



HM Treasury

# Budget 2016 data sources

---

March 2016





HM Treasury

## Budget 2016 data sources

---

March 2016



© Crown copyright 2016

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit [nationalarchives.gov.uk/doc/open-government-licence/version/3](http://nationalarchives.gov.uk/doc/open-government-licence/version/3) or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: [psi@nationalarchives.gsi.gov.uk](mailto:psi@nationalarchives.gsi.gov.uk).

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at [www.gov.uk/government/publications](http://www.gov.uk/government/publications)

Any enquiries regarding this publication should be sent to us at [public.enquiries@hmtreasury.gsi.gov.uk](mailto:public.enquiries@hmtreasury.gsi.gov.uk)

ISBN 978-1-910835-76-0

PU1914

# Preface

---

This document provides details of sources of data in all the tables, charts, and graphs in the Budget 2016 document. In addition, it includes details of sources for some data included in the text where, for reasons of space, it has not been possible to footnote these sources.

The document is aimed at transparently informing readers of the Budget 2016 document where the data used in the charts, tables, and text comes from and how it has been calculated.

This document also ensures that the Treasury meets the standards set out by the UK Statistics Authority to comply with the Statistics and Registration Service Act 2007. In particular, this document aims to meet 2 of the requirements of the UK Statistics Authority's 'Code of Practice for Official Statistics':

- to distinguish clearly between outturn data that are official statistics, and other data and estimates that are not official statistics<sup>1</sup>. Examples of estimates that are not official statistics include forecasts, economic estimates calculated by the Treasury which are constructed using assumptions or judgements, management information and results of economic analyses that have a material effect on the resulting estimate
- for outturn data that are official statistics, to clearly refer to the source of the statistics and provide a link to the statistical release. Where possible, the sources that are used and shown are National Statistics<sup>2</sup>

Full details of sources are only provided for outturn data up to the 2014-15. Data for future years are forecasts. All of these forecasts are outside the domain of official statistics, as are the estimates of the impacts of government measures or policy decisions, as these are estimated, rather than measured or compiled using statistical processes.

In many cases, data for 2015-16 onwards are taken from the Office for Budget Responsibility's (OBR) March 2016 'Economic and fiscal outlook' (EFO). Where this is the case, it is mentioned in the text or in this document.

Time series for data that are shown with Office for National Statistics (ONS) time series identifiers codes can be downloaded from the ONS website at: [//www.ons.gov.uk](http://www.ons.gov.uk).

---

<sup>1</sup> The 'official statistics' label refers to a specified subset of the quantitative information produced by the government and its nominated agents. Official statistics are produced and published in accordance with provisions set out in the Statistics and Registration Service Act 2007 and in supplementary statistical legislation, and in line with the Code of Practice for Official Statistics.

<sup>2</sup> The 'National Statistics' label applies to a distinct subset of 'official statistics' which has been formally certified by the UK Statistics Authority to be compliant with the professional standards set out in the Code. Public bodies that produce National Statistics have a statutory duty to continue to comply with the Code.



# Contents

---

	Page
Executive summary	3
Chapter 1      Budget report	5
Chapter 2      Policy decisions	25
Annex A        Financing	27





# Executive summary

---

## Table 1 Summary of Budget policy decisions

### Data

Costings for all scoring measures at Budget 2016

### Data source

HM Treasury policy costings

### Further reference information

These projections are calculated from economic estimates, detailed costing models, and include numerous assumptions that have a material impact; they are therefore outside the domain of official statistics.

## Chart 1 Public sector spending 2016-17

### Data

Spending on each of the main functions of government, and Total Managed Expenditure

### Data source

Economic estimates

### Further reference information

These figures are calculated as economic estimates, including the effects of assumptions and results from economic analyses that have a material impact, and are therefore outside the domain of official statistics.

Spending by function are based on HM Treasury analyses of 2014-15 departmental outturn submitted on the OSCAR database. The 2016-17 illustrative allocations to functions are based on this HMT analyses that also include capital consumption figures from the Office for National Statistics (ONS). The allocation of spending to functions is largely based on the United Nations' Classifications of the Functions of Government (COFOG). Total Managed Expenditure (TME) is presented on a European System of Accounts 2010 (ESA10) basis and is consistent with the Office for Budget responsibility (OBR) 2016-17 fiscal forecast.

Other expenditure includes general public services (including international services); plus recreation, culture and religion; plus European Union transactions.

Social protection includes tax credit payments in excess of an individual's tax liability, which are now counted in Annually Managed Expenditure (AME), in line with Organisation for Economic Cooperation and Development (OECD) guidelines.

Figures may not sum due to rounding.

The classifications used for these projections are consistent with the outturn statistics published by HM Treasury in the Public Spending Statistics, February 2016, available at:

<https://www.gov.uk/government/statistics/public-spending-statistics-release-february-2016>

## **Chart 2 Public sector receipts 2016-17 (OBR)**

### **Data**

Breakdown of March Budget 2016 forecast of Public Sector receipts to its principal contributors

### **Data source**

Office for Budget Responsibility

### **Further reference information**

2016-17 Public Sector receipts forecast taken from OBR March 2016 'Economic and fiscal outlook'.

