



HM Treasury



# STATISTICAL BULLETIN: PUBLIC SPENDING STATISTICS MAY 2019

This release presents updated Public Spending data for the years 2013-14 to 2017-18. All data in this release are National Statistics and are on an outturn basis. Further background detail is found in the accompanying material published alongside this release. **We welcome any feedback on this release at:** [statistics-enquiries@hmtreasury.gov.uk](mailto:statistics-enquiries@hmtreasury.gov.uk)

HM Treasury Public Spending Statistics provide a range of information about public spending, using two related frameworks as shown in the table on page 4 below. Further detailed explanations are provided in the methodology annex to this bulletin.

## IN THIS RELEASE

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## KEY POINTS IN THIS RELEASE

- Total DEL expenditure (Resource DEL excluding depreciation plus Capital DEL) was £358.4 billion in 2017-18, an increase of £2.8 billion or 0.8 per cent on the previous year in nominal terms.
- Total Managed Expenditure (TME) was £794.9 billion in 2017-18, an increase of 3.0 per cent on the previous year.
- Total expenditure on services was £734.3 billion in 2017-18, an increase of 3.2 per cent on the previous year.
- Total departmental expenditure (Total DEL plus resource and capital departmental AME) was £812.9 billion in 2017-18, an increase of £162.5 billion or 25.0 per cent on the previous year. This is mainly due to a larger than normal figure for Resource departmental AME in 2017-18, which reflected a significant change in the accounting valuation of provisions as a result of changes in the long-term Treasury discount rate which inflated the present value of expected future long-term costs.

## KEY REVISIONS IN THIS RELEASE (SINCE FEBRUARY 2019 PUBLICATION)

- Total public sector expenditure on services has been revised down by £593m, following the inclusion of revised Scottish local government expenditure data. Within this, current expenditure on services has been revised down by £539m and capital expenditure by £53m.
- Changes in non-departmental resource and capital expenditure in all years are due to the impact of updated ONS data.

## UPCOMING REVISIONS AND CHANGES TO THE PRESENTATION IN FORTHCOMING RELEASES

The next HM Treasury Public Spending National Statistics release will be in July 2019.

## FORTHCOMING CHANGES TO THE SPENDING FRAMEWORKS USED IN THIS RELEASE

No changes are expected for the next release.

## PUBLIC SPENDING STATISTICS PUBLICATION SCHEDULE FOR THE COMING YEAR

JULY 2019	The July Public Spending Statistics release contains the first publication of departmental spending outturn for the 2018-19 financial year. Local authority data and much of the data from the devolved administrations are still provisional at this stage of the year. This is the main annual release.
NOV 2019	Updates to the key series of the Public Spending Statistics are published. Additionally, the Country and Regional Analysis is published in November each year.
FEB 2020	This release contains updates to the key Public Spending Statistics series. It includes updated data for local authorities for the previous financial year.
MAY 2020	Contains updates to the key Public Spending Statistics series. May is the first publication in which full outturn data for the previous financial year is published, incorporating final data for all local authorities and devolved administrations.

## BACKGROUND

**Tables 1 to 9** show central government departmental spending on a budgetary basis. These are the aggregates used by the Government to plan and control expenditure. They cover departments' own spending as well as support to local government and public corporations. They are consistent with "Estimates" voted by Parliament and broadly consistent with departmental Resource Accounts, which are based on commercial International Financial Reporting Standards (IFRS) adapted for the public sector.

Budgets are divided into Departmental Expenditure Limits (DEL), which are firm plans for three or four years, and Annually Managed Expenditure (AME), covering spending which is demand-led, less predictable and more difficult to control. Table 1 shows the aggregate position for all departments and all types of spending, with some of the main types of spending shown separately. **Table 8** shows in detail how the budgeting data is used to construct the Total Managed Expenditure (TME) figures published by the Office for National Statistics. These are based on National Accounts concepts and are used in the aggregates which underlie the Government's fiscal policy.

**Tables 10 to 11** present spending under the "expenditure on services" framework. This is based on National Accounts definitions and covers the whole of the public sector. It therefore has wider coverage than the budgeting framework and is also more stable over time.

**Tables 10, 10a and 10b** show public sector expenditure on services broken down by function over a period of 21 years, allowing long-term trends to be identified. **Table 11** presents data broken down by economic categories such as pay or grants.

## DATA IN THIS RELEASE

### Spending frameworks used in HM Treasury spending publications

#### Budgeting

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.

#### Expenditure on services

This framework is used in HM Treasury publications 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.

## BUDGETING STATISTICS

### DEPARTMENTAL EXPENDITURE LIMITS

- Total DEL expenditure (Resource DEL excluding depreciation plus Capital DEL) was £358.4 billion in 2017-18, an increase of £2.8 billion or 0.8 per cent on the previous year in nominal terms.

### ANNUALLY MANAGED EXPENDITURE

- Resource departmental AME increased to £433.2 billion in 2017-18, from £291.6 billion in 2016-17. The 2017-18 figure reflects a significant change in the accounting valuation of provisions as a result of changes in the long-term Treasury discount rate which inflated the present value of expected future long-term costs. The largest increase in 2017-18 was for Business, Energy and Industrial Strategy (£71.6 billion) reflecting the Nuclear Decommissioning Authority (NDA) provision for the future costs of decommissioning. This is a non-cash charge.

## TRENDS IN FUNCTIONAL EXPENDITURE (TABLES 10, 10A AND 10B)

Compared with the previous year;

- In real terms, spending on seven of the ten functions (not including EU transactions) increased during 2017-18, whilst the remaining three showed a decrease.
- The largest real terms growth in expenditure in percentage terms was on Economic affairs that went up by 9.1 per cent, this was followed by Housing and community amenities which grew by 7.5 per cent and Environment protection, that increased by 6.2 per cent on 2016-17.
- The largest real terms fall in spending was in Recreation, culture and religion which went down by 2.7 per cent, whilst Social Protection and Education fell by 0.9 per cent and 0.7 per cent respectively.

### EXPENDITURE ON SERVICES STATISTICS

- During the recession, as GDP shrank but spending increased, TME took an increasingly large share of national income. As a result, TME as a percentage of GDP peaked at 44.9 per cent in 2009-10. In the subsequent years, TME as a percentage of GDP has been decreasing. In 2017-18 it stood at 38.4 per cent of GDP (Table 10b).
- In 2017-18 public expenditure on Health was equal to 7.1 per cent of GDP, compared to 4.6 per cent in 1997-98. Education spending stood at 4.0 per cent in 1997-98 compared to 4.2 per cent of GDP in 2017-18. These changes reflect a mix of demographics and the policy priorities of successive governments.
- The share of GDP taken by public sector debt interest payments was 2.2 per cent in 2017-18. This compares with a peak of 3.1 per cent last seen in 1997-98, when interest rates were significantly higher than now.
- In real terms (i.e. after adjusting for the effect of inflation);
  - spending on Social Protection was £268.3 billion in 2017-18, down from £270.8 billion in the previous year.
  - Health spending (including spending by central government departments and devolved administrations) was £145.8 billion in 2017-18, compared to £145.5 billion spent in 2016-17.

## CHARTS

**Chart 1** shows trends in public spending in real terms according to the UN-defined Classification of the Functions of Government (COFOG) framework. This breakdown allows users to see trends in expenditure over time without changes in the way government is organised (also known as machinery of government changes) introducing distortions. Departmental responsibilities have changed substantially since the early 1990s, for example, making it difficult to create consistent long-run time series. The COFOG framework enables these comparisons over time.

It is important to note that in most cases spending by function does not equate to spending by a single department. Spending within the health function, for example, represents expenditure by the devolved administrations as well as by the Department of Health and other central government departments. In the same way, a large proportion of education spending is carried out by local authorities, and not directly by the Department for Education.

Between 1997-97 and 2017-18 the Health function has had the highest rate of real terms growth.

