



HM Treasury

Public Expenditure

Statistical Analyses 2022



Public Expenditure

Statistical Analyses 2022

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

July 2022



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How to use PESA

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

What is PESA?

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

Table i.1 Spending frameworks used in PESA

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

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

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

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

Budgets

There are two main presentations within this section:

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

Public sector

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

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

Sectoral analysis

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

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

Country and regional analysis

The country and regional analysis (CRA) show identifiable public sector expenditure by country and region. The CRA is presented in **Chapters 9 and 10** of PESA and the information for these tables was gathered in a separate data collection exercise during the summer of 2021. Therefore, the figures in these chapters are not entirely consistent with the figures in other PESA chapters. **Chapter 9** contains more detail on the analysis process.

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

Period covered by PESA tables

All data series in PESA are annual and for financial years. Tables in PESA 2022 normally cover the years 2017-18 to 2024-25, although some show only the latest year of outturn (2021-22) and some are presented over a longer historical period.

Public Spending Statistics (National Statistics) updates

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

- Total Managed Expenditure, by budgetary category (PESA 2022, **Table 1.1**);
- resource and capital elements of Departmental Expenditure Limits and Annually Managed Expenditure by departmental group (PESA 2022, **Tables 1.3 and 1.8**);
- public sector expenditure on services by function (PESA 2022, **Table 4.2**); and
- public sector expenditure on services by economic category (PESA 2022, **Table 5.3**).

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

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

The Editor, PESA
Government Financial Reporting
Floor 2 Red Zone
HM Treasury
1 Horse Guards Road
London
SW1A 2HQ
e-mail: pesa@hmtreasury.gsi.gov.uk

A user survey, gathering feedback on the outturn data presented in the Public Spending Statistics National Statistics releases, has been launched this year. This data also feeds into the PESA outturn statistics. If you would like to access the survey to assist with user feedback and share your views, the survey can be found on the HMT Public Spending Statistics page on GOV.UK: HMT Public Spending Statistics – GOV.UK (www.gov.uk)

Frequently asked questions

How much did the government spend on x?

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

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

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

The second list of tables takes pay as an example:

- **Table 5.3** shows the total UK public sector spending on pay;

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

How can I compare spending on x to previous years?

Chapter 4 contains long-run series (from 1998-99) for public sector expenditure on services by function. Expenditure on services by function are better suited to presentation in long-run series than budgeting aggregates as they are less affected by restructuring of government departments and the movement of spending programmes between departments.

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

What are departmental groups?

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

How are the functions defined?

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

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

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

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

A number of the tables in this publication give figures in real terms. Real terms figures are the actual (known as nominal) spend adjusted to exclude the effect of general inflation, as measured by the GDP deflator at market prices. The real terms figures in this publication are given in 2021-22 prices. The GDP deflators and GDP actuals used in this publication are those given in **Annex F**. The most up-to-date deflators and GDP numbers are available on the gov.uk website².

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



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1

Departmental budgets

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

What's new

1.2 The ongoing pressures faced by some departments, due to the impact of the pandemic, may again lead to delays in the laying of some annual reports and accounts (ARAs) this year¹. As a result, the 2021-22 outturn published in PESA may be subject to data quality issues, as not all departments will have been able to align data to their ARAs. The public spending statistics (PSS) release, published on a quarterly basis, will reflect any later revisions made by departments to their 2021-22 outturn.

1.3 In September 2021 the government announced that the Ministry of Housing, Communities and Local Government (MHCLG) would be renamed the Department for Levelling Up, Housing and Communities (DLUHC). The department name DLUHC is used in these tables to reflect this change.

1.4 From 2022-23 departments have adopted the IFRS16 treatment of leases, resulting in some large adjustments to resource and capital budgets².

1.5 The GDP deflator used for real terms calculations in PESA has been produced by the ONS for outturn and by the OBR for plans, as per previous years. However, it should be noted that in 2020-21 and 2021-22 particularly, it reflects the impact of Covid-19 on calculations of GDP and shows negative growth between the two years. The effects on UK GDP and difficulties involved in calculating GDP at this time have been highlighted by the ONS and it should be noted that the deflator is still subject to revision.³

1.6 Chapter 1 includes two new tables: **Table 1.7a** which shows administration budgets excluding depreciation, and **Table 1.8a** which shows financial transactions and general capital in Capital DEL (CDEL). These were first published in October 2021 as an update to the July 2021 public spending statistics release⁴ to be consistent with the presentation of data in the 2021 Spending Review.

The budgeting and reporting framework

1.7 Table 1.1 summarises public expenditure both in terms of the Treasury's budgeting and control framework⁵, and in terms of the National Accounts aggregate Total Managed Expenditure (TME) and its components. **Table 1.2** presents the same information in real terms.

¹ <https://www.gov.uk/government/publications/financial-reporting-manual-addendum-2019-20>

² IFRS 16 Leases – Supplementary budgeting guidance.docx (publishing.service.gov.uk)

³ Coronavirus and the effects on UK GDP – Office for National Statistics (ons.gov.uk)

⁴ <https://www.gov.uk/government/statistics/public-spending-statistics-release-july-2021/public-spending-statistics-july-2021>

⁵ <https://www.gov.uk/government/publications/consolidated-budgeting-guidance-2021-to-2022>

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

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

1.10 Spending that cannot reasonably be subject to firm multi-year limits, or that relates to certain non-cash transactions, is included in Annually Managed Expenditure (AME). **Table 1.1** sets out the main elements of AME. Departmental AME (which is contained in departments' budgets) includes social security spending. Outside departments' budgets, other AME consists of net expenditure transfers to the EU, locally financed expenditure, debt interest, public corporations' own-financed capital expenditure, and accounting adjustments.

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

Reconciliation of budgeting and National Accounts aggregates

1.12 DEL and AME together make up TME, an aggregate that is drawn from the National Accounts, and is defined in National Accounts terms as public sector current expenditure plus public sector gross investment (measured net of sales but gross of depreciation). Note that total public sector depreciation is modelled by the ONS for the National Accounts, while the depreciation referred to in the footnote to **Table 1.1** is depreciation in resource DEL, measured on an IFRS basis.

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

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

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

1.16 **Table 1.5** shows resource DEL excluding depreciation as first presented in the Spending Reviews of 2015 (from 2017-18 to 2019-20), Spending Round 2019 (2020-21), Spending Review 2020 (2021-22), and Spending Review 2021 (2022-23 to 2024-25). The depreciation ringfence is a control total that departments must manage. **Table 1.6 presents** the same information in real terms.

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

Administration budgets

1.18 Table 1.7 sets out details of administration expenditure in resource DEL for those central government departments that are subject to administration budgets. **Table 1.7a** sets out the same detail for administration budgets excluding depreciation. Administration budgets are set for most civil service departments and are designed to contain most back-office functions. These budgets therefore help to drive economy and efficiency in the running of government. Around 65 per cent of administration costs are accounted for by civil service pay, a further 30 per cent is accounted for by procurement of goods and services (e.g. accommodation, equipment, travel). An analysis of administration budgets by economic category is shown in **Table 2.1**.

Total DEL

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

1.20 Table 1.12 presents total expenditure, i.e. the sum of Total DEL and departmental AME, by departmental group. **Table 1.13** presents the same information as **Table 1.12** in real terms.

Public expenditure by spending sector

1.21 Table 1.15 shows a breakdown of TME, and within it DEL and AME, between the National Accounts public spending sectors (central government, local government and public corporations).

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

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

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

Central government own expenditure

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

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

- departments' own spending;
- spending of agencies and arm's length bodies (ALBs) classified to central government;
- spending of the devolved administrations in Scotland, Wales and Northern Ireland.

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

Local government expenditure

1.28 Local government expenditure is split according to how it is financed:

- central government support (which can be in either DEL or AME);
- locally financed support in Scotland and Wales (the proceeds of non-domestic rates that are collected and distributed to local authorities by the devolved administrations);
- self-financed expenditure. Further analyses of local government expenditure are presented in **Chapter 7**.

Public corporations' expenditure

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

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

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

1.31 Subsidies to public corporations are included in central government own expenditure as they impact on central government current expenditure in TME. The total public corporations' expenditure line in this table shows their contribution to TME, which is capital expenditure plus interest and dividends paid to the private sector. Further analyses for public corporations, including information on subsidies, are presented in **Chapter 8**.

NHS England Expenditure

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

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

NHS England – Departmental Expenditure Limits, 2017-18 to 2024-25

		National Statistics					£ million			
		2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
		outturn	outturn	outturn	outturn	outturn	plans	plans	plans	
Total DEL ⁽¹⁾	NHS England ⁽²⁾	109,833	114,552	124,016	143,698	149,703	152,814	157,622	162,860	
	NHS England ⁽²⁾ – real terms ⁽³⁾	120,718	123,495	130,728	143,381	149,703	146,859	147,915	150,048	
Resource DEL (excl depreciation)	NHS England ⁽²⁾	109,605	114,331	123,750	143,367	149,403	152,595	157,403	162,641	
	NHS England ⁽²⁾ – real terms ⁽³⁾	120,468	123,257	130,448	143,050	149,403	146,649	147,710	149,846	

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

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

⁽³⁾ Real-terms figures are the cash figures adjusted to 2021-22 price levels using GDP deflators. The deflators are calculated from data published by the Office for National Statistics and the Office for Budget Responsibility. See annex F for more detail.

Table 1.1 Total Managed Expenditure, 2017-18 to 2024-25

	National Statistics								£ million
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 plans	2023-24 plans	2024-25 plans	
CURRENT EXPENDITURE									
Resource DEL									
Resource DEL excluding depreciation ⁽¹⁾	315,758	321,128	345,505	470,997	451,792	437,412	438,980	450,553	
Depreciation in resource DEL ⁽¹⁾	16,098	11,325	26,054	23,782	15,505	14,781	27,023	25,101	
Total resource DEL	331,856	332,454	371,559	494,779	467,297	452,193	466,004	475,654	
Resource departmental AME									
Social security benefits	192,728	199,381	208,789	229,535	233,022	244,431	263,647	279,484	
Tax credits ⁽²⁾	26,293	22,345	18,396	15,390	11,021	8,283	6,289	4,197	
Net public service pensions	26,912	54,349	31,380	41,938	59,114	71,217	74,480	74,629	
National lottery	1,132	840	1,056	1,231	1,727	1,544	1,544	1,544	
BBC domestic services	3,410	3,447	3,769	3,321	3,621	3,590	3,590	3,590	
Student loans	-3,001	-5,667	-5,887	-4,851	-5,127	-9,026	-9,077	-9,135	
Non-cash items	147,001	-61,042	61,842	35,978	206,245	113,102	95,548	96,860	
Financial sector interventions	-216	-15,090	-36,270	44,548	47,220	20,000	20,000	20,000	
Other departmental expenditure	38,659	45,999	91,880	125,949	65,951	57,333	50,934	54,683	
Total resource departmental AME	432,919	244,562	374,955	493,040	622,795	510,473	506,954	525,853	
Resource other AME									
Net expenditure transfers to the EU ⁽³⁾	10,188	12,892	11,549	10,930	315	752	-116	-	
Locally financed expenditure	33,835	35,667	37,908	25,202	40,666	58,637	61,949	64,174	
Central government gross debt interest	55,128	48,899	48,107	39,404	69,878	87,179	51,519	49,492	
Accounting adjustments	-120,866	86,310	-54,372	-83,991	-259,438	-136,263	-117,538	-118,000	
Total resource other AME	-21,715	183,767	43,192	-8,455	-148,578	10,305	-4,186	-4,334	
Total resource AME	411,204	428,329	418,147	484,585	474,217	520,778	502,768	521,519	
Public sector current expenditure	743,060	760,783	789,706	979,364	941,514	972,971	968,772	997,172	
CAPITAL EXPENDITURE									
Capital DEL									
Total capital DEL	55,626	62,562	70,159	94,917	93,030	98,635	103,433	104,674	
Capital departmental AME									
National lottery	426	337	225	190	150	321	321	321	
BBC domestic services	118	160	132	63	165	1,522	1,522	1,522	
Student loans	16,870	18,385	22,476	22,612	23,470	30,414	30,532	30,657	
Financial sector interventions	-942	-2,509	-1,618	-2,742	-3,779	-	-	-	
Other departmental expenditure	4,654	-3,742	1,871	17,238	-1,985	7,954	4,843	4,936	
Total capital departmental AME	21,127	12,631	23,085	37,361	18,021	40,210	37,218	37,435	
Capital other AME									
Locally financed expenditure	13,848	12,868	14,325	11,560	9,215	9,023	9,089	9,174	
Public corporations' own-financed capital expenditure	15,271	9,209	9,551	8,440	10,413	10,246	11,908	12,009	
Accounting adjustments	-12,483	-746	-22,708	-27,343	-11,893	-44,476	-30,131	-33,522	
Total capital other AME	16,637	21,331	1,168	-7,343	7,735	-25,206	-9,133	-12,339	
Total capital AME	37,763	33,961	24,254	30,018	25,757	15,004	28,085	25,097	
Public sector gross investment⁽⁴⁾	93,389	96,523	94,413	124,935	118,787	113,639	131,518	129,770	
<i>less public sector depreciation</i>	<i>50,376</i>	<i>50,932</i>	<i>52,412</i>	<i>53,415</i>	<i>55,075</i>	<i>57,237</i>	<i>59,472</i>	<i>61,667</i>	
Public sector net investment⁽⁴⁾	43,013	45,591	42,001	71,520	63,712	56,401	72,046	68,103	
TOTAL MANAGED EXPENDITURE⁽⁵⁾	836,449	857,306	884,119	1,104,299	1,060,301	1,086,609	1,100,289	1,126,943	
<i>of which:</i>									
Total DEL ⁽⁶⁾	371,384	383,690	415,665	565,914	544,822	536,047	542,413	555,227	
Departmental AME	454,045	257,192	398,040	530,400	640,816	550,683	544,172	563,288	
Other AME	11,020	216,424	70,414	7,985	-125,337	-121	13,704	8,428	

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

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

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

⁽⁴⁾ Transactions have been affected by financial sector interventions and Covid-19 measures. See Boxes 2.A and 2.B in Chapter 2.

⁽⁵⁾ This excludes the temporary effects of banks being classified to the public sector. See Box 2.B in Chapter 2.

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

Table 1.2 Total Managed Expenditure in real terms⁽¹⁾, 2017-18 to 2024-25

	National Statistics							
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 plans	2023-24 plans	2024-25 plans
£ million								
CURRENT EXPENDITURE								
Resource DEL								
Resource DEL excluding depreciation ⁽²⁾	347,054	346,199	364,207	469,957	451,792	420,368	411,947	415,109
Depreciation in resource DEL ⁽²⁾	17,693	12,209	27,464	23,730	15,505	14,205	25,359	23,126
Total resource DEL	364,747	358,409	391,671	493,686	467,297	434,573	437,306	438,235
Resource departmental AME								
Social security benefits	211,830	214,947	220,091	229,028	233,022	234,907	247,411	257,498
Tax credits ⁽³⁾	28,899	24,089	19,392	15,356	11,021	7,960	5,902	3,867
Net public service pensions	29,579	58,592	33,079	41,846	59,114	68,442	69,893	68,758
National lottery	1,244	906	1,113	1,228	1,727	1,484	1,449	1,422
BBC domestic services	3,748	3,716	3,973	3,314	3,621	3,450	3,369	3,308
Student loans	-3,298	-6,109	-6,205	-4,841	-5,127	-8,674	-8,518	-8,416
Non-cash items	161,570	-65,808	65,189	35,899	206,245	108,695	89,664	89,240
Financial sector interventions	-238	-16,268	-38,233	44,450	47,220	19,221	18,768	18,427
Other departmental expenditure	42,491	49,590	96,853	125,671	65,951	55,099	47,797	50,381
Total resource departmental AME	475,826	263,655	395,250	491,951	622,795	490,583	475,735	484,485
Resource other AME								
Net expenditure transfers to the EU ⁽⁴⁾	11,198	13,898	12,174	10,906	315	723	-109	-
Locally financed expenditure	37,189	38,452	39,959	25,146	40,666	56,352	58,134	59,126
Central government gross debt interest	60,592	52,717	50,711	39,317	69,878	83,782	48,346	45,598
Accounting adjustments	-132,845	93,048	-57,315	-83,805	-259,438	-130,953	-110,300	-108,717
Total resource other AME	-23,867	198,114	45,530	-8,436	-148,578	9,903	-3,928	-3,993
Total resource AME	451,959	461,769	440,780	483,515	474,217	500,486	471,806	480,492
Public sector current expenditure	816,707	820,178	832,451	977,202	941,514	935,059	909,112	918,727
CAPITAL EXPENDITURE								
Capital DEL								
Total capital DEL	61,139	67,446	73,957	94,708	93,030	94,792	97,063	96,440
Capital departmental AME								
National lottery	468	363	237	189	150	308	301	295
BBC domestic services	130	172	139	62	165	1,463	1,428	1,402
Student loans	18,542	19,820	23,693	22,562	23,470	29,228	28,652	28,245
Financial sector interventions	-1,035	-2,705	-1,706	-2,735	-3,779	-	-	-
Other departmental expenditure	5,116	-4,034	1,972	17,200	-1,985	7,644	4,545	4,547
Total capital departmental AME	23,220	13,617	24,335	37,278	18,021	38,643	34,926	34,491
Capital other AME								
Locally financed expenditure	15,221	13,873	15,100	11,535	9,215	8,672	8,530	8,452
Public corporations' own-financed capital expenditure	16,785	9,928	10,068	8,422	10,413	9,847	11,175	11,064
Accounting adjustments	-13,720	-804	-23,937	-27,283	-11,893	-42,743	-28,275	-30,885
Total capital other AME	18,286	22,996	1,231	-7,327	7,735	-24,224	-8,571	-11,368
Total capital AME	41,506	36,613	25,566	29,952	25,757	14,419	26,356	23,122
Public sector gross investment⁽⁵⁾	102,645	104,059	99,523	124,659	118,787	109,211	123,419	119,562
<i>less public sector depreciation</i>	<i>55,369</i>	<i>54,908</i>	<i>55,249</i>	<i>53,297</i>	<i>55,075</i>	<i>55,007</i>	<i>55,810</i>	<i>56,816</i>
Public sector net investment⁽⁵⁾	47,276	49,150	44,274	71,362	63,712	54,204	67,609	62,746
TOTAL MANAGED EXPENDITURE⁽⁶⁾	919,352	924,237	931,974	1,101,861	1,060,301	1,044,270	1,032,530	1,038,289
<i>of which:</i>								
Total DEL ⁽⁷⁾	408,193	413,645	438,164	564,664	544,822	515,160	509,010	511,548
Departmental AME	499,047	277,272	419,585	529,229	640,816	529,226	510,661	518,976
Other AME	12,112	233,320	74,225	7,967	-125,337	-116	12,860	7,765

⁽¹⁾ Real terms figures are the nominal figures adjusted to 2021-22 price levels using GDP deflators from the Office for National Statistics (released 30 June 2022) and deflator forecasts from the Office for Budget Responsibility (Economic and fiscal outlook - 23 March 2022).

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

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

⁽⁴⁾ European Union Financial Settlement payments and European Investment Bank receipts form part of HM Treasury's departmental AME from 2021-22.

⁽⁵⁾ Transactions have been affected by financial sector interventions and Covid-19 measures. See Boxes 2.A and 2.B in Chapter 2.

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

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

Table 1.3 Resource budgets, 2017-18 to 2024-25

	£ million							
	National Statistics					2022-23	2023-24	2024-25
	2017-18	2018-19	2019-20	2020-21	2021-22	plans	plans	plans
	outturn	outturn	outturn	outturn	outturn			
Resource DEL by departmental group								
Health and Social Care	120,650	125,279	134,184	181,441	183,772	169,948	174,931	178,954
Education	75,148	70,443	80,861	76,822	72,374	73,837	90,558	91,972
Home Office	10,911	11,226	11,870	15,061	14,958	15,141	16,037	16,212
Justice	7,627	8,035	8,302	9,164	9,433	10,255	10,527	10,801
Law Officers' Departments	567	557	621	625	694	803	804	817
Defence	34,199	34,571	36,707	40,178	39,740	40,897	40,363	40,573
Single Intelligence Account	2,390	2,541	2,779	2,717	2,926	3,125	2,878	2,949
Foreign, Commonwealth and Development Office	9,765	9,606	10,585	9,918	7,740	8,525	8,141	8,016
ODA unallocated provision to hit 0.7% of GNI	–	–	–	–	–	–	–	5,220
DLUHC ⁽¹⁾ – Housing and Communities	2,634	2,353	2,800	2,710	2,854	3,100	2,188	2,160
DLUHC ⁽¹⁾ – Local Government	6,714	4,834	8,572	20,907	21,262	11,766	12,103	12,757
Transport ⁽²⁾	3,673	3,902	11,439	23,671	18,669	16,618	15,099	14,027
Business, Energy and Industrial Strategy	1,714	1,245	2,838	22,496	7,845	16,321	3,009	2,914
Digital, Culture, Media and Sport	1,585	1,658	1,809	3,096	2,027	2,245	1,783	1,802
Environment, Food and Rural Affairs	1,856	1,996	2,245	4,621	4,367	4,790	4,619	4,523
International Trade	378	407	473	502	535	571	580	573
Work and Pensions	6,186	5,966	5,883	6,661	8,972	8,900	7,414	7,113
HM Revenue and Customs	3,943	3,939	4,257	4,809	5,698	6,379	5,258	5,024
HM Treasury	225	246	354	320	403	367	285	267
Cabinet Office	500	624	705	1,426	1,245	908	664	660
Scotland ⁽³⁾	14,946	16,495	17,736	31,037	28,602	27,015	27,015	25,727
Wales ⁽⁴⁾	14,002	14,011	12,859	18,623	16,239	17,056	16,932	17,221
Northern Ireland	10,625	11,006	11,945	15,525	14,441	14,596	14,212	14,407
Small and Independent Bodies	1,617	1,513	1,735	2,448	2,499	2,567	2,616	2,566
UK Shared Prosperity Fund ⁽⁵⁾	–	–	–	–	–	–	627	1,266
IFRS16 adjustments to be allocated	–	–	–	–	–	–	-959	-944
Reserves ⁽⁶⁾	–	–	–	–	–	917	12,023	11,455
OBR allowance for shortfall	–	–	–	–	–	-4,453	-3,704	-3,378
Adjustment for Budget Exchange ⁽⁷⁾	–	–	–	–	–	–	–	–
Total resource DEL	331,856	332,454	371,559	494,779	467,297	452,193	466,004	475,654
Resource departmental AME by departmental group								
Health and Social Care	39,657	40,645	30,384	31,764	81,898	56,427	59,769	61,505
Education	15,094	22,739	23,753	24,099	21,181	20,520	21,288	21,956
Home Office	2,489	2,695	2,624	2,328	2,420	2,584	2,519	2,519
Justice	244	1,301	374	405	527	891	713	737
Law Officers' Departments	11	2	3	-1	1	8	–	–
Defence	16,675	594	6,908	8,617	17,498	10,449	10,633	10,796
Single Intelligence Account	19	22	21	-4	111	65	65	65
Foreign, Commonwealth and Development Office	468	-69	-141	629	-148	572	421	421
DLUHC ⁽¹⁾ – Housing and Communities	184	198	-176	-76	1,718	1,568	-53	-47
DLUHC ⁽¹⁾ – Local Government	15,752	21,188	18,370	16,704	8,526	13,530	13,530	13,530
Transport ⁽²⁾	6,989	7,456	1,827	1,439	3,760	4,976	4,976	4,961
Business, Energy and Industrial Strategy ⁽⁸⁾	75,398	-105,665	9,386	-7,930	114,886	55,560	40,400	40,402
Digital, Culture, Media and Sport	4,265	4,739	4,954	3,040	5,318	5,664	5,660	5,660
Environment, Food and Rural Affairs	-28	-501	698	-612	453	306	303	303
International Trade	0	1	0	2	7	3	3	3
Work and Pensions	177,252	180,877	190,782	212,378	216,030	230,863	243,392	258,691
HM Revenue and Customs	41,845	40,232	40,622	116,524	52,123	36,128	31,546	31,026
HM Treasury ⁽⁹⁾	-684	-15,254	2,512	41,124	51,949	20,210	20,237	20,237
Cabinet Office	11,203	14,247	11,928	12,556	12,225	15,960	15,883	14,933
Scotland	17,123	19,196	18,318	16,794	19,085	20,975	22,497	24,777
Wales	177	260	2,521	2,552	2,674	219	262	45
Northern Ireland	8,872	9,753	9,477	10,469	10,827	12,191	12,910	13,331
Small and Independent Bodies	-88	-94	-189	241	-274	804	2	2
Total resource departmental AME	432,919	244,562	374,955	493,040	622,795	510,473	506,954	525,853
Total resource budget	764,775	577,016	746,514	987,819	1,090,092	962,666	972,958	1,001,506

⁽¹⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

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

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

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

⁽⁵⁾ At Main Estimates, the 2022-23 funding for the UK Shared Prosperity Fund was transferred as per the prospectus published 13 April 2022.

⁽⁶⁾ Reserves will be updated later in 2022-23.

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

⁽⁸⁾ Figures reflect a change to the long-term discount rate used each year for provisions to maintain compliance with International Financial Reporting Standards.

⁽⁹⁾ Transactions have been affected by financial sector interventions, see Box 2.B in Chapter 2.

