923	889	795	732	694	706	695
Welsh Assembly Government							
Non-domestic rate payments/Revenue Support Grant	4,394	4,488	4,959	4,983	5,501	5,257	5,554
Other	921	1,043	1,341	1,475	1,518	1,284	1,308
Total Welsh Assembly Government	5,315	5,531	6,300	6,458	7,019	6,541	6,863
Other government departments	-	-	-	-	-	-	-
Total Wales	6,238	6,420	7,094	7,190	7,713	7,248	7,558
Northern Ireland							
Northern Ireland Executive	162	150	262	192	167	173	176
Total Northern Ireland	162	150	262	192	167	173	176
Total current finance	109,713	109,100	141,254	126,242	116,522	123,682	119,396

⁽¹⁾ Academies are now treated as part of central government, and so their expenditure falls within pay and procurement and is no longer recorded within grants for local government.

⁽²⁾ The level of business rates retained by local authorities has been affected by a number of pilots for 100% rates retention since 2017-18.

⁽³⁾ Data for these departments reflect the Machinery of Government changes announced in 2023 (see para 7.7). Outturn figures are provisional and are likely to be revised.

⁽⁴⁾ Housing Benefit figures reflect the switch of payments from Housing Benefit to Universal Credit, which is funded directly from central government.

⁽⁵⁾ By convention, non-domestic rates income (NDRI) in Scotland (equivalent to non-domestic rate payments in England and Wales) is shown in PESA as locally raised central government support, i.e. It is finance raised in Scotland rather than funding from Whitehall.

Table 7.3 Central government capital support for local government in the United Kingdom by country and departmental group, 2018-19 to 2024-25

	National Statistics						£ million	
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn	2023-24 plans	2024-25 plans	
England								
Capital grants								
Health and Social Care	66	810	939	811	145	648	804	
Education	2,416	1,930	1,289	1,997	2,671	1,931	2,409	
Home Office	148	153	89	120	120	-	-	
Justice	-	-	-	-	-	-	-	
DLUHC - Housing and Communities	3,365	3,594	4,485	3,486	4,147	4,089	4,090	
Culture, Media and Sport ⁽¹⁾	175	61	193	36	48	149	118	
Science, Innovation and Technology ⁽¹⁾	-	-	3	389	-	-	-	
Transport	2,282	3,007	3,635	3,327	3,371	3,869	3,003	
Energy Security and Net Zero ⁽¹⁾	6	0	1,143	641	-158	976	1,153	
Environment, Food and Rural Affairs	97	93	68	226	220	337	310	
Business and Trade ⁽¹⁾	0	1	6	12	20	-	-	
Cabinet Office	1	-	-	-	-	-	-	
Total capital grants	8,557	9,649	11,850	11,045	10,584	11,998	11,887	
Total England	8,557	9,649	11,850	11,045	10,584	11,998	11,887	
Scotland								
Supported borrowing								
Scottish Government	-	-	-	-	-	-	-	
Total supported borrowing	-	-	-	-	-	-	-	
Capital grants								
Scottish Government	1,040	1,381	1,031	968	1,085	1,297	950	
Total capital grants	1,040	1,381	1,031	968	1,085	1,297	950	
Total Scotland	1,040	1,381	1,031	968	1,085	1,297	950	
Wales								
Supported Capital Expenditure (Revenue)⁽²⁾								
Welsh Assembly Government	89	89	89	89	89	89	89	
Total Supported Capital Expenditure (Revenue)	89	89	89	89	89	89	89	
Capital grants								
Welsh Assembly Government	545	566	820	895	739	1,308	1,103	
Total capital grants	545	566	820	895	739	1,308	1,103	
Total Wales	634	655	909	983	828	1,397	1,192	
Northern Ireland capital grants								
Northern Ireland Executive	7	11	1	0	2	14	14	
Total Northern Ireland	7	11	1	0	2	14	14	
Total United Kingdom	10,237	11,697	13,790	12,996	12,499	14,706	14,043	

⁽¹⁾ Data for these departments reflect the Machinery of Government changes announced in 2023 (see para 7.7). Outturn figures are provisional and are likely to be revised.

⁽²⁾ A full definition of Supported Capital expenditure (SCR) is given in Annex G.

Table 7.4 Local government current and capital expenditure on services in the United Kingdom by function, 2018-19 to 2022-23

	National Statistics					£ million
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 plans	
Current						
1. General public services	4,255	4,604	5,922	5,652	5,346	
<i>of which: public and common services</i>	3,405	3,956	5,159	4,865	4,603	
<i>of which: public sector debt interest ⁽¹⁾</i>	850	648	763	787	743	
2. Defence	41	54	143	125	65	
3. Public order and safety	14,348	15,350	16,311	16,959	17,990	
4. Economic affairs	3,500	3,653	8,472	5,807	4,894	
<i>of which: enterprise and economic development</i>	608	690	1,331	1,171	959	
<i>of which: agriculture, fisheries and forestry</i>	88	101	105	104	110	
<i>of which: transport</i>	2,804	2,861	7,035	4,531	3,825	
5. Environment protection	5,772	5,901	6,311	6,297	6,697	
6. Housing and community amenities	2,244	2,319	2,332	2,449	2,607	
7. Health	3,327	3,281	3,827	4,269	3,689	
8. Recreation, culture and religion	3,002	2,968	3,462	3,240	3,186	
9. Education	40,265	41,213	42,792	44,776	46,077	
10. Social protection	54,860	54,165	56,139	56,197	56,397	
Total local government current expenditure on services	131,613	133,507	145,712	145,771	146,948	
Accounting adjustments	26,905	31,484	48,948	30,221	36,492	
Total local government current expenditure	158,518	164,991	194,660	175,992	183,440	
Capital						
1. General public services	1,043	1,340	1,769	1,650	1,291	
<i>of which: public and common services</i>	1,043	1,340	1,769	1,650	1,291	
3. Public order and safety	736	966	896	941	864	
4. Economic affairs	9,686	9,308	7,826	8,324	8,838	
<i>of which: enterprise and economic development</i>	3,153	2,641	1,279	1,258	874	
<i>of which: agriculture, fisheries and forestry</i>	85	158	203	225	339	
<i>of which: transport</i>	6,448	6,510	6,343	6,841	7,626	
5. Environment protection	560	832	704	882	1,216	
6. Housing and community amenities	2,641	3,041	2,468	3,262	4,247	
7. Health	21	22	24	26	31	
8. Recreation, culture and religion	1,328	1,485	1,246	1,529	1,624	
9. Education	3,489	3,349	3,094	3,306	3,286	
10. Social protection	370	424	326	396	452	
Total local government capital expenditure on services	19,874	20,767	18,351	20,317	21,848	
Accounting adjustments	-89	105	346	1,338	-269	
Total local government capital expenditure	19,785	20,872	18,697	21,655	21,579	
Total local government expenditure	178,303	185,863	213,357	197,647	205,019	

⁽¹⁾ This excludes all intra-public sector payments of debt interest.

Table 7.5 Local government current expenditure on services in the United Kingdom by country and function, 2018-19 to 2022-23

	National Statistics					£ million
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 plans	
England						
1. General public services	2,884	2,985	4,564	4,270	3,920	
<i>of which: public and common services</i>	2,884	2,985	4,564	4,270	3,920	
2. Defence	35	48	134	119	57	
3. Public order and safety	13,527	14,468	15,401	16,002	16,974	
4. Economic affairs	2,633	2,684	7,426	4,753	3,834	
<i>of which: enterprise and economic development</i>	331	414	1,024	799	538	
<i>of which: agriculture, fisheries and forestry</i>	73	82	86	85	89	
<i>of which: transport</i>	2,229	2,188	6,317	3,869	3,207	
5. Environment protection	4,572	4,671	4,987	4,970	5,324	
6. Housing and community amenities	1,717	1,876	1,902	1,963	2,005	
7. Health	3,278	3,228	3,784	4,218	3,650	
8. Recreation, culture and religion	2,003	2,039	2,442	2,229	2,166	
9. Education	32,233	32,603	33,422	34,830	36,447	
10. Social protection	46,863	46,192	47,747	47,610	47,243	
Total England	109,746	110,793	121,811	120,962	121,620	
Scotland						
1. General public services	348	783	392	394	399	
<i>of which: public and common services</i>	348	783	392	394	399	
2. Defence	3	3	6	3	4	
3. Public order and safety	-	-	-	-	-	
4. Economic affairs	621	710	741	746	770	
<i>of which: enterprise and economic development</i>	205	196	223	267	328	
<i>of which: agriculture, fisheries and forestry</i>	7	10	9	9	11	
<i>of which: transport</i>	409	504	509	470	431	
5. Environment protection	657	656	699	696	738	
6. Housing and community amenities	135	75	91	94	215	
8. Recreation, culture and religion	578	519	560	564	633	
9. Education	5,332	5,791	6,273	6,645	6,447	
10. Social protection	4,897	4,836	4,970	5,042	5,675	
Total Scotland	12,572	13,374	13,732	14,186	14,881	
Wales						
1. General public services	174	188	203	201	284	
<i>of which: public and common services</i>	174	188	203	201	284	
2. Defence	2	3	3	3	4	
3. Public order and safety	821	882	910	958	1,016	
4. Economic affairs	220	228	279	271	259	
<i>of which: enterprise and economic development</i>	46	50	59	68	61	
<i>of which: agriculture, fisheries and forestry</i>	8	9	11	10	10	
<i>of which: transport</i>	166	169	210	192	188	
5. Environment protection	350	354	404	411	423	
6. Housing and community amenities	110	115	120	122	124	
8. Recreation, culture and religion	206	197	243	242	203	
9. Education	2,700	2,819	3,097	3,301	3,183	
10. Social protection	3,099	3,136	3,422	3,545	3,479	
Total Wales	7,683	7,922	8,681	9,052	8,974	
Total Great Britain	130,001	132,088	144,224	144,201	145,475	
Northern Ireland						
4. Economic affairs	26	31	26	37	32	
<i>of which: enterprise and economic development</i>	26	31	26	37	32	
5. Environment protection	193	220	220	220	212	
6. Housing and community amenities	282	254	219	270	264	
7. Health	49	53	43	51	39	
8. Recreation, culture and religion	214	212	217	205	184	
Total Northern Ireland	763	771	725	783	730	
Debt interest ⁽¹⁾	850	648	763	787	743	
Total local government current expenditure on services	131,613	133,507	145,712	145,771	146,948	
Accounting adjustments	25,246	25,265	15,783	45,229	29,576	
Total local government current expenditure	156,859	158,772	161,495	191,000	176,524	

⁽¹⁾ Debt interest is not allocated to individual countries, so is only included in the total UK figures. It excludes all intra-public sector debt interest payments.

Table 7.6 Local government gross⁽¹⁾ capital expenditure on services in the United Kingdom by country and function, 2018-19 to 2022-23

	National Statistics					£ million
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 plans	
England						
1. General public services	1,548	1,677	1,945	1,951	1,839	
<i>of which: public and common services</i>	1,548	1,677	1,945	1,951	1,839	
3. Public order and safety	831	923	990	902	901	
4. Economic affairs	9,111	8,721	7,116	7,430	7,587	
<i>of which: enterprise and economic development</i>	2,980	2,593	1,217	1,163	669	
<i>of which: agriculture, fisheries and forestry</i>	171	171	180	191	266	
<i>of which: transport</i>	5,960	5,958	5,720	6,076	6,652	
5. Environment protection	409	490	518	669	905	
6. Housing and community amenities	2,546	2,781	2,355	3,073	3,898	
7. Health	20	21	23	24	20	
8. Recreation, culture and religion	1,058	1,216	1,099	1,250	1,274	
9. Education	2,565	2,445	2,209	2,326	2,251	
10. Social protection	336	367	285	350	367	
Total England	18,423	18,643	16,542	17,976	19,042	
Scotland						
1. General public services	184	140	160	167	220	
<i>of which: public and common services</i>	184	140	160	167	220	
3. Public order and safety	-	-	-	-	-	
4. Economic affairs	839	829	652	889	1,075	
<i>of which: enterprise and economic development</i>	322	299	185	269	239	
<i>of which: agriculture, fisheries and forestry</i>	37	38	57	70	66	
<i>of which: transport</i>	480	491	411	551	770	
5. Environment protection	119	292	155	175	162	
6. Housing and community amenities	206	224	183	217	191	
8. Recreation, culture and religion	166	613	127	219	203	
9. Education	665	749	606	670	634	
10. Social protection	56	58	37	54	49	
Total Scotland	2,235	2,904	1,920	2,392	2,534	
Wales						
1. General public services	50	58	75	81	98	
<i>of which: public and common services</i>	50	58	75	81	98	
3. Public order and safety	48	51	70	72	103	
4. Economic affairs	252	217	304	316	370	
<i>of which: enterprise and economic development</i>	62	32	56	52	110	
<i>of which: agriculture, fisheries and forestry</i>	7	7	21	24	29	
<i>of which: transport</i>	183	179	227	239	231	
5. Environment protection	32	45	36	40	139	
6. Housing and community amenities	137	217	141	190	339	
8. Recreation, culture and religion	62	48	65	79	100	
9. Education	330	246	319	345	472	
10. Social protection	26	22	36	32	42	
Total Wales	937	904	1,047	1,154	1,663	
Total Great Britain	21,596	22,452	19,509	21,521	23,240	
Northern Ireland						
4. Economic affairs	4	3	6	10	95	
<i>of which: enterprise and economic development</i>	4	3	6	10	95	
5. Environment protection	12	18	6	14	17	
6. Housing and community amenities	24	31	33	21	54	
7. Health	2	1	1	2	11	
8. Recreation, culture and religion	89	92	43	65	148	
Total Northern Ireland	131	145	90	112	325	
Total United Kingdom	21,726	22,597	19,598	21,634	23,565	
Memorandum						
United Kingdom gross capital expenditure, from above	21,726	22,597	19,598	21,634	23,565	
United Kingdom capital receipts (see table 7.7)	-1,853	-1,830	-1,247	-1,317	-1,717	
Total local government net capital expenditure on services	19,874	20,767	18,351	20,317	21,848	
Accounting adjustments	1,085	-915	2,962	-1,615	-1,433	
Total local government net capital expenditure	20,959	19,852	21,313	18,702	20,415	

⁽¹⁾ 'Gross' - before sales of capital assets and depreciation.

Table 7.7 Local government capital receipts within expenditure on services in the United Kingdom by country and function, 2018-19 to 2022-23

	National Statistics					£ million
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 plans	
England						
1. General public services	-684	-495	-370	-517	-826	
<i>of which: public and common services</i>	-684	-495	-370	-517	-826	
3. Public order and safety	-141	-6	-163	-30	-137	
4. Economic affairs	-478	-429	-226	-296	-227	
<i>of which: enterprise and economic development</i>	-179	-255	-159	-216	-185	
<i>of which: agriculture, fisheries and forestry</i>	-129	-58	-54	-60	-23	
<i>of which: transport</i>	-171	-115	-13	-20	-19	
5. Environment protection	-6	-5	-7	-8	-3	
6. Housing and community amenities	-241	-177	-198	-219	-215	
8. Recreation, culture and religion	-32	-12	-59	-40	-30	
9. Education	-44	-71	-34	-30	-65	
10. Social protection	-42	-19	-28	-38	-3	
Total England	-1,669	-1,214	-1,086	-1,177	-1,506	
Scotland						
1. General public services	-39	-32	-29	-24	-24	
<i>of which: public and common services</i>	-39	-32	-29	-24	-24	
3. Public order and safety	-	-	-	-	-	
4. Economic affairs	-27	-23	-12	-10	-10	
<i>of which: enterprise and economic development</i>	-23	-20	-11	-8	-8	
<i>of which: agriculture, fisheries and forestry</i>	-	-	-	-	-	
<i>of which: transport</i>	-4	-2	-1	-2	-2	
5. Environment protection	-3	-1	-2	-3	-3	
6. Housing and community amenities	-1	-11	-18	-2	-2	
8. Recreation, culture and religion	-1	-454	-1	-1	-1	
9. Education	-21	-16	-4	-4	-4	
10. Social protection	-1	0	-2	-1	-1	
Total Scotland	-92	-537	-68	-44	-44	
Wales						
1. General public services	-15	-8	-12	-9	-17	
<i>of which: public and common services</i>	-15	-8	-12	-9	-17	
3. Public order and safety	-2	-3	-2	-2	-4	
4. Economic affairs	-11	-8	-10	-6	-11	
<i>of which: enterprise and economic development</i>	-11	-7	-10	-3	-5	
<i>of which: agriculture, fisheries and forestry</i>	-	-	-	-	-	
<i>of which: transport</i>	-1	0	0	-3	-6	
5. Environment protection	0	0	0	0	0	
6. Housing and community amenities	-15	-11	-16	-6	-12	
8. Recreation, culture and religion	0	-1	0	-3	-6	
9. Education	-7	-5	-2	-2	-3	
10. Social protection	-4	-4	-1	-1	-1	
Total Wales	-56	-40	-43	-29	-54	
Total Great Britain	-1,817	-1,791	-1,198	-1,250	-1,605	
Northern Ireland						
4. Economic affairs	-3	-3	-5	-9	-40	
<i>of which: enterprise and economic development</i>	-3	-3	-5	-9	-40	
5. Environment protection	-2	-5	-3	-5	-1	
6. Housing and community amenities	-15	-14	-13	-12	-7	
7. Health	0	0	0	0	0	
8. Recreation, culture and religion	-15	-17	-28	-40	-64	
Total Northern Ireland	-36	-39	-49	-66	-112	
Total United Kingdom capital receipts	-1,853	-1,830	-1,247	-1,317	-1,717	

Table 7.8 Local government expenditure on services in the United Kingdom by country and economic category, 2018-19 to 2022-23

	National Statistics					£ million
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 plans	
England						
Pay	50,526	52,378	53,918	55,303	56,835	
Gross current procurement	70,843	73,416	79,252	83,849	84,851	
Income from sales of goods and services	-30,952	-32,078	-31,127	-35,180	-35,620	
Subsidies to private sector companies	1,117	972	4,585	2,868	2,394	
Subsidies to public corporations	15	11	15	16	15	
Current grants to persons and non-profit bodies	18,197	16,094	15,168	14,106	13,145	
Gross capital procurement	16,538	16,467	14,940	15,403	15,237	
Income from sales of capital assets	-1,669	-1,214	-1,086	-1,177	-1,506	
Capital grants	1,885	2,175	1,602	2,573	3,805	
Total England	126,501	128,221	137,266	137,761	139,156	
Scotland						
Pay	6,925	7,915	7,803	8,258	8,463	
Gross current procurement	6,303	6,172	6,656	6,988	7,799	
Income from sales of goods and services	-2,349	-2,265	-2,225	-2,461	-2,668	
Subsidies to public corporations	105	111	117	115	109	
Current grants to persons and non-profit bodies	1,588	1,441	1,380	1,286	1,178	
Gross capital procurement	1,977	2,605	1,648	2,078	2,257	
Income from sales of capital assets	-92	-537	-68	-44	-44	
Capital grants	258	299	272	313	277	
Total Scotland	14,714	15,741	15,583	16,534	17,371	
Wales						
Pay	4,170	4,246	4,654	5,046	5,164	
Gross current procurement	3,879	4,163	4,381	4,654	4,698	
Income from sales of goods and services	-1,311	-1,336	-1,144	-1,385	-1,594	
Current grants to persons and non-profit bodies	945	849	791	737	706	
Gross capital procurement	874	833	979	1,058	1,534	
Income from sales of capital assets	-56	-40	-43	-29	-54	
Capital grants	63	72	68	96	129	
Total Wales	8,564	8,786	9,685	10,177	10,583	
Great Britain						
Pay	61,621	64,539	66,375	68,607	70,462	
Gross current procurement	81,025	83,750	90,289	95,491	97,347	
Income from sales of goods and services	-34,611	-35,679	-34,496	-39,025	-39,882	
Subsidies to private sector companies	1,117	972	4,585	2,868	2,394	
Subsidies to public corporations	120	122	132	131	124	
Current grants to persons and non-profit bodies	20,730	18,385	17,339	16,130	15,030	
Gross capital procurement	19,389	19,905	17,567	18,540	19,029	
Income from sales of capital assets	-1,817	-1,791	-1,198	-1,250	-1,605	
Capital grants	2,206	2,546	1,942	2,982	4,211	
Total Great Britain	149,779	152,749	162,535	164,472	167,110	
Northern Ireland						
Pay	400	403	392	408	454	
Gross current procurement	552	572	553	599	448	
Income from sales of goods and services	-189	-205	-220	-224	-172	
Gross capital procurement	131	145	90	112	325	
Income from sales of capital assets	-36	-39	-49	-66	-112	
Total Northern Ireland	858	877	766	829	943	
United Kingdom						
Pay	62,021	64,942	66,767	69,015	70,916	
Gross current procurement	81,577	84,322	90,843	96,090	97,796	
Income from sales of goods and services	-34,801	-35,884	-34,716	-39,249	-40,054	
Subsidies to private sector companies	1,117	972	4,585	2,868	2,394	
Subsidies to public corporations	120	122	132	131	124	
Current grants to persons and non-profit bodies	20,730	18,385	17,339	16,130	15,030	
Local government debt interest ⁽¹⁾	850	648	763	787	743	
Gross capital procurement	19,520	20,051	17,656	18,652	19,354	
Income from sales of capital assets	-1,853	-1,830	-1,247	-1,317	-1,717	
Capital grants	2,206	2,546	1,942	2,982	4,211	
Total local government expenditure on services	151,487	154,273	164,064	166,088	168,796	
Accounting adjustments	26,816	31,590	49,293	31,559	36,223	
Total local government expenditure	178,303	185,863	213,357	197,647	205,019	

⁽¹⁾ Debt interest is not allocated to individual countries, so is only included in the total UK figures. It excludes all intra-public sector debt interest payments..

8

Public Corporations

8.1 This chapter sets out what public corporations are, recent developments affecting them, how they are controlled, and how they are scored in public expenditure.

8.2 Outturn data in this chapter up to 2022-23 are National Statistics.

What's new

8.3 Not all departments had produced their Annual Report and Accounts for 2022-23 as at publication of PESA 2023. Outturn data may therefore be subject to revisions. The public spending statistics (PSS) release, published on a quarterly basis, will reflect any later revisions made by departments to their 2022-23 outturn.

8.4 In February 2023 the Prime Minister announced a number of Machinery of Government changes which set up three new departments: the Department for Energy Security and Net Zero (DESNZ), the Department for Science, Innovation and Technology (DSIT) and the Department for Business and Trade (DBT)¹.

8.5 DESNZ took over the energy portfolio from the former Department for Business, Energy and Industrial Strategy (BEIS). DSIT brought together the relevant functions from BEIS as well as the digital portfolio of the former Department for Digital, Culture, Media and Sport, which is now the Department for Culture, Media and Sport (DCMS). DBT combined the business focused functions of BEIS with the former Department for International Trade (DIT). In addition, responsibility for National Security and Investment policy was transferred from BEIS to the Cabinet Office.

8.6 Outturn and plans data in PESA 2023 reflect these changes. Note, however, that the outturn figures are still based on provisional calculations to assign expenditure by the former BEIS to the new departments. They are likely to be revised once departments have published their audited 2022-23 Annual Reports and Accounts and have been able to reassess the historical data. These changes will be incorporated into future Public Spending Statistics publications and in the 2023-24 Annual Reports and Accounts where required.

8.7 Plans information should be used with caution because forecasts are subject to change and improvement. Where departments have been unable to supply full breakdowns of their DEL and AME plans for use in PESA, HM Treasury has imputed functional and economic category splits, using earlier years as a guide. AME budgets have not been set beyond 2022-23. Where departments have been unable to provide AME data, OBR forecasts have been used if available. In other cases, budgets have been rolled forward from 2022-23 if appropriate.

¹ Making Government Deliver for the British People (publishing.service.gov.uk)

Definition of public corporations

8.8 Public corporations is a term from National Accounts, which are based on the European System of Accounts (ESA10). The Office for National Statistics (ONS) determines which bodies are public corporations. ONS will classify a body as a public corporation where:

- it is classified as a *market body* – a body that derives more than 50% of its production cost from the sale of goods or services at economically significant prices. Some charge for regulatory activities, where these provide a significant benefit to the person paying the fee, for example through quality testing;
- it is controlled by central government, local government or other public corporations; and
- it has substantial day to day operating independence so that it should be seen as an institutional unit separate from its parent departments.

Self financing public corporations (SFPCs)

8.9 The Treasury has designated some public corporations SFPCs. To be classified as an SFPC, the public corporation must normally trade mainly with non-government customers and not perform regulatory functions. In other words, its income must be from selling goods and services into a competitive market rather than from regulatory fees. It must trade profitably and not require subsidies or other financial support from its parent department.

8.10 SFPCs normally score in departmental AME rather than in DEL – though any subsidies and grants exceptionally paid to them would score in DEL. They also have greater and more individually tailored financial flexibilities. Some SFPCs are also trading funds.

Trading funds

8.11 Where activities of a government department generate income from the supply of goods and services, those parts of the department may be designated trading funds by Parliament on the application of the Government. Trading funds may keep unspent funds from one year to the next without having to surrender surpluses to the Exchequer at the end of each year.

8.12 Most trading funds are classified by ONS as public corporations in the National Accounts. DVLA is the only trading fund that is treated as a central government body in the National Accounts, and therefore in PESA.

8.13 Trading funds are not directly subject to central government administration costs controls. The budgeting treatment of trading funds that are public corporations is normally the same as that of other public corporations.

The budgeting control framework

8.14 The following transactions with and in respect of public corporations accountable to Ministers are normally included in departmental budgets:

- subsidies paid to the public corporation by the department (in resource DEL);
- capital grants paid to the public corporation by the department (in capital DEL);
- interest and dividends received from the public corporation (resource DEL, or resource AME if an SFPC);

- equity purchase in and withdrawals from public corporations (capital DEL, or capital AME if an SFPC) – included with net lending in **Table 8.1**;
- loans and public dividend capital (PDC) invested in the public corporation (capital DEL, or capital AME if an SFPC) – also included with net lending in **Table 8.1**; and
- public corporations’ market and overseas borrowing (PCMOB) where, exceptionally, it is permitted (capital DEL, or capital AME if an SFPC).

8.15 The **Crown Estate** is an SFPC. Uniquely the routine subsidy that is paid to it to cover administration costs is in AME rather than DEL, and the dividends that the Treasury receives from it are recorded outside budgets.

8.16 When PCs are government departments in their own right, as is the case for some trading funds, they will normally be assigned a parent department for budgeting purposes, and the budgetary scoring described above will apply.

8.17 Public corporations controlled by local government include the businesses reporting to Transport for London and local authority airports such as Manchester. DEL and departmental AME include central government support to local government (in **Chapter 7**), some of which may be used by them to support public corporations. However, this is not identified in PESA as relating to public corporations. Therefore the whole of their capital expenditure is included in the public corporations’ ownfinanced capital expenditure line in other AME. They are also included in the bottom line of **Tables 8.1, 8.3, 8.4 and 8.5**, which show the total contribution of all public corporations’ own expenditure to Total Managed Expenditure (TME).

8.18 Table 8.1 shows the impact on departmental budgets (DEL and departmental AME) of public corporations accountable to Ministers. It also shows a reconciliation to the impact of all public corporations, including those accountable to local government, on TME. In this presentation PC gross investment in TME is shown to be the sum of:

- government capital support in budgets (investment grants and net lending to PCs);
- PCMOB in budgets; and
- public corporations’ ownfinanced capital expenditure (PCOFCE).

Grants and subsidies in budgets also include those paid to public corporations under schemes that are generally available to the private sector. Any loans between departments and their PCs that are written off by mutual consent will also be shown here.

8.19 Table 8.2 shows the budgetary information in **Table 8.1** split by department group.

The National Accounts

8.20 TME measures the current and capital expenditure of the public sector as a whole. It is taken from National Accounts compiled by the ONS. In relation to public corporations, TME includes:

- subsidies paid to public corporations;
- the capital expenditure of public corporations, net of sales of assets;
- changes in public corporations’ stocks; and
- interest and dividends paid by public corporations to the private sector and abroad.

8.21 TME is a consolidated measure of public expenditure and so most transfers between different sectors are excluded. This applies to capital grants and net lending paid by central government to public corporations, and interest and dividend flows between general government and public corporations. However, payments of subsidies to, and purchases of goods and services from, public corporations form part of TME as the use of this funding feeds into the calculation of public corporations' gross trading surplus, which scores as an income (or revenue) item in the public sector accounts.

8.22 Grants and subsidies given by public corporations to the private sector and overseas, including debt write-offs by mutual consent, are imputed to general government expenditure in National Accounts, as grant-giving is not held to be a normal function of a commercial body.

8.23 Note that the impact of public corporations on departmental budgets differs from their impact on TME. Accounting adjustments are used to move from DEL *plus* departmental AME *plus* ownfinanced capital expenditure (other AME) to TME (see **Annex D** for a full explanation of the accounting adjustments).

8.24 **Table 8.3** shows the capital expenditure of each major public corporation sponsored by a central government department, and of the biggest public corporations accountable to local government. It also identifies those that are self-financing public corporations or trading funds. The table does not identify separately small public corporations controlled by central government departments nor most public corporations under local authority control – their capital expenditure is included in the accounting adjustments. The figures include the purchase of assets, less sales, plus any capital grants paid by a public corporation net of any received from the private sector or abroad.

8.25 **Tables 8.4 and 8.5** show the capital expenditure from **Table 8.3** broken down by function and economic category respectively. They also include the debt interest payments to the private sector, which is the only public corporation current spending that forms part of TME.

Sources of data and data quality

8.26 Information in **Tables 8.1 and 8.2** forms part of departments' budgets and so should be of good quality. **Annex A** has more information.

8.27 Information on public corporations' capital expenditure is largely sourced from public corporations by departments who in turn supply the data to the Treasury. Our aim is to publish capital spending data for all public corporations accountable to Ministers. However, information is provided by departments primarily for PESA and does not form part of a control total. Information in **Tables 8.3 to 8.5** may therefore not be as up to date or accurate as the information in the other tables in this chapter.

Further Information

8.28 More information is available in the departmental reports of government departments and in the annual reports and accounts of individual public corporations. A fuller list of public corporations is available on the ONS website in *Public Sector Classification Guide*².

² <https://www.ons.gov.uk/economy/nationalaccounts/uksectoraccounts/datasets/publicsectorclassificationguide>

Table 8.1 Public corporations' contribution to budgets and Total Managed Expenditure⁽¹⁾, 2018-19 to 2024-25

	National Statistics							£ million
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
	outturn	outturn	outturn	outturn	outturn	plans	plans	
Resource DEL								
CG dividends from PCs (-)	-122	-185	-91	-61	-104	-68	-40	
CG interest from PCs (-)	-36	-40	-38	-34	-34	-20	-17	
Subsidies to PCs	418	404	9,124	6,184	3,306	1,843	1,389	
Loans written off - mutual consent	-	-	-	-	-	-	-	
Total resource DEL	260	179	8,994	6,089	3,169	1,755	1,332	
Resource departmental AME								
CG dividends from PCs (-)	-124	-110	2	-144	-6	-6	-4	
CG interest from PCs (-)	-107	-112	-65	-135	-114	-76	-85	
Subsidies to PCs	175	166	159	506	184	199	200	
Loans written off - mutual consent	-	-	-	-	-	-	-	
Total resource departmental AME	-57	-56	96	227	64	116	111	
Total public corporations' contribution to resource budget	203	123	9,090	6,316	3,232	1,871	1,443	
Capital DEL								
CG investment grants to PCs	368	250	403	967	1,013	319	258	
Net lending to PCs	100	183	335	1,131	2,260	124	14	
Market and overseas borrowing	91	28	1	111	12	23	20	
Total capital DEL	559	460	739	2,209	3,285	465	292	
Capital departmental AME								
CG investment grants to PCs	1,494	397	433	447	5,348	49,564	162	
Net lending to PCs	-203	45	-175	-128	-27	-1,354	-1,498	
Total capital departmental AME	1,292	442	258	319	5,321	48,210	-1,336	
Total public corporations' contribution to capital budget	1,850	902	998	2,528	8,605	48,675	-1,044	
Other AME								
PC own-financed capital expenditure ⁽²⁾	9,511	9,729	8,655	8,035	8,088	12,001	12,969	
Accounting adjustments	10,610	5,497	-6,617	-8,452	13,551	-12,700	31,318	
Total other AME	20,121	15,226	2,038	-417	21,638	-699	44,287	
Public corporations' expenditure in TME⁽³⁾	22,175	16,252	12,126	8,427	33,476	49,847	44,686	
<i>of which:</i>								
PC current expenditure in TME	6,007	5,032	858	1,935	20,826	37,974	32,465	
PC gross investment in TME	16,168	11,220	11,268	6,492	12,650	11,872	12,221	

⁽¹⁾ Data in this table differ from those shown for public corporations in Table 1.15. Central government subsidies to public corporations are classified as central government own spending in National Accounts, and are shown as such in Table 1.15. In Table 8.1 subsidies are shown as part of public corporations' contribution to the resource budget. Subsidies are removed in the accounting adjustments and do not form part of public corporations' expenditure in TME.

⁽²⁾ Includes capital expenditure by local authority public corporations.

⁽³⁾ This excludes the temporary effects of banks being classified to the public sector.

Table 8.2 Public corporations' contribution to budgets by departmental group⁽¹⁾, 2018-19 to 2024-25

	National Statistics							£ million
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
	outturn	outturn	outturn	outturn	outturn	plans	plans	
Resource DEL								
Health and Social Care	-	-	-	-	-	76	76	
Education	2	3	-	-	-	-	-	
Home Office	-	-	-	0	-	-	-	
Defence	-13	-44	-32	-27	-15	-	-	
Foreign, Commonwealth and Development Office	163	189	147	283	161	181	163	
Total DLUHC - Housing and Communities and DLUHC - Local Government	-2	-2	0	-	-	-	-	
Culture, Media and Sport ⁽²⁾	11	12	13	10	1	1	1	
Science, Innovation and Technology ⁽²⁾	-39	-32	-29	-13	-27	-69	-41	
Transport	-29	-87	8,484	4,650	2,863	1,436	1,005	
Energy Security and Net Zero ⁽²⁾	-1	-1	-1	894	-1	-	-	
Environment, Food and Rural Affairs	19	17	28	23	23	14	11	
Business and Trade ⁽²⁾	56	46	50	55	94	-	-	
Work and Pensions	14	10	10	19	13	20	21	
Cabinet Office	-6	-14	-15	-15	-36	-	-	
Wales	-	-	-	-	-	-	-	
Northern Ireland	85	81	339	210	93	94	96	
Small and Independent Bodies	-	-	-	-	-	-	-	
Total resource DEL	260	179	8,994	6,089	3,169	1,755	1,332	
Resource departmental AME								
Digital, Culture, Media and Sport ⁽²⁾	-60	-61	43	-164	8	32	36	
Energy Security and Net Zero ⁽²⁾	-	-	-	346	-	-	-	
Business and Trade ⁽²⁾	-7	-7	-3	-3	-7	-	-	
HM Treasury	-58	-49	2	-6	-6	-5	-3	
Scotland	65	59	51	51	66	87	76	
Small and Independent Bodies	2	2	2	2	2	2	2	
Total resource departmental AME	-57	-56	96	227	64	116	111	
Total public corporations' contribution to resource budget	203	123	9,090	6,316	3,232	1,871	1,443	
Capital DEL								
Health and Social Care	-97	23	16	42	29	21	20	
Defence	9	-	-	63	5	-	-	
Foreign, Commonwealth and Development Office	-	-	52	5	81	40	0	
Total DLUHC - Housing and Communities and DLUHC - Local Government	49	69	53	-7	-2	11	7	
Science, Innovation and Technology ⁽²⁾	37	52	46	-255	10	5	-2	
Transport	70	10	154	515	194	70	-	
Energy Security and Net Zero ⁽²⁾	-1	0	-	1,339	2,486	19	18	
Environment, Food and Rural Affairs	0	4	1	3	19	40	57	
Business and Trade ⁽²⁾	168	42	29	164	62	-	-	
Work and Pensions	93	72	108	110	138	64	1	
Wales	136	111	140	-17	19	54	51	
Northern Ireland	95	77	141	246	244	141	140	
Total capital DEL	559	460	739	2,209	3,285	465	292	
Capital departmental AME								
Culture, Media and Sport ⁽²⁾	-51	77	1	5	-	-1,921	-1,480	
Science, Innovation and Technology ⁽²⁾	-	-	-	-	-	-	-	
Business and Trade ⁽²⁾	-120	37	-63	-72	55	800	-	
HM Treasury	1,180	-	-	-	5,010	49,100	-	
Scotland	282	328	320	386	256	478	144	
Small and Independent Bodies	-	-	-	-	-	-247	-	
Total capital departmental AME	1,292	442	258	319	5,321	48,210	-1,336	
Total public corporations' contribution to capital budget	1,850	902	998	2,528	8,605	48,675	-1,044	
Total public corporations' contribution to budgets	2,054	1,026	10,088	8,844	11,838	50,546	399	

⁽¹⁾ Data in this table differ from those shown for public corporations in Table 1.15. Central government subsidies to public corporations are classified as central government own spending in National Accounts, and are shown as such in Table 1.15. In Table 8.1 subsidies are shown as part of public corporations' contribution to the resource budget. Subsidies are removed in the accounting adjustments and do not form part of public corporations' expenditure in TME.

⁽²⁾ Data for these departments reflect the Machinery of Government changes announced in 2023 (see para 8.4). Outturn figures are provisional and are likely to be revised.

Table 8.3 Public corporations' capital expenditure on services, 2018-19 to 2024-25

	National Statistics						£ million	
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn	2023-24 plans	2024-25 plans	
Health and Social Care								
NHS Professionals Limited	#	#	#	#	#	#	#	
NHS Blood and Transplant	#	#	#	#	#	#	#	
Total Health and Social Care	#	#	#	#	#	#	#	
Defence								
Defence Support Group	#	#	#	#	#	#	#	
Defence Science and Technology Laboratory ⁽¹⁾	#	#	#	#	#	#	#	
Hydrographic Office ⁽¹⁾	#	#	#	#	#	#	#	
Navy, Army and Air Force Institute	#	#	#	#	#	#	#	
Total Defence	#	#	#	#	#	#	#	
Foreign, Commonwealth and Development Office								
British Council	13	12	11	9	#	#	#	
CDC Group ⁽⁵⁾	#	#	#	#	#	#	#	
Total Foreign, Commonwealth and Development Office	13	12	11	9	#	#	#	
Total DLUHC - Housing and Communities and DLUHC - Local Government								
Fire Service College ⁽¹⁾	#	#	#	#	#	#	#	
QEII Conference Centre ⁽¹⁾	#	#	#	#	#	#	#	
Total DLUHC - Housing and Communities and DLUHC - Local Government	#	#	#	#	#	#	#	
Culture, Media and Sport⁽¹⁾								
Channel Four Television Corporation ⁽⁵⁾	#	#	#	#	#	#	#	
Historic Royal Palaces Trust	#	#	#	#	#	#	#	
Total Digital, Culture Media and Sport	#	#	#	#	#	#	#	
Science, Innovation and Technology⁽¹⁾								
Ordnance Survey ⁽¹⁾	#	#	#	#	#	#	#	
Meteorological Office ⁽¹⁾	#	#	#	#	#	#	#	
Total Science, Innovation and Technology	#	#	#	#	#	#	#	
Transport								
Civil Aviation Authority	#	#	#	#	#	#	#	
Total Transport	#	#	#	#	#	#	#	
Energy Security and Net Zero⁽¹⁾								
British Nuclear Fuels Limited ⁽⁵⁾	#	#	#	#	#	#	#	
Total Energy Security and Net Zero	#	#	#	#	#	#	#	
Environment Food and Rural Affairs								
Covent Garden Market Authority	3	4	0	7	3	3	3	
Total Environment Food and Rural Affairs	3	4	0	7	3	3	3	
Business and Trade⁽¹⁾								
UK Intellectual Property Office	#	#	#	#	#	#	#	
Royal Mail Holdings ⁽⁵⁾	#	#	#	#	#	#	#	
Total Business and Trade	#	#	#	#	#	#	#	
Work and Pensions								
Pension Protection Fund	0	#	#	#	#	#	#	
National Employment Savings Trust	1	#	#	#	#	#	#	
Office for Nuclear Regulation	2	#	#	#	#	#	#	
Total Work and Pensions	3	#	#	#	#	#	#	
HM Treasury								
Crown Estate ⁽⁵⁾	236	#	#	#	#	#	#	
Royal Mint ^{(5) (1)}	#	#	#	#	#	#	#	
Total HM Treasury	236	#	#	#	#	#	#	
Scotland								
Caledonian MacBrayne	66	54	30	60	69	#	#	
Forest Enterprise	2	2	8	7	28	#	#	
Scottish Water	509	513	447	589	653	#	#	
Total Scotland	576	570	485	655	750	#	#	
Northern Ireland								
Northern Ireland Driver and Vehicle Testing Agency ⁽¹⁾	4	4	8	12	17	17	11	
Northern Ireland Housing Executive	-5	-10	-8	-9	4	19	53	
Northern Ireland Public Trust Port Authority	62	62	49	45	41	101	65	
Northern Ireland Transport Holding Company	102	104	156	242	252	297	389	
Total Northern Ireland	165	160	206	290	314	434	517	

Table 8.3 Public corporations' capital expenditure on services, 2018-19 to 2024-25 (continued)

	National Statistics							£ million
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
	outturn	outturn	outturn	outturn	outturn	plans	plans	
Local Government								
Transport Trading Limited	1,594	1,435	1,035	1,138	1,237	1,767	*	
England Housing Revenue Account	2,749	3,384	3,522	4,081	4,782	4,405	4,489	
Scotland Housing Revenue Account	723	884	659	927	1,048	966	984	
Wales Housing Revenue Account	270	303	258	313	429	395	403	
Total Local Government	5,336	6,006	5,474	6,459	7,497	7,533	*	
Total public corporations' capital expenditure on services	6,333	6,751	6,176	7,420	8,563	7,970	8,359	
Accounting Adjustments	9,835	4,469	5,092	-928	4,087	3,902	3,862	
<i>of which: Housing Associations</i> ⁽²⁾	1,331	216	54	-	-	-	-	
Total public corporations' capital expenditure ⁽³⁾	16,168	11,220	11,268	6,492	12,650	11,872	12,221	

* Data unavailable. Capital expenditure by public corporations in years where data are unavailable form part of the accounting adjustments.

⁽¹⁾ denotes public corporation with trading fund status.

⁽²⁾ Denotes self-financing public corporation (SFPC). The estimated outturn and plans for capital expenditure SFPCs are not shown individually in this table but are represented by *. The figures are included in the overall total.

⁽³⁾ Data for these departments reflect the Machinery of Government changes announced in 2023 (see para 8.4). Outturn figures are provisional and are likely to be revised.

⁽⁴⁾ The Office for National Statistics has concluded that registered providers of social housing in England are private, market producers and as such were re-classified to the private non-financial corporations sector. This classification took effect from 16 November 2017.

⁽⁵⁾ This excludes the temporary effects of banks being classified to the public sector.