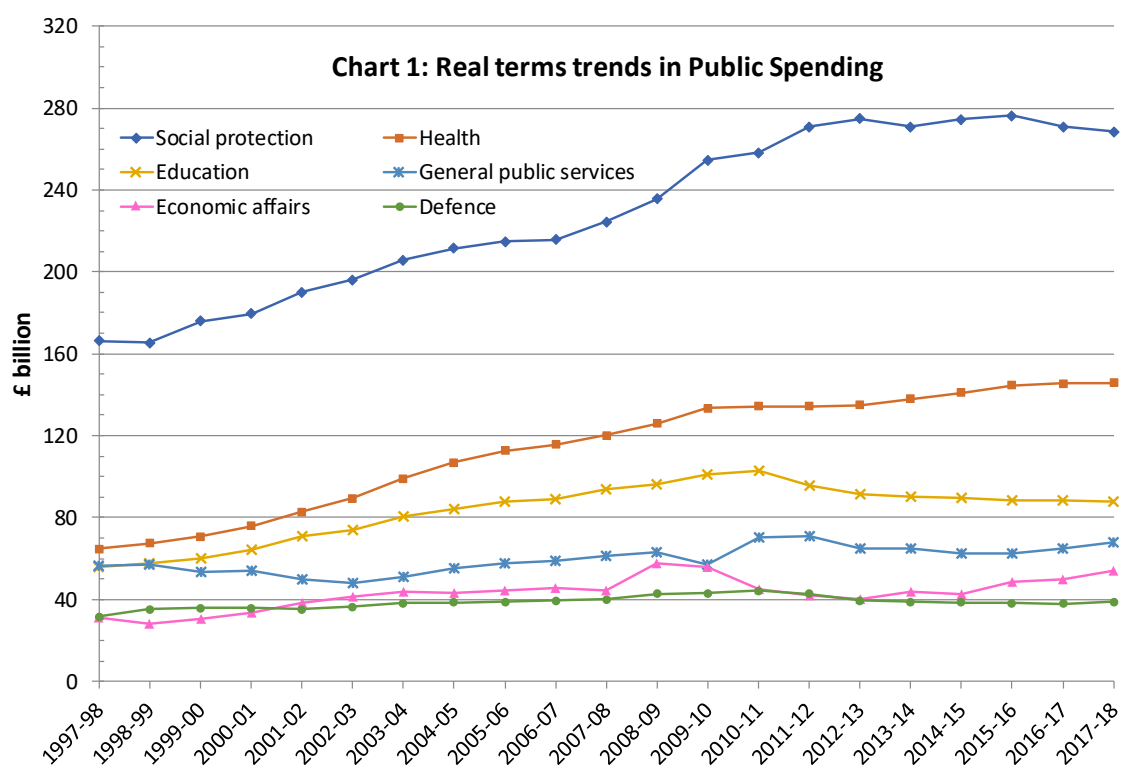
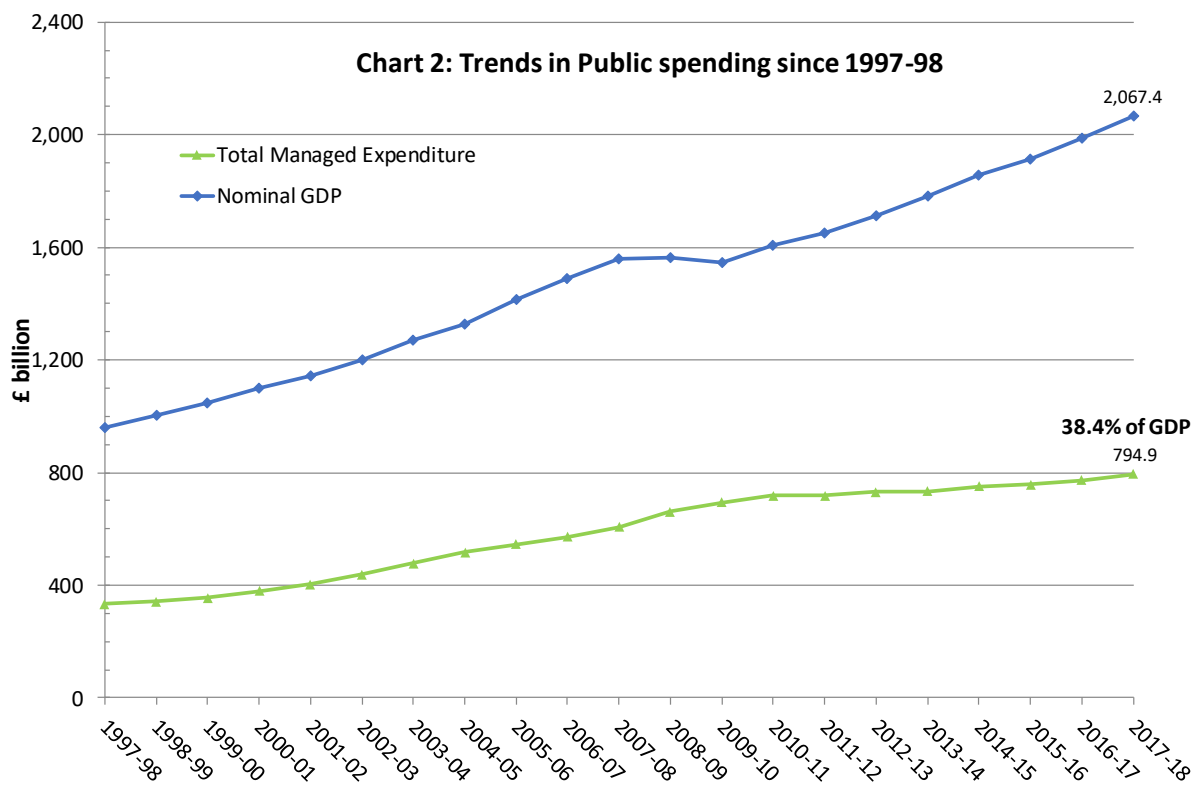


Chart 2 shows trends in overall spending compared with overall nominal GDP. The ratio between TME and GDP is a measure of the size of government relative to the rest of the economy.



## NATIONAL STATISTICS

The United Kingdom Statistics Authority has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Official Statistics.

Designation can be broadly interpreted to mean that the statistics:

- meet identified user needs;
- are well explained and readily accessible;
- are produced according to sound methods; and
- are managed impartially and objectively in the public interest.

Once statistics have been designated as National Statistics it is a statutory requirement that the Code of Practice shall continue to be observed.

**Table 1 Total Managed Expenditure, 2013-14 to 2017-18**

	£ million				
	National Statistics				
	2013-14	2014-15	2015-16	2016-17	2017-18
	outturn	outturn	outturn	outturn	outturn
<b>CURRENT EXPENDITURE</b>					
<i>Resource DEL</i>					
Resource DEL excluding depreciation	308,432	307,920	306,749	304,333	302,661
Depreciation in resource DEL	22,298	17,169	18,742	25,248	28,657
<b>Total resource DEL</b>	<b>330,730</b>	<b>325,089</b>	<b>325,491</b>	<b>329,581</b>	<b>331,317</b>
<i>Resource departmental AME</i>					
Social security benefits	179,599	184,185	187,687	189,298	192,728
Tax credits <sup>(1)</sup>	29,394	29,187	28,482	27,393	26,293
Net public service pensions <sup>(2)</sup>	5,787	10,188	11,830	9,524	27,013
National lottery	1,209	1,448	904	1,080	1,132
BBC domestic services	3,204	3,533	3,631	3,567	3,410
Student loans	-1,096	-1,579	-1,683	-2,031	-2,992
Non-cash items	43,392	61,033	185,538	61,761	147,189
Financial sector interventions	8,380	-48,669	-12,492	-24,832	-216
Other departmental expenditure	13,339	14,983	14,075	25,814	38,595
<b>Total resource departmental AME</b>	<b>283,209</b>	<b>254,308</b>	<b>417,971</b>	<b>291,574</b>	<b>433,152</b>
<i>Resource other AME</i>					
Net expenditure transfers to the EU	11,879	11,658	11,253	9,160	10,188
Locally financed expenditure	23,187	25,555	30,294	33,956	33,908
Central government gross debt interest	48,797	45,371	45,127	48,659	55,037
Accounting adjustments <sup>(3)</sup>	-32,643	12,836	-147,521	-20,220	-152,438
<b>Total resource other AME</b>	<b>51,220</b>	<b>95,420</b>	<b>-60,847</b>	<b>71,555</b>	<b>-53,305</b>
<b>Total resource AME</b>	<b>334,429</b>	<b>349,728</b>	<b>357,124</b>	<b>363,129</b>	<b>379,847</b>
<b>Public sector current expenditure</b>	<b>665,159</b>	<b>674,817</b>	<b>682,615</b>	<b>692,710</b>	<b>711,164</b>
<b>CAPITAL EXPENDITURE</b>					
<i>Capital DEL</i>					
<b>Total capital DEL</b>	<b>49,742</b>	<b>53,252</b>	<b>48,603</b>	<b>51,268</b>	<b>55,714</b>
<i>Capital departmental AME</i>					
National lottery	492	584	407	479	426
BBC domestic services	83	111	130	248	118
Student loans	9,299	11,477	12,597	14,025	16,900
Financial sector interventions	-4,938	-3,030	-11,315	-3,514	-942
Other departmental expenditure	-11,126	-4,118	-11,076	-8,059	4,869
<b>Total capital departmental AME</b>	<b>-6,189</b>	<b>5,024</b>	<b>-9,257</b>	<b>3,179</b>	<b>21,371</b>
<i>Capital other AME</i>					
Locally financed expenditure	6,875	6,549	8,582	8,860	13,649
Public corporations' own-financed capital expenditure	14,400	18,027	14,594	16,675	15,016
Accounting adjustments <sup>(3)</sup>	3,826	-7,224	11,631	-730	-21,873
<b>Total capital other AME</b>	<b>25,101</b>	<b>17,352</b>	<b>34,806</b>	<b>24,805</b>	<b>6,792</b>
<b>Total capital AME</b>	<b>18,912</b>	<b>22,376</b>	<b>25,549</b>	<b>27,984</b>	<b>27,998</b>
<b>Public sector gross investment <sup>(4)</sup></b>	<b>68,654</b>	<b>75,628</b>	<b>74,152</b>	<b>79,252</b>	<b>83,712</b>
<i>less public sector depreciation</i>	37,959	39,014	40,078	40,782	41,055
<b>Public sector net investment <sup>(4)</sup></b>	<b>30,695</b>	<b>36,614</b>	<b>34,074</b>	<b>38,470</b>	<b>42,657</b>
<b>TOTAL MANAGED EXPENDITURE <sup>(4)</sup></b>	<b>733,813</b>	<b>750,445</b>	<b>756,767</b>	<b>771,962</b>	<b>794,876</b>
<i>of which:</i>					
Total DEL <sup>(5)</sup>	358,175	361,172	355,352	355,601	358,375
Departmental AME	277,019	259,332	408,713	294,752	454,523
Other AME	98,619	129,941	-7,299	121,608	-17,856

(1) 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.