Table 1.4 Resource budgets in real terms⁽¹⁾, 2017-18 to 2024-25

	£ million							
	National Statistics					2022-23	2023-24	2024-25
	2017-18	2018-19	2019-20	2020-21	2021-22	plans	plans	plans
	outturn	outturn	outturn	outturn	outturn			
Resource DEL by departmental group								
Health and Social Care	132,608	135,059	141,447	181,040	183,772	163,326	164,158	164,876
Education	82,596	75,943	85,238	76,653	72,374	70,960	84,981	84,737
Home Office	11,993	12,102	12,512	15,028	14,958	14,551	15,049	14,937
Justice	8,383	8,662	8,752	9,144	9,433	9,855	9,879	9,951
Law Officers' Departments	624	600	654	623	694	772	754	753
Defence	37,588	37,271	38,694	40,089	39,740	39,303	37,877	37,381
Single Intelligence Account	2,627	2,740	2,930	2,711	2,926	3,003	2,701	2,717
Foreign, Commonwealth and Development Office	10,733	10,356	11,158	9,897	7,740	8,193	7,639	7,386
ODA unallocated provision to hit 0.7% of GNI	–	–	–	–	–	–	–	4,809
DLUHC ⁽²⁾ – Housing and Communities	2,895	2,537	2,951	2,704	2,854	2,979	2,054	1,990
DLUHC ⁽²⁾ – Local Government	7,379	5,211	9,036	20,860	21,262	11,307	11,358	11,753
Transport ⁽³⁾	4,037	4,206	12,058	23,619	18,669	15,971	14,169	12,923
Business, Energy and Industrial Strategy	1,884	1,342	2,992	22,447	7,845	15,685	2,823	2,684
Digital, Culture, Media and Sport	1,742	1,788	1,907	3,089	2,027	2,157	1,673	1,660
Environment, Food and Rural Affairs	2,040	2,151	2,367	4,611	4,367	4,604	4,335	4,167
International Trade	415	439	498	501	535	548	544	528
Work and Pensions	6,800	6,431	6,201	6,646	8,972	8,553	6,957	6,554
HM Revenue and Customs	4,334	4,246	4,488	4,799	5,698	6,130	4,934	4,629
HM Treasury	248	265	373	320	403	352	268	246
Cabinet Office	549	673	743	1,422	1,245	872	623	608
Scotland ⁽⁴⁾	16,427	17,783	18,696	30,969	28,602	25,963	25,351	23,703
Wales ⁽⁵⁾	15,390	15,105	13,555	18,582	16,239	16,391	15,890	15,867
Northern Ireland	11,678	11,866	12,592	15,491	14,441	14,027	13,337	13,274
Small and Independent Bodies	1,778	1,631	1,829	2,442	2,499	2,467	2,455	2,365
UK Shared Prosperity Fund ⁽⁶⁾	–	–	–	–	–	–	588	1,166
IFRS16 adjustments to be allocated	–	–	–	–	–	–	-900	-870
Reserves ⁽⁷⁾	–	–	–	–	–	881	11,283	10,554
OBR allowance for shortfall	–	–	–	–	–	-4,279	-3,476	-3,112
Adjustment for Budget Exchange ⁽⁸⁾	–	–	–	–	–	–	–	–
Total resource DEL	364,747	358,409	391,671	493,686	467,297	434,573	437,306	438,235
Resource departmental AME by departmental group								
Health and Social Care	43,588	43,818	32,028	31,693	81,898	54,228	56,088	56,666
Education	16,590	24,515	25,038	24,045	21,181	19,720	19,977	20,229
Home Office	2,735	2,906	2,766	2,323	2,420	2,483	2,363	2,320
Justice	268	1,402	395	404	527	857	669	679
Law Officers' Departments	12	3	3	-1	1	8	–	–
Defence	18,327	641	7,281	8,598	17,498	10,042	9,978	9,947
Single Intelligence Account	21	24	22	-4	111	63	61	60
Foreign, Commonwealth and Development Office	515	-75	-148	627	-148	549	395	388
DLUHC ⁽²⁾ – Housing and Communities	202	214	-186	-76	1,718	1,507	-50	-43
DLUHC ⁽²⁾ – Local Government	17,313	22,842	19,364	16,667	8,526	13,003	12,697	12,465
Transport ⁽³⁾	7,682	8,038	1,926	1,436	3,760	4,782	4,670	4,571
Business, Energy and Industrial Strategy ⁽⁹⁾	82,871	-113,914	9,894	-7,913	114,886	53,395	37,912	37,224
Digital, Culture, Media and Sport	4,688	5,109	5,222	3,033	5,318	5,444	5,311	5,215
Environment, Food and Rural Affairs	-31	-540	736	-611	453	294	284	279
International Trade	0	1	1	2	7	3	3	3
Work and Pensions	194,820	194,999	201,109	211,909	216,030	221,867	228,403	238,340
HM Revenue and Customs	45,992	43,373	42,820	116,267	52,123	34,720	29,603	28,585
HM Treasury ⁽¹⁰⁾	-752	-16,445	2,648	41,033	51,949	19,423	18,991	18,645
Cabinet Office	12,314	15,359	12,574	12,528	12,225	15,338	14,905	13,758
Scotland	18,820	20,695	19,309	16,756	19,085	20,157	21,112	22,828
Wales	195	280	2,657	2,546	2,674	211	246	41
Northern Ireland	9,751	10,514	9,990	10,446	10,827	11,716	12,115	12,283
Small and Independent Bodies	-96	-102	-199	240	-274	773	2	2
Total resource departmental AME	475,826	263,655	395,250	491,951	622,795	490,583	475,735	484,485
Total resource budget	840,574	622,064	786,921	985,637	1,090,092	925,156	913,040	922,720

⁽¹⁾ Real terms figures are the nominal figures adjusted to 2021-22 price levels using GDP deflators from the Office for National Statistics (released 30 June 2022) and deflator forecasts from the Office for Budget Responsibility (Economic and fiscal outlook - 23 March 2022).

⁽²⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

⁽³⁾ From 2019-20 Transport DEL includes funding for expenditure by Network Rail. This was formerly part of the Transport Annually Managed Expenditure (AME) budget.

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

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

⁽⁶⁾ At Main Estimates, the 2022-23 funding for the UK Shared Prosperity Fund was transferred as per the prospectus published 13 April 2022.

⁽⁷⁾ Reserves will be updated later in 2022-23.

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

⁽⁹⁾ Figures reflect a change to the long-term discount rate used each year for provisions to maintain compliance with International Financial Reporting Standards.

⁽¹⁰⁾ Transactions have been affected by financial sector interventions, see Box 2.8 in Chapter 2.

Table 1.5 Resource DEL excluding depreciation, 2017-18 to 2024-25

	£ million							
	National Statistics					2022-23	2023-24	2024-25
	2017-18	2018-19	2019-20	2020-21	2021-22	plans	plans	plans
	outturn	outturn	outturn	outturn	outturn			
Resource DEL excluding depreciation by departmental group								
Health and Social Care	119,918	124,359	133,484	180,247	180,723	168,207	173,351	177,374
Education	60,643	61,490	63,520	68,256	70,974	77,104	79,245	80,659
Home Office	10,614	10,923	11,507	14,565	14,434	14,576	15,561	15,736
Justice	7,135	7,511	7,832	8,575	8,748	9,400	9,802	10,075
Law Officers' Departments	559	547	610	613	674	766	780	793
Defence	26,901	27,732	29,520	30,655	31,749	32,147	32,163	32,373
Single Intelligence Account	2,020	2,134	2,338	2,268	2,451	2,603	2,393	2,463
Foreign, Commonwealth and Development Office	9,610	9,426	10,398	9,720	7,532	8,193	7,917	7,792
ODA unallocated provision to hit 0.7% of GNI	–	–	–	–	–	–	–	5,220
DLUHC ⁽¹⁾ – Housing and Communities	2,654	2,359	2,778	2,719	2,844	3,051	2,161	2,132
DLUHC ⁽¹⁾ – Local Government	6,714	4,834	8,572	20,907	21,262	11,766	12,103	12,757
Transport ⁽²⁾	2,110	2,479	4,103	16,258	10,546	8,339	6,820	5,748
Business, Energy and Industrial Strategy	1,448	935	2,507	22,226	7,524	15,953	2,687	2,592
Digital, Culture, Media and Sport	1,436	1,524	1,567	2,936	1,862	2,045	1,583	1,601
Environment, Food and Rural Affairs	1,678	1,797	2,036	4,418	4,138	4,503	4,364	4,268
International Trade	375	403	466	493	499	551	545	538
Work and Pensions	6,000	5,760	5,695	6,476	8,708	8,416	7,155	6,855
HM Revenue and Customs	3,647	3,650	3,961	4,501	5,523	5,907	4,924	4,691
HM Treasury	217	241	350	314	399	353	281	263
Cabinet Office	465	572	660	1,368	1,168	698	540	535
Scotland ^{(3),(4)}	26,716	27,255	28,621	38,852	37,104	35,279	35,657	36,291
Wales ⁽⁵⁾	13,293	13,307	12,090	17,566	16,422	15,273	15,350	15,639
Northern Ireland	10,078	10,481	11,361	14,885	14,122	13,434	13,155	13,351
Small and Independent Bodies	1,528	1,411	1,532	2,180	2,386	2,386	2,458	2,409
UK Shared Prosperity Fund ⁽⁶⁾	–	–	–	–	–	–	627	1,266
IFRS16 adjustments to be allocated	–	–	–	–	–	–	-959	-944
Reserves ⁽⁷⁾	–	–	–	–	–	917	12,023	11,455
OBR allowance for shortfall	–	–	–	–	–	-4,453	-3,704	-3,378
Adjustment for Budget Exchange ⁽⁸⁾	–	–	–	–	–	–	–	–
Total Resource DEL excluding depreciation⁽⁴⁾	315,758	321,128	345,505	470,997	451,792	437,412	438,980	450,553

⁽¹⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

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

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

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

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

⁽⁶⁾ At Main Estimates, the 2022-23 funding for the UK Shared Prosperity Fund was transferred as per the prospectus published 13 April 2022.

⁽⁷⁾ Reserves will be updated later in 2022-23.

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

Table 1.6 Resource DEL excluding depreciation in real terms⁽¹⁾, 2017-18 to 2024-25

	£ million							
	National Statistics					2022-23 plans	2023-24 plans	2024-25 plans
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn			
Resource DEL excluding depreciation by departmental group								
Health and Social Care	131,804	134,068	140,709	179,849	180,723	161,653	162,675	163,420
Education	66,653	66,291	66,958	68,105	70,974	74,099	74,365	74,313
Home Office	11,665	11,776	12,130	14,532	14,434	14,008	14,603	14,498
Justice	7,842	8,097	8,256	8,556	8,748	9,033	9,198	9,282
Law Officers' Departments	615	590	643	612	674	736	732	731
Defence	29,568	29,897	31,117	30,587	31,749	30,894	30,182	29,826
Single Intelligence Account	2,220	2,301	2,464	2,263	2,451	2,502	2,245	2,269
Foreign, Commonwealth and Development Office	10,563	10,162	10,961	9,698	7,532	7,874	7,429	7,179
ODA unallocated provision to hit 0.7% of GNI	–	–	–	–	–	–	–	4,809
DLUHC ⁽²⁾ – Housing and Communities	2,917	2,543	2,928	2,713	2,844	2,932	2,028	1,965
DLUHC ⁽²⁾ – Local Government	7,379	5,211	9,036	20,860	21,262	11,307	11,358	11,753
Transport ⁽³⁾	2,319	2,673	4,325	16,222	10,546	8,014	6,400	5,296
Business, Energy and Industrial Strategy	1,591	1,008	2,643	22,177	7,524	15,331	2,521	2,388
Digital, Culture, Media and Sport	1,578	1,642	1,651	2,929	1,862	1,965	1,486	1,476
Environment, Food and Rural Affairs	1,845	1,938	2,146	4,409	4,138	4,327	4,095	3,932
International Trade	413	435	491	492	499	529	511	496
Work and Pensions	6,594	6,209	6,003	6,461	8,708	8,088	6,714	6,316
HM Revenue and Customs	4,008	3,935	4,176	4,491	5,523	5,677	4,621	4,322
HM Treasury	239	260	369	314	399	339	263	242
Cabinet Office	511	617	696	1,365	1,168	671	507	493
Scotland ^{(4),(5)}	29,363	29,382	30,170	38,767	37,104	33,904	33,461	33,436
Wales ⁽⁶⁾	14,611	14,346	12,745	17,527	16,422	14,678	14,405	14,409
Northern Ireland	11,077	11,299	11,976	14,852	14,122	12,910	12,345	12,301
Small and Independent Bodies	1,680	1,521	1,615	2,176	2,386	2,293	2,307	2,220
UK Shared Prosperity Fund ⁽⁷⁾	–	–	–	–	–	–	588	1,166
IFRS16 adjustments to be allocated	–	–	–	–	–	–	-900	-870
Reserves ⁽⁸⁾	–	–	–	–	–	881	11,283	10,554
OBR allowance for shortfall	–	–	–	–	–	-4,279	-3,476	-3,112
Adjustment for Budget Exchange ⁽⁹⁾	–	–	–	–	–	–	–	–
Total Resource DEL excluding depreciation⁽⁵⁾	347,054	346,199	364,207	469,957	451,792	420,368	411,947	415,109

⁽¹⁾ Real terms figures are the nominal figures adjusted to 2021-22 price levels using GDP deflators from the Office for National Statistics (released 30 June 2022) and deflator forecasts from the Office for Budget Responsibility (Economic and fiscal outlook - 23 March 2022).

⁽²⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

⁽³⁾ From 2019-20 Transport DEL includes funding for expenditure by Network Rail. This was formerly part of the Transport Annually Managed Expenditure (AME) budget.

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

⁽⁵⁾ At Spending Review 2020, the Resource DEL excluding depreciation budgetary control was redefined to exclude the Scottish Block Grant Adjustments. These now form part of the depreciation ringfence within Resource DEL. Total Resource DEL is left unchanged. The reclassification is fiscally neutral and does not affect the spending power of the Scottish Government.

⁽⁶⁾ As agreed in the Welsh Government's fiscal framework, their Resource DEL block grant is adjusted for the devolution of tax powers. For detailed information on the devolution of tax powers see the Block Grant Transparency publication available on GOV.UK.

⁽⁷⁾ At Main Estimates, the 2022-23 funding for the UK Shared Prosperity Fund was transferred as per the prospectus published 13 April 2022.

⁽⁸⁾ Reserves will be updated later in 2022-23.

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

Table 1.7 Administration budgets, 2017-18 to 2024-25

	£ million							
	National Statistics					2022-23	2023-24	2024-25
	2017-18	2018-19	2019-20	2020-21	2021-22			
outturn	outturn	outturn	outturn	outturn	plans	plans	plans	
Health and Social Care	2,304	2,273	2,301	2,493	2,698	3,149	2,809	2,809
Education	530	506	505	525	552	569	562	563
Home Office	355	360	359	350	318	423	421	397
Justice	450	398	400	424	479	548	524	509
Law Officers' Departments	42	38	56	40	37	65	67	68
Defence	1,467	1,681	1,908	1,874	1,753	2,018	2,029	2,030
Single Intelligence Account	70	75	79	71	79	92	95	99
Foreign, Commonwealth and Development Office	277	253	231	248	259	336	336	336
DLUHC ⁽¹⁾ – Housing and Communities	226	256	250	271	273	343	334	325
Transport	265	279	295	295	329	371	372	372
Business, Energy and Industrial Strategy	383	461	502	543	553	670	606	588
Digital, Culture, Media and Sport	157	205	226	218	215	324	292	281
Environment, Food and Rural Affairs	483	647	708	732	944	1,010	954	910
International Trade	76	118	144	160	167	210	210	209
Work and Pensions	799	779	797	911	920	949	946	931
HM Revenue and Customs	842	840	821	945	879	1,067	1,096	1,058
HM Treasury	165	186	203	257	286	360	280	261
Cabinet Office	255	275	327	353	608	472	405	396
Small and Independent Bodies	250	556	279	331	458	457	506	468
Adjustment for Budget Exchange ⁽²⁾	–	–	–	–	–	–	–	–
Total administration budgets	9,394	10,186	10,391	11,039	11,808	13,432	12,844	12,608
of which: administration costs paybill	6,511	7,401	8,051	8,580	9,119	9,114	7,317	7,198
Administration budgets as a percentage of Total Managed Expenditure⁽³⁾	1.1	1.2	1.2	1.0	1.1	1.2	1.2	1.1

⁽¹⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

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

⁽³⁾ TME excludes the temporary effects of banks being classified to the public sector. See Box 2.B for details.

Table 1.7a Administration budgets excluding depreciation, 2017-18 to 2024-25

	£ million							
	National Statistics					2022-23	2023-24	2024-25
	2017-18	2018-19	2019-20	2020-21	2021-22			
outturn	outturn	outturn	outturn	outturn	plans	plans	plans	
Health and Social Care	2,222	2,189	2,212	2,405	2,609	2,764	2,469	2,469
Education	496	478	468	490	519	506	516	516
Home Office	344	347	335	345	315	403	401	378
Justice	430	377	369	397	446	474	474	459
Law Officers' Departments	40	36	53	36	33	53	63	64
Defence	1,467	1,681	1,908	1,874	1,753	2,018	2,029	2,030
Single Intelligence Account	70	75	79	71	79	92	95	99
Foreign, Commonwealth and Development Office	263	219	201	216	231	296	296	296
DLUHC ⁽¹⁾ – Housing and Communities	239	254	232	271	256	303	314	305
Transport	258	273	284	281	313	345	346	346
Business, Energy and Industrial Strategy	360	442	476	514	515	596	554	536
Digital, Culture, Media and Sport	148	196	189	195	192	291	259	248
Environment, Food and Rural Affairs	433	588	641	664	873	876	845	801
International Trade	76	114	144	160	167	201	210	209
Work and Pensions	766	751	767	876	879	892	916	901
HM Revenue and Customs	753	763	757	892	848	925	1,013	975
HM Treasury	157	181	199	251	281	346	275	257
Cabinet Office	242	255	308	335	564	316	321	311
Small and Independent Bodies	240	546	268	319	445	428	489	451
Adjustment for Budget Exchange ⁽²⁾	–	–	–	–	–	–	–	–
Total administration budgets	9,004	9,764	9,889	10,591	11,319	12,124	11,886	11,650
of which: administration costs paybill	6,511	7,401	8,051	8,580	9,119	9,114	7,317	7,198
Administration budgets as a percentage of Total Managed Expenditure⁽³⁾	1.1	1.1	1.1	1.0	1.1	1.1	1.1	1.0

⁽¹⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

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

⁽³⁾ TME excludes the temporary effects of banks being classified to the public sector. See Box 2.B for details.

Table 1.8 Capital budgets, 2017-18 to 2024-25

	£ million							
	National Statistics					2022-23 plans	2023-24 plans	2024-25 plans
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn			
Capital DEL by departmental group								
Health and Social Care	5,238	5,941	7,015	12,704	9,035	12,048	10,447	11,195
Education	4,634	5,169	4,851	4,728	4,706	6,365	7,035	6,095
Home Office	624	744	781	788	861	1,168	988	792
Justice	414	431	492	1,068	1,439	1,760	2,237	1,431
Law Officers' Departments	10	16	8	5	8	58	8	7
Defence	9,704	10,294	10,314	11,707	14,180	18,491	15,920	16,333
Single Intelligence Account	576	607	637	580	906	1,243	1,170	1,204
Foreign, Commonwealth and Development Office	2,461	3,246	2,184	2,871	1,750	2,645	3,484	3,997
DLUHC ⁽¹⁾ – Housing and Communities	6,634	7,424	8,273	9,096	6,157	9,584	6,856	6,752
Levelling Up Fund	–	–	–	–	–	900	1,387	1,369
Transport ⁽²⁾	6,175	8,274	14,242	17,134	19,182	20,147	19,873	20,452
Business, Energy and Industrial Strategy	10,459	10,957	11,228	20,450	20,830	19,059	20,780	21,222
Digital, Culture, Media and Sport	351	366	583	951	668	831	1,078	1,165
Environment, Food and Rural Affairs	621	703	726	891	1,403	2,126	2,962	2,800
International Trade	16	17	20	34	21	25	18	15
Work and Pensions	433	334	81	468	626	854	457	375
HM Revenue and Customs	278	349	335	542	662	676	579	469
HM Treasury	-78	104	139	8	12	10	7	5
Cabinet Office	193	132	112	373	272	1,120	464	486
Scotland	3,625	3,872	4,260	5,230	5,143	7,193	5,575	5,498
Wales	1,821	2,037	2,131	3,297	3,033	2,982	2,610	2,594
Northern Ireland	1,148	1,297	1,346	1,716	1,821	2,064	1,851	1,821
Small and Independent Bodies	289	247	400	274	316	427	460	607
UK Shared Prosperity Fund ⁽³⁾	–	–	–	–	–	–	63	234
Funding for leases reclassification exercise (IFRS16)	–	–	–	–	–	–	2,240	2,465
Reserves ⁽⁴⁾	–	–	–	–	–	–	3,672	3,455
OBR allowance for shortfall	–	–	–	–	–	-9,934	-8,788	-8,163
Adjustment for Budget Exchange ⁽⁵⁾	–	–	–	–	–	-3,206	–	–
Total capital DEL	55,626	62,562	70,159	94,917	93,030	98,635	103,433	104,674
Capital departmental AME by departmental group								
Health and Social Care	–	-5	-6	-7	–	106	106	106
Education	15,771	17,106	20,982	21,144	21,933	28,738	28,738	28,738
Home Office	–	–	–	–	8	23	23	23
Defence	–	–	–	–	-2	3	–	–
Foreign, Commonwealth and Development Office	44	–	–	–	–	–	–	–
DLUHC ⁽¹⁾ – Housing and Communities	395	736	956	650	661	200	–	–
Transport ⁽²⁾	7,291	5,168	10	54	8	-327	-326	-327
Business, Energy and Industrial Strategy	-1,197	-312	-137	19,544	-3,662	3,697	677	677
Digital, Culture, Media and Sport	605	453	409	241	316	1,248	1,048	1,048
Environment, Food and Rural Affairs	0	0	3	4	11	50	16	16
International Trade	–	–	–	–	3	1	–	–
Work and Pensions	-37	135	309	146	30	328	138	220
HM Revenue and Customs	0	0	0	0	0	0	0	–
HM Treasury ⁽⁶⁾	-3,697	-12,935	-2,064	-7,470	-3,779	1,408	2,653	2,653
Scotland	959	787	1,171	777	829	983	983	983
Wales	505	698	803	889	954	1,201	1,311	1,427
Northern Ireland	318	374	340	280	253	452	521	537
Small and Independent Bodies	168	426	308	1,109	457	2,100	1,331	1,335
Total capital departmental AME	21,127	12,631	23,085	37,361	18,021	40,210	37,218	37,435
Total capital budget	76,752	75,192	93,245	132,278	111,052	138,845	140,651	142,109

⁽¹⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

⁽²⁾ Following implementation of ESA10, Network rail is now classified to Central Government. The actual expenditure of Network rail appears in the Department for Transport departmental AME budget for 2017-18 to 2018-19 and in DEL from 2019-20.

⁽³⁾ At Main Estimates, the 2022-23 funding for the UK Shared Prosperity Fund was transferred as per the prospectus published 13 April 2022.

⁽⁴⁾ Reserves will be updated later in 2022-23.

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

⁽⁶⁾ Transactions have been affected by financial sector interventions, see Box 2.B in Chapter 2.

Table 1.8a Financial transactions and general capital in Capital DEL (CDEL), 2017-18 to 2024-25

	£ million							
	National Statistics					2022-23 plans	2023-24 plans	2024-25 plans
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn			
Financial transactions in CDEL								
Health and Social Care	22	-97	23	46	-87	—	—	—
Education	144	36	-31	-46	-66	-113	-108	-100
Defence	—	9	—	—	—	90	90	90
Foreign, Commonwealth and Development Office	878	-283	74	153	205	328	863	1,173
DLUHC ⁽¹⁾ – Housing and Communities	3,654	4,032	3,784	4,136	2,284	3,577	710	567
Transport	-204	363	881	611	383	—	—	—
Business, Energy and Industrial Strategy	394	200	140	1,687	1,820	1,428	250	932
Digital, Culture, Media and Sport	2	6	4	371	87	—	—	—
Environment, Food and Rural Affairs	2	2	30	-8	-1	—	4	4
Work and Pensions	120	137	106	170	158	264	194	144
HM Treasury	-81	97	137	4	7	—	—	—
Scotland	445	254	247	401	-21	466	186	176
Wales	283	299	239	822	169	265	96	90
Northern Ireland	-18	-65	-44	91	3	223	66	62
Small and Independent Bodies	0	0	0	0	0	0	0	0
Total financial transactions in CDEL	5,641	4,989	5,590	8,436	4,941	6,529	2,350	3,138
General capital in CDEL								
Health and Social Care	5,216	6,038	6,993	12,658	9,123	12,048	10,447	11,195
Education	4,490	5,133	4,882	4,774	4,772	6,478	7,143	6,195
Home Office	624	744	781	788	861	1,168	988	792
Justice	414	431	492	1,068	1,439	1,760	2,237	1,431
Law Officers' Departments	10	16	8	5	8	58	8	7
Defence ⁽²⁾	9,704	10,286	10,314	11,707	14,180	18,401	15,830	16,243
Single Intelligence Account	576	607	637	580	906	1,243	1,170	1,204
Foreign, Commonwealth and Development Office	1,583	3,530	2,110	2,719	1,544	2,317	2,622	2,824
DLUHC ⁽¹⁾ – Housing and Communities	2,980	3,392	4,489	4,961	3,873	6,007	6,145	6,186
Transport	6,379	7,912	13,361	16,522	18,799	20,147	19,873	20,452
Business, Energy and Industrial Strategy	10,066	10,757	11,088	18,763	19,010	17,631	20,531	20,290
Digital, Culture, Media and Sport	348	360	580	580	581	831	1,078	1,165
Environment, Food and Rural Affairs	619	701	696	899	1,404	2,126	2,958	2,796
International Trade	16	17	20	34	21	25	18	15
Work and Pensions	312	197	-25	298	468	590	263	231
HM Revenue and Customs	278	349	335	542	662	676	579	469
HM Treasury	3	7	2	5	4	10	7	5
Cabinet Office	193	132	112	373	272	1,120	464	486
Scotland	3,180	3,618	4,013	4,830	5,164	6,727	5,389	5,322
Wales	1,538	1,738	1,892	2,475	2,864	2,717	2,515	2,503
Northern Ireland	1,166	1,363	1,390	1,625	1,818	1,841	1,785	1,759
Small and Independent Bodies	289	247	400	274	316	427	460	607
Total general capital in CDEL	49,985	57,573	64,569	86,481	88,089	104,346	102,508	102,176
Levelling Up Fund	—	—	—	—	—	900	1,387	1,369
UK Shared Prosperity Fund ⁽³⁾	—	—	—	—	—	—	63	234
Funding for leases reclassification exercise (IFRS16)	—	—	—	—	—	—	2,240	2,465
Reserves ⁽⁴⁾	—	—	—	—	—	—	3,672	3,455
OBR allowance for shortfall	—	—	—	—	—	-9,934	-8,788	-8,163
Adjustment for Budget Exchange ⁽⁵⁾	—	—	—	—	—	-3,206	—	—
Total capital DEL	55,626	62,562	70,159	94,917	93,030	98,635	103,433	104,674

⁽¹⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

⁽²⁾ General capital figures for Defence also include figures from the single use military expenditure (SUME) ringfence.