Table 8.4 Public corporations' current and capital expenditure on services by function, 2018-19 to 2024-25

	National Statistics							£ million
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn	2023-24 plans	2024-25 plans	
Public corporations' current expenditure on services								
1. General public services	5,663	4,546	508	1,212	20,818	37,974	32,465	
<i>of which: public sector debt interest ⁽¹⁾</i>	5,663	4,546	508	1,212	20,818	37,974	32,465	
Total public corporations' current expenditure on services	5,663	4,546	508	1,212	20,818	37,974	32,465	
Accounting adjustments	344	486	350	723	8	-	-	
Total public corporations' current expenditure	6,007	5,032	858	1,935	20,826	37,974	32,465	
Public corporations' capital expenditure on services								
1. General public services	250	12	11	9	-	-	-	
<i>of which: public and common services</i>	237	-	-	-	-	-	-	
<i>of which: international services</i>	13	12	11	9	-	-	-	
2. Defence	-	-	-	-	-	-	-	
3. Public order and safety	-	-	-	-	-	-	-	
4. Economic affairs	1,836	1,665	1,287	1,511	1,647	2,184	2,430	
<i>of which: enterprise and economic development</i>	2	-	-	-	-	-	-	
<i>of which: employment policies</i>	-	-	-	-	-	-	-	
<i>of which: agriculture, fisheries and forestry</i>	5	6	8	14	31	3	3	
<i>of which: transport</i>	1,829	1,659	1,279	1,496	1,616	2,181	2,427	
5. Environment protection	-	-	-	-	-	-	-	
6. Housing and community amenities	4,246	5,074	4,878	5,901	6,916	5,786	5,929	
7. Health	-	-	-	-	-	-	-	
8. Recreation, culture and religion	-	-	-	-	-	-	-	
10. Social protection	0	-	-	-	-	-	-	
Total public corporations' capital expenditure on services	6,333	6,751	6,176	7,420	8,563	7,970	8,359	
Accounting adjustments	9,835	4,469	5,092	-928	4,087	3,902	3,862	
Total public corporations' capital expenditure	16,168	11,220	11,268	6,492	12,650	11,872	12,221	

⁽¹⁾ Includes expenditure by the Public Corporations, Bank of England and Public Sector Pensions sectors in the ONS' Public Sector Finances release.

Table 8.5 Public corporations' current and capital expenditure by economic category, 2018-19 to 2024-25

	National Statistics						£ million
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn	2023-24 plans	2024-25 plans
Public corporations' current expenditure on services							
Public corporations' debt interest ⁽¹⁾	5,663	4,546	508	1,212	20,818	37,974	32,465
Total public corporations' current expenditure on services	5,663	4,546	508	1,212	20,818	37,974	32,465
Accounting adjustments	344	486	350	723	8	-	-
Total public corporations' current expenditure	6,007	5,032	858	1,935	20,826	37,974	32,465
Public corporations' capital expenditure on services							
Gross capital procurement	7,970	8,118	7,328	8,927	10,047	9,331	9,744
Income from sales of assets	-1,645	-1,372	-1,155	-1,510	-1,487	-1,363	-1,389
Capital grants	7	5	4	3	3	3	3
Total public corporations' capital expenditure on services	6,333	6,751	6,176	7,420	8,563	7,970	8,359
Accounting adjustments	9,835	4,469	5,092	-928	4,087	3,902	3,862
Total public corporations' capital expenditure	16,168	11,220	11,268	6,492	12,650	11,872	12,221
Total public corporations' expenditure on services	11,996	11,297	6,684	8,632	29,381	45,945	40,823
Accounting adjustments	10,179	4,955	5,442	-205	4,095	3,902	3,862
Total public corporations' expenditure⁽²⁾	22,175	16,252	12,126	8,427	33,476	49,847	44,686

⁽¹⁾ Includes expenditure by the Public Corporations, Bank of England and Public Sector Pensions sectors in the ONS' Public Sector Finances release.

⁽²⁾ This excludes the temporary effects of banks being classified to the public sector.

9

Public expenditure by country, region and function

9.1 This chapter presents analyses of public expenditure by country, region and function. Data in this Chapter for all years are National Statistics. Readers need to bear in mind the following two points about this chapter:

9.2 The first is that the information in **Chapters 9 and 10** was gathered in a separate data collection exercise during the summer of 2022. Therefore, the figures in these chapters are not entirely consistent with the figures in other PESA chapters. Following the practice instituted in PESA 2017, data presented in these chapters are *identical* to that published on GOV.UK in the Country and Regional Analysis (CRA) National Statistics release from November 2022¹. Therefore:

- TME, debt interest and EU transaction totals that feed into these tables are from data sourced in November 2022.
- Similarly, Census day and mid-year population estimates and GDP deflators used to produce 'per head' and 'real terms' tables respectively are also from the most up-to-date available sources as at November 2022. For clarification, the GDP deflators presented in Annex F of PESA are as of 30 June 2023 and are the source for 'real terms' tables seen elsewhere in this publication.

9.3 The second point is that most public spending is planned to benefit categories of individuals and enterprises irrespective of location, or where locations are prioritised using national criteria. The regional analyses presented in this chapter show where the individuals and enterprises that benefited from public spending were located. It does not mean that all such spending was planned to benefit a particular region because only a minority of public spending is planned on a regional basis.

What's new

9.4 There are no changes to presentation of tables to report since PESA 2022. As per last year, users following the link to the November 2022 publication, will find the inclusion of a methodology document giving a brief overview of how 2021-22 expenditure was assigned to countries and regions by departments and HM Treasury.

How public expenditure is planned and controlled

9.5 Public expenditure is planned and controlled on a departmental basis, except where devolved responsibility lies with the Scottish Government, Welsh Government, Northern Ireland Executive, or with local government. This means that in several areas expenditure is planned on a UK-wide or GB-wide basis rather than by reference to a single country. For example, the Department for Work and Pensions (DWP) is responsible for the operation of the social security benefit system throughout Great Britain, but not Northern Ireland.

¹ <https://www.gov.uk/government/statistics/country-and-regional-analysis-2022>

9.6 The Country and Regional Analysis (CRA) exercise is a statistical analysis. It plays no direct part in resource allocation.

The tables

9.7 Most of the tables in this chapter provide an analysis of spending for the period 2017-18 to 2021-22. Information on methods and data quality is provided in the sections below.

9.8 **Table 9.1a** shows identifiable public sector expenditure on services by country and region. This spending is also shown in **Table 9.1b** on a per head basis, **Table 9.2a** in real terms and **Table 9.2b** in real terms on a per head basis.

9.9 **Table 9.3a** shows identifiable public sector expenditure on services by country and region with a breakdown for capital and current expenditure. This spending is shown in **Table 9.3b** on a per head basis, **Table 9.4a** in real terms and **Table 9.4b** in real terms on a per head basis.

9.10 **Tables 9.5 to 9.14** each focus on a particular function, showing current, capital and total public sector expenditure by country and region.

9.11 **Table 9.15** shows identifiable public sector spending by function, country and region on a per-head basis. **Table 9.16** shows these per-head figures as percentages of the average UK level.

9.12 **Tables 9.17 to 9.20** provide a sectoral breakdown of **Tables 9.1 and 9.2**.

9.13 **Tables 9.17 to 9.20** provide a sector breakdown of **Tables 9.1a and 9.1b**. **Table 9.17** shows the country and regional allocations of local government expenditure, and **Table 9.18** shows this on a per head basis. **Tables 9.19 and 9.20** show the equivalent presentations for total expenditure on services *excluding* local government spending.

9.14 For Scotland, Wales and Northern Ireland, **Table 9.21** shows the relative contributions of the devolved administrations, Whitehall departments and local government under each functional heading. This table covers 2021-22 only.

9.15 A supplementary database and tables are available on GOV.UK alongside the November 2022 CRA release. This will include the information in **Table 9.21** for earlier years, while the interactive tables allow users to choose how they view the data.

Methods

The process of apportioning expenditure by country and region

9.16 In order to provide information on the allocation of expenditure by country and region, the Treasury asks the UK government departments and devolved administrations to undertake an annual statistical exercise. This is based on underlying expenditure data from the July 2022 PESA publication.

- The exercise is based on spending by the Devolved Administration and the subset of departmental spending that can be identified as benefiting the population of individual regions. It asks departments and Devolved Administrations to apportion that spending between countries and regions following guidance issued by the Treasury.
- The Treasury then collates departments' returns and combines these with the known spending of local government to produce the analyses of public expenditure by Scotland, Wales, Northern Ireland and the English regions that are published in this release.

9.17 CRA figures in this chapter includes a wider coverage of expenditure for Scotland, Wales and Northern Ireland than that for which the devolved administrations and the Secretaries of State for Scotland, Wales and Northern Ireland are directly responsible.

Identifiable expenditure on services

9.18 The CRA are set within the overall total expenditure on services (TES) framework, which broadly represents total current and capital spending of the public sector. As such, it is similar to the National Accounts measure of Total Managed Expenditure (TME). The main difference from TME is that expenditure on services does not include general government capital consumption (depreciation) and does not reverse the deduction of certain VAT refunds in departments' budget-based expenditure data. See **Annex E** for further information on this framework. For the country and regional analyses, expenditure on services is divided into identifiable and non-identifiable expenditure:

- Around 86 per cent of total expenditure on services is **identifiable** expenditure, which has been incurred for the benefit of individuals, enterprises or communities within particular regions. Examples are health, education, and social protection spending; and
- **non-identifiable** expenditure, constituting the remaining 14 per cent of total expenditure on services, is deemed to be incurred on behalf of the United Kingdom as a whole. Examples include the majority of expenditure on defence, overseas representation, tax collection and debt interest.

9.19 Where precise accounting data on the recipients' locations are not available, allocation is based on other available information, following rules set down in the Treasury's guidance for departments. For example, administration costs incurred centrally in support of regional spending are attributed to regions in the same proportions as the spending that they support. In other cases, departments approximate regional benefits where the immediate beneficiaries' head office locations mask the final recipients' locations.

9.20 Expenditure financed by EU receipts can be classified as identifiable or non-identifiable depending on the characteristics of the expenditure itself. Receipts from the EU are treated as non-identifiable within TES. Consequently, regional expenditure includes the expenditure financed by EU receipts. Payments to the EU are attributed to 'outside UK' as these are transfer payments that the EU then spends. In 2018-19 and 2019-20 departments and devolved administrations were provided with funding for the purpose of EU Exit preparation. Although it is not possible to identify this expenditure separately in any of the tables or data published in the CRA, it is included within the spending aggregates. The amounts allocated to individual departments have been published elsewhere². Following the UK's withdrawal from the EU, European Union Financial Settlement payments and receipts are also treated as 'Outside UK' within the CRA.

How identifiable expenditure is attributed to Scotland, Wales, Northern Ireland and the English regions

9.21 Identifiable expenditure is attributed to a specific country or region using the 'for' basis wherever possible, which records the regions that benefited from the spending or whom the spending was for, rather than simply the location where the spending took place (the 'in' basis). Where it is not possible to allocate spending to regions on a 'for' basis, the 'in' basis is used instead. For most spending, the 'for' and the 'in' bases would in practice offer the same result.

² <https://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2018-03-13/HCWS540/> and <https://questions-statements.parliament.uk/written-statements/detail/2018-12-18/HCWS1205>

9.22 A number of issues can be identified that limit the ability to offer a complete picture of 'who benefits?':

- **practical difficulties:** for example, schools are not used solely by the residents of the region in which they are located. Definitional and border problems become increasingly significant the smaller the geographical unit considered;
- **conceptual problems:** for example, agricultural support is treated as benefiting the farmers who receive subsidies rather than the final consumers of food; and
- **data collection issues:** departments are encouraged, but not required, to allocate spending on the basis of 'who benefits?'. If spending is not significant (less than £20m annually on capital or current) or relevant information for allocating it to regions is not available, departments may use some statistical proxy instead. This might include using straight population shares, or the same allocation proportions as other related spending. It is neither considered practical nor cost-effective to collect local government spending data on the basis of 'who benefits?'. Instead, local government spending is assumed to benefit the area of the spending authority.

Data on public expenditure by country and region

9.23 The tables in this chapter present the spending attributed to the English regions alongside that attributed to Scotland, Wales and Northern Ireland. Although the figures are comparable, care is still needed when making cross-national comparisons because of the different scope of public sector activities in different countries. For example, water supply is a public sector function in Scotland and Northern Ireland, but is in the private sector in England and Wales.

9.24 The data cover central government, local government and public corporations.

9.25 Subsequent inconsistencies between the CRA and earlier chapters in PESA reflect updates that have been made by departments and local authorities since the summer of 2022.

9.26 Information on local government spending in the CRA is based on data supplied by the Department for Levelling Up, Housing and Communities (DLUHC) and the Department for Work and Pensions (DWP), as well as the devolved administrations. English local government spending is attributed to regions by the Treasury using information supplied by DLUHC.

Non-identifiable expenditure

9.27 Non-identifiable expenditure, which is deemed to be incurred on behalf of the United Kingdom as a whole, makes up around 14 per cent of total public sector expenditure on services. The main elements are:

- Public sector debt interest payments;
- Defence spending by the Ministry of Defence (MoD) and the Security and Intelligence Agencies. Expenditure by the MoD which is not classed as part of the defence function (e.g. war pension benefits and military museums) is included within identifiable expenditure;
- Receipts from the European Union (see 9.20 above for treatment of spending financed by EU receipts);
- Expenditure by the BBC (classified as part of the Central Government sector by the Office for National Statistics);
- Expenditure on tax collection by HM Revenue & Customs;

- Home Office expenditure on UK border and migration policy and the Passport Office; and
- Expenditure by the Foreign, Commonwealth and Development Office (FCDO) on UK representation overseas

9.28 In CRA 2022 no new significant areas of spend have been classified as non-identifiable. Historically, spending on the 2012 London Olympics were treated as mix of identifiable and non-identifiable expenditure:

- Prior to the 2012 edition of the CRA all expenditure on the Olympics was classified as non-identifiable and was entirely within the 'Recreation, Culture and Religion' function;
- From 2012, following detailed analysis of available data, infrastructure related spending was treated as identifiable and was allocated to London. In addition, some expenditure was reclassified to other functions such as economic affairs, transport and housing as appropriate. Olympic spending which was not on infrastructure (e.g. running costs) continued to be treated as non-identifiable.

9.29 Spending related to the 2022 Commonwealth Games, that was held in Birmingham is being treated as identifiable spend assigned to the West Midlands. The treatment of this spending will be kept under review and updated in future releases if there are any changes.

Data quality

9.30 The CRA is intended to give a broad picture of relative spending for the benefit of different regions and countries. Small differences in regional spending should not be treated as significant.

9.31 In order not to overstate the accuracy of the figures provided, numbers in the CRA are rounded to the nearest £1 million. The CRA will be subject to imprecision because:

- the concept of 'who benefits?' is open to interpretation;
- simplifying assumptions are made in order to reduce the reporting burden for government bodies;
- the robustness of allocation methods varies according to the availability of data. Public service pension spending can be allocated on the basis of the postcodes of recipients, giving a very accurate regional allocation. Other apportionments require a higher degree of estimation; and
- the Treasury asks the largest departments to allocate their spending to Scotland, Wales, Northern Ireland and the English regions, whereas spending for the remaining departments (de minimis) are pro-rated using the total expenditure of the larger departments.

9.32 Some of the steps that departments and the Treasury undertake to ensure that data is of sufficient quality to be used in the CRA include:

- the issuance of clear guidance by the Treasury to departments in order to obtain consistency where possible;
- meetings between departments and the Treasury to discuss methods of allocation;

- considerable resources devoted by departments to the work, including the involvement of statisticians in preparing their returns to the Treasury. The return is signed off by a statistics Head of Profession, finance director, or a senior accountant in the department as being produced in accordance with the CRA guidance, and where applicable accompanied by a statement on data quality (see below).

9.33 In their accompanying statements on data quality some departments have identified areas of their CRA return where the methods used have changed from previous years, are provisional, or do not fully meet the methodology set out in the CRA guidance. Specific comments made by departments on data quality for CRA 2022 are:

- Former Department for Business, Energy and Industrial Strategy (BEIS):** In past CRA exercises the segment: S084A222-RENEWABLE HEAT INCENTIVE which amounted to around £0.9bn in 2021-22, had been classified in subfunction: 4.8 R&D economic affairs. After reviewing this segment with BEIS, it has now been reclassified to subfunction: 4.3 Fuel and energy for all five years of outturn. UK research and Innovation (UKRI) is an umbrella body for several research councils as well as for Innovate UK and for Research England. In recent years UKRI have started publishing country and region splits of their expenditure. For this year's CRA these published splits have been used to produce country and regional breakdowns for Innovate UK (£1.0bn in 2021-22) and for Research England (£2.6bn in 2021-22).
- Department for Work and Pensions (DWP):** In 2021-22 the Kickstart scheme came into the CRA amounting to around £0.9bn. As a source for a regional breakdown DWP have pointed us to country and regional analysis of number of jobs started under Kickstart, that was attached to a written ministerial answer from earlier in the year. This was used to produce a breakdown of Kickstart.
- HM Revenue and Customs (HMRC):** There are two HMRC segments relating to corporations' R&D tax credits. S041A023-SMALL COMPANIES R&D and S041A032-R&D TAX CREDITS: ABOVE THE LINE amounting to a combined £10.7bn in 2021-22. In prior years these have been apportioned using regional GDP, however this year, the apportionment has been produced using published HMRC country and regional data on R&D tax credits.

Coronavirus Covid-19 expenditure in the CRA

9.34 The Coronavirus (Covid-19) pandemic has continued to affect the statistics across the time series available in the Country and Regional Analysis (CRA). We therefore recommend caution when comparing data across the time period covered by this release.

9.35 Public spending undertaken in response to the Coronavirus outbreak is included in this release, but not all of it can be separately identified from the CRA data. Additional expenditure by the NHS on PPE, for example, will be reflected in the higher spending on health in table 9.11, but it is not possible to say from the underlying CRA data how much of that increase was in response to the Coronavirus. The expenditure that can be identified in the underlying CRA data covers the following:

- HMRC expenditure on the Coronavirus Job Retention Scheme (CJRS), Self-Employment Income Support Scheme (SEISS) and the Eat Out to Help Out (EOHO) scheme. This is shown as a single aggregate.
- Expenditure by BEIS on the Bounce Back Loan Scheme (BBLs), the Coronavirus Large Business Interruption Loan Scheme (CLBILs), the Coronavirus Business Interruption Loan Scheme (CBILs), Covid business support grants and the Vaccines Taskforce.

9.36 Together this totals around £121.5 billion in 2020-21 and £18.4 billion in 2021-22. The methodology used to assign the spend to England, Scotland, Wales, Northern Ireland and the English regions is set out in full in the separate methodology note, but is consistent with breakdowns already published by HMRC and the British Business Bank^{3, 4}. In June 2022 the National Audit Office put the cumulative cost of the government's pandemic-related measures at £321 billion. Departments' individual Annual Reports and Accounts include analysis of COVID-19 related expenditure, alongside a summary of the impact of the pandemic on departmental activities and outcomes. Further information on measures announced by the government in response to the Coronavirus pandemic, how much has been spent, and how it is treated in the National Accounts may also be found in publications by the National Audit Office and the Office for National Statistics^{5, 6}.

Population figures used in the CRA following Census 2021

9.37 Population figures used in the CRA are based on the most up-to-date figures available. For 2021-22 this is 2021 census data for England, Wales and Northern Ireland and mid-year population estimates for Scotland. All other years are ONS mid-year population estimates. The lack of a consistent source for all years means there may be some inconsistencies in the population numbers between financial years and also between Scotland and the rest of the United Kingdom. The covid pandemic has also had an impact on the regional breakdown, with London's population showing a fall in 2021-22 for example, but as updated population figures for 2020-21 were unavailable the full effect is not yet reflected in the CRA. These issues will have affected the per head numbers presented here, so we recommend caution when comparing movements between years. More information on the population figures is set out in section 3.5 of the November 2022 CRA⁷ HTML document.

³ <https://www.gov.uk/government/collections/hmrc-coronavirus-covid-19-statistics>

⁴ <https://www.british-business-bank.co.uk/press-release/analysis-of-final-coronavirus-loan-scheme-data-shows-79-3bn-of-loans-to-1-67m-businesses-evenly-distributed-across-whole-of-the-uk/>

⁵ <https://www.nao.org.uk/covid-19/cost-tracker/>

⁶ <https://www.ons.gov.uk/economy/governmentpublicsectorandtaxes/publicsectorfinance/articles/developmentofpublicsectorfinancestatistics/May2021>

⁷ <https://www.gov.uk/government/statistics/country-and-regional-analysis-2022>

Table 9.1a Total identifiable expenditure on services, 2017-18 to 2021-22

	£ million						as a per cent of identifiable expenditure								
	National Statistics			National Statistics			National Statistics			National Statistics					
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn
North East	26,720	26,564	27,400	35,555	31,838	4	4	4	4	4	4	4	4	4	4
North West	70,996	72,140	74,920	99,357	89,762	11	11	11	11	11	11	11	11	11	11
Yorkshire and The Humber	48,496	49,840	51,487	69,083	61,006	8	7	7	7	7	7	7	7	7	7
East Midlands	39,766	41,187	43,041	58,469	51,378	6	6	6	6	6	6	6	6	6	6
West Midlands	52,291	54,941	57,202	76,469	68,734	8	8	8	8	8	8	8	8	8	8
East	51,537	54,129	56,725	78,301	68,339	8	8	8	8	8	8	8	8	8	8
London	90,933	93,207	98,343	138,714	120,724	14	14	14	14	14	14	14	15	15	15
South East	75,332	79,138	82,104	113,592	98,953	12	12	12	12	12	12	12	12	12	12
South West	47,926	49,675	51,833	70,758	61,689	7	7	7	7	7	7	7	8	8	8
Total England	502,996	520,821	543,055	740,298	652,424	78	78	79	80	80	78	79	80	80	80
Scotland	58,637	60,647	63,006	80,871	76,067	9	9	9	9	9	9	9	9	9	9
Wales	32,406	33,319	34,333	44,988	41,642	5	5	5	5	5	5	5	5	5	5
Northern Ireland	20,820	21,778	22,729	29,012	26,761	3	3	3	3	3	3	3	3	3	3
UK identifiable expenditure	614,859	636,566	663,124	895,169	796,894	96	96	96	97	97	96	96	97	97	97
Outside UK	26,409	29,994	28,268	27,234	22,125	4	4	4	4	4	4	4	3	3	3
Total identifiable expenditure	641,268	666,559	691,392	922,403	819,019	100	100	100	100	100	100	100	100	100	100
as a per cent of Total Managed Expenditure															
National Statistics															
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn
Identifiable expenditure	641,268	666,559	691,392	922,403	819,019	76	78	78	83	78	76	78	78	83	78
Non-identifiable expenditure	108,742	106,037	107,206	101,157	138,672	13	12	12	9	13	13	12	9	9	13
Public sector expenditure on services	750,010	772,596	798,597	1,023,560	957,691	89	90	90	92	91	89	90	90	92	91
Accounting adjustments	89,538	85,297	92,406	83,073	89,585	11	10	10	8	9	11	10	10	8	9
Total Managed Expenditure	839,548	857,893	891,003	1,106,633	1,047,276	100	100	100	100	100	100	100	100	100	100

Table 9.1b Total UK identifiable expenditure on services, per head 2017-18 to 2021-22⁽¹⁾

	£ per head						Index (UK identifiable expenditure = 100)								
	National Statistics			National Statistics			National Statistics		National Statistics		National Statistics				
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn
North East	9,725	9,994	10,262	13,263	12,027	104	104	103	99	101	104	104	103	99	101
North West	9,781	9,893	10,205	13,486	12,102	105	103	103	101	102	105	103	103	101	102
Yorkshire and The Humber	8,898	9,096	9,356	12,501	11,131	96	95	94	94	94	96	95	94	94	94
East Midlands	8,334	8,573	8,900	12,017	10,528	90	89	90	90	88	90	89	90	90	88
West Midlands	8,922	9,311	9,640	12,826	11,550	96	97	97	96	97	96	97	97	96	97
East	8,355	8,729	9,096	12,490	10,788	90	91	92	94	91	90	91	92	94	91
London	10,304	10,463	10,973	15,408	13,719	111	109	111	115	115	111	109	111	115	115
South East	8,296	8,664	8,944	12,324	10,665	89	90	90	92	90	89	90	90	92	90
South West	8,621	8,871	9,215	12,503	10,820	93	93	93	94	91	93	93	93	94	91
England	9,044	9,304	9,648	13,091	11,549	97	97	97	98	97	97	97	97	98	97
Scotland	10,809	11,152	11,533	14,795	13,881	116	116	116	111	117	116	116	116	111	117
Wales	10,369	10,616	10,890	14,194	13,401	111	111	110	106	113	111	110	110	106	113
Northern Ireland	11,129	11,574	12,003	15,306	14,062	120	121	121	115	118	120	121	121	115	118
UK identifiable expenditure	9,310	9,582	9,927	13,345	11,897	100	100	100	100	100	100	100	100	100	100

⁽¹⁾ Per head figures in 2021-22 are calculated using the latest available population estimates for Scotland and Census figures for the rest of the UK. Earlier years are calculated using mid-year population estimates from the ONS. See Annex within the CRA 2022 release for further details including information on how population figures may have been affected by movements related to the pandemic, especially in London.

Table 9.2a Real terms⁽¹⁾: Total identifiable expenditure on services, 2017-18 to 2021-22

	National Statistics					£ million
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
North East	28,447	28,863	29,017	35,386	31,838	
North West	78,521	78,386	79,343	98,887	89,762	
Yorkshire and The Humber	53,636	54,156	54,527	68,756	61,006	
East Midlands	43,981	44,754	45,583	58,192	51,378	
West Midlands	57,833	59,698	60,580	76,107	68,734	
East	57,000	58,816	60,075	77,930	68,339	
London	100,572	101,277	104,150	138,058	120,724	
South East	83,317	85,990	86,951	113,054	98,953	
South West	53,006	53,976	54,893	70,423	61,689	
England	556,312	565,916	575,119	736,793	652,424	
Scotland	64,852	65,898	66,727	80,489	76,067	
Wales	35,841	36,204	36,361	44,775	41,642	
Northern Ireland	23,026	23,664	24,071	28,875	26,761	
UK identifiable expenditure	680,032	691,682	702,277	890,931	796,894	
Outside UK	29,208	32,591	29,937	27,105	22,125	
Total identifiable expenditure	709,240	724,273	732,214	918,036	819,019	
Non-identifiable expenditure	120,268	115,218	113,536	100,678	138,672	
Total Expenditure on Services	829,508	839,491	845,750	1,018,714	957,691	
Accounting adjustments	99,029	92,682	97,862	82,679	89,585	
Total Managed Expenditure	928,537	932,173	943,611	1,101,394	1,047,276	

⁽¹⁾ Real terms figures are the nominal figures adjusted to 2021-22 price levels using GDP deflators from the Office for National Statistics (released 30 September 2022).

Table 9.2b Real terms⁽¹⁾: Total UK identifiable expenditure on services per head⁽²⁾, 2017-18 to 2021-22

	National Statistics					£ per head
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
North East	10,756	10,859	10,868	13,200	12,027	
North West	10,818	10,749	10,808	13,422	12,102	
Yorkshire and The Humber	9,841	9,883	9,909	12,441	11,131	
East Midlands	9,217	9,316	9,426	11,960	10,528	
West Midlands	9,868	10,117	10,209	12,765	11,550	
East	9,241	9,485	9,633	12,431	10,788	
London	11,396	11,369	11,621	15,336	13,719	
South East	9,175	9,415	9,472	12,265	10,665	
South West	9,535	9,639	9,759	12,444	10,820	
England	10,002	10,110	10,218	13,029	11,549	
Scotland	11,955	12,118	12,214	14,725	13,881	
Wales	11,469	11,535	11,532	14,126	13,401	
Northern Ireland	12,308	12,576	12,711	15,233	14,062	
UK identifiable expenditure	10,297	10,411	10,514	13,281	11,897	

⁽¹⁾ Real terms figures are the nominal figures adjusted to 2021-22 price levels using GDP deflators from the Office for National Statistics (released 30 September 2022).

⁽²⁾ Per head figures in 2021-22 are calculated using the latest available population estimates for Scotland and Census figures for the rest of the UK. Earlier years are calculated using mid-year population estimates from the ONS. See Annex within the CRA 2022 release for further details including information on how population figures may have been affected by movements related to the pandemic, especially in London.

Table 9.3a Total current and capital identifiable expenditure, 2017-18 to 2021-22

	Total expenditure on services						of which: current						of which: capital						£ million
	National Statistics						National Statistics						National Statistics						
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn		2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn		2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn		
North East	25,720	26,564	27,400	35,555	31,838		23,870	24,501	25,135	32,409	29,567		1,850	2,063	2,265	3,146	2,271		
North West	70,996	72,140	74,920	99,357	89,762		63,049	64,977	67,646	88,761	81,212		7,947	7,163	7,274	10,596	8,550		
Yorkshire and The Humber	48,496	49,840	51,487	69,083	61,006		44,829	45,892	47,285	62,773	56,569		3,667	3,948	4,202	6,310	4,438		
East Midlands	39,766	41,187	43,041	58,469	51,378		36,961	38,205	39,713	53,231	47,878		2,805	2,982	3,328	5,237	3,501		
West Midlands	52,291	54,941	57,202	76,469	68,734		48,358	49,908	51,539	68,174	62,067		3,933	5,033	5,663	8,295	6,667		
East	51,537	54,129	56,725	78,301	68,339		46,627	48,411	50,600	69,632	62,098		4,910	5,718	6,125	8,669	6,241		
London	90,933	93,207	98,343	138,714	120,724		77,789	80,291	84,897	120,772	106,979		13,144	12,916	13,446	17,942	13,744		
South East	75,332	79,138	82,104	113,592	98,953		67,425	70,123	73,335	100,810	90,054		7,907	9,015	8,769	12,782	8,899		
South West	47,926	49,675	51,833	70,758	61,689		44,189	45,712	47,400	64,163	57,003		3,737	3,962	4,433	6,595	4,686		
England	502,996	520,821	543,055	740,298	652,424		453,097	468,022	487,551	660,726	593,427		49,899	52,799	55,504	79,572	58,997		
Scotland	58,637	60,647	63,006	80,871	76,067		51,723	53,651	55,448	71,577	67,102		6,914	6,996	7,559	9,294	8,965		
Wales	32,406	33,319	34,333	44,988	41,642		29,677	30,368	31,411	40,724	38,034		2,729	2,952	2,922	4,264	3,609		
Northern Ireland	20,820	21,778	22,729	29,012	26,761		19,437	20,120	21,062	26,581	24,675		1,383	1,658	1,667	2,431	2,086		
UK identifiable expenditure	614,859	636,566	663,124	895,169	796,894		553,934	572,160	595,472	799,608	723,238		60,926	64,405	67,651	95,561	73,656		
Outside the UK	26,409	29,994	28,268	27,234	22,125		24,176	26,623	26,002	24,483	20,577		2,233	3,370	2,266	2,751	1,548		
Total identifiable expenditure	641,268	666,559	691,392	922,403	819,019		578,110	598,784	621,474	824,091	743,815		63,158	67,775	69,917	98,312	75,204		
Non-identifiable expenditure	108,742	106,037	107,206	101,157	138,672		97,656	93,859	94,848	86,627	120,821		11,086	12,178	12,358	14,530	17,851		
Total Expenditure on Services	750,010	772,596	798,597	1,023,560	957,691		675,765	692,643	716,323	910,718	864,636		74,244	79,953	82,275	112,842	93,056		
Accounting adjustments	89,538	85,297	92,406	83,073	89,585		66,882	67,686	75,786	70,209	73,012		22,657	17,611	16,619	12,864	16,572		
Total Managed Expenditure	839,548	857,893	891,003	1,106,633	1,047,276		742,647	760,329	792,109	980,927	937,648		96,901	97,564	98,894	125,706	109,628		

Table 9.3b Total current and capital UK identifiable expenditure, per head 2017-18 to 2021-22⁽¹⁾

	Total expenditure on services												of which: current						of which: capital						£ per head					
	National Statistics						National Statistics						2017-18			2018-19			2019-20			2020-21				2021-22				
	2017-18	2018-19	2019-20	2020-21	2021-22	2021-22	2017-18	2018-19	2019-20	2020-21	2021-22	2021-22	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn		outturn	outturn	outturn	outturn	
North East	9,725	9,994	10,262	13,263	12,027	12,027	9,026	9,218	9,414	12,089	11,170	11,170	699	776	848	1,173	858													
North West	9,781	9,893	10,205	13,486	12,102	12,102	8,686	8,911	9,215	12,048	10,949	10,949	1,095	982	991	1,438	1,153													
Yorkshire and The Humber	8,898	9,096	9,356	12,501	11,131	11,131	8,225	8,375	8,593	11,359	10,321	10,321	673	721	764	1,142	810													
East Midlands	8,334	8,573	8,900	12,017	10,528	10,528	7,746	7,953	8,212	10,940	9,811	9,811	588	621	688	1,076	717													
West Midlands	8,922	9,311	9,640	12,826	11,550	11,550	8,251	8,458	8,685	11,435	10,430	10,430	671	853	954	1,391	1,120													
East	8,355	8,729	9,096	12,490	10,788	10,788	7,559	7,807	8,114	11,107	9,803	9,803	796	922	982	1,383	985													
London	10,304	10,463	10,973	15,408	13,719	13,719	8,815	9,013	9,473	13,415	12,157	12,157	1,489	1,450	1,500	1,993	1,562													
South East	8,296	8,664	8,944	12,324	10,665	10,665	7,425	7,677	7,988	10,937	9,706	9,706	871	987	955	1,387	959													
South West	8,621	8,871	9,215	12,503	10,820	10,820	7,949	8,163	8,427	11,338	9,998	9,998	672	708	788	1,165	822													
England	9,044	9,304	9,648	13,091	11,549	11,549	8,146	8,361	8,662	11,684	10,505	10,505	897	943	986	1,407	1,044													
Scotland	10,809	11,152	11,533	14,795	13,881	13,881	9,535	9,866	10,149	13,095	12,245	12,245	1,275	1,286	1,384	1,700	1,636													
Wales	10,369	10,616	10,890	14,194	13,401	13,401	9,496	9,675	9,963	12,848	12,239	12,239	873	940	927	1,345	1,161													
Northern Ireland	11,129	11,574	12,003	15,306	14,062	14,062	10,389	10,693	11,123	14,023	12,966	12,966	739	881	880	1,283	1,096													
UK identifiable expenditure	9,310	9,582	9,927	13,345	11,897	11,897	8,388	8,612	8,915	11,920	10,798	10,798	923	969	1,013	1,425	1,100													

⁽¹⁾ Per head figures in 2021-22 are calculated using the latest available population estimates for Scotland and Census figures for the rest of the UK. Earlier years are calculated using mid-year population estimates from the ONS. See Annex within the CRA 2022 release for further details including information on how population figures may have been affected by movements related to the pandemic, especially in London.

Table 9.4a Real terms⁽¹⁾: Total current and capital identifiable expenditure, 2017-18 to 2021-22

	Total expenditure on services						of which: current						of which: capital						£ million
	National Statistics			National Statistics			National Statistics			National Statistics			National Statistics						
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn				
North East	28,447	28,863	29,017	35,386	31,838	26,400	26,622	26,619	32,255	29,567	2,046	2,241	2,398	3,131	2,271				
North West	78,521	78,386	79,343	98,887	89,762	69,732	70,603	71,640	88,341	81,212	8,789	7,783	7,703	10,545	8,550				
Yorkshire and The Humber	53,636	54,156	54,527	68,756	61,006	49,581	49,866	50,077	62,476	56,569	4,055	4,290	4,450	6,280	4,438				
East Midlands	43,981	44,754	45,583	58,192	51,378	40,879	41,513	42,058	52,979	47,878	3,102	3,240	3,525	5,213	3,501				
West Midlands	57,833	59,698	60,580	76,107	68,734	53,483	54,229	54,583	67,851	62,067	4,350	5,468	5,997	8,256	6,667				
East	57,000	58,816	60,075	77,930	68,339	51,569	52,603	53,588	69,303	62,098	5,430	6,213	6,487	8,628	6,241				
London	100,572	101,277	104,150	138,058	120,724	86,034	87,243	89,910	120,201	106,979	14,538	14,034	14,240	17,857	13,744				
South East	83,317	85,990	86,951	113,054	98,953	74,572	76,195	77,665	100,333	90,054	8,745	9,795	9,286	12,721	8,899				
South West	53,006	53,976	54,893	70,423	61,689	48,873	49,670	50,199	63,860	57,003	4,133	4,305	4,694	6,564	4,686				
England	556,312	565,916	575,119	736,793	652,424	501,124	508,545	516,338	657,598	593,427	55,188	57,370	58,781	79,195	58,997				
Scotland	64,852	65,898	66,727	80,489	76,067	57,205	58,296	58,721	71,238	67,102	7,647	7,602	8,005	9,250	8,965				
Wales	35,841	36,204	36,361	44,775	41,642	32,823	32,997	33,266	40,531	38,034	3,019	3,207	3,095	4,244	3,609				
Northern Ireland	23,026	23,664	24,071	28,875	26,761	21,497	21,862	22,306	26,455	24,675	1,529	1,802	1,765	2,420	2,086				
UK identifiable expenditure	680,032	691,682	702,277	890,931	796,894	612,649	621,701	630,631	795,822	723,238	67,384	69,982	71,646	95,109	73,656				
Outside the UK	29,208	32,591	29,937	27,105	22,125	26,739	28,928	27,538	24,367	20,577	2,469	3,662	2,400	2,738	1,548				
Total identifiable expenditure	709,240	724,273	732,214	918,036	819,019	639,387	650,629	658,169	820,189	743,815	69,853	73,644	74,045	97,847	75,204				
Non-identifiable expenditure	120,268	115,218	113,536	100,678	138,672	108,007	101,986	100,448	86,217	120,821	12,261	13,232	13,087	14,462	17,851				
Total Expenditure on Services	829,508	839,491	845,750	1,018,714	957,691	747,394	752,615	758,617	906,406	864,636	82,114	86,876	87,133	112,308	93,056				
Accounting adjustments	99,029	92,682	97,862	82,679	89,585	73,971	73,546	80,261	69,877	73,012	25,058	19,136	17,600	12,803	16,572				
Total Managed Expenditure	928,537	932,173	943,611	1,101,394	1,047,276	821,365	826,162	838,878	976,283	937,648	107,172	106,012	104,733	125,111	109,628				

⁽¹⁾ Real terms figures are the nominal figures adjusted to 2021-22 price levels using GDP deflators from the Office for National Statistics (released 30 September 2022).

Table 9.4b Real terms⁽¹⁾: Total current and capital UK identifiable expenditure, per head⁽²⁾, 2017-18 to 2021-22

	Total expenditure on services										of which: current						of which: capital						£ per head							
	National Statistics					National Statistics					2017-18			2018-19			2019-20			2020-21				2021-22						
	2017-18	2018-19	2019-20	2020-21	2021-22	2017-18	2018-19	2019-20	2020-21	2021-22	outturn	outturn	outturn	outturn	outturn	2017-18	2018-19	2019-20	2020-21	2021-22	outturn	outturn		outturn	2017-18	2018-19	2019-20	2020-21	2021-22	
North East	10,756	10,859	10,868	13,200	12,027	9,982	10,016	9,970	12,032	11,170	774	843	898	1,168	858	774	843	898	1,168	858	774	843	898	1,168	858	774	843	898	1,168	858
North West	10,818	10,749	10,808	13,422	12,102	9,607	9,682	9,759	11,991	10,949	1,211	1,067	1,049	1,431	1,153	1,211	1,067	1,049	1,431	1,153	1,211	1,067	1,049	1,431	1,153	1,211	1,067	1,049	1,431	1,153
Yorkshire and The Humber	9,841	9,883	9,909	12,441	11,131	9,097	9,100	9,100	11,305	10,321	744	783	809	1,136	810	744	783	809	1,136	810	744	783	809	1,136	810	744	783	809	1,136	810
East Midlands	9,217	9,316	9,426	11,960	10,528	8,567	8,641	8,697	10,889	9,811	650	674	729	1,071	717	650	674	729	1,071	717	650	674	729	1,071	717	650	674	729	1,071	717
West Midlands	9,868	10,117	10,209	12,765	11,550	9,126	9,190	9,198	11,381	10,430	742	927	1,011	1,385	1,120	742	927	1,011	1,385	1,120	742	927	1,011	1,385	1,120	742	927	1,011	1,385	1,120
East	9,241	9,485	9,633	12,431	10,788	8,360	8,483	8,593	11,055	9,803	880	1,002	1,040	1,376	985	880	1,002	1,040	1,376	985	880	1,002	1,040	1,376	985	880	1,002	1,040	1,376	985
London	11,396	11,369	11,621	15,336	13,719	9,749	9,794	10,032	13,352	12,157	1,647	1,575	1,589	1,984	1,562	1,647	1,575	1,589	1,984	1,562	1,647	1,575	1,589	1,984	1,562	1,647	1,575	1,589	1,984	1,562
South East	9,175	9,415	9,472	12,265	10,665	8,212	8,342	8,460	10,885	9,706	963	1,072	1,012	1,380	959	963	1,072	1,012	1,380	959	963	1,072	1,012	1,380	959	963	1,072	1,012	1,380	959
South West	9,535	9,639	9,759	12,444	10,820	8,791	8,870	8,925	11,284	9,998	743	769	835	1,160	822	743	769	835	1,160	822	743	769	835	1,160	822	743	769	835	1,160	822
England	10,002	10,110	10,218	13,029	11,549	9,010	9,085	9,173	11,629	10,505	992	1,025	1,044	1,400	1,044	992	1,025	1,044	1,400	1,044	992	1,025	1,044	1,400	1,044	992	1,025	1,044	1,400	1,044
Scotland	11,955	12,118	12,214	14,725	13,881	10,545	10,720	10,748	13,033	12,245	1,410	1,398	1,465	1,692	1,636	1,410	1,398	1,465	1,692	1,636	1,410	1,398	1,465	1,692	1,636	1,410	1,398	1,465	1,692	1,636
Wales	11,469	11,535	11,532	14,126	13,401	10,503	10,513	10,551	12,787	12,239	966	1,022	982	1,339	1,161	966	1,022	982	1,339	1,161	966	1,022	982	1,339	1,161	966	1,022	982	1,339	1,161
Northern Ireland	12,308	12,576	12,711	15,233	14,062	11,491	11,619	11,779	13,957	12,966	818	958	932	1,276	1,096	818	958	932	1,276	1,096	818	958	932	1,276	1,096	818	958	932	1,276	1,096
UK identifiable expenditure	10,297	10,411	10,514	13,281	11,897	9,277	9,358	9,441	11,864	10,798	1,020	1,053	1,073	1,418	1,100	1,020	1,053	1,073	1,418	1,100	1,020	1,053	1,073	1,418	1,100	1,020	1,053	1,073	1,418	1,100

⁽¹⁾ Real terms figures are the nominal figures adjusted to 2021-22 price levels using GDP deflators from the Office for National Statistics (released 30 September 2022).

⁽²⁾ Per head figures in 2021-22 are calculated using the latest available population estimates for Scotland and Census figures for the rest of the UK. Earlier years are calculated using mid-year population estimates from the ONS. See Annex within the CRA 2022 release for further details including information on how population figures may have been affected by movements related to the pandemic, especially in London.