(2) The change from 2017-18 is due to the reduction in the "discount rate net of CPI" used to measure the costs of public service pensions accruing over the year on an accounting basis.

(3) Transactions from 2013-14 onwards have been affected by financial sector interventions, see Box 2.A in Chapter 2 of PESA 2018.

(4) This excludes the temporary effects of banks being classified to the public sector. See Box 2.A in Chapter 2 of PESA 2018.

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



**Table 2 Resource DEL, 2013-14 to 2017-18**

	£ million				
	National Statistics				
	2013-14 outturn	2014-15 outturn	2015-16 outturn	2016-17 outturn	2017-18 outturn
<b>Resource DEL by departmental group</b>					
Defence	35,536	34,155	34,424	35,423	34,199
Single Intelligence Account	1,967	2,032	2,174	2,268	2,390
Home Office	11,052	11,443	10,757	10,977	10,908
Foreign and Commonwealth Office	2,153	1,861	1,953	2,058	2,208
International Development	7,783	7,017	6,829	7,413	7,558
Health and Social Care	105,478	109,534	113,710	117,031	120,650
Work and Pensions	7,685	7,225	6,551	6,237	6,187
Education	65,611	62,222	63,978	69,854	74,879
Business, Energy and Industrial Strategy	2,416	2,448	2,494	1,962	1,714
Transport	4,702	3,460	3,029	2,927	3,673
Exiting the European Union	7	7	7	22	55
Digital, Culture, Media and Sport	1,386	1,513	1,390	1,551	1,585
MHCLG - Housing and Communities	1,985	2,043	2,174	2,488	2,372
MHCLG - Local Government	16,481	13,657	10,758	8,229	6,714
Scotland <sup>(1)</sup>	26,091	26,373	26,334	21,374	14,943
Wales	14,466	14,202	13,328	13,325	14,001
Northern Ireland	10,155	10,184	10,156	10,475	10,625
Justice	8,110	7,728	7,348	7,406	7,627
Law Officers' Departments	581	554	553	530	567
Environment, Food and Rural Affairs	1,883	1,856	1,737	1,744	1,837
HM Revenue and Customs	3,650	3,468	3,576	3,836	3,946
HM Treasury	-251	129	129	163	225
Cabinet Office	256	423	411	456	678
International Trade	206	279	341	345	383
Small and Independent Bodies	1,342	1,276	1,350	1,490	1,396
<b>Total resource DEL</b>	<b>330,730</b>	<b>325,089</b>	<b>325,491</b>	<b>329,581</b>	<b>331,317</b>

(1) The Scottish Government's DEL block grant has been adjusted from 2015-16 onwards as agreed in the Scottish Government's Fiscal Framework. From 2015-16 adjustments reflect the devolution of Stamp Duty Land Tax and Landfill Tax. In 2016-17 they reflect the creation of the Scottish Rate of Income Tax. From 2017-18 they reflect the devolution of further income tax powers and revenues from Scottish courts.

**Table 3 Resource departmental AME, 2013-14 to 2017-18**

£ million					
	National Statistics				
	2013-14 outturn	2014-15 outturn	2015-16 outturn	2016-17 outturn	2017-18 outturn
<b>Resource departmental AME by departmental group</b>					
Defence	6,377	8,311	12,020	5,125	16,675
Single Intelligence Account	19	41	135	13	19
Home Office	1,872	2,457	1,551	2,396	2,512
Foreign and Commonwealth Office	66	-70	39	-53	142
International Development	109	151	206	188	326
Health and Social Care <sup>(1)</sup>	18,194	21,952	48,530	27,782	39,664
Work and Pensions	163,072	167,639	173,400	172,921	177,252
Education	10,563	12,908	5,296	11,448	15,034
Business, Energy and Industrial Strategy <sup>(1)</sup>	5,347	8,949	102,217	3,781	75,396
Transport <sup>(2)</sup>	-5,207	-264	5,680	6,457	6,989
Digital, Culture, Media and Sport	4,517	4,935	4,348	4,702	4,265
MHCLG - Housing and Communities	-48	47	56	154	184
MHCLG - Local Government	11,123	11,662	12,174	12,413	15,752
Scotland <sup>(3)</sup>	2,669	3,858	3,951	9,203	17,123
Wales	0	32	-311	240	177
Northern Ireland	7,470	8,290	8,375	8,253	8,872
Justice	-239	-144	483	549	404
Law Officers' Departments	10	13	-15	-1	11
Environment, Food and Rural Affairs	-92	78	391	86	-28
HM Revenue and Customs	42,574	42,931	43,194	42,329	41,845
HM Treasury <sup>(4)</sup>	6,211	-49,912	-13,778	-25,452	-684
Cabinet Office	8,641	10,573	10,366	9,140	11,163
International Trade	0	-	0	-	-
Small and Independent Bodies	-38	-129	-336	-101	56
<b>Total resource departmental AME</b>	<b>283,209</b>	<b>254,308</b>	<b>417,971</b>	<b>291,574</b>	<b>433,152</b>

(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) Following implementation of ESA10, 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. Figures in 2013-14 and 2014-15 reflect a change in accounting policy for recognising impairment on the roads network.

(3) The Scottish Government's AME from 2015-16 onwards reflects taxes raised under the Scottish Government's Fiscal Framework. From 2015-16 adjustments reflect the devolution of Stamp Duty Land Tax and Landfill Tax. In 2016-17 they reflect the creation of the Scottish Rate of Income Tax. From 2017-18 they reflect the devolution of further income tax powers and revenues from Scottish courts.

(4) Transactions from 2013-14 onwards have been affected by financial sector interventions, see Box 2.A in Chapter 2 of PESA 2018.

**Table 4 Capital DEL, 2013-14 to 2017-18**

	£ million				
	National Statistics				
	2013-14 outturn	2014-15 outturn	2015-16 outturn	2016-17 outturn	2017-18 outturn
<b>Capital DEL by departmental group</b>					
Defence	8,485	8,736	8,402	8,689	9,704
Single Intelligence Account	499	550	575	603	576
Home Office	519	520	476	510	624
Foreign and Commonwealth Office	120	158	131	60	-252
International Development	2,251	2,650	2,433	2,588	2,713
Health and Social Care	5,367	4,971	4,652	4,556	5,238
Work and Pensions	238	251	188	292	433
Education	4,120	4,764	5,414	5,104	4,846
Business, Energy and Industrial Strategy	9,435	9,284	10,123	10,719	10,392
Transport <sup>(1)</sup>	8,537	9,446	6,001	5,419	6,221
Digital, Culture, Media and Sport	33	264	349	275	351
MHCLG - Housing and Communities	3,729	4,332	3,849	5,114	6,634
Scotland	2,921	3,289	3,164	3,246	3,624
Wales	1,325	1,500	1,543	1,449	1,821
Northern Ireland	945	1,085	766	1,005	1,148
Justice	274	295	266	417	414
Law Officers' Departments	3	4	3	13	10
Environment, Food and Rural Affairs	550	692	570	655	632
HM Revenue and Customs	218	234	228	326	281
HM Treasury	-7	36	-660	-2	-78
Cabinet Office	105	106	39	121	190
International Trade	3	2	2	6	15
Small and Independent Bodies	76	83	90	103	178
<b>Total capital DEL</b>	<b>49,742</b>	<b>53,252</b>	<b>48,603</b>	<b>51,268</b>	<b>55,714</b>

(1) Following implementation of ESA10, Network rail is now classified to Central Government. Consequently from 2015-16 there is no longer a Central Government capital grant to Network Rail. The actual expenditure of Network rail appears in the Department for Transport departmental AME budget.

