

# 6

## Central government own expenditure

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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 Non-Departmental Public Bodies (NDPBs), and health trusts.

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 70 per cent of Departmental Expenditure Limits (DEL) and about 90 per cent of departmental Annually Managed Expenditure (AME).

6.4 **Tables 6.1-6.3** are presented against the budgeting framework, **Tables 6.4-6.6** are presented against the expenditure on services framework. All outturn data (to 2008-09) in this chapter are National Statistics.

### What's new

6.5 The economic categories in **Table 6.5** have been brought into line with the new presentation set out in **Chapter 5**.

6.6 The presentation of financial sector interventions data has been changed so that it is consistent with the ONS treatment within PSNB ex, an alternative measure of public sector net borrowing (PSNB) that excludes the temporary effects of banks being classified to the public sector. This is explained in **Box 5.A** in **Chapter 5**.

6.7 **Tables 6.1 to 6.3** reflect the Machinery of Government changes that took place in 2009, the main one being the merger of the Department for Business, Enterprise and Regulatory Reform (BERR) with the Department for Innovation, Universities and Skills (DIUS) to form the Department for Business, Innovation and Skills (BIS). PESA 2010 does not reflect the transfer of policing and justice powers to the Northern Ireland Executive, nor any structural changes announced since the election.

### Central government own expenditure by department

6.8 **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.

## Central government own resource and capital expenditure by department

6.9 **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.

6.10 Central government capital spending in 2005-06 is reduced by a series of imputed transactions recorded in the National Accounts in respect of British Nuclear Fuels Limited (BNFL), a public corporation, transferring assets and liabilities to the Nuclear Decommissioning Authority (NDA). This is shown as part of the accounting adjustments in **Table 6.3** and has no impact on Total Managed Expenditure (TME) or the public finances overall. Details are provided in **Annex A**. The higher capital spending in 2008-09 and 2009-10 relates to the support given to financial institutions. See **Box 5.A** in **Chapter 5** for further details.

## Central government own expenditure on services by sub-function

6.11 **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**.

6.12 The three main revisions to sub-functional public sector spending noted in **Chapter 5** are all within central government own expenditure, and so are reflected in this chapter.

## Central government own expenditure on services by economic category

6.13 **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

6.14 **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 so spending on Single Use Military Equipment (SUME) is classified as current and non-cash items such as depreciation and provisions are excluded.

**Table 6.1 Central government own expenditure in budgets<sup>(1)</sup> by departmental group, 2004–05 to 2010–11**

	£ million						
	National Statistics					2009–10 estimated outturn	2010–11 plans
	2004–05 outturn	2005–06 outturn	2006–07 outturn	2007–08 outturn	2008–09 outturn		
<b>Within DEL</b>							
Education	8,844	9,851	10,672	11,732	11,550	13,061	7,061
Health	69,107	74,382	78,647	85,577	92,279	100,425	103,625
Transport	5,744	5,800	7,479	7,284	7,434	8,270	7,001
CLG Communities	4,200	4,219	3,969	3,545	5,841	7,635	5,017
CLG Local Government	326	333	286	296	289	296	278
Business, Innovation and Skills	12,710	13,709	14,367	15,978	16,966	19,071	20,121
Home Office	2,778	2,693	3,098	3,046	3,269	3,628	3,201
Justice	7,982	8,252	8,436	9,287	9,724	9,849	9,203
Law Officers' Departments	647	656	698	716	722	720	687
Defence	29,592	29,957	30,770	33,237	34,395	36,985	37,257
Foreign and Commonwealth Office	1,687	1,801	1,814	1,927	2,135	2,224	2,094
International Development	3,826	4,472	4,862	5,185	5,617	6,631	7,619
Energy and Climate Change	1,126	1,925	2,374	2,158	1,955	3,114	3,114
Environment, Food and Rural Affairs	2,464	2,590	2,702	2,787	2,647	2,826	2,652
Culture, Media and Sport	1,269	1,381	1,623	1,948	2,269	2,108	1,893
Work and Pensions	7,539	7,410	7,084	7,192	7,216	8,402	8,151
Scotland	13,243	14,320	16,280	17,564	17,541	18,793	18,475
Wales	6,880	7,346	7,790	8,352	8,545	9,409	9,457
Northern Ireland Executive	6,872	7,239	7,632	8,267	8,840	9,689	9,219
Northern Ireland Office	1,102	1,167	1,175	1,157	1,186	1,105	1,203
Chancellor's Departments	4,448	4,624	4,705	4,447	4,545	4,634	4,112
Cabinet Office	1,368	1,582	1,731	1,906	2,118	2,322	2,288
Independent Bodies	757	778	682	721	783	833	1,003
<b>Total CG own expenditure within DEL</b>	<b>194,512</b>	<b>206,484</b>	<b>218,877</b>	<b>234,309</b>	<b>247,867</b>	<b>272,031</b>	<b>264,729</b>

**Table 6.1 Central government own expenditure in budgets<sup>(1)</sup> by departmental group, 2004–05 to 2010–11 (continued)**