Table 9.5 Identifiable expenditure on general public services, 2017-18 to 2021-22

	General public services												of which: current						of which: capital						£ million			
	National Statistics						National Statistics						2017-18			2018-19			2019-20			2020-21				2021-22		
	2017-18	2018-19	2019-20	2020-21	2021-22	outturn	2017-18	2018-19	2019-20	2020-21	2021-22	outturn	2017-18	2018-19	2019-20	2020-21	2021-22	outturn	2017-18	2018-19	2019-20	2020-21	2021-22	outturn				
North East	237	273	300	317	327	327	188	204	168	230	228	49	68	132	87	99		49	68	132	87	99						
North West	616	626	647	898	932	932	461	467	493	725	732	155	159	153	173	200		155	159	153	173	200						
Yorkshire and The Humber	329	390	480	582	592	592	229	259	295	471	470	100	131	185	111	123		100	131	185	111	123						
East Midlands	433	369	478	564	535	535	317	319	368	514	481	117	50	110	51	53		117	50	110	51	53						
West Midlands	568	592	736	979	985	985	460	438	516	722	703	108	154	220	257	282		108	154	220	257	282						
East	563	633	694	1,102	1,101	1,101	463	465	520	752	702	100	169	174	350	399		100	169	174	350	399						
London	828	680	1,007	1,359	1,477	1,477	611	560	678	907	963	217	119	329	452	514		217	119	329	452	514						
South East	904	1,093	1,008	1,365	1,326	1,326	656	701	766	1,082	1,014	248	392	242	284	312		248	392	242	284	312						
South West	484	541	529	789	701	701	379	422	481	707	609	105	119	47	82	92		105	119	47	82	92						
England	4,963	5,196	5,878	7,956	7,976	7,976	3,763	3,835	4,285	6,110	5,902	1,200	1,360	1,593	1,846	2,074		1,200	1,360	1,593	1,846	2,074						
Scotland	1,207	1,195	1,662	1,500	1,911	1,911	925	979	1,484	1,260	1,574	282	215	178	240	337		282	215	178	240	337						
Wales	536	540	579	632	944	944	485	459	499	540	839	51	81	81	91	106		51	81	81	91	106						
Northern Ireland	374	396	431	807	604	604	321	323	372	762	544	53	73	60	45	60		53	73	60	45	60						
UK identifiable expenditure	7,079	7,327	8,551	10,894	11,436	11,436	5,494	5,597	6,639	8,671	8,859	1,586	1,730	1,911	2,223	2,577		1,586	1,730	1,911	2,223	2,577						
Outside the UK	9,832	10,809	10,563	10,302	14,949	14,949	7,975	7,709	8,567	7,684	13,539	1,857	3,100	1,996	2,618	1,409		1,857	3,100	1,996	2,618	1,409						
Total identifiable expenditure	16,911	18,136	19,113	21,197	26,385	26,385	13,468	13,306	15,206	16,356	22,398	3,443	4,830	3,907	4,841	3,987		3,443	4,830	3,907	4,841	3,987						
Non-identifiable expenditure	67,641	62,877	61,873	50,265	82,692	82,692	67,446	62,253	61,363	49,554	81,941	194	624	509	711	751		194	624	509	711	751						
Total Expenditure on Services	84,552	81,013	80,986	71,462	109,077	109,077	80,915	75,559	76,570	65,910	104,339	3,637	5,454	4,416	5,552	4,738		3,637	5,454	4,416	5,552	4,738						

Table 9.5a Identifiable expenditure on general public services (of which: public and common services), 2017-18 to 2021-22

	Total public and common services												of which: current						of which: capital						£ million												
	National Statistics						National Statistics						2017-18			2018-19			2019-20			2020-21				2021-22											
	2017-18	2018-19	2019-20	2020-21	2021-22	2017-18	2018-19	2019-20	2020-21	2021-22	2017-18	2018-19	2019-20	2020-21	2021-22	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn		outturn											
North East	235	270	297	315	325	186	202	166	229	226	48	68	132	86	99																						
North West	610	619	640	892	925	456	461	487	720	726	154	158	153	172	200																						
Yorkshire and The Humber	324	385	475	577	587	225	255	290	467	465	100	130	185	111	122																						
East Midlands	429	364	473	560	530	313	315	363	510	477	116	49	110	50	53																						
West Midlands	563	586	730	974	979	456	433	511	718	698	108	153	219	256	281																						
East	557	628	688	1,097	1,095	458	459	515	747	697	99	168	173	350	399																						
London	820	671	999	1,352	1,469	604	553	671	901	956	217	118	328	451	513																						
South East	896	1,085	1,000	1,358	1,317	649	694	758	1,075	1,006	248	391	242	283	311																						
South West	479	535	523	784	695	374	417	477	703	604	105	118	47	81	91																						
England	4,915	5,143	5,825	7,911	7,924	3,720	3,788	4,238	6,070	5,854	1,195	1,355	1,588	1,841	2,069																						
Scotland	1,201	1,189	1,656	1,494	1,901	920	974	1,478	1,255	1,564	282	215	178	239	337																						
Wales	533	537	576	629	941	482	457	496	538	836	51	81	80	91	106																						
Northern Ireland	372	394	430	806	603	320	321	370	761	542	52	73	60	45	60																						
UK identifiable expenditure	7,022	7,264	8,487	10,840	11,368	5,442	5,540	6,582	8,623	8,796	1,580	1,723	1,905	2,217	2,572																						
Outside the UK	347	353	367	637	8,636	-	-	0	71	8,636	347	353	367	566	-																						
Total identifiable expenditure	7,369	7,616	8,854	11,477	20,004	5,442	5,540	6,582	8,694	17,432	1,927	2,076	2,272	2,783	2,572																						
Non-identifiable expenditure	5,130	5,189	5,638	6,773	7,790	4,675	4,690	5,253	6,171	7,184	455	499	385	602	606																						
Total Expenditure on Services	12,499	12,805	14,493	18,250	27,794	10,117	10,230	11,836	14,865	24,616	2,382	2,575	2,657	3,385	3,178																						

Table 9.5b Identifiable expenditure on general public services (of which: international services), 2017-18 to 2021-22

	International services						of which: current						of which: capital						£ million
	National Statistics						National Statistics						National Statistics						
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn		2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn		2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn		
North East	2	2	3	2	2	2	2	2	2	2	2	2	0	0	0	0	0		
North West	6	7	7	6	7	7	6	6	6	6	5	6	1	1	1	1	1		
Yorkshire and The Humber	5	5	5	4	5	5	4	5	5	4	4	5	0	1	1	1	0		
East Midlands	4	4	5	4	5	5	4	4	4	3	4	4	0	0	0	0	0		
West Midlands	5	6	6	5	6	6	5	5	5	4	5	5	1	1	1	1	1		
East	5	6	6	5	6	6	5	5	5	4	5	5	1	1	1	1	1		
London	8	8	8	7	8	8	7	7	8	6	7	7	1	1	1	1	1		
South East	8	9	9	7	9	9	7	8	8	7	8	8	1	1	1	1	1		
South West	5	5	5	5	5	5	4	5	5	4	4	5	0	1	1	1	0		
England	48	52	53	45	53	53	43	47	48	40	48	48	5	6	5	5	5		
Scotland	6	6	6	5	11	11	5	6	5	5	10	10	0	1	0	1	0		
Wales	3	3	3	3	3	3	2	3	3	2	3	3	0	0	0	0	0		
Northern Ireland	2	2	2	2	2	2	1	2	2	1	2	2	0	0	0	0	0		
UK identifiable expenditure	58	63	63	54	68	68	52	56	57	48	48	62	6	7	6	6	6		
Outside the UK	9,485	10,456	10,196	9,665	6,313	6,313	7,975	7,709	8,567	7,614	4,904	4,904	1,510	2,747	1,629	2,052	1,409		
Total identifiable expenditure	9,542	10,520	10,259	9,720	6,381	6,381	8,026	7,766	8,624	7,662	4,966	4,966	1,516	2,754	1,635	2,058	1,415		
Non-identifiable expenditure	880	1,347	1,444	1,497	1,716	1,716	1,141	1,222	1,320	1,388	1,571	1,571	-261	125	124	109	144		
Total Expenditure on Services	10,422	11,867	11,703	11,217	8,097	8,097	9,167	8,988	9,944	9,050	6,537	6,537	1,255	2,879	1,759	2,167	1,560		

Table 9.5c Identifiable expenditure on general public services (of which: public sector debt interest), 2017-18 to 2021-22

	Public sector debt interest						of which: current						of which: capital						£ million
	National Statistics						National Statistics						National Statistics						
	2017-18	2018-19	2019-20	2020-21	2021-22		2017-18	2018-19	2019-20	2020-21	2021-22		2017-18	2018-19	2019-20	2020-21	2021-22		
	outturn	outturn	outturn	outturn	outturn		outturn	outturn	outturn	outturn	outturn		outturn	outturn	outturn	outturn	outturn		
North East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
North West	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Yorkshire and The Humber	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
East Midlands	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
West Midlands	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
London	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
South East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
South West	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
England	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Scotland	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Wales	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Northern Ireland	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
UK identifiable expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Outside the UK	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total identifiable expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Non-identifiable expenditure	61,631	56,341	54,790	41,995	73,186		61,631	56,341	54,790	41,995	73,186		-	-	-	-	-	-	
Total Expenditure on Services	61,631	56,341	54,790	41,995	73,186		61,631	56,341	54,790	41,995	73,186		-	-	-	-	-	-	

Table 9.7 Identifiable expenditure on public order and safety, 2017-18 to 2021-22

	Public order and safety												of which: capital						£ million
	National Statistics						National Statistics						National Statistics						
	2017-18	2018-19	2019-20	2020-21	2021-22		2017-18	2018-19	2019-20	2020-21	2021-22		2017-18	2018-19	2019-20	2020-21	2021-22		
	outturn	outturn	outturn	outturn	outturn		outturn	outturn	outturn	outturn	outturn		outturn	outturn	outturn	outturn	outturn		
North East	1,236	1,243	1,315	1,454	1,512		1,169	1,198	1,245	1,360	1,431		67	45	70	94	81		
North West	3,277	3,346	3,546	3,846	4,021		3,066	3,167	3,307	3,573	3,772		211	179	238	273	249		
Yorkshire and The Humber	2,378	2,414	2,509	2,788	2,872		2,241	2,285	2,369	2,587	2,699		137	130	140	201	173		
East Midlands	1,837	1,916	2,054	2,304	2,420		1,726	1,802	1,927	2,101	2,242		111	114	126	203	178		
West Midlands	2,347	2,391	2,463	2,781	2,845		2,223	2,255	2,305	2,569	2,671		124	136	158	213	174		
East	2,241	2,313	2,498	2,711	2,782		2,142	2,220	2,356	2,527	2,619		99	93	142	183	163		
London	6,045	6,174	6,609	7,087	7,512		5,502	5,767	6,172	6,566	6,888		543	407	437	521	624		
South East	3,126	3,278	3,521	3,770	3,933		2,984	3,075	3,321	3,532	3,695		143	203	200	239	238		
South West	1,945	2,013	2,215	2,380	2,443		1,851	1,907	2,071	2,223	2,308		94	106	144	157	135		
England	24,432	25,088	26,728	29,122	30,340		22,905	23,676	25,073	27,039	28,325		1,527	1,412	1,655	2,084	2,015		
Scotland	2,701	2,836	3,008	3,101	3,327		2,598	2,718	2,876	2,915	3,138		103	119	132	185	189		
Wales	1,359	1,423	1,534	1,696	1,759		1,283	1,348	1,448	1,557	1,619		76	75	85	139	140		
Northern Ireland	1,212	1,246	1,295	1,334	1,397		1,140	1,143	1,209	1,253	1,316		72	103	85	81	81		
UK identifiable expenditure	29,704	30,593	32,564	35,253	36,823		27,926	28,884	30,607	32,763	34,397		1,778	1,709	1,957	2,490	2,426		
Outside the UK	-	-	-	-	-		-	-	-	-	-		-	-	-	-	-		
Total identifiable expenditure	29,704	30,593	32,564	35,253	36,823		27,926	28,884	30,607	32,763	34,397		1,778	1,709	1,957	2,490	2,426		
Non-identifiable expenditure	1,765	1,820	1,961	3,637	2,911		1,511	1,554	1,646	3,129	2,471		254	266	315	507	440		
Total Expenditure on Services	31,469	32,412	34,526	38,890	39,733		29,437	30,438	32,253	35,893	36,868		2,032	1,975	2,273	2,997	2,866		

Table 9.8 Identifiable expenditure on economic affairs, 2017-18 to 2021-22⁽¹⁾

	Economic affairs												of which: current						of which: capital ⁽³⁾						£ million				
	National Statistics						National Statistics						2017-18			2018-19			2019-20			2020-21				2021-22			
	2017-18	2018-19	2019-20	2020-21	2021-22	outturn	2017-18	2018-19	2019-20	2020-21	2021-22	outturn	2017-18	2018-19	2019-20	2020-21	2021-22	outturn	2017-18	2018-19	2019-20	2020-21	2021-22	outturn		2017-18	2018-19	2019-20	2020-21
North East	1,556	1,839	1,904	6,736	2,946	2,946	829	980	1,096	5,174	2,078	727	859	808	1,562	867													
North West	5,233	5,384	5,665	20,291	9,572	9,572	2,066	2,545	2,870	15,107	6,278	3,168	2,839	2,795	5,183	3,294													
Yorkshire and The Humber	3,010	3,405	3,801	14,529	6,324	6,324	1,809	1,981	2,167	11,285	4,604	1,202	1,425	1,634	3,244	1,720													
East Midlands	2,449	2,859	3,214	12,565	5,259	5,259	1,364	1,618	1,831	9,862	3,992	1,085	1,240	1,383	2,703	1,267													
West Midlands	3,552	4,964	5,463	16,821	8,633	8,633	1,679	2,230	2,561	12,081	5,239	1,874	2,734	2,902	4,740	3,394													
East	4,148	5,237	5,996	19,656	9,017	9,017	1,755	2,398	3,007	14,853	6,470	2,393	2,839	2,989	4,803	2,547													
London	10,852	11,821	12,667	38,921	20,623	20,623	4,019	4,883	5,953	28,477	14,225	6,833	6,938	6,714	10,444	6,398													
South East	6,558	8,420	9,472	28,962	13,377	13,377	2,454	3,395	4,615	21,380	9,303	4,104	5,025	4,857	7,582	4,075													
South West	3,410	3,692	4,289	16,081	6,521	6,521	1,734	1,919	2,267	12,501	4,638	1,676	1,773	2,023	3,580	1,883													
England	40,769	47,623	52,470	174,563	82,273	82,273	17,709	21,950	26,366	130,721	56,826	23,060	25,673	26,104	43,841	25,446													
Scotland	6,444	6,519	6,841	17,694	10,531	10,531	3,723	3,806	3,974	13,286	7,063	2,720	2,713	2,867	4,408	3,468													
Wales	2,587	2,677	2,725	8,980	3,930	3,930	1,580	1,600	1,796	6,959	2,808	1,007	1,077	928	2,021	1,121													
Northern Ireland	1,540	1,736	2,074	5,207	2,959	2,959	1,118	1,190	1,485	4,039	2,224	422	546	589	1,168	734													
UK identifiable expenditure	51,340	58,555	64,109	206,444	99,692	99,692	24,131	28,546	33,621	155,005	68,922	27,209	30,009	30,488	51,438	30,770													
Outside the UK	245	252	240	230	242	242	138	115	127	140	139	107	136	113	90	102													
Total identifiable expenditure	51,585	58,807	64,350	206,674	99,934	99,934	24,269	28,661	33,748	155,145	69,062	27,317	30,145	30,602	51,529	30,873													
Non-identifiable expenditure	1,565	1,900	2,122	2,184	2,448	2,448	1,409	1,671	1,836	1,704	1,857	155	229	286	480	591													
Total Expenditure on Services	53,150	60,706	66,472	208,857	102,382	102,382	25,678	30,333	35,584	156,849	70,919	27,472	30,374	30,887	52,009	31,463													

⁽¹⁾ Higher expenditure seen in 2020-21 and 2021-22 reflects the response to the Covid-19 pandemic.

Table 9.8a Identifiable expenditure on economic affairs (of which: enterprise and economic development), 2017-18 to 2021-22⁽¹⁾

	Enterprise and economic development						of which: current						of which: capital						£ million
	National Statistics						National Statistics						National Statistics						
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn		2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn		2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn		
North East	285	321	374	4,645	1,103		270	299	365	4,044	1,197		15	22	9	602	-94		
North West	667	908	1,131	14,665	3,610		618	691	1,049	12,508	3,911		49	217	82	2,157	-301		
Yorkshire and The Humber	409	584	805	10,459	2,432		496	496	717	8,996	2,628		-87	88	87	1,463	-196		
East Midlands	609	603	817	9,307	2,214		422	455	702	7,976	2,396		187	148	115	1,331	-182		
West Midlands	546	873	1,273	11,817	3,129		541	821	1,194	10,148	3,360		5	53	79	1,668	-231		
East	636	1,077	1,779	13,958	3,725		488	822	1,270	11,740	3,940		148	255	509	2,217	-214		
London	1,466	2,282	3,583	24,526	7,836		1,145	1,968	3,370	20,227	8,502		321	315	213	4,299	-666		
South East	1,785	2,547	2,755	19,631	5,378		701	1,108	1,937	16,583	5,728		1,084	1,440	817	3,048	-350		
South West	792	824	1,127	11,942	2,665		483	501	673	10,159	2,835		309	323	453	1,783	-170		
England	7,195	10,020	13,643	120,949	32,093		5,163	7,160	11,278	102,382	34,497		2,032	2,860	2,365	18,568	-2,405		
Scotland	1,383	1,499	1,699	11,338	3,960		1,029	1,017	1,211	9,673	3,633		354	483	488	1,665	326		
Wales	558	631	688	6,447	1,462		427	422	565	5,526	1,418		131	209	124	921	44		
Northern Ireland	361	356	689	3,488	1,164		325	343	644	2,925	1,167		36	12	44	563	-4		
UK identifiable expenditure	9,496	12,506	16,718	142,222	38,678		6,944	8,942	13,697	120,506	40,716		2,552	3,564	3,021	21,716	-2,038		
Outside the UK	1	16	18	20	21		1	16	18	19	21		0	0	0	0	-		
Total identifiable expenditure	9,497	12,521	16,737	142,241	38,700		6,944	8,958	13,716	120,525	40,737		2,552	3,564	3,021	21,716	-2,038		
Non-identifiable expenditure	1,176	1,456	1,315	1,771	2,023		1,043	1,242	1,025	1,315	1,466		133	214	290	456	557		
Total Expenditure on Services	10,673	13,978	18,051	144,013	40,722		7,988	10,199	14,740	121,841	42,203		2,685	3,778	3,311	22,172	-1,481		

⁽¹⁾ Higher expenditure seen in 2020-21 and 2021-22 reflects the response to the Covid-19 pandemic.

⁽²⁾ Negative capital expenditure in 2021-22 reflects the revaluation of the up-front costs of guaranteeing covid-related loans that were made in 2020-21. This is consistent with the treatment that will be followed in the National Accounts.

Table 9.8b Identifiable expenditure on economic affairs (of which: science and technology), 2017-18 to 2021-22

	Science and technology						of which: current						of which: capital						£ million
	National Statistics						National Statistics						National Statistics						
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn		2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn		2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn		
North East	193	265	241	254	219		18	8	6	7	7		175	258	235	246	213		
North West	416	469	489	513	586		47	23	21	22	20		369	447	468	490	566		
Yorkshire and The Humber	261	358	494	453	492		35	15	17	15	14		226	343	477	438	478		
East Midlands	204	282	318	342	342		31	13	11	13	11		173	268	307	329	331		
West Midlands	442	615	639	651	655		39	17	15	18	18		402	598	624	633	637		
East	457	560	607	603	455		41	17	15	17	17		416	542	592	585	438		
London	632	1,069	1,076	1,239	1,111		58	25	23	35	30		573	1,044	1,053	1,205	1,082		
South East	899	1,012	1,064	1,107	1,104		61	26	22	26	25		838	986	1,042	1,081	1,079		
South West	286	393	418	486	496		38	16	13	15	14		248	378	405	470	481		
England	3,789	5,024	5,346	5,646	5,460		368	160	142	168	156		3,421	4,864	5,204	5,478	5,304		
Scotland	340	346	360	604	591		36	15	14	15	15		304	331	346	589	576		
Wales	161	156	148	222	243		24	13	12	14	12		137	143	136	208	231		
Northern Ireland	62	68	84	99	113		11	5	6	6	5		50	63	78	93	109		
UK identifiable expenditure	4,352	5,594	5,938	6,571	6,408		439	193	174	204	188		3,913	5,401	5,764	6,367	6,220		
Outside the UK	7	20	21	26	15		0	0	0	0	1		7	20	21	26	14		
Total identifiable expenditure	4,358	5,614	5,959	6,597	6,423		439	193	174	204	189		3,919	5,421	5,785	6,393	6,234		
Non-identifiable expenditure	1	1	1	1	1		-	-	-	-	-		1	1	1	1	1		
Total Expenditure on Services	4,359	5,616	5,961	6,599	6,424		439	193	174	204	189		3,920	5,422	5,787	6,395	6,235		

Table 9.8c Identifiable expenditure on economic affairs (of which: employment policies), 2017-18 to 2021-22

	Employment policies												of which: current						of which: capital						£ million			
	National Statistics						National Statistics						2017-18			2018-19			2019-20			2020-21				2021-22		
	2017-18	2018-19	2019-20	2020-21	2021-22	outturn	2017-18	2018-19	2019-20	2020-21	2021-22	outturn	2017-18	2018-19	2019-20	2020-21	2021-22	outturn	2017-18	2018-19	2019-20	2020-21	2021-22	outturn				
North East	172	176	112	115	192	192	165	173	112	112	186	7	3	0	3	3	5	14	7	2	11	19	11	11				
North West	316	355	346	372	579	579	302	349	344	362	561	11	5	0	6	6	11	11	5	0	6	11	11	11				
Yorkshire and The Humber	276	294	189	217	353	353	265	289	188	211	342	8	3	1	5	5	9	8	3	1	5	9	9	9				
East Midlands	188	206	149	177	276	276	180	203	148	172	267	12	5	0	6	6	10	12	5	0	6	10	10	10				
West Midlands	299	291	188	218	366	366	286	286	188	211	356	7	3	0	6	6	9	7	3	0	6	9	9	9				
East	159	159	160	197	317	317	152	157	160	191	307	16	7	0	15	15	22	16	7	0	15	22	22	22				
London	390	396	369	487	796	796	374	389	369	472	774	9	4	0	8	8	13	9	4	0	8	13	13	13				
South East	218	214	208	265	438	438	209	210	208	257	425	5	2	0	5	5	8	5	2	0	5	8	8	8				
South West	119	104	152	172	276	276	114	102	152	167	268	88	38	1	66	66	106	88	38	1	66	106	106	106				
England	2,136	2,195	1,871	2,220	3,593	3,593	2,048	2,157	1,870	2,154	3,486	105	47	2	77	77	123	105	47	2	77	123	123	123				
Scotland	256	257	177	193	322	322	245	253	177	188	313	11	4	0	6	6	9	11	4	0	6	9	9	9				
Wales	133	128	102	114	188	188	128	125	102	111	182	5	2	0	3	3	5	5	2	0	3	5	5	5				
Northern Ireland	81	99	87	76	103	103	80	97	86	74	100	0	2	1	1	1	2	0	2	1	1	2	2	2				
UK identifiable expenditure	2,606	2,679	2,237	2,603	4,205	4,205	2,501	2,632	2,235	2,527	4,081	105	47	2	77	77	123	105	47	2	77	123	123	123				
Outside the UK	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
Total identifiable expenditure	2,606	2,679	2,237	2,603	4,205	4,205	2,501	2,632	2,235	2,527	4,081	105	47	2	77	77	123	105	47	2	77	123	123	123				
Non-identifiable expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
Total Expenditure on Services	2,606	2,679	2,237	2,603	4,205	4,205	2,501	2,632	2,235	2,527	4,081	105	47	2	77	77	123	105	47	2	77	123	123	123				

Table 9.8d Identifiable expenditure on economic affairs (of which: agriculture, fisheries and forestry), 2017-18 to 2021-22

	Agriculture, fisheries and forestry						of which: current						of which: capital						£ million
	National Statistics						National Statistics						National Statistics						
	2017-18	2018-19	2019-20	2020-21	2021-22		2017-18	2018-19	2019-20	2020-21	2021-22		2017-18	2018-19	2019-20	2020-21	2021-22		
	outturn	outturn	outturn	outturn	outturn		outturn	outturn	outturn	outturn	outturn		outturn	outturn	outturn	outturn	outturn		
North East	192	223	221	229	245		176	207	212	219	221		16	16	9	10	24		
North West	343	370	382	433	435		315	353	365	410	372		28	17	17	22	63		
Yorkshire and The Humber	425	477	462	507	542		365	418	410	443	434		60	59	52	64	108		
East Midlands	367	433	432	468	503		364	422	416	455	469		3	11	16	13	34		
West Midlands	264	307	365	377	391		294	331	374	390	373		-30	-24	-9	-14	18		
East	458	485	551	598	587		443	523	531	577	531		15	-38	20	20	56		
London	91	116	151	206	219		77	103	140	193	181		14	13	11	13	38		
South East	431	559	581	624	633		401	505	534	554	497		30	54	47	70	136		
South West	587	683	663	744	671		572	672	639	696	559		15	11	24	48	112		
England	3,158	3,652	3,808	4,185	4,225		3,007	3,533	3,621	3,938	3,637		151	119	187	247	588		
Scotland	909	926	876	915	906		785	814	785	797	750		124	112	92	119	156		
Wales	499	520	481	521	561		425	447	435	443	486		74	73	46	78	75		
Northern Ireland	499	549	553	603	670		454	477	480	529	572		44	72	74	74	98		
UK identifiable expenditure	5,064	5,646	5,718	6,223	6,361		4,671	5,271	5,320	5,706	5,444		393	376	397	517	917		
Outside the UK	113	87	85	93	92		112	74	84	93	91		0	14	1	0	1		
Total identifiable expenditure	5,177	5,733	5,803	6,317	6,454		4,783	5,344	5,405	5,800	5,535		394	389	398	517	919		
Non-identifiable expenditure	-	-	-	-	-		-	-	-	-	-		-	-	-	-	-		
Total Expenditure on Services	5,177	5,733	5,803	6,317	6,454		4,783	5,344	5,405	5,800	5,535		394	389	398	517	919		

Table 9.8e Identifiable expenditure on economic affairs (of which: transport⁽¹⁾⁽²⁾), 2017-18 to 2021-22

	Transport												of which: capital ⁽³⁾						£ million
	National Statistics						National Statistics						National Statistics						
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn				
North East	714	854	956	1,493	1,186	201	294	401	792	466	513	561	555	701	720				
North West	3,491	3,282	3,317	4,308	4,362	783	1,131	1,091	1,805	1,414	2,708	2,152	2,226	2,503	2,948				
Yorkshire and The Humber	1,639	1,693	1,851	2,894	2,505	647	763	834	1,621	1,186	991	930	1,017	1,273	1,319				
East Midlands	1,082	1,334	1,498	2,273	1,925	368	525	554	1,247	849	715	809	944	1,025	1,076				
West Midlands	2,002	2,878	2,999	3,759	4,092	519	776	790	1,313	1,132	1,483	2,102	2,208	2,445	2,960				
East	2,439	2,956	2,900	4,301	3,933	632	880	1,031	2,328	1,675	1,807	2,077	1,868	1,974	2,258				
London	8,274	7,958	7,489	12,463	10,661	2,364	2,398	2,052	7,550	4,739	5,910	5,560	5,437	4,912	5,922				
South East	3,225	4,088	4,865	7,335	5,825	1,082	1,546	1,913	3,960	2,627	2,142	2,542	2,952	3,375	3,198				
South West	1,626	1,688	1,930	2,738	2,414	527	628	789	1,463	962	1,099	1,060	1,141	1,274	1,452				
England	24,491	26,732	27,803	41,563	36,903	7,123	8,940	9,455	22,080	15,050	17,368	17,792	18,348	19,483	21,853				
Scotland	3,556	3,490	3,729	4,643	4,752	1,629	1,707	1,788	2,613	2,352	1,928	1,783	1,941	2,031	2,400				
Wales	1,236	1,243	1,305	1,676	1,476	576	592	682	865	710	660	650	623	811	766				
Northern Ireland	539	665	661	942	909	248	268	269	505	380	291	396	393	436	529				
UK identifiable expenditure	29,823	32,130	33,498	48,824	44,041	9,576	11,508	12,194	26,063	18,493	20,246	20,622	21,304	22,761	25,548				
Outside the UK	125	128	116	91	113	25	26	24	27	26	100	102	91	64	87				
Total identifiable expenditure	29,948	32,258	33,614	48,915	44,153	9,601	11,534	12,218	26,090	18,519	20,347	20,724	21,396	22,825	25,634				
Non-identifiable expenditure	388	442	806	411	424	366	429	812	388	391	21	13	-6	23	32				
Total Expenditure on Services	30,335	32,701	34,420	49,326	44,577	9,967	11,963	13,030	26,478	18,910	20,368	20,737	21,390	22,848	25,667				

⁽¹⁾ Higher expenditure seen in 2020-21 and 2021-22 reflects the response to the Covid-19 pandemic.

⁽²⁾ From 2018-19 onwards the Department for Transport (DfT) changed their methodology to calculate the split across regions for railway spending. This mainly effects the regions trains travel through as well as their origins and destinations. As a result users will notice a change.

⁽³⁾ Trends in national roads spend are driven particularly by capital spend by Highways England which is based on where capital projects took place in each year. This means that capital expenditure is known to fluctuate between regions as different programmes of work start/come to an end in each region.

Table 9.9 Identifiable expenditure on environment protection, 2017-18 to 2021-22

	Environment protection												of which: current						of which: capital						£ million			
	National Statistics						National Statistics						2017-18			2018-19			2019-20			2020-21				2021-22		
	2017-18	2018-19	2019-20	2020-21	2021-22	outturn	2017-18	2018-19	2019-20	2020-21	2021-22	outturn	2017-18	2018-19	2019-20	2020-21	2021-22	outturn	2017-18	2018-19	2019-20	2020-21	2021-22	outturn				
North East	291	300	293	344	359	359	245	250	257	285	295	47	50	35	60	60	64	47	50	35	60	60	64					
North West ⁽¹⁾	3,185	2,594	2,808	3,001	3,507	3,507	1,032	999	1,291	1,396	1,680	2,153	1,595	1,517	1,605	1,605	1,827	2,153	1,595	1,517	1,605	1,605	1,827					
Yorkshire and The Humber	665	622	673	770	786	786	496	483	508	576	560	169	139	165	194	194	226	169	139	165	194	194	226					
East Midlands	470	490	515	595	612	612	413	409	431	478	473	57	82	84	117	117	139	57	82	84	117	117	139					
West Midlands	568	571	580	678	687	687	493	500	499	534	528	75	71	81	143	159	159	75	71	81	143	143	159					
East	900	944	1,001	1,072	1,089	1,089	614	637	667	734	708	285	307	334	338	382	382	285	307	334	338	338	382					
London	1,047	1,128	1,152	1,319	1,356	1,356	860	906	927	1,015	996	187	222	225	304	361	361	187	222	225	304	304	361					
South East	1,288	1,090	1,113	1,228	1,328	1,328	830	846	891	938	936	458	244	222	290	392	392	458	244	222	290	290	392					
South West	914	877	942	962	1,051	1,051	602	617	653	687	691	313	260	290	275	360	360	313	260	290	275	275	360					
England	9,328	8,616	9,078	9,968	10,776	10,776	5,584	5,647	6,124	6,643	6,867	3,744	2,969	2,953	3,325	3,909	3,909	3,744	2,969	2,953	3,325	3,325	3,909					
Scotland	1,244	1,283	1,459	1,441	1,520	1,520	897	906	921	944	989	347	377	538	497	531	531	347	377	538	497	497	531					
Wales	618	616	650	686	734	734	491	489	499	535	594	127	127	151	151	140	140	127	127	151	151	151	140					
Northern Ireland	264	255	297	318	292	292	249	237	270	295	251	15	18	27	24	41	41	15	18	27	24	24	41					
UK identifiable expenditure	11,453	10,771	11,484	12,413	13,322	13,322	7,221	7,280	7,815	8,417	8,700	4,232	3,491	3,669	3,996	4,622	4,622	4,232	3,491	3,669	3,996	3,996	4,622					
Outside the UK	10	6	7	6	15	15	1	1	1	1	1	10	5	6	5	14	14	10	5	6	5	5	14					
Total identifiable expenditure	11,464	10,777	11,491	12,419	13,337	13,337	7,221	7,280	7,815	8,418	8,702	4,242	3,496	3,675	4,001	4,635	4,635	4,242	3,496	3,675	4,001	4,001	4,635					
Non-identifiable expenditure	338	283	328	535	342	342	52	95	94	100	147	285	188	235	435	195	195	285	188	235	435	435	195					
Total Expenditure on Services	11,801	11,060	11,819	12,955	13,679	13,679	7,274	7,376	7,909	8,519	8,849	4,527	3,684	3,910	4,436	4,830	4,830	4,527	3,684	3,910	4,436	4,436	4,830					

⁽¹⁾The high expenditure in the North West in 2017-18 is mainly due to the Greater Manchester Waste Disposal Authority's public finance initiative buyout.

Table 9.10 Identifiable expenditure on housing and community amenities, 2017-18 to 2021-22

	Housing and community amenities										of which: current						of which: capital						£ million			
	National Statistics					National Statistics					2017-18			2018-19			2019-20			2020-21				2021-22		
	2017-18	2018-19	2019-20	2020-21	2021-22	2017-18	2018-19	2019-20	2020-21	2021-22	outturn	outturn	outturn	outturn	outturn	2017-18	2018-19	2019-20	2020-21	2021-22	outturn	outturn		outturn	outturn	outturn
North East	415	444	540	458	450	102	106	103	126	114	102	106	103	126	114	313	337	436	332	337	313	337	436	332	337	
North West	780	844	1,027	975	996	240	256	266	312	281	240	256	266	312	281	541	589	760	663	715	541	589	760	663	715	
Yorkshire and The Humber	885	895	843	853	839	196	207	224	254	228	196	207	224	254	228	689	687	619	598	611	689	687	619	598	611	
East Midlands	516	516	593	647	701	181	177	189	231	209	181	177	189	231	209	336	339	404	415	492	336	339	404	415	492	
West Midlands	682	727	1,051	960	1,010	212	221	249	279	250	212	221	249	279	250	470	506	802	681	761	470	506	802	681	761	
East	622	781	996	932	1,040	239	250	269	312	289	239	250	269	312	289	382	531	727	620	751	382	531	727	620	751	
London	2,639	2,422	3,050	2,879	3,308	472	480	579	568	538	472	480	579	568	538	2,167	1,941	2,471	2,311	2,770	2,167	1,941	2,471	2,311	2,770	
South East	1,027	1,107	1,262	1,317	1,406	404	395	426	458	413	404	395	426	458	413	623	713	836	859	992	623	713	836	859	992	
South West	526	527	724	713	727	221	217	219	265	236	221	217	219	265	236	305	310	505	449	490	305	310	505	449	490	
England	8,091	8,262	10,083	9,734	10,477	2,267	2,309	2,524	2,805	2,559	2,267	2,309	2,524	2,805	2,559	5,824	5,954	7,559	6,929	7,918	5,824	5,954	7,559	6,929	7,918	
Scotland	1,847	2,225	2,321	2,087	2,625	158	213	136	212	269	158	213	136	212	269	1,689	2,012	2,185	1,875	2,356	1,689	2,012	2,185	1,875	2,356	
Wales	711	815	966	838	1,181	167	156	168	176	172	167	156	168	176	172	544	660	797	662	1,009	544	660	797	662	1,009	
Northern Ireland	757	846	842	1,019	1,104	437	511	482	605	594	437	511	482	605	594	319	336	361	414	510	319	336	361	414	510	
UK identifiable expenditure	11,406	12,149	14,212	13,679	15,386	3,030	3,188	3,311	3,799	3,594	3,030	3,188	3,311	3,799	3,594	8,377	8,961	10,902	9,880	11,793	8,377	8,961	10,902	9,880	11,793	
Outside the UK	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total identifiable expenditure	11,406	12,149	14,212	13,679	15,386	3,030	3,188	3,311	3,799	3,594	3,030	3,188	3,311	3,799	3,594	8,377	8,961	10,902	9,880	11,793	8,377	8,961	10,902	9,880	11,793	
Non-identifiable expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure on Services	11,406	12,149	14,212	13,679	15,386	3,030	3,188	3,311	3,799	3,594	3,030	3,188	3,311	3,799	3,594	8,377	8,961	10,902	9,880	11,793	8,377	8,961	10,902	9,880	11,793	

Table 9.11 Identifiable expenditure on health, 2017-18 to 2021-22⁽¹⁾

	Health												of which: capital						£ million
	National Statistics						National Statistics						of which: current			National Statistics			
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn		2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn		2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn		
North East	6,299	6,494	6,985	9,249	9,002		6,041	6,198	6,651	8,716	8,670		258	296	334	533	332		
North West	17,145	17,905	19,208	25,606	25,373		16,457	17,090	18,293	23,922	24,148		688	815	914	1,684	1,225		
Yorkshire and The Humber	11,614	12,077	12,953	17,338	16,980		11,154	11,536	12,348	16,234	16,298		459	541	604	1,103	683		
East Midlands	9,286	9,740	10,678	14,452	14,140		8,913	9,299	10,177	13,487	13,576		373	441	502	965	565		
West Midlands	12,826	13,230	14,144	19,069	18,812		12,319	12,637	13,483	17,736	17,871		507	593	661	1,333	940		
East	12,166	12,647	13,499	18,417	18,304		11,585	12,054	12,851	17,138	17,428		581	594	648	1,279	876		
London	23,650	24,625	26,577	34,330	33,533		22,528	23,431	25,246	32,361	32,394		1,123	1,195	1,330	1,969	1,139		
South East	17,844	18,495	19,848	27,229	26,992		17,071	17,651	18,914	25,321	25,775		772	844	934	1,908	1,217		
South West	11,308	11,837	12,790	17,240	17,164		10,841	11,299	12,187	16,070	16,348		467	538	604	1,170	816		
England	122,138	127,051	136,682	182,929	180,300		116,910	121,195	130,151	170,985	172,507		5,228	5,856	6,532	11,944	7,792		
Scotland	12,725	13,022	13,702	18,110	19,127		12,252	12,537	13,237	17,459	18,504		473	486	465	650	623		
Wales	7,217	7,537	8,025	10,226	10,749		6,858	7,121	7,613	9,661	10,265		359	417	411	565	484		
Northern Ireland	4,311	4,582	4,941	6,602	6,544		4,096	4,331	4,726	6,188	6,235		216	251	215	414	309		
UK identifiable expenditure	146,391	152,193	163,350	217,867	216,720		140,116	145,183	155,727	204,294	207,511		6,275	7,010	7,623	13,573	9,209		
Outside the UK	946	724	789	700	764		917	715	783	697	761		29	9	7	3	3		
Total identifiable expenditure	147,338	152,917	164,140	218,567	217,484		141,033	145,899	156,509	204,991	208,272		6,304	7,018	7,630	13,576	9,212		
Non-identifiable expenditure	-	-	-	-	-		-	-	-	-	-		-	-	-	-	-		
Total Expenditure on Services	147,338	152,917	164,140	218,567	217,484		141,033	145,899	156,509	204,991	208,272		6,304	7,018	7,630	13,576	9,212		

⁽¹⁾ Higher expenditure seen in 2020-21 and 2021-22 reflects the response to the Covid-19 pandemic.