**Table 5 Capital departmental AME, 2013-14 to 2017-18**

	£ million				
	National Statistics				
	2013-14 outturn	2014-15 outturn	2015-16 outturn	2016-17 outturn	2017-18 outturn
<b>Capital departmental AME by departmental group</b>					
Defence	-129	51	29	-	44
Home Office	-	-	437	-	-
International Development	-	-	450	285	395
Health and Social Care	-70	-5	9	13	-
Work and Pensions	-134	-124	-148	-87	-37
<b>Education</b>	<b>8,483</b>	<b>10,563</b>	<b>11,642</b>	<b>13,072</b>	<b>15,801</b>
Business, Energy and Industrial Strategy	-4,305	-1,616	-1,630	-15	-1,197
Transport <sup>(1)</sup>	13	6,695	6,544	6,855	7,244
Digital, Culture, Media and Sport	646	743	497	804	605
MHCLG - Housing and Communities	-	121	207	-	-
Scotland	336	440	744	811	959
Wales	306	357	388	422	505
Northern Ireland	425	536	605	498	318
Environment, Food and Rural Affairs	-1	2	0	1	0
HM Revenue and Customs	0	0	-	-	-
HM Treasury <sup>(2)</sup>	-11,725	-12,715	-29,066	-19,732	-3,697
Small and Independent Bodies	-34	-23	34	251	429
<b>Total capital departmental AME</b>	<b>-6,189</b>	<b>5,024</b>	<b>-9,257</b>	<b>3,179</b>	<b>21,371</b>

(1) In 2014-15 the Government put in place a loan arrangement in advance of Network Rail's formal reclassification to the Public Sector in September 2014. This is included in Capital departmental AME as lending to the private sector.

(2) Transactions from 2013-14 onwards have been affected by financial sector interventions, see Box 2.A in Chapter 2 of PESA 2018.

**Table 6 Resource DEL excluding depreciation, 2013-14 to 2017-18**

£ million

	National Statistics				
	2013-14 outturn	2014-15 outturn	2015-16 outturn	2016-17 outturn	2017-18 outturn
<b>Resource DEL excluding depreciation by departmental group</b>					
Defence	26,055	25,632	26,696	26,592	26,901
Single Intelligence Account	1,564	1,606	1,768	1,920	2,020
Home Office	10,792	11,163	10,510	10,712	10,610
Foreign and Commonwealth Office	1,995	1,713	1,762	1,934	2,061
International Development	7,769	7,000	6,817	7,404	7,549
Health and Social Care	104,408	108,373	112,592	116,028	119,916
Work and Pensions	7,502	7,049	6,368	6,080	6,001
Education	59,182	59,860	59,180	59,894	60,372
Business, Energy and Industrial Strategy	2,111	2,155	2,225	1,607	1,448
Transport	3,695	2,468	1,913	1,585	2,090
Exiting the European Union	7	7	7	22	55
Digital, Culture, Media and Sport	1,228	1,407	1,262	1,407	1,436
MHCLG - Housing and Communities	1,957	2,050	2,173	2,471	2,391
MHCLG - Local Government	16,481	13,657	10,758	8,229	6,714
Scotland <sup>(1)</sup>	25,428	25,620	25,563	20,596	14,174
Wales	13,709	13,754	12,814	13,071	13,293
Northern Ireland	9,704	9,681	9,901	9,885	10,078
Justice	7,661	7,293	6,894	6,915	7,135
Law Officers' Departments	575	547	546	524	559
Environment, Food and Rural Affairs	1,687	1,666	1,568	1,556	1,659
HM Revenue and Customs	3,416	3,191	3,302	3,557	3,649
HM Treasury	-257	123	121	155	217
Cabinet Office	242	410	393	434	643
International Trade	204	277	339	343	381
Small and Independent Bodies	1,319	1,217	1,276	1,412	1,309
<b>Total Resource DEL excluding depreciation</b>	<b>308,432</b>	<b>307,920</b>	<b>306,749</b>	<b>304,333</b>	<b>302,661</b>

(1) The Scottish Government's DEL block grant has been adjusted from 2015-16 onwards as agreed in the Scottish Government's Fiscal Framework. From 2015-16 adjustments reflect the devolution of Stamp Duty Land Tax and Landfill Tax. In 2016-17 they reflect the creation of the Scottish Rate of Income Tax. From 2017-18 they reflect the devolution of further income tax powers and revenues from Scottish courts.

**Table 7 Total Departmental Expenditure Limits <sup>(1)</sup>, 2013-14 to 2017-18**

£ million

	National Statistics				
	2013-14 outturn	2014-15 outturn	2015-16 outturn	2016-17 outturn	2017-18 outturn
<b>Total DEL by departmental group</b>					
Defence	34,540	34,368	35,099	35,280	36,605
Single Intelligence Account	2,062	2,156	2,343	2,524	2,596
Home Office	11,311	11,683	10,986	11,222	11,234
Foreign and Commonwealth Office	2,115	1,870	1,893	1,994	1,809
International Development	10,020	9,650	9,250	9,992	10,262
Health and Social Care	109,775	113,345	117,245	120,584	125,154
Work and Pensions	7,740	7,300	6,556	6,372	6,433
Education	63,302	64,624	64,594	64,997	65,217
Business, Energy and Industrial Strategy	11,546	11,439	12,348	12,326	11,839
Transport <sup>(2)</sup>	12,231	11,914	7,914	7,004	8,311
Exiting the European Union	7	7	7	22	56
Digital, Culture, Media and Sport	1,261	1,671	1,611	1,682	1,786
MHCLG - Housing and Communities	5,687	6,383	6,022	7,585	9,025
MHCLG - Local Government	16,481	13,657	10,758	8,229	6,714
Scotland <sup>(3)</sup>	28,349	28,909	28,726	23,842	17,797
Wales	15,034	15,254	14,357	14,520	15,114
Northern Ireland	10,648	10,766	10,667	10,890	11,226
Justice	7,935	7,588	7,160	7,332	7,549
Law Officers' Departments	578	551	548	537	569
Environment, Food and Rural Affairs	2,236	2,358	2,138	2,211	2,291
HM Revenue and Customs	3,634	3,425	3,530	3,884	3,930
HM Treasury	-264	159	-540	153	139
Cabinet Office	347	516	431	555	834
International Trade	206	279	341	349	396
Small and Independent Bodies	1,395	1,300	1,366	1,515	1,487
<b>Total DEL</b>	<b>358,175</b>	<b>361,172</b>	<b>355,352</b>	<b>355,601</b>	<b>358,375</b>

(1) Total DEL is given by Resource DEL excluding depreciation (Table 6) plus Capital DEL (Table 4).

(2) Following implementation of ESA10, Network rail is now classified to Central Government. Consequently from 2015-16 there is no longer a Central Government capital grant to Network Rail. The actual expenditure of Network Rail appears in the Department for Transport departmental AME budget.

(3) The Scottish Government's DEL block grant has been adjusted from 2015-16 onwards as agreed in the Scottish Government's Fiscal Framework. From 2015-16 adjustments reflect the devolution of Stamp Duty Land Tax and Landfill Tax. In 2016-17 they reflect the creation of the Scottish Rate of Income Tax. From 2017-18 they reflect the devolution of further income tax powers and revenues from Scottish courts.

**Table 8 Total Managed Expenditure by departmental group and other expenditure , 2013-14 to 2017-18**

	£ million				
	National Statistics				
	2013-14 outturn	2014-15 outturn	2015-16 outturn	2016-17 outturn	2017-18 outturn
<b>Total Managed Expenditure by departmental group</b>					
Defence	40,789	42,729	47,148	40,405	53,324
Single Intelligence Account	2,081	2,198	2,478	2,537	2,615
Home Office	13,183	14,141	12,973	13,619	13,746
Foreign and Commonwealth Office	2,181	1,800	1,932	1,941	1,952
International Development	10,129	9,801	9,906	10,465	10,983
Health and Social Care <sup>(1)</sup>	127,899	135,292	165,784	148,380	164,819
Work and Pensions	170,678	174,814	179,808	179,206	183,649
Education	82,347	88,095	81,532	89,518	96,052
Business, Energy and Industrial Strategy <sup>(1)</sup>	12,589	18,772	112,936	16,092	86,039
Transport <sup>(2)</sup>	7,037	18,346	20,138	20,316	22,545
Exiting the European Union	7	7	7	22	56
Digital, Culture, Media and Sport	6,424	7,349	6,456	7,189	6,656
MHCLG - Housing and Communities	5,638	6,551	6,285	7,739	9,209
MHCLG - Local Government	27,605	25,319	22,932	20,642	22,466
Scotland	31,354	33,206	33,421	33,855	35,879
Wales	15,339	15,643	14,434	15,182	15,796
Northern Ireland	18,543	19,592	19,647	19,642	20,417
Justice	7,695	7,444	7,643	7,881	7,953
Law Officers' Departments	587	564	533	537	581
Environment, Food and Rural Affairs	2,143	2,437	2,529	2,298	2,263
HM Revenue and Customs	46,208	46,357	46,723	46,213	45,775
HM Treasury <sup>(3)</sup>	-5,778	-62,468	-43,383	-45,031	-4,242
Cabinet Office	8,987	11,088	10,797	9,695	11,997
International Trade	207	279	340	349	396
Small and Independent Bodies	1,323	1,148	1,064	1,664	1,972
<b>Total departmental expenditure <sup>(4)</sup></b>	<b>635,194</b>	<b>620,504</b>	<b>764,065</b>	<b>650,353</b>	<b>812,898</b>
Central government gross debt interest	48,797	45,371	45,127	48,659	55,037
Locally financed expenditure	30,062	32,104	38,876	42,817	47,557
Public sector depreciation	37,959	39,014	40,078	40,782	41,055
Net expenditure transfers to the EU	11,879	11,658	11,253	9,160	10,188
Public corporations' own-financed capital expenditure	14,400	18,027	14,594	16,675	15,016
Accounting adjustments	-44,478	-16,233	-157,225	-36,483	-186,875
<b>Total other expenditure <sup>(5)</sup></b>	<b>98,619</b>	<b>129,941</b>	<b>-7,298</b>	<b>121,609</b>	<b>-18,022</b>
<b>Total Managed Expenditure <sup>(6)</sup></b>	<b>733,813</b>	<b>750,445</b>	<b>756,767</b>	<b>771,962</b>	<b>794,876</b>

(1) Figures in 2015-16 and 2017-18 reflect a change to the long-term discount rate used each year for provisions to maintain compliance with International Financial Reporting Standards.