	£ million						
	National Statistics					2009–10 estimated outturn	2010–11 plans
	2004–05 outturn	2005–06 outturn	2006–07 outturn	2007–08 outturn	2008–09 outturn		
<b>Within departmental AME</b>							
Education	6,350	8,069	8,600	10,709	10,652	10,461	13,177
Health	5,888	10,595	11,623	13,900	14,998	17,720	20,189
Transport	228	–140	143	675	603	677	1,674
CLG Communities	156	284	198	172	369	72	–271
CLG Local Government	–	–	0	0	1	0	–
Business, Innovation and Skills	1,177	1,756	2,445	3,682	3,540	4,539	5,046
Home Office	18	26	14	6	171	21	2
Justice	–636	–309	–136	–62	439	999	140
Law Officers' Departments	0	0	–1	7	9	14	1
Defence	5,086	5,446	4,927	5,905	6,193	7,898	8,730
Foreign and Commonwealth Office	3	–4	42	11	–28	43	20
International Development	106	57	417	–11	213	353	350
Energy and Climate Change	–611	5,971	6,284	6,855	2,156	3,723	1,950
Environment, Food and Rural Affairs	63	323	312	48	1	–54	–13
Culture, Media and Sport	4,162	4,447	4,499	4,313	4,082	4,725	4,762
Work and Pensions	94,378	98,048	100,960	108,172	114,622	122,945	125,813
Scotland	1,541	1,886	1,668	2,319	2,666	2,520	3,384
Wales	99	60	110	92	306	508	297
Northern Ireland Executive	5,078	5,496	9,172	6,115	6,481	6,995	7,394
Northern Ireland Office	262	212	274	359	396	363	241
Chancellor's Departments <sup>(2)</sup>	21,740	23,540	25,103	26,650	157,617	76,262	39,326
Cabinet Office	5,377	5,726	6,042	7,627	7,174	7,445	9,439
Independent Bodies	12	8	53	28	15	22	28
<b>Total CG own expenditure within dept AME</b>	<b>150,479</b>	<b>171,496</b>	<b>182,751</b>	<b>197,573</b>	<b>332,678</b>	<b>268,250</b>	<b>241,678</b>
Locally financed expenditure in Northern Ireland	417	462	452	520	607	547	572
Net expenditure transfers to the EC	4,907	4,435	4,652	5,392	3,060	6,419	8,296
Central government debt interest	23,936	25,808	27,581	29,961	30,507	30,948	43,268
Accounting and other adjustments	–18,172	–46,924	–36,533	–47,245	–159,639	–90,499	–57,100
<b>Total CG own expenditure<sup>(3)</sup></b>	<b>356,079</b>	<b>361,761</b>	<b>397,780</b>	<b>420,510</b>	<b>455,080</b>	<b>487,696</b>	<b>501,400</b>

(1) Shown on a full resource budgeting basis. I.e. resource plus capital less depreciation.

(2) Transactions in 2008–09 onwards have been affected by financial sector interventions. See Box 2.A for details.

(3) This excludes the temporary effects of banks being classified to the public sector. See Box 5.A for details.

**Table 6.2 Central government own resource expenditure in budgets by departmental group, 2004–05 to 2010–11**

	£ million						
	National Statistics					2009–10 estimated outturn	2010–11 plans
	2004–05 outturn	2005–06 outturn	2006–07 outturn	2007–08 outturn	2008–09 outturn		
<b>Within resource DEL</b>							
Education	8,503	9,498	10,192	11,214	10,876	12,237	6,586
Health	66,594	72,305	75,854	81,807	88,091	95,305	99,026
Transport	2,912	2,998	3,163	3,006	2,137	2,328	1,898
CLG Communities	1,181	1,113	731	102	1,358	1,418	1,136
CLG Local Government	326	332	284	296	288	295	277
Business, Innovation and Skills	11,602	12,132	13,005	14,452	15,265	16,493	18,592
Home Office	2,543	2,455	2,676	2,647	2,772	2,954	2,752
Justice	7,422	7,743	7,897	8,530	8,814	8,990	8,635
Law Officers' Departments	636	674	687	705	713	707	675
Defence	22,764	23,035	23,573	24,621	25,376	27,754	27,179
Foreign and Commonwealth Office	1,613	1,707	1,689	1,735	1,946	2,057	1,933
International Development	3,542	4,042	4,098	4,448	4,742	5,284	6,063
Energy and Climate Change	903	656	911	672	288	1,240	1,191
Environment, Food and Rural Affairs	2,270	2,094	2,267	2,315	2,235	2,335	2,222
Culture, Media and Sport	1,157	1,242	1,331	1,355	1,338	1,327	1,374
Work and Pensions	7,248	7,059	6,882	7,112	7,124	8,135	7,912
Scotland	11,884	12,972	14,251	15,247	15,390	16,115	16,282
Wales	6,390	6,808	7,159	7,611	7,676	8,317	8,586
Northern Ireland Executive	6,166	6,456	6,845	7,254	7,703	8,547	8,321
Northern Ireland Office	1,031	1,109	1,103	1,147	1,119	1,043	1,131
Chancellor's Departments	4,075	4,277	4,404	4,205	4,262	4,220	3,851
Cabinet Office	1,192	1,344	1,497	1,591	1,735	1,862	1,940
Independent Bodies	655	735	631	661	747	791	919
<b>Total within resource DEL</b>	<b>172,609</b>	<b>182,784</b>	<b>191,129</b>	<b>202,734</b>	<b>211,995</b>	<b>229,755</b>	<b>228,482</b>