⁽³⁾ At Main Estimates, the 2022-23 funding for the UK Shared Prosperity Fund was transferred as per the prospectus published 13 April 2022.

⁽⁴⁾ Reserves will be updated later in 2022-23.

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

Table 1.9 Capital budgets in real terms⁽¹⁾, 2017-18 to 2024-25

	£ million							
	National Statistics					2022-23 plans	2023-24 plans	2024-25 plans
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn			
Capital DEL by departmental group								
Health and Social Care	5,757	6,405	7,395	12,676	9,035	11,578	9,804	10,314
Education	5,093	5,572	5,114	4,717	4,706	6,117	6,602	5,615
Home Office	686	802	823	786	861	1,122	927	729
Justice	456	464	519	1,066	1,439	1,692	2,099	1,318
Law Officers' Departments	11	17	9	5	8	56	7	7
Defence	10,665	11,098	10,872	11,681	14,180	17,770	14,939	15,048
Single Intelligence Account	633	654	671	579	906	1,194	1,098	1,109
Foreign, Commonwealth and Development Office	2,705	3,500	2,302	2,865	1,750	2,542	3,269	3,683
DLUHC ⁽²⁾ – Housing and Communities	7,291	8,003	8,721	9,076	6,157	9,210	6,434	6,221
Levelling Up Fund	–	–	–	–	–	865	1,302	1,261
Transport ⁽³⁾	6,787	8,920	15,013	17,096	19,182	19,362	18,649	18,843
Business, Energy and Industrial Strategy	11,496	11,813	11,836	20,405	20,830	18,317	19,501	19,552
Digital, Culture, Media and Sport	385	395	615	949	668	799	1,012	1,073
Environment, Food and Rural Affairs	682	758	766	889	1,403	2,043	2,780	2,580
International Trade	17	19	21	34	21	24	16	14
Work and Pensions	476	360	86	467	626	821	429	345
HM Revenue and Customs	306	376	353	541	662	649	543	432
HM Treasury	-86	112	146	8	12	9	7	5
Cabinet Office	213	142	118	372	272	1,076	436	447
Scotland	3,985	4,174	4,491	5,219	5,143	6,912	5,231	5,065
Wales	2,002	2,196	2,247	3,290	3,033	2,866	2,450	2,389
Northern Ireland	1,262	1,398	1,419	1,712	1,821	1,984	1,737	1,678
Small and Independent Bodies	317	266	422	273	316	410	432	559
UK Shared Prosperity Fund ⁽⁴⁾	–	–	–	–	–	–	59	216
Funding for leases reclassification exercise (IFRS16)	–	–	–	–	–	–	2,102	2,271
Reserves ⁽⁵⁾	–	–	–	–	–	–	3,446	3,183
OBR allowance for shortfall	–	–	–	–	–	-9,547	-8,247	-7,521
Adjustment for Budget Exchange ⁽⁶⁾	–	–	–	–	–	-3,081	–	–
Total capital DEL	61,139	67,446	73,957	94,708	93,030	94,792	97,063	96,440
Capital departmental AME by departmental group								
Health and Social Care	–	-5	-6	-7	–	101	99	97
Education	17,335	18,441	22,118	21,097	21,933	27,618	26,968	26,477
Home Office	–	–	–	–	8	22	22	21
Defence	–	–	–	–	-2	3	–	–
Foreign, Commonwealth and Development Office	49	–	–	–	–	–	–	–
DLUHC ⁽²⁾ – Housing and Communities	434	793	1,008	649	661	192	–	–
Transport ⁽³⁾	8,013	5,572	11	54	8	-314	-306	-301
Business, Energy and Industrial Strategy	-1,315	-337	-144	19,501	-3,662	3,552	635	623
Digital, Culture, Media and Sport	665	488	431	241	316	1,199	983	965
Environment, Food and Rural Affairs	0	0	3	4	11	48	15	15
International Trade	–	–	–	–	3	1	–	–
Work and Pensions	-40	145	326	145	30	315	130	202
HM Revenue and Customs	0	0	0	0	0	0	0	–
HM Treasury ⁽⁷⁾	-4,063	-13,945	-2,175	-7,453	-3,779	1,353	2,490	2,444
Scotland	1,054	848	1,234	775	829	944	922	905
Wales	555	753	847	887	954	1,155	1,231	1,315
Northern Ireland	350	403	358	280	253	434	489	495
Small and Independent Bodies	184	460	324	1,107	457	2,019	1,249	1,230
Total capital departmental AME	23,220	13,617	24,335	37,278	18,021	38,643	34,926	34,491
Total capital budget	84,359	81,063	98,292	131,986	111,052	133,435	131,989	130,930

⁽¹⁾ Real terms figures are the nominal figures adjusted to 2021-22 price levels using GDP deflators from the Office for National Statistics (released 30 June 2022) and deflator forecasts from the Office for Budget Responsibility (Economic and fiscal outlook – 23 March 2022).

⁽²⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

⁽³⁾ Following implementation of ESA10, Network rail is now classified to Central Government. The actual expenditure of Network rail appears in the Department for Transport departmental AME budget for 2017-18 to 2018-19 and in DEL from 2019-20.

⁽⁴⁾ At Main Estimates, the 2022-23 funding for the UK Shared Prosperity Fund was transferred as per the prospectus published 13 April 2022.

⁽⁵⁾ Reserves will be updated later in 2022-23.

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

⁽⁷⁾ Transactions have been affected by financial sector interventions, see Box 2.B in Chapter 2.

Table 1.10 Total Departmental Expenditure Limits⁽¹⁾, 2017-18 to 2024-25

	£ million							
	National Statistics					2022-23 plans	2023-24 plans	2024-25 plans
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn			
Total DEL by departmental group								
Health and Social Care	125,156	130,300	140,499	192,951	189,758	180,255	183,798	188,569
Education	65,277	66,659	68,371	72,983	75,681	83,469	86,280	86,754
Home Office	11,237	11,667	12,288	15,352	15,295	15,744	16,550	16,528
Justice	7,549	7,941	8,324	9,643	10,187	11,160	12,039	11,506
Law Officers' Departments	569	563	618	619	682	824	788	801
Defence	36,605	38,026	39,833	42,362	45,929	50,638	48,083	48,706
Single Intelligence Account	2,596	2,741	2,974	2,848	3,356	3,846	3,562	3,667
Foreign, Commonwealth and Development Office	12,072	12,673	12,583	12,591	9,282	10,838	11,401	11,789
ODA unallocated provision to hit 0.7% of GNI	–	–	–	–	–	–	–	5,220
DLUHC ⁽²⁾ – Housing and Communities	9,288	9,782	11,051	11,815	9,001	12,635	9,017	8,885
DLUHC ⁽²⁾ – Local Government	6,714	4,834	8,572	20,907	21,262	11,766	12,103	12,757
Levelling Up Fund	–	–	–	–	–	900	1,387	1,369
Transport ⁽³⁾	8,284	10,753	18,345	33,392	29,728	28,486	26,693	26,200
Business, Energy and Industrial Strategy	11,907	11,892	13,735	42,676	28,354	35,012	23,467	23,814
Digital, Culture, Media and Sport	1,786	1,890	2,150	3,887	2,530	2,876	2,661	2,766
Environment, Food and Rural Affairs	2,299	2,500	2,762	5,309	5,541	6,629	7,326	7,068
International Trade	391	420	485	527	520	575	562	553
Work and Pensions	6,433	6,094	5,776	6,944	9,334	9,270	7,612	7,230
HM Revenue and Customs	3,925	3,999	4,296	5,043	6,185	6,582	5,503	5,160
HM Treasury	139	345	489	323	411	363	288	268
Cabinet Office	658	704	772	1,741	1,439	1,818	1,004	1,021
Scotland ⁽⁴⁾	30,341	31,126	32,881	44,083	42,247	42,471	41,231	41,789
Wales ⁽⁵⁾	15,115	15,344	14,221	20,863	19,455	18,255	17,960	18,232
Northern Ireland	11,226	11,778	12,707	16,601	15,942	15,498	15,006	15,172
Small and Independent Bodies	1,817	1,658	1,932	2,454	2,702	2,813	2,919	3,016
UK Shared Prosperity Fund ⁽⁶⁾	–	–	–	–	–	–	690	1,500
IFRS16 adjustments to be allocated	–	–	–	–	–	–	-959	-944
Funding for leases reclassification exercise (IFRS16)	–	–	–	–	–	–	2,240	2,465
Reserves ⁽⁷⁾	–	–	–	–	–	917	15,695	14,910
OBR allowance for shortfall	–	–	–	–	–	-14,387	-12,492	-11,541
Adjustment for Budget Exchange ⁽⁸⁾	–	–	–	–	–	-3,206	–	–
Total DEL by departmental group	371,384	383,690	415,665	565,914	544,822	536,047	542,413	555,227

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

⁽²⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

⁽³⁾ Following implementation of ESA10, Network rail is now classified to Central Government. The actual expenditure of Network Rail appears in the Department for Transport departmental AME budget for 2017-18 to 2018-19 and in DEL from 2019-20.

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

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

⁽⁶⁾ At Main Estimates, the 2022-23 funding for the UK Shared Prosperity Fund was transferred as per the prospectus published 13 April 2022.

⁽⁷⁾ Reserves will be updated later in 2022-23.

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

Table 1.11 Total Departmental Expenditure Limits⁽¹⁾ in real terms⁽²⁾, 2017-18 to 2024-25

	£ million							
	National Statistics					2022-23 plans	2023-24 plans	2024-25 plans
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn			
Total DEL by departmental group								
Health and Social Care	137,561	140,473	148,104	192,525	189,758	173,231	172,479	173,735
Education	71,746	71,863	72,072	72,822	75,681	80,216	80,967	79,929
Home Office	12,351	12,578	12,953	15,319	15,295	15,131	15,530	15,228
Justice	8,297	8,561	8,775	9,622	10,187	10,725	11,297	10,601
Law Officers' Departments	626	607	651	617	682	792	740	738
Defence	40,233	40,995	41,989	42,268	45,929	48,665	45,122	44,874
Single Intelligence Account	2,853	2,955	3,135	2,842	3,356	3,696	3,343	3,379
Foreign, Commonwealth and Development Office	13,268	13,662	13,264	12,563	9,282	10,416	10,699	10,862
ODA unallocated provision to hit 0.7% of GNI	–	–	–	–	–	–	–	4,809
DLUHC ⁽³⁾ – Housing and Communities	10,208	10,546	11,649	11,789	9,001	12,143	8,461	8,186
DLUHC ⁽³⁾ – Local Government	7,379	5,211	9,036	20,860	21,262	11,307	11,358	11,753
Levelling Up Fund	–	–	–	–	–	865	1,302	1,261
Transport ⁽⁴⁾	9,106	11,593	19,338	33,318	29,728	27,376	25,049	24,139
Business, Energy and Industrial Strategy	13,087	12,820	14,478	42,582	28,354	33,648	22,022	21,940
Digital, Culture, Media and Sport	1,964	2,037	2,266	3,879	2,530	2,764	2,497	2,548
Environment, Food and Rural Affairs	2,527	2,696	2,912	5,297	5,541	6,371	6,875	6,512
International Trade	430	453	511	526	520	553	528	509
Work and Pensions	7,070	6,570	6,088	6,928	9,334	8,909	7,143	6,661
HM Revenue and Customs	4,314	4,312	4,529	5,032	6,185	6,326	5,164	4,754
HM Treasury	153	371	516	322	411	348	270	247
Cabinet Office	723	759	813	1,737	1,439	1,748	942	941
Scotland ⁽⁵⁾	33,348	33,557	34,661	43,985	42,247	40,816	38,692	38,501
Wales ⁽⁶⁾	16,613	16,542	14,991	20,817	19,455	17,544	16,854	16,798
Northern Ireland	12,339	12,698	13,395	16,564	15,942	14,894	14,082	13,979
Small and Independent Bodies	1,997	1,787	2,037	2,449	2,702	2,703	2,739	2,779
UK Shared Prosperity Fund ⁽⁷⁾	–	–	–	–	–	–	648	1,382
IFRS16 adjustments to be allocated	–	–	–	–	–	–	-900	-870
Funding for leases reclassification exercise (IFRS16)	–	–	–	–	–	–	2,102	2,271
Reserves ⁽⁸⁾	–	–	–	–	–	881	14,728	13,737
OBR allowance for shortfall	–	–	–	–	–	-13,826	-11,723	-10,633
Adjustment for Budget Exchange ⁽⁹⁾	–	–	–	–	–	-3,081	–	–
Total DEL by departmental group	408,193	413,645	438,164	564,664	544,822	515,160	509,010	511,548

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

⁽²⁾ Real terms figures are the nominal figures adjusted to 2021-22 price levels using GDP deflators from the Office for National Statistics (released 30 June 2022) and deflator forecasts from the Office for Budget Responsibility (Economic and fiscal outlook – 23 March 2022).

⁽³⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

⁽⁴⁾ Following implementation of ESA10, Network rail is now classified to Central Government. The actual expenditure of Network Rail appears in the Department for Transport departmental AME budget for 2017-18 to 2018-19 and in DEL from 2019-20.

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

⁽⁶⁾ As agreed in the Welsh Government's fiscal framework, their Resource DEL block grant is adjusted for the devolution of tax powers. For detailed information on the devolution of tax powers see the Block Grant Transparency publication available on GOV.UK.

⁽⁷⁾ At Main Estimates, the 2022-23 funding for the UK Shared Prosperity Fund was transferred as per the prospectus published 13 April 2022.

⁽⁸⁾ Reserves will be updated later in 2022-23.

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

Table 1.12 Total Managed Expenditure by departmental group and other expenditure, 2017-18 to 2024-25

	£ million							
	National Statistics					2022-23 plans	2023-24 plans	2024-25 plans
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn			
Total Managed Expenditure by departmental group								
Health and Social Care	164,813	170,940	170,877	224,707	271,656	236,787	243,672	250,179
Education	96,143	106,504	113,106	118,226	118,795	132,726	136,305	137,447
Home Office	13,726	14,362	14,912	17,680	17,715	18,328	19,068	19,046
Justice	7,793	9,242	8,698	10,049	10,723	12,075	12,775	12,266
Law Officers' Departments	581	566	621	618	682	836	788	801
Defence	53,324	38,620	46,741	50,978	63,427	61,087	58,715	59,502
Single Intelligence Account	2,615	2,763	2,995	2,844	3,467	3,911	3,628	3,732
Foreign, Commonwealth and Development Office	12,935	13,339	13,398	13,869	9,794	11,610	11,822	12,210
DLUHC ⁽¹⁾ – Housing and Communities	9,472	9,981	10,875	11,739	10,719	14,203	8,964	8,838
DLUHC ⁽¹⁾ – Local Government	22,466	26,022	26,942	37,611	29,788	25,296	25,633	26,287
Transport	22,564	23,377	20,183	34,885	33,496	33,135	31,342	30,834
Business, Energy and Industrial Strategy ⁽²⁾	86,108	-94,085	22,984	54,290	139,578	94,269	64,544	64,893
Digital, Culture, Media and Sport	6,656	7,081	7,513	7,169	8,165	9,788	9,369	9,474
Environment, Food and Rural Affairs	2,271	1,999	3,464	4,701	6,005	6,984	7,645	7,387
International Trade	391	421	486	529	530	580	565	556
Work and Pensions	183,648	187,106	196,867	219,467	225,394	240,460	251,142	266,141
HM Revenue and Customs	45,770	44,231	44,918	121,567	58,309	42,711	37,049	36,185
HM Treasury ⁽³⁾	-4,242	-27,844	938	33,977	48,580	21,981	23,178	23,158
Cabinet Office	11,861	14,951	12,700	14,297	13,664	17,778	16,887	15,954
Scotland ⁽⁴⁾	48,423	51,109	52,370	61,653	62,161	64,429	64,711	67,548
Wales ⁽⁵⁾	15,797	16,302	17,546	24,304	23,082	19,676	19,533	19,704
Northern Ireland	20,417	21,905	22,524	27,350	27,023	28,141	28,437	29,041
Small and Independent Bodies	1,897	1,990	2,051	3,804	2,885	5,717	4,251	4,353
Total departmental expenditure⁽⁶⁾	825,429	640,882	813,705	1,096,314	1,185,638	1,102,506	1,080,025	1,105,536
Central government gross debt interest	55,128	48,899	48,107	39,404	69,878	87,179	51,519	49,492
Locally financed expenditure	47,684	48,535	52,232	36,762	49,881	67,660	71,038	73,348
Public sector depreciation	50,376	50,932	52,412	53,415	55,075	57,237	59,472	61,667
Net expenditure transfers to the EU ⁽⁷⁾	10,188	12,892	11,549	10,930	315	752	-116	–
Public corporations' own-financed capital expenditure	15,271	9,209	9,551	8,440	10,413	10,246	11,908	12,009
Accounting adjustments	-167,627	45,957	-103,438	-140,967	-310,900	-223,195	-180,118	-188,088
ODA unallocated provision to hit 0.7% of GNI	–	–	–	–	–	–	–	5,220
Levelling Up Fund	–	–	–	–	–	900	1,387	1,369
UK Shared Prosperity Fund ⁽⁸⁾	–	–	–	–	–	–	690	1,500
IFRS16 adjustments to be allocated	–	–	–	–	–	–	-959	-944
Funding for leases reclassification exercise (IFRS16)	–	–	–	–	–	–	2,240	2,465
Reserves ⁽⁹⁾	–	–	–	–	–	917	15,695	14,910
OBR allowance for shortfall	–	–	–	–	–	-14,387	-12,492	-11,541
Adjustment for Budget Exchange ⁽¹⁰⁾	–	–	–	–	–	-3,206	–	–
Total other expenditure⁽¹¹⁾	11,020	216,424	70,414	7,985	-125,337	-15,897	20,264	21,407
Total Managed Expenditure⁽¹²⁾	836,449	857,306	884,119	1,104,299	1,060,301	1,086,609	1,100,289	1,126,943

⁽¹⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

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

⁽³⁾ Transactions have been affected by financial sector interventions, see Box 2.B in Chapter 2.

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

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

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

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

⁽⁸⁾ At Main Estimates, the 2022-23 funding for the UK Shared Prosperity Fund was transferred as per the prospectus published 13 April 2022.

⁽⁹⁾ Reserves will be updated later in 2022-23.

⁽¹⁰⁾ Departmental budgets include amounts carried forward through Budget Exchange. These increases will be offset by any deposits at Supplementary Estimates in future years so are excluded from spending totals.

⁽¹¹⁾ Total other expenditure is other AME spend within Total Managed Expenditure.

⁽¹²⁾ This excludes the temporary effects of banks being classified to the public sector. See Box 2.B in Chapter 2.

Table 1.13 Total Managed Expenditure by departmental group and other expenditure in real terms⁽¹⁾, 2017-18 to 2024-25

	£ million							
	National Statistics					2022-23 plans	2023-24 plans	2024-25 plans
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn			
Total Managed Expenditure by departmental group								
Health and Social Care	181,148	184,286	180,126	224,211	271,656	227,561	228,666	230,498
Education	105,671	114,819	119,228	117,965	118,795	127,554	127,911	126,634
Home Office	15,086	15,484	15,719	17,641	17,715	17,614	17,894	17,548
Justice	8,565	9,964	9,169	10,026	10,723	11,604	11,988	11,301
Law Officers' Departments	638	610	655	616	682	803	740	738
Defence	58,609	41,636	49,271	50,866	63,427	58,706	55,099	54,821
Single Intelligence Account	2,874	2,979	3,157	2,838	3,467	3,759	3,404	3,439
Foreign, Commonwealth and Development Office	14,217	14,381	14,123	13,839	9,794	11,157	11,094	11,249
DLUHC ⁽²⁾ – Housing and Communities	10,410	10,760	11,463	11,713	10,719	13,650	8,412	8,143
DLUHC ⁽²⁾ – Local Government	24,692	28,054	28,400	37,528	29,788	24,310	24,055	24,219
Transport	24,801	25,203	21,275	34,808	33,496	31,844	29,412	28,408
Business, Energy and Industrial Strategy ⁽³⁾	94,642	-101,431	24,228	54,170	139,578	90,595	60,569	59,788
Digital, Culture, Media and Sport	7,316	7,634	7,920	7,153	8,165	9,406	8,792	8,728
Environment, Food and Rural Affairs	2,496	2,156	3,651	4,690	6,005	6,712	7,174	6,806
International Trade	430	454	512	528	530	557	530	512
Work and Pensions	201,850	201,714	207,523	218,982	225,394	231,091	235,676	245,204
HM Revenue and Customs	50,306	47,684	47,349	121,299	58,309	41,046	34,767	33,339
HM Treasury ⁽⁴⁾	-4,662	-30,018	988	33,902	48,580	21,125	21,751	21,336
Cabinet Office	13,037	16,118	13,387	14,265	13,664	17,085	15,847	14,699
Scotland ⁽⁵⁾	53,222	55,099	55,204	61,517	62,161	61,918	60,726	62,234
Wales ⁽⁶⁾	17,363	17,574	18,495	24,250	23,082	18,909	18,331	18,154
Northern Ireland	22,441	23,615	23,743	27,290	27,023	27,044	26,686	26,756
Small and Independent Bodies	2,085	2,145	2,162	3,796	2,885	5,495	3,990	4,011
Total departmental expenditure⁽⁷⁾	907,240	690,917	857,749	1,093,893	1,185,638	1,059,547	1,013,514	1,018,566
Central government gross debt interest	60,592	52,717	50,711	39,317	69,878	83,782	48,346	45,598
Locally financed expenditure	52,410	52,325	55,059	36,681	49,881	65,024	66,663	67,578
Public sector depreciation	55,369	54,908	55,249	53,297	55,075	55,007	55,810	56,816
Net expenditure transfers to the EU ⁽⁸⁾	11,198	13,898	12,174	10,906	315	723	-109	–
Public corporations' own-financed capital expenditure	16,785	9,928	10,068	8,422	10,413	9,847	11,175	11,064
Accounting adjustments	-184,241	49,545	-109,037	-140,655	-310,900	-214,498	-169,026	-173,292
ODA unallocated provision to hit 0.7% of GNI	–	–	–	–	–	–	–	4,809
Levelling Up Fund	–	–	–	–	–	865	1,302	1,261
UK Shared Prosperity Fund ⁽⁹⁾	–	–	–	–	–	–	648	1,382
IFRS16 adjustments to be allocated	–	–	–	–	–	–	-900	-870
Funding for leases reclassification exercise (IFRS16)	–	–	–	–	–	–	2,102	2,271
Reserves ⁽¹⁰⁾	–	–	–	–	–	881	14,728	13,737
OBR allowance for shortfall	–	–	–	–	–	-13,826	-11,723	-10,633
Adjustment for Budget Exchange ⁽¹¹⁾	–	–	–	–	–	-3,081	–	–
Total other expenditure⁽¹²⁾	12,112	233,320	74,225	7,967	-125,337	-15,277	19,017	19,723
Total Managed Expenditure⁽¹³⁾	919,352	924,237	931,974	1,101,861	1,060,301	1,044,270	1,032,530	1,038,289

⁽¹⁾ Real terms figures are the nominal figures adjusted to 2021-22 price levels using GDP deflators from the Office for National Statistics (released 30 June 2022) and deflator forecasts from the Office for Budget Responsibility (Economic and fiscal outlook – 23 March 2022).

⁽²⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

⁽³⁾ Figures reflect a change to the long-term discount rate used each year for provisions to maintain compliance with International Financial Reporting Standards.

⁽⁴⁾ Transactions have been affected by financial sector interventions, see Box 2.B in Chapter 2.

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

⁽⁶⁾ As agreed in the Welsh Government's fiscal framework, their Resource DEL block grant is adjusted for the devolution of tax powers. For detailed information on the devolution of tax powers see the Block Grant Transparency publication available on GOV.UK.

⁽⁷⁾ Total departmental expenditure is given by Resource DEL excluding depreciation plus capital DEL plus resource and capital departmental AME.

⁽⁸⁾ European Union Financial Settlement payments and European Investment Bank receipts form part of HM Treasury's departmental AME from 2021-22.

⁽⁹⁾ At Main Estimates, the 2022-23 funding for the UK Shared Prosperity Fund was transferred as per the prospectus published 13 April 2022.

⁽¹⁰⁾ Reserves will be updated later in 2022-23.

⁽¹¹⁾ Departmental budgets include amounts carried forward through Budget Exchange. These increases will be offset by any deposits at Supplementary Estimates in future years so are excluded from spending totals.

⁽¹²⁾ Total other expenditure is other AME spend within Total Managed Expenditure.

⁽¹³⁾ This excludes the temporary effects of banks being classified to the public sector. See Box 2.B in Chapter 2.