(2) Following implementation of ESA10, 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. In 2014-15 the Government put in place a loan arrangement in advance of Network Rail's formal reclassification to the Public Sector in September 2014. This is included in Capital departmental AME as lending to the private sector. Figures in 2013-14 reflect a change in accounting policy for recognising impairment on the roads network.

(3) Transactions from 2013-14 onwards have been affected by financial sector interventions, see Box 2.A in Chapter 2 of PESA 2018.

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

(5) Total other expenditure is other AME spend within total managed expenditure.

(6) This excludes the temporary effects of banks being classified to the public sector. See Box 2.A in Chapter 2 of PESA 2018.

**Table 9 Accounting adjustments <sup>(1)</sup>, 2013-14 to 2017-18**

	£ billion				
	2013-14	2014-15	2015-16	2016-17	2017-18
	outturn	outturn	outturn	outturn	outturn
<b>Remove data in budgets which form part of public sector current expenditure but where a different source is used for National Accounts</b>					
<b>Resource DEL</b>					
Capital consumption (excluding NHS)	-17.7	-15.0	-14.6	-15.3	-13.9
NHS capital consumption	-2.1	-1.8	-1.9	-1.9	-2.2
Interest	-0.3	-0.2	-0.1	-0.2	-1.3
Public corporation subsidies	-1.0	-0.7	-0.6	-0.5	-0.4
Other	0.0	0.1	0.0	0.0	0.0
<b>Total resource DEL</b>	<b>-21.0</b>	<b>-17.7</b>	<b>-17.3</b>	<b>-17.8</b>	<b>-17.9</b>
<b>Resource departmental AME</b>					
Capital consumption	4.7	-1.2	-6.3	-6.7	-6.2
Interest	1.3	2.1	3.3	1.6	2.1
Subsidy element of renewable obligation certificates	-	-	-	-	-
Subsidy element of other environmental levies	-0.1	-0.2	-0.4	-0.5	-0.7
NNDR outturn adjustment	-0.3	-	-	0.0	0.0
Public corporation subsidies	-0.1	-0.1	-0.2	-0.2	-0.2
Other	0.2	0.1	0.0	0.3	0.1
<b>Total resource departmental AME</b>	<b>5.7</b>	<b>0.7</b>	<b>-3.5</b>	<b>-5.5</b>	<b>-4.8</b>
Adjustment for different data used by OBR in PSCE forecast	-	-	-	-	-
of which DEL	-	-	-	-	-
of which AME	-	-	-	-	-
<b>Total resource budget data replaced by different source data</b>	<b>-15.3</b>	<b>-16.9</b>	<b>-20.8</b>	<b>-23.3</b>	<b>-22.7</b>
<b>Remove data in budgets which do not form part of public sector current expenditure</b>					
<b>Resource DEL</b>					
Impairments	1.6	-0.5	-0.4	-0.7	-1.0
Receipts treated as negative DEL but revenue in National Accounts	0.1	0.1	0.1	0.0	0.0
Fees, levies and charges	-	-	-	-	-
Grant equivalent element of student lending	-6.1	-1.8	-3.7	-9.3	-13.7
Stock write-offs	0.0	0.0	0.0	0.0	0.1
Change in pension scheme liabilities	0.0	-0.1	0.0	0.0	-0.1
Miscellaneous current transfers	2.5	2.7	2.5	2.7	1.7
Northern Ireland Executive transfers between DEL and AME <sup>(2)</sup>	0.6	0.7	0.7	0.6	0.6
Profit or loss - sale of company securities	0.0	0.0	0.1	0.1	0.1
Profit or loss - sale of other assets (capital in National Accounts)	-0.8	0.2	0.3	0.3	0.1
EU-funded expenditure	-0.2	0.2	0.0	-0.4	-0.3
Other	0.6	0.7	1.1	1.0	1.1
<b>Total resource DEL</b>	<b>-1.8</b>	<b>2.4</b>	<b>0.6</b>	<b>-5.7</b>	<b>-11.4</b>
<b>Resource departmental AME</b>					
Impairments	-14.4	43.9	-5.0	22.4	-6.0
Bad debts	-0.5	-0.4	-0.4	-0.2	-0.4
Grant-equivalent element of student lending	-0.6	-0.4	7.5	0.1	0.0
Provisions	-8.2	-9.9	-127.5	-12.8	-93.8
Change in pension scheme liabilities	-29.1	-34.8	-37.6	-36.2	-54.3
Unwinding of discount rate on pension scheme liabilities	-38.0	-46.3	-42.9	-42.0	-42.7
Release of provisions covering payments of pension benefits	32.2	34.2	35.3	35.5	36.5
Fees, levies and charges	-	-	-	-	-
Profit or loss - sale of other assets (capital in National Accounts)	0.0	0.0	0.1	0.1	-0.8
Imputed tax element of renewable obligation certificates	-	-	-	-	-
Imputed tax element of other environmental levies	-	-	-	-	-
Tax credits	0.0	0.0	0.0	0.0	0.0
Other	7.2	2.6	6.4	3.2	3.0
<b>Total resource departmental AME</b>	<b>-51.2</b>	<b>-11.1</b>	<b>-164.1</b>	<b>-30.0</b>	<b>-158.6</b>
<b>Total resource budget data not in public sector current expenditure</b>	<b>-53.0</b>	<b>-8.7</b>	<b>-163.5</b>	<b>-35.7</b>	<b>-170.0</b>



**Table 9 Accounting adjustments <sup>(1)</sup>, 2013-14 to 2017-18 (continued)**

	£ billion				
	2013-14	2014-15	2015-16	2016-17	2017-18
	outturn	outturn	outturn	outturn	outturn
<b>Central government adjustments in National Accounts</b>					
Expenditure on goods and services	24.6	25.5	22.6	25.0	24.5
of which: VAT refunds	5.0	5.0	5.0	5.0	5.2
of which: Single use military expenditure	0.3	0.3	-	-	-
of which: payment from EU for tax collection costs	-0.7	-0.8	-0.8	-0.8	-0.7
of which: capital consumption	17.6	17.9	18.3	18.3	18.5
of which: ONS R&D Adjustment	-	-	-	-2.7	-
of which: Network Rail	-	-	-	-	-
of which: other	2.4	3.0	0.0	5.1	1.5
Net social benefits	1.0	1.1	0.2	0.9	0.4
of which: switch between benefits and other current grants	0.3	0.3	0.1	-	-
of which: other	0.7	0.9	0.2	0.9	0.4
Net current grants abroad	0.8	0.7	1.1	0.8	0.7
of which: attributed aid	-0.1	-	-	-	-
of which: EU receipts	-	-	0.1	0.1	0.1
of which: other	0.9	0.7	1.0	0.7	0.6
Other current grants	0.7	0.5	0.0	-1.1	2.1
of which: switch between other current grants and benefits	-0.3	-0.3	-0.1	-	-
of which: other	1.0	0.7	0.1	-1.1	2.1
Subsidies	3.1	4.2	4.5	5.8	7.2
of which: Renewable Obligation Certificates	2.5	3.1	3.9	4.7	6.1
of which: other environmental levies	-	0.2	0.4	0.5	0.7
of which: company tax credits outside departmental AME	-	-	-	-	-
of which: other	0.6	0.9	0.2	0.6	0.4
VAT and GNI based EU contributions	0.0	0.1	0.0	0.4	0.0
of which: other	0.0	0.1	0.0	0.4	0.0
<b>Total central government resource adjustments</b>	<b>30.3</b>	<b>32.0</b>	<b>28.5</b>	<b>31.8</b>	<b>34.8</b>
<b>Local government adjustments in National Accounts</b>					
Remove data which do not form part of public sector current expenditure	-3.7	-3.0	-3.5	-3.3	-4.6
of which: Northern Ireland regional rates	-0.6	-0.7	-0.7	-0.6	-0.6
of which: retirement benefits	-	-	-	-	-
of which: debt-interest payments to central government	-3.1	-2.5	-2.9	-2.8	-2.8
of which: other	0.1	0.1	0.1	0.1	-1.1
Adjustments to reconcile use of different data sources	0.6	0.0	0.5	-0.7	0.0
of which: central government support	-1.6	-1.3	-1.6	-2.3	-3.2
of which: debt interest	0.7	0.0	0.4	0.3	0.2
of which: police and fire top-up grants	-	-	-	-	-
of which: other	1.5	1.4	1.7	1.3	2.9
Expenditure on goods and services	16.8	17.1	17.8	18.7	19.4
of which: VAT refunds	6.6	6.6	6.9	7.1	6.8
of which: Local Authority Pension Scheme	0.6	0.2	0.4	0.2	0.1
of which: capital consumption	10.1	10.5	11.0	11.5	12.0
of which: rates	-1.4	-1.4	-1.4	-1.4	-1.4
of which: other	0.9	1.1	0.9	1.3	1.8
Subsidies	0.4	0.6	0.7	0.9	1.1
of which: equity injection into Housing Revenue Account	0.4	0.6	0.7	0.9	1.7
of which: other	-	-	-	0.0	-0.6
Net social benefits	0.5	0.5	0.7	0.6	0.4
of which: housing benefits and rent rebates	0.1	0.0	0.0	0.0	-0.3
of which: other	0.4	0.5	0.7	0.7	0.7
Other current grants and current grants abroad	0.1	0.1	0.1	0.1	0.1
<b>Total local government resource adjustments</b>	<b>14.6</b>	<b>15.1</b>	<b>16.2</b>	<b>16.3</b>	<b>16.4</b>
<b>Other resource adjustments</b>					
Public corporations	3.3	3.7	3.8	3.8	2.6
Asset Purchase Facility and Special Liquidity Scheme	-12.6	-12.4	-11.7	-13.2	-13.5
Other	0.0	0.0	0.0	0.0	0.0
<b>Total other resource adjustments</b>	<b>-9.2</b>	<b>-8.7</b>	<b>-7.9</b>	<b>-9.3</b>	<b>-11.0</b>
<b>Total resource adjustments</b>	<b>-32.6</b>	<b>12.8</b>	<b>-147.5</b>	<b>-20.2</b>	<b>-152.4</b>
<i>of which:</i>					
Timing adjustments <sup>(3)</sup>					
Central government	5.8	6.5	-0.8	4.0	2.9
Local government	1.5	1.6	1.7	2.0	2.1