Table 9.12 Identifiable expenditure on recreation, culture and religion, 2017-18 to 2021-22

	Recreation, culture and religion						of which: current						of which: capital						£ million
	National Statistics						National Statistics						National Statistics						
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn		2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn		2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn		
North East	263	261	311	331	325		196	201	195	240	228		67	60	116	92	97		
North West	761	729	772	896	918		539	529	548	693	693		223	200	223	204	225		
Yorkshire and The Humber	583	545	638	699	685		406	387	412	566	516		178	158	225	133	169		
East Midlands	417	419	446	544	520		309	311	306	404	366		108	108	139	140	154		
West Midlands	487	512	521	685	772		392	405	385	531	603		95	106	135	154	169		
East	504	516	524	611	603		354	348	333	446	428		150	168	191	164	175		
London	1,299	1,105	1,256	1,712	1,431		981	842	879	1,367	1,084		318	263	377	345	347		
South East	826	794	757	973	949		521	520	497	718	658		305	274	260	255	291		
South West	491	480	461	635	605		336	310	292	450	403		155	169	169	185	203		
England	5,632	5,359	5,684	7,085	6,810		4,033	3,853	3,848	5,414	4,979		1,599	1,506	1,835	1,672	1,831		
Scotland	1,000	1,071	995	1,219	1,206		758	851	780	1,025	961		242	221	216	194	246		
Wales	537	522	523	655	631		442	418	426	554	502		95	103	96	101	128		
Northern Ireland	441	499	497	488	478		359	381	376	439	391		81	117	120	49	87		
UK identifiable expenditure	7,610	7,451	7,698	9,447	9,124		5,593	5,503	5,430	7,432	6,833		2,017	1,948	2,268	2,015	2,291		
Outside the UK	231	254	306	58	111		205	228	186	52	94		26	26	119	6	18		
Total identifiable expenditure	7,841	7,705	8,004	9,505	9,235		5,798	5,732	5,617	7,484	6,926		2,043	1,974	2,387	2,021	2,309		
Non-identifiable expenditure	3,638	3,683	3,929	3,406	3,793		3,508	3,535	3,782	3,315	3,624		130	148	148	91	168		
Total Expenditure on Services	11,479	11,388	11,933	12,911	13,028		9,306	9,267	9,398	10,800	10,551		2,173	2,121	2,535	2,112	2,478		

Table 9.13 Identifiable expenditure on education, 2017-18 to 2021-22

	Education						of which: current						of which: capital						£ million
	National Statistics			National Statistics			National Statistics			National Statistics			National Statistics						
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn				
North East	3,430	3,485	3,513	3,677	3,913	3,137	3,159	3,189	3,308	3,544	293	326	324	369	369				
North West	8,961	9,085	9,445	9,845	10,343	8,225	8,378	8,833	9,113	9,630	736	707	613	732	713				
Yorkshire and The Humber	7,103	7,134	7,272	7,512	7,924	6,414	6,431	6,669	6,819	7,234	690	703	603	693	690				
East Midlands	5,867	5,953	6,192	6,468	6,817	5,284	5,378	5,638	5,862	6,213	583	575	555	606	605				
West Midlands	7,592	7,805	8,058	8,382	8,878	6,957	7,118	7,386	7,645	8,142	635	687	673	737	736				
East	7,544	7,741	8,058	8,356	8,807	6,672	6,773	7,183	7,488	7,938	872	969	875	868	869				
London	12,893	13,228	13,250	13,778	14,403	11,156	11,473	11,748	12,259	12,917	1,737	1,755	1,502	1,519	1,486				
South East	10,918	11,292	11,518	12,056	12,770	9,728	10,030	10,346	10,760	11,478	1,190	1,263	1,173	1,296	1,292				
South West	6,276	6,617	6,780	7,065	7,416	5,681	5,960	6,157	6,409	6,761	595	657	623	657	655				
England	70,584	72,341	74,088	77,139	81,271	63,254	64,699	67,148	69,662	73,856	7,329	7,642	6,940	7,477	7,414				
Scotland	8,493	8,648	9,258	10,066	9,631	7,498	7,882	8,395	8,947	8,588	995	765	863	1,118	1,043				
Wales	4,280	4,285	4,386	4,986	5,219	3,837	3,907	4,032	4,505	4,794	443	379	354	482	426				
Northern Ireland	2,700	2,777	2,889	3,335	3,351	2,499	2,563	2,680	3,103	3,095	202	214	209	231	255				
UK identifiable expenditure	86,057	88,051	90,622	95,526	99,472	77,088	79,051	82,255	86,217	90,333	8,968	9,000	8,366	9,309	9,138				
Outside the UK	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
Total identifiable expenditure	86,057	88,051	90,622	95,526	99,472	77,088	79,051	82,255	86,217	90,333	8,968	9,000	8,366	9,309	9,138				
Non-identifiable expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
Total Expenditure on Services	86,057	88,051	90,622	95,526	99,472	77,088	79,051	82,255	86,217	90,333	8,968	9,000	8,366	9,309	9,138				

Table 9.14 Identifiable expenditure on social protection, 2017-18 to 2021-22

	Social protection						of which: current						of which: capital					
	National Statistics						National Statistics						National Statistics					
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn		2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn		2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
North East	11,991	12,223	12,238	12,952	12,974		11,962	12,202	12,229	12,935	12,950		29	21	9	18	24	
North West	31,032	31,623	31,798	33,992	34,095		30,959	31,542	31,739	33,913	33,994		74	81	59	79	101	
Yorkshire and The Humber	21,926	22,356	22,316	24,007	23,998		21,883	22,321	22,289	23,975	23,954		43	35	27	32	44	
East Midlands	18,486	18,923	18,869	20,322	20,366		18,450	18,889	18,843	20,284	20,318		36	34	26	38	49	
West Midlands	23,665	24,146	24,184	26,104	26,104		23,619	24,101	24,153	26,065	26,051		46	44	31	39	52	
East	22,845	23,312	23,455	25,427	25,581		22,797	23,264	23,409	25,364	25,502		47	49	46	63	79	
London	31,675	32,019	32,763	37,312	37,065		31,654	31,943	32,702	37,234	36,960		20	76	61	77	105	
South East	32,834	33,561	33,597	36,670	36,855		32,770	33,504	33,552	36,600	36,764		64	57	45	70	90	
South West	22,568	23,088	23,097	24,883	25,052		22,540	23,059	23,068	24,843	25,001		28	29	29	39	51	
England	217,023	221,250	222,316	241,668	242,089		216,635	220,824	221,984	241,214	241,493		387	427	332	454	596	
Scotland	22,972	23,844	23,756	25,650	26,186		22,910	23,755	23,641	25,523	26,013		63	89	115	127	173	
Wales	14,559	14,901	14,944	16,284	16,493		14,531	14,868	14,926	16,232	16,439		29	33	18	52	54	
Northern Ireland	9,221	9,441	9,464	9,901	10,033		9,217	9,441	9,463	9,896	10,025		4	-	1	5	8	
UK identifiable expenditure	263,775	269,437	270,480	293,503	294,801		263,292	268,888	270,014	292,865	293,971		483	549	466	638	831	
Outside the UK	4,854	5,025	5,001	5,113	5,229		4,854	5,025	5,001	5,113	5,229		0	0	-	-	-	
Total identifiable expenditure	268,629	274,461	275,481	298,616	300,031		268,146	273,913	275,015	297,979	299,200		483	549	466	638	831	
Non-identifiable expenditure	99	350	335	516	589		98	349	332	516	589		0	1	2	1	0	
Total Expenditure on Services	268,728	274,811	275,815	299,133	300,620		268,245	274,261	275,347	298,494	299,789		483	550	468	638	831	

£ million

Table 9.15 UK identifiable expenditure on services by function per head⁽¹⁾, 2017-18 to 2021-22

Data in this table from 2017-18 to 2021-22 are National Statistics

	1. General public services	of which: public and common services	of which: international services	2. Defence	3. Public order and safety	4. Economic affairs	of which: enterprise and economic development	of which: science and technology	of which: employment policies	of which: agriculture, fisheries and forestry	of which: transport	5. Environment protection	6. Housing and community amenities	7. Health	8. Recreation, culture and religion	9. Education	10. Social protection	Total Expenditure on Services	£ per head
2017-18																			
North East	90	89	1	1	467	588	108	73	65	73	270	110	157	2,382	100	1,297	4,534	9,725	
North West	85	84	1	1	451	721	92	57	44	47	481	439	108	2,362	105	1,234	4,275	9,781	
Yorkshire and The Humber	60	60	1	0	436	552	75	48	51	78	301	122	162	2,131	107	1,303	4,023	8,898	
East Midlands	91	90	1	1	385	513	128	43	39	77	227	99	108	1,946	87	1,230	3,874	8,334	
West Midlands	97	96	1	1	400	606	93	75	51	45	342	97	116	2,189	83	1,295	4,038	8,922	
East	91	90	1	1	363	672	103	74	26	74	395	146	101	1,972	82	1,223	3,704	8,355	
London	94	93	1	1	685	1,230	166	72	44	10	938	119	299	2,680	147	1,461	3,589	10,304	
South East	100	99	1	1	344	722	197	99	24	47	355	142	113	1,965	91	1,202	3,616	8,296	
South West	87	86	1	1	350	613	143	51	21	106	292	164	95	2,034	88	1,129	4,060	8,621	
England	89	88	1	1	439	733	129	68	38	57	440	168	145	2,196	101	1,269	3,902	9,044	
Scotland	222	221	1	1	498	1,188	255	63	47	168	656	229	340	2,346	184	1,566	4,235	10,809	
Wales	171	171	1	1	435	828	178	51	43	160	396	198	227	2,309	172	1,369	4,659	10,369	
Northern Ireland	200	199	1	-	648	823	193	33	43	266	288	141	405	2,304	235	1,443	4,929	11,129	
UK identifiable expenditure	107	106	1	1	450	777	144	66	39	77	452	173	173	2,217	115	1,303	3,994	9,310	
2018-19																			
North East	103	102	1	1	468	692	121	100	66	84	321	113	167	2,443	98	1,311	4,599	9,994	
North West	86	85	1	1	459	738	125	64	49	51	450	356	116	2,455	100	1,246	4,337	9,893	
Yorkshire and The Humber	71	70	1	1	441	621	106	65	54	87	309	113	163	2,204	99	1,302	4,080	9,096	
East Midlands	77	76	1	1	399	595	126	59	43	90	278	102	107	2,027	87	1,239	3,939	8,573	
West Midlands	100	99	1	0	405	841	148	104	49	52	488	97	123	2,242	87	1,323	4,092	9,311	
East	102	101	1	1	373	845	174	90	26	78	477	152	126	2,039	83	1,248	3,759	8,729	
London	76	75	1	1	693	1,327	256	120	44	13	893	127	272	2,764	124	1,485	3,594	10,463	
South East	120	119	1	1	359	922	279	111	23	61	448	119	121	2,025	87	1,236	3,674	8,664	
South West	97	96	1	1	360	659	147	70	19	122	301	157	94	2,114	86	1,182	4,123	8,871	
England	93	92	1	1	448	851	179	90	39	65	478	154	148	2,270	96	1,292	3,953	9,304	
Scotland	220	219	1	1	522	1,199	276	64	47	170	642	236	409	2,395	197	1,590	4,385	11,152	
Wales	172	171	1	1	453	853	201	50	41	166	396	196	260	2,401	166	1,365	4,748	10,616	
Northern Ireland	210	209	1	-	662	923	189	36	53	292	353	136	450	2,435	265	1,476	5,018	11,574	
UK identifiable expenditure	110	109	1	1	460	881	188	84	40	85	484	162	183	2,291	112	1,325	4,056	9,582	

Table 9.15 UK identifiable expenditure on services by function per head⁽¹⁾, 2017-18 to 2021-22 (continued)

		Data in this table from 2017-18 to 2021-22 are National Statistics										£ per head							
		1. General public services	of which: public and common services	of which: international services	2. Defence	3. Public order and safety	4. Economic affairs	of which: enterprise and economic development	of which: science and technology	of which: employment policies	of which: agriculture, fisheries and forestry	of which: transport	5. Environment protection	6. Housing and community amenities	7. Health	8. Recreation, culture and religion	9. Education	10. Social protection	Total Expenditure on Services
2019-20																			
	North East	112	111	1	1	492	713	140	90	42	83	358	110	202	2,616	116	1,316	4,584	10,262
	North West	88	87	1	1	483	772	154	67	47	52	452	383	140	2,616	105	1,287	4,331	10,205
	Yorkshire and The Humber	87	86	1	1	456	691	146	90	34	84	336	122	153	2,354	116	1,321	4,055	9,356
	East Midlands	99	98	1	1	425	665	169	66	31	89	310	106	123	2,208	92	1,280	3,902	8,900
	West Midlands	124	123	1	1	415	921	215	108	32	61	505	98	177	2,384	88	1,358	4,075	9,640
	East	111	110	1	1	401	962	285	97	26	88	465	161	160	2,165	84	1,292	3,761	9,096
	London	112	111	1	1	737	1,413	400	120	41	17	836	129	340	2,965	140	1,479	3,656	10,973
	South East	110	109	1	1	384	1,032	300	116	23	63	530	121	137	2,162	82	1,255	3,660	8,944
	South West	94	93	1	1	394	763	200	74	27	118	343	168	129	2,274	82	1,205	4,106	9,215
	England	104	103	1	1	475	932	242	95	33	68	494	161	179	2,428	101	1,316	3,950	9,648
	Scotland	304	303	1	1	551	1,252	311	66	32	160	683	267	425	2,508	182	1,695	4,348	11,533
	Wales	184	183	1	1	486	864	218	47	32	153	414	206	306	2,545	166	1,391	4,740	10,890
	Northern Ireland	228	227	1	-	684	1,095	364	44	46	292	349	157	445	2,609	262	1,525	4,998	12,003
	UK identifiable expenditure	128	127	1	1	488	960	250	89	33	86	501	172	213	2,445	115	1,357	4,049	9,927
2020-21																			
	North East	118	118	1	13	542	2,513	1,733	95	43	86	557	128	171	3,450	124	1,372	4,832	13,263
	North West	122	121	1	1	522	2,754	1,990	70	51	59	585	407	132	3,476	122	1,336	4,614	13,486
	Yorkshire and The Humber	105	104	1	1	504	2,629	1,892	82	39	92	524	139	154	3,137	126	1,359	4,344	12,501
	East Midlands	116	115	1	2	474	2,582	1,913	70	36	96	467	122	133	2,970	112	1,329	4,177	12,017
	West Midlands	164	163	1	2	466	2,821	1,982	109	37	63	630	114	161	3,198	115	1,406	4,378	12,826
	East	176	175	1	3	432	3,135	2,226	96	31	95	686	171	149	2,938	97	1,333	4,056	12,490
	London	151	150	1	2	787	4,323	2,724	138	54	23	1,384	146	320	3,813	190	1,630	4,145	15,408
	South East	148	147	1	2	409	3,142	2,130	120	29	68	796	133	143	2,954	106	1,308	3,978	12,324
	South West	139	139	1	2	421	2,842	2,110	86	30	131	484	170	126	3,046	112	1,248	4,397	12,503
	England	141	140	1	2	515	3,087	2,139	100	39	74	735	176	172	3,235	125	1,364	4,274	13,091
	Scotland	274	273	1	1	567	3,237	2,074	111	35	167	849	264	382	3,313	223	1,842	4,693	14,795
	Wales	199	198	1	1	535	2,833	2,034	70	36	164	529	217	264	3,226	207	1,573	5,138	14,194
	Northern Ireland	426	425	1	-	704	2,747	1,840	52	40	318	497	168	538	3,483	257	1,759	5,223	15,306
	UK identifiable expenditure	162	162	1	2	526	3,078	2,120	98	39	93	728	185	204	3,248	141	1,424	4,375	13,345

Table 9.15 UK identifiable expenditure on services by function per head⁽¹⁾, 2017-18 to 2021-22 (continued)

	Data in this table from 2017-18 to 2021-22 are National Statistics										£ per head										
	1. General public services		2. Defence		3. Public order and safety		4. Economic affairs		5. Environment protection		6. Housing and community amenities		7. Health		8. Recreation, culture and religion		9. Education		10. Social protection		Total Expenditure on Services
		<i>of which: public and common services</i>		<i>of which: international services</i>					<i>of which: science and technology</i>	<i>of which: employment policies</i>	<i>of which: agriculture, fisheries and forestry</i>	<i>of which: transport</i>									
2021-22																					
North East	124	123	1	1	571	1,113	417	83	72	93	448	136	170	3,401	123	1,478	4,901				12,027
North West	126	125	1	1	542	1,291	487	79	78	59	588	473	134	3,421	124	1,394	4,597				12,102
Yorkshire and The Humber	108	107	1	1	524	1,154	444	90	64	99	457	143	153	3,098	125	1,446	4,379				11,131
East Midlands	110	109	1	1	496	1,078	454	70	56	103	394	125	144	2,897	107	1,397	4,173				10,528
West Midlands	165	165	1	2	478	1,451	526	110	62	66	688	115	170	3,161	130	1,492	4,387				11,550
East	174	173	1	2	439	1,423	588	72	50	93	621	172	164	2,889	95	1,390	4,038				10,788
London	168	167	1	2	854	2,344	891	126	90	25	1,212	154	376	3,811	163	1,637	4,212				13,719
South East	143	142	1	2	424	1,442	580	119	47	68	628	143	151	2,909	102	1,376	3,972				10,665
South West	123	122	1	1	429	1,144	467	87	48	118	423	184	127	3,011	106	1,301	4,394				10,820
England	141	140	1	2	537	1,456	568	97	64	75	653	191	185	3,192	121	1,439	4,286				11,549
Scotland	349	347	2	1	607	1,922	723	108	59	165	867	277	479	3,490	220	1,758	4,779				13,881
Wales	304	303	1	1	566	1,265	471	78	60	180	475	236	380	3,459	203	1,680	5,307				13,401
Northern Ireland	318	317	1	-	734	1,555	611	60	54	352	478	153	580	3,439	251	1,761	5,272				14,062
UK identifiable expenditure	171	170	1	2	550	1,488	577	96	63	95	658	199	230	3,236	136	1,485	4,401				11,897

⁽¹⁾ Per head figures in 2021-22 are calculated using the latest available population estimates for Scotland and Census figures for the rest of the UK. Earlier years are calculated using mid-year population estimates from the ONS. See Annex within the CRA 2022 release for further details including information on how population figures may have been affected by movements related to the pandemic, especially in London.

Table 9.16 UK identifiable expenditure on services by function, per head indexed, 2017-18 to 2021-22

		Index (UK identifiable expenditure = 100)										Total Expenditure on Services								
		1. General public services	2. Defence	3. Public order and safety	4. Economic affairs	of which: enterprise and economic development	of which: science and technology	of which: employment policies	of which: agriculture, fisheries and forestry	of which: transport	5. Environment protection		6. Housing and community amenities	7. Health	8. Recreation, culture and religion	9. Education	10. Social protection			
2017-18																				
North East		84	83	98	102	104	76	75	111	165	95	60	64	91	107	86	100	114	104	
North West		79	79	98	106	100	93	64	87	110	62	107	253	62	107	91	95	107	105	
Yorkshire and The Humber		56	56	98	69	97	71	52	73	128	102	67	70	94	96	93	100	101	96	
East Midlands		85	85	98	103	86	66	89	65	100	100	50	57	63	88	76	94	97	90	
West Midlands		90	90	98	82	89	78	65	114	129	59	76	56	67	99	72	99	101	96	
East		85	85	98	119	81	87	72	112	65	97	88	84	58	89	71	94	93	90	
London		88	87	98	102	152	158	116	109	112	13	208	68	173	121	128	112	90	111	
South East		93	93	98	122	77	93	137	150	61	62	79	82	65	89	79	92	91	89	
South West		81	81	98	92	78	79	99	78	54	138	65	95	55	92	77	87	102	93	
England		83	83	98	102	98	94	90	103	97	74	98	97	84	99	88	97	98	97	
Scotland		208	208	119	98	111	153	177	95	119	219	145	132	197	106	160	120	106	116	
Wales		160	160	98	135	97	106	124	78	108	208	88	114	132	104	149	105	117	111	
Northern Ireland		186	187	98	-	144	106	134	50	109	348	64	81	234	104	204	111	123	120	
UK identifiable expenditure		100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
2018-19																				
North East		93	93	98	90	102	79	64	119	164	99	66	70	91	107	87	99	113	104	
North West		78	78	98	92	100	84	66	76	121	60	93	219	63	107	89	94	107	103	
Yorkshire and The Humber		65	64	98	90	96	71	57	78	133	102	64	70	89	96	89	98	101	95	
East Midlands		70	69	98	109	87	68	67	70	107	106	57	63	59	89	78	93	97	89	
West Midlands		91	91	98	82	88	95	79	124	122	61	101	60	67	98	77	100	101	97	
East		93	93	98	112	81	96	92	107	64	92	99	94	69	89	74	94	93	91	
London		69	69	98	108	151	151	136	143	110	15	185	78	149	121	111	112	89	109	
South East		109	109	98	122	78	105	148	132	58	72	93	74	66	88	78	93	91	90	
South West		88	87	98	96	78	75	78	83	46	144	62	97	51	92	76	89	102	93	
England		84	84	98	102	97	97	95	107	97	77	99	95	81	99	85	98	97	97	
Scotland		199	200	118	98	113	136	146	76	117	200	133	146	224	105	176	120	108	116	
Wales		156	157	98	128	98	97	107	59	101	195	82	121	142	105	148	103	117	111	
Northern Ireland		191	192	99	-	144	105	100	43	131	343	73	84	246	106	236	111	124	121	
UK identifiable expenditure		100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	

Table 9.16 UK identifiable expenditure on services by function per head indexed, 2017-18 to 2021-22 (continued)

		Index (UK identifiable expenditure = 100)										Total Expenditure on Services							
		1. General public services	2. Defence	3. Public order and safety	4. Economic affairs	of which: enterprise and economic development	of which: science and technology	of which: employment policies	of which: agriculture, fisheries and forestry	of which: transport	5. Environment protection		6. Housing and community amenities	7. Health	8. Recreation, culture and religion	9. Education	10. Social protection		
2019-20																			
North East	88	88	99	78	101	74	56	102	125	97	71	64	95	107	101	97	113	103	
North West	69	69	99	73	99	80	62	75	141	61	90	223	66	107	91	95	107	103	
Yorkshire and The Humber	68	68	99	78	94	72	58	101	102	98	67	71	72	96	101	97	100	94	
East Midlands	77	77	99	97	87	69	67	74	92	104	62	62	58	90	80	94	96	90	
West Midlands	97	97	99	70	85	96	86	121	94	72	101	57	83	97	76	100	101	97	
East	87	87	99	108	82	100	114	109	76	103	93	93	75	89	73	95	93	92	
London	88	88	99	173	151	147	160	135	123	20	167	75	160	121	122	109	90	111	
South East	86	86	99	109	79	108	120	130	68	74	106	71	65	88	72	92	90	90	
South West	73	73	99	114	81	79	80	84	81	138	68	97	60	93	71	89	101	93	
England	82	81	99	105	97	97	97	107	99	79	98	94	84	99	88	97	98	97	
Scotland	238	239	112	73	113	130	124	74	97	187	136	155	200	103	158	125	107	116	
Wales	144	144	99	112	100	90	87	53	97	178	83	120	144	104	144	103	117	110	
Northern Ireland	178	179	99	-	140	114	145	50	137	341	70	91	209	107	228	112	123	121	
UK identifiable expenditure	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
2020-21																			
North East	73	73	98	605	103	82	82	97	110	92	77	69	84	106	88	96	110	99	
North West	75	75	98	48	99	89	94	71	130	63	80	220	65	107	86	94	105	101	
Yorkshire and The Humber	65	65	98	56	96	85	89	84	101	99	72	75	76	97	90	95	99	94	
East Midlands	71	71	98	81	90	84	90	72	94	104	64	66	65	91	79	93	95	90	
West Midlands	101	101	98	86	89	92	93	111	94	68	87	61	79	98	82	99	100	96	
East	108	108	98	139	82	102	105	98	81	103	94	92	73	90	69	94	93	94	
London	93	93	98	89	150	140	129	141	139	25	190	79	157	117	135	107	95	115	
South East	91	91	98	111	78	102	100	123	74	73	109	72	70	91	75	92	91	92	
South West	86	86	98	72	80	92	100	88	78	142	66	92	62	94	80	88	100	94	
England	87	87	98	111	98	100	101	102	101	80	101	95	84	100	89	96	98	98	
Scotland	169	169	121	49	108	105	98	113	91	180	117	142	187	102	158	129	107	111	
Wales	123	123	98	47	102	92	96	71	93	177	73	117	130	99	147	110	117	106	
Northern Ireland	262	263	98	-	134	89	87	53	103	343	68	91	264	107	183	124	119	115	
UK identifiable expenditure	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	

Table 9.16 UK identifiable expenditure on services by function per head indexed, 2017-18 to 2021-22 (continued)

		Index (UK identifiable expenditure = 100)										Total Expenditure on Services							
		1. General public services	2. Defence	3. Public order and safety	4. Economic affairs	of which: enterprise and economic development	of which: science and technology	of which: employment policies	of which: agriculture, fisheries and forestry	of which: transport	5. Environment protection		6. Housing and community amenities	7. Health	8. Recreation, culture and religion	9. Education	10. Social protection		
2021-22																			
	North East	72	72	92	92	620	104	75	72	87	115	97	68	74	105	90	100	111	101
	North West	74	74	92	92	48	99	87	84	83	124	62	89	58	106	91	94	104	102
	Yorkshire and The Humber	63	63	92	92	58	95	78	77	94	103	104	70	67	96	92	97	99	94
	East Midlands	64	64	92	92	82	90	72	79	73	90	108	60	63	90	78	94	95	88
	West Midlands	97	97	92	92	87	87	97	91	115	98	69	105	74	98	95	100	100	97
	East	102	102	92	92	139	80	96	102	75	80	98	94	71	89	70	94	92	91
	London	98	98	92	92	92	155	157	154	132	144	26	184	164	118	119	110	96	115
	South East	84	84	92	92	112	77	97	100	124	75	72	95	66	90	75	93	90	90
	South West	72	72	92	92	72	78	77	81	91	77	124	64	55	93	78	88	100	91
	England	83	83	92	92	113	98	98	98	101	101	79	99	81	99	88	97	97	97
	Scotland	204	204	189	189	33	110	129	125	113	94	174	132	209	108	162	118	109	117
	Wales	178	179	92	92	48	103	85	81	82	96	190	72	165	107	149	113	121	113
	Northern Ireland	186	187	92	92	-	133	104	106	62	86	371	73	253	106	184	119	120	118
	UK identifiable expenditure	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

Table 9.17 Total local government identifiable expenditure on services, 2017-18 to 2021-22

	£ million						as a per cent of total spending in that region (from Table 9.1)					
	National Statistics			National Statistics			National Statistics			National Statistics		
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn		
North East	6,168	6,130	6,385	6,573	6,572	24	23	23	23	18		
North West	18,295	17,284	17,573	18,487	18,731	26	24	23	23	19		
Yorkshire and The Humber	11,421	11,243	11,459	12,208	12,397	24	23	22	22	18		
East Midlands	8,873	8,672	8,861	9,432	9,517	22	21	21	21	16		
West Midlands	11,919	12,073	12,360	13,246	13,451	23	22	22	22	17		
East	11,993	11,976	12,358	13,083	13,168	23	22	22	22	17		
London	29,293	28,665	28,945	32,501	31,469	32	31	29	29	23		
South East	18,967	19,589	19,122	19,904	20,111	25	25	23	23	18		
South West	10,801	10,868	11,159	11,833	11,857	23	22	22	22	17		
Total England	127,731	126,501	128,221	137,266	137,273	25	24	24	24	19		
Scotland	14,527	14,714	15,741	15,583	16,474	25	24	25	25	19		
Wales	8,398	8,564	8,786	9,685	10,177	26	26	26	26	22		
Northern Ireland ⁽¹⁾	760	858	877	766	874	4	4	4	4	3		
UK local government identifiable expenditure	151,416	150,637	153,625	163,301	164,798	25	24	24	23	18		
Non-identifiable expenditure	832	850	648	763	786	1	1	1	1	1		
Total local government expenditure on services	152,248	151,487	154,273	164,064	165,584	20	20	19	19	16		
Accounting adjustments	25,189	26,711	30,648	48,883	31,082	28	31	33	33	59		
Total local government expenditure	177,437	178,198	184,921	212,947	196,666	21	21	21	21	19		

⁽¹⁾ The relative weighting of Northern Ireland is lower in these tables because spending that is undertaken by local government in Great Britain is mostly undertaken by Northern Ireland departments.

Table 9.18 Total local government identifiable expenditure on services, per head⁽¹⁾ 2017-18 to 2021-22

	£ per head						Index (UK identifiable expenditure = 100)									
	National Statistics			National Statistics			2017-18		2018-19		2019-20		2020-21		2021-22	
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
North East	2,332	2,306	2,391	2,452	2,483	102	102	104	101	101	102	102	104	101	101	
North West	2,521	2,370	2,394	2,509	2,525	110	105	104	103	103	110	105	104	103	103	
Yorkshire and The Humber	2,096	2,052	2,082	2,209	2,262	91	90	91	91	92	91	90	91	91	92	
East Midlands	1,860	1,805	1,832	1,938	1,950	81	80	80	80	79	81	80	80	80	79	
West Midlands	2,034	2,046	2,083	2,222	2,260	89	90	91	91	92	89	90	91	91	92	
East	1,944	1,931	1,982	2,087	2,079	85	85	86	86	84	85	85	86	86	84	
London	3,319	3,218	3,230	3,610	3,576	145	142	140	148	145	145	142	140	148	145	
South East	2,089	2,145	2,083	2,159	2,168	91	95	91	89	88	91	95	91	89	88	
South West	1,943	1,941	1,984	2,091	2,080	85	86	86	86	85	85	86	86	86	85	
Total England	2,297	2,260	2,278	2,427	2,430	100	100	99	100	99	100	100	99	100	99	
Scotland	2,678	2,706	2,881	2,851	3,006	117	119	125	117	122	117	119	125	117	122	
Wales	2,687	2,729	2,787	3,056	3,275	117	120	121	126	133	117	120	121	126	133	
Northern Ireland ⁽²⁾	406	456	463	404	459	18	20	20	17	19	18	20	20	17	19	
UK local government identifiable expenditure	2,293	2,267	2,300	2,434	2,460	100	100	100	100	100	100	100	100	100	100	

⁽¹⁾ Per head figures in 2021-22 are calculated using the latest available population estimates for Scotland and Census figures for the rest of the UK. Earlier years are calculated using mid-year population estimates from the ONS. See Annex within the CRA 2022 release for further details including information on how population figures may have been affected by movements related to the pandemic, especially in London.

⁽²⁾ The relative weighting of Northern Ireland is lower in these tables because spending that is undertaken by local government in Great Britain is mostly undertaken by Northern Ireland departments.

Table 9.19 Total identifiable expenditure on services excluding local government⁽¹⁾, 2017-18 to 2021-22

	£ million		as a per cent of total spending in that region from 9.1									
			National Statistics					National Statistics				
	2017-18 outturn	2021-22 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn
North East	19,552	25,266	76	77	77	77	79	76	77	77	82	79
North West	52,700	71,032	74	76	77	77	79	74	76	77	81	79
Yorkshire and The Humber	37,075	48,609	76	77	78	78	80	76	77	78	82	80
East Midlands	30,892	41,861	78	79	79	79	81	78	79	79	84	81
West Midlands	40,372	55,283	77	78	78	78	80	77	78	78	83	80
East	39,544	55,171	77	78	78	78	81	77	78	78	83	81
London	61,640	89,255	68	69	71	71	74	68	69	71	77	74
South East	56,365	78,842	75	75	77	77	80	75	75	77	82	80
South West	37,125	49,832	77	78	78	78	81	77	78	78	83	81
Total England	375,265	515,151	75	76	76	76	79	75	76	76	81	79
Scotland	44,110	59,593	75	76	75	75	78	75	76	75	81	78
Wales	24,009	31,465	74	74	74	74	76	74	74	74	78	76
Northern Ireland ⁽²⁾	20,059	25,887	96	96	96	96	97	96	96	96	97	97
UK identifiable expenditure excluding local government	463,443	632,096	75	76	77	77	79	75	76	77	82	79
Outside UK	26,409	22,125	100	100	100	100	100	100	100	100	100	100
Total identifiable expenditure on services excluding local government	489,852	654,221	76	77	78	78	80	76	77	78	82	80
Non-identifiable expenditure	107,910	137,886	99	99	99	99	99	99	99	99	99	99
Total expenditure on services excluding local government	597,761	792,107	80	80	81	81	83	80	80	81	84	83
Accounting adjustments	64,350	58,503	72	69	67	67	65	72	69	67	41	65
Total Managed Expenditure excluding local government	662,111	850,610	79	79	79	81	81	79	79	79	81	81

⁽¹⁾ Expenditure in this table covers central government, public corporations, Bank of England and public sector pensions.

⁽²⁾ The relative weighting of Northern Ireland is higher in these tables because spending that is undertaken by local government in Great Britain is mostly undertaken by Northern Ireland departments.

Table 9.20 UK identifiable expenditure excluding local government⁽¹⁾ per head⁽²⁾, 2017-18 to 2021-22

	£ per head						Index (UK identifiable expenditure = 100)									
	National Statistics			National Statistics			2017-18		2018-19		2019-20		2020-21		2021-22	
	2017-18	2018-19	2019-20	2020-21	2021-22	2017-18	2018-19	2019-20	2020-21	2021-22	2017-18	2018-19	2019-20	2020-21	2021-22	
North East	7,393	7,688	7,871	10,811	9,545	105	105	103	99	101	105	103	103	99	101	
North West	7,260	7,523	7,812	10,977	9,576	103	103	102	101	101	103	102	101	101	101	
Yorkshire and The Humber	6,803	7,044	7,274	10,292	8,869	97	96	95	94	94	97	95	94	94	94	
East Midlands	6,474	6,768	7,068	10,078	8,578	92	93	93	92	91	92	93	93	92	91	
West Midlands	6,889	7,265	7,557	10,604	9,290	98	99	99	97	98	99	99	99	97	98	
East	6,411	6,798	7,115	10,403	8,710	91	93	93	95	92	91	93	95	95	92	
London	6,985	7,245	7,744	11,798	10,143	100	99	102	108	107	100	99	102	108	107	
South East	6,207	6,520	6,861	10,164	8,498	88	89	90	93	90	88	89	90	93	90	
South West	6,678	6,930	7,231	10,412	8,741	95	95	95	95	93	95	95	95	95	93	
Total England	6,747	7,044	7,370	10,664	9,119	96	96	97	98	97	96	96	97	98	97	
Scotland	8,131	8,447	8,651	11,944	10,875	116	115	113	109	115	116	115	113	109	115	
Wales	7,682	7,887	8,103	11,138	10,126	109	108	106	102	107	109	108	106	102	107	
Northern Ireland ⁽³⁾	10,722	11,118	11,540	14,902	13,603	153	152	151	137	144	153	152	151	137	144	
UK identifiable expenditure excluding local government	7,018	7,314	7,628	10,910	9,437	100	100	100	100	100	100	100	100	100	100	

⁽¹⁾Expenditure in this table covers central government, public corporations, Bank of England and public sector pensions.

⁽²⁾Per head figures in 2021-22 are calculated using the latest available population estimates for Scotland and Census figures for the rest of the UK. Earlier years are calculated using mid-year population estimates from the ONS. See Annex within the CRA 2022 release for further details including information on how population figures may have been affected by movements related to the pandemic, especially in London.

⁽³⁾The relative weighting of Northern Ireland is higher in these tables because spending that is undertaken by local government in Great Britain is mostly undertaken by Northern Ireland departments.

Table 9.21 Identifiable expenditure on services for Scotland, Wales and Northern Ireland in 2021-22

All the data in this table are National Statistics

Departmental grouping	Function	National Statistics										Total Expenditure on Services							
		1. General public services <i>of which: public and common services</i>	<i>of which: international services</i>	2. Defence	3. Public order and safety	4. Economic affairs <i>of which: enterprise and economic development</i>	<i>of which: science and technology</i>	<i>of which: employment policies</i>	<i>of which: agriculture, fisheries and forestry</i>	<i>of which: transport</i>	5. Environment protection		6. Housing and community amenities	7. Health	8. Recreation, culture and religion	9. Education	10. Social protection		
Scotland		1,081	1,076	5	-	3,245	4,563	1,396	1	-	745	2,420	271	1,221	17,539	376	2,969	4,040	35,304
Scottish Government ⁽¹⁾		11	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11
Scotland Office		711	711	-	3	-	1,715	539	-	-	92	1,083	929	1,404	-	757	6,649	5,296	17,464
Scottish local government		-	-	-	-	-	4	-	-	-	-	4	-	-	-	-	-	-	4
Local government public corporations		108	102	5	-	82	4,250	2,024	590	322	69	1,245	320	-	1,588	74	12	16,850	23,284
UK government departments		1,911	1,901	11	3	3,327	10,531	3,960	591	322	906	4,752	1,520	2,625	19,127	1,206	9,631	26,186	76,067
Total identifiable expenditure in Scotland																			
Wales		565	565	-	2	1,552	1,552	370	35	-	482	665	194	426	9,854	183	1,568	397	14,740
Welsh Government ⁽¹⁾		6	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6
Wales Office		273	273	-	3	1,028	580	118	-	-	34	428	450	744	-	317	3,644	3,576	10,616
Welsh local government		-	-	-	-	-	3	-	-	-	-	3	-	-	-	-	-	-	3
Local government public corporations		101	98	3	-	729	1,795	974	208	188	45	380	90	11	895	131	7	12,520	16,279
UK government departments		944	941	3	3	1,759	3,930	1,462	243	188	561	1,476	734	1,181	10,749	631	5,219	16,493	41,642
Total identifiable expenditure in Wales																			
Northern Ireland		542	542	-	-	1,392	2,149	487	24	103	641	895	68	779	5,953	207	3,351	9,005	23,447
Northern Ireland Executive		23	23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23
Northern Ireland Office		-	-	-	-	-	52	52	-	-	-	-	211	325	45	242	-	-	874
Northern Irish local government ⁽²⁾		39	37	2	-	4	758	625	89	0	29	14	14	-	546	29	-	1,028	2,418
UK government departments		604	603	2	-	1,397	2,959	1,164	113	103	670	909	292	1,104	6,544	478	3,351	10,033	26,761
Total identifiable expenditure in Northern Ireland																			

⁽¹⁾ This includes public corporations sponsored by central government departments.

⁽²⁾ The relative weighting of Northern Ireland is lower in these tables because spending that is undertaken by local government in Great Britain is mostly undertaken by Northern Ireland departments.

10

Public expenditure by geography and sub-function

10.1 This chapter (with the exception of two tables) presents public expenditure by geography and sub-function. The figures in this chapter are consistent with **Chapter 9**.

10.2 Readers need to bear in mind two points about this chapter:

- as with **Chapter 9**, the information in **Chapter 10** was gathered in a separate data collection exercise during the summer of 2022. The **Chapter 10** tables are identical to those published in the 'Country and regional analysis' (CRA) National Statistics release from November 2022¹. Therefore Census day and mid-year population estimates used to produce the 'per head' tables in this chapter are from the most up-to-date available source as at November 2022.
- most public spending is planned to benefit categories of individuals and enterprises irrespective of location. The regional analyses presented in this chapter show where the individuals and enterprises that benefited from public spending were located. It does not mean that all such spending was planned to benefit a particular region because only a minority of public spending is planned on a regional basis.

10.3 **Tables 10.5 to 10.8** in this chapter present the total identifiable expenditure on services for England, Scotland, Wales and Northern Ireland per head. While this makes figures more easily comparable, it draws attention to any inconsistencies in the sub-functional classification of spending across the UK.

10.4 The interactive tables and database available on GOV.UK alongside the November 2022 CRA release will include information in **Table 10.9** for earlier years.

10.5 Users should be aware that whilst accurate at the functional level, differences between countries at the lower sub-functional level will reflect the different structures departments and devolved authorities use when reporting data to HM Treasury, in addition to any actual policy differences which may exist.

10.6 Below is a summary of the tables presented in this chapter. Unless otherwise stated, these tables show outturn between 2017-18 and 2021-22:

- **Table 10.1** shows total identifiable expenditure on services for England by sub-function;
- **Table 10.2** shows total identifiable expenditure on services for Scotland by sub-function;
- **Table 10.3** shows total identifiable expenditure on services for Wales by sub-function;
- **Table 10.4** shows total identifiable expenditure on services for Northern Ireland by sub-function;
- **Table 10.5** shows total identifiable expenditure on services for England by sub-function per head;
- **Table 10.6** shows total identifiable expenditure on services for Scotland by sub-function per head;

¹ <https://www.gov.uk/government/statistics/country-and-regional-analysis-2022>

- **Table 10.7** shows total identifiable expenditure on services for Wales by sub-function per head;
- **Table 10.8** shows total identifiable expenditure on services for Northern Ireland by sub-function per head;
- **Table 10.9** shows total identifiable expenditure on services for each English region by sub-function for outturn period 2021-22 only and;
- **Table 10.10** shows total identifiable expenditure on services for each English region by sub-function per head for outturn period 2021-22 only.

Table 10.1 Total identifiable expenditure on services in England by sub-function⁽¹⁾, 2017-18 to 2021-22

	National Statistics				
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn
£ million					
1. General public services					
1.1 Executive and legislative organs, financial and fiscal affairs, external affairs	2,344	2,476	2,452	2,552	2,891
1.2 Foreign economic aid	-	-	-	-	-
1.3 General services	842	959	1,038	1,930	1,819
1.4 Basic research	-	-	-	-	-
1.5 R&D general public services	4	5	5	4	6
1.6 General public services n.e.c.	1,773	1,755	2,383	3,470	3,260
Total general public services	4,963	5,196	5,878	7,956	7,976
2. Defence					
2.1 Military defence	-	-	-	-	-
2.2 Civil defence	36	35	48	134	113
2.3 Foreign military aid	-	-	-	-	-
2.4 R&D defence	-	-	-	-	-
2.5 Defence n.e.c.	-	-	-	-	-
Total defence	36	35	48	134	113
3. Public order and safety					
3.1 Police services	13,037	13,313	13,878	14,694	15,901
<i>of which: immigration and citizenship</i>	-	-	-	-	8
<i>of which: other police services</i>	13,037	13,313	13,878	14,694	15,893
3.2 Fire-protection services	2,102	2,100	2,316	2,333	2,500
3.3 Law courts	5,135	5,306	5,849	5,880	6,718
3.4 Prisons	3,643	3,847	3,643	4,675	4,559
3.5 R&D public order and safety	15	15	-	-	-
3.6 Public order and safety n.e.c.	500	506	1,042	1,541	662
Total public order and safety	24,432	25,088	26,728	29,122	30,340
4. Economic affairs					
4.1 General economic, commercial and labour affairs	5,667	7,973	11,693	120,550	32,817
4.2 Agriculture, forestry, fishing and hunting	3,158	3,652	3,808	4,185	4,225
<i>of which: market support under CAP</i>	1,825	2,095	1,976	2,010	1,934
<i>of which: other agriculture, food and fisheries policy</i>	1,294	1,517	1,790	2,110	2,192
<i>of which: forestry</i>	39	40	42	64	99
4.3 Fuel and energy	1,030	869	914	943	1,741
4.4 Mining, manufacturing and construction	2,196	2,830	2,372	1,079	519
4.5 Transport	24,491	26,732	27,803	41,563	36,903
<i>of which: national roads</i>	3,090	3,879	4,689	5,041	4,305
<i>of which: local roads</i>	4,583	4,003	4,242	5,423	4,906
<i>of which: local public transport</i>	2,097	2,066	1,982	6,517	4,492
<i>of which: railway</i>	14,038	16,010	15,845	23,510	21,946
<i>of which: other transport</i>	682	774	1,045	1,072	1,255
4.6 Communication	-	0	-	-	-
4.7 Other industries	109	126	107	97	101
4.8 R&D economic affairs	3,789	5,024	5,346	5,646	5,460
4.9 Economic affairs n.e.c.	329	417	428	500	506
Total economic affairs	40,769	47,623	52,470	174,563	82,273

Table 10.1 Total identifiable expenditure on services in England by sub-function, 2017-18 to 2021-22⁽¹⁾
(continued)

	National Statistics					£ million
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
5. Environment protection						
5.1 Waste management	7,130	6,608	6,999	7,454	8,183	
5.2 Waste water management	-	-	-	-	-	
5.3 Pollution abatement	65	120	157	259	433	
5.4 Protection of biodiversity and landscape	237	212	200	243	279	
5.5 R&D environment protection	441	178	142	152	149	
5.6 Environment protection n.e.c.	1,455	1,498	1,579	1,860	1,732	
Total environment protection	9,328	8,616	9,078	9,968	10,776	
6. Housing and community amenities						
6.1 Housing development	4,473	4,730	6,164	5,727	6,513	
<i>of which: local authority housing</i>	<i>3,781</i>	<i>3,805</i>	<i>4,611</i>	<i>4,494</i>	<i>5,386</i>	
<i>of which: other social housing</i>	<i>692</i>	<i>924</i>	<i>1,553</i>	<i>1,233</i>	<i>1,127</i>	
6.2 Community development	2,736	2,684	3,018	3,133	2,952	
6.3 Water supply	6	7	7	6	7	
6.4 Street lighting	756	699	674	677	723	
6.5 R&D housing and community amenities	-	-	-	-	-	
6.6 Housing and community amenities n.e.c.	120	143	220	192	282	
Total housing and community amenities	8,091	8,262	10,083	9,734	10,477	
7. Health⁽²⁾						
Medical services	115,852	120,116	129,792	152,778	159,541	
Health research	1,703	1,360	1,366	1,422	1,512	
Central and other health services	4,583	5,575	5,525	28,729	19,247	
Total health	122,138	127,051	136,682	182,929	180,300	
8. Recreation, culture and religion						
8.1 Recreational and sporting services	2,163	2,149	2,268	2,583	2,912	
8.2 Cultural services	2,961	2,706	2,921	3,987	3,413	
8.3 Broadcasting and publishing services	281	343	296	298	331	
8.4 Religious and other community services	30	35	17	8	6	
8.5 R&D recreation, culture and religion	148	63	77	103	61	
8.6 Recreation, culture and religion n.e.c.	49	62	106	107	85	
Total recreation, culture and religion	5,632	5,359	5,684	7,085	6,810	
9. Education						
9.1 Pre-primary and primary education	24,802	24,593	24,584	24,962	25,821	
<i>of which: under fives</i>	<i>2,938</i>	<i>3,286</i>	<i>3,367</i>	<i>3,584</i>	<i>3,486</i>	
<i>of which: primary education</i>	<i>21,865</i>	<i>21,307</i>	<i>21,216</i>	<i>21,379</i>	<i>22,335</i>	
9.2 Secondary education ⁽³⁾	34,977	37,061	38,823	40,639	43,449	
9.3 Post-secondary non-tertiary education	581	485	529	571	647	
9.4 Tertiary education	3,215	2,467	2,272	2,368	2,433	
9.5 Education not definable by level	591	492	626	752	595	
9.6 Subsidiary services to education	2,799	2,993	3,464	3,773	4,144	
9.7 R&D education	1,816	2,259	2,323	2,698	2,608	
9.8 Education n.e.c.	1,802	1,990	1,468	1,376	1,572	
Total education	70,584	72,341	74,088	77,139	81,271	

Table 10.1 Total identifiable expenditure on services in England by sub-function⁽¹⁾, 2017-18 to 2021-22 (continued)

	National Statistics					£ million
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
10. Social protection						
<i>of which: personal social services</i>	26,036	27,497	28,899	31,546	32,668	
10.1 Sickness and disability	43,267	44,838	45,416	47,750	48,280	
<i>of which: personal social services</i>	8,496	8,830	9,179	10,308	10,363	
<i>of which: incapacity, disability and injury benefits</i>	34,771	36,008	36,238	37,442	37,918	
10.2 Old age	98,511	101,500	98,322	99,569	101,733	
<i>of which: personal social services</i>	7,992	8,440	8,835	9,470	9,708	
<i>of which: pensions</i>	90,519	93,060	89,486	90,099	92,025	
10.3 Survivors	795	765	788	787	809	
10.4 Family and children	21,031	21,226	21,457	21,867	22,466	
<i>of which: personal social services</i>	8,843	9,349	9,889	10,526	11,264	
<i>of which: family benefits, income support and tax credits</i>	12,188	11,877	11,568	11,341	11,202	
10.5 Unemployment	1,624	1,370	980	1,298	664	
<i>of which: personal social services</i>	-	-	-	-	-	
<i>of which: other unemployment benefits</i>	1,624	1,370	980	1,298	664	
10.6 Housing	20,402	18,912	16,781	15,887	14,813	
10.7 Social exclusion n.e.c.	28,091	28,975	34,910	50,334	48,772	
<i>of which: personal social services</i>	705	878	996	1,242	1,333	
<i>of which: family benefits, income support and tax credits</i>	27,386	28,097	33,913	49,092	47,438	
10.8 R&D social protection	-	-	-	-	-	
10.9 Social protection n.e.c.	3,303	3,665	3,662	4,176	4,552	
Total social protection	217,023	221,250	222,316	241,668	242,089	
Total Expenditure on Services in England	502,996	520,821	543,055	740,298	652,424	

⁽¹⁾ Although accurate at the functional level, differences between countries at the lower sub-functional level will reflect the different structures departments and Devolved Authorities use when reporting data to HM Treasury, in addition to any actual policy differences which may exist.