Table 1.14 Accounting adjustments⁽¹⁾, 2017-18 to 2024-25

	£ billion							
	National Statistics					2022-23 plans	2023-24 plans	2024-25 plans
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn			
Remove data in budgets which form part of public sector current expenditure but where a different source is used for National Accounts								
Resource DEL								
Capital consumption (excluding NHS)	-13.9	-14.2	-21.2	-24.4	-25.2	-28.7	-25.8	-25.1
NHS capital consumption	-1.9	-1.9	-2.0	-2.3	-2.0	-2.6	-2.7	-2.8
Interest	-0.4	-0.4	-0.2	-0.5	-0.7	0.6	0.6	0.6
Public corporation subsidies	-0.4	-0.4	-0.4	-0.7	-0.7	-0.5	-0.4	-0.4
Other	0.0	0.0	0.3	0.1	0.2	0.0	0.1	0.1
Total resource DEL	-16.6	-16.9	-23.6	-27.8	-28.5	-31.2	-28.3	-27.6
Resource departmental AME								
Capital consumption	-6.3	-6.5	-4.1	-4.2	-4.5	-5.0	-5.1	-4.9
Interest	2.3	5.1	4.2	3.8	2.9	5.7	5.6	5.7
Subsidy element of renewable obligation certificates	–	–	–	–	–	–	–	–
Subsidy element of other environmental levies	-0.7	-0.8	-0.8	-0.8	-0.8	-1.1	-1.1	-1.2
NNDR outturn adjustment	0.0	0.0	0.0	0.0	–	-0.4	-0.4	-0.4
Public corporation subsidies	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2
Other	0.1	1.1	1.2	0.4	0.8	0.1	0.1	0.1
Total resource departmental AME	-4.8	-1.3	0.3	-1.1	-1.8	-0.9	-1.0	-0.9
Adjustment for different data used by OBR in PSCE forecast	–	–	–	–	–	-36.4	-15.2	-16.6
<i>of which DEL</i>	–	–	–	–	–	-21.8	-9.1	-9.9
<i>of which AME</i>	–	–	–	–	–	-14.6	-6.1	-6.6
Total resource budget data replaced by different source data	-21.4	-18.3	-23.3	-28.9	-30.2	-68.5	-44.5	-45.0
Remove data in budgets which do not form part of public sector current expenditure								
Resource DEL								
Impairments	-1.0	-0.6	-0.2	-0.6	-1.0	0.0	0.0	0.0
Receipts treated as negative DEL but revenue in National Accounts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fees, levies and charges	–	–	–	–	–	–	–	–
Grant equivalent element of student lending	-13.7	-8.8	-16.5	-7.6	4.6	2.7	-12.3	-13.1
Stock write-offs	0.2	0.2	0.1	-0.1	-0.2	–	–	–
Change in pension scheme liabilities	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous current transfers	1.7	2.8	2.6	2.8	1.6	2.3	1.0	1.0
Northern Ireland Executive transfers between DEL and AME ⁽²⁾	0.6	0.9	3.0	2.7	2.9	3.8	3.8	3.8
Profit or loss – sale of company securities	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0
Profit or loss – sale of other assets (capital in National Accounts)	0.1	-0.1	0.1	0.0	-0.5	0.0	0.0	0.0
EU funded expenditure	-0.3	-0.2	-0.3	-0.4	-0.6	-0.3	-0.4	-0.2
Other	0.7	1.1	0.3	-1.1	1.4	-0.3	0.8	1.0
Total resource DEL	-11.8	-4.6	-11.0	-4.3	8.2	8.2	-7.2	-7.5
Resource departmental AME								
Impairments	-6.0	15.1	25.5	-53.9	-59.0	-50.4	-48.8	-48.8
Bad debts	-0.4	-0.6	-0.4	-0.4	-1.0	-0.2	-0.1	-0.1
Grant equivalent element of student lending	0.0	0.0	-0.2	-0.1	-3.3	0.0	0.0	0.0
Provisions	-93.7	107.9	-46.1	7.5	-160.8	-32.1	-20.9	-24.1
Change in pension scheme liabilities	-54.2	-82.7	-67.9	-80.8	-99.8	-114.7	-119.4	-120.4
Unwinding of discount rate on pension scheme liabilities	-42.7	-40.0	-45.9	-34.4	-26.9	-36.9	-37.8	-39.1
Release of provisions covering payments of pension benefits	36.5	38.2	39.9	40.9	42.1	45.1	46.7	47.7
Fees, levies and charges	–	–	–	–	–	–	–	–
Profit or loss – sale of other assets (capital in National Accounts)	0.0	0.3	0.0	0.0	0.0	–	–	–
Imputed tax element of renewable obligation certificates	–	–	–	–	–	–	–	–
Imputed tax element of other environmental levies	–	–	–	–	–	–	–	–
Tax credits	0.0	–	–	–	–	–	–	–
Other	2.6	0.4	0.3	1.8	-2.2	0.8	1.3	1.3
Total resource departmental AME	-157.9	38.7	-94.8	-119.4	-310.8	-188.5	-179.1	-183.5
Total resource budget data not in public sector current expenditure	-169.7	34.1	-105.7	-123.6	-302.6	-180.3	-186.3	-191.0

Table 1.14 Accounting adjustments⁽¹⁾, 2017-18 to 2024-25 (continued)

	£ billion							
	National Statistics					2022-23 plans	2023-24 plans	2024-25 plans
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn			
Central government adjustments in National Accounts								
Expenditure on goods and services	35.7	36.1	40.8	41.5	49.4	45.7	48.0	49.7
<i>of which: VAT refunds</i>	7.9	8.6	9.2	10.8	12.4	12.4	12.7	12.9
<i>of which: Single use military expenditure</i>	–	–	–	–	–	–	–	–
<i>of which: payment from EU for tax collection costs</i>	-0.7	-0.7	-0.6	-0.4	–	–	–	–
<i>of which: capital consumption</i>	28.6	29.1	30.0	30.8	31.8	33.6	35.0	36.5
<i>of which: ONS R&D Adjustment</i>	–	–	–	–	–	–	–	–
<i>of which: Network Rail</i>	–	–	–	–	–	–	–	–
<i>of which: other</i>	-0.2	-0.9	2.2	0.4	5.2	-0.3	0.3	0.3
Net social benefits ⁽²⁾	0.4	1.2	0.8	0.6	-0.4	0.7	0.3	0.3
<i>of which: switch between benefits and other current grants</i>	–	–	–	–	–	–	–	–
<i>of which: other</i>	0.4	1.2	0.8	0.6	-0.4	0.7	0.3	0.3
Net current grants abroad	0.8	1.1	1.0	0.8	0.4	0.6	0.6	0.6
<i>of which: attributed aid</i>	–	–	–	–	–	–	–	–
<i>of which: EU receipts</i>	0.1	0.2	0.1	0.1	0.1	–	–	–
<i>of which: other</i>	0.7	0.9	0.9	0.7	0.3	0.6	0.6	0.6
Other current grants	-0.1	0.0	-0.1	-3.7	-0.5	-0.2	-0.2	-0.2
<i>of which: switch between other current grants and benefits</i>	–	–	–	–	–	–	–	–
<i>of which: other</i>	-0.1	0.0	-0.1	-3.7	-0.5	-0.2	-0.2	-0.2
Subsidies	9.6	9.6	8.9	0.0	10.8	18.4	9.8	9.8
<i>of which: Renewable Obligation Certificates</i>	6.2	7.1	7.1	7.3	7.3	7.3	7.3	7.3
<i>of which: other environmental levies</i>	1.2	1.3	1.3	1.3	1.3	1.3	1.3	1.3
<i>of which: company tax credits outside departmental AME</i>	–	–	–	–	–	–	–	–
<i>of which: other</i>	2.3	1.1	0.5	-8.6	2.2	9.8	1.2	1.2
VAT and GNI based EU contributions	0.0	0.0	0.0	0.0	-0.3	–	–	–
<i>of which: other</i>	0.0	0.0	0.0	0.0	-0.3	–	–	–
Total central government resource adjustments	46.4	48.0	51.4	39.2	59.3	65.1	58.5	60.2
Local government adjustments in National Accounts								
Remove data which do not form part of public sector current expenditure	-0.6	-0.6	-0.7	-0.5	-0.4	-3.7	-3.8	-3.8
<i>of which: Northern Ireland regional rates</i>	-0.6	-0.6	-0.7	-0.3	-0.4	-0.6	-0.6	-0.6
<i>of which: retirement benefits</i>	–	–	–	–	–	–	–	–
<i>of which: debt interest payments to central government</i>	–	–	–	–	–	-3.1	-3.1	-3.2
<i>of which: other</i>	–	–	–	-0.2	0.0	0.0	0.0	0.0
Adjustments to reconcile use of different data sources	-3.8	-6.8	-6.9	-14.7	-11.9	7.6	10.0	12.9
<i>of which: central government support</i>	-2.8	-5.6	-4.9	-13.4	-16.5	7.6	10.0	12.9
<i>of which: debt interest</i>	0.4	0.2	0.1	0.2	0.3	–	–	–
<i>of which: police and fire top up grants</i>	–	–	–	–	–	–	–	–
<i>of which: other</i>	-1.3	-1.5	-2.1	-1.5	4.4	–	–	–
Expenditure on goods and services	21.8	22.7	23.7	19.0	21.0	27.5	28.6	29.7
<i>of which: VAT refunds</i>	7.5	7.6	7.5	7.0	7.3	10.4	10.9	11.5
<i>of which: Local Authority Pension Scheme</i>	0.2	0.8	0.8	0.9	0.9	–	–	–
<i>of which: capital consumption</i>	13.2	13.9	14.6	15.9	16.3	16.7	17.3	17.9
<i>of which: rates</i>	-1.4	-1.4	-1.4	-1.4	-1.4	-1.4	-1.4	-1.4
<i>of which: other</i>	2.3	1.7	2.1	-3.4	-2.2	1.8	1.8	1.8
Subsidies	1.1	1.4	2.0	22.5	3.6	1.8	1.9	1.9
<i>of which: equity injection into Housing Revenue Account</i>	1.1	1.4	2.3	2.0	4.2	1.8	1.9	1.9
<i>of which: other</i>	–	0.0	-0.3	20.5	-0.6	–	–	–
Net social benefits	0.7	0.7	0.3	1.0	-0.6	-1.6	-1.6	-1.6
<i>of which: housing benefits and rent rebates</i>	-0.2	-0.1	-0.6	-0.3	-1.7	–	–	–
<i>of which: other</i>	0.9	0.8	0.9	1.4	1.1	-1.6	-1.6	-1.6
Other current grants and current grants abroad	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Total local government resource adjustments	19.3	17.4	18.6	27.4	11.9	31.8	35.3	39.3
Other resource adjustments								
Public corporations	17.3	15.8	15.1	17.4	17.6	19.9	20.7	21.6
Asset Purchase Facility and Special Liquidity Scheme	-13.0	-10.7	-10.7	-15.5	-15.2	-4.2	-0.9	-2.8
Other	0.2	0.1	0.2	0.0	-0.2	-0.1	-0.3	-0.3
Total other resource adjustments	4.6	5.1	4.6	1.9	2.2	15.6	19.6	18.5
Total resource adjustments	-120.9	86.3	-54.4	-84.0	-259.4	-136.3	-117.5	-118.0
<i>of which:</i>								
Timing adjustments ⁽³⁾								
Central government	2.2	-11.3	-15.1	-16.6	-13.8	–	–	–
Local government	3.3	2.7	3.0	18.8	-1.5	–	–	–

Table 1.14 Accounting adjustments⁽¹⁾, 2017-18 to 2024-25 (continued)

	£ billion							
	National Statistics					2022-23 plans	2023-24 plans	2024-25 plans
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn			
Remove data in budgets which form part of public sector gross investment but where a different source is used for National Accounts								
Capital DEL								
Change in inventories	-0.7	-0.7	-0.5	-0.3	1.4	-0.1	-0.3	-0.3
Acquisitions less disposals of valuables	-0.1	0.0	-0.1	0.0	0.0	0.0	0.0	0.0
Total capital DEL	-0.8	-0.7	-0.5	-0.4	1.4	-0.1	-0.3	-0.3
Adjustment for different data used by OBR in PSGI forecast	–	–	–	–	–	-5.3	-1.5	-2.9
<i>of which DEL</i>	–	–	–	–	–	-3.2	-0.9	-1.7
<i>of which AME</i>	–	–	–	–	–	-2.1	-0.6	-1.2
Total capital budget data replaced by different source data	-0.8	-0.7	-0.5	-0.4	1.4	-5.4	-1.7	-3.2
Remove data in budgets which do not form part of public sector gross investment								
Capital DEL								
Net lending to private sector	-5.0	-4.0	-4.4	-7.0	-4.8	-6.8	-2.7	-3.6
Capital support for public corporations	0.0	-0.2	-0.2	-0.3	-0.3	-0.3	-0.1	0.0
Local government supported capital expenditure	-0.2	-0.5	-0.9	-0.6	-0.5	0.1	0.1	0.0
Northern Ireland Executive transfers between DEL and AME	0.0	0.1	0.0	0.0	-0.8	0.0	0.0	0.0
Other	0.3	-0.3	0.2	-5.4	-6.4	-1.8	-3.8	-3.5
Total Capital DEL	-4.9	-4.9	-5.3	-13.3	-12.7	-8.9	-6.5	-7.0
Capital departmental AME								
Net lending to private sector	-13.3	-7.0	-22.8	-17.6	-21.4	-35.0	-34.7	-34.9
Capital support for public corporations	-0.2	-0.1	-0.3	-0.1	-0.2	0.4	0.6	0.6
Purchase of company securities	–	–	–	–	–	–	–	–
Sale of company securities	–	–	–	–	–	–	–	–
Northern Ireland Executive transfers between DEL and AME ⁽²⁾	0.0	-0.1	0.0	0.0	–	-0.1	-0.2	-0.2
Other	-1.1	0.5	0.8	0.2	0.3	-1.5	-1.2	-1.3
Total capital departmental AME	-14.7	-6.7	-22.3	-17.5	-21.3	-36.2	-35.5	-35.8
Total capital budget data not in public sector gross investment	-19.6	-11.6	-27.7	-30.8	-34.0	-45.1	-42.0	-42.8
Central government adjustments in National Accounts								
Gross fixed capital formation	-1.0	-2.3	-2.5	-2.9	-2.3	0.0	0.0	0.0
<i>of which: profit or loss – sale of other assets (from resource budgets)</i>	-0.1	-0.2	-0.1	0.0	0.5	0.0	0.0	0.0
<i>of which: Network Rail</i>	–	–	–	–	–	–	–	–
<i>of which: Single use military expenditure</i>	–	–	–	–	–	–	–	–
<i>of which: other</i>	-0.9	-2.1	-2.3	-2.9	-2.8	–	–	–
Capital grants to and from the private sector	10.1	10.2	10.5	11.0	21.1	2.8	10.9	9.8
<i>of which: VAT refunds</i>	0.1	0.1	0.1	0.1	0.1	0.1	–	–
<i>of which: Royal Mail assets transfer</i>	–	–	–	–	–	–	–	–
<i>of which: Network Rail</i>	–	–	–	–	–	–	–	–
<i>of which: other</i>	10.0	10.1	10.4	10.9	21.0	2.7	10.9	9.8
Total central government capital adjustments	9.1	7.9	8.0	8.1	18.7	2.8	10.8	9.8
Local government adjustments in National Accounts								
Adjustments to reconcile use of different data sources	-4.1	-5.6	-6.7	-8.0	-3.4	–	–	–
<i>of which: overhanging debt</i>	–	–	–	–	–	–	–	–
<i>of which: central government support</i>	-0.2	0.3	-1.4	-2.6	-0.2	–	–	–
<i>of which: financial transactions</i>	-2.3	-4.0	-3.6	-3.9	-1.7	–	–	–
<i>of which: capital grants from private sector</i>	-1.5	-1.9	-1.7	-1.5	-1.6	–	–	–
Gross fixed capital formation	2.8	3.6	3.8	3.1	4.8	2.3	2.3	2.3
<i>of which: VAT refunds</i>	1.9	2.2	2.2	2.3	2.3	2.3	2.3	2.3
<i>of which: roads de-trunking</i>	–	–	–	–	–	–	–	–
<i>of which: other</i>	0.9	1.5	1.5	0.8	2.5	–	–	–
Capital grants	-0.6	-0.4	-0.7	-0.7	-1.7	–	–	–
<i>of which: grants to public corporations</i>	–	–	–	–	–	–	–	–
<i>of which: other</i>	-0.6	-0.4	-0.7	-0.7	-1.7	–	–	–
Total local government capital adjustments	-1.9	-2.4	-3.6	-5.6	-0.3	2.3	2.3	2.3

Table 1.14 Accounting adjustments⁽¹⁾, 2017-18 to 2024-25 (continued)

	£ billion							
	National Statistics					2022-23 plans	2023-24 plans	2024-25 plans
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn			
Other capital adjustments								
Public corporations	0.3	0.3	0.5	0.4	0.6	-0.1	-0.5	-0.6
Housing Revenue Account reform receipts	–	–	–	–	–	–	–	–
Other	0.4	5.8	0.6	1.0	1.7	1.0	1.0	0.9
Total other capital adjustments	0.7	6.1	1.1	1.4	2.3	0.9	0.4	0.3
Total capital adjustments	-12.5	-0.7	-22.7	-27.3	-11.9	-44.5	-30.1	-33.5
<i>of which:</i>								
Timing adjustments ⁽³⁾								
Central government	14.0	14.6	11.8	-23.6	25.1	–	–	–
Local government	0.0	0.0	0.1	–	-1.3	–	–	–

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

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

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

Table 1.15 Total Managed Expenditure by spending sector, 2017-18 to 2024-25

	National Statistics					£ million		
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 plans	2023-24 plans	2024-25 plans
Central government own expenditure								
DEL ⁽¹⁾	275,251	287,865	313,295	417,960	403,015	424,170	408,174	412,564
Departmental AME ^{(1),(2)}	424,334	223,019	371,225	516,258	635,824	542,231	535,656	554,644
Locally financed support in Northern Ireland	595	625	656	312	370	577	628	630
Net expenditure transfers to the EU ⁽³⁾	10,188	12,892	11,549	10,930	315	752	-116	–
Central government debt interest	55,128	48,899	48,107	39,404	69,878	87,179	51,519	49,492
Accounting and other adjustments	-127,869	84,381	-59,168	-102,614	-261,918	-207,844	-146,155	-142,761
Total central government own expenditure	637,627	657,681	685,664	882,250	847,484	847,065	849,707	874,568
Local government expenditure								
Central government support in DEL	65,702	64,298	69,253	103,261	98,464	84,701	86,176	87,694
Central government support in departmental AME	47,402	51,966	47,630	49,217	38,126	40,107	39,206	37,976
Locally financed support in Scotland	2,666	2,636	2,853	1,868	2,090	2,766	3,330	3,285
Locally financed support in Wales	1,059	1,050	1,061	699	637	1,165	1,138	1,160
Local authority self-financed expenditure	43,364	44,224	47,662	33,883	46,784	63,152	65,942	68,273
Accounting and other adjustments	17,626	14,449	14,349	20,774	10,837	20,428	22,206	22,431
Total local government expenditure	177,818	178,624	182,808	209,702	196,939	212,319	217,998	220,820
Public corporations' expenditure								
DEL	91	401	236	610	1,096	480	271	201
Departmental AME	111	1,060	163	133	199	-397	-618	-625
Public corporations' own-financed capital expenditure	15,271	9,209	9,551	8,440	10,413	10,246	11,908	12,009
Accounting and other adjustments	18,469	20,991	16,362	18,573	19,317	20,953	21,743	22,596
Total public corporations' expenditure	33,943	31,661	26,312	27,757	31,025	31,282	33,304	34,181
Bank of England⁽⁴⁾	-12,939	-10,660	-10,665	-15,410	-15,147	-4,056	-719	-2,626
Total Managed Expenditure	836,449	857,306	884,119	1,104,299	1,060,301	1,086,609	1,100,289	1,126,943

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

⁽²⁾ Transactions have been affected by financial sector interventions. See Box 2.B in Chapter 2.

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

⁽⁴⁾ Asset Purchase facility and Special Liquidity Scheme.

2

Economic analyses of budgets

2.1 This chapter provides an economic category analysis of the budgeting aggregates presented in **Chapter 1**. All outturn data in this chapter (to 2021-22) fall within the scope of National Statistics.

What's new

2.2 Following the Coronavirus outbreak in 2020, the government announced it was making additional funding available to provide support for households and businesses (see Box 2.A below).

2.3 In September 2021 the government announced that the Ministry of Housing, Communities and Local Government (MHCLG) would be renamed the Department for Levelling Up, Housing and Communities (DLUHC). The department name DLUHC is used in these tables to reflect this change.

2.4 The ongoing pressures faced by some departments, due to the impact of the pandemic, may again lead to delays in the laying of some annual reports and accounts (ARAs) this year¹. As a result, the 2021-22 outturn published in PESA may be subject to data quality issues, as not all departments will have been able to align data to their ARAs. The public spending statistics (PSS) release, published on a quarterly basis, will reflect any later revisions made by departments to their 2021-22 outturn.

2.5 Note that many of the economic categories and functions shown in the tables throughout PESA reflect higher COVID-19 related spend from 2020-21 onwards.

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

Spending by economic category

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

¹ <https://www.gov.uk/government/publications/financial-reporting-manual-addendum-2019-20>

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

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

Box 2.A Treatment of Coronavirus funding in departments' budgets

Following the Coronavirus outbreak in 2020, the government announced it was making additional funding available to provide support for households and businesses. In total, departments spent £121.2 billion of RDEL and £5.8 billion of CDEL on COVID-19 related activity in 2020-21. In 2021-22 departments were provided with a further £81.0 billion of RDEL and £2.4 billion of CDEL.^[1]

In the OSCAR data supplied by departments and used to produce PESA, it is not always possible to separate Coronavirus related expenditure from departments' day-to-day spend on existing programmes and economic categories.^[2] Additional expenditure by the NHS on PPE, for example, will be reflected as a higher total for gross current procurement in resource DEL in 2020-21 and 2021-22, but it is not possible to see from the OSCAR data how much of that increase is due to the Coronavirus. Where it has been possible to identify new programmes in the PESA data, they are treated as follows in **Table 2.1**:

DEL resource budget

- Current grants to local government: £20.7 billion in 2020-21 and £14.4 billion in 2021-22. This includes Covid Business Support Grants, the Expanded Retail Discount and direct support for local authorities.
- Subsidies to private sector companies: £12.4 billion in 2020-21 and £1.2 billion in 2021-22 on Covid Business Support Grants, Bounce Back Loan Schemes and Covid Business Interruption Loan Schemes.

AME resource budget

- Subsidies to private sector companies: £78.8 billion in 2020-21 and £16.5 billion in 2021-22. This is expenditure on the Coronavirus Job Retention and Self-Employment Income Support Schemes and the Eat Out to Help Out scheme.
- Release of provisions: -£10.8 billion in 2020-21 for Covid Business Support Grants.

AME capital budget

- Capital grants to private sector companies: £19.8 billion in 2020-21 and -£3.5 billion in 2021-22 for the Bounce Back Loan Scheme (BBLS) and the Business Interruption Loan Schemes (CLBILS and CBILS).

Departments' individual Annual Reports and Accounts should include an analysis of COVID-19 related expenditure, alongside a summary of the impact of the pandemic on departmental activities and outcomes. Further information on measures announced by the government in response to the Coronavirus pandemic, how much has been spent, and how it is treated in the National Accounts may also be found in publications by the National Audit Office and the Office for National Statistics.^[3]

^[1] Spring Statement 2022 ([publishing.service.gov.uk](https://www.publishing.service.gov.uk)) pp17-18.

^[2] For more information on OSCAR see Annex G.

^[3] COVID-19 cost tracker – National Audit Office (NAO); Recent and upcoming changes to public sector finance statistics – Office for National Statistics (ons.gov.uk)

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

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

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

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

2.14 Subsidies are current transfer payments to trading businesses (both private sector companies and public corporations) to provide support for current costs, including payments to farmers under the EU's Common Agricultural Policy as well as subsidies to rail and bus operators. They are given with the objective of influencing their levels of production, their prices, or other factors. Unlike other intra-public sector transactions, subsidies to public corporations (PCs) are included within TME as the receipt of this funding, and subsequent spending, is included within the calculation of the PC's gross operating surplus (which scores on the revenue side of the National Accounts).

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

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

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

2.18 Net public service pensions shows the costs of pensions on a National Accounts basis; that is, payments to pensioners less receipts of contributions by employers and employees. It also includes cash payments and receipts associated with bulk and individual transfers into

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

Box 2.B: Treatment of financial sector interventions in budgets

In the pre-Budget report of December 2009 the use in fiscal policy of new aggregates excluding the temporary effects of financial interventions was introduced. In these aggregates, banks classified to the public sector in the National Accounts (Northern Rock, Bradford & Bingley, Dunfermline, Lloyds Banking Group and Royal Bank of Scotland) were treated as if they were outside the public sector, reflecting the government's intention to return these banks or their assets to the private sector. Only Royal Bank of Scotland is still classified to the public sector.

The financial sector interventions in years covered by outturn data (2017-18 to 2021-22) are treated as follows in **Table 2.1**:

Resource budget

- Income from sales of goods and services: less than £0.1 billion for 2017-18 and 2018-19. This is mainly underwriting commission and guarantee fee income;
- Depreciation: In 2017-18 there was an impairment of £0.4 billion, followed by gains of £14.0 billion in 2018-19 and £35.2 billion in 2019-20. There were impairments of £44.8 billion and £47.9.0 billion in 2020-21 and 2021-22 respectively.
- Other: income of -£0.5 billion in 2017-18, -£1.1 billion in both 2018-19 and 2019-20, -£0.2 billion in 2020-21 and -£0.6 billion in 2021-22. This is mainly interest paid to government and from the sale of shares.

Capital budget

- Net lending to the private sector: -£0.9 billion in 2017-18, -£2.5 billion in 2018-19, -£1.6 billion in 2019-20, -£2.7 billion in 2020-21 and -£3.8 billion in 2021-22. This is mainly lending to banks, the Financial Services Compensation Scheme and the Republic of Ireland and subsequent repayments, and income from the sale of shares in Lloyds Banking Group and the Royal Bank of Scotland.