**Table 9 Accounting adjustments <sup>(1)</sup>, 2013-14 to 2017-18 (continued)**

	2013-14	2014-15	2015-16	2016-17	2017-18
	outturn	outturn	outturn	outturn	outturn
<b>£ billion</b>					
<b>Central government adjustments in National Accounts</b>					
<b>Capital DEL</b>					
Change in inventories	0.0	0.1	0.0	-0.3	-0.7
Acquisitions less disposals of valuables	0.0	0.0	0.0	0.0	0.0
<b>Total capital DEL</b>	<b>0.0</b>	<b>0.1</b>	<b>0.0</b>	<b>-0.3</b>	<b>-0.7</b>
Adjustment for different data used by OBR in PSGI forecast	-	-	-	-	-
<i>of which DEL</i>	-	-	-	-	-
<i>of which AME</i>	-	-	-	-	-
<b>Total capital budget data replaced by different source data</b>	<b>0.0</b>	<b>0.1</b>	<b>0.0</b>	<b>-0.3</b>	<b>-0.7</b>
<b>Remove data in budgets which do not form part of public sector gross investment</b>					
<b>Capital DEL</b>					
Net lending to private sector	-2.9	-2.9	-1.9	-3.9	-4.9
Capital support for public corporations	0.4	1.0	0.1	0.3	-0.1
Local government supported capital expenditure	0.0	0.0	-0.3	-0.2	-0.2
Northern Ireland Executive transfers between DEL and AME <sup>(2)</sup>	0.2	0.3	0.3	0.2	0.0
Other	0.0	0.9	0.0	-1.8	-0.4
<b>Total capital DEL</b>	<b>-2.2</b>	<b>-0.7</b>	<b>-1.8</b>	<b>-5.4</b>	<b>-5.6</b>
<b>Capital departmental AME</b>					
Net lending to private sector	4.3	2.0	17.2	4.7	-13.6
Capital support for public corporations	0.8	-0.3	-0.1	-0.2	-0.2
Purchase of company securities	-	-	-	-	-
Sale of company securities	-	-	-	-	-
Northern Ireland Executive and Scottish Government transfers between DEL and AME	-0.2	-0.2	-0.3	-0.2	0.0
Other	0.6	-6.5	-0.3	-0.4	-0.8
<b>Total capital departmental AME</b>	<b>5.5</b>	<b>-5.0</b>	<b>16.5</b>	<b>4.0</b>	<b>-14.7</b>
<b>Total capital budget data not in public sector gross investment</b>	<b>3.3</b>	<b>-5.7</b>	<b>14.6</b>	<b>-1.4</b>	<b>-20.3</b>
<b>Central government adjustments in National Accounts</b>					
Gross fixed capital formation	6.8	5.7	-0.3	-1.8	-1.3
<i>of which: profit or loss - sale of other assets (from resource budgets)</i>	0.8	-0.2	-0.3	-0.4	0.7
<i>of which: Network Rail</i>	-	-	-	-	-
<i>of which: Single use military expenditure</i>	-0.3	-0.3	-	-	-
<i>of which: other</i>	6.3	6.2	0.0	-1.4	-2.1
Capital grants to and from the private sector	-5.8	-6.4	-0.5	1.5	1.4
<i>of which: VAT refunds</i>	0.1	0.1	0.1	0.1	0.1
<i>of which: Royal Mail assets transfer</i>	-	-	-	-	-
<i>of which: Network Rail</i>	-3.6	-4.1	-	-	-
<i>of which: other</i>	-2.2	-2.4	-0.6	1.4	1.3
<b>Total central government capital adjustments</b>	<b>1.0</b>	<b>-0.7</b>	<b>-0.8</b>	<b>-0.3</b>	<b>0.1</b>
<b>Local government adjustments in National Accounts</b>					
Adjustments to reconcile use of different data sources	-2.8	-3.7	-4.6	-1.7	-4.9
<i>of which: overhanging debt</i>	-	-0.1	-0.2	-	-
<i>of which: central government support</i>	0.4	0.7	1.3	2.3	-0.2
<i>of which: financial transactions</i>	-2.1	-2.7	-4.3	-2.6	-2.8
<i>of which: capital grants from private sector</i>	-1.1	-1.5	-1.4	-1.4	-1.9
Gross fixed capital formation	3.5	3.5	3.6	3.2	3.7
<i>of which: VAT refunds</i>	2.0	2.0	2.1	1.7	1.8
<i>of which: roads de-trunking</i>	0.0	-	-	-	-
<i>of which: other</i>	1.6	1.5	1.5	1.5	1.9
Capital grants	-0.1	-0.1	-0.1	0.0	-0.1
<i>of which: grants to public corporations</i>	-	-	-	-	-
<i>of which: other</i>	-0.1	-0.1	-0.1	0.0	-0.1
<b>Total local government capital adjustments</b>	<b>0.7</b>	<b>-0.3</b>	<b>-1.1</b>	<b>1.5</b>	<b>-1.3</b>
<b>Other capital adjustments</b>					
Public corporations	-1.2	-0.7	0.1	-0.1	0.4
Housing Revenue Account reform receipts	-	-	-0.9	-	-
Other	0.0	0.1	-0.2	-0.2	-0.1
<b>Total other capital adjustments</b>	<b>-1.1</b>	<b>-0.6</b>	<b>-1.1</b>	<b>-0.3</b>	<b>0.3</b>
<b>Total capital adjustments</b>	<b>3.8</b>	<b>-7.2</b>	<b>11.6</b>	<b>-0.7</b>	<b>-21.9</b>
<i>of which:</i>					
Timing adjustments <sup>(3)</sup>					
Central government	2.7	1.6	-0.4	-0.5	-1.2
Local government	-0.1	-0.1	-0.1	-0.1	0.8

(1) The accounting adjustments are described in Annex D of PESA 2018.

(2) Northern Ireland Executive expenditure offsets with Northern Ireland domestic rates (part of other AME and not in budgets) in local government adjustments.