⁽²⁾ The level of detail required for COFOG level 2 is not yet available in all UK countries. Health spending is therefore presented using HM Treasury's own sub-functional classification.

⁽³⁾ The Department for Education is currently recording all central government academy expenditure as 'Secondary Education', across all years presented. While secondary schools currently account for the largest population in the academy sector, it is recognised that this will also cover some schools in primary and other functional categories. In future editions of PESA and the CRA the Department for Education will look to improve apportionment of spending across the education categories.

Table 10.2 Total identifiable expenditure on services in Scotland by sub-function⁽¹⁾, 2017-18 to 2021-22

	National Statistics				
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn
£ million					
1. General public services					
1.1 Executive and legislative organs, financial and fiscal affairs, external affairs	927	1,006	1,029	1,224	1,495
1.2 Foreign economic aid	1	1	1	1	5
1.3 General services	45	46	44	55	84
1.4 Basic research	-	-	-	-	-
1.5 R&D general public services	7	14	4	35	35
1.6 General public services n.e.c.	227	127	585	184	291
Total general public services	1,207	1,195	1,662	1,500	1,911
2. Defence					
2.1 Military defence	-	-	-	-	-
2.2 Civil defence	3	3	3	6	3
2.3 Foreign military aid	-	-	-	-	-
2.4 R&D defence	-	-	-	-	-
2.5 Defence n.e.c.	-	-	-	-	-
Total defence	3	3	3	6	3
3. Public order and safety					
3.1 Police services	1,526	1,618	1,723	1,760	1,872
<i>of which: immigration and citizenship</i>	-	-	-	-	-
<i>of which: other police services</i>	1,526	1,618	1,723	1,760	1,872
3.2 Fire-protection services	383	391	396	415	435
3.3 Law courts	458	490	535	526	585
3.4 Prisons	318	319	336	379	409
3.5 R&D public order and safety	-	-	-	-	-
3.6 Public order and safety n.e.c.	16	18	18	20	26
Total public order and safety	2,701	2,836	3,008	3,101	3,327
4. Economic affairs					
4.1 General economic, commercial and labour affairs	1,245	1,347	1,472	10,987	3,642
4.2 Agriculture, forestry, fishing and hunting	909	926	876	915	906
<i>of which: market support under CAP</i>	430	567	505	486	475
<i>of which: other agriculture, food and fisheries policy</i>	397	279	331	352	391
<i>of which: forestry</i>	82	80	40	77	40
4.3 Fuel and energy	220	226	223	229	320
4.4 Mining, manufacturing and construction	1	1	1	1	1
4.5 Transport	3,556	3,490	3,729	4,643	4,752
<i>of which: national roads</i>	848	638	631	719	767
<i>of which: local roads</i>	645	650	724	658	783
<i>of which: local public transport</i>	277	281	298	422	392
<i>of which: railway</i>	1,375	1,445	1,559	2,308	2,182
<i>of which: other transport</i>	411	476	517	536	628
4.6 Communication	63	31	20	86	95
4.7 Other industries	74	77	86	152	129
4.8 R&D economic affairs	340	346	360	604	591
4.9 Economic affairs n.e.c.	34	75	73	76	94
Total economic affairs	6,444	6,519	6,841	17,694	10,531

Table 10.2 Total identifiable expenditure on services in Scotland by sub-function⁽¹⁾, 2017-18 to 2021-22 (continued)

	National Statistics					£ million
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
5. Environment protection						
5.1 Waste management	879	929	1,103	992	1,124	
5.2 Waste water management	-	-	-	-	-	
5.3 Pollution abatement	9	17	17	16	21	
5.4 Protection of biodiversity and landscape	111	116	120	115	135	
5.5 R&D environment protection	47	17	13	16	10	
5.6 Environment protection n.e.c.	198	205	206	301	230	
Total environment protection	1,244	1,283	1,459	1,441	1,520	
6. Housing and community amenities						
6.1 Housing development	1,271	1,624	1,714	1,517	1,953	
<i>of which: local authority housing</i>	<i>806</i>	<i>1,016</i>	<i>1,121</i>	<i>851</i>	<i>1,350</i>	
<i>of which: other social housing</i>	<i>465</i>	<i>608</i>	<i>593</i>	<i>666</i>	<i>604</i>	
6.2 Community development	64	82	82	102	71	
6.3 Water supply	503	513	517	461	591	
6.4 Street lighting	5	4	6	5	5	
6.5 R&D housing and community amenities	1	2	0	0	1	
6.6 Housing and community amenities n.e.c.	3	-	3	1	3	
Total housing and community amenities	1,847	2,225	2,321	2,087	2,625	
7. Health⁽²⁾						
Medical services	12,306	12,574	13,261	16,475	16,996	
Health research	146	192	204	198	149	
Central and other health services	273	256	236	1,436	1,982	
Total health	12,725	13,022	13,702	18,110	19,127	
8. Recreation, culture and religion						
8.1 Recreational and sporting services	467	543	464	518	521	
8.2 Cultural services	476	473	478	632	607	
8.3 Broadcasting and publishing services	33	40	39	46	56	
8.4 Religious and other community services	11	9	6	10	14	
8.5 R&D recreation, culture and religion	13	6	7	11	6	
8.6 Recreation, culture and religion n.e.c.	0	0	1	1	2	
Total recreation, culture and religion	1,000	1,071	995	1,219	1,206	
9. Education						
9.1 Pre-primary and primary education	3,387	3,516	3,922	4,175	3,906	
<i>of which: under fives</i>	<i>502</i>	<i>534</i>	<i>736</i>	<i>939</i>	<i>609</i>	
<i>of which: primary education</i>	<i>2,885</i>	<i>2,982</i>	<i>3,186</i>	<i>3,236</i>	<i>3,297</i>	
9.2 Secondary education	3,011	3,021	3,165	3,295	3,330	
9.3 Post-secondary non-tertiary education	-	-	-	-	-	
9.4 Tertiary education	1,478	1,482	1,497	1,773	1,647	
9.5 Education not definable by level	145	138	142	123	114	
9.6 Subsidiary services to education	238	257	267	323	310	
9.7 R&D education	-1	0	0	-6	0	
9.8 Education n.e.c.	235	234	265	383	325	
Total education	8,493	8,648	9,258	10,066	9,631	

Table 10.2 Total identifiable expenditure on services in Scotland by sub-function⁽¹⁾, 2017-18 to 2021-22 (continued)

	National Statistics					£ million
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
10. Social protection						
<i>of which: personal social services</i>	3,076	3,203	3,378	3,530	3,862	
10.1 Sickness and disability	5,196	5,473	5,673	5,862	5,992	
<i>of which: personal social services</i>	858	906	1,064	1,083	1,182	
<i>of which: incapacity, disability and injury benefits</i>	4,338	4,568	4,609	4,779	4,810	
10.2 Old age	10,768	11,095	10,699	10,884	11,250	
<i>of which: personal social services</i>	1,320	1,384	1,413	1,542	1,689	
<i>of which: pensions</i>	9,448	9,711	9,286	9,343	9,561	
10.3 Survivors	35	176	177	174	197	
10.4 Family and children	1,988	1,970	1,930	1,940	1,994	
<i>of which: personal social services</i>	898	913	901	906	991	
<i>of which: family benefits, income support and tax credits</i>	1,090	1,056	1,029	1,034	1,003	
10.5 Unemployment	194	159	109	133	133	
<i>of which: personal social services</i>	-	-	-	-	-	
<i>of which: other unemployment benefits</i>	194	159	109	133	133	
10.6 Housing	1,836	1,766	1,498	1,444	1,398	
10.7 Social exclusion n.e.c.	2,439	2,644	3,081	4,327	4,198	
<i>of which: personal social services</i>	-	-	-	-	-	
<i>of which: family benefits, income support and tax credits</i>	2,439	2,644	3,081	4,327	4,198	
10.8 R&D social protection	-	-	-	-	-	
10.9 Social protection n.e.c.	516	561	589	885	1,024	
Total social protection	22,972	23,844	23,756	25,650	26,186	
Total Expenditure on Services in Scotland	58,637	60,647	63,006	80,871	76,067	

⁽¹⁾ Although accurate at the functional level, differences between countries at the lower sub-functional level will reflect the different structures departments and Devolved Authorities use when reporting data to HM Treasury, in addition to any actual policy differences which may exist.

⁽²⁾ The level of detail required for COFOG level 2 is not yet available in all UK countries. Health spending is therefore presented using HM Treasury's own sub-functional classification.

Table 10.3 Total identifiable expenditure on services in Wales by sub-function⁽¹⁾, 2017-18 to 2021-22

	National Statistics				
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn
£ million					
1. General public services					
1.1 Executive and legislative organs, financial and fiscal affairs, external affairs	424	415	428	456	458
1.2 Foreign economic aid	-	-	-	-	-
1.3 General services	22	26	27	35	37
1.4 Basic research	-	-	-	-	-
1.5 R&D general public services	-	-	-	-	-
1.6 General public services n.e.c.	90	100	124	141	449
Total general public services	536	540	579	632	944
2. Defence					
2.1 Military defence	-	-	-	-	-
2.2 Civil defence	3	2	3	3	3
2.3 Foreign military aid	-	-	-	-	-
2.4 R&D defence	-	-	-	-	-
2.5 Defence n.e.c.	-	-	-	-	-
Total defence	3	2	3	3	3
3. Public order and safety					
3.1 Police services	710	749	796	842	916
<i>of which: immigration and citizenship</i>	-	-	-	-	0
<i>of which: other police services</i>	710	749	796	842	915
3.2 Fire-protection services	155	156	168	169	167
3.3 Law courts	277	271	289	313	346
3.4 Prisons	203	231	238	313	309
3.5 R&D public order and safety	0	0	-	-	-
3.6 Public order and safety n.e.c.	14	15	42	59	22
Total public order and safety	1,359	1,423	1,534	1,696	1,759
4. Economic affairs					
4.1 General economic, commercial and labour affairs	458	497	561	6,276	1,347
4.2 Agriculture, forestry, fishing and hunting	499	520	481	521	561
<i>of which: market support under CAP</i>	249	248	247	254	246
<i>of which: other agriculture, food and fisheries policy</i>	244	266	230	265	315
<i>of which: forestry</i>	5	5	4	2	1
4.3 Fuel and energy	99	96	94	95	139
4.4 Mining, manufacturing and construction	23	38	11	19	12
4.5 Transport	1,236	1,243	1,305	1,676	1,476
<i>of which: national roads</i>	332	288	235	319	315
<i>of which: local roads</i>	227	279	271	338	328
<i>of which: local public transport</i>	64	45	55	73	79
<i>of which: railway</i>	569	583	684	886	694
<i>of which: other transport</i>	45	48	59	60	60
4.6 Communication	30	20	22	42	43
4.7 Other industries	33	34	41	42	53
4.8 R&D economic affairs	161	156	148	222	243
4.9 Economic affairs n.e.c.	47	72	61	86	56
Total economic affairs	2,587	2,677	2,725	8,980	3,930

**Table 10.3 Total identifiable expenditure on services in Wales by sub-function⁽¹⁾, 2017-18 to 2021-22
(continued)**

	National Statistics					£ million
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
5. Environment protection						
5.1 Waste management	397	422	435	465	489	
5.2 Waste water management	-	-	-	-	-	
5.3 Pollution abatement	2	2	3	3	3	
5.4 Protection of biodiversity and landscape	11	11	7	10	9	
5.5 R&D environment protection	10	4	3	3	2	
5.6 Environment protection n.e.c.	198	177	202	206	231	
Total environment protection	618	616	650	686	734	
6. Housing and community amenities						
6.1 Housing development	545	626	683	617	918	
<i>of which: local authority housing</i>	<i>545</i>	<i>626</i>	<i>683</i>	<i>617</i>	<i>918</i>	
<i>of which: other social housing</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	
6.2 Community development	111	138	230	172	213	
6.3 Water supply	0	0	0	0	0	
6.4 Street lighting	47	44	44	42	40	
6.5 R&D housing and community amenities	-	-	-	-	-	
6.6 Housing and community amenities n.e.c.	8	8	9	7	9	
Total housing and community amenities	711	815	966	838	1,181	
7. Health⁽²⁾						
Medical services	7,061	7,290	7,658	9,138	9,628	
Health research	54	46	44	41	51	
Central and other health services	103	202	322	1,047	1,070	
Total health	7,217	7,537	8,025	10,226	10,749	
8. Recreation, culture and religion						
8.1 Recreational and sporting services	193	213	187	238	236	
8.2 Cultural services	220	184	200	285	264	
8.3 Broadcasting and publishing services	83	87	96	92	90	
8.4 Religious and other community services	-3	-2	-1	-4	-1	
8.5 R&D recreation, culture and religion	4	2	3	3	1	
8.6 Recreation, culture and religion n.e.c.	39	38	38	41	41	
Total recreation, culture and religion	537	522	523	655	631	
9. Education						
9.1 Pre-primary and primary education	1,668	1,650	1,693	1,841	2,001	
<i>of which: under fives</i>	<i>39</i>	<i>40</i>	<i>43</i>	<i>49</i>	<i>67</i>	
<i>of which: primary education</i>	<i>1,629</i>	<i>1,611</i>	<i>1,650</i>	<i>1,792</i>	<i>1,934</i>	
9.2 Secondary education	1,944	1,945	1,951	2,269	2,442	
9.3 Post-secondary non-tertiary education	-	-	-	-	-	
9.4 Tertiary education	389	349	286	339	278	
9.5 Education not definable by level	106	106	122	132	133	
9.6 Subsidiary services to education	125	150	192	277	278	
9.7 R&D education	-	-	-	-	-	
9.8 Education n.e.c.	47	85	143	129	88	
Total education	4,280	4,285	4,386	4,986	5,219	

Table 10.3 Total identifiable expenditure on services in Wales by sub-function⁽¹⁾, 2017-18 to 2021-22 (continued)

	National Statistics					£ million
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
10. Social protection						
<i>of which: personal social services</i>	1,894	2,038	2,152	2,464	2,578	
10.1 Sickness and disability	3,469	3,636	3,705	3,833	3,915	
<i>of which: personal social services</i>	586	631	652	688	727	
<i>of which: incapacity, disability and injury benefits</i>	2,883	3,005	3,053	3,144	3,188	
10.2 Old age	6,410	6,602	6,352	6,525	6,662	
<i>of which: personal social services</i>	652	696	724	877	905	
<i>of which: pensions</i>	5,757	5,906	5,628	5,648	5,757	
10.3 Survivors	70	64	67	68	67	
10.4 Family and children	1,324	1,346	1,372	1,432	1,488	
<i>of which: personal social services</i>	619	667	721	795	861	
<i>of which: family benefits, income support and tax credits</i>	705	680	651	636	628	
10.5 Unemployment	102	81	57	66	34	
<i>of which: personal social services</i>	-	-	-	-	-	
<i>of which: other unemployment benefits</i>	102	81	57	66	34	
10.6 Housing	1,174	1,108	1,033	1,061	1,048	
10.7 Social exclusion n.e.c.	1,674	1,745	2,056	2,806	2,673	
<i>of which: personal social services</i>	36	45	55	103	86	
<i>of which: family benefits, income support and tax credits</i>	1,638	1,700	2,001	2,703	2,587	
10.8 R&D social protection	-	-	-	-	-	
10.9 Social protection n.e.c.	336	318	302	493	605	
Total social protection	14,559	14,901	14,944	16,284	16,493	
Total Expenditure on Services in Wales	32,406	33,319	34,333	44,988	41,642	

⁽¹⁾ Although accurate at the functional level, differences between countries at the lower sub-functional level will reflect the different structures departments and Devolved Authorities use when reporting data to HM Treasury, in addition to any actual policy differences which may exist.

⁽²⁾ The level of detail required for COFOG level 2 is not yet available in all UK countries. Health spending is therefore presented using HM Treasury's own sub-functional classification.

Table 10.4 Total identifiable expenditure on services in Northern Ireland by sub-function⁽¹⁾, 2017-18 to 2021-22

	National Statistics					£ million
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
1. General public services						
1.1 Executive and legislative organs, financial and fiscal affairs, external affairs	192	206	226	229	263	
1.2 Foreign economic aid	-	-	-	-	-	
1.3 General services	167	172	190	560	319	
1.4 Basic research	-	-	-	-	-	
1.5 R&D general public services	-	0	0	0	0	
1.6 General public services n.e.c.	15	18	15	18	22	
Total general public services	374	396	431	807	604	
2. Defence						
2.1 Military defence	-	-	-	-	-	
2.2 Civil defence	-	-	-	-	-	
2.3 Foreign military aid	-	-	-	-	-	
2.4 R&D defence	-	-	-	-	-	
2.5 Defence n.e.c.	-	-	-	-	-	
Total defence	-	-	-	-	-	
3. Public order and safety						
3.1 Police services	770	792	849	881	912	
<i>of which: immigration and citizenship</i>	-	-	-	-	-	
<i>of which: other police services</i>	770	792	849	881	912	
3.2 Fire-protection services	92	91	92	95	99	
3.3 Law courts	200	204	209	212	242	
3.4 Prisons	150	158	144	146	142	
3.5 R&D public order and safety	0	0	1	1	1	
3.6 Public order and safety n.e.c.	1	1	0	0	1	
Total public order and safety	1,212	1,246	1,295	1,334	1,397	
4. Economic affairs						
4.1 General economic, commercial and labour affairs	355	379	690	3,465	1,099	
4.2 Agriculture, forestry, fishing and hunting	499	549	553	603	670	
<i>of which: market support under CAP</i>	309	314	312	16	11	
<i>of which: other agriculture, food and fisheries policy</i>	183	227	235	572	647	
<i>of which: forestry</i>	7	8	7	14	12	
4.3 Fuel and energy	40	34	45	26	49	
4.4 Mining, manufacturing and construction	2	1	2	1	1	
4.5 Transport	539	665	661	942	909	
<i>of which: national roads</i>	4	16	19	73	39	
<i>of which: local roads</i>	310	371	382	379	384	
<i>of which: local public transport</i>	66	91	68	187	179	
<i>of which: railway</i>	99	110	114	232	243	
<i>of which: other transport</i>	60	77	78	70	64	
4.6 Communication	6	1	1	22	51	
4.7 Other industries	37	39	37	48	66	
4.8 R&D economic affairs	62	68	84	99	113	
4.9 Economic affairs n.e.c.	1	1	0	1	0	
Total economic affairs	1,540	1,736	2,074	5,207	2,959	

Table 10.4 Total identifiable expenditure on services in Northern Ireland by sub-function⁽¹⁾, 2017-18 to 2021-22 (continued)

	National Statistics					£ million
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
5. Environment protection						
5.1 Waste management	214	204	236	225	223	
5.2 Waste water management	0	0	0	0	0	
5.3 Pollution abatement	-	-	-	-	-	
5.4 Protection of biodiversity and landscape	0	0	0	0	0	
5.5 R&D environment protection	1	0	0	0	0	
5.6 Environment protection n.e.c.	49	51	61	93	69	
Total environment protection	264	255	297	318	292	
6. Housing and community amenities						
6.1 Housing development	178	182	192	263	235	
<i>of which: local authority housing</i>	-	-	-	-	-	
<i>of which: other social housing</i>	178	182	192	263	235	
6.2 Community development	87	96	111	176	153	
6.3 Water supply	281	273	274	331	372	
6.4 Street lighting	23	28	28	38	51	
6.5 R&D housing and community amenities	-	-	0	1	1	
6.6 Housing and community amenities n.e.c.	188	268	237	211	292	
Total housing and community amenities	757	846	842	1,019	1,104	
7. Health⁽²⁾						
Medical services	4,106	4,360	4,688	5,614	5,912	
Health research	16	14	16	14	15	
Central and other health services	190	208	237	975	617	
Total health	4,311	4,582	4,941	6,602	6,544	
8. Recreation, culture and religion						
8.1 Recreational and sporting services	213	239	236	213	190	
8.2 Cultural services	169	195	196	214	220	
8.3 Broadcasting and publishing services	12	14	13	12	16	
8.4 Religious and other community services	42	49	49	46	51	
8.5 R&D recreation, culture and religion	4	2	2	2	1	
8.6 Recreation, culture and religion n.e.c.	-	-	0	0	1	
Total recreation, culture and religion	441	499	497	488	478	
9. Education						
9.1 Pre-primary and primary education	777	806	900	947	990	
<i>of which: under fives</i>	65	65	63	67	66	
<i>of which: primary education</i>	712	741	837	880	924	
9.2 Secondary education	1,039	1,063	1,155	1,251	1,299	
9.3 Post-secondary non-tertiary education	-	-	-	-	-	
9.4 Tertiary education	336	324	317	418	362	
9.5 Education not definable by level	66	66	75	108	90	
9.6 Subsidiary services to education	222	246	288	442	425	
9.7 R&D education	-	-	1	0	-	
9.8 Education n.e.c.	261	273	153	169	184	
Total education	2,700	2,777	2,889	3,335	3,351	

Table 10.4 Total identifiable expenditure on services in Northern Ireland by sub-function⁽¹⁾, 2017-18 to 2021-22 (continued)

	National Statistics					£ million
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
10. Social protection						
<i>of which: personal social services</i>	1,067	1,145	1,245	1,276	1,346	
10.1 Sickness and disability	2,881	3,031	3,144	3,184	3,278	
<i>of which: personal social services</i>	348	381	425	421	472	
<i>of which: incapacity, disability and injury benefits</i>	2,533	2,650	2,719	2,763	2,806	
10.2 Old age	3,920	4,047	3,836	3,893	4,014	
<i>of which: personal social services</i>	514	542	579	622	628	
<i>of which: pensions</i>	3,406	3,505	3,257	3,272	3,386	
10.3 Survivors	80	83	86	88	89	
10.4 Family and children	688	810	1,121	1,238	1,290	
<i>of which: personal social services</i>	206	222	241	233	246	
<i>of which: family benefits, income support and tax credits</i>	482	587	880	1,005	1,044	
10.5 Unemployment	102	73	43	362	394	
<i>of which: personal social services</i>	-	-	-	-	-	
<i>of which: other unemployment benefits</i>	102	73	43	362	394	
10.6 Housing	552	529	479	462	435	
10.7 Social exclusion n.e.c.	973	849	726	637	490	
<i>of which: personal social services</i>	-	-	-	-	-	
<i>of which: family benefits, income support and tax credits</i>	973	849	726	637	490	
10.8 R&D social protection	-	-	-	-	-	
10.9 Social protection n.e.c.	25	20	29	36	44	
Total social protection	9,221	9,441	9,464	9,901	10,033	
Total Expenditure on Services in Northern Ireland	20,820	21,778	22,729	29,012	26,761	

⁽¹⁾ Although accurate at the functional level, differences between countries at the lower sub-functional level will reflect the different structures departments and Devolved Authorities use when reporting data to HM Treasury, in addition to any actual policy differences which may exist.

⁽²⁾ The level of detail required for COFOG level 2 is not yet available in all UK countries. Health spending is therefore presented using HM Treasury's own sub-functional classification.

Table 10.5 Total identifiable expenditure on services in England by sub-function⁽¹⁾, per head⁽²⁾, 2017-18 to 2021-22

	National Statistics				
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn
£ per head					
1. General public services					
1.1 Executive and legislative organs, financial and fiscal affairs, external affairs	42	44	44	45	51
1.2 Foreign economic aid	-	-	-	-	-
1.3 General services	15	17	18	34	32
1.4 Basic research	-	-	-	-	-
1.5 R&D general public services	0	0	0	0	0
1.6 General public services n.e.c.	32	31	42	61	58
Total general public services	89	93	104	141	141
2. Defence					
2.1 Military defence	-	-	-	-	-
2.2 Civil defence	1	1	1	2	2
2.3 Foreign military aid	-	-	-	-	-
2.4 R&D defence	-	-	-	-	-
2.5 Defence n.e.c.	-	-	-	-	-
Total defence	1	1	1	2	2
3. Public order and safety					
3.1 Police services	234	238	247	260	281
<i>of which: immigration and citizenship</i>	-	-	-	-	0
<i>of which: other police services</i>	234	238	247	260	281
3.2 Fire-protection services	38	38	41	41	44
3.3 Law courts	92	95	104	104	119
3.4 Prisons	66	69	65	83	81
3.5 R&D public order and safety	0	0	-	-	-
3.6 Public order and safety n.e.c.	9	9	19	27	12
Total public order and safety	439	448	475	515	537
4. Economic affairs					
4.1 General economic, commercial and labour affairs	102	142	208	2,132	581
4.2 Agriculture, forestry, fishing and hunting	57	65	68	74	75
<i>of which: market support under CAP</i>	33	37	35	36	34
<i>of which: other agriculture, food and fisheries policy</i>	23	27	32	37	39
<i>of which: forestry</i>	1	1	1	1	2
4.3 Fuel and energy	19	16	16	17	31
4.4 Mining, manufacturing and construction	39	51	42	19	9
4.5 Transport	440	478	494	735	653
<i>of which: national roads</i>	56	69	83	89	76
<i>of which: local roads</i>	82	72	75	96	87
<i>of which: local public transport</i>	38	37	35	115	80
<i>of which: railway</i>	252	286	281	416	388
<i>of which: other transport</i>	12	14	19	19	22
4.6 Communication	-	-	-	-	-
4.7 Other industries	2	2	2	2	2
4.8 R&D economic affairs	68	90	95	100	97
4.9 Economic affairs n.e.c.	6	7	8	9	9
Total economic affairs	733	851	932	3,087	1,456

Table 10.5 Total identifiable expenditure on services in England by sub-function⁽¹⁾, per head⁽²⁾, 2017-18 to 2021-22 (continued)

	National Statistics					£ per head
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
5. Environment protection						
5.1 Waste management	128	118	124	132	145	
5.2 Waste water management	-	-	-	-	-	
5.3 Pollution abatement	1	2	3	5	8	
5.4 Protection of biodiversity and landscape	4	4	4	4	5	
5.5 R&D environment protection	8	3	3	3	3	
5.6 Environment protection n.e.c.	26	27	28	33	31	
Total environment protection	168	154	161	176	191	
6. Housing and community amenities						
6.1 Housing development	80	84	110	101	115	
<i>of which: local authority housing</i>	68	68	82	79	95	
<i>of which: other social housing</i>	12	17	28	22	20	
6.2 Community development	49	48	54	55	52	
6.3 Water supply	0	0	0	0	0	
6.4 Street lighting	14	12	12	12	13	
6.5 R&D housing and community amenities	-	-	-	-	-	
6.6 Housing and community amenities n.e.c.	2	3	4	3	5	
Total housing and community amenities	145	148	179	172	185	
7. Health⁽³⁾						
Medical services	2,083	2,146	2,306	2,702	2,824	
Health research	31	24	24	25	27	
Central and other health services	82	100	98	508	341	
Total health	2,196	2,270	2,428	3,235	3,192	
8. Recreation, culture and religion						
8.1 Recreational and sporting services	39	38	40	46	52	
8.2 Cultural services	53	48	52	71	60	
8.3 Broadcasting and publishing services	5	6	5	5	6	
8.4 Religious and other community services	1	1	0	0	0	
8.5 R&D recreation, culture and religion	3	1	1	2	1	
8.6 Recreation, culture and religion n.e.c.	1	1	2	2	2	
Total recreation, culture and religion	101	96	101	125	121	
9. Education						
9.1 Pre-primary and primary education	446	439	437	441	457	
<i>of which: under fives</i>	53	59	60	63	62	
<i>of which: primary education</i>	393	381	377	378	395	
9.2 Secondary education ⁽⁴⁾	629	662	690	719	769	
9.3 Post-secondary non-tertiary education	10	9	9	10	11	
9.4 Tertiary education	58	44	40	42	43	
9.5 Education not definable by level	11	9	11	13	11	
9.6 Subsidiary services to education	50	53	62	67	73	
9.7 R&D education	33	40	41	48	46	
9.8 Education n.e.c.	32	36	26	24	28	
Total education	1,269	1,292	1,316	1,364	1,439	

Table 10.5 Total identifiable expenditure on services in England by sub-function⁽¹⁾, per head⁽²⁾, 2017-18 to 2021-22 (continued)

	National Statistics					£ per head
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
10. Social protection						
<i>of which: personal social services</i>	468	491	513	558	578	
10.1 Sickness and disability	778	801	807	844	855	
<i>of which: personal social services</i>	153	158	163	182	183	
<i>of which: incapacity, disability and injury benefits</i>	625	643	644	662	671	
10.2 Old age	1,771	1,813	1,747	1,761	1,801	
<i>of which: personal social services</i>	144	151	157	167	172	
<i>of which: pensions</i>	1,627	1,662	1,590	1,593	1,629	
10.3 Survivors	14	14	14	14	14	
10.4 Family and children	378	379	381	387	398	
<i>of which: personal social services</i>	159	167	176	186	199	
<i>of which: family benefits, income support and tax credits</i>	219	212	206	201	198	
10.5 Unemployment	29	24	17	23	12	
<i>of which: personal social services</i>	-	-	-	-	-	
<i>of which: other unemployment benefits</i>	29	24	17	23	12	
10.6 Housing	367	338	298	281	262	
10.7 Social exclusion n.e.c.	505	518	620	890	863	
<i>of which: personal social services</i>	13	16	18	22	24	
<i>of which: family benefits, income support and tax credits</i>	492	502	603	868	840	
10.8 R&D social protection	-	-	-	-	-	
10.9 Social protection n.e.c.	59	65	65	74	81	
Total social protection	3,902	3,953	3,950	4,274	4,286	
Total Expenditure on Services in England	9,044	9,304	9,648	13,091	11,549	

⁽¹⁾ Although accurate at the functional level, differences between countries at the lower sub-functional level will reflect the different structures departments and Devolved Authorities use when reporting data to HM Treasury, in addition to any actual policy differences which may exist.

⁽²⁾ Per head figures in 2021-22 are calculated using the latest available population estimates for Scotland and Census figures for the rest of the UK. Earlier years are calculated using mid-year population estimates from the ONS. See Annex within the CRA 2022 release for further details including information on how population figures may have been affected by movements related to the pandemic, especially in London.

⁽³⁾ The level of detail required for COFOG level 2 is not yet available in all UK countries. Health spending is therefore presented using HM Treasury's own sub-functional classification.

⁽⁴⁾ The Department for Education is currently recording all central government academy expenditure as 'Secondary Education', across all years presented. While secondary schools currently account for the largest population in the academy sector, it is recognised that this will also cover some schools in primary and other functional categories. In future editions of PESA and the CRA the Department for Education will look to improve apportionment of spending across the education categories.

Table 10.6 Total identifiable expenditure on services in Scotland by sub-function⁽¹⁾, per head⁽²⁾, 2017-18 to 2021-22

	National Statistics					£ per head
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
1. General public services						
1.1 Executive and legislative organs, financial and fiscal affairs, external affairs	171	185	188	224	273	
1.2 Foreign economic aid	0	0	0	0	1	
1.3 General services	8	8	8	10	15	
1.4 Basic research	-	-	-	-	-	
1.5 R&D general public services	1	3	1	6	6	
1.6 General public services n.e.c.	42	23	107	34	53	
Total general public services	222	220	304	274	349	
2. Defence						
2.1 Military defence	-	-	-	-	-	
2.2 Civil defence	1	1	1	1	1	
2.3 Foreign military aid	-	-	-	-	-	
2.4 R&D defence	-	-	-	-	-	
2.5 Defence n.e.c.	-	-	-	-	-	
Total defence	1	1	1	1	1	
3. Public order and safety						
3.1 Police services	281	298	315	322	342	
<i>of which: immigration and citizenship</i>	-	-	-	-	-	
<i>of which: other police services</i>	281	298	315	322	342	
3.2 Fire-protection services	71	72	72	76	79	
3.3 Law courts	84	90	98	96	107	
3.4 Prisons	59	59	62	69	75	
3.5 R&D public order and safety	-	-	-	-	-	
3.6 Public order and safety n.e.c.	3	3	3	4	5	
Total public order and safety	498	522	551	567	607	
4. Economic affairs						
4.1 General economic, commercial and labour affairs	230	248	270	2,010	665	
4.2 Agriculture, forestry, fishing and hunting	168	170	160	167	165	
<i>of which: market support under CAP</i>	79	104	92	89	87	
<i>of which: other agriculture, food and fisheries policy</i>	73	51	61	64	71	
<i>of which: forestry</i>	15	15	7	14	7	
4.3 Fuel and energy	41	42	41	42	58	
4.4 Mining, manufacturing and construction	0	0	0	0	0	
4.5 Transport	656	642	683	849	867	
<i>of which: national roads</i>	156	117	116	132	140	
<i>of which: local roads</i>	119	120	132	120	143	
<i>of which: local public transport</i>	51	52	54	77	72	
<i>of which: railway</i>	253	266	285	422	398	
<i>of which: other transport</i>	76	87	95	98	115	
4.6 Communication	12	6	4	16	17	
4.7 Other industries	14	14	16	28	24	
4.8 R&D economic affairs	63	64	66	111	108	
4.9 Economic affairs n.e.c.	6	14	13	14	17	
Total economic affairs	1,188	1,199	1,252	3,237	1,922	

Table 10.6 Total identifiable expenditure on services in Scotland by sub-function⁽¹⁾, per head⁽²⁾, 2017-18 to 2021-22 (continued)

	National Statistics					£ per head
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
5. Environment protection						
5.1 Waste management	162	171	202	182	205	
5.2 Waste water management	-	-	-	-	-	
5.3 Pollution abatement	2	3	3	3	4	
5.4 Protection of biodiversity and landscape	21	21	22	21	25	
5.5 R&D environment protection	9	3	2	3	2	
5.6 Environment protection n.e.c.	36	38	38	55	42	
Total environment protection	229	236	267	264	277	
6. Housing and community amenities						
6.1 Housing development	234	299	314	278	356	
<i>of which: local authority housing</i>	149	187	205	156	246	
<i>of which: other social housing</i>	86	112	109	122	110	
6.2 Community development	12	15	15	19	13	
6.3 Water supply	93	94	95	84	108	
6.4 Street lighting	1	1	1	1	1	
6.5 R&D housing and community amenities	0	0	0	0	0	
6.6 Housing and community amenities n.e.c.	1	-	1	0	0	
Total housing and community amenities	340	409	425	382	479	
7. Health⁽³⁾						
Medical services	2,268	2,312	2,427	3,014	3,102	
Health research	27	35	37	36	27	
Central and other health services	50	47	43	263	362	
Total health	2,346	2,395	2,508	3,313	3,490	
8. Recreation, culture and religion						
8.1 Recreational and sporting services	86	100	85	95	95	
8.2 Cultural services	88	87	87	116	111	
8.3 Broadcasting and publishing services	6	7	7	8	10	
8.4 Religious and other community services	2	2	1	2	2	
8.5 R&D recreation, culture and religion	2	1	1	2	1	
8.6 Recreation, culture and religion n.e.c.	-	-	0	0	0	
Total recreation, culture and religion	184	197	182	223	220	
9. Education						
9.1 Pre-primary and primary education	624	647	718	764	713	
<i>of which: under fives</i>	93	98	135	172	111	
<i>of which: primary education</i>	532	548	583	592	602	
9.2 Secondary education	555	555	579	603	608	
9.3 Post-secondary non-tertiary education	-	-	-	-	-	
9.4 Tertiary education	272	272	274	324	301	
9.5 Education not definable by level	27	25	26	22	21	
9.6 Subsidiary services to education	44	47	49	59	56	
9.7 R&D education	0	0	0	-1	0	
9.8 Education n.e.c.	43	43	48	70	59	
Total education	1,566	1,590	1,695	1,842	1,758	

Table 10.6 Total identifiable expenditure on services in Scotland by sub-function⁽¹⁾, per head⁽²⁾, 2017-18 to 2021-22 (continued)

	National Statistics					£ per head
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
10. Social protection						
<i>of which: personal social services</i>	567	589	618	646	705	
10.1 Sickness and disability	958	1,007	1,038	1,072	1,093	
<i>of which: personal social services</i>	158	167	195	198	216	
<i>of which: incapacity, disability and injury benefits</i>	800	840	844	874	878	
10.2 Old age	1,985	2,040	1,958	1,991	2,053	
<i>of which: personal social services</i>	243	254	259	282	308	
<i>of which: pensions</i>	1,742	1,786	1,700	1,709	1,745	
10.3 Survivors	7	32	32	32	36	
10.4 Family and children	366	362	353	355	364	
<i>of which: personal social services</i>	165	168	165	166	181	
<i>of which: family benefits, income support and tax credits</i>	201	194	188	189	183	
10.5 Unemployment	36	29	20	24	24	
<i>of which: personal social services</i>	-	-	-	-	-	
<i>of which: other unemployment benefits</i>	36	29	20	24	24	
10.6 Housing	338	325	274	264	255	
10.7 Social exclusion n.e.c.	450	486	564	792	766	
<i>of which: personal social services</i>	-	-	-	-	-	
<i>of which: family benefits, income support and tax credits</i>	450	486	564	792	766	
10.8 R&D social protection	-	-	-	-	-	
10.9 Social protection n.e.c.	95	103	108	162	187	
Total social protection	4,235	4,385	4,348	4,693	4,779	
Total Expenditure on Services in Scotland	10,809	11,152	11,533	14,795	13,881	

⁽¹⁾ Although accurate at the functional level, differences between countries at the lower sub-functional level will reflect the different structures departments and Devolved Authorities use when reporting data to HM Treasury, in addition to any actual policy differences which may exist.

⁽²⁾ Per head figures in 2021-22 are calculated using the latest available population estimates for Scotland and Census figures for the rest of the UK. Earlier years are calculated using mid-year population estimates from the ONS. See Annex within the CRA 2022 release for further details including information on how population figures may have been affected by movements related to the pandemic, especially in London.

⁽³⁾ The level of detail required for COFOG level 2 is not yet available in all UK countries. Health spending is therefore presented using HM Treasury's own sub-functional classification.