**Table 6.2 Central government own resource expenditure in budgets by departmental group, 2004–05 to 2010–11 (continued)**

	£ million						
	National Statistics					2009–10 estimated outturn	2010–11 plans
	2004–05 outturn	2005–06 outturn	2006–07 outturn	2007–08 outturn	2008–09 outturn		
<b>Within resource departmental AME</b>							
Education	6,350	8,069	8,600	10,709	10,652	10,461	13,177
Health	5,659	9,946	11,535	13,863	14,984	17,710	20,186
Transport	228	–140	143	675	603	677	1,674
CLG Communities	156	284	198	172	369	72	–271
CLG Local Government	–	–	0	0	1	0	–
Business, Innovation and Skills	–172	87	–329	–57	–238	528	54
Home Office	18	26	14	6	171	21	2
Justice	–636	–309	–136	–62	439	999	140
Law Officers' Departments	0	0	–1	7	9	14	1
Defence	5,086	5,446	4,927	5,905	6,193	7,893	8,662
Foreign and Commonwealth Office	3	–4	42	11	–28	43	20
International Development	106	57	417	–11	213	353	350
Energy and Climate Change	–283	6,411	6,853	7,274	2,435	4,060	2,028
Environment, Food and Rural Affairs	62	323	311	48	0	–54	–24
Culture, Media and Sport	3,131	3,442	3,584	3,798	3,788	3,953	4,061
Work and Pensions	94,297	97,948	100,775	108,032	114,486	122,774	125,587
Scotland	1,371	1,736	1,521	2,170	2,487	2,337	3,204
Wales	–35	–61	–18	–73	138	315	121
Northern Ireland Executive	4,826	5,247	8,847	5,915	6,104	6,543	6,917
Northern Ireland Office	262	212	274	359	396	363	241
Chancellor's Departments <sup>(1)</sup>	21,740	23,096	24,847	26,438	71,795	28,749	34,521
Cabinet Office	5,377	5,726	6,042	7,627	7,174	7,445	9,439
Independent Bodies	12	8	52	28	15	22	28
<b>Total within resource departmental AME</b>	<b>147,560</b>	<b>167,548</b>	<b>178,500</b>	<b>192,834</b>	<b>242,186</b>	<b>215,277</b>	<b>230,117</b>
<b>Within resource other AME</b>							
Locally financed expenditure in Northern Ireland	417	462	452	520	607	547	572
Net expenditure transfers to the EC	4,907	4,435	4,652	5,392	3,060	6,419	8,296
Central government debt interest	23,936	25,808	27,581	29,961	30,507	30,948	43,268
Remove items classified as capital in National Accounts	214	296	89	1,545	302	3,308	1,301
Add items classified as current in National Accounts	5,409	6,007	6,506	5,095	5,666	5,449	7,426
Accounting and other adjustments	–17,606	–30,468	–34,955	–42,706	–77,766	–44,904	–49,100
<b>Total CG own current expenditure</b>	<b>337,447</b>	<b>356,872</b>	<b>373,954</b>	<b>395,375</b>	<b>416,557</b>	<b>446,799</b>	<b>470,300</b>

(1) Transactions in 2008–09 onwards have been affected by financial sector interventions. See Box 2.A for details.