These transactions score within the HM Treasury AME budget in tables in **Chapter 1**.

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

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

2.21 Capital support for public corporations comprises capital grants, net lending (see paragraph 2.24) and public corporations' market and overseas borrowing where this scores in the parent department's budget.

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

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

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

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

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

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

Table 2.1 Budgets by economic category of spending, 2017-18 to 2024-25

	£ million							
	National Statistics					2022-23 plans	2023-24 plans	2024-25 plans
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn			
Resource DEL								
Staff costs	109,696	115,509	129,620	143,604	152,048	149,522	147,316	149,924
Gross current procurement	109,558	113,075	120,811	151,221	169,389	166,925	167,748	170,117
Income from sales of goods and services	-18,372	-18,628	-19,076	-15,599	-23,123	-22,189	-22,383	-23,043
Current grants to local government	57,156	54,896	58,938	90,576	87,218	72,324	73,313	74,890
Current grants to persons and non-profit bodies	16,412	16,975	16,582	21,525	18,226	30,799	21,730	22,483
Current grants abroad	3,661	2,160	3,545	5,964	3,509	4,318	4,340	4,477
Subsidies to private sector companies	4,643	4,933	5,273	28,465	10,164	6,557	4,993	3,864
Subsidies to public corporations	430	418	404	689	734	464	443	431
Net public service pensions ⁽¹⁾	88	83	92	187	89	93	92	93
Rentals	6,502	5,565	5,404	6,028	5,170	4,649	4,555	4,552
Depreciation ⁽²⁾	16,098	11,325	26,054	23,782	15,505	14,781	27,023	25,101
Take up of provisions	1	44	79	411	265	1,657	17	18
Release of provisions	0	0	0	-1	-1	0	-	-
Change in pension scheme liabilities	86	29	36	6	5	4	4	4
Unwinding of the discount rate on pension scheme liabilities	1	2	0	0	0	0	0	0
Release of provisions covering payments of pensions benefits	0	0	-1	0	0	0	-	-
Other	25,897	26,067	23,800	37,922	28,101	25,824	28,825	29,124
<i>Plus unallocated funds</i>	-	-	-	-	-	-3,536	7,987	13,619
Total resource DEL	331,856	332,454	371,559	494,779	467,297	452,193	466,004	475,654
Of which: administration budgets in resource DEL								
Staff costs	6,511	7,401	8,051	8,580	9,119	9,114	7,317	7,198
Gross current procurement	3,762	3,917	3,634	3,899	4,623	5,356	6,385	6,255
Income from sales of goods and services	-1,171	-1,505	-1,417	-1,648	-1,668	-1,656	-1,752	-1,741
Rentals	398	326	333	360	172	54	71	68
Depreciation	390	422	501	447	488	1,308	958	958
Other	-496	-375	-712	-600	-926	-744	-135	-130
Total administration budgets in resource DEL	9,394	10,186	10,391	11,039	11,808	13,432	12,844	12,608
Resource departmental AME								
Staff costs	12,584	13,250	12,339	12,804	13,437	14,205	14,842	15,165
Gross current procurement	13,703	17,102	14,187	16,955	17,436	15,596	16,180	16,496
Income from sales of goods and services ⁽³⁾	-1,606	-4,151	-3,818	-3,771	-3,931	-3,617	-3,501	-3,584
Current grants to local government	46,658	51,131	46,249	48,111	37,094	38,840	38,127	36,908
Current grants to persons and non-profit bodies	201,090	205,478	213,779	235,924	237,284	252,994	265,542	280,944
Current grants abroad	-578	-726	-622	-264	8,285	9,791	4,774	1,862
Subsidies to private sector companies	5,434	7,899	12,175	91,608	31,148	17,296	15,065	16,436
Subsidies to public corporations	169	175	166	159	161	187	193	198
Net public service pensions ⁽¹⁾	9,174	9,924	3,351	2,044	1,413	1,569	1,716	1,876
Rentals	91	86	375	411	422	318	339	349
Depreciation ⁽²⁾	12,148	-8,669	-21,346	58,117	64,008	55,387	53,929	53,749
Take up of provisions ⁽³⁾	101,243	-99,142	56,920	12,172	177,516	47,064	30,594	30,837
Release of provisions	-7,505	-8,771	-10,776	-19,615	-16,745	-14,957	-9,700	-6,771
Change in pension scheme liabilities	54,213	82,661	67,924	80,757	99,840	114,730	119,439	120,443
Unwinding of the discount rate on pension scheme liabilities	42,663	39,995	45,856	34,378	26,869	36,930	37,761	39,079
Release of provisions covering payments of pensions benefits ⁽⁴⁾	-36,475	-38,236	-39,894	-40,863	-42,139	-45,082	-46,676	-47,690
Other	-20,089	-23,444	-21,909	-35,888	-29,304	-30,779	-31,670	-30,445
Total resource departmental AME	432,919	244,562	374,955	493,040	622,795	510,473	506,954	525,853

Table 2.1 Budgets by economic category of spending, 2017-18 to 2024-25 (continued)

	National Statistics					£ million		
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 plans	2023-24 plans	2024-25 plans
Resource budgets								
Staff costs	122,280	128,759	141,959	156,407	165,485	163,728	162,158	165,089
Gross current procurement	123,261	130,177	134,997	168,176	186,825	182,521	183,929	186,613
Income from sales of goods and services ⁽³⁾	-19,978	-22,779	-22,894	-19,370	-27,055	-25,806	-25,884	-26,626
Current grants to local government	103,814	106,027	105,186	138,687	124,311	111,164	111,440	111,798
Current grants to persons and non-profit bodies	217,503	222,453	230,361	257,450	255,510	283,794	287,272	303,427
Current grants abroad	3,084	1,434	2,923	5,699	11,794	14,109	9,115	6,339
Subsidies to private sector companies	10,077	12,832	17,448	120,073	41,312	23,854	20,058	20,300
Subsidies to public corporations	599	593	570	848	894	651	636	629
Net public service pensions ⁽¹⁾	9,262	10,007	3,442	2,231	1,502	1,662	1,808	1,969
Rentals	6,593	5,651	5,779	6,439	5,592	4,967	4,894	4,901
Depreciation ^{(2),(3)}	28,246	2,656	4,708	81,900	79,513	70,168	80,952	78,850
Take up of provisions ⁽³⁾	101,243	-99,098	56,999	12,582	177,781	48,721	30,611	30,855
Release of provisions	-7,505	-8,771	-10,776	-19,616	-16,746	-14,957	-9,700	-6,771
Change in pension scheme liabilities	54,299	82,690	67,960	80,763	99,845	114,735	119,443	120,447
Unwinding of the discount rate on pension scheme liabilities	42,664	39,997	45,856	34,378	26,869	36,930	37,761	39,079
Release of provisions covering payments of pensions benefits ⁽⁴⁾	-36,475	-38,236	-39,895	-40,863	-42,139	-45,082	-46,676	-47,690
Other	5,808	2,624	1,890	2,034	-1,203	-4,955	-2,845	-1,321
<i>Plus unallocated funds</i>	–	–	–	–	–	-3,536	7,987	13,619
Total resource budgets	764,775	577,016	746,514	987,819	1,090,092	962,666	972,958	1,001,506
Capital DEL								
Capital support for local government	8,546	9,402	10,316	12,685	11,246	12,377	12,864	12,804
Capital grants to persons and non-profit bodies	6,851	7,778	7,965	10,011	9,328	9,911	10,935	11,730
Capital grants to private sector companies	2,337	1,879	2,293	2,222	2,579	4,002	4,453	4,303
Capital grants abroad	2,172	3,174	2,395	2,955	1,895	5,215	5,720	5,748
Capital support for public corporations	340	569	465	739	1,190	531	290	217
Release of provisions	–	–	–	–	–	–	–	–
Gross capital procurement	28,809	33,407	40,076	51,301	59,088	64,932	60,291	59,593
Income from sales of assets	-1,580	-1,646	-1,683	-2,400	-8,988	-1,057	-1,401	-1,281
Net lending and investment to the private sector and abroad ⁽³⁾	4,889	3,928	4,175	7,097	4,337	5,795	2,201	3,011
Other	3,261	4,071	4,158	10,307	12,355	9,170	9,507	9,188
<i>Plus unallocated funds in capital DEL</i>	–	–	–	–	–	-12,240	-1,426	-640
Total capital DEL	55,626	62,562	70,159	94,917	93,030	98,635	103,433	104,674
Capital departmental AME								
Capital support for local government	743	835	1,381	1,106	1,033	1,267	1,079	1,068
Capital grants to persons and non-profit bodies	497	520	498	584	358	622	578	576
Capital grants to private sector companies	821	1,261	1,468	21,840	-1,506	2,443	1,971	1,949
Capital grants abroad	-26	-32	-33	-41	-70	2,928	-5	-5
Capital support for public corporations	335	1,292	385	197	314	-317	-532	-536
Take up of provisions	545	-234	2	4	16	156	117	117
Release of provision	-66	-395	-529	-324	-308	-555	-553	-430
Gross capital procurement	8,149	8,381	1,736	1,594	2,005	5,328	4,874	4,724
Income from sales of assets	-144	-1,218	-86	-78	-64	-123	-116	-116
Net lending and investment to the private sector and abroad	12,594	5,808	22,752	17,593	21,341	35,008	34,720	34,925
Other	-2,321	-3,588	-4,490	-5,112	-5,096	-6,548	-4,915	-4,835
Total capital departmental AME	21,127	12,631	23,085	37,361	18,021	40,210	37,218	37,435

Table 2.1 Budgets by economic category of spending, 2017-18 to 2024-25 (continued)

	£ million							
	National Statistics					2022-23 plans	2023-24 plans	2024-25 plans
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn			
Capital budgets								
Capital support for local government	9,289	10,237	11,697	13,790	12,279	13,643	13,943	13,872
Capital grants to persons and non-profit bodies	7,348	8,299	8,463	10,595	9,686	10,533	11,513	12,306
Capital grants to private sector companies	3,159	3,141	3,760	24,062	1,073	6,445	6,424	6,251
Capital grants abroad	2,146	3,142	2,362	2,913	1,824	8,143	5,714	5,743
Capital support for public corporations	675	1,861	850	936	1,504	214	-242	-319
Take up of provisions	545	-234	2	4	16	156	117	117
Release of provision	-66	-395	-529	-324	-308	-555	-553	-430
Gross capital procurement	36,958	41,788	41,812	52,895	61,093	70,260	65,165	64,317
Income from sales of assets	-1,724	-2,864	-1,769	-2,478	-9,052	-1,180	-1,517	-1,397
Net lending and investment to the private sector and abroad	17,482	9,735	26,928	24,690	25,678	40,803	36,921	37,937
Other	940	483	-331	5,195	7,258	2,622	4,592	4,353
<i>Plus unallocated funds in capital DEL</i>	–	–	–	–	–	-12,240	-1,426	-640
Total capital budgets	76,752	75,192	93,245	132,278	111,052	138,845	140,651	142,109

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

⁽²⁾ Excludes NHS Trusts' depreciation as exceptionally this is not removed in the calculation of TDEL.

⁽³⁾ Transactions have been affected by financial sector interventions. See Box 2.A for details.

⁽⁴⁾ Payments that release provision include bulk and individual transfers, including the transfer of liabilities within government.

Table 2.2 Gross current procurement in budgets, 2017-18 to 2024-25

	£ million							
	National Statistics					2022-23 plans	2023-24 plans	2024-25 plans
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn			
Gross current procurement in budgets								
Health and Social Care	63,408	64,256	66,728	94,241	105,155	98,079	101,209	103,613
Education	5,259	5,717	6,158	5,681	6,517	7,717	7,267	7,394
Home Office	2,545	2,943	2,950	3,402	4,666	4,499	2,871	3,019
Justice	5,033	4,993	5,056	4,943	5,122	6,027	6,104	6,308
Law Officers' Departments	323	321	331	285	345	475	442	455
Defence	11,510	12,253	13,134	13,085	14,965	16,326	17,712	17,922
Single Intelligence Account	1,198	1,223	1,357	1,326	1,559	1,656	1,523	1,568
Foreign, Commonwealth and Development Office	1,797	1,791	1,953	1,529	1,419	1,060	1,107	1,093
DLUHC ⁽¹⁾ – Housing and Communities	366	207	495	231	285	308	278	273
DLUHC ⁽¹⁾ – Local Government	–	0	–	–	–	–	–	–
Transport	4,329	5,260	5,388	5,207	5,396	6,681	6,334	5,952
Business, Energy and Industrial Strategy	2,040	1,906	2,076	2,198	3,465	2,176	2,246	2,238
Digital, Culture, Media and Sport	3,104	3,395	3,628	3,011	3,399	3,113	2,903	2,910
Environment, Food and Rural Affairs	925	1,081	1,152	1,256	1,143	1,435	1,581	1,613
International Trade	210	215	224	199	207	247	205	201
Work and Pensions	1,922	2,098	1,953	2,237	2,505	3,751	3,441	3,028
HM Revenue and Customs	1,237	1,262	1,274	1,845	2,703	2,314	1,903	1,804
HM Treasury	745	927	391	295	234	386	328	310
Cabinet Office	227	567	269	1,174	1,193	891	683	666
Scotland	8,088	10,412	10,875	14,214	14,412	12,917	13,571	13,903
Wales	3,987	4,149	4,272	5,250	5,085	5,576	5,602	5,707
Northern Ireland	4,207	4,482	4,579	5,218	5,651	5,415	5,303	5,381
Small and Independent Bodies	801	721	754	1,348	1,400	1,472	1,314	1,256
Total gross current procurement in budgets	123,261	130,177	134,997	168,176	186,825	182,521	183,929	186,613

⁽¹⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

Table 2.3 Gross capital procurement in budgets, 2017-18 to 2024-25

	£ million							
	National Statistics					2022-23 plans	2023-24 plans	2024-25 plans
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn			
Gross capital procurement in budgets								
Health and Social Care	4,901	5,973	6,671	12,341	14,288	11,633	10,088	10,810
Education	2,157	2,422	1,984	2,704	2,906	1,348	840	745
Home Office	437	528	576	740	608	1,014	680	555
Justice	450	522	553	1,069	1,440	1,789	2,240	1,431
Law Officers' Departments	10	16	8	5	7	58	8	7
Defence	9,737	10,731	10,643	12,046	14,470	18,521	15,950	16,363
Single Intelligence Account	623	666	674	599	937	1,307	1,170	1,204
Foreign, Commonwealth and Development Office	395	215	209	323	169	297	116	113
DLUHC ⁽¹⁾ – Housing and Communities	395	272	385	344	269	384	432	354
Transport	10,019	12,392	11,840	13,610	15,229	17,333	17,260	17,533
Business, Energy and Industrial Strategy	3,366	3,664	3,513	3,718	4,075	5,012	6,422	5,233
Digital, Culture, Media and Sport	314	355	655	453	486	2,627	2,643	2,673
Environment, Food and Rural Affairs	256	256	266	342	526	871	896	905
International Trade	16	17	20	34	24	25	18	15
Work and Pensions	341	200	113	324	474	612	263	231
HM Revenue and Customs	306	374	420	565	895	689	590	478
HM Treasury	8	22	10	9	36	17	15	13
Cabinet Office	200	153	114	262	287	1,120	464	486
Scotland	1,097	969	1,020	1,113	1,473	2,770	2,319	2,292
Wales	660	676	632	788	840	908	840	836
Northern Ireland	980	1,116	1,105	1,231	1,336	1,497	1,452	1,432
Small and Independent Bodies	289	249	401	275	316	429	460	607
Total gross capital procurement in budgets	36,958	41,788	41,812	52,895	61,093	70,260	65,165	64,317

⁽¹⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department of Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

3

Changes in departmental budgets

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

- for 2020-21, estimated outturn published in PESA 2021 (CP 507) is compared with the final outturn in **Chapter 1**;
- for 2021-22, the plans published in PESA 2021 are reconciled to final plans and compared to the estimated outturn in **Chapter 1**; and
- For 2022-23 to 2024-25, latest plans are compared with the published figures in Spending Review 2021 (HC 822).

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

- **Tables 3.1, 3.2, 3.3 and 3.4** show changes for 2020-21;
- **Tables 3.5, 3.6, 3.7 and 3.8** show changes for 2021-22;
- **Tables 3.9-3.11** show plans for 2022-23 and 2023-24;
- **Tables 3.12-3.14** show plans for 2024-25.

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

What's new

3.3 The ongoing pressures faced by some departments, due to the impact of the pandemic, may again lead to delays in the laying of some annual reports and accounts (ARAs) this year. As a result, the 2021-22 outturn published in PESA may be subject to data quality issues, as not all departments will have been able to align data to their ARAs. The public spending statistics (PSS) release, published on a quarterly basis, will reflect any later revisions made by departments to their 2021-22 outturn.

Types of changes

3.4 The comparisons distinguish between the following types of change:

- Machinery of Government changes, which are implemented in the starting position of all tables so that other changes are not obscured by departmental restructuring;
- changes that result from spending being reclassified or where financing responsibility transfers between departments (i.e. changes in the way public expenditure is measured); and
- changes that reflect policy decisions or are due to the availability of updated outturn or forecasts. This also takes account of any departmental underspends carried forward from 2021-22 to 2022-23 under the Budget Exchange system.

Machinery of Government and classification changes

3.5 In September 2021 the government announced that the Ministry of Housing, Communities and Local Government (MHCLG) would be renamed the Department for Levelling Up, Housing and Communities (DLUHC). The department name DLUHC is used in these tables to reflect this change.

3.6 A Machinery of Government change in 2021 transferred the Vaccine Taskforce from the Department for Business, Energy and Industrial Strategy to the Department of Health and Social Care.

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

3.8 From 2022-23 departments have adopted the IFRS16 treatment of leases, resulting in some large adjustments to resource and capital budgets¹.

Policy changes

3.9 This section sets out the key spending policy decisions taken since PESA 2021. This mainly includes:

- measures announced at Autumn Budget 2021 and Spring Statement 2022
- claims on the Reserve
- carry forward of estimated resource and capital DEL underspends (with the agreement of the Treasury) from 2021-22 under the Budget Exchange (BX) system

Policy changes in 2021-22 Tables 3.5 to 3.7

3.10 The impact of policy decisions on resource DEL and capital DEL budgets in 2021-22 are set out in **Tables 3.5 and 3.7**, respectively. The main policy decisions are set out below.

The main claims on the resource DEL Reserve in 2021-22 were:

- DHSC was given £9.8 billion, mainly in respect of Covid-19 related costs
- DfE received £0.6 billion to cover various programmes
- Home Office received £2.4 billion mainly to cover various Covid-19, asylum and Afghanistan resettlement pressures
- MoD was given £0.2 billion mainly for the cost of peacekeeping and other operations
- FCDO was given £0.5 billion mainly in respect of Official Development Assistance programmes, Afghanistan humanitarian assistance and other programmes
- DLUHC Local Government received £4.6 billion to cover Council Tax rebate measures and the Covid-19 Additional Relief Fund
- DfT was given £3.8 billion for various programmes including Covid-19 related support for Transport for London and bus and rail services

¹ IFRS 16 Leases – Supplementary budgeting guidance.docx (publishing.service.gov.uk)

- BEIS received £2.1 billion mainly for Covid-19 Business Support Grants, Energy Special Administration Regime costs, and the Nuclear Decommissioning Authority
- DDCMS was given £0.5 billion mainly in respect of the Cultural Recovery Fund, the Production Restart Scheme and other programmes
- DEFRA was given £0.1 billion for a number of programmes
- DWP received £0.5 billion for the household support fund and in respect of various pressures
- HMRC was given £0.1 billion mainly to cover Covid-19 related costs
- HM Treasury was given £0.2 billion mainly for the London Capital and Finance Compensation Scheme
- Cabinet Office received £0.4 billion mainly for Covid-19 related programmes, depreciation and COP26 costs
- Scottish Government was given £1.3 billion mainly in respect of Barnett consequentials arising from reserve claims by UK Government departments
- Welsh Government received £1.0 billion mainly in respect of Barnett consequentials arising from reserve claims by UK Government departments;
- Northern Ireland Executive was given £0.5 billion mainly in respect of Barnett consequentials arising from reserve claims by UK Government departments

The main claims on the capital DEL Reserve in 2021-22 were:

- DHSC received £2.0 billion mainly in respect of various Covid-19 related costs, including the Vaccine Taskforce and NHS Test and Trace
- Home Office was given £0.1 billion mainly for the Emergency Service Mobile Communication Programme
- MoJ was given £0.1 billion mainly in respect of HM Courts and Tribunals Service Reform
- MoD received £0.5 billion for Dreadnought contingency
- DfT received £0.7 billion mainly for Covid-19 support funding for Train Operating Companies
- BEIS was given £7.1 billion mainly in relation to the Nuclear Liabilities Fund and the Energy Special Administration Regime
- DCMS was given £0.1 billion for various programmes
- DEFRA was given £0.1 billion for several programmes
- DWP received £0.2 billion to meet various cost pressures

The other main policy decisions affecting 2021-22 DELs were:

- DHSC gave up £1.3 billion of RDEL and £0.1 billion of CDEL in relation to revised spending forecasts and £0.2 billion of RDEL in relation to Business Rates retention
- DfE gave up £8.8 billion of RDEL, mainly due to a reduction in the Resource Accounting and Budgeting (RAB) Charge for the Student Loan Book
- MoJ Budget Exchanged £0.3 billion of CDEL into 2022-23

- MoD Budget Exchanged £0.5 billion of CDEL into later years and gave up £2.3 billion relating to depreciation in RDEL
- FCDO gave up £0.1 billion of RDEL and £0.2 billion of CDEL, mainly relating to Official Development Assistance programmes
- DLUHC Communities Budget Exchanged £0.6 billion of CDEL into 2022-23 and gave up £0.9 billion of CDEL capital grants
- DLUHC Local Government gave up £0.6 billion of RDEL, mainly in respect of Business Rates Reliefs
- DfT Budget Exchanged £0.6 billion of CDEL into 2022-23 and gave up a further £0.2 billion of CDEL
- BEIS gave up £0.5 billion of RDEL, mainly relating to Covid-19 Business Support Grants, as well as £0.5 billion of CDEL. In addition, £1.2 billion of CDEL, relating to science and research, was Budget Exchanged into 2022-23
- DWP gave up £0.7 billion of RDEL
- DEFRA reprofiled £0.2 billion of CDEL into later years
- Department for International Trade gave up £0.1 billion of CDEL for the Old Admiralty Building
- HMRC gave up £0.1 billion of RDEL

3.11 Under the Budget Exchange system departments carried forward £3.2 billion capital DEL from 2021-22 into later years.