(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 10 Public sector expenditure on services by function, 1997-98 to 2017-18**

National Statistics

£ billion

	cash		accruals																		
	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn
1. General public services	39.0	39.8	37.2	38.7	36.1	35.5	38.7	43.0	46.1	48.4	51.3	54.7	50.1	62.9	63.8	59.5	61.1	59.4	59.7	63.5	68.0
<i>of which: public and common services</i>	6.2	7.2	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	11.2	12.5	12.4
<i>of which: international services</i>	3.1	3.2	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	10.4	10.9	10.7
<i>of which: public sector debt interest</i>	29.7	29.4	25.5	26.6	22.6	21.2	22.7	25.4	27.1	29.4	32.1	34.3	29.2	42.3	44.6	40.6	40.1	37.4	38.0	40.2	44.9
2. Defence <sup>(1)</sup>	21.7	24.5	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
3. Public order and safety	17.1	18.0	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	30.5	30.2	30.1	31.5
4. Economic affairs	21.6	19.6	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	40.6	46.5	48.6	54.1
<i>of which: enterprise and economic development <sup>(2)</sup></i>	4.3	3.1	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	6.3	7.1	7.9	9.5
<i>of which: science and technology</i>	1.4	1.4	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	4.5	4.8	4.6	5.1
<i>of which: employment policies</i>	2.5	2.9	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	2.8	2.4	2.4	2.6
<i>of which: agriculture, fisheries and forestry</i>	4.7	4.4	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	5.2
<i>of which: transport <sup>(3), (4)</sup></i>	8.7	7.8	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	21.8	27.7	28.5	31.7
5. Environment protection	4.0	4.3	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	11.0	12.0
6. Housing and community amenities	4.9	5.5	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	11.3
7. Health	44.5	46.9	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	145.8
8. Recreation, culture and religion	6.4	7.2	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
9. Education <sup>(5)</sup>	38.6	40.0	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	86.7	87.9
10. Social protection	114.5	115.2	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	268.3
EU transactions <sup>(6)</sup>	-3.7	-2.6	-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
<b>Public sector expenditure on services</b>	<b>308.6</b>	<b>318.4</b>	<b>331.4</b>	<b>353.0</b>	<b>376.1</b>	<b>402.6</b>	<b>439.0</b>	<b>471.1</b>	<b>501.7</b>	<b>523.7</b>	<b>555.5</b>	<b>604.0</b>	<b>639.8</b>	<b>660.2</b>	<b>662.3</b>	<b>665.8</b>	<b>676.1</b>	<b>687.9</b>	<b>701.8</b>	<b>711.7</b>	<b>734.3</b>
Accounting adjustments	24.8	24.7	24.7	25.3	28.1	35.2	38.5	45.7	44.7	48.2	51.1	57.7	55.4	57.2	55.0	66.0	57.7	62.5	55.0	60.2	60.5
<b>Total Managed Expenditure <sup>(7)</sup></b>	<b>333.4</b>	<b>343.1</b>	<b>356.1</b>	<b>378.3</b>	<b>404.2</b>	<b>437.8</b>	<b>477.5</b>	<b>516.9</b>	<b>546.4</b>	<b>571.9</b>	<b>606.5</b>	<b>661.7</b>	<b>695.2</b>	<b>717.4</b>	<b>717.3</b>	<b>731.8</b>	<b>733.8</b>	<b>750.4</b>	<b>756.8</b>	<b>772.0</b>	<b>794.9</b>

(1) The 2015 Spending Review continued the commitment to meet the NATO investment pledge to spend 2% of GDP on Defence for the rest of this decade. 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](http://www.nato.int/cps/on/natohq/topics_49198.htm)

(2) Transactions in 2008-09 onwards have been affected by financial sector interventions. Details are provided in PESA 2018 chapter 5 Box 5.A.

(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. The functional analysis shown includes Network Rail spending 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 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 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. See PESA 2018 Box 5.A for details.

**Table 10a Public sector expenditure on services by function in real terms <sup>(1)</sup>, 1997-98 to 2017-18**

National Statistics

£ billion

	cash		accruals																		
	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn
1. General public services	56.7	57.0	53.2	54.1	50.0	47.9	51.2	55.4	57.9	59.0	61.0	63.3	57.2	70.5	70.6	64.6	65.1	62.4	62.2	64.8	68.0
<i>of which: public and common services</i>	9.0	10.3	11.4	11.0	12.7	13.2	14.4	15.6	16.1	15.5	14.9	16.2	15.8	14.4	12.7	12.1	11.9	12.0	11.7	12.7	12.4
<i>of which: international services</i>	4.5	4.6	5.3	5.9	6.0	6.1	6.7	7.1	7.8	7.7	8.0	7.4	8.1	8.7	8.6	8.4	10.4	11.0	10.9	11.1	10.7
<i>of which: public sector debt interest</i>	43.1	42.1	36.4	37.1	31.3	28.6	30.1	32.8	34.0	35.9	38.1	39.7	33.4	47.4	49.3	44.1	42.7	39.4	39.7	41.0	44.9
2. Defence <sup>(2)</sup>	31.5	35.2	35.9	35.9	35.2	36.5	38.1	38.4	38.9	39.3	40.1	42.6	43.1	44.1	42.8	39.4	38.8	38.6	38.2	37.9	38.7
3. Public order and safety	24.9	25.8	26.3	28.5	32.0	33.0	34.9	36.7	36.8	37.1	37.7	39.0	38.9	37.1	35.5	34.0	31.5	32.1	31.5	30.7	31.5
4. Economic affairs	31.4	28.1	30.7	33.3	38.3	41.5	43.8	43.3	44.3	45.7	44.5	57.6	55.6	44.8	41.8	39.9	43.6	42.7	48.5	49.6	54.1
<i>of which: enterprise and economic development <sup>(3)</sup></i>	6.2	4.4	6.3	6.8	7.1	8.0	7.9	8.4	8.0	7.7	8.4	18.8	13.9	5.5	5.3	5.4	7.2	6.6	7.4	8.1	9.5
<i>of which: science and technology</i>	2.0	2.0	2.0	2.0	2.4	2.8	3.0	3.2	3.8	3.5	3.9	3.7	4.1	3.8	4.0	3.6	4.5	4.7	5.0	4.7	5.1
<i>of which: employment policies</i>	3.6	4.2	5.0	5.3	4.6	4.1	4.2	4.1	4.1	4.0	2.5	4.1	4.7	5.3	3.6	3.2	4.0	3.0	2.5	2.4	2.6
<i>of which: agriculture, fisheries and forestry</i>	6.8	6.3	6.1	6.6	8.7	6.6	7.0	7.0	7.0	6.2	5.1	6.7	6.6	6.2	6.4	5.7	5.7	5.5	4.7	5.3	5.2
<i>of which: transport <sup>(4), (5)</sup></i>	12.6	11.2	11.3	12.6	15.6	20.0	21.6	20.6	21.3	24.3	24.5	24.3	26.3	24.1	22.6	21.9	22.2	22.9	28.9	29.1	31.7
5. Environment protection	5.8	6.2	7.0	7.1	7.5	8.1	8.2	9.0	10.7	11.5	11.4	10.7	11.9	12.2	11.6	11.9	12.2	12.1	11.3	12.0	
6. Housing and community amenities	7.1	7.9	6.7	7.7	8.6	7.3	8.9	10.3	13.4	14.0	15.5	17.7	18.6	14.9	11.2	10.8	10.5	10.8	10.3	10.5	11.3
7. Health	64.7	67.3	70.6	75.8	82.8	89.4	99.1	106.8	112.7	115.5	120.3	125.9	133.5	134.4	134.2	134.8	137.8	141.0	144.5	145.5	145.8
8. Recreation, culture and religion	9.3	10.3	11.0	10.9	11.9	12.6	12.8	12.9	13.6	13.9	14.2	14.4	15.1	14.6	13.8	13.8	12.4	13.1	11.9	11.8	11.5
9. Education <sup>(6)</sup>	56.1	57.4	60.3	64.2	70.9	73.9	80.7	83.9	87.6	89.0	93.6	96.1	101.1	102.6	95.7	91.2	90.2	89.5	88.6	88.5	87.9
10. Social protection	166.4	165.3	175.8	179.6	190.2	196.2	205.9	211.4	214.7	215.8	224.4	235.6	254.7	258.3	271.0	274.9	270.8	274.6	276.4	270.8	268.3
EU transactions <sup>(7)</sup>	-5.4	-3.7	-3.9	-3.6	-6.6	-2.6	-2.8	-1.2	-0.8	-2.2	-1.8	-3.4	1.0	6.6	4.8	7.3	7.7	6.5	8.0	4.8	5.4
<b>Public sector expenditure on services</b>	<b>448.5</b>	<b>456.8</b>	<b>473.7</b>	<b>493.4</b>	<b>520.5</b>	<b>543.7</b>	<b>580.8</b>	<b>606.9</b>	<b>629.8</b>	<b>638.5</b>	<b>660.8</b>	<b>699.6</b>	<b>730.7</b>	<b>740.2</b>	<b>733.0</b>	<b>722.2</b>	<b>720.2</b>	<b>723.5</b>	<b>732.2</b>	<b>726.1</b>	<b>734.3</b>
Accounting adjustments	36.1	35.5	35.3	35.4	38.9	47.6	50.9	58.9	56.1	58.7	60.8	66.9	63.3	64.1	60.9	71.6	61.5	65.8	57.4	61.5	60.5
<b>Total Managed Expenditure <sup>(8)</sup></b>	<b>484.5</b>	<b>492.3</b>	<b>509.0</b>	<b>528.8</b>	<b>559.4</b>	<b>591.2</b>	<b>631.8</b>	<b>665.9</b>	<b>685.9</b>	<b>697.2</b>	<b>721.6</b>	<b>766.4</b>	<b>794.0</b>	<b>804.3</b>	<b>793.8</b>	<b>793.9</b>	<b>781.7</b>	<b>789.3</b>	<b>789.6</b>	<b>787.5</b>	<b>794.9</b>

(1) Real terms figures are the nominal figures adjusted to 2017-18 price levels using GDP deflators from the Office for National Statistics (released 29 March 2019).