**Table 6.3 Central government own capital expenditure by departmental group, 2004–05 to 2010–11**

	£ million						
	National Statistics					2009–10 estimated outturn	2010–11 plans
	2004–05 outturn	2005–06 outturn	2006–07 outturn	2007–08 outturn	2008–09 outturn		
<b>Within capital DEL</b>							
Education	341	353	480	518	674	824	474
Health	2,513	2,077	2,793	3,769	4,188	5,120	4,598
Transport	2,833	2,802	4,316	4,278	5,297	5,943	5,103
CLG Communities	3,019	3,105	3,238	3,442	4,484	6,217	3,882
CLG Local Government	0	1	2	0	0	0	0
Business, Innovation and Skills	1,108	1,577	1,362	1,526	1,701	2,579	1,529
Home Office	235	238	422	399	497	673	449
Justice	560	509	539	757	909	859	568
Law Officers' Departments	11	–18	11	11	9	14	12
Defence	6,828	6,922	7,197	8,616	9,019	9,231	10,078
Foreign and Commonwealth Office	74	95	125	192	190	167	161
International Development	284	430	764	737	875	1,347	1,556
Energy and Climate Change	223	1,269	1,464	1,486	1,667	1,874	1,923
Environment, Food and Rural Affairs	193	496	436	472	411	491	430
Culture, Media and Sport	112	139	291	593	932	781	519
Work and Pensions	291	351	201	80	91	267	239
Scotland	1,359	1,348	2,029	2,318	2,152	2,678	2,193
Wales	490	538	631	740	869	1,092	871
Northern Ireland Executive	707	782	787	1,013	1,137	1,142	899
Northern Ireland Office	71	59	73	10	68	62	72
Chancellor's Departments	373	347	302	242	282	414	261
Cabinet Office	176	238	234	315	384	461	348
Independent Bodies	102	43	51	60	37	42	83
<b>Total within capital DEL</b>	<b>21,903</b>	<b>23,700</b>	<b>27,747</b>	<b>31,575</b>	<b>35,872</b>	<b>42,276</b>	<b>36,247</b>
<b>Within capital departmental AME</b>							
Health	229	649	89	37	14	10	4
Business, Innovation and Skills	1,349	1,669	2,774	3,739	3,779	4,012	4,992
Defence	–	–	–	–	–	5	68
Energy and Climate Change	–328	–440	–569	–419	–279	–337	–78
Environment, Food and Rural Affairs	1	–	0	0	1	1	11
Culture, Media and Sport	1,031	1,005	915	515	295	772	701
Work and Pensions	80	101	185	140	136	171	226
Scotland	170	150	147	149	180	183	179
Wales	135	121	128	165	168	193	176
Northern Ireland Executive	252	249	325	200	378	452	477
Chancellor's Departments <sup>(1)</sup>	–	444	256	212	85,822	47,513	4,805
Independent Bodies	–	–	2	–	–	–	–
<b>Total within capital departmental AME</b>	<b>2,920</b>	<b>3,948</b>	<b>4,251</b>	<b>4,739</b>	<b>90,492</b>	<b>52,973</b>	<b>11,560</b>
<b>Within capital other AME</b>							
Add items classified as capital in National Accounts	–214	–296	–89	–1,545	–302	–3,308	–1,301
Remove items classified as current in National Accounts	–5,409	–6,007	–6,506	–5,095	–5,666	–5,449	–7,426
Accounting and other adjustments	–567	–16,457	–1,577	–4,539	–81,873	–45,595	–8,000
<b>Total CG own capital expenditure<sup>(2)</sup></b>	<b>18,632</b>	<b>4,889</b>	<b>23,826</b>	<b>25,135</b>	<b>38,523</b>	<b>40,897</b>	<b>31,100</b>

(1) Transactions in 2008–09 onwards have been affected by financial sector interventions. See Box 2.A for details.

(2) This excludes the temporary effects of banks being classified to the public sector. See Box 5.A for details.