Policy changes in 2022-23 Tables 3.9 to 3.11

3.12 The impact of policy decisions on resource DEL and capital DEL budgets in 2022-23 are set out in **Tables 3.9 and 3.11 respectively**. The main policy decisions are set out below:

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

- BEIS was given £1.7 billion mainly for the Bulb Energy Special Administration Regime
- Cabinet Office was given £0.1 billion for various programme;
- DLUHC Communities was given £0.4 billion for various programmes
- DLUHC Local Government was given £0.7 billion for Retail, Hospitality and Leisure Relief, announced at Autumn Budget 2021
- MoD was given £0.3 billion to cover the costs of operations and peacekeeping
- DfT was given £0.6 billion mainly for Transport for London, Crossrail, bus networks and light rail
- HM Treasury was given £0.1 billion for various programmes
- Scotland was given £0.4 billion, partly from carry forward of Council Tax rebate funding from 2021-22 and from Barnett consequential arising from UK Government departments
- Welsh Government was given £0.1 billion for various programmes
- Northern Ireland was given £0.5 billion partly from carry forward of Council Tax rebate funding from 2021-22 and from Barnett consequential arising from UK Government departments

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

- Cabinet Office was given £0.6 billion of CDEL for IFRS16 leases reclassification
- DfE gave up £14.6 billion of RDEL following revaluation of Student Loan impairments
- DLUHC Communities was given £0.4 billion of RDEL from the Shared Prosperity Fund and CDEL increased by £0.6 billion following Budget Exchange from 2021-22
- DHSC was given £1.4 billion of CDEL for IFRS16 leases reclassification
- DWP was given £0.2 billion of CDEL for IFRS16 leases reclassification and £0.6 billion of RDEL from measures announced at Spring Statement 2022
- DfT Budget Exchanged £0.6 billion of CDEL from 2021-22 into 2022-23
- FCDO was given £0.1 billion of CDEL for IFRS16 leases reclassification
- Home Office was given £0.1 billion of CDEL for IFRS16 leases reclassification
- MoD was given £2.9 billion of CDEL and £0.4 billion of RDEL for IFRS16 leases reclassification and CDEL increased by a further £0.2 billion following Budget Exchange from 2021-22
- Scottish Government was given £1.4 billion of CDEL for IFRS16 leases reclassification
- Welsh Government was given £0.3 billion of CDEL for IFRS16 leases reclassification
- BEIS was given £5.8 billion of RDEL for the energy bills support package at Spring Statement 2022 and £1.0 billion of CDEL for the Bulb Energy Special Administration Regime. Following the Cost of Living Support Package announced in May 2022 BEIS was given an additional £5.8 billion of RDEL. CDEL increased by a further £1.2 billion following Budget Exchange from 2021-22
- HMRC was given £0.7 billion of additional RDEL following the Cost of Living Support Package announced in May 2022
- DWP was given £0.4 billion of RDEL following the Cost of Living Support Package announced in May 2022

Policy changes in 2023-24 to 2024-25 Tables 3.9 to 3.14

3.13 The impact of policy decisions on resource DEL in 2023-24 and 2024-25 are set out in **Tables 3.9 and 3.12 respectively**. The impact on capital DEL budgets in 2023-24 and 2024-25 are set out in **Tables 3.11 and 3.14 respectively**. The main policy decisions are set out below:

- DEFRA reprofiled £0.2 billion of CDEL out of 2021-22, with £0.1 billion moving into both 2023-24 and 2024-25
- MoD Budget Exchanged £0.1 billion of CDEL into both 2023-24 and 2024-25 from 2021-22

Table 3.1 Resource DEL 2020-21; changes since PESA 2021

				£ million	
	Final provision adjusted for MoG	Outturn in PESA 2021 adjusted for MoG	Transfers and classification changes since PESA 2021	Other changes since PESA 2021	Outturn
Resource DEL					
Health and Social Care	201,996	182,894	–	-1,453	181,441
Education	88,807	79,403	–	-2,580	76,822
Home Office	15,224	15,062	–	-1	15,061
Justice	9,500	9,148	–	16	9,164
Law Officers' Departments	696	625	–	–	625
Defence	41,257	38,217	–	1,961	40,178
Single Intelligence Account	2,901	2,717	–	–	2,717
Foreign, Commonwealth and Development Office	9,946	9,917	–	1	9,918
DLUHC ⁽¹⁾ – Housing and Communities	3,251	2,698	–	12	2,710
DLUHC ⁽¹⁾ – Local Government	21,485	21,271	–	-365	20,907
Transport	25,099	23,776	–	-105	23,671
Business, Energy and Industrial Strategy	26,672	25,029	–	-2,532	22,496
Digital, Culture, Media and Sport	3,833	3,096	–	–	3,096
Environment, Food and Rural Affairs	4,757	4,657	–	-35	4,621
International Trade	516	502	–	–	502
Work and Pensions	6,932	6,661	–	–	6,661
HM Revenue and Customs	4,961	4,809	–	–	4,809
HM Treasury	347	320	–	–	320
Cabinet Office	1,596	1,442	–	-17	1,426
Scotland	32,833	31,080	–	-43	31,037
Wales	19,461	18,686	–	-63	18,623
Northern Ireland	16,019	15,527	–	-1	15,525
Small and Independent Bodies	2,661	2,455	–	-7	2,448
Total resource DEL	540,750	499,991	–	-5,212	494,779

⁽¹⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

Table 3.2 Resource DEL excluding depreciation 2020-21; changes since PESA 2021

				£ million	
	Final provision adjusted for MoG	Outturn in PESA 2021 adjusted for MoG	Transfers and classification changes since PESA 2021	Other changes since PESA 2021	Outturn
Resource DEL excluding depreciation					
Health and Social Care	200,407	181,807	–	-1,561	180,247
Education	69,081	68,249	–	6	68,256
Home Office	14,695	14,561	–	3	14,565
Justice	8,893	8,621	–	-46	8,575
Law Officers' Departments	684	613	–	–	613
Defence	30,757	30,649	–	6	30,655
Single Intelligence Account	2,426	2,268	–	–	2,268
Foreign, Commonwealth and Development Office	9,730	9,719	–	1	9,720
DLUHC ⁽¹⁾ – Housing and Communities	3,224	2,707	–	12	2,719
DLUHC ⁽¹⁾ – Local Government	21,485	21,271	–	-365	20,907
Transport	17,012	16,370	–	-112	16,258
Business, Energy and Industrial Strategy	26,371	24,753	–	-2,527	22,226
Digital, Culture, Media and Sport	3,633	2,936	–	–	2,936
Environment, Food and Rural Affairs	4,518	4,439	–	-21	4,418
International Trade	505	493	–	–	493
Work and Pensions	6,741	6,476	–	–	6,476
HM Revenue and Customs	4,580	4,501	–	–	4,501
HM Treasury	341	314	–	–	314
Cabinet Office	1,524	1,385	–	-17	1,368
Scotland	39,210	38,851	–	1	38,852
Wales	17,924	17,704	–	-138	17,566
Northern Ireland	14,975	14,884	–	0	14,885
Small and Independent Bodies	2,445	2,185	–	-5	2,180
Total resource DEL	501,161	475,757	–	-4,761	470,997

⁽¹⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

Table 3.3 Capital DEL 2020-21; changes since PESA 2021

				£ million	
	Final provision adjusted for MoG	Outturn in PESA 2021 adjusted for MoG	Transfers and classification changes since PESA 2021	Other changes since PESA 2021	Outturn
Capital DEL					
Health and Social Care	12,939	11,742	–	963	12,704
Education	5,037	4,732	–	-4	4,728
Home Office	918	786	–	2	788
Justice	1,077	1,064	–	4	1,068
Law Officers' Departments	9	5	–	–	5
Defence	11,716	11,707	–	0	11,707
Single Intelligence Account	810	580	–	–	580
Foreign, Commonwealth and Development Office	2,977	2,871	–	–	2,871
DLUHC ⁽¹⁾ – Housing and Communities	10,486	9,105	–	-8	9,096
Transport	18,265	17,069	–	65	17,134
Business, Energy and Industrial Strategy	21,118	20,276	–	174	20,450
Digital, Culture, Media and Sport	1,201	951	–	–	951
Environment, Food and Rural Affairs	1,025	909	–	-18	891
International Trade	180	34	–	–	34
Work and Pensions	644	468	–	–	468
HM Revenue and Customs	564	542	–	–	542
HM Treasury	18	8	–	–	8
Cabinet Office	387	373	–	-1	373
Scotland	5,449	5,224	–	7	5,230
Wales	3,151	3,272	–	26	3,297
Northern Ireland	1,807	1,718	–	-2	1,716
Small and Independent Bodies	392	275	–	-1	274
Total capital DEL	100,171	93,711	–	1,206	94,917

⁽¹⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

Table 3.4 Total Managed Expenditure 2020-21; changes since PESA 2021

	Outturn in PESA 2021	Transfers and classification changes since PESA 2021	Other changes since PESA 2021	£ million Outturn
CURRENT EXPENDITURE				
<i>Resource DEL</i>				
Total resource DEL	499,991	–	-5,212	494,779
<i>Resource departmental AME</i>				
Social security benefits	229,535	–	0	229,535
Tax credits	15,390	–	–	15,390
Net public service pensions	42,093	–	-155	41,938
National lottery	1,231	–	–	1,231
BBC domestic services	3,321	–	–	3,321
Student loans	-4,840	–	-12	-4,851
Non-cash items	37,444	–	-1,466	35,978
Financial sector interventions	44,548	–	–	44,548
Other departmental expenditure	123,943	–	2,006	125,949
Total resource departmental AME	492,666	–	374	493,040
<i>Resource other AME</i>				
Net expenditure transfers to the EU	9,709	–	1,222	10,930
Locally financed expenditure	38,180	–	-12,978	25,202
Central government gross debt interest	39,278	–	126	39,404
Accounting adjustments	-92,622	–	8,631	-83,991
Total resource other AME	-5,455	–	-2,999	-8,455
Total resource AME	487,211	–	-2,626	484,585
Public sector current expenditure	987,202	–	-7,838	979,364
CAPITAL EXPENDITURE				
<i>Capital DEL</i>				
Total capital DEL	93,711	–	1,206	94,917
<i>Capital departmental AME</i>				
National lottery	190	–	–	190
BBC domestic services	63	–	–	63
Student loans	22,600	–	12	22,612
Financial sector interventions	-2,742	–	–	-2,742
Other departmental expenditure	16,446	–	791	17,238
Total capital departmental AME	36,557	–	803	37,361
<i>Capital other AME</i>				
Locally financed expenditure	10,950	–	610	11,560
Public corporations' own-financed capital expenditure	9,095	–	-655	8,440
Accounting adjustments	-43,130	–	15,786	-27,343
Total capital other AME	-23,085	–	15,742	-7,343
Total capital AME	13,473	–	16,545	30,018
Public sector gross investment	107,184	–	17,751	124,935
<i>less public sector depreciation</i>	<i>52,326</i>	–	<i>1,089</i>	<i>53,415</i>
Public sector net investment	54,858	–	16,662	71,520
Total Managed Expenditure	1,094,386	–	9,913	1,104,299

Table 3.5 Resource DEL 2021-22; changes since PESA 2021

	£ million				
	Plans in PESA 2021 adjusted for MOG	Transfers and classification changes since PESA 2021	Other changes since PESA 2021	Final provision	Outturn
Resource DEL					
Health and Social Care	178,510	230	8,156	186,895	183,772
Education	91,132	7	-8,156	82,983	72,374
Home Office	13,747	-652	2,435	15,530	14,958
Justice	9,410	31	-31	9,410	9,433
Law Officers' Departments	743	0	-7	736	694
Defence	41,943	-21	-2,102	39,821	39,740
Single Intelligence Account	3,002	-15	30	3,017	2,926
Foreign, Commonwealth and Development Office	7,436	-6	427	7,857	7,740
ODA unallocated provision to hit 0.7% of GNI	–	–	–	–	–
DLUHC ⁽¹⁾ – Housing and Communities	3,119	-12	-21	3,087	2,854
DLUHC ⁽¹⁾ – Local Government	17,471	-16	3,999	21,454	21,262
Transport	17,420	-6	3,482	20,897	18,669
Business, Energy and Industrial Strategy	8,059	4	1,505	9,569	7,845
Digital, Culture, Media and Sport	2,011	38	435	2,485	2,027
Environment, Food and Rural Affairs	4,390	-4	58	4,444	4,367
International Trade	521	10	13	544	535
Work and Pensions	9,412	-50	-182	9,180	8,972
HM Revenue and Customs	6,073	39	-88	6,024	5,698
HM Treasury	279	1	141	421	403
Cabinet Office	1,166	-72	404	1,499	1,245
Scotland	29,839	280	1,324	31,443	28,602
Wales	17,757	128	977	18,863	16,239
Northern Ireland	14,806	68	522	15,396	14,441
Small and Independent Bodies	2,641	16	133	2,790	2,499
UK Shared Prosperity Fund	–	–	–	–	–
IFRS16 adjustments to be allocated	–	–	–	–	–
Reserves	11,500	–	-11,500	–	–
OBR allowance for shortfall	-7,463	–	7,463	–	–
Adjustment for Budget Exchange	-149	–	149	–	–
Total resource DEL	484,776	–	9,567	494,343	467,297

⁽¹⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

Table 3.6 Resource DEL excluding depreciation 2021-22; changes since PESA 2021

	£ million				
	Plans in PESA 2021 adjusted for MOG	Transfers and classification changes since PESA 2021	Other changes since PESA 2021	Final provision	Outturn
Resource DEL excluding depreciation					
Health and Social Care	177,211	230	7,875	185,315	180,723
Education	71,406	7	256	71,669	70,974
Home Office	13,271	-652	2,435	15,055	14,434
Justice	8,684	31	-31	8,684	8,748
Law Officers' Departments	720	0	-7	713	674
Defence	31,443	-21	198	31,621	31,749
Single Intelligence Account	2,527	-15	19	2,531	2,451
Foreign, Commonwealth and Development Office	7,221	-6	418	7,633	7,532
ODA unallocated provision to hit 0.7% of GNI	–	–	–	–	–
DLUHC ⁽¹⁾ – Housing and Communities	3,092	-12	-21	3,059	2,844
DLUHC ⁽¹⁾ – Local Government	17,471	-16	3,999	21,454	21,262
Transport	9,333	-6	3,290	12,618	10,546
Business, Energy and Industrial Strategy	7,725	4	1,518	9,247	7,524
Digital, Culture, Media and Sport	1,811	38	435	2,285	1,862
Environment, Food and Rural Affairs	4,151	-4	42	4,189	4,138
International Trade	510	10	-12	508	499
Work and Pensions	9,222	-50	-251	8,921	8,708
HM Revenue and Customs	5,689	39	-38	5,690	5,523
HM Treasury	274	1	143	417	399
Cabinet Office	1,094	-72	352	1,374	1,168
Scotland	36,187	280	1,372	37,839	37,104
Wales	16,237	128	914	17,280	16,422
Northern Ireland	13,771	68	500	14,340	14,122
Small and Independent Bodies	2,477	16	127	2,621	2,386
UK Shared Prosperity Fund	–	–	–	–	–
IFRS16 adjustments to be allocated	–	–	–	–	–
Reserves	11,500	–	-11,500	–	–
OBR allowance for shortfall	-7,463	–	7,463	–	–
Adjustment for Budget Exchange	-149	–	149	–	–
Total resource DEL	445,416	–	19,646	465,062	451,792

⁽¹⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

Table 3.7 Capital DEL 2021-22; changes since PESA 2021

	£ million				
	Plans in PESA 2021 adjusted for MOG	Transfers and classification changes since PESA 2021	Other changes since PESA 2021	Final provision	Outturn
Capital DEL					
Health and Social Care	8,530	2	1,916	10,447	9,035
Education	5,615	4	-428	5,191	4,706
Home Office	936	3	12	950	861
Justice	1,718	-3	-169	1,546	1,439
Law Officers' Departments	12	–	–	12	8
Defence	14,333	-25	-42	14,265	14,180
Single Intelligence Account	1,014	16	-78	951	906
Foreign, Commonwealth and Development Office	1,938	-1	-165	1,772	1,750
DLUHC ⁽¹⁾ – Housing and Communities	8,822	-1	-1,470	7,352	6,157
Levelling Up Fund	–	–	–	–	–
Transport	19,495	5	-80	19,421	19,182
Business, Energy and Industrial Strategy	16,665	-6	5,421	22,080	20,830
Digital, Culture, Media and Sport	1,018	-3	-213	802	668
Environment, Food and Rural Affairs	1,536	-17	-98	1,420	1,403
International Trade	155	–	-132	23	21
Work and Pensions	461	-1	175	635	626
HM Revenue and Customs	659	43	36	738	662
HM Treasury	8	–	39	48	12
Cabinet Office	429	-43	-18	368	272
Scotland	5,697	5	-139	5,562	5,143
Wales	2,610	14	-54	2,570	3,033
Northern Ireland	1,867	11	64	1,942	1,821
Small and Independent Bodies	440	-2	-21	417	316
UK Shared Prosperity Fund	–	–	–	–	–
Funding for leases reclassification exercise (IFRS16)	–	–	–	–	–
Reserves	6,400	–	-6,400	–	–
OBR allowance for shortfall	-7,497	–	7,497	–	–
Adjustment for Budget Exchange	-1,076	–	1,076	–	–
Total capital DEL	91,786	–	6,728	98,513	93,030

⁽¹⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

Table 3.8 Total Managed Expenditure 2021-22; changes since PESA 2021

	Plans in PESA 2021	Transfers and classification changes since PESA 2021	Other changes since PESA 2021	£ million Outturn
CURRENT EXPENDITURE				
<i>Resource DEL</i>				
Total resource DEL	484,776	–	-17,479	467,297
<i>Resource departmental AME</i>				
Social security benefits	237,844	–	-4,821	233,022
Tax credits	13,294	–	-2,273	11,021
Net public service pensions	54,125	–	4,989	59,114
National lottery	1,521	–	206	1,727
BBC domestic services	4,190	–	-569	3,621
Student loans	-4,310	–	-817	-5,127
Non-cash items	69,604	–	136,641	206,245
Financial sector interventions	20,573	–	26,647	47,220
Other departmental expenditure	66,669	–	-718	65,951
Total resource departmental AME	463,509	–	159,285	622,795
<i>Resource other AME</i>				
Net expenditure transfers to the EU	–	–	315	315
Locally financed expenditure	39,565	–	1,102	40,666
Central government gross debt interest	42,626	–	27,252	69,878
Accounting adjustments	-96,016	–	-163,421	-259,438
Total resource other AME	-13,825	–	-134,753	-148,578
Total resource AME	449,684	–	24,533	474,217
Public sector current expenditure	934,460	–	7,054	941,514
CAPITAL EXPENDITURE				
<i>Capital DEL</i>				
Total capital DEL	91,786	–	1,245	93,030
<i>Capital departmental AME</i>				
National lottery	269	–	-119	150
BBC domestic services	229	–	-65	165
Student loans	25,338	–	-1,868	23,470
Financial sector interventions	–	–	-3,779	-3,779
Other departmental expenditure	6,560	–	-8,545	-1,985
Total capital departmental AME	32,397	–	-14,376	18,021
<i>Capital other AME</i>				
Locally financed expenditure	10,294	–	-1,080	9,215
Public corporations' own-financed capital expenditure	7,379	–	3,034	10,413
Accounting adjustments	-23,065	–	11,172	-11,893
Total capital other AME	-5,392	–	13,127	7,735
Total capital AME	27,005	–	-1,249	25,757
Public sector gross investment	118,791	–	-4	118,787
<i>less public sector depreciation</i>	<i>56,616</i>	<i>–</i>	<i>-1,541</i>	<i>55,075</i>
Public sector net investment	62,175	–	1,537	63,712
Total Managed Expenditure	1,053,251	–	7,050	1,060,301

Table 3.9 Resource DEL 2022-23 and 2023-24; changes since SR 2021

	£ million							
	2022-23				2023-24			
	Plans in SR2021 adjusted for MOG	Transfers and classification changes	Reserve allocation and other policy changes	New Plans	Plans in SR2021 adjusted for MOG	Transfers and classification changes	Reserve allocation and other policy changes	New Plans
Resource DEL								
Health and Social Care	169,486	516	-54	169,948	174,931	–	–	174,931
Education	88,275	104	-14,542	73,837	90,530	–	28	90,558
Home Office	15,707	-609	42	15,141	16,037	–	0	16,037
Justice	10,051	50	153	10,255	10,527	–	–	10,527
Law Officers' Departments	788	0	14	803	804	–	–	804
Defence	40,290	-106	713	40,897	40,362	–	1	40,363
Single Intelligence Account	2,994	130	1	3,125	2,878	–	–	2,878
Foreign, Commonwealth and Development Office	8,722	-132	-65	8,525	8,151	-10	0	8,141
ODA unallocated provision to hit 0.7% of GNI	–	–	–	–	–	–	–	–
DLUHC ⁽¹⁾ – Housing and Communities	2,197	470	434	3,100	2,188	–	–	2,188
DLUHC ⁽¹⁾ – Local Government	11,715	-594	644	11,766	12,103	–	–	12,103
Transport	16,050	-10	579	16,618	15,099	–	–	15,099
Business, Energy and Industrial Strategy	2,913	3	13,405	16,321	3,009	–	–	3,009
Digital, Culture, Media and Sport	2,299	-68	14	2,245	1,773	10	–	1,783
Environment, Food and Rural Affairs	4,774	3	13	4,790	4,619	–	–	4,619
International Trade	584	9	-23	571	580	–	0	580
Work and Pensions	7,906	-11	1,004	8,900	7,414	–	–	7,414
HM Revenue and Customs	5,541	40	798	6,379	5,258	–	–	5,258
HM Treasury	295	0	71	367	285	–	–	285
Cabinet Office	679	63	165	908	664	–	–	664
Scotland	26,317	64	634	27,015	27,015	–	–	27,015
Wales	16,647	40	369	17,056	16,937	–	-5	16,932
Northern Ireland	13,994	16	587	14,596	14,212	–	–	14,212
Small and Independent Bodies	2,603	21	-57	2,567	2,659	–	-43	2,616
UK Shared Prosperity Fund	399	–	-399	–	627	–	0	627
IFRS16 adjustments to be allocated	–	–	–	–	–	–	-959	-959
Reserves	10,952	–	-10,035	917	10,873	–	1,150	12,023
OBR allowance for shortfall	-7,217	–	2,764	-4,453	-5,754	–	2,050	-3,704
Adjustment for Budget Exchange	–	–	–	–	–	–	–	–
Total resource DEL	454,961	–	-2,768	452,193	463,782	–	2,222	466,004

⁽¹⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

Table 3.10 Resource DEL excluding depreciation 2022-23 and 2023-24; changes since SR 2021

	£ million							
	2022-23				2023-24			
	Plans in SR2021 adjusted for MOG	Transfers and classification changes	Reserve allocation and other policy changes	New Plans	Plans in SR2021 adjusted for MOG	Transfers and classification changes	Reserve allocation and other policy changes	New Plans
Resource DEL excluding depreciation								
Health and Social Care	167,906	516	-215	168,207	173,351	–	–	173,351
Education	76,961	104	38	77,104	79,217	–	28	79,245
Home Office	15,231	-609	-47	14,576	15,561	–	0	15,561
Justice	9,326	50	24	9,400	9,802	–	–	9,802
Law Officers' Departments	765	0	1	766	780	–	–	780
Defence	32,090	-106	164	32,147	32,162	–	1	32,163
Single Intelligence Account Foreign, Commonwealth and Development Office	2,508	130	-35	2,603	2,393	–	–	2,393
ODA unallocated provision to hit 0.7% of GNI	8,498	-132	-173	8,193	7,927	-10	0	7,917
DLUHC ⁽¹⁾ – Housing and Communities	–	–	–	–	–	–	–	–
DLUHC ⁽¹⁾ – Local Government	2,169	470	412	3,051	2,161	–	–	2,161
Transport	11,715	-594	644	11,766	12,103	–	–	12,103
Business, Energy and Industrial Strategy	7,771	-10	579	8,339	6,820	–	–	6,820
Digital, Culture, Media and Sport	2,591	3	13,359	15,953	2,687	–	–	2,687
Environment, Food and Rural Affairs	2,099	-68	14	2,045	1,573	10	–	1,583
International Trade	4,519	3	-20	4,503	4,364	–	–	4,364
Work and Pensions	549	9	-7	551	545	–	0	545
HM Revenue and Customs	7,648	-8	777	8,416	7,155	–	–	7,155
HM Treasury	5,207	37	662	5,907	4,924	–	–	4,924
Cabinet Office	291	0	62	353	281	–	–	281
Scotland	555	63	80	698	540	–	–	540
Wales	35,027	64	187	35,279	35,657	–	–	35,657
Northern Ireland	15,065	40	168	15,273	15,355	–	-5	15,350
Small and Independent Bodies	12,937	16	481	13,434	13,155	–	–	13,155
UK Shared Prosperity Fund	2,434	21	-69	2,386	2,489	–	-31	2,458
IFRS16 adjustments to be allocated	399	–	-399	–	627	–	0	627
Reserves	–	–	–	–	–	–	-959	-959
OBR allowance for shortfall	10,952	–	-10,035	917	10,873	–	1,150	12,023
Adjustment for Budget Exchange	-7,217	–	2,764	-4,453	-5,754	–	2,050	-3,704
	–	–	–	–	–	–	–	–
Total resource DEL	427,994	–	9,418	437,412	436,746	–	2,234	438,980

⁽¹⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

Table 3.11 Capital DEL 2022-23 and 2023-24; changes since SR 2021

	£ million							
	2022-23				2023-24			
	Plans in SR2021 adjusted for MOG	Transfers and classification changes	Reserve allocation and other policy changes	New Plans	Plans in SR2021 adjusted for MOG	Transfers and classification changes	Reserve allocation and other policy changes	New Plans
Capital DEL								
Health and Social Care	10,607	6	1,435	12,048	10,447	–	–	10,447
Education	6,333	4	28	6,365	7,035	–	0	7,035
Home Office	1,042	–	126	1,168	988	–	0	988
Justice	1,668	–	92	1,760	2,237	–	–	2,237
Law Officers' Departments	8	–	51	58	8	–	–	8
Defence	15,510	-148	3,128	18,491	15,816	–	104	15,920
Single Intelligence Account	1,072	123	48	1,243	1,170	–	0	1,170
Foreign, Commonwealth and Development Office	2,610	-26	60	2,645	3,484	–	–	3,484
DLUHC ⁽¹⁾ – Housing and Communities	8,945	-7	646	9,584	6,856	–	0	6,856
Levelling Up Fund	900	–	–	900	1,387	–	–	1,387
Transport	19,452	3	692	20,147	19,873	–	–	19,873
Business, Energy and Industrial Strategy	16,983	24	2,053	19,059	20,780	–	0	20,780
Digital, Culture, Media and Sport	764	1	66	831	1,078	–	–	1,078
Environment, Food and Rural Affairs	2,224	2	-99	2,126	2,912	–	50	2,962
International Trade	21	–	4	25	18	–	-1	18
Work and Pensions	621	-1	234	854	457	–	–	457
HM Revenue and Customs	659	11	5	676	579	–	0	579
HM Treasury	7	–	3	10	7	–	0	7
Cabinet Office	424	11	685	1,120	464	–	0	464
Scotland	5,578	–	1,615	7,193	5,575	–	–	5,575
Wales	2,643	–	339	2,982	2,611	–	0	2,611
Northern Ireland	1,849	–	215	2,064	1,851	–	–	1,851
Small and Independent Bodies	463	-2	-33	427	462	–	-2	460
UK Shared Prosperity Fund	26	–	-26	–	62	–	1	63
Funding for leases reclassification exercise (IFRS16)	1,500	–	-1,500	–	1,500	–	740	2,240
Reserves	4,934	–	-4,934	–	3,821	–	-149	3,672
OBR allowance for shortfall	-7,934	–	-2,000	-9,934	-8,788	–	0	-8,788
Adjustment for Budget Exchange	–	–	-3,206	-3,206	–	–	–	–
Total capital DEL	98,909	–	-274	98,635	102,690	–	743	103,433

⁽¹⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

Table 3.12 Resource DEL 2024-25; changes since SR 2021

	2024-25			£ million
	Plans in SR2021 adjusted for MOG	Transfers and classification changes	Reserve allocation and other policy changes	New Plans
Resource DEL				
Health and Social Care	178,954	–	–	178,954
Education	91,943	–	29	91,972
Home Office	16,212	–	0	16,212
Justice	10,801	–	–	10,801
Law Officers' Departments	817	–	–	817
Defence	40,573	–	–	40,573
Single Intelligence Account	2,949	–	–	2,949
Foreign, Commonwealth and Development Office	8,027	-10	0	8,016
ODA unallocated provision to hit 0.7% of GNI	5,220	–	–	5,220
DLUHC ⁽¹⁾ – Housing and Communities	2,160	–	–	2,160
DLUHC ⁽¹⁾ – Local Government	12,757	–	–	12,757
Transport	14,027	–	–	14,027
Business, Energy and Industrial Strategy	2,914	–	–	2,914
Digital, Culture, Media and Sport	1,792	10	–	1,802
Environment, Food and Rural Affairs	4,523	–	–	4,523
International Trade	573	–	0	573
Work and Pensions	7,113	–	–	7,113
HM Revenue and Customs	5,024	–	–	5,024
HM Treasury	267	–	–	267
Cabinet Office	660	–	–	660
Scotland	25,727	–	–	25,727
Wales	17,219	–	2	17,221
Northern Ireland	14,407	–	–	14,407
Small and Independent Bodies	2,611	–	-44	2,566
UK Shared Prosperity Fund	1,266	–	–	1,266
IFRS16 adjustments to be allocated	–	–	-944	-944
Reserves	10,269	–	1,186	11,455
OBR allowance for shortfall	-4,824	–	1,446	-3,378
Adjustment for Budget Exchange	–	–	–	–
Total resource DEL	473,979	–	1,675	475,654