Table 10.7 Total identifiable expenditure on services in Wales by sub-function⁽¹⁾, per head⁽²⁾, 2017-18 to 2021-22

	National Statistics					£ per head
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
1. General public services						
1.1 Executive and legislative organs, financial and fiscal affairs, external affairs	136	132	136	144	147	
1.2 Foreign economic aid	-	-	-	-	-	
1.3 General services	7	8	9	11	12	
1.4 Basic research	-	-	-	-	-	
1.5 R&D general public services	-	-	-	-	-	
1.6 General public services n.e.c.	29	32	39	45	145	
Total general public services	171	172	184	199	304	
2. Defence						
2.1 Military defence	-	-	-	-	-	
2.2 Civil defence	1	1	1	1	1	
2.3 Foreign military aid	-	-	-	-	-	
2.4 R&D defence	-	-	-	-	-	
2.5 Defence n.e.c.	-	-	-	-	-	
Total defence	1	1	1	1	1	
3. Public order and safety						
3.1 Police services	227	239	252	266	295	
<i>of which: immigration and citizenship</i>	-	-	-	-	0	
<i>of which: other police services</i>	227	239	252	266	295	
3.2 Fire-protection services	50	50	53	53	54	
3.3 Law courts	89	86	92	99	111	
3.4 Prisons	65	74	75	99	99	
3.5 R&D public order and safety	0	0	-	-	-	
3.6 Public order and safety n.e.c.	4	5	13	19	7	
Total public order and safety	435	453	486	535	566	
4. Economic affairs						
4.1 General economic, commercial and labour affairs	147	158	178	1,980	434	
4.2 Agriculture, forestry, fishing and hunting	160	166	153	164	180	
<i>of which: market support under CAP</i>	80	79	78	80	79	
<i>of which: other agriculture, food and fisheries policy</i>	78	85	73	83	101	
<i>of which: forestry</i>	2	2	1	1	0	
4.3 Fuel and energy	32	31	30	30	45	
4.4 Mining, manufacturing and construction	7	12	4	6	4	
4.5 Transport	396	396	414	529	475	
<i>of which: national roads</i>	106	92	75	101	101	
<i>of which: local roads</i>	73	89	86	107	106	
<i>of which: local public transport</i>	20	14	17	23	26	
<i>of which: railway</i>	182	186	217	279	223	
<i>of which: other transport</i>	14	15	19	19	19	
4.6 Communication	10	7	7	13	14	
4.7 Other industries	11	11	13	13	17	
4.8 R&D economic affairs	51	50	47	70	78	
4.9 Economic affairs n.e.c.	15	23	19	27	18	
Total economic affairs	828	853	864	2,833	1,265	

Table 10.7 Total identifiable expenditure on services in Wales by sub-function⁽¹⁾, per head⁽²⁾, 2017-18 to 2021-22 (continued)

	National Statistics					£ per head
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
5. Environment protection						
5.1 Waste management	127	135	138	147	157	
5.2 Waste water management	-	-	-	-	-	
5.3 Pollution abatement	0	1	1	1	1	
5.4 Protection of biodiversity and landscape	4	4	2	3	3	
5.5 R&D environment protection	3	1	1	1	1	
5.6 Environment protection n.e.c.	63	56	64	65	74	
Total environment protection	198	196	206	217	236	
6. Housing and community amenities						
6.1 Housing development	174	199	217	195	296	
<i>of which: local authority housing</i>	174	199	217	195	296	
<i>of which: other social housing</i>	-	-	-	-	-	
6.2 Community development	35	44	73	54	69	
6.3 Water supply	0	0	0	-	0	
6.4 Street lighting	15	14	14	13	13	
6.5 R&D housing and community amenities	-	-	-	-	-	
6.6 Housing and community amenities n.e.c.	2	2	3	2	3	
Total housing and community amenities	227	260	306	264	380	
7. Health⁽³⁾						
Medical services	2,259	2,323	2,429	2,883	3,098	
Health research	17	15	14	13	16	
Central and other health services	33	64	102	330	344	
Total health	2,309	2,401	2,545	3,226	3,459	
8. Recreation, culture and religion						
8.1 Recreational and sporting services	62	68	59	75	76	
8.2 Cultural services	70	59	63	90	85	
8.3 Broadcasting and publishing services	27	28	30	29	29	
8.4 Religious and other community services	-1	-1	0	-1	0	
8.5 R&D recreation, culture and religion	1	1	1	1	0	
8.6 Recreation, culture and religion n.e.c.	13	12	12	13	13	
Total recreation, culture and religion	172	166	166	207	203	
9. Education						
9.1 Pre-primary and primary education	534	526	537	581	644	
<i>of which: under fives</i>	12	13	14	15	22	
<i>of which: primary education</i>	521	513	523	565	622	
9.2 Secondary education	622	620	619	716	786	
9.3 Post-secondary non-tertiary education	-	-	-	-	-	
9.4 Tertiary education	125	111	91	107	89	
9.5 Education not definable by level	34	34	39	42	43	
9.6 Subsidiary services to education	40	48	61	88	89	
9.7 R&D education	-	-	-	-	-	
9.8 Education n.e.c.	15	27	45	41	28	
Total education	1,369	1,365	1,391	1,573	1,680	

Table 10.7 Total identifiable expenditure on services in Wales by sub-function⁽¹⁾, per head⁽²⁾, 2017-18 to 2021-22 (continued)

	National Statistics					£ per head
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
10. Social protection						
<i>of which: personal social services</i>	606	649	682	777	830	
10.1 Sickness and disability	1,110	1,159	1,175	1,209	1,260	
<i>of which: personal social services</i>	187	201	207	217	234	
<i>of which: incapacity, disability and injury benefits</i>	923	958	968	992	1,026	
10.2 Old age	2,051	2,103	2,015	2,059	2,144	
<i>of which: personal social services</i>	209	222	230	277	291	
<i>of which: pensions</i>	1,842	1,882	1,785	1,782	1,853	
10.3 Survivors	22	20	21	22	22	
10.4 Family and children	424	429	435	452	479	
<i>of which: personal social services</i>	198	212	229	251	277	
<i>of which: family benefits, income support and tax credits</i>	226	217	207	201	202	
10.5 Unemployment	33	26	18	21	11	
<i>of which: personal social services</i>	-	-	-	-	-	
<i>of which: other unemployment benefits</i>	33	26	18	21	11	
10.6 Housing	376	353	328	335	337	
10.7 Social exclusion n.e.c.	536	556	652	885	860	
<i>of which: personal social services</i>	12	14	18	32	28	
<i>of which: family benefits, income support and tax credits</i>	524	542	635	853	833	
10.8 R&D social protection	-	-	-	-	-	
10.9 Social protection n.e.c.	108	101	96	156	195	
Total social protection	4,659	4,748	4,740	5,138	5,307	
Total Expenditure on Services in Wales	10,369	10,616	10,890	14,194	13,401	

⁽¹⁾ Although accurate at the functional level, differences between countries at the lower sub-functional level will reflect the different structures departments and Devolved Authorities use when reporting data to HM Treasury, in addition to any actual policy differences which may exist.

⁽²⁾ Per head figures in 2021-22 are calculated using the latest available population estimates for Scotland and Census figures for the rest of the UK. Earlier years are calculated using mid-year population estimates from the ONS. See Annex within the CRA 2022 release for further details including information on how population figures may have been affected by movements related to the pandemic, especially in London.

⁽³⁾ The level of detail required for COFOG level 2 is not yet available in all UK countries. Health spending is therefore presented using HM Treasury's own sub-functional classification.

Table 10.8 Total identifiable expenditure on services in Northern Ireland by sub-function⁽¹⁾, per head⁽²⁾, 2017-18 to 2021-22

	National Statistics					£ per head
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
1. General public services						
1.1 Executive and legislative organs, financial and fiscal affairs, external affairs	103	109	119	121	138	
1.2 Foreign economic aid	-	-	-	-	-	
1.3 General services	89	92	100	295	167	
1.4 Basic research	-	-	-	-	-	
1.5 R&D general public services	-	0	0	0	0	
1.6 General public services n.e.c.	8	10	8	10	12	
Total general public services	200	210	228	426	318	
2. Defence						
2.1 Military defence	-	-	-	-	-	
2.2 Civil defence	-	-	-	-	-	
2.3 Foreign military aid	-	-	-	-	-	
2.4 R&D defence	-	-	-	-	-	
2.5 Defence n.e.c.	-	-	-	-	-	
Total defence	-	-	-	-	-	
3. Public order and safety						
3.1 Police services	411	421	448	465	479	
<i>of which: immigration and citizenship</i>	-	-	-	-	-	
<i>of which: other police services</i>	411	421	448	465	479	
3.2 Fire-protection services	49	49	48	50	52	
3.3 Law courts	107	108	110	112	127	
3.4 Prisons	80	84	76	77	75	
3.5 R&D public order and safety	0	0	0	0	0	
3.6 Public order and safety n.e.c.	0	0	0	0	0	
Total public order and safety	648	662	684	704	734	
4. Economic affairs						
4.1 General economic, commercial and labour affairs	190	202	364	1,828	577	
4.2 Agriculture, forestry, fishing and hunting	266	292	292	318	352	
<i>of which: market support under CAP</i>	165	167	165	9	6	
<i>of which: other agriculture, food and fisheries policy</i>	98	120	124	302	340	
<i>of which: forestry</i>	4	4	4	7	6	
4.3 Fuel and energy	21	18	24	14	26	
4.4 Mining, manufacturing and construction	1	1	1	1	1	
4.5 Transport	288	353	349	497	478	
<i>of which: national roads</i>	2	8	10	39	20	
<i>of which: local roads</i>	166	197	202	200	202	
<i>of which: local public transport</i>	35	49	36	99	94	
<i>of which: railway</i>	53	58	60	123	128	
<i>of which: other transport</i>	32	41	41	37	34	
4.6 Communication	3	0	0	12	27	
4.7 Other industries	20	21	20	25	35	
4.8 R&D economic affairs	33	36	44	52	60	
4.9 Economic affairs n.e.c.	1	0	0	0	0	
Total economic affairs	823	923	1,095	2,747	1,555	

Table 10.8 Total identifiable expenditure on services in Northern Ireland by sub-function⁽¹⁾, per head⁽²⁾, 2017-18 to 2021-22 (continued)

	National Statistics					£ per head
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
5. Environment protection						
5.1 Waste management	114	108	125	119	117	
5.2 Waste water management	0	0	0	0	0	
5.3 Pollution abatement	-	-	-	-	-	
5.4 Protection of biodiversity and landscape	0	0	0	0	0	
5.5 R&D environment protection	0	0	0	0	0	
5.6 Environment protection n.e.c.	26	27	32	49	36	
Total environment protection	141	136	157	168	153	
6. Housing and community amenities						
6.1 Housing development	95	97	101	139	124	
<i>of which: local authority housing</i>	-	-	-	-	-	
<i>of which: other social housing</i>	95	97	101	139	124	
6.2 Community development	47	51	58	93	80	
6.3 Water supply	150	145	145	174	195	
6.4 Street lighting	12	15	15	20	27	
6.5 R&D housing and community amenities	-	-	0	0	1	
6.6 Housing and community amenities n.e.c.	100	142	125	111	153	
Total housing and community amenities	405	450	445	538	580	
7. Health⁽³⁾						
Medical services	2,194	2,317	2,476	2,962	3,107	
Health research	8	8	9	8	8	
Central and other health services	101	110	125	514	324	
Total health	2,304	2,435	2,609	3,483	3,439	
8. Recreation, culture and religion						
8.1 Recreational and sporting services	114	127	124	112	100	
8.2 Cultural services	90	104	103	113	115	
8.3 Broadcasting and publishing services	7	8	7	7	8	
8.4 Religious and other community services	22	26	26	24	27	
8.5 R&D recreation, culture and religion	2	1	1	1	0	
8.6 Recreation, culture and religion n.e.c.	-	-	0	0	0	
Total recreation, culture and religion	235	265	262	257	251	
9. Education						
9.1 Pre-primary and primary education	415	428	475	500	520	
<i>of which: under fives</i>	35	35	33	35	35	
<i>of which: primary education</i>	381	394	442	464	486	
9.2 Secondary education	555	565	610	660	682	
9.3 Post-secondary non-tertiary education	-	-	-	-	-	
9.4 Tertiary education	180	172	167	220	190	
9.5 Education not definable by level	35	35	39	57	47	
9.6 Subsidiary services to education	119	131	152	233	223	
9.7 R&D education	-	-	0	0	-	
9.8 Education n.e.c.	139	145	81	89	97	
Total education	1,443	1,476	1,525	1,759	1,761	

Table 10.8 Total identifiable expenditure on services in Northern Ireland by sub-function⁽¹⁾, per head⁽²⁾, 2017-18 to 2021-22 (continued)

	National Statistics					£ per head
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	
10. Social protection						
<i>of which: personal social services</i>	570	609	657	673	707	
10.1 Sickness and disability	1,540	1,611	1,660	1,680	1,722	
<i>of which: personal social services</i>	186	202	224	222	248	
<i>of which: incapacity, disability and injury benefits</i>	1,354	1,408	1,436	1,458	1,474	
10.2 Old age	2,095	2,151	2,026	2,054	2,109	
<i>of which: personal social services</i>	275	288	306	328	330	
<i>of which: pensions</i>	1,821	1,863	1,720	1,726	1,779	
10.3 Survivors	43	44	45	46	47	
10.4 Family and children	368	430	592	653	678	
<i>of which: personal social services</i>	110	118	127	123	129	
<i>of which: family benefits, income support and tax credits</i>	258	312	464	530	548	
10.5 Unemployment	55	39	23	191	207	
<i>of which: personal social services</i>	-	-	-	-	-	
<i>of which: other unemployment benefits</i>	55	39	23	191	207	
10.6 Housing	295	281	253	244	228	
10.7 Social exclusion n.e.c.	520	451	383	336	257	
<i>of which: personal social services</i>	-	-	-	-	-	
<i>of which: family benefits, income support and tax credits</i>	520	451	383	336	257	
10.8 R&D social protection	-	-	-	-	-	
10.9 Social protection n.e.c.	13	11	16	19	23	
Total social protection	4,929	5,018	4,998	5,223	5,272	
Total Expenditure on Services in Northern Ireland	11,129	11,574	12,003	15,306	14,062	

⁽¹⁾ Although accurate at the functional level, differences between countries at the lower sub-functional level will reflect the different structures departments and Devolved Authorities use when reporting data to HM Treasury, in addition to any actual policy differences which may exist.

⁽²⁾ Per head figures in 2021-22 are calculated using the latest available population estimates for Scotland and Census figures for the rest of the UK. Earlier years are calculated using mid-year population estimates from the ONS. See Annex within the CRA 2022 release for further details including information on how population figures may have been affected by movements related to the pandemic, especially in London.

⁽³⁾ The level of detail required for COFOG level 2 is not yet available in all UK countries. Health spending is therefore presented using HM Treasury's own sub-functional classification.

Table 10.9 Total identifiable expenditure on services in the English Regions by sub-function for 2021-22

	National Statistics										£ million
	North East	North West	Yorkshire and The Humber	East Midlands	West Midlands	East	London	South East	South West	Total England	
1. General public services											
1.1 Executive and legislative organs, financial and fiscal affairs, external affairs	111	389	279	218	289	359	529	502	214	2,891	
1.2 Foreign economic aid	-	-	-	-	-	-	-	-	-	-	
1.3 General services	86	251	99	135	325	127	440	221	134	1,819	
1.4 Basic research	-	-	-	-	-	-	-	-	-	-	
1.5 R&D general public services	0	1	1	1	1	1	1	1	1	6	
1.6 General public services n.e.c.	130	291	214	181	370	615	506	601	352	3,260	
Total general public services	327	932	592	535	985	1,101	1,477	1,326	701	7,976	
2. Defence											
2.1 Military defence	-	-	-	-	-	-	-	-	-	-	
2.2 Civil defence	29	6	6	7	9	16	14	18	7	113	
2.3 Foreign military aid	-	-	-	-	-	-	-	-	-	-	
2.4 R&D defence	-	-	-	-	-	-	-	-	-	-	
2.5 Defence n.e.c.	-	-	-	-	-	-	-	-	-	-	
Total defence	29	6	6	7	9	16	14	18	7	113	
3. Public order and safety											
3.1 Police services	695	2,025	1,413	1,094	1,408	1,399	4,438	2,115	1,314	15,901	
of which: immigration and citizenship	0	1	1	1	1	1	1	1	1	8	
of which: other police services	695	2,024	1,412	1,093	1,408	1,398	4,437	2,114	1,313	15,893	
3.2 Fire-protection services	148	335	226	174	236	262	472	392	256	2,500	
3.3 Law courts	330	922	634	519	615	536	1,871	798	493	6,718	
3.4 Prisons	302	644	534	587	517	527	576	544	328	4,559	
3.5 R&D public order and safety	-	-	-	-	-	-	-	-	-	-	
3.6 Public order and safety n.e.c.	36	95	65	47	68	58	154	85	53	662	
Total public order and safety	1,512	4,021	2,872	2,420	2,845	2,782	7,512	3,933	2,443	30,340	
4. Economic affairs											
4.1 General economic, commercial and labour affairs	1,163	3,775	2,498	2,226	3,195	3,682	8,329	5,358	2,590	32,817	
4.2 Agriculture, forestry, fishing and hunting	245	435	542	503	391	587	219	633	671	4,225	
of which: market support under CAP	117	174	224	251	217	303	8	252	386	1,934	
of which: other agriculture, food and fisheries policy	123	248	309	243	163	273	195	364	275	2,192	
of which: forestry	5	13	10	9	10	11	15	16	10	99	
4.3 Fuel and energy	107	227	202	204	214	188	166	238	195	1,741	
4.4 Mining, manufacturing and construction	3	33	36	24	35	122	33	128	105	519	

Table 10.9 Total identifiable expenditure on services in the English Regions by sub-function for 2021-22 (continued)

	National Statistics										Total England	
	North East	North West	Yorkshire and The Humber	East Midlands	West Midlands	East	London	South East	South West			
4. Economic affairs continued												
4.5 Transport	1,186	4,362	2,505	1,925	4,092	3,933	10,661	5,825	2,414		36,903	
of which: national roads	341	525	257	300	365	591	32	1,473	420		4,305	
of which: local roads	246	762	689	441	656	782	-114	871	573		4,906	
of which: local public transport	72	326	178	176	141	102	3,179	158	160		4,492	
of which: railway	485	2,611	1,247	930	2,815	2,299	7,410	3,040	1,110		21,946	
of which: other transport	43	138	133	79	115	159	154	283	151		1,255	
4.6 Communication	-	-	-	-	-	-	-	-	-		-	
4.7 Other industries	4	12	12	5	10	8	27	15	9		101	
4.8 R&D economic affairs	219	586	492	342	655	455	1,111	1,104	496		5,460	
4.9 Economic affairs n.e.c.	19	143	38	30	42	42	76	76	42		506	
Total economic affairs	2,946	9,572	6,324	5,259	8,633	9,017	20,623	13,377	6,521		82,273	
5. Environment protection												
5.1 Waste management	239	3,222	459	429	473	695	982	914	768		8,183	
5.2 Waste water management	-	-	-	-	-	-	-	-	-		-	
5.3 Pollution abatement	16	46	34	36	36	69	68	87	42		433	
5.4 Protection of biodiversity and landscape	14	24	47	50	35	31	8	33	36		279	
5.5 R&D environment protection	7	14	16	8	10	17	17	43	18		149	
5.6 Environment protection n.e.c.	82	201	230	89	133	277	282	251	187		1,732	
Total environment protection	359	3,507	786	612	687	1,089	1,356	1,328	1,051		10,776	
6. Housing and community amenities												
6.1 Housing development	235	468	414	417	583	641	2,479	893	382		6,513	
of which: local authority housing	147	189	341	312	423	467	2,474	756	277		5,386	
of which: other social housing	88	279	73	106	160	174	5	137	104		1,127	
6.2 Community development	158	392	307	212	320	275	661	360	266		2,952	
6.3 Water supply	0	1	1	1	1	1	1	1	1		7	
6.4 Street lighting	47	100	93	49	83	75	113	107	56		723	
6.5 R&D housing and community amenities	-	-	-	-	-	-	-	-	-		-	
6.6 Housing and community amenities n.e.c.	10	35	24	21	23	47	54	45	22		282	
Total housing and community amenities	450	996	839	701	1,010	1,040	3,308	1,406	727		10,477	

£ million

Table 10.9 Total identifiable expenditure on services in the English Regions by sub-function for 2021-22 (continued)

	National Statistics										Total England	
	Yorkshire and The Humber					National Statistics						
	North East	North West	East Midlands	West Midlands	East of England	London	South East	South West	Yorkshire and The Humber	Total England		
7. Health⁽¹⁾												
Medical services	8,029	22,654	14,971	12,352	15,979	30,263	23,588	15,075	159,541			
Health research	71	192	142	125	166	272	243	147	1,512			
Central and other health services	902	2,527	1,867	1,663	2,158	2,998	3,161	1,942	19,247			
Total health	9,002	25,373	16,980	14,140	18,304	33,533	26,992	17,164	180,300			
8. Recreation, culture and religion												
8.1 Recreational and sporting services	149	420	326	236	275	406	433	224	2,912			
8.2 Cultural services	158	447	320	240	271	916	427	334	3,413			
8.3 Broadcasting and publishing services	15	42	31	26	38	61	54	32	331			
8.4 Religious and other community services	-3	-6	-4	7	6	11	9	3	6			
8.5 R&D recreation, culture and religion	3	4	5	4	4	24	12	4	61			
8.6 Recreation, culture and religion n.e.c.	4	11	8	7	9	13	14	9	85			
Total recreation, culture and religion	325	918	685	520	603	1,431	949	605	6,810			
9. Education⁽²⁾												
9.1 Pre-primary and primary education of which: under fives	1,206	3,954	2,275	1,890	2,520	5,152	4,230	1,904	25,821			
of which: primary education	161	548	308	253	331	700	565	255	3,486			
9.2 Secondary education	1,045	3,406	1,967	1,637	2,189	4,452	3,665	1,649	22,335			
9.3 Post-secondary non-tertiary education	2,080	5,012	4,655	4,035	5,149	6,444	6,659	4,429	43,449			
9.4 Tertiary education	41	96	44	33	48	138	97	79	647			
9.5 Education not definable by level	130	284	230	208	176	523	429	200	2,433			
9.6 Subsidiary services to education	27	79	58	51	67	95	98	57	595			
9.7 R&D education	236	456	285	290	401	1,051	545	411	4,144			
9.8 Education n.e.c.	119	251	224	176	271	755	457	183	2,608			
Total education	3,913	10,343	7,924	6,817	8,807	14,403	12,770	7,416	81,271			
10. Social protection												
10.1 Sickness and disability of which: personal social services	1,621	4,380	3,170	2,538	3,367	5,858	5,114	3,350	32,668			
of which: personal social services	2,943	7,792	5,069	4,339	4,868	6,407	6,726	4,815	48,280			
10.2 Old age of which: incapacity, disability and injury benefits	464	1,471	935	828	1,198	1,597	1,751	1,112	10,363			
of which: incapacity, disability and injury benefits	2,479	6,321	4,134	3,510	3,670	4,810	4,975	3,703	37,918			
10.3 Pensions of which: personal social services	5,281	13,490	10,099	9,194	12,115	10,564	17,778	12,421	101,733			
of which: personal social services	523	1,195	1,017	762	1,029	1,602	1,558	1,090	9,708			
of which: pensions	4,758	12,295	9,083	8,432	11,086	8,963	16,219	11,331	92,025			

Table 10.9 Total identifiable expenditure on services in the English Regions by sub-function for 2021-22 (continued)

	National Statistics										Total England	
	North East	North West	Yorkshire and The Humber	East Midlands	West Midlands	East	London	South East	South West			
10. Social protection continued												
10.3 Survivors	60	110	98	98	92	92	-1	124	137	809		
10.4 Family and children	1,164	3,185	2,316	1,896	2,534	2,235	3,737	3,286	2,113	22,466		
of which: personal social services	616	1,610	1,147	906	1,237	1,031	2,033	1,621	1,064	11,264		
of which: family benefits, income support and tax credits	547	1,575	1,170	991	1,297	1,205	1,705	1,666	1,048	11,202		
10.5 Unemployment	37	85	68	55	80	66	121	98	53	664		
of which: personal social services	-	-	-	-	-	-	-	-	-	-		
of which: other unemployment benefits	37	85	68	55	80	66	121	98	53	664		
10.6 Housing	691	1,744	1,135	865	1,441	1,248	4,538	1,994	1,157	14,813		
10.7 Social exclusion n.e.c.	2,564	7,010	4,787	3,586	5,361	4,527	10,716	6,255	3,966	48,772		
of which: personal social services	18	104	71	42	94	109	627	183	85	1,333		
of which: family benefits, income support and tax credits	2,545	6,906	4,715	3,544	5,268	4,418	10,089	6,071	3,881	47,438		
10.8 R&D social protection	-	-	-	-	-	-	-	-	-	-		
10.9 Social protection n.e.c.	236	679	426	334	481	430	982	593	391	4,552		
Total social protection	12,974	34,095	23,998	20,366	26,104	25,581	37,065	36,855	25,052	242,089		
Total Expenditure on Services in the English Regions	31,838	89,762	61,006	51,378	68,734	68,339	120,724	98,953	61,689	652,424		

⁽¹⁾ The level of detail required for COFOG level 2 is not yet available in all UK countries. Health spending is therefore presented using HM Treasury's own sub-functional classification.

⁽²⁾ The Department for Education is currently recording all central government academy expenditure as 'Secondary Education', across all years presented. While secondary schools currently account for the largest population in the academy sector, it is recognised that this will also cover some schools in primary and other functional categories. In future editions of PESA the Department for Education will look to improve apportionment of spending across the education categories.

Table 10.10 Total identifiable expenditure on services in the English Regions by sub-function, per head⁽¹⁾ for 2021-22

	National Statistics										Total England
	Yorkshire and The Humber					National Statistics					
	North East	North West	Yorkshire and The Humber	East Midlands	West Midlands	East	London	South East	South West		
1. General public services											
1.1 Executive and legislative organs, financial and fiscal affairs, external affairs	42	52	51	45	49	57	60	54	38	51	
1.2 Foreign economic aid	-	-	-	-	-	-	-	-	-	-	
1.3 General services	32	34	18	28	55	20	50	24	24	32	
1.4 Basic research	-	-	-	-	-	-	-	-	-	-	
1.5 R&D general public services	0	0	0	0	0	0	0	0	0	0	
1.6 General public services n.e.c.	49	39	39	37	62	97	58	65	62	58	
Total general public services	124	126	108	110	165	174	168	143	123	141	
2. Defence											
2.1 Military defence	-	-	-	-	-	-	-	-	-	-	
2.2 Civil defence	11	1	1	1	2	2	2	2	1	2	
2.3 Foreign military aid	-	-	-	-	-	-	-	-	-	-	
2.4 R&D defence	-	-	-	-	-	-	-	-	-	-	
2.5 Defence n.e.c.	-	-	-	-	-	-	-	-	-	-	
Total defence	11	1	1	1	2	2	2	2	1	2	
3. Public order and safety											
3.1 Police services	263	273	258	224	237	221	504	228	230	281	
<i>of which: immigration and citizenship</i>	0	0	0	0	0	0	0	0	0	0	
<i>of which: other police services</i>	263	273	258	224	237	221	504	228	230	281	
3.2 Fire-protection services	56	45	41	36	40	41	54	42	45	44	
3.3 Law courts	125	124	116	106	103	85	213	86	86	119	
3.4 Prisons	114	87	97	120	87	83	65	59	58	81	
3.5 R&D public order and safety	-	-	-	-	-	-	-	-	-	-	
3.6 Public order and safety n.e.c.	14	13	12	10	12	9	18	9	9	12	
Total public order and safety	571	542	524	496	478	439	854	424	429	537	
4. Economic affairs											
4.1 General economic, commercial and labour affairs	439	509	456	456	537	581	947	578	454	581	
4.2 Agriculture, forestry, fishing and hunting	93	59	99	103	66	93	25	68	118	75	
<i>of which: market support under CAP</i>	44	23	41	52	36	48	1	27	68	34	
<i>of which: other agriculture, food and fisheries policy</i>	46	33	56	50	27	43	22	39	48	39	
<i>of which: forestry</i>	2	2	2	2	2	2	2	2	2	2	
4.3 Fuel and energy	40	31	37	42	36	30	19	26	34	31	
4.4 Mining, manufacturing and construction	1	4	6	5	6	19	4	14	18	9	

Table 10.10 Total identifiable expenditure on services in the English Regions by sub-function, per head⁽¹⁾ for 2021-22 (continued)

	National Statistics										£ per head
	Yorkshire and The Humber			East Midlands			West Midlands			East of England	
	North East	North West	Yorkshire and The Humber	East Midlands	West Midlands	East of England	London	South East	South West	Total England	
4. Economic affairs continued											
4.5 Transport	448	588	457	394	688	621	1,212	628	423	653	
of which: national roads	129	71	47	61	61	93	4	159	74	76	
of which: local roads	93	103	126	90	110	123	-13	94	100	87	
of which: local public transport	27	44	32	36	24	16	361	17	28	80	
of which: railway	183	352	228	190	473	363	842	328	195	388	
of which: other transport	16	19	24	16	19	25	18	31	26	22	
4.6 Communication	-	-	-	-	-	-	-	-	-	-	
4.7 Other industries	1	2	2	1	2	1	3	2	2	2	
4.8 R&D economic affairs	83	79	90	70	110	72	126	119	87	97	
4.9 Economic affairs n.e.c.	7	19	7	6	7	7	9	8	7	9	
Total economic affairs	1,113	1,291	1,154	1,078	1,451	1,423	2,344	1,442	1,144	1,456	
5. Environment protection											
5.1 Waste management	90	434	84	88	80	110	112	98	135	145	
5.2 Waste water management	-	-	-	-	-	-	-	-	-	-	
5.3 Pollution abatement	6	6	6	7	6	11	8	9	7	8	
5.4 Protection of biodiversity and landscape	5	3	9	10	6	5	1	4	6	5	
5.5 R&D environment protection	3	2	3	2	2	3	2	5	3	3	
5.6 Environment protection n.e.c.	31	27	42	18	22	44	32	27	33	31	
Total environment protection	136	473	143	125	115	172	154	143	184	191	
6. Housing and community amenities											
6.1 Housing development	89	63	76	86	98	101	282	96	67	115	
of which: local authority housing	56	25	62	64	71	74	281	82	49	95	
of which: other social housing	33	38	13	22	27	27	1	15	18	20	
6.2 Community development	60	53	56	44	54	43	75	39	47	52	
6.3 Water supply	0	0	0	0	0	0	0	0	0	0	
6.4 Street lighting	18	13	17	10	14	12	13	11	10	13	
6.5 R&D housing and community amenities	-	-	-	-	-	-	-	-	-	-	
6.6 Housing and community amenities n.e.c.	4	5	4	4	4	7	6	5	4	5	
Total housing and community amenities	170	134	153	144	170	164	376	151	127	185	

Table 10.10 Total identifiable expenditure on services in the English Regions by sub-function, per head⁽¹⁾ for 2021-22 (continued)

	National Statistics										£ per head		
	Yorkshire and The Humber		North East		North West		East Midlands		West Midlands			East of England	
7. Health⁽²⁾													
Medical services	3,033	3,054	2,731	2,531	2,795	2,523	3,439	2,542	2,644	2,824			
Health research	27	26	26	26	26	26	31	26	26	27			
Central and other health services	341	341	341	341	341	341	341	341	341	341			
Total health	3,401	3,421	3,098	2,897	3,161	2,889	3,811	2,909	3,011	3,192			
8. Recreation, culture and religion													
8.1 Recreational and sporting services	56	57	59	48	75	43	46	47	39	52			
8.2 Cultural services	60	60	58	49	50	43	104	46	59	60			
8.3 Broadcasting and publishing services	5	6	6	5	5	6	7	6	6	6			
8.4 Religious and other community services	-1	-1	-1	1	-3	1	1	1	0	0			
8.5 R&D recreation, culture and religion	1	0	1	1	0	1	3	1	1	1			
8.6 Recreation, culture and religion n.e.c.	2	2	2	2	2	1	2	1	2	2			
Total recreation, culture and religion	123	124	125	107	130	95	163	102	106	121			
9. Education⁽²⁾													
9.1 Pre-primary and primary education <i>of which: under fives</i>	456	533	415	387	452	398	585	456	334	457			
<i>of which: primary education</i>	61	74	56	52	61	52	80	61	45	62			
9.2 Secondary education	395	459	359	335	391	346	506	395	289	395			
9.3 Post-secondary non-tertiary education	786	676	849	827	838	813	732	718	777	769			
9.4 Tertiary education	15	13	8	7	12	8	16	10	14	11			
9.5 Education not definable by level	49	38	42	43	43	28	59	46	35	43			
9.6 Subsidiary services to education	10	11	11	10	11	11	11	11	10	11			
9.7 R&D education	89	62	52	60	79	63	119	59	72	73			
9.8 Education n.e.c.	45	34	41	36	29	43	86	49	32	46			
Total education	1,478	1,394	1,446	1,397	1,492	1,390	1,637	1,376	1,301	1,439			
10. Social protection													
<i>of which: personal social services</i>	612	591	578	520	549	532	666	551	588	578			
10.1 Sickness and disability <i>of which: personal social services</i>	1,112	1,050	925	889	894	768	728	725	845	855			
<i>of which: incapacity, disability and injury benefits</i>	175	198	171	170	169	189	181	189	195	183			
10.2 Old age <i>of which: personal social services</i>	936	852	754	719	725	579	547	536	650	671			
<i>of which: pensions</i>	1,995	1,819	1,843	1,884	1,813	1,913	1,201	1,916	2,179	1,801			
	197	161	186	156	157	162	182	168	191	172			
	1,797	1,658	1,657	1,728	1,657	1,750	1,018	1,748	1,987	1,629			

Table 10.10 Total identifiable expenditure on services in the English Regions by sub-function, per head⁽¹⁾ for 2021-22 (continued)

	National Statistics										£ per head									
	Yorkshire and The Humber			East Midlands			West Midlands			London			South East			South West			Total England	
	North East	North West	Humber	East Midlands	West Midlands	East	London	South East	South West	Total	England									
10. Social protection continued																				
10.3 Survivors A115:K129	22	15	18	20	15	15	0	13	24	14	14									
10.4 Family and children	440	429	423	389	426	353	425	354	371	398	398									
of which: personal social services	233	217	209	186	208	163	231	175	187	199	199									
of which: family benefits, income support and tax credits	207	212	213	203	218	190	194	180	184	198	198									
10.5 Unemployment	14	12	12	11	13	10	14	11	9	12	12									
of which: personal social services	-	-	-	-	-	-	-	-	-	-	-									
of which: other unemployment benefits	14	12	12	11	13	10	14	11	9	12	12									
10.6 Housing	261	235	207	177	242	197	516	215	203	262	262									
10.7 Social exclusion n.e.c.	968	945	873	735	901	715	1,218	674	696	863	863									
of which: personal social services	7	14	13	9	16	17	71	20	15	24	24									
of which: family benefits, income support and tax credits	962	931	860	726	885	697	1,147	654	681	840	840									
10.8 R&D social protection	-	-	-	-	-	-	-	-	-	-	-									
10.9 Social protection n.e.c.	89	92	78	68	81	68	112	64	69	81	81									
Total social protection	4,901	4,597	4,379	4,173	4,387	4,038	4,212	3,972	4,394	4,286	4,286									
Total Expenditure on Services in the English Regions	12,027	12,102	11,131	10,528	11,550	10,788	13,719	10,665	10,820	11,549	11,549									

⁽¹⁾ Although accurate at the functional level, differences between countries at the lower sub-functional level will reflect the different structures departments and Devolved Authorities use when reporting data to HM Treasury, in addition to any actual policy differences which may exist.

⁽²⁾ The level of detail required for COFOG level 2 is not yet available in all UK countries. Health spending is therefore presented using HM Treasury's own sub-functional classification.

⁽³⁾ The Department for Education is currently recording all central government academy expenditure as 'Secondary Education', across all years presented. While secondary schools currently account for the largest population in the academy sector, it is recognised that this will also cover some schools in primary and other functional categories. In future editions of PESA the Department for Education will look to improve apportionment of spending across the education categories.

A

Sources, data quality and conventions

A.1 This annex outlines the main sources used in producing PESA and provides information on:

- data quality;
- our revisions policy;
- coverage of public bodies;
- the treatment of certain transactions;
- consistency with other publications;
- the main conventions used throughout the publication.

The information in this annex applies to all in-year updates as well as to this publication.

Sources of data

Central government and public corporations' data

A.2 Most expenditure data in PESA are taken directly from the Treasury's public expenditure database, known as the Online System for Central Accounting and Reporting (OSCAR). This system collects public spending data from central government departments and the devolved administrations. OSCAR is a reporting system rather than an accounting system and so contains aggregate spending information rather than any transactional detail.

A.3 Data entered onto OSCAR by departments and devolved administrations cover:

- their own expenditure;
- the expenditure of agencies and Arms Length Bodies (ALBs);
- support for local government and public corporations;
- capital expenditure of the public corporations that they sponsor¹.

A.4 Departments and devolved administrations can maintain up to ten years of live data depending on the year of the latest Spending Review. For PESA 2023 departments reported five outturn years from 2018-19 to 2022-23. This year, PESA also includes two plans years from 2023-24 to 2024-25. This involves:

- updating values in the light of better or new information, ensuring final outturns are consistent with information in published audited accounts (normally available in the summer after the end of the financial year);
- implementing classification changes across all live years to ensure data are consistent.

¹ The departmental reporting requirements in relation to public corporations result from the fact that only PC capital expenditure is treated as spending in the National Accounts. The current spending (except debt interest paid to the private sector) is included in the calculation of the gross operating surplus, which scores on the revenue side of the account.

A.5 Data are extracted from OSCAR approximately two weeks prior to publication, with the following exception:

- the historical information that extends back beyond the live outturn years is maintained off-database.

Local government data

A.6 The Department for Work and Pensions (DWP) supplies data on local government housing benefit payments in all countries except Northern Ireland. All other data on local government spending in England are supplied by the Department for Levelling Up, Housing and Communities (DLUHC). The devolved administrations provide local government spending data for Scotland, Wales and Northern Ireland.

National Accounts aggregates

A.7 The Office for National Statistics (ONS) supplies outturn numbers for the following National Accounts aggregates used in PESA:

- Total Managed Expenditure (TME);
- public sector current expenditure, gross investment and net investment;
- public sector, central and local government, and public corporations' depreciation;
- public sector, central and local government, and public corporations' debt interest;
- central government own expenditure (total, current and capital);
- local government expenditure (total, current, capital);
- public corporations' expenditure (total, current and capital).

Two points worth noting are:

- the public sector or total expenditure on services (TES) aggregate used in PESA is a Treasury aggregate that broadly follows the National Accounts framework and so is mostly consistent with TME. **Annex E** provides a detailed definition of TES;
- depreciation in budgets is a number sourced from departments consistent with their resource accounts. The depreciation numbers used in the National Accounts are derived by the ONS.

Classification of the Functions of Government (COFOG)

A.8 The Treasury assigns level 2 United Nations COFOG categories to departmental and local government data in consultation with departments and the devolved administrations. Where data streams cover more than one sub-functional category, departments are asked to change their reporting (if at all possible) so that spending on each sub-function is recorded separately. We do not ask departments to make changes where the amounts involved would be less than £10m.

A.9 All departments and the devolved administrations are reporting data against COFOG level 2, with two notable exceptions. Both the Department of Health and Social Care and the Welsh Government are currently unable to report the health function on this basis as the NHS for these bodies is neither financed nor organised along the lines of COFOG level 2. The health sub-functional analysis is therefore presented against Treasury defined sub-functions.

Data quality

A.10 Departments (including agencies and ALBs) and devolved administrations aim to produce good quality data for internal management and control, as well as for external reporting via audited accounts. They also seek to ensure that the data they feed into OSCAR are of high quality. Several outputs directly relevant to Whitehall departments' operations and reporting are derived from OSCAR, including Supply Estimates and tables published in Departmental Reports.

A.11 While Whitehall departments have clear incentives to ensure accurate data is reported on OSCAR, a number of factors can adversely affect data quality:

- complexity of the public expenditure system: data needs to be coded so that a wide range of outputs can be produced against a number of frameworks. Some data will be miscoded;
- although comprehensive guidance is made available, those recording data sometimes need to apply judgement to determine the right coding. Views on the right judgement to make may differ;
- while the budget-based numbers in PESA (for example in **Chapter 1**) are key control totals for departments and devolved administrations that are closely monitored, some of the economic category and sub-functional analyses do not appear in departmental outputs so may be less robust. The devolved administrations do not draw outputs directly from the Treasury's database;
- the need to keep compliance costs down means that some data disaggregation is not justifiable.

A.12 The Department for Education (DfE) continue to make efforts to improve the data underlying their budgetary aggregates. This includes expenditure listed by function (chapters 4, 5 and 6) and on local government grants (chapter 7). While DfE and HMT have engaged in quality assurance on these data, due to the number of academies continuing to move between the local government and central government sectors further work is needed to provide consistent information across outturn and plans years. A programme of work at DfE and with academies is in place to further develop this data and improvements will be made in future editions of PESA.

A.13 The aim of PESA is to provide a broad picture of where public expenditure goes. As a general rule, the more detailed the presentation, the less accurate the attribution to lower level categories. Small differences in numbers should not be taken as significant. We present many figures to the nearest £1m to prevent users from introducing rounding errors.

Revisions policy

A.14 The data in all PESA tables are open for revision to ensure that the latest data are published. Long-run data are published on a consistent classification basis, as far back as possible. The main data updates that will be included through the year are as follows:

- May – updated outturn for central government departments;
- July – Public Spending Statistics (PSS) comprising provisional outturn for central government (Whitehall) departments and PESA including revised spending plans consistent with the Budget;
- November – final outturn for central government (Whitehall) departments and provisional outturn for local government – updated Country and Regional Analysis (CRA);

- February – final outturn for local government and devolved administrations;

A.15 Further information on significant revisions since PESA 2022 is provided in chapter text.

A.16 Where we discover errors after the production of PESA 2023 we will take the following action:

- minor errors will be corrected at the next National Statistics update or the next edition of PESA; and
- larger errors will lead to the publication of revised tables on the Treasury's website together with an explanatory note.

Coverage of public bodies

A.17 PESA generally aims to include the expenditure of all bodies classified to the public sector by the Office for National Statistics (ONS). However, when new public bodies are set up, or when bodies are reclassified to, or within, the public sector, there may be a delay before data are recorded in a way that allows their inclusion in PESA.

Treatment of certain transactions in PESA

The Private Finance Initiative

A.18 The private finance initiative (PFI) is a means of procuring capital-intensive services. Instead of the public sector being responsible, for example, for building and maintaining a school building, the public sector contracts with the private sector for the provision of serviced school premises. The government entity that is purchasing services pays a single unitary charge to the PFI provider for as long as the services are provided to the required standard.

A.19 PFI deals may be on or off the government's balance sheet depending upon where the balance of risks in the project lies. For the period that this publication covers, independent public sector auditors take the balance sheet decision based on GAAP principles, and this decision is also normally used by the ONS for the National Accounts. If the project is on the government's balance sheet, the capital expenditure is treated as part of public sector capital expenditure. If the project is off the government's balance sheet, then the capital expenditure is considered to be undertaken by the private sector, with the unitary charge adding to public sector current expenditure.

A.20 For on-balance sheet projects, PESA includes:

- the capital expenditure imputed to the public sector;
- the service and debt interest elements of the unitary charge;
- the depreciation on the imputed asset.

A.21 For off-balance sheet projects, where the asset economically as well as legally belongs to the private sector, PESA includes the whole general government payment of unitary charges as payments for services.

Financial sector interventions

A.22 In December 2009 the ONS created an alternative measure of Public Sector Net Borrowing (PSNBex). This treated the classification of banks to the public sector (Northern Rock, Bradford & Bingley, Dunfermline, Lloyds Banking Group and Royal Bank of Scotland) as temporary, reflecting the Government's intention to return these banks to the private sector. As a result, these institutions are treated as if they are outside the public sector. Only Royal Bank of Scotland is still classified to the public sector.

A.23 In the budgeting tables, the support still scores within the HM Treasury Annually Managed Expenditure (AME) budget. All support to financial sector institutions is central government own spending.

A.24 The expenditure on services tables reflects the impact of this support on public spending in the National Accounts, i.e. on Total Managed Expenditure within PSNBex. The only transactions that are treated as spending within this measure are:

- the element of the share purchase that the ONS have classified as a capital grant;
- the element of depositor compensation over and above their statutory entitlements;
- fees received from underwriting commission and credit guarantee scheme income.

A.25 Other transactions do not generally have an impact on Total Managed Expenditure, nor therefore on the expenditure on services tables, because:

- they take the form of financial transactions, such as loans or share purchases, which do not constitute spending (as one asset is exchanged for another); or
- they are offset by recoveries imputed in the National Accounts, such as for liabilities borne by the FSCS.

Consistency with other publications

Previous editions of PESA

A.26 Data in previous editions of PESA may not be directly consistent with PESA 2023 due to changes in data coverage and classification changes. Details of the main budgetary classification changes are shown in **Annex C**. Readers are therefore strongly advised against simply splicing together data in different editions of PESA. The summary analysis in **Chapter 4** incorporates historical data adjusted to current definitions in order to show trends over a longer period.

Public Sector Finance Statistics

A.27 Total Managed Expenditure (TME) and its sectoral components are consistent with the joint ONS/Treasury Public Sector Finance Statistics monthly release published on 21 June 2023.

Conventions

Rounding

A.28 The figures in this publication are generally shown to the nearest £1 million.

A.29 In all chapters dashes in the tables show that there are no data, while zeros show that there are data that round to 0.