**Table 6.4 Central government own expenditure on services by sub-function, 2004–05 to 2010–11**

	£ million						
	National Statistics					2009–10 estimated outturn	2010–11 plans
	2004–05 outturn	2005–06 outturn	2006–07 outturn	2007–08 outturn	2008–09 outturn		
<b>I. General public services</b>							
1.1 Executive and legislative organs, financial and fiscal affairs, external affairs	8,393	8,779	9,099	8,938	9,355	9,433	8,992
1.2 Foreign economic aid	3,607	4,110	4,174	4,596	4,865	5,620	6,445
1.3 General services	489	594	599	634	715	796	799
1.4 Basic research	39	53	77	54	86	90	101
1.5 R&D general public services	28	30	30	21	21	23	22
1.6 General public services n.e.c.	299	274	201	243	284	468	489
1.7 Public sector debt interest <sup>(1)</sup>	23,936	25,808	27,581	29,961	30,507	30,948	43,268
<i>of which: central government debt interest</i>	23,936	25,808	27,581	29,961	30,507	30,948	43,268
<b>Total general public services</b>	<b>36,789</b>	<b>39,649</b>	<b>41,762</b>	<b>44,446</b>	<b>45,832</b>	<b>47,378</b>	<b>60,117</b>
<b>2. Defence</b>							
2.1 Military defence	24,909	26,401	27,455	27,611	30,881	31,640	32,594
2.2 Civil defence	35	23	32	26	19	19	15
2.3 Foreign military aid	903	1,155	1,689	2,704	3,641	4,099	4,142
2.4 R&D defence	512	505	528	548	506	470	429
2.5 Defence n.e.c.	3,256	2,710	2,284	2,543	1,549	1,852	1,956
<b>Total defence</b>	<b>29,615</b>	<b>30,794</b>	<b>31,988</b>	<b>33,431</b>	<b>36,596</b>	<b>38,080</b>	<b>39,136</b>
<b>3. Public order and safety</b>							
3.1 Police services	4,015	4,009	4,268	4,352	4,761	5,034	4,435
<i>of which: immigration and citizenship</i>	2,127	1,933	2,006	2,068	2,089	2,267	1,997
<i>of which: other police services</i>	1,889	2,076	2,262	2,284	2,672	2,767	2,438
3.2 Fire-protection services	129	121	145	219	292	312	225
3.3 Law courts	6,229	6,045	6,191	6,466	6,641	6,847	5,385
3.4 Prisons	3,156	3,577	3,812	4,271	4,650	4,574	5,400
3.5 R&D public order and safety	48	23	14	26	25	30	0
3.6 Public order and safety n.e.c.	392	413	470	472	452	463	563
<b>Total public order and safety</b>	<b>13,970</b>	<b>14,187</b>	<b>14,900</b>	<b>15,806</b>	<b>16,821</b>	<b>17,259</b>	<b>16,008</b>
<b>4. Economic affairs</b>							
4.1 General economic, commercial and labour affairs <sup>(2)</sup>	5,333	5,679	5,774	5,799	13,948	8,549	5,057
4.2 Agriculture, forestry, fishing and hunting	5,384	5,538	5,058	4,915	5,284	5,931	5,118
<i>of which: market support under CAP</i>	3,978	3,949	3,526	3,272	3,632	4,393	3,748
<i>of which: other agriculture, food and fisheries policy</i>	1,271	1,422	1,354	1,488	1,504	1,388	1,176
<i>of which: forestry</i>	136	166	178	155	148	151	193
4.3 Fuel and energy	1,198	1,333	1,121	915	654	439	413
4.4 Mining, manufacturing and construction	15	16	24	26	32	418	16
4.5 Transport	7,020	7,175	9,877	10,184	10,190	11,994	10,156
<i>of which: national roads</i>	2,330	2,688	3,286	3,205	3,492	4,136	3,592
<i>of which: local roads</i>	242	254	239	295	343	389	448
<i>of which: local public transport</i>	474	508	759	843	780	831	837
<i>of which: railway</i>	3,445	3,144	4,972	5,181	4,942	5,945	4,587
<i>of which: other transport</i>	530	581	621	659	635	693	692
4.6 Communication	428	256	232	605	446	332	374
4.7 Other industries	121	125	116	119	114	125	97
4.8 R&D economic affairs	2,535	2,999	2,821	3,211	3,165	3,507	3,509
4.9 Economic affairs n.e.c.	889	768	822	785	605	1,202	902
<b>Total economic affairs</b>	<b>22,923</b>	<b>23,888</b>	<b>25,846</b>	<b>26,559</b>	<b>34,439</b>	<b>32,497</b>	<b>25,643</b>



**Table 6.4 Central government own expenditure on services by sub-function, 2004–05 to 2010–11 (continued)**

	National Statistics						£ million	
	2004–05 outturn	2005–06 outturn	2006–07 outturn	2007–08 outturn	2008–09 outturn	2009–10 estimated outturn	2010–11 plans	
<b>5. Environment protection</b>								
5.1 Waste management	508	1,224	1,592	1,400	887	1,736	1,853	
5.2 Waste water management	32	43	44	4	18	24	–2	
5.3 Pollution abatement	282	293	237	191	269	412	481	
5.4 Protection of biodiversity and landscape	315	312	475	421	431	413	493	
5.5 R&D environment protection	304	332	342	369	402	427	395	
5.6 Environment protection n.e.c	1,095	1,389	1,530	1,535	1,599	1,772	1,929	
<b>Total environment protection</b>	<b>2,537</b>	<b>3,593</b>	<b>4,218</b>	<b>3,919</b>	<b>3,605</b>	<b>4,784</b>	<b>5,149</b>	
<b>6. Housing and community amenities</b>								
6.1 Housing development	2,555	2,733	3,196	3,338	3,515	5,282	3,454	
<i>of which: local authority housing</i>	288	481	378	319	26	170	–108	
<i>of which: other social housing</i>	2,266	2,252	2,818	3,019	3,489	4,804	3,389	
6.2 Community development	581	691	423	562	596	795	579	
6.3 Water supply	318	359	330	377	542	400	149	
6.4 Street lighting	17	19	15	19	23	22	20	
6.5 R&D housing and community amenities	15	14	9	8	5	5	8	
6.6 Housing and community amenities n.e.c	93	99	116	146	119	131	155	
<b>Total housing and community amenities</b>	<b>3,579</b>	<b>3,915</b>	<b>4,089</b>	<b>4,451</b>	<b>4,800</b>	<b>6,636</b>	<b>4,364</b>	
<b>7. Health<sup>(3)</sup></b>								
Medical services	80,414	87,277	91,895	99,397	107,123	116,347	118,885	
Medical research	475	482	609	582	812	897	879	
Central and other health services	1,635	1,454	1,665	1,855	1,760	2,225	2,278	
<b>Total health</b>	<b>82,524</b>	<b>89,212</b>	<b>94,170</b>	<b>101,834</b>	<b>109,695</b>	<b>119,469</b>	<b>122,042</b>	
<b>8. Recreation, culture and religion</b>								
8.1 Recreational and sporting services	389	376	661	1,035	1,698	2,129	1,948	
8.2 Cultural services	1,765	1,963	1,957	2,036	1,988	2,083	1,965	
8.3 Broadcasting and publishing services	3,263	3,426	3,554	3,663	3,580	3,763	3,941	
8.4 Religious and other community services	10	10	14	15	16	16	15	
8.5 R&D recreation, culture and religion	1	81	109	130	148	157	140	
8.6 Recreation, culture and religion n.e.c	73	85	109	109	109	109	91	
<b>Total recreation, culture and religion</b>	<b>5,501</b>	<b>5,941</b>	<b>6,404</b>	<b>6,988</b>	<b>7,540</b>	<b>8,257</b>	<b>8,101</b>	
<b>9. Education</b>								
9.1 Pre-primary and primary education	1,070	1,061	641	730	695	724	839	
<i>of which: under fives</i>	551	517	88	144	111	99	141	
<i>of which: primary education</i>	519	544	553	586	584	625	698	
9.2 Secondary education	9,855	10,499	11,360	12,117	12,085	14,384	10,264	
9.3 Post-secondary non-tertiary education	0	–5	–4	0	116	6	2	
9.4 Tertiary education	8,888	9,835	10,400	11,779	11,636	12,870	13,176	
9.5 Education not definable by level	561	537	523	513	457	484	508	
9.6 Subsidiary services to education	545	593	632	746	1,203	1,430	1,402	
9.7 R&D education	43	34	38	33	15	20	19	
9.8 Education n.e.c	2,016	2,088	2,306	2,449	3,097	2,692	2,086	
<b>Total education</b>	<b>22,978</b>	<b>24,643</b>	<b>25,896</b>	<b>28,367</b>	<b>29,305</b>	<b>32,610</b>	<b>28,296</b>	