# 1

# Budget report

---

## Paragraph 1.1 Britain and the global economy

### Data

- Britain forecast to be fastest growing major advanced economy.
- GDP growth since Q1 2010

### Data source

- Organisation for Economic Cooperation and Development (OECD)
- Office for National Statistics (ONS)

### Further reference information

- <http://www.oecd.org/eco/outlook/OECD-Interim-Economic-Outlook-February-2016.pdf>
- <http://www.ons.gov.uk/economy/grossdomesticproductgdp/timeseries/abmi>: ABMI

## Paragraph 1.2 Britain and the global economy

### Data

- IMF global forecast for growth
- OECD global forecast for growth

### Data source

- International Monetary Fund (IMF)
- Organisation for Economic Cooperation and Development (OECD)

### Further reference information

- <https://www.imf.org/external/pubs/ft/weo/2016/update/01/>
- <http://www.oecd.org/eco/outlook/OECD-Interim-Economic-Outlook-February-2016.pdf>

## Paragraph 1.4 Britain and the global economy

### Data

- G7 Productivity Growth
- Productivity growth picked up to 0.8% in 2015

### Data source

Office for National Statistics

### Further reference information

- <http://www.ons.gov.uk/economy/economicoutputandproductivity/productivitymeasures/datasets/internationalcomparisonsofproductivityfirstestimates>
- Labour Productivity: Q3 2015 (published 23 December 2015), GDP and the Labour Market: Quarter 4 2015 (published 17 February 2016)

## Chart 1.1 International comparison of GDP growth

### Data

Gross Domestic Product (GDP) Growth Rates. Total, US dollars/capita, 1980 - 2015

### Data source

Organisation for Economic Co-operation and Development (OECD)

### Further reference information

<https://data.oecd.org/gdp/gross-domestic-product-gdp.htm>, HMT calculations

## Table 1.1 Summary of the OBR's central economic forecast

### Data

UK economic outlook

### Data source

Office for Budget Responsibility

### Further reference information

<http://budgetresponsibility.org.uk/>

## Paragraph 1.8 Global outlook

### Data

Russia and Brazil Recession

### Data source

International Monetary Fund (IMF)

### Further reference information

<https://www.imf.org/external/pubs/ft/weo/2016/update/01/>

## Paragraph 1.12 OBR economic forecast

### Data

UK's productivity growth

### Data source

Office for Budget Responsibility

### Further reference information

OBR March EFO <http://budgetresponsibility.org.uk/>

## Paragraph 1.13 OBR economic forecast

### Data

Forecasts for Productivity

### Data source

Office for Budget Responsibility

### Further reference information

OBR March EFO <http://budgetresponsibility.org.uk/>

## Paragraph 1.14 OBR economic forecast

### Data

G7 productivity growth

### Data source

Office for National Statistics

### Further reference information

<http://www.ons.gov.uk/economy/economicoutputandproductivity/productivitymeasures/datasets/internationalcomparisonsofproductivityfirstestimates>

## Table 1.2 Contributions to potential output growth between 2010 and 2020

### Data

Contributions to potential output growth between 2010 and 2020

### Data source

Office for Budget Responsibility, EFO page 47

### Further reference information

<http://budgetresponsibility.org.uk/>

## Paragraph 1.15 OBR economic forecast

### Data

Forecast for employment

Forecast for Wages and salaries

Forecast for CPI inflation

### Data source

Office for Budget Responsibility

### Further reference information

OBR March EFO <http://budgetresponsibility.org.uk/>

## Paragraph 1.16 Britain in a strong position to face the challenge ahead

### Data

OBR forecast UK's deficit as a share of GDP

### Data source

Office for Budget Responsibility

### Further reference information

OBR March EFO <http://budgetresponsibility.org.uk/>

## Paragraph 1.16 (bullet 3) Britain in a strong position to face the challenge ahead

### Data

- 1 Household debt as a proportion of income
- 2 Share of households with very high mortgage debt-to-income ratios
- 3 Interest payments as a proportion of income
- 4 Stock of household debt (real)
- 5 Forecasts for household debt as a proportion of income
- 6 Forecasts for net wealth as a proportion of income
- 7 House Price Growth

### Data source

- 1 ONS
- 2 Bank of England
- 3 ONS
- 4 ONS
- 5 OBR
- 6 OBR
- 7 ONS

### Further reference information

- 1 Quarterly National Accounts, 2015 Q3. Household total financial liabilities: NNPP. Household disposable income: RPHQ
- 2 The potential impact of higher interest rates and further fiscal consolidation on households: evidence from the 2015 NMG Consulting survey, Quarterly Bulletin, December 2015. Bank of England calculations using ONS Living Costs and Food (LCF) Survey and NMG Consulting survey