A.30 Figures in tables may not sum due to rounding.

Real terms figures

A.31 A number of the tables in this publication give figures in real terms or as a percentage of GDP. Real terms figures are the current price outturns or plans adjusted to a constant price level by excluding the effect of general inflation as measured by the GDP deflator at market prices. The real terms figures in this publication are given in 2022-23 prices. The GDP data used in this publication are those given in **Annex F**.

Use of accruals data in tables

A.32 All data are presented on an accruals basis.

B

Departmental Groups

B.1 A number of tables in this publication present analyses by department. Rather than showing figures for all individual government departments separately, departments are grouped together. These groupings are set out below.

B.2 This presentation is consistent with Budget 2023 documents.

Title	Departments included
Health and Social Care	Department of Health and Social Care (inc NHS)
Education	Department for Education Office of Qualifications and Examinations Regulation (Ofqual)
Home Office	Home Office
Justice	Ministry of Justice
Law Officers' Departments	The Crown Prosecution Service Serious Fraud Office HM Procurator General and Treasury Solicitor
Defence	Ministry of Defence
Single Intelligence Account	Single Intelligence Account
Foreign, Commonwealth and Development Office	Foreign, Commonwealth and Development Office
DLUHC – Local Government	Local Government part of Department for Levelling Up, Housing and Communities (mainly grants to English local authorities and the Greater London Authority)
DLUHC – Levelling Up, Housing and Communities	Levelling Up, Housing and Communities part of Department for Levelling Up, Housing and Communities
Culture, Media and Sport ¹	Department for Culture, Media and Sport
Science, Innovation and Technology ¹	Department for Science, Innovation and Technology
Transport	Department for Transport
Energy Security and Net Zero ¹	Department for Energy Security and Net Zero
Environment, Food and Rural Affairs	Department for Environment, Food and Rural Affairs
Business and Trade ¹	Department for Business and Trade
Work and Pensions	Department for Work and Pensions
HM Revenue and Customs	HM Revenue and Customs
HM Treasury	HM Treasury
Cabinet Office	Cabinet Office
Scotland	Scottish Government
Wales	Welsh Government
Northern Ireland	Northern Ireland Executive

¹ A Machinery of Government (MoG) re-organisation was announced on 7 February 2023 re-allocating various functions to new departments. Tables for PESA 2023 reflect this change.

Title	Departments included
Small and Independent Bodies	Charity Commission Competition and Markets Authority Crown Estate Office Electoral Commission Export Credits Guarantee Department Food Standards Agency Government Actuary's Department House of Commons House of Lords Independent Parliamentary Standards Authority Local Government Boundary Commission for England National Audit Office National Savings and Investments Northern Ireland Office Office for Standards in Education, Children's Services and Skills. Office of Gas and Electricity Markets Office of Rail and Road Office of the Parliamentary Commissioner for Administration and Health Service Commissioners for England Parliamentary Works Grant Scotland Office and Office of the Advocate General Statistics Board The National Archives United Kingdom Supreme Court Wales Office Water Services Regulatory Authority

C

Public expenditure budgeting and control aggregates

C.1 This annex describes the budgeting and control regime under the current resource budgeting framework that was first introduced for the 2002 Spending Review (full resource budgeting) and that has been modified since then.

C.2 Departments have separate resource and capital budgets. These are split into Departmental Expenditure Limits (DEL) and departmental Annually Managed Expenditure (AME). Within DEL there are separate control totals for capital and resource DEL budgets; and within resource DEL there is a further control total for administration budgets and a ring-fence for depreciation. In addition to departmental AME, other AME covers spending that is not tied to a departmental budget. DEL plus AME, including accounting adjustments, sum to Total Managed Expenditure (TME), an aggregate that is drawn from National Accounts.

Resource budgeting

C.3 In 2003-04 the government completed its staged move to a full resource basis for financial reporting and control. Since this point, budgets have been set and monitored in resource terms, as described below.

C.4 There are separate departmental budgets for resource (i.e. current) and capital expenditure. These are also laid out in more detail below.

Resource budget

C.5 The **resource budget** controls the current expenditure of a department and largely follows the contents of resource accounts. Resource accounts are prepared in accordance with the Government Financial Reporting Manual, which follows International Financial Reporting Standards (IFRS) with such adaptations as are necessary for the public sector.

C.6 Resource budgets measure expenditure when it accrues rather than when the cash is spent. They do not include, as an in-year cost, prepayments for goods and services not consumed in that year but they will include resources consumed but paid for in later years or where pre-financed in earlier periods. Stock consumption scores in the resource budget whereas spending on adding to stocks does not. They include non-cash costs such as movements in provisions and charges for bad debts. Resource budgets record the cost of lending to students on the basis of an assessment of the subsidy implied in the low interest rate charged and the bad debt provision that is required. The annual resource cost to departments of the assets they use to deliver services is also included in resource budgets. This cost is in the form of charges for capital consumed in that year (depreciation).

C.7 The resource (DEL) budget includes all administration costs of central government departments such as pay and employer pension contributions or superannuation charges paid to unfunded public service pensions schemes. It also includes most of departments' other purchases of services. It includes current grants and subsidies paid to the private sector.

C.8 The resource budgets for the Foreign, Commonwealth and Development Office (FCDO) include an attributed share of the EU's expenditure on overseas aid and the Common Foreign and Security Policy.

C.9 Arm's Length Bodies – resource and capital budgets include the expenditure of most arms length bodies (ALBs) classified to the central government sector.

C.10 Public Corporations are budgeted for on an external finance basis. Resource budgets include subsidies paid to, and dividends and interest received from, all public corporations sponsored by a department. Capital grants, lending to public corporations, and private sector borrowing by public corporations are in the capital budget.

C.11 Central government support for local government – the resource budget scores current grants to local government. Capital support scores in capital budgets. More information on local government is in **Chapter 7**.

Capital budget

C.12 Capital budgets include expenditure on fixed capital assets, capital grants and the acquisition of certain financial assets acquired or sold for policy reasons. Capital budgets include capital expenditure financed by finance leases and on balance sheet Private Finance Initiative transactions. Capital budgets are set net of the sale value of receipts from the sale of capital assets.

C.13 In resource accounts proceeds from sales of assets are split between the book value and any profit/loss on disposal. Receipts relating to the book value are recorded in capital budgets. The profit/loss on disposal is recorded in the resource budget.

C.14 Capital budgets generally include loans on a net basis, i.e. new loans issued /less repayments of loan principal. Large (over £20 million) prepayments and debtors score in capital budgets if they last more than 12 months.

C.15 Central government support for local government – current grants score in resource budgets. Capital grants (also called Supported Capital Expenditure (Capital) in England and Wales) score in capital budgets. Capital budgets also include amounts for local authority borrowing where central government has agreed to fund the resultant loan charges. These credit approvals are known as Supported Capital Expenditure (Revenue) in England and Wales, and supported borrowing in Scotland. More information on local government is in **Chapter 7**.

Resource and capital budgets – summary table

C.16 This table summarises the main standard contents of resource and capital budgets:

	Resource budget	Capital budget
Department's own transactions	Pay, current purchases, grants to individuals, subsidies Depreciation and impairments on the department's assets Take-up of provisions, movement in value of provisions and utilisation of provisions Bad debts Loss on sale of fixed assets Less income from sales of goods and services Less release of provisions Less profit on sale of fixed assets	Expenditure on new fixed assets Less book value sale proceeds of fixed assets Net lending to the private sector Investment grants to the private sector
ALB transactions	As the department	As the department
Local government	Current grants to local government	Capital grants to local government Credit approvals
Public corporations on an external finance basis	Subsidies paid to public corporations Less interest and dividends received from public corporations	Investment grants paid to public corporations Net lending to public corporations (including equity withdrawals from public corporations) Public corporations' market and overseas borrowing

Departmental Expenditure Limits

C.17 Around half of public expenditure (TME) by value is in DEL. But because AME includes a small number of large programmes, by far the majority of public expenditure programmes are in DEL. The main programmes in AME are set out later in this section.

C.18 DELs are ordinarily set for three or four years in a Spending Review. They represent firm plans for departmental spending that may only be increased in exceptional circumstances with the Treasury's agreement through a claim on the DEL Reserve. Departments may carry forward some unspent DEL from one year to the next with the agreement of Treasury under the system of Budget Exchange.

C.19 DEL is net of certain receipts, mainly from sales of goods and services, asset sales, dividends, interest, rent of land and income from the European Union. It is also net of certain taxes, levies and fines where exceptionally the Chief Secretary to the Treasury has given specific agreement for a department to retain them in their DEL.

C.20 DEL includes a Reserve to meet unexpected needs. When sums are allocated from the Reserve, individual departments' DELs are increased and the Reserve line reduced by the same amount.

C.21 Public corporations – most transactions in respect of public corporations score in DEL but those in respect of self-financing public corporations score in departmental AME (except where they receive grants and subsidies, which would score in DEL).

C.22 Total DEL is not a control total but a standard way of presenting the sum of current and capital spending in DEL. Total DEL is defined as resource DEL excluding depreciation *plus* capital DEL. Depreciation here includes impairments (including Student Loan provisions) and the release of the donated assets and government grant reserves.

Annually Managed Expenditure

C.23 The following text describes the components of AME, which for the purposes of PESA is divided into departmental AME and other AME. The items in bold correspond to the row names of **Table 1.1**.

Departmental Annually Managed Expenditure

C.24 Departmental AME programmes are set out in departmental reports. A programme is included in AME if it cannot reasonably be subject to firm three-year limits as for DEL. Typically this is where the programme expenditure is demand-led, volatile, and large in relation to the size of the department. But those are neither necessary nor sufficient conditions for inclusion in AME. Discretionary new spending programmes are always in DEL except where a special case can be made to demonstrate that treatment as AME is likely to deliver better control of expenditure.

C.25 The main programmes in departmental AME are:

- social security benefits;
- tax credits for individuals;
- net lending to students;
- BBC domestic services;
- net public service pensions;
- expenditure financed by the proceeds of the national lottery.

C.26 Social security benefits – includes payments of social security and National Insurance benefits by the Department for Work and Pensions (DWP) and the Northern Ireland Department for Communities. It includes central government support for certain social security benefits paid by local government, such as Housing Benefit. It includes payments by DWP to the BBC in respect of free television licences for the over-75s.

C.27 Tax credits – Until PESA 2011 tax credits in HMRC's AME did not include negative tax (i.e. where the amount paid is less than or equal to the tax liability of the household). In this PESA all tax credits are included in departmental AME, increasing departmental AME by approximately £5 billion to £6 billion per year. This aligns to the way tax credits appear in resource accounts.

C.28 Student loans – the transactions of loan principal score in capital departmental AME while resource departmental AME contains interest receivable and certain non-cash transactions. Resource DEL scores the changes in the impairment recognised by the issuing departments in their resource accounts.

C.29 BBC domestic services – the expenditure of the BBC on domestic broadcasting scores in departmental AME. Certain trading operations of the BBC are treated as self-financing public corporations in AME.

C.30 Net public service pensions – this line scores the majority of the operating costs, net of income, for the main public service unfunded pension schemes. Operating costs are measured under International Accounting Standard 19 (IAS 19) as amended for the public sector. The main schemes are those for NHS staff, the civil service, teachers and the armed forces. This line comprises an assessment of the increase in the liability relating to current employees *less* relevant receipts. It does not include an amount for the unwinding of the discount rate, which is shown as part of the non-cash items in AME.

C.31 All the major unfunded pension schemes follow IAS 19 to report any increase (or decrease) in liabilities accrued in the period. In broad terms, there is a charge (or benefit) shown in this row equal to the gross increase in the provision that impacts on the operating statement of the scheme (excluding the unwinding of the discount rate) less pension contributions receivable from employers and employees, and less other income.

C.32 Note that there may be several reasons for a difference in the level of contributions and the IAS 19 charge. In particular, calculations of contributions and of the IAS 19 charge use different discount rates and different actuarial methodologies. In addition, contribution rates are revised only every three or four years, after full actuarial valuations, so the contribution rate is set to reflect previous over- and under-assessment of contributions due to scheme-specific experience on issues such as pay and demography.

C.33 Cash payments of members' continuing pensions, lump sums, spouses' benefits and similar payments, and bulk and individual transfers out, are all normally charged directly to the pension provision shown on the balance sheet. This means that they do not impact on the cost of the scheme as measured in this line, because the obligation to pay the pension had been recognised as adding to liabilities by an increase in the pension provision when the right to the pension accrued. However, if any cash payment is made that is not covered by a previously recognised liability then that payment would score in this AME line.

C.34 Relevant receipts include employers' contributions (including accruing superannuation liability charges such as those paid by departments to the Principal Civil Service Pension Scheme), employees' contributions for ordinary pensions (including widows'/widowers' pensions) and for added years, and receipts of bulk and individual transfers in.

C.35 This line does not reflect changes to the pension provision on the balance sheet resulting from changes in the actuarial assumptions made about the future (for example life expectancy, pay growth, inflation etc). Such changes result in the cost of providing already accrued pensions being higher (or lower) than previously thought. For example, if pensioners are living longer than previously thought, then the overall liability of a scheme will rise. The effects of these changes are shown in a separate statement (Statement of Recognised Gains and Losses) in the pension schemes' resource accounts and do not score in budgets.

C.36 For simplicity, and because of the immateriality of the amounts, some small unfunded schemes may report the difference between the cash paid out during the year and any contributions received.

C.37 Note that this line does not cover:

- pension schemes with a real pensions fund, such as local government and most public corporations' pension schemes;
- the schemes for police officers and fire-fighters, which although unfunded are run by local government, and whose costs are therefore in local government expenditure;
- pensions of some ALBs and other offices in the central government sector which operate their own pay-as-you-go pensions schemes and which are in DEL, generally on an IAS 19 basis.

C.38 Future payments of pensions are discounted in order to obtain the value of the liability in today's terms. Each year, future payments come a year closer and so the effects of discounting are reduced. That unwinding of the discount rate is a cost that is recognised in the accounts. In budgets, the amount for the unwinding of the discount rate on the liability is part of the **non-cash items** row.

C.39 The amount for the unwinding of the discount rate can be seen as loosely equivalent to the amount of interest the government would have had to pay if the schemes had been funded, and is sometimes referred to as interest on scheme liabilities (note that the discount rate is set in accordance with IFRS principles as endorsed by the Financial Reporting Advisory Board and is not automatically a gilt rate). So this item reflects the fact that the schemes are unfunded. Showing this item in the non-cash items row separates out the costs that the government bears as employer from guaranteeing the schemes (which are the costs in the net public service pensions row) from the notional costs that result because the schemes are unfunded.

C.40 The cost of pension schemes as measured on an IFRS basis does not impact directly on TME or the other fiscal aggregates. **Annex D** explains how the IFRS measures for the main public service pension schemes in departmental AME can be reconciled to their impact on TME, and this is shown in detail in **Table D.1**.

C.41 The overall change over the year in the schemes' balance sheet pensions liability measured on an IFRS basis is normally given by:

- current service cost and other pension costs (e.g. liabilities transferred in);
- *plus* unwinding of the discount rate;
- *less* pensions paid out;
- *plus or less* changes in actuarial assumptions and other balance sheet adjustments.

C.42 With the exception of the last item, which is not an expenditure or budget item, figures for the components listed above are shown in **Table D.1**.

C.43 Expenditure on services includes the cost of public service pensions on a TME basis in the social protection function.

C.44 National Lottery – expenditure on good causes funded from the proceeds of the National Lottery is in this line. The Big Lottery Fund was officially established by Parliament on 1 December 2006 and at the same time assumed the residual responsibilities of the dissolved National Lottery Charities Board (Community Fund), the New Opportunities Fund and the Millennium Commission. The Big Lottery Fund rolls out grants to health, education, environment and charitable causes across the UK.

C.45 Non-cash items include:

- large, demand-led non-cash items that could not reasonably be included in DEL budgets, such as provisions for nuclear decommissioning liabilities and the increase in the liability of public service pensions schemes due to the unwinding of the discount rate;
- non-cash items in respect of departmental AME programmes.

C.46 Financial sector interventions – includes all transactions that relate to the support provided by the Treasury to financial institutions since 2008-09.

C.47 Other departmental expenditure includes:

- transactions in respect of Self-Financing Public Corporations;
- European Union Financial Settlement payments and European Investment Bank receipts;
- Export Credits Guarantee Department (part);

- expenditure on tax credits for companies (research and development for Small and Medium Enterprises, contaminated land clearance) and charities calculated on an OECD basis, which reflects payments in excess of tax liability;
- HM Revenue and Customs (HMRC) payments in respect of Child Trust Funds;
- rates paid on behalf of embassies, net of beneficial portion receipts;
- Housing Subsidy in England and Wales, and Housing Support Grant in Scotland;
- Redundancy Payments Scheme;
- coal health liabilities;
- adjustments to prior years' National Non-Domestic Rates (NNDR) collection;
- support to local government in respect of police officers' and fire-fighters' pension schemes;
- debt repayment grants to local authorities;
- expenditure of certain levy-funded bodies;
- acceptances of artworks in lieu of Inheritance Tax.

Other Annually Managed Expenditure

C.48 Locally Financed Expenditure (LFE) – this line comprises the following items:

- Local Authority Self-Financed Expenditure (LASFE) in the UK;
- expenditure financed from the product of the Scottish Non-Domestic Rates;
- expenditure financed from the product of the Welsh Non-Domestic Rates;
- central government expenditure financed from the product of Northern Ireland Regional Rates (NIRR) and from borrowing from the National Loans Fund under the Re-investment & Reform Initiative (RRI).

C.49 LASFE is that part of total local authority expenditure not met by central government support. Its largest single financing component is the product of the Council Tax. Other components include the surpluses of trading activities, interest receipts, unsupported borrowing and the use of reserves.

C.50 Northern Ireland Regional Rates (NIRR) are set by the central government in Northern Ireland and can be used to finance any public sector expenditure within Northern Ireland. By convention it is treated in PESA as locally financed central government expenditure. The product of NIRR is treated as a transfer from AME into DEL, so this means that DEL is set net of the product of the NIRR.

C.51 Expenditure financed by borrowing from the National Loans Fund under the RRI is shown under LFE because the loans will be serviced and repaid out of the product of the NIRR.

C.52 Net expenditure transfers to the European Union – Transactions with the institutions of the European Union are shown in **Table C.1** and comprise the following concepts:

- net expenditure transfers to the European Union;
- net payments to EU institutions;
- the net contribution to the EU budget.

C.53 The TME effect of EU membership is therefore given by:

- GNI-based contributions
- *plus* VAT-based payments to the EU
- *less* the UK's abatement
- *less* an amount in respect of the cost of collecting Traditional Own Resources.

The UK's legacy GNI, VAT and Abatement contributions relate to a routine technical adjustment which moderates the UK's EU budget contributions for multi-annual financial frameworks when the UK was a Member State. These adjustments reflect updated economic and budgetary data from the UK and EU27. This results in payment and returns by/to the UK and EU. The latest 2022 annual exercise is estimated to return up to £1.2bn to the UK, resulting primarily from changes in the UK's historical GNI.

Table C.1: Transactions with the institutions of the European Union, 2018-19 to 2024-25

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	outturn	outturn	outturn	outturn	outturn ⁽⁵⁾	plans ⁽⁵⁾	plans ⁽⁵⁾
GNI based contribution	14,599	13,003	12,762	139	46	983	-1,193
UK abatement	-4,846	-4,149	-3,785	181	-428	32	-
VAT-based payments to the EU ⁽¹⁾	3,138	2,696	1,954	-4	0	-	-
Net expenditure transfers to the EU not in departmental budgets	12,892	11,549	10,930	315	-383	1,015	-1,193
Receipts to cover collection costs in respect of collecting Traditional Own Resources (TOR) ⁽³⁾	-664	-663	-536	-12	-12	-2	-
to give contribution to TME not in departmental budgets⁽¹⁾	12,227	10,886	10,395	303	-395	1,013	-1,193
European Union Financial Settlement payments and receipts ⁽²⁾	-	-	-249	7,758	8,939	5,217	1,960
to give total contribution to TME	12,227	10,886	10,146	8,061	8,545	6,230	767
TOR ⁽³⁾	3,304	3,320	2,695	49	50	9	-
Gross contribution to the EU budget	15,531	14,206	12,840	8,110	8,594	6,239	767
Public sector EU receipts ⁽⁴⁾	-4,378	-5,059	-3,406	-2,308	-1,879	-1,086	-329
Net contributions to the EU budget	11,154	9,147	9,434	5,802	6,715	5,153	437
less Other attributed costs and repayments ⁽⁶⁾	-	-	-	-	-	-	-
Net payments to EU institutions	11,154	9,147	9,434	5,802	6,715	5,153	437

⁽¹⁾ VAT-based payments to the EU are included in the TME subtotal, reflecting changes in the European System of Accounts 2010.

⁽²⁾ European Union Financial Settlement payments and European Investment Bank receipts form part of HM Treasury's departmental AME.

⁽³⁾ TOR comprises customs duties (including those on agricultural products) and sugar levies.

⁽⁴⁾ Receipts are shown here on a cash basis. EU receipts in budgets are on an accruals basis. Under the Withdrawal Agreement, the UK continues to participate in programmes funded under the 2014-2020 Multiannual Financial Framework, with funding continuing to be received post-2020.

⁽⁵⁾ Consistent with forecasts published by the OBR in March 2023.

⁽⁶⁾ The UK's contribution to the cost of EU aid to states outside the EU is attributed to departmental budgets.

C.54 Public Corporations' Own-Financed Capital Expenditure – this line comprises the capital expenditure of public corporations' net of any capital grants or loans given by its parent department and net of public corporations' market and overseas borrowing where that scores to departmental budgets.

C.55 This line also includes the whole amount of capital expenditure of public corporations accountable to local government, whether own-financed or supported by local government: an accounting adjustment removes local government support to public corporations to avoid this spending being double counted.

C.56 Central government debt interest – this line includes interest paid to the private sector and overseas, but not interest paid to other parts of the public sector. The capital uplift on index-linked gilts is scored as interest at the time it accrues. This line includes the amortisation of discounts/premia on gilts at issue.

C.57 Accounting adjustments are described in **Annex D**.

Total Managed Expenditure

C.58 Total Managed Expenditure (TME) is an aggregate drawn from National Accounts. It covers the current and capital expenditure of the public sector, net of some receipts. It therefore includes expenditure of central government, local government and the capital expenditure of public corporations. TME excludes grants and interest payments between parts of the public sector (as it is a consolidated measure) as well as all financial transactions (such as lending). So TME is the expenditure side of the equation that gives public sector net borrowing, a measure of the fiscal stance.

C.59 As in **Table 1.1**, TME can be shown to equal Total DEL + AME (including accounting adjustments).

C.60 In addition, TME may be expressed as the sum of:

- public sector current expenditure;
- public sector net investment;
- public sector depreciation.

C.61 In this presentation, depreciation represents the amount of capital expenditure required to make good the depreciation of assets, and net investment represents the amount of capital expenditure that adds to the overall stock of assets.

D

Accounting adjustments in the budgeting presentation of TME

The need for accounting adjustments

D.1 The National Accounts, produced by the Office for National Statistics (ONS), follow international guidelines and provide a widely accepted framework for analysing the economic activity of the country. Total Managed Expenditure (TME) is an aggregate drawn from National Accounts that measures the sum of public sector current and capital spending.

D.2 Government departments budget and account for their spending in resource terms. From 2009-10 onwards this was based on International Financial Reporting Standards (IFRS) and prior to that was based on UK's Generally Accepted Accounting Practice. Both accounting frameworks differ in a number of ways from National Accounts, which are based on the European System of Accounts 2010 (ESA10). The main difference is that ESA10, in the main, recognises liabilities and assets only when they crystallise.

D.3 As a consequence of this, a number of adjustments are needed to reconcile budgets to the component parts of TME – these are known as accounting adjustments. **Table 1.1** shows resource DEL plus resource AME equalling public sector current expenditure, and capital DEL plus capital AME equalling public sector gross investment. Public sector current expenditure (PSCE) plus public sector gross investment (PSGI) then equals TME. In this presentation the AME totals include the accounting adjustments.

D.4 The accounting adjustments are shown separately for resource and capital in **Table 1.14**, the former shows the breakdown of those adjustments necessary to reconcile to PSCE and the latter those adjustments necessary to reconcile to PSGI. In each table the accounting adjustments are broken down into three categories;

- a. data that are removed from budgets because the National Accounts uses a different data source;
- b. data that are removed from budgets because they are not part of spending as defined by the National Accounts;
- c. accounting adjustments that are made to budgets to move them to a basis and economic categorisation consistent with spending as defined by the National Accounts.

D.5 The accounting adjustments in the first two categories above are shown separately according to whether they are in DEL or AME. The main accounting adjustments within the third category are shown separately for the central government and local government sectors arranged by the economic categories within TME. The section below goes through the main adjustments giving a description of the nature of the adjustment and the reason that it needs to be made. For each economic category there are a large number of smaller adjustments that are not shown separately – the total for these is in the 'other' category. These adjustments include the part of the timing adjustments published at the bottom of **Table 1.14** that is applicable to each economic category and a number of less significant accounting adjustments, including those that switch misreported data on OSCAR between economic categories.

List of the accounting adjustments in Table 1.14

Resource Accounting Adjustments

Remove data in budgets which form part of public sector current expenditure but where a different source is used for National Accounts

Capital consumption and NHS capital consumption

D.6 These items are removed from both DEL and AME because, as is common international practice, estimates of capital consumption in the National Accounts are produced using a Perpetual Inventory Model (PIM) rather than the data reported by departments as part of their budgets.

Interest

D.7 This item is removed from both DEL and AME as the ONS sources its central government interest transaction from a variety of sources with none being the data in budgets reported by departments. In **Table 1.1** gross debt interest is shown separately from accounting adjustments under other AME. This is far larger than the interest items deducted from budgets as it includes the interest the Debt Management Office pays on its gilts as well as interest paid by departments.

Subsidy element of renewable obligation certificates and other environmental levies

D.8 Where there is a compulsory and unrequited payment imposed by government, even if the payment is not to a public sector body, National Accounts sometimes require the payment to be imputed in the public finances as offsetting taxation and subsidy spending. This is the case with renewable obligation certificates (ROCs), where companies not meeting their renewable obligations have to purchase ROCs from companies who have exceeded their obligations. Department for Energy Security and Net Zero (DESNZ) have already included estimates in their AME forecast for the subsidy elements, however ONS and the Office for Budget Responsibility (OBR) are currently using a different source for their estimates of the value of this subsidy so the DESNZ estimates are removed from AME. This also applies for other environmental levies such as Feed-in Tariffs and the Renewable Heat Initiative so these are also removed.

Other

D.9 The items deducted from both DEL and AME under this category include dividends and rent. In both cases ONS use sources other than the data reported by departments as part of their budgets.

Adjustment for different data used by OBR in PSCE forecast

D.10 The forecast data for departments' DEL and AME budgets from 2023-24 used in this publication are taken from the data submitted by departments on OSCAR. The OBR used OSCAR data consistent with PESA 2022 as a starting point for their forecast in the March 2023 Economic and Fiscal Outlook (EFO). These adjustments are to reconcile the data used by the OBR in their forecast with that in PESA. For AME, the OBR used the forecasts provided to them by departments, which should also have been reflected on OSCAR. For DEL the OBR used plans from PESA 2022 adjusted to reflect policy announcements made during the year. For 2023-24 onwards, the OBR also included an estimate of the expected level of underspending by departments.

Remove data in budgets which do not form part of public sector current expenditure

Impairments

D.11 Impairments as defined in budgets, in both DEL and AME, can result from a number of factors which do not affect PSCE as defined in the National Accounts. Examples of these are impairments resulting from the revaluation of assets or from unexpected losses which are treated as balance sheet movements only in National Accounts. Impairments from wear and tear in the course of normal business are treated as part of PSCE capital consumption in the National Accounts and are accounted for as part of the PIM discussed in D.6 above. As a result all impairments as reported in budgets by departments are removed from both DEL and AME as they do not form part of public expenditure.

Fees, levies and charges, receipts treated as negative DEL but revenue in National Accounts, and miscellaneous current transfers

D.12 Some receipts included under these categories benefit resource budgets, in both DEL and AME, even where they are included on the revenue side of the National Accounts. The deduction of such receipts in budgets needs to be reversed in the calculation of TME.

D.13 The central government receipts that are removed in the adjustment are:

- certain taxes collected, including licences issued by the utility regulators;
- certain fines;
- current donations;
- current compensation;
- rent of land;
- dividends and interest from the private sector and overseas.

Change in pension scheme liabilities, unwinding of discount rate on pension scheme liabilities and release of provisions covering payments of pension benefits.

D.14 Pension costs are measured differently in resource accounts (and predominantly AME budgets) and National Accounts due to the different way these frameworks deal with provision liabilities.

D.15 In the National Accounts, the following transactions are included within TME:

- payments to pensioners, surviving spouses etc and transfers out to other schemes;
- less receipts of contributions by employees and employers, and transfers in from other schemes.

D.16 In resource accounts a provision liability is recognised on the balance sheet equal to the net present value of the expected future cash benefits to be paid. Broadly speaking, changes in this liability impact on the operating cost statement. The net public service pensions line in departmental AME presents expenditure on this basis. The line consists of the following:

- the gross change in the liability that scores in the operating statement of the schemes;
- plus payments of pensions or transfers out that are not covered by a previously recognised liability;
- less receipts of contributions by employees and employers, and transfers in from other schemes.

D.17 The unwinding of the discount rate that is applied to the future cash flows is also a cost in the operating statement in accounts. This cost is recorded separately in the non-cash items in departmental AME. See **Annex C** for further details.

D.18 Table D.1 reconciles pensions expenditure as presented in **Table 1.1**, in resource accounts and in TME. So the table presents:

- the three main contributions to the net public service pensions line in **Table 1.1** (as in D.17 above);
- the pensions element of the non-cash items line in **Table 1.1** (i.e. the unwinding of the discount on the liability);
- the sum of these elements, which is the contribution of pension schemes to departmental AME;
- the accounting adjustments required to reach the contribution to TME (see D.20 below);
- the contribution of the main public service pensions schemes to TME.

D.19 The adjustments are as follows:

- remove changes in liabilities scored in the net public service pensions line;
- remove changes in liabilities arising from the unwinding of the discount rate that are scored in the non-cash items line in AME;
- add cash payments to pensioners, surviving spouses etc. and transfers out to other schemes.

Table D.1: Pay as you go public service pension schemes in AME and in TME, 2018-19 to 2024-25

	£ million						
	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 outturn	2023-24 plans	2024-25 plans
Departmental AME (GAAP basis)							
Change in liability ⁽¹⁾	82,660	67,924	80,757	99,607	97,132	49,076	60,094
Contributions received*	-28,492	-36,604	-38,865	-40,742	-43,993	-45,208	-45,698
Cash payments in OCS not covered by release of provision*	181	61	47	43	55	40	40
Net public service pensions (GAAP basis)	54,349	31,380	41,940	58,908	53,194	3,908	14,436
Unwinding of discount rate (= contribution to non-cash items)	39,995	45,858	34,379	26,939	37,352	54,779	50,810
Total Departmental AME (GAAP basis)	94,344	77,239	76,319	85,847	90,545	58,687	65,246
Accounting adjustments							
Remove change in liability	-82,660	-67,924	-80,757	-99,607	-97,132	-49,076	-60,094
Remove increased liability due to unwinding of discount rate	-39,995	-45,858	-34,379	-26,939	-37,352	-54,779	-50,810
Add pensions in payment covered by release of provision**	38,235	39,894	40,862	42,107	44,991	48,922	50,638
Accounting adjustments (Pensions)	-84,420	-73,888	-74,275	-84,440	-89,492	-54,933	-60,266
Contribution to TME (National Accounts basis)	9,924	3,351	2,044	1,407	1,053	3,754	4,979
of which:							
Pensions in payment*	38,416	39,955	40,909	42,149	45,046	48,962	50,678
Contributions received*	-28,492	-36,604	-38,865	-40,742	-43,993	-45,208	-45,698

¹ Includes bulk and individual transfers, including transfers of liabilities within government.

* offsets change in gross liability.

⁽¹⁾ The increase in 2018-19 is due to higher provisions for past service costs.

Grant equivalent element of student lending

D.20 In budgets this is the provision that represents the net present value of the interest support element of student loans that scores in DEL and AME as the loans are issued. In the National Accounts the impact on the current balance is determined by the difference between interest payments made on government debt and interest income receivable from students. These values therefore need to be removed from DEL and AME as an accounting adjustment.

Stock write-offs

D.21 In budgets the write-off of stocks covers items such as military expenditure and medical stocks that are treated as being consumed at the point of purchase in National Accounts. This adjustment therefore removes the value of these stocks from DEL.

Northern Ireland Executive transfers between DEL and AME

D.22 As explained in Annex C, expenditure financed by Northern Ireland Rates is treated as a transfer from AME into DEL and by convention treated as part of locally financed expenditure in **Table 1.1**. This is removed from DEL and added back in the section which removes data from local government expenditure.

Profit or loss – sale of company securities

D.23 Departmental resource DEL and AME budgets include the profit or loss on the sale of company securities. These are removed as an adjustment as they are scored as financial transactions in the National Accounts.

Profit or loss – sale of other assets

D.24 Departmental resource DEL and AME budgets include the profit or loss on sales of tangible and intangible fixed assets. In the National Accounts, these are treated as capital transactions rather than resource transactions and so this adjustment is necessary to remove them from PSCE.

Fee income treated as capital in National Accounts

D.25 The Government announced the intention to instigate the Asset Protection Scheme for Lloyds Banking Group (LBG) and RBS in February 2009. In December 2009, RBS signed the contract to participate in the scheme and LBG announced it would not take part in the scheme. The Government received an exit fee from LBG and a fee from RBS for the implicit guarantee provided between February and December 2009. These fees were treated as capital receipts in the National Accounts but as negative resource AME (receipts) in HM Treasury's budget. This adjustment removes the receipts from PSCE.

Other

D.26 There are a number of other items that are removed from DEL and AME because they do not score as part of TME in the National Accounts. These include:

- notional audit fees, which are not scored in TME as no money flows;
- some other miscellaneous transactions that are scored in budgets but treated as financial transactions in the National Accounts;
- some transfers between different parts of central government that are excluded from the National Accounts as they are within the same sector in the National Accounts.

Central Government Adjustments in the National Accounts

Expenditure on Goods and Services

VAT refunds

D.27 VAT is a tax that is paid by final consumers, i.e. government and households. Producers pay VAT on materials that they use in the course of production, but are able to claim those VAT payments back from HMRC. Producers then charge VAT on sales and pass these monies to HMRC. Where a public sector body is engaged in production and receives such a VAT refund, this refund would not add to TME, nor would it be included in their spending data, which is measured net of recoverable VAT. Therefore, in these cases no adjustment is needed to reconcile to TME.

D.28 However, some public sector bodies additionally receive refunds of VAT that they have paid in respect of contracted out services for non-business purposes, including the free-to-enter public museums. These VAT payments by general government bodies form part of the prices paid as a final consumer, and therefore form part of final government consumption within TME (as well as part of current receipts). However, departmental budgets, and other spending data, are net of all recoverable VAT. This adjustment therefore adds back VAT refunded to central government departments in respect of contracted out services for non-business purposes and VAT refunds to free public museums in respect of non-business activities.

EU tax collection costs

D.29 The UK receives a payment from the EU for collecting Traditional Own Resources (customs duties, agricultural and sugar levies) on behalf of the EU. This receipt (which is netted off the payment made to the EU) is treated as a government receipt and reduces TME. This income is recorded here.

Capital consumption

D.30 As explained above, departmental estimates for capital consumption are removed from both DEL and AME because, as is common international practice, estimates of capital consumption in the National Accounts are produced using a Perpetual Inventory Model (PIM). This adjustment adds in the PIM estimates.

Net Current Grants Abroad

EU receipts and EU funded expenditure

D.31 EU grant expenditure routed through government departments is treated in the National Accounts as a transaction between the EU and the end-recipient of the grant. Both the receipt from the EU and the spending funded by the EU are included in departments' DEL budgets. This adjustment therefore removes the receipt of the EU finance by departments, which is scored as part of their DEL budget. There are adjustments within the "other" category in Other Current Grants and in Subsidies that remove the spending.

Subsidies

Renewable obligation certificates and other environmental levies

D.32 As mentioned above, ROCs and some other environmental levies are treated as imputed subsidies (and tax) in the National Accounts. This adjustment adds in ONS's and OBR's valuation of the imputed subsidy (DESNZ's OSCAR data having been removed in the first section of the table).

Local government adjustments in the National Accounts

D.33 As explained in Annex C, the contribution to AME from the local government sector is locally financed expenditure. This comprises the parts of local authority expenditure not met by central government support in the UK (known as LASFE), expenditure financed by Scottish NNDR, expenditure financed by Welsh NNDR and expenditure financed by Northern Ireland Regional Rates. LASFE is calculated as total local government expenditure, sourced from local government data (as outlined in Annex A), adjusted to a National Accounts basis, less CG support, based on data in central government departments' budgets. The accounting adjustments listed below are therefore the main adjustments to local government source data needed to transform it to a National Accounts basis and to reconcile central and local government sources for PSCE.

Remove data which do not form part of public sector current expenditure

Debt interest payments to central government

D.34 Interest payments to central government are removed as they represent flows between two parts of the public sector and so do not score towards TME.

Adjustments to reconcile use of different data sources

Central government support

D.35 As mentioned above, the data for central government support used in the calculation of LASFE is based on data in central government departments' budgets and the total spending is from the local government sources. This adjustment is therefore necessary to reconcile central government and local government sources of information for current central government support. The data based on central government departments' budgets are the data deducted in the calculation of LASFE as these are felt to be more reliable and are available at a more detailed level for quality assurance.

Debt interest

D.36 This adjustment reconciles differences between the data source used for the calculation of debt interest payments to the private sector by local authorities in the National Accounts and that used in local government sources.

Expenditure on Goods and Services

VAT refunds

D.37 As mentioned in the section on central government adjustments to expenditure on goods and services above, public sector bodies, including local authorities, receive refunds of VAT that they have paid in respect of contracted out services for non-business purposes. Central government support in resource DEL (and AME) and current LASFE are measured net of these VAT refunds, but in TME the expenditure is recorded including the VAT paid and therefore an adjustment is made to add back these refunds.

Capital consumption

D.38 As also mentioned above, in the section on central government adjustments to expenditure on goods and services, estimates of capital consumption in the National Accounts are sourced from the ONS's PIM model. This adjustment adds in these estimates for the local government sector.

Rates

D.39 This deducts payments of National Non-domestic Rates (NNDR) paid by local government which are in locally financed expenditure but do not form part of TME.

Subsidies

Equity injection into Housing Revenue Account

D.40 The HRA is treated as a public corporation in National Accounts. This means that the regular deficit resulting from its operations is treated in National Accounts as an imputed subsidy (if a regular profit were made it would be treated as an imputed dividend). The deficit (or profit) is calculated as the gross operating surplus less gross capital expenditure. Gross, rather than net, capital expenditure is used as sales of housing stock are treated as financial transactions which reduce LG equity in the HRA. Since 2004-05 the HRA have had a regular deficit so a subsidy is imputed from local government to the PC sector. This adjustment adds in the subsidy to local government spending. (Unlike grants subsidies from one part of the public sector to another are included in TME).

Net Social Benefits

Housing benefits and rent rebates

D.41 ONS use data from DWP in respect of housing benefits and rent rebates. An adjustment is necessary to bring data from local government sources into line with that from DWP.

Public corporations

D.42 The main adjustment in relation to public corporations data is their payment of debt interest to the private sector. This is the only part of public corporation own expenditure other than Public Corporations' Own Financed Capital Expenditure (see Annex C) that scores in TME. This adjustment adds in the data used in the National Accounts for their debt interest payments to the private sector.

Capital Accounting Adjustments

Remove data in budgets which form part of public sector gross investment but where a different source is used for National Accounts

Change in inventories and acquisitions less disposals of valuables

D.43 The data in the National Accounts for both of these are sourced from ONS surveys and administrative sources other than OSCAR.

Adjustment for different data used by OBR in PSGI forecast

D.44 As explained above for resource spending, the forecast data for departments' DEL and AME budgets for 2023-24 onwards used in this PESA publication differ from those used by the OBR in their March 2023 EFO. These adjustments are to reconcile the data used by the OBR with those on OSCAR used in PESA.

Remove data in budgets which do not form part of public sector gross investment

Net lending to private sector and the purchase and sale of company securities

D.45 These types of transactions are treated as financial transactions which do not score as spending in the National Accounts, because they involve a swap of financial assets and so are excluded from PSGI and TME. However, they are included in DEL and AME in order to have control over departments' impact on Public Sector Net Debt (PSND) so this adjustment is necessary to exclude them from TME.

Capital support for public corporations and local government supported capital expenditure

D.46 These transactions are excluded from TME as they are lending from central government to support capital expenditure by other parts of the public sector.

Northern Ireland Executive transfers between DEL and AME

D.47 This is the capital equivalent of the transfers described in D.22 above.

Other

D.48 There are a number of other items that are removed from DEL and AME because they do not score as part of PSGI in the National Accounts. These include:

- some capital provisions;
- some other miscellaneous transactions that are scored in budgets but treated as financial transactions in the National Accounts; and
- some transfers between different parts of central government that are excluded from the National Accounts as they are within the same sector in the National Accounts.

Central government adjustments in National Accounts

Gross Fixed Capital Formation

Profit or loss – sale of other assets (from resource budgets)

D.49 As mentioned in the section on resource accounting adjustments, in National Accounts the profit or loss on sales of tangible and intangible fixed assets are treated as capital expenditure and therefore as part of PSGI. However, they are treated as part of resource DEL and AME. This adjustment is necessary to add them to PSGI.

Capital grants to and from the private sector

VAT refunds

D.50 Refunds of VAT are also available on certain items to householders who are building their own home or converting a non-residential building into a home for them to live in. As mentioned above, spending in National Accounts is recorded inclusive of refunded VAT and therefore the value of these refunds is included in PSGI as a capital grant to the household sector (and also included in total VAT receipts) but not in Budgets. This adjustment adds the value of these refunds to PSGI.

Local government adjustments in National Accounts

D.51 The overall rationale behind the accounting adjustments for local government is explained in the section on resource accounting adjustments. The accounting adjustments listed below are the main adjustments to local government source data needed to transform it to a National Accounts basis and to reconcile central and local government sources for PSGI.

Adjustments to reconcile use of different data sources

Central government support

D.52 As mentioned above, the data for central government support used in the calculation of LASFE is based on data in central government departments' budgets and the total spending is from the local government sources. This adjustment is therefore necessary to reconcile central government and local government sources of information for central government support via capital grants. The data based on central government departments' budgets are the data deducted in the calculation of LASFE as these are felt to be more reliable and are available at a detailed level for quality assurance.

Financial transactions

D.53 Financial transactions, which do not score as spending in the National Accounts because they involve a swap of financial assets, are excluded from PSGI and TME. This adjustment removes the parts of capital LASFE that need to be excluded as they are financial transactions.

Capital grants from private sector

D.54 In some cases receipts are treated as financing expenditure in AME when National Accounts treat them as reducing expenditure. The value of the receipts needs to be included in TME. An adjustment is therefore made to add to public sector net investment the local authority receipts of investment grants from private sector developers.