**Table 6.4 Central government own expenditure on services by sub-function, 2004–05 to 2010–11 (continued)**

	£ million						
	National Statistics					2009–10	2010–11
	2004–05	2005–06	2006–07	2007–08	2008–09	2009–10	2010–11
	outturn	outturn	outturn	outturn	outturn	estimated	plans
						outturn	
<b>10. Social protection</b>							
<i>of which: personal social services</i>	3,785	4,159	4,771	5,139	5,205	4,948	5,573
10.1 Sickness and disability	25,316	26,108	26,962	28,191	31,046	33,453	35,501
<i>of which: personal social services</i>	943	928	1,018	1,189	1,215	1,164	1,533
<i>of which: incapacity, disability and injury benefits</i>	24,373	25,180	25,943	27,003	29,832	32,289	33,968
10.2 Old age	59,184	61,917	64,426	69,797	76,808	81,904	85,313
<i>of which: personal social services</i>	13	15	16	15	21	20	19
<i>of which: pensions</i>	59,171	61,902	64,410	69,782	76,787	81,883	85,295
10.3 Survivors	1,852	1,846	1,811	1,808	1,814	1,834	1,832
10.4 Family and children	21,476	21,448	21,478	22,501	21,494	22,189	21,564
<i>of which: personal social services</i>	307	528	631	754	783	662	998
<i>of which: family benefits, income support and tax credits</i>	21,169	20,920	20,847	21,747	20,711	21,526	20,566
10.5 Unemployment	3,753	4,011	4,580	4,273	5,264	7,026	6,640
<i>of which: personal social services</i>	1,259	1,372	1,831	1,785	1,745	1,485	1,282
<i>of which: other unemployment benefits</i>	2,494	2,640	2,749	2,488	3,519	5,541	5,359
10.6 Housing	361	341	439	450	537	665	648
10.7 Social exclusion n.e.c. <sup>(4)</sup>	13,001	14,459	15,635	16,979	20,101	23,925	25,250
<i>of which: personal social services</i>	1,263	1,316	1,275	1,396	1,442	1,616	1,741
<i>of which: family benefits, income support and tax credits</i>	11,737	13,143	14,360	15,583	18,659	22,309	23,508
10.8 R&D Social protection	2	1	0	0	1	0	0
10.9 Social protection n.e.c.	3,597	3,027	2,033	1,581	1,613	2,749	2,221
<b>Total social protection</b>	<b>128,541</b>	<b>133,158</b>	<b>137,363</b>	<b>145,581</b>	<b>158,678</b>	<b>173,745</b>	<b>178,970</b>
<b>EU transactions<sup>(5)</sup></b>							
GNI-based contribution (net of abatement and collection costs)	4,361	3,856	4,071	4,785	2,378	5,760	7,681
<i>derived as:</i>							
<i>EC gross contribution pre-abatement and after deduction of collection costs</i>	12,183	11,780	12,245	13,746	13,155	13,733	15,216
<i>Traditional Own Resources (without deduction of collection costs) and VAT contributions</i>	-4,100	-4,283	-4,614	-5,001	-5,183	-3,754	-4,765
<i>UK abatement</i>	-3,722	-3,641	-3,560	-3,960	-5,595	-4,218	-2,770
<i>EC receipts</i>	-4,555	-3,750	-5,164	-5,601	-4,558	-4,820	-4,782
<i>Attributed aid and Common Foreign and Security Policy</i>	-697	-704	-709	-715	-751	-899	-899
<b>Total EU transactions</b>	<b>-892</b>	<b>-598</b>	<b>-1,802</b>	<b>-1,531</b>	<b>-2,931</b>	<b>41</b>	<b>1,999</b>
<b>Total central government own expenditure on services</b>	<b>348,065</b>	<b>368,384</b>	<b>384,832</b>	<b>409,852</b>	<b>444,379</b>	<b>480,756</b>	<b>489,824</b>
Accounting adjustments	8,014	-6,623	12,948	10,658	10,701	6,940	11,600
<b>Total central government own expenditure<sup>(6)</sup></b>	<b>356,079</b>	<b>361,761</b>	<b>397,780</b>	<b>420,510</b>	<b>455,080</b>	<b>487,696</b>	<b>501,400</b>