- 3 Quarterly National Accounts, 2015 Q3. Household interest payments: J4X3. Household disposable income
- 4 Quarterly National Accounts, 2015 Q3. Household total financial liabilities: NNPP. Final consumption expenditure by household deflator: YBFS
- 5 'Economic and fiscal outlook', March 2016. Household liabilities secured on dwellings. Household other financial liabilities. Household disposable income
- 6 'Economic and fiscal outlook', March 2016. Household financial assets. Household gross physical wealth. Household disposable income
- 7 House Price Index, December 2015  
Seasonally adjusted mix-adjusted house price index

## **Paragraph 1.17 Britain in a strong position to face the challenge ahead**

### **Data**

- Fastest growing Major advanced economy in 2014
- Second fastest 2015
- Forecast for fastest in 2016

### **Data source**

OECD

### **Further reference information**

- <http://stats.oecd.org/>: GDP, volume – annual growth rate in percentage
- <http://www.oecd.org/eco/outlook/OECD-Interim-Economic-Outlook-February-2016.pdf>

## **Paragraph 1.18 Employment and earnings**

### **Data**

- G7 employment rates
- Employment rate
- Female employment rate
- Full-time workers
- Employees
- Occupations by skill
- Vacancies
- Claimant count
- Working age inactivity
- Employment level since 2010

### Data source

- Short-Term Labour Market Statistics – Employment Rates, OECD
- UK Labour Market: February 2016, ONS

### Further reference information

- <http://stats.oecd.org/>
- UK Labour Market: February 2016, ONS
- Employment rate: LF24
- Female employment rate: LF25
- Full-time workers: YCBE
- Employees: MGRN
- Occupations by skill: High skill defined as Managers, directors & senior officials, Professional occupations and Associate, professional and technical occupations. Medium skill defined as Administrative & secretarial, Skilled trades and Caring, leisure & other services. Calculated as a proportion of all employment where occupation was stated.
- Vacancies: AP2Y
- Claimant count: BCJD
- Working age inactivity: LF2M
- Employment level: MGRZ

## Chart 1.2 International comparison of employment

### Data

Employment (age 15 and over), level indexed to Q1 2010 in the G7.

### Data source

Organisation for Economic Co-operation and Development (OECD)

### Further reference information

<https://data.oecd.org/emp/employment-rate.htm>, HMT calculations

## Paragraph 1.19 Earnings

### Data

Total average weekly earnings, nominal and real

### Data source

UK Labour Market: February 2016, ONS

### Further reference information

UK Labour Market: February 2016, ONS

Total average weekly earnings, nominal and real: KAC3, A3WW



## Paragraph 1.20 Earnings

### Data

- Wages rising above inflation
- Real household disposable income

### Data source

- Office for National Statistics
- Office for Budget Responsibility

### Further reference information

- UK Labour Market: February 2016 Total real earnings growth: A3WW
- CPI inflation: D7G7, Consumer Prices Indices, January 2016 (published 16 February 2016)
- Economic Well-being, Q3 2015 Real gross household (only) disposable income per head. 'Economic and fiscal outlook', March 2016 Real household disposable income per capita

## Chart 1.3 Real total pay growth

### Data

Total average weekly earnings, nominal and real

### Data source

Office for National Statistics (ONS)

Office for Budget Responsibility (OBR)

### Further reference information

TES code: A3WW

UK Labour Market: February 2016, ONS

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/february2016>

## Paragraph 1.23 Long term solutions to long term problems

### Data

UK debt as a percentage of GDP

### Data source

Office for National Statistics

### Further reference information

HF6X:

<http://www.ons.gov.uk/economy/governmentpublicsectorandtaxes/publicsectorfinance/timeseries/hf6x>

## Paragraph 1.24 Long term solutions to long term problems

### Data

Forecasts for inflation

### Data source

Bank of England

### Further reference information

<http://www.bankofengland.co.uk/publications/Documents/inflationreport/2016/feb.pdf> page 32 of inflation report

## Paragraph 1.29 Sector rebalancing

### Data

- The manufacturing, construction and service sectors are now all larger than at the beginning of 2010
- By the end of 2015, 62.6% of all employment growth since 2010 has been in high skilled occupations
- Within manufacturing, aerospace production has grown almost 30% and car production has increased over 60% in the past five years
- Between 2010 and 2014, 16,000 new jobs in car production have been created
- In 2015 car manufacturing exports reached a record high

### Data source

Office for National Statistics

### Further reference information

- Manufacturing: L2KX, Construction: L2N8, Services: L2NC Second Estimate of GDP 2015 Q4
- High skilled occupation: UK Labour Market: February 2016, Table EMP08 (All in employment by occupation). High skill defined as Managers, directors & senior officials, Professional occupations and Associate, professional and technical occupations. Calculated as a proportion of all employment where occupation was stated
- Manufacture of air and spacecraft and related machinery: KL6G, Manufacture Of Motor Vehicles, Trailers And Semi-Trailers: KL6D UK GDP(O) low level aggregates, Second Estimate of GDP 2015 Q4
- 16,000 new jobs in car production: Business Register and Employment Survey
- <http://www.smmmt.co.uk/2016/01/best-year-in-a-decade-for-british-car-manufacturing-as-exports-reach-record-high/>