(2) The 2015 Spending Review continued the commitment to meet the NATO investment pledge to spend 2% of GDP on Defence for the rest of this decade. 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/hatohq/topics\\_49198.htm](http://www.nato.int/cps/on/hatohq/topics_49198.htm)

(3) Transactions from 2008-09 onwards have been affected by financial sector interventions. Details are provided in PESA 2018 chapter 5 Box 5.A.

(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 from 2011-12 onwards.

(6) 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.

(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. See PESA 2018 Box 5.A for details.

**Table 10b Public sector expenditure on services by function as a per cent of GDP <sup>(1)</sup>, 1997-98 to 2017-18**

National Statistics

	per cent																				
	cash		accruals																		
	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn	outturn
1. General public services	4.1	4.0	3.6	3.5	3.2	3.0	3.1	3.2	3.3	3.3	3.3	3.5	3.2	3.9	3.5	3.4	3.2	3.1	3.2	3.2	3.3
<i>of which: public and common services</i>	0.6	0.7	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	0.7	0.6	0.6	0.6	0.6	0.6
<i>of which: international services</i>	0.3	0.3	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.6	0.5	0.5	0.5
<i>of which: public sector debt interest</i>	3.1	2.9	2.4	2.4	2.0	1.8	1.8	1.9	1.9	2.0	2.1	2.2	1.9	2.6	2.7	2.4	2.3	2.0	2.0	2.0	2.2
2. Defence <sup>(2)</sup>	2.3	2.4	2.4	2.3	2.2	2.2	2.3	2.2	2.2	2.2	2.2	2.4	2.4	2.4	2.3	2.1	2.0	2.0	1.9	1.9	1.9
3. Public order and safety	1.8	1.8	1.8	1.9	2.0	2.0	2.1	2.1	2.1	2.0	2.0	2.2	2.2	2.1	1.9	1.8	1.7	1.6	1.6	1.5	1.5
4. Economic affairs	2.3	2.0	2.1	2.2	2.4	2.6	2.6	2.5	2.5	2.5	2.4	3.2	3.1	2.5	2.3	2.1	2.3	2.2	2.4	2.4	2.6
<i>of which: enterprise and economic development <sup>(3)</sup></i>	0.4	0.3	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.4	0.5	1.0	0.8	0.3	0.3	0.3	0.4	0.3	0.4	0.4	0.5
<i>of which: science and technology</i>	0.1	0.1	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	0.3	0.2	0.2
<i>of which: employment policies</i>	0.3	0.3	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
<i>of which: agriculture, fisheries and forestry</i>	0.5	0.4	0.4	0.4	0.6	0.4	0.4	0.4	0.4	0.3	0.3	0.4	0.4	0.3	0.4	0.3	0.3	0.3	0.2	0.3	0.3
<i>of which: transport <sup>(4), (5)</sup></i>	0.9	0.8	0.8	0.8	1.0	1.2	1.3	1.2	1.2	1.3	1.3	1.3	1.5	1.3	1.2	1.2	1.2	1.2	1.4	1.4	1.5
5. Environment protection	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.7	0.7	0.6	0.6	0.6	0.6	0.6	0.6	0.6
6. Housing and community amenities	0.5	0.5	0.4	0.5	0.5	0.4	0.5	0.6	0.8	0.8	0.8	1.0	1.1	0.8	0.6	0.6	0.6	0.6	0.5	0.5	0.5
7. Health	4.6	4.7	4.7	4.9	5.2	5.5	5.9	6.2	6.4	6.4	6.5	7.0	7.6	7.5	7.3	7.3	7.3	7.2	7.2	7.2	7.1
8. Recreation, culture and religion	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.9	0.8	0.8	0.7	0.7	0.7	0.6	0.6	0.6
9. Education <sup>(6)</sup>	4.0	4.0	4.0	4.2	4.5	4.6	4.8	4.9	4.9	4.9	5.0	5.3	5.7	5.7	5.2	4.9	4.8	4.6	4.4	4.4	4.2
10. Social protection	11.9	11.5	11.8	11.7	12.0	12.1	12.3	12.4	12.1	11.9	12.1	13.0	14.4	14.3	14.8	14.8	14.3	14.1	13.9	13.3	13.0
EU transactions <sup>(7)</sup>	-0.4	-0.3	-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
<b>Public sector expenditure on services</b>	<b>32.2</b>	<b>31.7</b>	<b>31.7</b>	<b>32.1</b>	<b>33.0</b>	<b>33.5</b>	<b>34.6</b>	<b>35.5</b>	<b>35.5</b>	<b>35.2</b>	<b>35.6</b>	<b>38.6</b>	<b>41.4</b>	<b>41.1</b>	<b>40.1</b>	<b>38.9</b>	<b>38.0</b>	<b>37.1</b>	<b>36.7</b>	<b>35.8</b>	<b>35.5</b>
Accounting adjustments	2.6	2.5	2.4	2.3	2.5	2.9	3.0	3.4	3.2	3.2	3.3	3.7	3.6	3.6	3.3	3.9	3.2	3.4	2.9	3.0	2.9
<b>Total Managed Expenditure <sup>(8)</sup></b>	<b>34.8</b>	<b>34.2</b>	<b>34.1</b>	<b>34.4</b>	<b>35.4</b>	<b>36.5</b>	<b>37.6</b>	<b>38.9</b>	<b>38.7</b>	<b>38.4</b>	<b>38.9</b>	<b>42.3</b>	<b>44.9</b>	<b>44.7</b>	<b>43.5</b>	<b>42.8</b>	<b>41.2</b>	<b>40.5</b>	<b>39.6</b>	<b>38.8</b>	<b>38.4</b>

(1) GDP until 2017-18 is consistent with the latest figures from the Office for National Statistics (published 29 March 2019).

(2) The 2015 Spending Review continued the commitment to meet the NATO investment pledge to spend 2% of GDP on Defence for the rest of this decade. 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/ov/natohq/topics\\_49198.htm](http://www.nato.int/cps/ov/natohq/topics_49198.htm)

(3) Transactions from 2008-09 onwards have been affected by financial sector interventions. Details are provided in PESA 2018 chapter 5 Box 5.A.

(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 from 2011-12 onwards.

(6) 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.

(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. See PESA 2018 Box 5.A for details.

**Table 11 Public sector expenditure on services by economic category, 2013-14 to 2017-18**

	£million				
	National Statistics				
	2013-14 outturn	2014-15 outturn	2015-16 outturn	2016-17 outturn	2017-18 outturn
<b>Public sector current expenditure on services</b>					
Pay	163,286	166,621	171,602	174,952	183,538
Gross current procurement	199,028	205,722	208,491	214,301	216,330
Income from sales of goods and services	-51,066	-53,035	-51,883	-56,309	-58,781
Current grants to persons and non-profit bodies	231,893	234,881	236,656	237,951	237,363
Current grants abroad	14,067	12,402	13,694	11,381	12,321
Subsidies to private sector companies	9,040	8,820	9,972	10,904	11,439
Subsidies to public corporations	1,137	928	924	766	712
Net public service pensions	9,081	10,182	9,649	8,891	9,284
Public sector debt interest	40,108	37,418	38,006	40,154	44,899
Other	278	289	215	478	1,006
<b>Total public sector current expenditure on services</b>	<b>616,851</b>	<b>624,228</b>	<b>637,326</b>	<b>643,469</b>	<b>658,111</b>
Accounting adjustments	48,308	50,589	45,289	49,241	53,053
<b>Total public sector current expenditure</b>	<b>665,159</b>	<b>674,817</b>	<b>682,615</b>	<b>692,710</b>	<b>711,164</b>
<b>Public sector capital expenditure on services</b>					
Capital grants <sup>(1)</sup>	15,653	18,313	14,546	12,504	14,610
Gross capital procurement	47,470	51,126	57,028	61,931	66,047
Income from sales of capital assets	-3,870	-5,765	-7,134	-6,186	-4,441
<b>Total public sector capital expenditure on services</b>	<b>59,253</b>	<b>63,674</b>	<b>64,440</b>	<b>68,249</b>	<b>76,216</b>
Accounting adjustments	9,401	11,955	9,712	11,003	7,496
<b>Total public sector capital expenditure</b>	<b>68,654</b>	<b>75,628</b>	<b>74,152</b>	<b>79,252</b>	<b>83,712</b>
<b>Total public sector expenditure on services</b>	<b>676,104</b>	<b>687,902</b>	<b>701,766</b>	<b>711,718</b>	<b>734,326</b>
Accounting adjustments	57,709	62,544	55,001	60,244	60,550
<b>Total Managed Expenditure <sup>(2)</sup></b>	<b>733,813</b>	<b>750,445</b>	<b>756,767</b>	<b>771,962</b>	<b>794,876</b>

(1) Transactions from 2013-14 onwards have been affected by financial sector interventions. See Box 5.A in PESA 2018.

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