⁽¹⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

Table 3.13 Resource DEL excluding depreciation 2024-25; changes since SR 2021

	2024-25			£ million
	Plans in SR2021 adjusted for MOG	Transfers and classification changes	Reserve allocation and other policy changes	New Plans
Resource DEL excluding depreciation				
Health and Social Care	177,374	–	–	177,374
Education	80,630	–	29	80,659
Home Office	15,736	–	0	15,736
Justice	10,075	–	–	10,075
Law Officers' Departments	793	–	–	793
Defence	32,373	–	–	32,373
Single Intelligence Account	2,463	–	–	2,463
Foreign, Commonwealth and Development Office	7,803	-10	0	7,792
ODA unallocated provision to hit 0.7% of GNI	5,220	–	–	5,220
DLUHC ⁽¹⁾ – Housing and Communities	2,132	–	–	2,132
DLUHC ⁽¹⁾ – Local Government	12,757	–	–	12,757
Transport	5,748	–	–	5,748
Business, Energy and Industrial Strategy	2,592	–	–	2,592
Digital, Culture, Media and Sport	1,591	10	–	1,601
Environment, Food and Rural Affairs	4,268	–	–	4,268
International Trade	538	–	0	538
Work and Pensions	6,855	–	–	6,855
HM Revenue and Customs	4,691	–	–	4,691
HM Treasury	263	–	–	263
Cabinet Office	535	–	–	535
Scotland	36,291	–	–	36,291
Wales	15,637	–	2	15,639
Northern Ireland	13,351	–	–	13,351
Small and Independent Bodies	2,441	–	-32	2,409
UK Shared Prosperity Fund	1,266	–	–	1,266
IFRS16 adjustments to be allocated	–	–	-944	-944
Reserves	10,269	–	1,186	11,455
OBR allowance for shortfall	-4,824	–	1,446	-3,378
Adjustment for Budget Exchange	–	–	–	–
Total resource DEL	448,866	–	1,687	450,553

⁽¹⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

Table 3.14 Capital DEL 2024-25; changes since SR 2021

	2024-25			£ million
	Plans in SR2021 adjusted for MOG	Transfers and classification changes	Reserve allocation and other policy changes	New Plans
Capital DEL				
Health and Social Care	11,195	–	–	11,195
Education	6,095	–	0	6,095
Home Office	791	–	1	792
Justice	1,431	–	–	1,431
Law Officers' Departments	7	–	–	7
Defence	16,185	–	148	16,333
Single Intelligence Account	1,204	–	0	1,204
Foreign, Commonwealth and Development Office	3,997	–	–	3,997
DLUHC ⁽¹⁾ – Housing and Communities	6,752	–	0	6,752
Levelling Up Fund	1,369	–	–	1,369
Transport	20,452	–	–	20,452
Business, Energy and Industrial Strategy	21,222	–	0	21,222
Digital, Culture, Media and Sport	1,141	–	24	1,165
Environment, Food and Rural Affairs	2,710	–	90	2,800
International Trade	15	–	–	15
Work and Pensions	375	–	–	375
HM Revenue and Customs	469	–	0	469
HM Treasury	5	–	0	5
Cabinet Office	486	–	0	486
Scotland	5,490	–	8	5,498
Wales	2,594	–	0	2,594
Northern Ireland	1,821	–	–	1,821
Small and Independent Bodies	611	–	-4	607
UK Shared Prosperity Fund	236	–	-2	234
Funding for leases reclassification exercise (IFRS16)	3,720	–	-1,255	2,465
Reserves	1,500	–	1,955	3,455
OBR allowance for shortfall	-8,163	–	–	-8,163
Adjustment for Budget Exchange	–	–	–	–
Total capital DEL	103,711	–	963	104,674

⁽¹⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

4

Trends in public sector expenditure

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

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

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

4.4 The GDP deflator used for real terms calculations in PESA has been produced by the ONS for outturn and by the OBR for plans, as per previous years. However, it should be noted that in 2020-21 and 2021-22 particularly, it reflects the impact of Covid-19 on calculations of GDP and shows negative growth between the two years. The effects on UK GDP and difficulties involved in calculating GDP at this time have been highlighted by the ONS and it should be noted that the deflator is still subject to revision¹.

What's new

4.5 There are no changes to classifications or presentation of tables to report since PESA 2021.

4.6 The ongoing pressures faced by some departments, due to the impact of the pandemic, may again lead to delays in the laying of some annual reports and accounts (ARAs) this year². As a result, the 2021-22 outturn published in PESA may be subject to data quality issues, as not all departments will have been able to align data to their ARAs. The public spending statistics (PSS) release, published on a quarterly basis, will reflect any later revisions made by departments to their 2021-22 outturn.

Public spending aggregates

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

4.8 Outturn data for these aggregates up to 2021-22 are taken from the public sector accounts compiled by the Office for National Statistics (ONS). The public sector accounts are a part of the National Accounts that are updated on a monthly basis.

4.9 Plans data from 2022-23 are taken from the Office for Budget Responsibility, and are consistent with their Economic and Fiscal Outlook forecasts published at the time of the 2022 Spring Statement.

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

² <https://www.gov.uk/government/publications/financial-reporting-manual-addendum-2019-20>

Public sector expenditure on services by function

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

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

4.12 **Table 4.2** shows public sector expenditure on services by United Nations Classification Of the Functions Of Government (COFOG) level 1³ from 1998-99. **Tables 4.3 and 4.4** present this in real terms and as a percentage of GDP respectively. These tables cover outturn years up to 2021-22. They also show, in italics, additional Treasury-defined functional divisions that were used prior to the introduction of UN COFOG, but which don't correspond to COFOG level 1.

Methods and data quality for long run TES series

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

4.14 Data in **Tables 4.2, 4.3 and 4.4** for years before 2017-18 are not taken directly from the 'live' public expenditure database that is maintained by government departments (see **Annex A**). Data that precede the most recent five outturn years cease to be 'live' and are archived in a summarised form.

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

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

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

³ <https://unstats.un.org/unsd/classifications/Econ/Structure> then from the 'Classification' drop down box on the left select 'COFOG'

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

	Outturn data in this table up to 2021-22 fall within the scope of National Statistics				Depreciation		Public sector net investment		Total Managed Expenditure ⁽³⁾		
	Public sector current expenditure		Per cent of GDP ⁽²⁾	Nominal £ billion	Nominal £ billion	Real terms ⁽¹⁾ £ billion	Nominal £ billion	Real terms ⁽¹⁾ £ billion	Nominal £ billion	Real terms ⁽¹⁾ £ billion	Per cent of GDP ⁽²⁾
	Nominal £ billion	Real terms ⁽¹⁾ £ billion									
1981-82	110.6	378.7	37.1	13.0	4.4	15.0	127.9	438.1	43.0		
1982-83	121.4	387.4	37.1	13.6	6.3	20.2	141.4	451.1	43.3		
1983-84	131.0	398.9	36.6	14.3	7.8	23.8	153.2	466.3	42.8		
1984-85	141.8	408.5	36.8	14.6	7.5	21.5	163.9	472.2	42.5		
1985-86	150.6	410.9	35.6	14.4	6.3	17.3	171.3	467.4	40.5		
1986-87	158.9	416.3	34.9	16.0	3.7	9.7	178.6	468.0	39.2		
1987-88	170.3	421.9	33.3	19.3	0.3	0.9	189.9	470.6	37.1		
1988-89	177.2	411.4	31.1	20.6	-1.0	-2.4	196.7	456.9	34.5		
1989-90	192.4	414.0	30.6	22.5	3.2	7.0	218.1	469.3	34.7		
1990-91	209.8	416.5	30.9	22.2	4.8	9.5	236.7	470.0	34.8		
1991-92	233.9	438.3	32.6	21.3	7.6	14.3	262.8	492.5	36.7		
1992-93	254.8	464.8	34.5	21.4	7.9	14.5	284.1	518.3	38.4		
1993-94	268.8	478.0	34.3	21.8	5.8	10.3	296.4	526.9	37.8		
1994-95	280.5	491.8	34.1	21.8	6.1	10.7	308.5	540.7	37.5		
1995-96	294.5	500.8	34.0	22.2	6.0	10.3	322.7	548.8	37.3		
1996-97	303.7	498.6	32.9	21.9	1.7	2.7	327.3	537.4	35.4		
1997-98	317.6	523.8	33.0	22.3	2.9	4.8	342.9	565.4	35.6		
1998-99	327.4	527.8	32.3	23.0	3.7	5.9	354.0	570.7	35.0		
1999-00	339.1	543.6	32.2	24.1	4.6	7.4	367.8	589.7	34.9		
2000-01	361.5	568.2	32.6	25.0	3.9	6.2	390.4	613.7	35.2		
2001-02	380.1	585.2	33.0	26.1	11.1	17.1	417.3	642.5	36.2		
2002-03	408.5	615.9	33.8	27.9	15.3	23.1	451.7	681.0	37.4		
2003-04	445.8	655.5	34.9	28.1	19.7	29.0	493.6	725.7	38.7		
2004-05	478.8	683.8	35.7	29.5	25.1	35.8	533.4	761.7	39.8		
2005-06	508.2	704.8	35.7	31.8	25.6	35.5	565.7	784.5	39.7		
2006-07	532.3	717.0	35.6	33.8	25.8	34.8	591.9	797.3	39.6		
2007-08	565.9	741.5	36.0	36.0	26.9	35.3	628.8	823.9	40.0		
2008-09	600.5	764.2	37.9	39.4	46.6	59.3	686.5	873.6	43.3		
2009-10	635.0	795.6	40.5	41.3	45.6	57.1	721.9	904.5	46.1		
2010-11	662.9	817.0	40.6	41.9	39.1	48.2	743.9	916.8	45.6		
2011-12	671.7	815.5	40.0	43.4	31.4	38.2	746.6	906.3	44.5		
2012-13	683.4	813.3	39.4	44.6	33.8	40.2	761.8	906.6	43.9		
2013-14	694.2	807.6	38.2	45.9	28.7	33.4	768.7	894.3	42.3		
2014-15	704.7	810.5	37.3	47.1	35.4	40.7	787.2	905.3	41.7		
2015-16	715.2	817.5	36.6	48.0	31.7	36.2	794.9	908.6	40.7		
2016-17	726.4	812.2	35.6	49.5	37.9	42.3	813.8	909.9	39.9		
2017-18	743.1	816.7	35.2	50.4	43.0	47.3	836.4	919.4	39.6		
2018-19	760.8	820.2	34.6	50.9	45.6	49.2	857.3	924.2	39.0		
2019-20	789.7	832.5	34.9	52.4	42.0	44.3	884.1	932.0	39.1		
2020-21	979.4	977.2	45.7	53.4	71.5	71.4	1,104.3	1,101.9	51.6		
2021-22	941.5	941.5	39.6	55.1	63.7	63.7	1,060.3	1,060.3	44.6		
2022-23	973.0	935.1	38.7	57.2	56.4	54.2	1,086.6	1,044.3	43.2		
2023-24	968.8	909.1	37.0	59.5	72.0	67.6	1,100.3	1,032.5	42.0		
2024-25	997.2	918.7	36.6	61.7	68.1	62.7	1,126.9	1,038.3	41.3		

⁽¹⁾ Real terms figures are the nominal figures adjusted to 2021-22 price levels using GDP deflators from the Office for National Statistics (released 30 June 2022) and deflator forecasts from the Office for Budget Responsibility (Economic and fiscal outlook - 23 March 2022).

⁽²⁾ GDP until 2021-22 is consistent with the latest figures from the Office for National Statistics (published 30 June 2022). GDP forecasts for 2022-23 to 2024-25 are from the Office for Budget Responsibility (Economic and fiscal outlook - 23 March 2022).

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

Table 4.2 Public sector expenditure on services by function, 1998-99 to 2021-22

		National Statistics																				£ billion			
		accruals basis																							
		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	2018-19	2019-20	2020-21	2021-22
		outturn	outturn	outturn	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 of which: public and common services	46.3	44.1	46.0	44.0	43.9	47.5	52.4	56.1	59.0	62.5	66.7	62.9	75.9	76.8	73.0	75.3	74.4	75.3	78.6	83.0	79.2	79.1	71.6	108.6
	of which: international services	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	14.3	12.5	12.5	12.8	14.5	18.6	27.7
	of which: public sector debt interest	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	7.2	10.8	10.4	11.9	11.7	11.2	8.1
2.	Defence ⁽¹⁾	35.9	32.4	33.9	30.5	29.6	31.5	34.8	37.1	40.0	43.3	46.3	42.0	55.3	57.6	54.1	54.3	52.4	53.8	55.3	60.1	54.5	52.9	41.8	72.8
3.	Public order and safety	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	40.2	42.2	44.6	48.6
4.	Economic affairs of which: enterprise and economic development ⁽²⁾	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	30.2	30.2	30.1	31.5	32.4	34.5	38.9	42.3
	of which: science and technology	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	41.1	47.0	49.2	53.2	60.7	66.7	196.5	97.0
	of which: employment policies	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	6.6	7.5	8.3	10.0	13.2	17.2	130.3	33.8
	of which: agriculture, fisheries and forestry	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	4.4	4.7	4.5	5.0	6.4	6.8	7.4	7.4
	of which: transport ⁽³⁾	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	2.9	2.4	2.4	2.6	2.7	2.3	2.6	4.2
5.	Environment protection	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	5.7	5.8	6.3	6.4
6.	Housing and community amenities	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	22.0	27.9	28.8	30.3	32.7	34.6	49.8	45.2
7.	Health	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	11.1	11.8	11.1	11.8	13.0	13.9
8.	Recreation, culture and religion	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	11.4	12.0	14.2	13.6	15.3
9.	Education ⁽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	147.3	152.9	164.1	218.6	216.8
10.	Social protection	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	11.4	11.9	12.9	12.8
	EU transactions ⁽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	84.9	86.1	88.1	90.6	95.5	100.3
		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	268.7	274.8	275.8	299.3	298.7
		-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	7.8	5.8	7.0	-1.8
	Public sector expenditure on services	324.9	338.3	360.3	384.0	411.0	447.8	480.5	511.7	534.3	566.7	616.0	652.6	673.2	675.5	679.2	690.4	703.2	717.9	725.6	748.4	770.7	796.9	1,011.4	952.3
	Accounting adjustments	29.1	29.5	30.1	33.3	40.7	45.7	52.9	53.9	57.7	62.1	70.4	69.3	70.7	71.1	82.6	78.3	83.9	77.0	88.3	88.1	86.6	87.3	92.9	108.0
	Total Managed Expenditure⁽⁷⁾	354.0	367.8	390.4	417.3	451.7	493.6	533.4	565.7	591.9	628.8	686.5	721.9	743.9	746.6	761.8	768.7	787.2	794.9	813.8	836.4	857.3	884.1	1,104.3	1,060.3

⁽¹⁾ Spending Review 2021 continued the commitment to meet the NATO investment pledge to spend 2% of GDP on Defence. This is evaluated using the NATO definitions of Defence spending rather than the UN COFOG definitions that are used in this table. The UN COFOG and NATO measures of Defence use different definitions and are therefore not comparable. For example, the NATO Defence figures include pensions whereas in COFOG these are included in Social Protection. Details and figures on NATO Defence expenditures can be found at the following link: http://www.nato.int/cps/0n/natohg/topics_49198.htm

⁽²⁾ Transactions in 2008-09 onwards have been affected by financial sector interventions.

⁽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 TIL subsidiary, 'Transport Trading Limited'. This data has been obtained from the Office for National Statistics and currently includes expenditure of bodies such as Crossrail and Rail for London from 2011-12 onwards.

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

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

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

Table 4.3 Public sector expenditure on services by function in real terms⁽¹⁾, 1998-99 to 2021-22

		National Statistics																				£ billion			
		accruals basis																							
		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	2018-19	2019-20	2020-21	2021-22
		outturn	outturn	outturn	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 of which: public and common services	74.7	70.7	72.3	67.7	66.1	69.9	74.8	71.8	79.5	81.9	84.9	78.8	93.6	93.2	86.9	87.6	85.6	86.0	87.8	91.2	85.4	83.4	71.5	108.6
	of which: international services	11.6	12.8	12.4	14.2	14.8	16.0	17.3	17.8	17.1	16.4	17.8	17.3	15.8	14.0	13.3	13.0	13.2	16.3	14.0	13.7	13.8	15.2	18.5	27.7
	of which: public sector debt interest	5.2	5.9	6.6	6.6	6.8	7.5	7.9	8.6	8.5	8.8	8.1	8.9	9.6	9.3	9.2	11.4	12.1	8.2	12.1	11.5	12.8	12.3	11.2	8.1
2.	Defence ⁽²⁾	57.9	52.0	53.3	46.9	44.6	46.4	49.7	51.5	53.9	56.8	59.0	52.7	68.2	69.9	64.4	63.2	60.3	61.5	61.8	66.0	58.8	55.8	41.7	72.8
3.	Public order and safety	39.5	40.2	40.4	39.1	40.7	42.3	42.6	43.0	43.4	44.2	46.8	47.2	48.4	47.0	43.2	42.3	42.2	41.8	41.5	42.5	43.4	44.5	44.5	48.6
4.	Economic affairs of which: enterprise and economic development ⁽³⁾	29.0	29.5	32.1	35.6	36.8	38.8	40.7	40.6	40.9	41.5	42.9	42.7	40.8	39.0	37.2	34.4	34.7	34.5	33.7	34.6	34.9	36.4	38.8	42.3
	of which: science and technology	31.6	34.5	37.4	42.7	46.3	48.7	48.0	49.0	50.5	49.0	63.2	61.0	49.3	45.9	43.7	47.6	47.3	53.7	55.0	58.4	65.4	70.3	196.0	97.0
	of which: employment policies	5.0	7.1	7.7	7.9	8.9	8.8	9.3	8.9	8.5	9.3	20.6	15.3	6.0	5.8	6.0	7.8	7.6	8.6	9.3	11.0	14.2	18.1	130.0	33.8
	of which: agriculture, fisheries and forestry	2.3	2.2	2.2	2.6	3.2	3.4	3.6	4.2	3.9	4.3	4.1	4.5	4.2	4.4	3.9	4.9	5.1	5.4	5.0	5.5	6.9	7.2	7.4	7.4
	of which: transport ⁽⁴⁾	4.7	5.6	6.0	5.1	4.5	4.7	4.6	4.6	4.4	2.8	4.5	5.1	5.8	3.9	3.5	4.4	3.3	2.7	2.7	2.9	2.9	2.4	2.6	4.2
5.	Environment protection	7.1	6.9	7.4	9.7	7.4	7.8	7.7	7.8	6.9	5.6	7.4	7.3	6.8	7.0	6.3	6.3	6.0	5.1	5.8	5.7	6.2	6.1	6.3	6.4
6.	Housing and community amenities	12.6	12.7	14.1	17.4	22.3	24.0	22.8	23.6	26.8	27.0	26.7	28.8	26.5	24.8	24.0	24.2	25.3	31.9	32.2	33.3	35.2	36.5	49.7	45.2
7.	Health	6.9	7.9	8.0	8.3	9.0	9.1	10.0	11.8	12.7	12.6	11.7	13.0	13.4	12.7	12.7	13.0	13.3	13.3	12.4	13.0	11.9	12.5	12.9	13.9
8.	Recreation, culture and religion	8.9	7.5	8.6	9.5	8.1	9.9	11.4	14.8	15.5	17.0	19.5	20.4	16.4	12.4	11.9	11.5	11.8	11.2	11.5	12.5	13.0	14.9	13.5	15.3
9.	Education ⁽⁵⁾	75.6	79.2	85.2	92.1	99.8	110.1	118.4	124.5	127.6	132.5	138.3	146.5	147.8	147.3	147.9	150.5	154.2	158.3	159.4	161.9	164.9	173.0	218.1	216.8
10.	Social protection	11.6	12.3	12.3	13.2	14.0	14.3	14.3	15.0	15.4	15.6	15.8	16.5	16.0	15.2	15.1	13.5	14.3	13.0	13.0	12.6	12.3	12.6	12.9	12.8
EU transactions ⁽⁷⁾		64.5	67.7	72.1	78.8	82.5	89.7	93.0	96.8	98.3	103.1	105.6	110.9	112.8	105.0	100.1	98.5	97.9	97.0	94.6	94.6	94.9	95.5	95.3	100.3
		185.7	197.2	202.0	211.6	219.1	228.8	234.3	237.2	238.4	247.1	258.8	279.4	283.9	297.2	301.6	295.7	300.3	302.8	296.7	295.4	296.3	290.7	298.7	298.7
		-4.2	-4.3	-4.1	-7.4	-2.9	-3.1	-1.3	-0.8	-2.4	-2.0	-3.7	1.1	7.3	5.2	8.0	8.4	7.1	8.8	5.3	5.9	8.5	6.1	7.0	-1.8
	Public sector expenditure on services	523.8	542.3	566.4	591.2	619.6	658.5	686.1	709.7	719.7	742.6	784.0	817.7	829.6	820.0	808.3	803.2	808.8	820.6	811.2	822.6	830.8	840.0	1,009.2	952.3
	Accounting adjustments	46.9	47.3	47.3	51.3	61.4	67.2	75.6	74.8	77.7	81.3	89.6	86.8	87.1	86.3	98.3	91.1	96.6	88.0	98.7	96.8	93.4	92.0	92.7	108.0
	Total Managed Expenditure⁽⁸⁾	570.7	589.7	613.7	642.5	681.0	725.7	761.7	784.5	797.3	823.9	873.6	904.5	916.8	906.3	906.6	894.3	905.3	908.6	909.9	919.4	924.2	932.0	1,101.9	1,060.3

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

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

⁽³⁾ Transactions from 2008-09 onwards have been affected by financial sector interventions.

⁽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 TIL subsidiary 'Transport Trading Limited'. This data has been obtained from the Office for National Statistics and currently includes expenditure of bodies such as Crossrail and Rail for London from 2011-12 onwards.

⁽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.

Table 4.4 Public sector expenditure on services by function as a per cent of GDP⁽¹⁾, 1998-99 to 2021-22

		National Statistics																				per cent			
		accruals basis																							
		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	2018-19	2019-20	2020-21	2021-22
		outturn	outturn	outturn	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 of which: public and common services	4.6	4.2	4.1	3.8	3.6	3.7	3.9	3.9	3.9	4.0	4.2	4.0	4.7	4.6	4.2	4.1	3.9	3.9	3.9	3.9	3.6	3.5	3.3	4.6
	of which: international services	0.7	0.8	0.7	0.8	0.8	0.9	0.9	0.9	0.8	0.8	0.9	0.9	0.8	0.7	0.6	0.6	0.6	0.7	0.6	0.6	0.6	0.6	0.6	1.2
	of which: public sector debt interest	0.3	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.4	0.5	0.6	0.4	0.5	0.5	0.5	0.5	0.5	0.3
2.	Defence ⁽²⁾	3.5	3.1	3.1	2.6	2.4	2.5	2.6	2.6	2.7	2.8	2.9	2.7	3.4	3.4	3.1	3.0	2.8	2.8	2.7	2.8	2.5	2.3	2.0	3.1
3.	Public order and safety	2.4	2.4	2.3	2.2	2.2	2.3	2.2	2.2	2.2	2.1	2.3	2.4	2.4	2.3	2.1	2.0	1.9	1.9	1.8	1.8	1.8	1.9	2.1	2.0
4.	Economic affairs of which: enterprise and economic development ⁽³⁾	1.8	1.7	1.8	2.0	2.0	2.1	2.1	2.1	2.0	2.0	2.1	2.2	2.0	1.9	1.8	1.6	1.5	1.5	1.5	1.5	1.5	1.5	1.8	1.8
	of which: science and technology	1.9	2.0	2.1	2.4	2.5	2.6	2.5	2.5	2.5	2.4	3.1	3.1	2.5	2.3	2.1	2.2	2.2	2.4	2.4	2.5	2.8	2.9	9.2	4.1
	of which: employment policies	0.3	0.4	0.4	0.4	0.5	0.5	0.5	0.4	0.4	0.5	1.0	0.8	0.3	0.3	0.3	0.4	0.3	0.4	0.4	0.4	0.5	0.6	0.8	6.1
	of which: agriculture, fisheries and forestry	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	0.2	0.2	0.2	0.2	0.3	0.3	0.3
	of which: transport ⁽⁴⁾	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	0.1	0.1	0.1	0.2
5.	Environment protection	0.4	0.4	0.4	0.5	0.4	0.4	0.4	0.4	0.3	0.3	0.4	0.4	0.4	0.3	0.3	0.3	0.3	0.2	0.3	0.2	0.3	0.3	0.3	0.3
6.	Housing and community amenities	0.8	0.7	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	1.1	1.2	1.4	1.4	1.4	1.5	1.5	2.3	1.9
7.	Health	0.4	0.5	0.5	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.7	0.7	0.6	0.6	0.6	0.6	0.6	0.5	0.6	0.5	0.5	0.6	0.6
8.	Recreation, culture and religion	0.5	0.4	0.5	0.5	0.4	0.5	0.6	0.8	0.8	0.8	1.0	1.0	0.8	0.6	0.6	0.5	0.5	0.5	0.5	0.5	0.5	0.6	0.6	0.6
9.	Education ⁽⁵⁾	4.6	4.7	4.9	5.2	5.5	5.9	6.2	6.3	6.3	6.4	6.9	7.5	7.4	7.2	7.1	7.1	7.1	7.1	7.0	7.0	7.0	7.3	10.2	9.1
10.	Social protection	0.7	0.7	0.7	0.7	0.8	0.8	0.7	0.8	0.8	0.8	0.8	0.8	0.8	0.7	0.7	0.6	0.7	0.6	0.6	0.6	0.5	0.5	0.6	0.5
	EU transactions ⁽⁷⁾	4.0	4.0	4.1	4.4	4.5	4.8	4.9	4.9	5.0	5.2	5.6	5.6	5.2	4.8	4.7	4.5	4.3	4.2	4.1	4.0	4.0	4.0	4.5	4.2
		11.4	11.7	11.6	11.9	12.0	12.2	12.2	12.0	11.8	12.0	12.8	14.2	14.1	14.6	14.6	14.0	13.8	13.6	13.0	12.7	12.5	12.2	14.0	12.6
		-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	0.4	0.3	0.3	-0.1
	Public sector expenditure on services	32.1	32.1	32.4	33.4	34.0	35.1	35.8	36.0	35.8	36.0	38.9	41.7	41.3	40.2	39.2	38.0	37.2	36.8	35.6	35.4	35.0	35.2	47.2	40.1
	Accounting adjustments	2.9	2.8	2.7	2.9	3.4	3.6	3.9	3.8	3.9	3.9	4.4	4.4	4.3	4.2	4.8	4.3	4.4	3.9	4.3	4.2	3.9	3.9	4.3	4.5
	Total Managed Expenditure⁽⁸⁾	35.0	34.9	35.2	36.2	37.4	38.7	39.8	39.7	39.6	40.0	43.3	46.1	45.6	44.5	43.9	42.3	41.7	40.7	39.9	39.6	39.0	39.1	51.6	44.6

⁽¹⁾ GDP until 2021-22 is consistent with the latest figures from the Office for National Statistics (published 30 June 2022).