## Paragraph 1.30 Sector rebalancing

### Data

Scientific research and development has grown by 24.4% and architecture and engineering activities have grown by 42.5% since 2010

### Data source

ONS

### Further reference information

Scientific research and development: KL9T, Architectural And Engineering Activities: KL7Z UK GDP(O) low level aggregates, Second Estimate of GDP 2015 Q4

## Chart 1.4 Rebalancing within the services sector

### Data

Service sector output and breakdown of service sector

### Data source

Office for National Statistics GDP (O) low level aggregates

### Further reference information

Total service sector output: KKJ7

Financial and insurance output: KKK9

Professional, scientific and administrative output: KKL7

<https://www.ons.gov.uk/economy/grossdomesticproductgdp/datasets/ukgdpolowlevelaggregates>

## Paragraph 1.31 Sector rebalancing

### Data

- Business investment yearly growth in 2015 (4.7%)
- Business investment growth since pre-crisis peak (4.2%)
- Household Consumption
- GFCF growth since 2010 (22.6%)

### Data source

Office for National Statistics

### Further reference information

- NPEL  
<http://www.ons.gov.uk/economy/grossdomesticproductgdp/bulletins/businessinvestment/quarter4octtodec2015provisionalresults>
- NPEL  
<http://www.ons.gov.uk/economy/grossdomesticproductgdp/bulletins/businessinvestment/quarter4octtodec2015provisionalresults>

- ABRJ  
<http://www.ons.gov.uk/economy/nationalaccounts/satelliteaccounts/timeseries/abjr>
- NPQT
- <http://www.ons.gov.uk/economy/grossdomesticproductgdp/bulletins/businessinvestment/quarter4octtodec2015provisionalresults>

## Paragraph 1.32 Sector rebalancing

### Data

London and the south east growth compared to the UK's average growth

### Data source

'Spatially unbalanced growth in the British economy', Gardiner et al. 2013

### Further reference information

<http://joeg.oxfordjournals.org/content/13/6/889.abstract>

## Paragraph 1.33 Regional rebalancing

### Data

- 1 Unemployment in the North of England 2010-2015
- 2 Median earnings in the North 2010-2015
- 3 Employment grew faster in the north than the south, 2015
- 4 Employment rate in the North its highest on record

### Data source

Office for National Statistics

### Further reference information

- 1 Regional labour market statistics, February 2016  
Regional labour market: HI00 - Headline LFS indicators for all regions, February 2016  
Unemployed, aged 16 & over, Feb-Apr 2010 to Oct-Dec 2015  
"The North of England" defined as North East, North West, and Yorkshire and The Humber
- 2 Annual Survey of Hours and Earnings: 2015 Provisional Results, November 2015  
Place of Work by Local Authority – ASHE: Table 7  
Median weekly pay – Gross (£) – For full-time employee jobs, % change between 2010 and 2015. North East, North West, and Yorkshire & The Humber compared to London
- 3 Regional labour market statistics, February 2016  
Regional labour market: HI00 - Headline LFS indicators for all regions, February 2016  
Total in employment, aged 16 & over, % increase between Oct-Dec 2014 to Oct-Dec 2015

“The North” defined as North East, North West, and Yorkshire and The Humber  
“The South” defined as South East, South West, and London

- 4 Regional labour market statistics, February 2016. Regional labour market: HI00 - Headline LFS indicators for all regions, February 2016  
“The North” defined as North East, North West, and Yorkshire and The Humber  
Employment rate for the North calculated as sum of “16-64 Total in employment” divided by sum of “All aged 16-64” across the regions of the North. Oct-Dec 2015 compared to all previous periods

### **Paragraph 1.34 Regional rebalancing**

#### **Data**

- 1 Unemployment fell in every region 2010-2015
- 2 Employment rose in every region 2010-2015
- 3 % of employment increase from outside London and the South East, 2010-2015
- 4 Record employment in every region in 2015

#### **Data source**

Office for National Statistics

#### **Further reference information**

- 1 Regional labour market statistics, February 2016  
Regional labour market: HI00 – Headline LFS indicators for all regions, February 2016  
Unemployed, aged 16 & over, Feb-Apr 2010 to Oct-Dec 2015
- 2 Regional labour market statistics, February 2016  
Regional labour market: HI00 - Headline LFS indicators for all regions, February 2016  
Total in employment, aged 16 & over, Feb-Apr 2010 to Oct-Dec 2015
- 3 Regional labour market statistics, February 2016  
Regional labour market: HI00 - Headline LFS indicators for all regions, February 2016  
Total in employment, aged 16 & over, Feb-Apr 2010 to Oct-Dec 2015  
UK minus London and the South East
- 4 Regional labour market statistics, February 2016  
Regional labour market: HI00 - Headline LFS indicators for all regions, February 2016  
Total in employment, aged 16 & over. “2015” is Nov-Jan 2015 to Oct-Dec 2015.