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

(2) The increase in 2008–09 onwards relates to the financial sector interventions. Details are provided in Box 5.A.

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

(4) Social exclusion n.e.c. includes Child and Working Tax Credits

(5) 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 EC are shown in Table C.1.

(6) This excludes the temporary effects of banks being classified to the public sector. See Box 5.A for details.

**Table 6.5 Central government own expenditure on services by economic category, 2004–05 to 2010–11**

	National Statistics						£ million
	2004–05 outturn	2005–06 outturn	2006–07 outturn	2007–08 outturn	2008–09 outturn	2009–10 estimated outturn	2010–11 plans
<b>Central government current expenditure on services</b>							
Pay	71,140	76,599	78,894	81,328	85,546	88,610	86,784
Gross current procurement	94,304	102,323	106,992	113,592	121,644	129,554	135,334
Income from sales of goods and services	-16,702	-20,045	-19,362	-21,072	-24,059	-23,393	-22,535
Current grants to persons and non-profit bodies	145,940	153,182	158,044	166,661	179,437	195,561	197,656
Current grants abroad	3,403	3,755	2,547	3,258	2,395	5,948	7,690
Subsidies to private sector companies	5,844	5,808	5,670	5,655	4,526	6,791	5,737
Subsidies to public corporations	852	1,067	968	1,394	970	1,032	673
Net public service pensions	1,175	210	1,061	2,296	3,099	3,119	4,005
Grant equivalent element of student lending	326	429	289	1,032	525	763	1,650
Central government debt interest	23,936	25,808	27,581	29,961	30,507	30,948	43,268
Other	3	-120	-152	26	13	233	1,102
<b>Total central government own current expenditure on services</b>	<b>330,220</b>	<b>349,015</b>	<b>362,532</b>	<b>384,131</b>	<b>404,602</b>	<b>439,166</b>	<b>461,363</b>
Accounting adjustments	7,227	7,857	11,422	11,244	11,955	7,633	9,000
<b>Total central government own current expenditure</b>	<b>337,447</b>	<b>356,872</b>	<b>373,954</b>	<b>395,375</b>	<b>416,557</b>	<b>446,799</b>	<b>470,300</b>
<b>Central government capital expenditure on services</b>							
Capital grants to persons and non-profit bodies	5,303	6,587	6,940	7,099	7,702	10,587	7,262
Capital grants to private sector companies <sup>(1)</sup>	3,149	3,342	5,179	5,198	15,269	10,544	3,666
Capital grants abroad	96	108	136	158	249	494	890
Gross capital procurement	10,680	11,580	12,270	15,883	17,530	20,787	18,165
Income from sales of capital assets	-1,431	-2,336	-2,178	-2,572	-976	-825	-1,547
Other	48	89	-47	-46	2	3	26
<b>Total central government own capital expenditure on services</b>	<b>17,845</b>	<b>19,369</b>	<b>22,300</b>	<b>25,721</b>	<b>39,776</b>	<b>41,590</b>	<b>28,461</b>
Accounting adjustments	787	-14,480	1,526	-586	-1,253	-693	2,600
<b>Total central government own capital expenditure<sup>(2)</sup></b>	<b>18,632</b>	<b>4,889</b>	<b>23,826</b>	<b>25,135</b>	<b>38,523</b>	<b>40,897</b>	<b>31,100</b>
<b>Total central government own expenditure on services</b>	<b>348,065</b>	<b>368,384</b>	<b>384,832</b>	<b>409,852</b>	<b>444,379</b>	<b>480,756</b>	<b>489,824</b>
Accounting adjustments	8,014	-6,623	12,948	10,658	10,701	6,940	11,600
<b>Total central government own expenditure<sup>(2)</sup></b>	<b>356,079</b>	<b>361,761</b>	<b>397,780</b>	<b>420,510</b>	<b>455,080</b>	<b>487,696</b>	<b>501,400</b>

(1) Transactions in 2008–09 onwards have been affected by financial sector interventions. See Box 5.A for details.

(2) This excludes the temporary effects of banks being classified to the public sector. See Box 5.A for details.