Gross Fixed Capital Formation

VAT refunds

D.55 As mentioned above, local authorities receive refunds of VAT that they have paid in respect of contracted-out services for non-business purposes, including on capital expenditure. Central government capital grants to local authorities in resource DEL (and AME) and capital LASFE are measured net of these VAT refunds, but in TME the expenditure is recorded including the VAT paid. This adjustment therefore adds the value of the refunds to PSGI.

Capital Grants to public corporations

D.56 Local government capital expenditure includes grants paid to public corporations. The capital expenditure that this finances is included as part of Public Corporations' Own-Financed Capital Expenditure (PCOFCE), as this contains capital spending other than that financed by central government. An adjustment is therefore required to avoid double counting this spending in TME. This mainly concerns payments by Transport for London to London Underground.

Other capital adjustments

Public corporations

D.57 The Public corporation element of TME is effectively composed of PCOFCE plus central government support for public corporations. This adjustment adds back an element of the net lending subtracted above, to ensure that the level of PC spending is properly reflected.

D.58 HM Treasury's AME includes capital grants to the Bank of England for the Asset Purchase Facility Fund (APF). In the National Accounts these are offset as negative capital grants within the public corporations sector, to leave no effect on public sector net borrowing or TME. An adjustment is therefore needed to cancel out the expenditure recorded in capital AME.

E

Expenditure on services framework

E.1 Tables in **Chapters 4 to 8**, showing public expenditure by function and/or economic category are all based on the public sector expenditure on services framework.

E.2 Public sector or total expenditure on services (TES) broadly represents the current and capital expenditure of the public sector, and so is similar to the National Accounts measure of Total Managed Expenditure (TME). For the avoidance of doubt, expenditure on services is the spending required to deliver services, not just the purchasing of services.

E.3 The introduction of the Online System for Central Accounting and Reporting (OSCAR) was accompanied by changes to the chart of accounts, against which departments record their expenditure. Most of the changes to the expenditure on services framework have been minor. The most significant has been the removal of the attributed share of the EU's aid. Departmental budgets include this attributed expenditure, but it doesn't increase TME as it is actually part of EU spending financed by the UK's budgetary contributions. This change brings TES closer into line with the National Accounts.

E.4 Expenditure on services is a more stable measure of public spending than departments' budgets, as it is not affected by the creation or amalgamation of departments or by programmes of work moving between departments.

Expenditure on services and TME

E.5 TME is the current and capital expenditure of the public sector on a National Accounts basis. Public sector expenditure on services is similar, but with minor divergences. The divergences mainly reflect the difficulty of attributing certain types of spending to the correct functions in all cases, which, if attempted, would result in a lack of consistency between functions. The main difference from TME is that expenditure on services does not include general government capital consumption (depreciation) and does not reverse the deduction of certain VAT refunds in the budget-based expenditure data. It also includes a small number of items that are in budgets but not in TME. Public sector expenditure on services is worth about 92% of TME.

EU transactions in expenditure on services

E.6 EU transactions score in their entirety within public sector expenditure on services in the same way as in TME. However, expenditure on services scores EU funded payments, for instance on agriculture, as UK government spending within the appropriate function, whereas the National Accounts score these as direct payments from the EU to enterprises and households.

Expenditure on services and budgets

E.7 Expenditure on services can be built up from departmental budgets (resource DEL, capital DEL and departmental AME). Essentially, (most) transfers to other parts of the public sector are removed, as are transactions that do not score as spending in the National Accounts. Spending by local government and public corporations is then added.

Departmental budgets (resource Departmental Expenditure Limits + capital Departmental Expenditure Limits + departmental Annually Managed Expenditure)	
Less	grants to local government;
	capital grants to public corporations;
	depreciation (includes the impairment costs of Student Loans);
	provisions;
	spending classified as financial transactions in the National Accounts;
	interest and dividends;
	items classified as revenue in the National Accounts which are netted off spending in budgets;
	EU receipts;
	other items that are not classified as spending in National Accounts (e.g. transfers between central government departments); and
	most intra-public sector transfers, the main exceptions being subsidies to public corporations and trading bodies.
Plus	local government current and capital expenditure;
	Northern Ireland locally financed expenditure;
	public corporations' capital expenditure;
	public sector debt interest; and
	EU transactions.

E.8 Table E.1 shows the derivation of expenditure on services from departmental groups' budgets.

Classification changes

E.9 Classification changes since PESA 2022 are detailed in **Chapter 4**, where they affect expenditure on services or the functional split, and **Chapter 5**, where they affect expenditure on services, the sub-functional split or the economic breakdown.

Table E.1 Derivation of public sector expenditure on services from departmental groups' budgets, 2022-23

	Health and Social care	Education	Home Office	Justice	Law Officers'	Departments	Defence	Single Intelligence	Account	Foreign, Commonwealth and Development Office	Levelling Up, Housing and Communities	Culture, Media and Sport ⁽¹⁾	Science, Innovation and Technology ⁽¹⁾	Transport	Energy Security and Net Zero ⁽¹⁾	Environment, Food and Rural Affairs	Business and Trade ⁽¹⁾	Work and Pensions	HM Revenue and Customs	HM Treasury	Cabinet Office	Scotland	Wales	Northern Ireland	Small and Independent Bodies	Local Government Expenditure	Total for all departments
Departmental Budgets																											
Resource DEL	176,631	68,795	17,602	10,100	766	39,847	3,263	7,425	15,787	1,945	336	17,121	14,073	4,708	1,395	8,696	6,329	311	828	25,780	16,253	14,339	2,468	-	454,799		
Capital DEL	9,896	5,348	1,090	1,349	28	20,304	1,157	2,141	6,850	454	10,545	20,542	6,287	1,556	124	450	556	7	424	6,199	2,791	1,895	319	-	100,312		
Resource Departmental AME	-15,504	-5,254	2,089	289	4	-5,354	11	490	12,619	5,710	255	4,711	-81,594	-552	305,230,471	33,930,132,476	16,858	22,693	2,963	11,567	-27	906	524	26	-	369,156	
Capital Departmental AME	25	24,823	0	5	2	-	-	290	-	961	5	-164	-123	24	2,435	70	-	3,084	-	1,005	1,005	906	524	26	-	33,896	
Remove																											
Grants to local government	-3,776	-36,753	-14,295	-234	-	-	-	-	-19,005	-107	0	-4830	136	-442	-50	-16,111	-	-	-	-11,028	-6,817	-169	-	-	-	-113,481	
Capital grants to public corporations	-	-	-1	-	-	-	-	-	-4	-	-	-2	-184	-461	-75	-	-	-5,010	-	-90	-	-296	-	-	-	-6,142	
Depreciation	-6,010	10,213	-779	-870	-24	-7,252	-641	-259	-1,574	-194	-310	-8,868	-391	-298	-321	911	-491	-136,613	-183	-1,205	-925	-899	-236	-	-	-157,222	
Provisions	12,488	-4,318	7	-173	-3	6,640	6	-61	39	-37	63	-797	10,690	487	64	1,148	-3	12,105	-14,464	-7,502	-207	-3,637	-28	-	-	112,507	
Financial transactions	-31	-24,757	-	-	-	-	-	-400	-2,171	-6	-23	23	-1,910	0	35	-381	-	2,060	-	-1,035	-854	-358	-24	-	-	-29,881	
Interest and dividends	-556	8,707	-5	-80	0	-297	-24	-21	122	4	135	-3,740	93	-1	112	14	-	1,419	2	140	5	72	31	-	-	6,132	
Items classified as revenue in National Accounts	-118	540	1,612	1,309	33	10	0	-543	173	481	64	3,624	155	266	491	-219	32	26	642	102	34	0	292	-	-	9,007	
EU receipts	-	100	-	-	-	-	-	-	514	-	20	46	-	135	-	556	-	-	-	92	657	103	-	-	-	2,224	
Other items not in TME	-2,498	98	-222	-29	6	-273	24	-279	-11,314	176	-396	833	-38	-49	-10	126	-116	-	28	-1,634	-1,645	14	-16	-	-	-17,214	
Add																											
Local government current expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	146,205	146,205	
Local government capital expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21,848	21,848	
Northern Ireland locally financed expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	600	-	-	600	
Public corporations' capital expenditure	-	-	-	-	-	-	-	-	4,782	-	-	1,237	-	3	-	-	-	-	-	1,798	429	314	-	-	-	8,563	
Public sector debt interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	743	743	
EU transactions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	128,398	
Loans written off by mutual consent	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-2,274	
Public sector expenditure on services	170,545	47,541	7,098	11,667	811	53,626	3,796	8,782	6,819	9,388	10,692	29,556	46,917	5,817	4,504,225,731	40,238	135,245	4,136	35,315	13,591	24,068	2,805	168,796	1,067,484			

⁽¹⁾Data for these departments reflect the Machinery of Government changes announced in 2023 (see para 5.3). Outturn figures are provisional and are likely to be revised.

F

GDP deflators

F.1 This annex presents the GDP deflators used in this release.

GDP deflators

F.2 A number of the tables in this publication give figures in real terms. Real terms figures are the current price outturns or plans adjusted to a constant price level by excluding the effect of general inflation as measured by the GDP deflator at market prices. The real terms figures in this publication are given in 2022-23 prices. The GDP deflators used in this publication are those given below. The most up to date deflators can be found on the GOV.UK website¹. Please note that these deflators do not apply to the real terms tables presented in chapter 9 of this publication.

¹ <https://www.gov.uk/government/collections/gdp-deflators-at-market-prices-and-money-gdp>

Table F.1 GDP deflators and money GDP

Outturn data are based on the June 2023 National Accounts figures from ONS
 Forecasts are consistent with OBR data as at the March Budget 2023

Financial year	GDP deflator at market prices		Money GDP
	2022-23 = 100	Per cent change on previous year	£ million
1981-82	26.182	10.84	298,340
1982-83	28.172	7.6	327,518
1983-84	29.621	5.14	358,116
1984-85	31.403	6.01	386,018
1985-86	33.270	5.95	423,777
1986-87	34.848	4.74	455,595
1987-88	36.871	5.8	511,862
1988-89	39.499	7.13	570,572
1989-90	42.756	8.25	630,291
1990-91	46.384	8.49	679,960
1991-92	49.285	6.25	716,107
1992-93	50.782	3.04	738,364
1993-94	52.249	2.89	782,760
1994-95	53.129	1.68	821,496
1995-96	55.002	3.52	866,221
1996-97	57.280	4.14	924,548
1997-98	57.324	0.08	965,482
1998-99	58.336	1.77	1,010,722
1999-00	59.071	1.26	1,058,494
2000-01	59.812	1.26	1,114,341
2001-02	61.042	2.05	1,152,999
2002-03	62.438	2.29	1,209,047
2003-04	63.960	2.44	1,275,294
2004-05	65.896	3.03	1,342,278
2005-06	67.713	2.76	1,420,970
2006-07	69.740	2.99	1,487,963
2007-08	71.388	2.36	1,567,027
2008-09	73.967	3.61	1,583,394
2009-10	74.956	1.34	1,561,331
2010-11	76.207	1.67	1,630,474
2011-12	77.557	1.77	1,671,352
2012-13	78.901	1.73	1,726,983
2013-14	80.542	2.08	1,806,096
2014-15	81.428	1.10	1,875,897
2015-16	82.077	0.80	1,937,570
2016-17	83.762	2.05	2,022,931
2017-18	85.159	1.67	2,102,925
2018-19	86.680	1.79	2,177,222

Table F.1 GDP deflators and money GDP (cont.)

Financial year	GDP deflator at market prices		Money GDP
	2022-23 = 100	Per cent change on previous year	£ million
2019-20	88.934	2.60	2,249,423
2020-21	94.507	6.27	2,085,204
2021-22	93.852	-0.69	2,337,907
2022-23	100.000	6.55	2,531,870
2023-24	102.525	2.52	2,573,231
2024-25	104.134	1.57	2,668,715

GDP Deflator: Financial years 1981-82 to 2022-23 taken from ONS series L8GG.
2023-24 to 2024-25: derived from Office for Budget Responsibility (OBR) forecasts for GDP deflator increases as at the March 2023 Budget.

Money GDP: For years 1981-82 to 2022-23: ONS data for money GDP (not seasonally adjusted, BKTL).
2023-24 to 2024-25: OBR forecasts for money GDP as at the March 2023 Budget.

Population numbers and GDP deflators used for country and regional tables

F.3 The tables in chapters 9 and 10 are identical to those published in the November 2022 Country and Regional Analysis (CRA)² release. Therefore Census day 2021 and mid-year population estimates used for the November 2022 CRA publication can be found within the annex of that release. Similarly, GDP deflators used to produce 'real terms' tables in chapter 9 of this publication can also be found within this annex.

² <https://www.gov.uk/government/statistics/country-and-regional-analysis-2022>

G

Glossary

Within an explanation of a term, words in bold are themselves explained elsewhere in the glossary.

Acronyms

ALBs	Arms Length Bodies
AME	Annually Managed Expenditure
ASLCs	Accruing Superannuation Liability Charges
CAP	Common Agricultural Policy
CRA	Country and Regional Analysis
DEL	Departmental Expenditure Limit
EFO	Economic and Fiscal Outlook
GAAP	Generally Accepted Accounting Practice
GDP	Gross Domestic Product
IFRS	International Financial Reporting Standards
LASFE	Local Authority Self-Financed Expenditure
LIBOR	London Inter-bank Offered Rate
OSCAR	Online System for Central Accounting and Reporting
PCOFCE	Public Corporations' Own-Financed Capital Expenditure
PSCE	Public sector current expenditure
PSNB	Public sector net borrowing
PSND	Public sector net debt
PSNI	Public sector net investment
RAB	Resource Accounting and Budgeting
SUME	Single Use Military Equipment
TES	Total Expenditure on Services
TME	Total Managed Expenditure

Terms

Accounting adjustments shown in, for example, **Table 1.1** are certain items of expenditure that account for the difference between the **National Accounts** aggregate **TME** and the sum of the **resource budgeting** items **DEL**, **departmental AME** and **other AME**. Accounting adjustments are required because there are certain components in TME that are not included in the **resource** and **capital budgets** that form the basis of planning and control of departmental spending under resource budgeting, and there are some items in resource budgeting aggregates that are not part of TME. Annex D has full details.

Accruals – all the data in PESA are based on accruals. Accruals accounting recognises when costs occur rather than when the payment is made, i.e. having the heating on is a cost that accrues each day whereas the bill might be paid quarterly.

Accruing Superannuation Liability Charges (ASLCs) are employer pension contributions paid to the bodies responsible for paying and accounting for unfunded public service occupational pensions. For example, government departments pay ASLCs in respect of serving civil servants. The payments represent an actuarial assessment of the accruing discounted future cost of public expenditure on pensions arising from the current employment of staff. ASLCs are included within **DEL**.

Administration budget – the costs of running a central government department (including their ALBs) that do not relate to the delivery of frontline services; it includes the pay of most of the civil servants who work in the department, and associated expenditure such as **ASLCs**, accommodation, travel and training. Administration budgets are a subset of resource **DEL** that are set net of income arising from departments' administrative activities.

Alignment (or 'Clear Line of Sight') project – in order to simplify public spending reporting, this project aims to align more closely the treatment of spending in departmental budgets, **Estimates** and **Resource Accounts**. More information is available on the Treasury's website¹.

Annually Managed Expenditure (AME) is spending included in **TME** that does not fall within **DELs**. Expenditure in AME is generally less predictable and more difficult to control than expenditure in DEL. AME is split into **departmental AME** and **other AME**.

Arms Length Bodies – refers to a department's executive NDPBs and Trading Funds where these bodies have been classified as being within central government by the Office for National Statistics.

Assets can be either financial or non-financial:

- financial assets include monetary gold, bank deposits, International Monetary Fund Special Drawing Rights, loans granted, bonds, shares, accounts receivable, and the value of the government's stake in public corporations; and
- non-financial assets consist of fixed capital (such as buildings and vehicles); stocks; land and valuables.

Billion – a thousand million.

Budget Exchange – a mechanism that allows departments to surrender an underspend in advance of the end of the financial year in return for a corresponding increase in the following year, subject to Treasury agreement.

¹ http://webarchive.nationalarchives.gov.uk/20130405170223/http://www.hm-treasury.gov.uk/psr_clear_line_of_sight_intro.htm

Capital budget – a department’s capital budget covers **capital expenditure**. The capital budget is divided into **DEL** and **departmental AME**. The capital budget is not a control total; capital DEL is a control total and capital AME is a planning total. The capital budget includes:

- **capital formation** and the acquisition of assets (including under finance leases) such as land, buildings, machinery and vehicles. In both capital budgets and **National Accounts**, acquisition of assets is recorded net of the sale value of any assets disposed of (where sale value is the aggregate of the net book value and any profit or loss on disposal);
- **net lending** undertaken for policy purposes; *net* means after the repayment of debt principal;
- **in-house development of assets** such as computer software and databases. This can be capitalised in government accounts provided certain conditions are met. It is sometimes called “own account capital formation”;
- large (over £20 million) **debtors** or **prepayments** that are long term (over 12 months). These are included in capital budgets on the same basis as **net lending**, i.e. on an additions *less* reductions basis;
- **capital grants**.

Capital consumption – see **depreciation**.

Capital expenditure can be understood in several ways:

- in **National Accounts**, capital expenditure is usually understood to mean **capital formation**, net acquisition of land, and expenditure on **capital grants**. Certain types of significant computer software development are treated as capital expenditure. The **pay** of civil servants engaged in inhouse capital formation is also recorded as capital expenditure, not as pay. **Public sector net investment** is given by capital expenditure as defined above (also known as public sector gross investment) less **depreciation**;
- under **resource accounting**, capital expenditure also includes loans that are given and the net acquisition of shares. In other words, it includes the net acquisition of financial assets that are acquired for policy reasons rather than for managing the government’s funds. Such policy lending also generally scores in **DEL**, in the **capital budget**, but is removed by the **accounting adjustments**, as it does not score in **TME**;
- some presentations of central government capital expenditure include **Supported Capital Expenditure** (Revenue) allocations given to local authorities in England and Wales (the equivalent in Scotland is supported borrowing). Northern Ireland does not have an equivalent concept as their local government sector is much smaller.

Capital formation is expenditure, net of sales, on fixed assets (such as buildings, vehicles and machinery) and net stock building, and can be measured gross or net of **depreciation**. Fixed assets are assets that can be used repeatedly to produce goods and services and generally last more than one year. Sometimes a minimum cost threshold (say £1,000) is applied to further define capital assets.

Capital grants (also called investment grants) are payments made by government on the condition that the recipient uses the funds for **capital formation** (for example building a school or factory or buying a machine). Capital grants are also used in **National Accounts** to record debt writeoffs made by government for policy reasons, and some other transfers of accumulated wealth. In the case of debt write-offs, two transactions are recorded: a capital grant from government to the debtor; and the repayment of debt by the debtor. Capital grants are treated as resource expenditure in resource accounts and **Estimates** but are included in the **capital budget**.

Central government is a sector in **National Accounts**. It comprises Parliament; government departments and their executive agencies; the devolved assemblies of Scotland, Wales and Northern Ireland; government funds such as the **National Loans Fund**; the foreign exchange official reserves; most **ALBs**; and various other non-market public bodies that are controlled by central government. Central government does not include **public corporations**, nor those non-profit institutions that receive significant government funding but are not controlled by government and so belong in the private sector (for example universities, further education colleges, and housing associations).

Central government own expenditure is expenditure that central government makes to the private sector plus subsidies to **public corporations**. It excludes central government support to **local government** and capital support to public corporations.

Classification changes are changes in the way public expenditure is recorded, rather than an actual change in the amount of cash spent or resources consumed. Classification changes can increase or decrease the recorded level of public expenditure. When there is a classification change the data are normally restated for all years in order to provide a consistent series.

Classification Of the Functions Of Government (COFOG) – a UN-defined system for functional analysis of government spending. The PESA analysis is consistent with UN COFOG at level 2, with the exception of the health function, which continues to be presented against the HM Treasury’s own sub-functional classification. Further information on COFOG is available available in an Annex document produced by the IMF².

Common Foreign and Security Policy (CFSP) is an EU programme. Its costs were attributed to the Foreign, Commonwealth and Development Office’s DEL.

Control total – resource budget DEL, depreciation in DEL, administration budget in DEL and capital budget DEL are control totals. This means that departments have to manage spending within set limits.

Cost of capital charge used to be a notional charge that was applied to each department’s budget in order to make departments aware of the full cost of holding assets. As part of the **alignment project** this charge has been removed from budgets.

Country and Regional Analysis (CRA) – the CRA presents statistical estimates for the allocation of **identifiable expenditure** between the UK countries and nine English regions. See **Chapters 9 and 10** in PESA for more information.

Current expenditure – this is spending on items that are consumed in the process of providing public services or, in other words, is recurring spending. This includes, for example, wages and salaries, benefits, and purchasing goods and services.

Current grants are unrequited payments to individuals or bodies, which means that no specific goods or services are received in return. In **National Accounts** current grants to persons are called **social benefits** and those to trading businesses are called **subsidies**.

Debtors are **assets** on the balance sheet. They are recognised where a transaction has accrued, but cash is yet to be received. For example where a public sector body sells an asset but defers cash receipts – the fact that cash is yet to be received means that **PSND** has not benefited from the accrued transaction. Where a department or its **ALB** has a large (over £20 million), long term (over 12 months) debtor, this is included in their **capital budget** on the same basis as net lending.

² <https://www.imf.org/external/pubs/ft/gfs/manual/pdf/ch6ann.pdf>

Dedicated Schools Grants (DSG) is a hypothecated (ring-fenced) **current grant** from central government to local authorities, paid by the Department for Education and allocated to schools on a formula basis. This was introduced from 2006-07 replacing part of the **Revenue Support Grant (RSG)** paid by the Department for Levelling Up, Housing and Communities (DLUHC).

Departmental AME is spending that is outside **DEL** but included in departmental budgets. Main categories include social security benefits and tax credits for individuals.

Departmental Expenditure Limits (DELs) are firm plans for three years for a specific part of a department's expenditure. DEL covers all administration costs and programme expenditure except where:

- some programme spending cannot reasonably be subject to close control over a three-year period; or
- spending relates to non-cash costs other than depreciation and impairments.

Departmental spending not in DEL is included in **departmental AME**. Both **resource** and **capital budgets** are divided into DEL and departmental AME.

Departmental Unallocated Provision (DUP) is an amount that a department keeps within its budget to meet unplanned increases in spending, and which is not allocated to any particular programme at the start of a year.

Depreciation is also termed capital consumption. It is a measure of the reduction in value of an asset due to the effects of wear and tear. **TME** includes depreciation as an item of **current expenditure**. **Public sector net investment** is given by deducting depreciation from gross **capital expenditure**. The depreciation ring fence includes depreciation, **impairments** and student loans **provisions** recently classified as **impairments**.

Economic categories – these represent broad classifications of the economic impact of transactions. Examples of economic categories are **pay**, **social benefits** and **subsidies**. The main categories in expenditure on services, based on **National Accounts** definitions, are set out in Table 5.3 and described in Chapter 5. The equivalent budgeting presentation, based on resource accounting, is shown in Table 2.1 and described in Chapter 2.

Economic and Fiscal Outlook – is a bi-annual publication. It sets out the OBR forecasts for the economy and the public finances, and an assessment of whether the government is likely to achieve its fiscal mandate and supplementary target

Estimated outturn is a forecast of spending incurred on the basis of actual expenditure to date.

Estimates – see **Supply Expenditure**.

European System of Accounts 2010 (ESA10) – This is the system used by the **Office for National Statistics** for measuring and presenting UK **National Accounts**. The system is compulsory for EU member states reporting economic statistics to the EU Commission. ESA10 is consistent with the earlier System of National Accounts 2008 (SNA08), which was developed by a number of international organisations.

Expenditure on services (known as TES) is an aggregate used in PESA to analyse the capital and current spending of the public sector. The current and capital elements of expenditure on services are sometimes shown separately as current expenditure on services and capital expenditure on services. Note that TES and its components represent the overall cost of providing services, rather than just the cost of purchasing services from third parties, and includes expenditure on **assets**. See Annex E for a full definition.

Financial Reporting Standard 17 (FRS17) sets out the **GAAP** basis for recording pensions.

Financial Statement and Budget Report (FSBR) – the FSBR is published each year by the Treasury on Budget day. It has been known as the Red Book. Since 1999 it has been published alongside the Economic and Fiscal Strategy Report in a single Budget document.

Financial transactions are payments and receipts relating to changes in holdings of financial assets or liabilities. Financial assets entitle their owners to unconditional financial claims on the units that have the liability (except for gold where there is no liability on another unit). Government departments' financial assets include bank deposits; foreign currency held; bonds and shares owned; loans given; accounts receivable in respect of, for example, income accrued but not yet paid; and **public dividend capital** and the value of government's other stakes in **public corporations**. Physical assets such as buildings and land are not financial assets. Transactions in some financial assets are undertaken to manage cash flows, for example movements in bank deposits, but some are undertaken to further a policy such as lending to students. These types of financial transactions are sometimes called policy lending and are normally included in a department's **DEL capital budget**.

General Government is the consolidated combination of the **central government** and **local government** sectors in **National Accounts**.

Generally accepted accounting practice (GAAP) – there is no statutory definition of GAAP, but it is taken to be the accounting and disclosure requirements of the Companies Act, pronouncements by the Accounting Standards Board (e.g. financial reporting standards), and the body of accounting knowledge built up over time. **Public sector** bodies have recently moved from GAAP to **International Financial Reporting Standards (IFRS)**.

Grants – see **current grants** and **capital grants**.

Gross Domestic Product (GDP) (at market prices) is the value of goods and services produced in the UK. "Gross" means there is no deduction for **depreciation**. Economic data are often quoted as a per cent of GDP to give an indication of trends through time and to make international comparisons easier.

Housing Revenue Account (HRA) – the HRA represents the current income and expenditure of local authority social housing provision. The HRA is treated as a quasicorporation in **National Accounts**. The surplus of income (which includes rent rebates and subsidies paid by other parts of government) over expenditure is treated as being paid over to local authorities as a notional dividend. This net amount is then included as revenue rather than spending in the **National Accounts**, which means that the current expenditure of local authority housing departments is not included in **TME**. The cost of rent rebates and subsidies is included in **TME**; these items are within the **AME** lines for social security benefits and other departmental expenditure in **AME**. Local authority **capital expenditure** on housing associated with the HRA scores as capital spending in the **public corporation** sector, following the implementation of **ONS**'s reclassification decision in June 2006. PESA had previously shown this spending in the local government sector. Payments of interest on housing related debt will continue to be treated as part of local government expenditure.

Identifiable expenditure is expenditure that can be recognised as having been incurred for the benefit of individuals, enterprises or communities within a particular country or region. Examples are most health and education services, and spending on social security and pensions. See Chapter 9 of PESA for further details.

Impairments are recorded where there is the permanent loss or write-off of the recoverable value of a fixed or current asset below the value recorded on the balance sheet in accounts. Impairments are a non-cash charge in the **resource budget** alongside the **depreciation** charge, but are separately identified. In order to provide support for departments'

management decisions, impairments are split into six different categories, some of which are scored in **AME** and others in **DEL**. Further information can be obtained from the Consolidated Budgeting Guidance (CBG)³. In the Public Spending Statistics budgeting-based presentations impairments are included in the depreciation line, and it is the combined total that is used in the calculation of **Total DEL**. In the **National Accounts**, impairments resulting from accidental damage are included alongside depreciation; other sorts of impairment are not counted in the main expenditure measures.

International Financial Reporting Standards (IFRS) have been implemented by **public sector** bodies to replace **GAAP**-based **resource accounting**. Departments have reported 2009-10 resource accounts against IFRS, whilst local authorities moved onto this basis in 2010-11.

Local Authority Self-Financed Expenditure (LASFE) is aggregate **local government** expenditure less its receipts of **central government** current and capital support including distribution of **National Non-Domestic Rates** in England and Wales. It represents local government expenditure financed from local resources such as council tax, trading surpluses, investment income, capital receipts, self-financed borrowing, and use of reserves. LASFE does not include **depreciation**.

Locally Financed Expenditure (LFE) is LASFE plus expenditure financed by non-domestic rates in Scotland, Wales and Northern Ireland Regional Rates (NIRR).

Local government is a sector in **National Accounts**. It comprises all local authorities in the UK including county councils, metropolitan districts, parish councils, police and fire authorities, residuary bodies, passenger transport authorities, Transport for London, London boroughs, and the Greater London Assembly.

National Accounts – this is a statistical system that represents the UK's economic transactions. The system provides a number of key economic statistics including **Gross Domestic Product (GDP)**, consumers' expenditure, the balance of payments with the rest of the world, and the public sector balances. The National Accounts is presented by the ONS in the Blue Book.

National Loans Fund (NLF) – the NLF is a government account with the Bank of England set up under the National Loans Fund Act 1968. All government borrowing transactions are handled through this fund.

National Lottery Distribution Fund (NLDF) – the NLDF is a central government fund, administered by the Department for Culture, Media and Sport (DCMS). The Fund receives a proportion of the proceeds from national lottery ticket sales (receipt of that proportion is treated as a tax in **National Accounts**). The Fund passes it to the Lottery Distributors, independent public sector bodies responsible for awarding national lottery grants to good causes. Payments by the distributors are treated in the National Accounts as **central government** expenditure in **AME**.

National Non-Domestic Rates (NNDR) in England is a tax paid by the occupiers of nondomestic property, principally businesses. Most NNDR is collected from businesses by local authorities and then paid into a **central government** pool. Some large businesses with national activity (such as utility companies) pay directly into the pool (the Central List). The pool is distributed back to local authorities in the form of central government grants. Similar systems apply in Wales and Scotland. The grant is in **DEL** for England and Wales, but in the **AME** line for **Locally Financed Expenditure** in Scotland. NNDR payments by **central government** or **local government** in respect of the occupation of property are consolidated out through the **accounting adjustments** to arrive at **TME**.

³ Consolidated budgeting guidance – GOV.UK (www.gov.uk)

Net lending has two meanings:

- in **National Accounts** it is the balance of the current and capital accounts and is often quoted with sign reversed as “net borrowing”, which is sometimes called the government deficit; and
- in this publication net lending is more likely to mean lending by government net of any repayments of previous lending. It includes transactions in shares – so, for example, privatisation receipts count as negative net lending. Government lends to students, some industries, **public corporations**, **local government**, some overseas governments and some international bodies that supply foreign aid.

Non-budget income and expenditure normally refers to income and expenditure that pass through a government department’s books and that are not included in **DEL** or departmental **AME**. For example, the grant-in-aid paid to **ALBs** is normally a nonbudget transfer – it is the ALB’s income and expenditure that scores in budgets.

Non-cash refers to various transactions that appear in the **operating cost statement** under **resource accounting**, but are not directly included in the **National Accounts** measure of surplus on the current Budget. The major non-cash transactions are **depreciation**, **impairments** and the taking and release of **provisions**. Most depreciation and impairments are in **DEL** but following changes to the budgeting framework as part of the **alignment project**, most other non-cash items are in **AME**.

Non-identifiable expenditure is expenditure that cannot be recognised as benefiting a particular country or region, so is deemed to be incurred on behalf of the United Kingdom as a whole, e.g. most defence expenditure, overseas representation and tax collection.

Non-voted expenditure is expenditure that is not voted by Parliament through the Supply procedure. It includes spending funded from various funds, such as the National Insurance Fund.

Office for National Statistics (ONS) – the ONS is an independent public sector body that produces many official statistics such as the **National Accounts**. ONS decisions about the classification of bodies are the basis for determining which bodies are included within Public Spending Statistics and PESA and as part of which sector.

Online System for Central Accounting and Reporting (OSCAR) – the Treasury’s database that holds public expenditure data.

Other AME is public spending that is outside both **DEL** and **departmental AME**. It includes net transfers to the EU, **locally financed expenditure**, debt interest, **public corporations’** own-financed capital expenditure and **accounting adjustments**.

Outturn describes expenditure actually incurred and will generally have been included in the resource accounts of the relevant body.

Pay includes salaries, employers’ National Insurance Contributions, and accruing pension costs, such as **ASLCs**. The pay of staff engaged in ownaccount **capital formation** is treated as **capital expenditure**.

Prepayments are assets on the balance sheet. They are recognised where cash payments are made to suppliers of services in advance of those services being delivered. In resource accounts these are cash movements on the balance sheet and do not score as expenditure in **TME**. The reduction in cash held by the public sector increases **PSND**. Where a department or its **ALB** makes a large (over £20 million) prepayment that is long term (over 12 months)

this is included in the **capital budget** on the same basis as **net lending**. When the service is delivered this is scored as appropriate, e.g. as the consumption of goods and services in **resource DEL** within **TME**.

Private Finance Initiative (PFI) is a system for purchasing capital intensive services for the public sector. Typically, the private sector designs, finances, builds, and maintains infrastructure, and other fixed capital **assets**, and then operates those assets to sell services to the **public sector**. In a proportion of cases the capital assets are accounted for on the balance sheet of the private sector operator; in other cases they are on the public sector's books. Annex A has more information on the treatment of PFI in Public Spending Statistics.

Privatisation receipts are the receipts from the sale of shares, other securities and debt in **public corporations** that were sold as part of the privatisation programme. The proceeds are recorded as negative **net lending**. A corporation is said to be privatised when it is no longer controlled by government.

Procurement spending is now shown gross throughout Public Spending Statistics, rather than net of sales as was previously the case within certain tables. It is shown as current or capital procurement as follows:

- current procurement is expenditure on goods and services, including hire and rentals under PFI and non-PFI operating leases, payments for contract and agency staff and payments for consultancy and audit services. It also includes the purchase of services from GPs. Purchase of minor maintenance and minor pieces of equipment and IT systems that are not treated as capital would be counted as current procurement;
- capital procurement is expenditure on the purchase of fixed **assets** such as buildings, machinery and large-scale IT projects.

Provider Trusts sell health services in England and Wales. In England they can either be classified as NHS or Foundation Trusts, the latter having more financial and operational independence. In Wales they are known as Health Trusts. In Scotland trusts have been reabsorbed back into Health Boards. All Provider Trusts throughout the UK are in the **central government** sector.

Provisions – departments take provisions in accounts and budgets when a past event means that they should recognise a future liability of uncertain amount or timing. Budgets also score the release of the provision and the expenditure that the release finances. Provisions score as part of the resource budget, usually in **AME** unless they relate to pensions or are scored by independent bodies exceptionally allowed to score provisions in **DEL**.

Public corporations are publicly controlled **trading bodies** with substantial financial and operational independence from **central** and **local government** – they are legally separate institutional units responsible for their own day-to-day operations and producing their own accounts. To be classed as trading they must receive the majority of their income from sales into a market, rather than grant funding from government. They include Royal Mail Holdings, and most **trading funds** such as the Meteorological Office and Companies House.

Public Corporations' Own-Financed Capital Expenditure (PCOFCE) is aggregate **public corporation capital expenditure** less its receipts of **central government** capital support in budgets.

Public Dividend Capital (PDC) is a form of long-term government finance for some **public corporations**. The government receives a return in the form of dividends rather than fixed interest payments.

Public expenditure is spending by public bodies. The definition of aggregate public expenditure most frequently used in this publication is **Total Managed Expenditure (TME)**.

Public sector – the public sector comprises **central government, local government** and **public corporations**.

Public sector current expenditure (PSCE):

- is the sum of the **current expenditure** of **central government** and **local government**, plus certain transactions (interest and rent) paid by **public corporations** to the private sector and abroad;
- does not include expenditure incurred in producing goods and services for sale where undertaken by **public corporations** – rather the surplus of sale receipts over operating costs for public corporations is scored as a public sector receipt and does not affect expenditure measures;
- is net of certain receipts such as: receipts of contributions to public sector occupational pension schemes; receipts of grants from abroad including the EU abatement; sales of goods and services; and income from rent of buildings; and
- includes non-trading capital consumption. This is the **depreciation** of the fixed **assets** held by **central government** and **local government**. It excludes depreciation on assets used to produce goods and services for sale including the assets of **public corporations** and local authority housing.

Within Public Spending Statistics, PSCE is presented consistent with a measure of **public sector net borrowing** excluding the temporary effects of the financial sector interventions (PSNBex).

Public sector net borrowing (PSNB) is the difference between **public sector** receipts and expenditure as measured by **National Accounts**. It also equals the net balance of the public sector's net acquisition of financial liabilities *less* its acquisition of financial assets. Data imprecision means that the different ways of measuring net borrowing never give exactly the same answer – the difference is called the statistical discrepancy in **ESA10**. In December 2009 the ONS defined an alternative measure of PSNB excluding the temporary effects of the financial sector interventions (PSNBex). Spending aggregates consistent with PSNBex are used throughout this release.

Public sector net debt (PSND) is the sum of the public sector's financial liabilities at nominal value, *less* its liquid financial assets.

Public sector net investment (PSNI) is all **capital expenditure** by the **public sector** *less* an amount representing public sector **depreciation**. Broadly, the amount of capital expenditure that equals the depreciation charge could be seen as keeping the stock of assets stable. Net investment therefore represents the increase in the asset base after allowing for depreciation. For this release, PSNI is presented consistent with a measure of **public sector net borrowing** excluding the temporary effects of the financial sector interventions (PSNBex).

Public sector gross investment (PSGI) – see **capital expenditure**

Quasi-corporations are entities that meet the economic definition of a public corporation (i.e. trading income covers at least half their costs) but that do not take a separate legal form. Examples are Export Credits Guarantee Department and local authority housing. They score in the **National Accounts** like public corporations (although interest on housing related debt is treated as local authority expenditure).

RAB – see **resource accounting** and **resource budgeting**.

Real terms figures are amounts adjusted for the effect of general price inflation as measured by the **GDP** market price deflator.

Reserve – an amount within **DEL** not allocated to departmental programmes, which provides a margin to cover emergencies and genuinely unforeseen contingencies.

Resource accounting is the accounting system used to record expenditure in departmental accounts. It applies **International Financial Reporting Standards** (IFRS) to departmental transactions.

Resource budget is the budget for **current expenditure** on an accruals basis. It is divided into resource **DEL** (which is a **control total**) and resource **departmental AME** (a planning total).

Resource budgeting is the budgeting regime based on **resource accounting** introduced for the spending plans set in the 2000 Spending Review and which has been used for in-year spending control from 2001-02. Under RAB Stage I (2001-02 to 2002-03) resource **DEL** included **near-cash** transactions measured on an **accruals** basis while **non-cash** transactions were in Departmental **AME**. Under RAB Stage II (from 2003-04) most non-cash transactions were included in resource DEL. Near-cash controls were introduced in 2003-04 and clarified in 2005-06 such that near-cash in resource DEL was a control total. However, under the 2011-12 framework on which this release is based, the near-cash control within resource DEL has been removed as part of the **alignment project**. Resource budgeting is largely derived from resource accounting rules, but there are a number of differences in treatment between resource accounts and resource budgets. For example, **capital grants** are capital in budgets (and in the **National Accounts**), but current in departmental resource accounts. See Annex C for further information.

Revenue Support Grant is an unhypothecated (i.e. non ring-fenced) current grant from **central government** to local authorities, paid by the Department for Levelling Up, Housing and Communities (DLUHC).

Social benefits include social security, tax credits and similar payments to individuals. They also include unrequited grants to not-for-profit nonmarket bodies such as charities (although purchases of services from charities count as **procurement**). Public service pension payments are included in social benefits.

Special reserve is **reserve** specifically set aside to cover military operations.

Spending Reviews or **Spending Rounds** (SRs) set **DELs** for future years. The first was the Comprehensive Spending Review in 1998 with further SRs held every two years until 2004. The last Spending Review was in 2021 which set departmental budgets up to 2024-25.

Spending sectors are the part of the **public sector** that are making the expenditure, either **central government**, **local government** or **public corporations**.

Statement of Comprehensive Net Expenditure (SoCNE) – this is the statement in departmental resource accounts that shows the current income and expenditure of the department on an accruals basis. It is similar to the profit and loss statement in commercial accounts

Stock building (also known as the net acquisition of inventories) is the value of the physical increase in stocks. In government accounts it relates mainly to buildings within urban regeneration areas.

Subsidies are payments by government and the EU to trading businesses to help pay for current costs. These include payments to farmers under the EU's Common Agricultural Policy. Subsidies may be paid to **public corporations** as well as to private sector firms.

Supply expenditure is expenditure that is voted by Parliament either in the annual Main Estimates (at the start of the year) or in Supplementary Estimates in-year.

Supported borrowing – this is the equivalent of **Supported Capital Expenditure (Revenue)** in Scotland.

Supported Capital Expenditure (SCE) – Supported Capital Expenditure (Revenue) (SCE(R)) is the amount of borrowing by a local authority in England and Wales (to fund capital expenditure) towards which central government is prepared to provide revenue grant. This support is provided either through **Revenue Support Grant (RSG)** or **Housing Revenue Account (HRA)** subsidy. It is known as **supported borrowing** in Scotland but there is no equivalent in Northern Ireland as their local government sector is much smaller. Supported Capital Expenditure (Capital) (SCE(C)) is sometimes used to refer to central government **capital grants** paid to local authorities, although capital grants remains the more commonly used terminology.

Tax credits are the Working Tax Credit and Child Tax Credit. They replaced former personal tax credits in 2003/04. In budgets tax credits score in departmental AME including negative tax, this is aligned with resource accounts. Tax credits score in **TME** (within departmental **AME**) when the amount paid exceeds the tax liability of the household but as negative tax when the amount paid is less than or equal to the tax liability of the household.

Total DEL is the sum of the **resource budget DEL** and the **capital budget DEL**, less **depreciation**. Depreciation is excluded from Total DEL as scoring both **capital expenditure** and depreciation may be seen as double counting. In the calculation of Total DEL, depreciation includes **impairments**, release from donated asset reserve and release from government grant reserve. Total DEL is not a **control total**: it is purely used for presentation.

Total Expenditure on Services (TES) – see **Expenditure on services**.

Total Managed Expenditure (TME) is a definition of aggregate public spending derived from **National Accounts**. It is the consolidated sum of **current** and **capital expenditure** of **central** and **local government**, and **public corporations**. TME can also be presented as the sum of **DEL** and **AME**. For Public Spending Statistics, TME and its components are presented consistent with **public sector net borrowing** excluding the temporary effects of the financial sector interventions (PSNBex).

Trading bodies are publicly owned or controlled trading businesses. **Public corporations** and **quasi-corporations** are trading bodies. There may also be some trading activities that are closely integrated within **central government** or **local government** and do not have enough independence to be classified as a public corporation or quasicorporation. **Capital expenditure** of trading bodies is included in public expenditure measures, but the surplus of current income over **current expenditure** is included as a revenue item called gross trading surplus. There are examples in the **local government** sector such as some theatres and sports facilities.

Trading Funds are government departments or parts of government departments. They have financing frameworks that allow them to meet outgoings without the cash flows passing through **Supply Estimates**. Generally they cover their costs from trading receipts. In **National Accounts** they are normally treated as **public corporations**.

Traditional Own Resources (TOR) – the European Union's Traditional Own Resources are customs duties, including those on agricultural products and sugar levies.

VAT refunds are given to departments in relation to payments for contracted out services to remove a disincentive to contracting out services that might otherwise have been performed in-house.

HM Treasury contacts

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