### **Paragraph 1.35 Regional rebalancing**

#### **Data**

Regional business growth

#### **Data source**

Department for Business, Innovations and Skills (BIS)

### Further reference information

Business Population Estimate for the UK and Regions, October 2015

Business population estimates for the UK and regions 2015: detailed tables

Table 26: UK Countries and Regions Time Series

London and South East, 2010 to 2015

(All years refer to “the start of” that year)

UK minus London and the South East, 2010 to 2015

“North” defined as North East, North West, and Yorkshire and the Humber, 2010 to 2015

“Midlands” defined as East Midlands and West Midlands, 2010 to 2015

South West, 2010 to 2015

### Paragraph 1.36 External rebalancing

#### Data

Sum of UK exports and imports as a percentage of GDP

#### Data source

OECD

#### Further reference information

<https://stats.oecd.org/index.aspx?queryid=51396>

### Paragraph 1.37 External rebalancing

#### Data

- 1 Current account deficit has narrowed falling to -3.7% in Q3 2015
- 2 Rates of return pre-crisis (2.8%) and 2012-2014 (0.8%)

#### Data source

Office for National Statistics – balance of payment Q3 2015

#### Further reference information

- 1 AA6H  
<http://www.ons.gov.uk/economy/nationalaccounts/balanceofpayments/bulletins/balanceofpayments/quarter3julytosept2015>
- 2 MTX2, N2V3, MTU7, N2UG  
<http://www.ons.gov.uk/economy/nationalaccounts/balanceofpayments/bulletins/balanceofpayments/quarter3julytosept2015>

### Paragraph 1.42 Monetary policy and credit easing

#### Data

CPI inflation

## Data source

Office for National Statistics

## Further reference information

CPI inflation: D7G7

Consumer Price Indices, January 2016 (published 16th February 2016)

## Paragraph 1.47 The government's fiscal plan

### Data

"Illustrative analysis in Chart 1.5 shows that the government would have borrowed an additional £930 billion over the period 2010-11 to 2019-20 compared to the level that has happened or is forecast by the OBR."

### Data source

Internal Treasury calculations, OBR forecasts and economic estimates, ONS outturn data

### Further reference information

These figures are estimates based on HM Treasury analysis and incorporate the underlying assumptions in OBR economic estimates and forecasts. They are therefore outside the domain of Official Statistics. This analysis is based on the calculations set out for paragraph 1.47.

The calculation is the difference between the implied level of cumulative public sector net borrowing between 2009-10 and 2019-20 if the structural deficit had remained constant as a share of GDP from 2009-10 and the level of cumulative public sector net borrowing forecast by the OBR over the same period. The counterfactual path of borrowing is based on HM Treasury analysis of OBR forecasts and data.

The structural deficit is recorded as 'cyclically-adjusted public sector net borrowing' (CAPSNB).

CAPSNB is held constant, as a share of GDP, at its 2009-10 level across to 2019-20. The figure for CAPSNB in 2009-10 (8.21% of GDP) is taken from the OBR's Public finances databank (March 2016). Estimates of the output gap are taken from OBR economic estimates as recorded in OBR's Public finances databank (March 2016).

The OBR add a cyclical adjustment to headline PSNB to produce CAPSNB. This attempts to account for the estimated cyclical position of the economy in a given year.

To estimate a counterfactual path of PSNB, the OBR's method for cyclical adjustment is reversed to give an implied path of PSNB, in percentage of GDP terms, consistent with an 8.21% CAPSNB.

Cash terms figures for the PSNB figures are calculated using the GDP measure 'Money GDP NSA (financial year)'. Outturn GDP figures are from the Office for National Statistics Quarterly National Accounts, series BKTL. Forecast GDP figures are from OBR's 'Economic and fiscal outlook' March 2016.

To calculate the extra cumulative borrowing (cash) figure, the outturn and current OBR forecasts for PSNB (£ billion) in each financial year 2009-10 to 2019-20 are summed together and subtracted from the counterfactual cumulative sum of PSNB over the same period.

Outturn PNSB is taken from latest ONS public sector finances release (March 2016): “Public sector net borrowing (£ billion)”: series J5II. PSNB forecasts are taken from OBR, ‘Economic and fiscal outlook’ March 2016.

This measure is a proxy for the impact on borrowing of fiscal consolidation since 2009-10. This analysis does not calculate the indirect effects of fiscal consolidation.

Outturn data can be found in the latest ONS public sector finances release, at:

<https://www.ons.gov.uk/economy/governmentpublicsectorandtaxes/publicsectorfinance/bulletins/publicsectorfinances/january2016>.

## **Chart 1.5 Public Sector Net Borrowing (PSNB) with and without fiscal consolidation**

### **Data**

Public sector net borrowing (PSNB) with and without fiscal consolidation

### **Data source**

Internal Treasury calculations, OBR forecasts and economic estimates, ONS outturn data

### **Further reference information**

These figures are estimates based on HM Treasury analysis and incorporate the underlying assumptions in OBR economic estimates and forecasts. They are therefore outside the domain of Official Statistics.