**Table 6.6 Central government own current and capital expenditure on services by function, 2004–05 to 2010–11**

	£ million						
	National Statistics					2009–10 estimated outturn	2010–11 plans
	2004–05 outturn	2005–06 outturn	2006–07 outturn	2007–08 outturn	2008–09 outturn		
<b>Central government own current expenditure on services</b>							
1. General public services	35,933	38,945	41,023	43,672	45,001	46,299	58,865
<i>of which: public and common services</i>	6,644	7,272	7,558	7,409	7,696	7,882	7,711
<i>of which: international services</i>	5,353	5,865	5,884	6,303	6,798	7,469	7,887
<i>of which: public sector debt interest</i>	23,936	25,808	27,581	29,961	30,507	30,948	43,268
2. Defence	28,076	29,792	31,191	30,991	33,180	33,911	36,124
3. Public order and safety	12,978	13,278	13,718	14,398	15,093	15,466	14,684
4. Economic affairs	17,706	18,236	18,551	19,151	16,926	18,854	19,279
<i>of which: enterprise and economic development<sup>(1)</sup></i>	3,834	3,836	3,778	3,949	2,330	1,523	3,320
<i>of which: science and technology</i>	1,940	2,242	2,146	2,426	2,541	2,891	2,854
<i>of which: employment policies</i>	3,027	2,987	3,155	3,210	3,017	3,696	4,108
<i>of which: agriculture, fisheries and forestry</i>	5,195	5,310	4,802	4,699	5,023	5,750	5,128
<i>of which: transport</i>	3,710	3,861	4,670	4,866	4,015	4,995	3,869
5. Environment protection	1,999	1,763	2,282	2,068	1,520	2,575	2,620
6. Housing and community amenities	1,030	1,096	1,075	1,094	648	799	416
7. Health	78,906	86,169	90,392	97,204	104,431	113,027	116,283
8. Recreation, culture and religion	4,928	5,347	5,646	5,876	5,834	5,969	6,187
9. Education	21,290	22,481	23,629	26,058	26,702	29,301	26,411
10. Social protection	128,265	132,505	136,827	145,149	158,198	172,922	178,493
EU transactions	-892	-598	-1,802	-1,531	-2,931	41	1,999
<b>Total central government own current expenditure on services</b>	<b>330,220</b>	<b>349,015</b>	<b>362,532</b>	<b>384,131</b>	<b>404,602</b>	<b>439,166</b>	<b>461,363</b>
Accounting adjustments	7,227	7,857	11,422	11,244	11,955	7,633	9,000
<b>Total central government own current expenditure</b>	<b>337,447</b>	<b>356,872</b>	<b>373,954</b>	<b>395,375</b>	<b>416,557</b>	<b>446,799</b>	<b>470,300</b>
<b>Central government own capital expenditure on services</b>							
1. General public services	857	704	739	774	830	1,079	1,252
<i>of which: public and common services</i>	684	523	516	408	486	568	511
<i>of which: international services</i>	173	181	223	366	345	511	740
2. Defence	1,539	1,002	797	2,440	3,416	4,169	3,011
3. Public order and safety	992	909	1,181	1,408	1,727	1,793	1,324
4. Economic affairs	5,217	5,652	7,295	7,409	17,513	13,643	6,363
<i>of which: enterprise and economic development<sup>(1)</sup></i>	977	1,011	966	1,005	10,361	5,739	-654
<i>of which: science and technology</i>	595	757	675	785	625	615	655
<i>of which: employment policies</i>	147	343	191	85	92	107	85
<i>of which: agriculture, fisheries and forestry</i>	189	227	256	216	260	182	-10
<i>of which: transport</i>	3,310	3,314	5,207	5,317	6,175	7,000	6,286
5. Environment protection	538	1,830	1,936	1,851	2,086	2,209	2,529
6. Housing and community amenities	2,548	2,819	3,013	3,356	4,152	5,837	3,948
7. Health	3,618	3,043	3,777	4,630	5,264	6,441	5,758
8. Recreation, culture and religion	573	595	758	1,112	1,705	2,288	1,914
9. Education	1,688	2,162	2,267	2,309	2,603	3,309	1,885
10. Social protection	275	653	535	432	480	823	477
<b>Total central government own capital expenditure on services</b>	<b>17,845</b>	<b>19,369</b>	<b>22,300</b>	<b>25,721</b>	<b>39,776</b>	<b>41,590</b>	<b>28,461</b>
Accounting adjustments	787	-14,480	1,526	-586	-1,253	-693	2,600
<b>Total central government own capital expenditure<sup>(2)</sup></b>	<b>18,632</b>	<b>4,889</b>	<b>23,826</b>	<b>25,135</b>	<b>38,523</b>	<b>40,897</b>	<b>31,100</b>

(1) Transactions in 2008–09 onwards have been affected by the financial sector interventions. Details are provided in Box 5.A.

(2) This excludes the temporary effects of banks being classified to the public sector. See Box 5.A for details.