The chart plots the implied level of public sector net borrowing between 2009-10 and 2019-20 if the structural deficit had remained constant as a share of GDP from 2009-10 and the level of public sector net borrowing in outturn and forecast by the OBR over the same period. The counterfactual path of borrowing is based on HM Treasury analysis of OBR forecasts and data.

This analysis is based on the calculations set out for paragraph 1.47.

The implied path of PSNB in percentage of GDP terms is then plotted against the outturn and current OBR forecast data for PSNB, as referenced above.

This measure is a proxy for the impact on borrowing of fiscal consolidation since 2009-10. This analysis does not calculate the indirect effects of fiscal consolidation.

Outturn data (2009-10 to 2014-15) can be found in the latest ONS public sector finances release, at:

<https://www.ons.gov.uk/economy/governmentpublicsectorandtaxes/publicsectorfinance/bulletins/publicsectorfinances/january2016>.

Forecast data (2015-16 to 2019-20) from OBR public finances data base available at:

<http://budgetresponsibility.org.uk/data/>

## **Table 1.3 Comparison of key fiscal aggregates between Budget 2016 and Autumn Statement 2015**

### **Data**

Budget 2016 forecast of public sector net borrowing (£billion), public sector net borrowing (% of GDP), and public sector net debt (% of GDP), compared to Autumn Statement 2015 forecast.



### Data source

Office for Budget Responsibility and Office for National Statistics.

### Further reference information

Public Sector Net Borrowing (£ billion): J5II

Public Sector Net Borrowing (% GDP): J5IJ

Nominal GDP: BKTL

Outturn data (2014-15) can be found in the latest ONS public sector finances release, at:

<https://www.ons.gov.uk/economy/governmentpublicsectorandtaxes/publicsectorfinance/bulletins/publicsectorfinances/january2016>.

Outturn and forecasts for fiscal aggregates from OBR public finances data base available at:

<http://budgetresponsibility.org.uk/data/>

## Table 1.4 Overview of the OBR's central fiscal forecast

### Data

OBR forecast from 2015-16 to 2020-21

### Data source

OBR, ONS and HM Treasury calculations.

### Further reference information

Public Sector Net Borrowing (% GDP): J5II

Public Sector Net Borrowing (£ billion): ANNX

Primary balance (£ billion): ANNX – JW2P

Treaty Deficit: –MDUK

Public sector net debt (%GDP): HF6X

Nominal GDP: BKTL

Outturn and forecasts for fiscal aggregates from OBR public finances data base available at: <http://budgetresponsibility.independent.gov.uk/data/>

Non-cyclically adjusted outturn data can be found in the latest ONS public sector finances release, at:

<http://www.ons.gov.uk/ons/taxonomy/index.html?nscl=Public+Sector+Finance>

Forecast data and outturn for the cyclically-adjusted aggregates is available from the OBR's public finances database (updated for latest PSF release) at: <http://budgetresponsibility.independent.gov.uk/data/>

Primary balance in the forecast period is calculated by combining the OBR's forecast of the cyclically adjusted primary balance with a HMT calculation of the cyclical component. Total policy decisions line is calculated by taking total policy in Table 2.1 and dividing by nominal GDP.

Total policy decisions is in line with Table 2.1 of Budget 2016.

## Chart 1.6 Public Sector Net Borrowing

### Data

Public sector net borrowing as a percentage of GDP from 2009-10 to 2020-21

### Data source

Office for National Statistics and Office for Budget Responsibility

### Further reference information

Outturn data (2009-10 to 2014-15) can be found in the latest ONS public sector finances release, at:

<https://www.ons.gov.uk/economy/governmentpublicsectorandtaxes/publicsectorfinance/bulletins/publicsectorfinances/january2016>

Forecast series (2015-16 to 2020-21) is from OBR March 2016 'Economic and fiscal outlook'.

Public Sector Net Borrowing (% GDP): J5II

Nominal GDP: BKTL

## Chart 1.7 Public Sector Net Debt

### Data

Public sector net debt as a percentage of GDP from 2009-10 to 2020-21

### Data source

Office for National Statistics and Office for Budget Responsibility

### Further reference information

Outturn data (2009-10 to 2014-15) can be found in the latest ONS public sector finances release, at:

<https://www.ons.gov.uk/economy/governmentpublicsectorandtaxes/publicsectorfinance/bulletins/publicsectorfinances/january2016>.

Forecast series (2015-16 to 2020-21) is from OBR March 2016 'Economic and fiscal outlook'.

Public sector net debt (%GDP): HF6X

## Table 1.5 The welfare cap

### Data

The level of the welfare cap and margin

### Data source

Office for Budget Responsibility, 'Economic and fiscal outlook', Chapters 4 and 5.

## Chart 1.8 Personal allowance increases since 2010

### Data

Chart on Personal Allowance option tax measure

### Data source

HMT analysis of personal tax parameters

## **Chart 1.9 Fuel duty rates in 2015 prices**

### Data

Fuel duty in real terms

### Data source

HM Treasury calculations using RPI data

## **Chart 1.10 UK and German employment rates (15-64)**

### Data

Employment rates for the UK and Germany

### Data source

OECD

### Further reference information

<http://stats.oecd.org/>

[RHS: Labour > Labour Force Statistics > Short term Statistics > Short term Labour Market Statistics > Short-term Labour Market Statistics – Employment Rates

## **Chart 1.11 G20 Corporation Tax Rates in 2020**

### Data

G20 Corporate Tax Rates

### Data source

KPMG

### Further reference information

<https://home.kpmg.com/xx/en/home/services/tax/tax-tools-and-resources/tax-rates-online/corporate-tax-rates-table.html>

## **Table 1.6 Impact of business rate measures**

### Data

Business rate bill by value of property

### Data source

HM Treasury calculations

## **Chart 1.12 Contribution to service sector productivity growth (2010-2014)**

### Data

Productivity growth in the services sector from 2009-2014

## Data source

Office for National Statistics (ONS)

## Further reference information

GDP Second Estimate (published 25th February 2016), GDP (O) low level aggregates dataset.

Labour Productivity, Productivity Jobs, Productivity Hours, Market Sector Workers, Market Sector Hours data set (published 23rd December 2015)

## Table 1.7 Action to raise productivity

### Data

- 3 Quote – OECD research suggests that corporate taxes are the most damaging to growth.
- 4 Quote – Corporation tax reductions since 2010 are estimated to increase long run investment by between 2.5% and 4.5% and GDP by 0.6-0.8%
- 5 Quote – In 2012, 16-24 year olds in England and Northern Ireland were ranked in the bottom 4 of 22 OECD countries for literacy and numeracy skills
- 6 Quote – UK investment as a share of GDP has been in the lowest 25% of OECD countries for 48 of the last 55 years
- 7 Quote – New ideas are central to long run growth and there is a robust link between R&D spending and national productivity
- 8 Quote – Financial services generated £58 billion in net exports in 2014 and facilitate investment in the wider economy
- 9 Quote – Improvements in competition policy in the 1980s and 1990s accounted for up to 20% of industry productivity growth in the UK in the decade to 2005
- 10 Quote – Cities with fragmented governance structures have up to 6% lower levels of productivity than those that do not

### Data source

- 1 Tax and Economic Growth, OECD Economics Working Paper 620, 2008
- 2 Analysis of the dynamic effects of Corporation Tax reductions, HM Treasury and HM Revenue and Customs, 2013
- 3 Adult Skills Survey, Organisation for Economic Co-operation and Development, 2013. Results are not available for Scotland or Wales
- 4 Quarterly National Accounts, OECD stats database
- 5 The policy and institutional drivers of economic growth: new evidence from growth regressions, OECD Economics Working Paper 843, 2011
- 6 Balance of Payments, Quarter 4 and Annual 2014, Office for National Statistics
- 7 Factsheet on how competition policy affects macro-economic outcomes, OECD, October 2014

- 8 What makes cities more productive? Evidence on the role of urban governance from five OECD countries, Organisation for Economic Co-operation and Development, 2014

#### Further reference information

- 1 [http://www.oecd-ilibrary.org/economics/the-policy-and-institutional-drivers-of-economic-growth-across-oecd-and-non-oecd-economies\\_5kghwnhxwkjh-en](http://www.oecd-ilibrary.org/economics/the-policy-and-institutional-drivers-of-economic-growth-across-oecd-and-non-oecd-economies_5kghwnhxwkjh-en)
- 2 N/A
- 3 N/A
- 4 <https://stats.oecd.org/>. Investment is measured as gross fixed capital formation (GFCF). Cited in Fixing the Foundations: creating a more prosperous economy, HM Treasury and BIS, 2015
- 5 N/A
- 6 Refers to financial services (including pensions and insurance) net exports, not just financial services.  
Insurance and pensions exports: FJPJ  
Financial services exports (FISIM and non-FISIM): FJPK  
Insurance and pensions imports: FJRB  
Financial services imports (FISIM and non-FISIM): FJRE
- 7 N/A
- 8 N/A

### Chart 1.13 Percentage of individuals using the internet across the G7

#### Data

Percentage of individuals using the internet in the G7

#### Data source

International Telecommunications Union, Percentage of Individuals using the Internet, 2014

#### Further reference information

<http://www.itu.int/en/ITU-D/Statistics/Pages/stat/default.aspx>



## 2 Policy decisions

---

### Table 2.1 Budget 2016 policy decisions

#### Data

Costings for all scoring measures at Budget 2016

#### Data source

HM Treasury policy costings

#### Further reference information

These projections are calculated from economic estimates, detailed costing models, and include numerous assumptions that have a material impact; they are therefore outside the domain of official statistics.

### Table 2.2 Measures announced previously to take effect from April 2016

#### Data

Costing for all scoring measures announced at Spending Review and Autumn Statement 2015 or earlier which take effect from April 2016 or later

#### Data source

HM Treasury policy costings

#### Further reference information

These projections are calculated from economic estimates, detailed costing models, and include numerous assumptions that have a material impact; they are therefore outside the domain of official statistics.

### Table 2.3 Total Managed Expenditure

#### Data

- 1 Public Sector current expenditure, public sector gross investment, and Total Managed Expenditure
- 2 Resource and Capital DELs

#### Data source

- 1 Office for Budget Responsibility
- 2 HM Treasury DEL plans for 2015-16 to 2020-21 inclusive

#### Further reference information

OBR, March 2016, 'Economic and fiscal outlook'

### Table 2.4 Departmental Resource Budgets (Resource DEL excluding depreciation)

#### Data

Departmental Expenditure Limits

### Data source

2015-16 are departments' estimates of their year-end position. HM Treasury DEL plans are used for all other years.

## **Table 2.5 Departmental Capital Budgets (Capital DEL)**

### Data

Departmental Expenditure Limits

### Data source

2015-16 are departments' estimates of their year-end position. HM Treasury DEL plans are used for all other years.

## **Table 2.6 Financial transactions**

### Data

Financial transactions: impact on central government net cash requirement

### Data source

Economic estimates

### Further reference information

These projections are calculated from economic estimates, detailed costing models, and include numerous assumptions that have a material impact; they are therefore outside the domain of official statistics.



# A Financing

---

**Table A.1: Financing arithmetic in 2015-16 and 2016-17**

**Data**

- 1 Central government net cash requirement excluding Bradford & Bingley, NRAM plc and Network Rail (CGNCR ex NRAM, B&B and NR)
- 2 Gilt redemptions
- 3 Planned financing for the reserves
- 4 Financing adjustment carried forward from previous financial years
- 5 Gross financing requirement
- 6 Contribution from National Savings and Investments
- 7 Other financing
- 8 Net financing requirement
- 9 Gilt sales
- 10 Treasury bills
- 11 Total financing
- 12 DMO net cash position

**Data source**

- 1 CGNCR exc. B&B, NRAM and NR: RUUW, OBR forecasts at March 2016
- 2 Debt Management Office calculation
- 3 HM Treasury forecast
- 4 HM Treasury calculation
- 5 HM Treasury calculation
- 6 HM Treasury forecast
- 7 HM Treasury forecast
- 8 HM Treasury calculation
- 9 HM Treasury forecast
- 10 HM Treasury forecast
- 11 HM Treasury calculation
- 12 HM Treasury calculation

**Further reference information**

- 1 CGNCR exc. B&B, NRAM and NR: ONS code M98R, OBR forecast a Monthly ONS statistical bulletin: Public Sector Finances – [www.ons.gov.uk](http://www.ons.gov.uk)

- 2 Profile of future gilt redemptions – [www.dmo.gov.uk](http://www.dmo.gov.uk)
- 3 Policy decision to fund the Official Reserves by an additional £6 billion in 2014-15 and at a similar level on average over the 5 years from 2015-16 to 2019-20 is set out in the Summer Budget 2015.
- 4 Calculated from outturn DMO net cash position at end-March 2015 less £0.5 billion, calculated from OBR/HM Treasury forecast of DMO net cash position at end-March 2016 less £0.5 billion
- 5 N/A
- 6 N/A
- 7 N/A
- 8 Gross financing requirement less contribution from NS&I and other financing
- 9 Information on gilt sales – [www.dmo.gov.uk](http://www.dmo.gov.uk)
- 10 N/A
- 11 N/A
- 12 N/A

## **Table A.2: Illustrative gross financing requirement**

### **Data**

- 1 CGNCR (ex NRAM, B&B and NR)
- 2 Gilt redemptions
- 3 Financing for the Official Reserves
- 4 Illustrative gross financing requirement

### **Data source**

- 1 OBR forecasts at March 2016
- 2 OBR forecasts at March 2016
- 3 HM Treasury forecast
- 4 Calculation

### **Further reference information**

- 1 See OBR, March 2016, 'Economic and fiscal outlook'
- 2 See OBR, March 2016, 'Economic and fiscal outlook'
- 3 Policy decision to fund the reserves by an additional £6 billion in 2014-15 and at a similar level on average over the 5 years from 2015-16 to 2019-20, is set out in the Autumn Statement 2014 and Summer Budget 2015, available at <https://www.gov.uk/government/publications>
- 4 Sum of three rows above



### **HM Treasury contacts**

This document can be downloaded from  
[www.gov.uk](http://www.gov.uk)

If you require this information in an alternative  
format or have general enquiries about  
HM Treasury and its work, contact:

Correspondence Team  
HM Treasury  
1 Horse Guards Road  
London  
SW1A 2HQ

Tel: 020 7270 5000

Email: [public.enquiries@hmtreasury.gsi.gov.uk](mailto:public.enquiries@hmtreasury.gsi.gov.uk)