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

⁽³⁾ Transactions from 2008-09 onwards have been affected by financial sector interventions.

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

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

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

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

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

5

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

5.1 The analyses in this chapter present public sector expenditure for the years 2017-18 onwards, adjusted so that figures for all years are based on current definitions. All data are National Statistics and are based on the expenditure on services framework (explained in **Annex E**).

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

What's new

5.3 In September 2021 the government announced that the Ministry of Housing, Communities and Local Government (MHCLG) would be renamed the Department for Levelling Up, Housing and Communities (DLUHC). For **Tables 5.1, 5.1a** and **5.1b** the department name DLUHC is used to reflect this change.

5.4 The ongoing pressures faced by some departments, due to the impact of the pandemic, may again lead to delays in the laying of some annual reports and accounts (ARAs) this year. As a result, the 2021-22 outturn published in PESA may be subject to data quality issues, as not all departments will have been able to align data to their ARAs. The public spending statistics (PSS) release, published on a quarterly basis, will reflect any later revisions made by departments to their 2021-22 outturn.

Relationship between functional series and departments

5.5 **Tables 5.1, 5.1a** and **5.1b** show public sector expenditure on services by function split across the different government departmental groups for 2021-22. Departmental spending can be spread across a variety of functions, particularly in the case of the devolved administrations.

Public sector expenditure on services by sub-function

5.6 **Table 5.2** provides the most detailed functional analysis of public sector expenditure on services. The tables are presented in a format generally consistent with the level 2 breakdown of the United Nations' Classification Of the Functions Of Government (UN COFOG). The table also shows, in italics, additional Treasury-defined sub-functional divisions that were used prior to the introduction of UN COFOG, but which do not map directly to COFOG level 2. Definitions of the UN COFOG classifications are available on their website¹.

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

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

Public sector expenditure on services by economic category

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

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

- **pay** includes wages and salaries, employers' social contributions, payments of accruing superannuation liability charges for UK staff and locally engaged staff overseas, and amounts that finance employee contributions to pension schemes. It also includes income from the recovery of secondee costs. Unlike **Chapter 2**, it does not include payments for contract and agency staff which are treated as procurement instead;
- **gross current procurement** includes expenditure on goods and services, including payments for contract and agency staff, and payments for consultancy and audit services. Expenditure on hire and rentals under PFI and non-PFI operating leases, shown as **Rentals** in **Chapter 2**, are included here. **Income from the sales of goods and services** is now shown separately;
- **current grants to persons and non-profit bodies** are payments to these recipients that do not fund capital formation. They are mainly social security payments but also comprise grants to further and higher education institutions and other non-profit private sector bodies;
- **current grants abroad** are mainly foreign aid, such as programmes to reduce poverty. They also include the EU transactions set out in **Table 5.2**;
- **subsidies** are payments by government to trading businesses (both private sector and public corporations) to provide support for current costs, including payments to farmers under the EU's Common Agricultural Policy as well as subsidies to rail and bus operators. They are given with the objective of influencing their levels of production, their prices, or other factors;
- **net public service pensions** are the costs of pensions on a National Accounts basis; that is, payments to pensioners less receipts of contributions by employers and employees. More information on pensions is included in **Annex D**;
- **public sector debt interest** reflects the debt interest payments to the private sector, so it excludes intra-public sector payments. These payments do not form part of departmental budgets so are not included within **Table 2.1**;
- **capital grants** are transfer payments to the private sector that are usually made on the condition that the recipient uses the funds for capital projects;
- **gross capital procurement** comprises the acquisition of fixed assets (such as land, buildings and machinery) as well as any increases in stock. It is measured gross of depreciation; and
- **income from sales of capital assets** is the sale value of any assets, such as land, buildings and machinery, disposed of.

Public sector expenditure on services split by current and capital spending

5.10 Table 5.4 gives a functional (COFOG level 1) breakdown of the current and capital expenditure of the public sector for the years from 2016-17. A functional split by sector is available in **Chapter 6** (central government), **Chapter 7** (local government) and **Chapter 8** (public corporations). Totals in **Chapter 5** in addition include expenditure by the Bank of England. The split between capital and current follows the National Accounts definition.

Public sector gross procurement by function

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

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

Table 5.1 Public sector expenditure on services by departmental group and function, 2021-22

Function	National Statistics										Public sector expenditure on services on services for each department									
	1. General public services	of which: public and common services	of which: international services	of which: public sector debt interest	2. Defence	3. Public order and safety	4. Economic affairs	of which: enterprise and economic development	of which: science and technology	of which: employment policies		of which: agriculture, fisheries and forestry	of which: transport	5. Environment protection	6. Housing and community amenities	7. Health	8. Recreation, culture and religion	9. Education	10. Social protection	EU transactions
Departmental Grouping																				
Health and Social Care	-	-	-	-	-	-	-	-	-	-	-	-	-	-	179,667	-	-	-	-4,334	-
Education	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	41,393	1,779	-	-
Home Office	-	-	-	-	-	7,498	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Justice	4	4	-	-	-	11,171	-	-	-	-	-	-	-	-	-	-	-	-118	-	-
Law Officers' Departments	-	-	-	-	-	739	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Defence	-	-	-	-	45,163	-	-	-	-	-	-	-	-	-	-	19	-	-	1,682	-
Single Intelligence Account	-	-	-	-	3,379	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign, Commonwealth and Development Office	8,313	263	8,050	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	45	-
Levelling Up, Housing and Communities ⁽¹⁾	361	361	-	-	-	-	15	15	-	-	-	-	-	5,615	-	4	-	13	-	-
Transport	0	0	-	-	-	352	29,472	4	50	-	-	29,418	2	-	-	-	-	9	-	-
Business, Energy and Industrial Strategy	214	181	33	-	-	124	7,642	339	7,245	58	-	0	4,335	-	187	76	2,608	582	-	-
Digital, Culture, Media and Sport	-	-	-	-	-	-	52	52	-	-	-	-	47	115	2	7,323	-	792	-	-
Environment, Food and Rural Affairs	-	-	-	-	-	-	4,045	-	-	-	-	-	4,045	7	-	-	-	-	-	-
International Trade	-	-	-	-	-	-	534	534	-	-	-	-	-	-	-	-	-	-	-	-
Work and Pensions	20	20	-	-	-	-	4,051	8	-1	4,044	-	-	-	-	-	-	-	-	-	-
HM Revenue and Customs	4,936	4,936	-	-	-	-	29,713	29,713	-	-	-	-	46	177	-	-	-	203,354	-	-
HM Treasury	80,757	8,699	-	72,058	-	-	238	238	-	-	-	-	-	-	-	-	-	23,358	-	-
Cabinet Office	1,981	1,981	-	-	-	-	17	-	-	17	-	-	-	-	-	-	-	4	-1,830	-
Scotland	1,081	1,076	5	-	-	3,245	3,839	644	1	-	753	2,441	271	2,210	17,539	428	2,969	3,085	-	-
Wales	607	607	-	-	-	2	1,083	286	35	-	439	323	89	857	9,687	113	1,513	4,032	-	-
Northern Ireland	542	542	-	-	-	1,392	2,149	487	24	103	641	895	68	779	5,953	207	3,351	160	-	-
Small and Independent Bodies	2,277	2,277	-	-	-	5	31	-115	8	-	104	36	-	-	-	-	160	-	-	-
Local Government	7,498	6,708	-	790	66	17,764	14,088	1,576	-	-	427	12,085	7,557	5,498	3,749	4,627	48,257	55,235	-	-
Public sector expenditure on services for each function	108,591	27,655	8,088	72,848	48,608	42,293	96,969	33,778	7,363	4,222	6,408	45,198	13,882	15,259	216,785	12,798	100,251	298,685	-1,830	952,291

⁽¹⁾The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

Table 5.1a Public sector current expenditure on services by departmental group and function, 2021-22

Departmental Grouping	Function	National Statistics										Public sector current expenditure on services on services for each department									
		1. General public services	2. Defence	3. Public order and safety	4. Economic affairs	of which: enterprise and economic development	of which: science and technology	of which: employment policies	of which: agriculture, fisheries and forestry	of which: transport	5. Environment protection		6. Housing and community amenities	7. Health	8. Recreation, culture and religion	9. Education	10. Social protection	EU transactions			
Health and Social Care		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	167,816
Education		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40,633
Home Office		-	-	7,133	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,133
Justice		4	-	9,797	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,683
Law Officers' Departments		-	-	730	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	730
Defence		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	32,111
Single Intelligence Account		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,425
Foreign, Commonwealth and Development Office		6,768	263	6,506	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,813
Levelling Up, Housing and Communities ⁽¹⁾		333	333	-	19	19	19	19	19	27	27	335	3	3	12	12	12	12	12	12	702
Transport		-	-	316	12,424	2	12,396	12,396	12,396	1	1	-	-	-	9	9	9	9	9	9	12,750
Business, Energy and Industrial Strategy		90	64	26	4,757	3,601	1,098	58	0	1,429	1,429	24	24	24	582	582	582	582	582	582	7,001
Digital, Culture, Media and Sport		-	-	-	50	50	50	50	50	47	47	104	104	104	792	792	792	792	792	792	7,556
Environment, Food and Rural Affairs		-	-	-	3,656	-	-	-	-	691	691	7	7	7	-	-	-	-	-	-	4,354
International Trade		-	-	-	510	510	510	510	510	-	-	-	-	-	-	-	-	-	-	-	510
Work and Pensions		20	20	-	3,929	8	-3	3,924	-	-	-	-	-	-	-	-	-	-	-	-	206,954
HM Revenue and Customs		4,567	4,567	-	29,419	29,419	29,419	29,419	29,419	46	46	154	154	154	203,005	203,005	203,005	203,005	203,005	203,005	57,543
HM Treasury		80,875	8,817	-	65	65	65	65	65	-	-	-	-	-	4	4	4	4	4	4	79,113
Cabinet Office		1,632	1,632	-	17	17	17	17	17	-	-	-	-	-	3,085	3,085	3,085	3,085	3,085	3,085	4,734
Scotland		985	979	5	2,503	348	1	679	1,475	169	169	62	62	62	2,566	2,566	2,566	2,566	2,566	2,566	30,568
Wales		594	594	2	641	169	5	392	76	33	33	33	33	33	1,431	1,431	1,431	1,431	1,431	1,431	12,137
Northern Ireland		491	491	-	1,312	1,444	418	100	376	54	54	334	334	334	8,997	8,997	8,997	8,997	8,997	8,997	21,540
Small and Independent Bodies		1,981	1,981	-	18	-118	-	101	35	-	-	-	-	-	155	155	155	155	155	155	2,158
Local Government		5,500	4,710	-	790	16,920	5,681	748	104	4,829	6,513	2,417	2,417	2,417	44,906	44,906	44,906	44,906	44,906	44,906	143,685
Public sector current expenditure on services for each function		103,839	24,454	6,537	72,848	32,901	39,393	65,134	35,239	1,128	4,098	5,483	19,186	8,984	3,445	207,574	10,354	91,009	297,846	-1,830	858,649

⁽¹⁾The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

Table 5.1b Public sector capital expenditure on services by departmental group and function, 2021-22

Departmental Grouping	Function	National Statistics												Public sector capital expenditure on services for each department								
		1. General public services	of which: public and common services	of which: international services	of which: public sector debt interest	2. Defence	3. Public order and safety	4. Economic affairs	of which: enterprise and economic development	of which: science and technology	of which: employment policies	of which: agriculture, fisheries and forestry	of which: transport		5. Environment protection	6. Housing and community amenities	7. Health	8. Recreation, culture and religion	9. Education	10. Social protection	EU transactions	
Health and Social Care																7,518						7,518
Education																		2,537	2			2,539
Home Office																						364
Justice																						1,374
Law Officers' Departments																						8
Defence																						14,753
Single Intelligence Account																						954
Foreign, Commonwealth and Development Office																						1,544
Levelling Up, Housing and Communities ⁽¹⁾																						1,544
Transport																						5,306
Business, Energy and Industrial Strategy																						17,084
Digital, Culture, Media and Sport																						8,768
Environment, Food and Rural Affairs																						776
International Trade																						1,166
Work and Pensions																						24
HM Revenue and Customs																						472
HM Treasury																						687
Cabinet Office																						55
Scotland																						350
Wales																						5,047
Northern Ireland																						1,974
Small and Independent Bodies																						1,907
Local Government																						315
																						20,654
Public sector capital expenditure on services for each function		4,752	3,201	1,551	-	15,707	2,900	31,835	-1,461	6,235	124	925	26,012	4,899	11,814	9,211	2,444	9,242	839	-	-	93,642

⁽¹⁾The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

Table 5.2 Public sector expenditure on services by sub-function, 2017-18 to 2021-22

	£ million				
	National Statistics				
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn
1. General public services					
1.1 Executive and legislative organs, financial and fiscal affairs, external affairs	10,694	11,501	12,006	13,613	23,247
1.2 Foreign economic aid ⁽¹⁾	8,613	9,447	9,134	8,546	5,459
1.3 General services	1,091	1,304	1,494	2,732	1,785
1.4 Basic research	–	–	–	–	–
1.5 R&D general public services	358	372	376	676	304
1.6 General public services n.e.c.	2,155	2,047	3,168	4,249	4,947
1.7 Public debt transactions ^{(2),(3)}	60,064	54,542	52,933	41,822	72,848
<i>of which: central government debt interest</i>	55,128	48,899	48,107	39,404	69,878
<i>of which: local government debt interest</i>	831	851	651	771	790
<i>of which: public corporation debt interest</i>	2,619	311	198	175	127
<i>of which: Bank of England</i>	-13,166	-10,962	-10,969	-15,728	-15,465
<i>of which: public sector pensions</i>	14,652	15,443	14,946	17,200	17,518
Total general public services	82,975	79,214	79,111	71,638	108,591
2. Defence⁽⁴⁾					
2.1 Military defence	36,409	37,980	40,257	42,432	45,751
2.2 Civil defence	42	41	54	143	66
2.3 Foreign military aid	801	696	476	478	509
2.4 R&D defence	1,249	1,339	1,233	1,318	2,061
2.5 Defence n.e.c.	168	182	226	211	221
Total defence	38,670	40,238	42,246	44,582	48,608
3. Public order and safety					
3.1 Police services	17,504	18,019	18,685	21,620	24,898
<i>of which: immigration and citizenship</i>	752	834	510	2,417	4,488
<i>of which: other police services</i>	16,752	17,185	18,176	19,204	20,410
3.2 Fire-protection services	2,731	2,739	2,971	3,012	3,153
3.3 Law courts	6,074	6,275	6,888	6,936	7,898
3.4 Prisons	4,314	4,555	4,361	5,512	5,418
3.5 R&D public order and safety	31	30	1	1	1
3.6 Public order and safety n.e.c.	814	795	1,619	1,809	924
Total public order and safety	31,469	32,412	34,526	38,890	42,293
4. Economic affairs					
4.1 General economic, commercial and labour affairs	8,814	11,606	15,714	130,144	34,867
4.2 Agriculture, forestry, fishing and hunting	5,177	5,733	5,803	6,317	6,408
<i>of which: market support under CAP</i>	2,864	3,230	3,062	2,789	2,665
<i>of which: other agriculture, food and fisheries policy</i>	2,180	2,369	2,649	3,371	3,591
<i>of which: forestry</i>	133	134	92	157	152
4.3 Fuel and energy	702	407	431	446	1,313
4.4 Mining, manufacturing and construction	2,222	2,870	2,385	1,100	550
4.5 Transport	30,332	32,678	34,599	49,813	45,198
<i>of which: national roads</i>	4,274	4,820	5,574	6,153	5,426
<i>of which: local roads</i>	5,766	5,304	5,619	6,797	6,635
<i>of which: local public transport</i>	2,503	2,484	2,403	7,199	5,494
<i>of which: railway</i>	16,173	18,219	18,466	27,482	25,197
<i>of which: other transport</i>	1,615	1,851	2,538	2,183	2,446
4.6 Communication	198	115	96	203	247
4.7 Other industries	255	276	272	340	367
4.8 R&D economic affairs	5,047	6,434	6,807	7,447	7,363
4.9 Economic affairs n.e.c.	412	564	562	663	656
Total economic affairs	53,158	60,684	66,668	196,473	96,969
5. Environment protection					
5.1 Waste management	8,620	8,164	8,773	9,140	10,303
5.2 Waste water management	–	–	–	–	–
5.3 Pollution abatement	84	161	197	284	470
5.4 Protection of biodiversity and landscape	361	340	329	369	425
5.5 R&D environment protection	511	208	168	179	174
5.6 Environment protection n.e.c.	2,225	2,188	2,352	2,986	2,511
Total environment protection	11,801	11,061	11,819	12,959	13,882

Table 5.2 Public sector expenditure on services by sub-function, 2017-18 to 2021-22 (continued)

	National Statistics					£ million
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
6. Housing and community amenities						
6.1 Housing development	6,468	7,161	8,753	8,124	9,579	
<i>of which: local authority housing</i>	5,132	5,447	6,415	5,962	7,613	
<i>of which: other social housing</i>	1,336	1,714	2,338	2,162	1,966	
6.2 Community development	2,998	3,000	3,440	3,583	3,241	
6.3 Water supply	790	793	798	797	970	
6.4 Street lighting	831	775	752	762	882	
6.5 R&D housing and community amenities	1	2	1	1	2	
6.6 Housing and community amenities n.e.c.	268	316	416	305	586	
Total housing and community amenities	11,356	12,047	14,159	13,573	15,259	
7. Health⁽⁶⁾						
Medical services	140,241	145,056	156,182	184,702	192,139	
Medical research	1,947	1,621	1,638	1,678	1,729	
Central and other health services	5,149	6,240	6,320	32,188	22,916	
Total health	147,338	152,917	164,140	218,568	216,785	
8. Recreation, culture and religion						
8.1 Recreational and sporting services	3,036	3,144	3,155	3,558	3,699	
8.2 Cultural services	4,051	3,807	4,096	5,168	4,558	
8.3 Broadcasting and publishing services	4,051	4,171	4,377	3,858	4,293	
8.4 Religious and other community services	80	92	71	60	51	
8.5 R&D recreation, culture and religion	170	73	89	123	74	
8.6 Recreation, culture and religion n.e.c.	90	101	146	150	122	
Total recreation, culture and religion	11,479	11,388	11,933	12,917	12,798	
9. Education						
9.1 Pre-primary and primary education	30,634	30,566	31,105	31,927	32,957	
<i>of which: under fives</i>	3,544	3,926	4,210	4,638	4,528	
<i>of which: primary education</i>	27,090	26,640	26,896	27,289	28,429	
9.2 Secondary education ⁽⁶⁾	40,971	43,089	45,088	47,451	51,265	
9.3 Post-secondary non-tertiary education	581	485	529	571	693	
9.4 Tertiary education	5,419	4,621	4,372	4,898	4,706	
9.5 Education not definable by level	908	803	964	1,115	925	
9.6 Subsidiary services to education	3,385	3,646	4,210	4,815	4,952	
9.7 R&D education	1,815	2,259	2,324	2,692	2,608	
9.8 Education n.e.c.	2,344	2,581	2,029	2,057	2,145	
Total education	86,057	88,051	90,622	95,526	100,251	
10. Social protection						
<i>of which: personal social services</i>	32,073	33,883	35,674	38,816	38,756	
10.1 Sickness and disability	54,937	57,105	58,065	60,774	61,330	
<i>of which: personal social services</i>	10,288	10,747	11,320	12,500	12,471	
<i>of which: incapacity, disability and injury benefits</i>	44,649	46,358	46,745	48,274	48,859	
10.2 Old age	124,214	128,030	123,973	125,720	128,500	
<i>of which: personal social services</i>	10,478	11,061	11,551	12,510	12,718	
<i>of which: pensions</i>	113,736	116,968	112,422	113,210	115,782	
10.3 Survivors	1,020	1,128	1,162	1,169	1,213	
10.4 Family and children	25,061	25,632	26,136	26,815	26,760	
<i>of which: personal social services</i>	10,566	11,151	11,752	12,461	12,429	
<i>of which: family benefits, income support and tax credits</i>	14,495	14,481	14,384	14,354	14,331	
10.5 Unemployment	2,022	1,683	1,189	1,860	1,225	
<i>of which: personal social services</i>	–	–	–	–	–	
<i>of which: other unemployment benefits</i>	2,022	1,683	1,189	1,860	1,225	
10.6 Housing	23,964	22,315	19,792	18,854	17,622	
10.7 Social exclusion n.e.c. ⁽⁷⁾	33,212	34,231	40,786	58,359	55,857	
<i>of which: personal social services</i>	741	923	1,052	1,345	1,137	
<i>of which: family benefits, income support, Universal Credit and tax credits</i>	32,470	33,308	39,734	57,014	54,719	
10.8 R&D social protection	–	–	–	–	–	
10.9 Social protection n.e.c.	4,298	4,686	4,712	5,760	6,179	
Total social protection	268,728	274,811	275,815	299,311	298,685	

Table 5.2 Public sector expenditure on services by sub-function, 2017-18 to 2021-22 (continued)

	£ million				
	National Statistics				
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn
EU transactions⁽⁸⁾					
VAT-based and GNI-based contributions (net of abatement and collection costs)	9,490	12,227	10,886	10,346	305
<i>derived as:</i>					
<i>EU gross contribution pre-abatement and after deduction of collection costs</i>	17,450	20,377	18,355	16,826	174
<i>Traditional Own Resources (without deduction of collection costs)</i>	-3,413	-3,304	-3,320	-2,695	-49
<i>UK abatement</i>	-4,547	-4,846	-4,149	-3,785	181
EU receipts	-4,130	-4,378	-5,059	-3,346	-2,136
Other attributed costs and repayments	—	—	—	—	—
Total EU transactions	5,360	7,850	5,828	6,999	-1,830
Public sector expenditure on services	748,390	770,673	796,866	1,011,438	952,291
Accounting adjustments	88,059	86,633	87,253	92,861	108,010
Total Managed Expenditure⁽⁹⁾	836,449	857,306	884,119	1,104,299	1,060,301

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

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

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

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

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

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

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

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

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

Table 5.3 Public sector expenditure on services by economic category, 2017-18 to 2021-22

	National Statistics					£ million
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
Public sector current expenditure on services						
Pay	183,390	187,450	203,498	219,374	232,597	
Gross current procurement	211,877	224,505	232,413	274,353	286,459	
Income from sales of goods and services	-55,339	-58,984	-59,891	-55,216	-63,920	
Current grants to persons and non-profit bodies	239,580	242,949	248,560	274,652	271,529	
Current grants abroad	12,232	14,507	13,159	14,051	11,520	
Subsidies to private sector companies	11,376	13,949	18,420	124,658	44,426	
Subsidies to public corporations	714	713	691	980	1,011	
Net public service pensions	9,262	10,007	3,442	2,231	1,502	
Public sector debt interest	60,064	54,542	52,933	41,822	72,848	
Other	993	1,105	1,187	1,203	677	
Total public sector current expenditure on services	674,149	690,743	714,412	898,109	858,649	
Accounting adjustments	68,911	70,040	75,294	81,255	82,865	
Total public sector current expenditure	743,060	760,783	789,706	979,364	941,514	
Public sector capital expenditure on services						
Capital grants	14,762	15,358	15,391	37,756	13,029	
Gross capital procurement	64,872	71,142	72,241	80,442	92,094	
Income from sales of capital assets	-5,393	-6,570	-5,178	-4,869	-11,481	
Total public sector capital expenditure on services	74,241	79,930	82,454	113,329	93,642	
Accounting adjustments	19,148	16,593	11,959	11,606	25,145	
Total public sector capital expenditure	93,389	96,523	94,413	124,935	118,787	
Total public sector expenditure on services	748,390	770,673	796,866	1,011,438	952,291	
Accounting adjustments	88,059	86,633	87,253	92,861	108,010	
Total Managed Expenditure	836,449	857,306	884,119	1,104,299	1,060,301	

Table 5.4 Public sector current and capital expenditure on services by function⁽¹⁾, 2017-18 to 2021-22

	National Statistics					£ million
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
Public sector current expenditure on services						
1. General public services	79,338	73,760	74,695	66,086	103,839	
<i>of which: public and common services</i>	10,098	10,220	11,809	15,205	24,454	
<i>of which: international services</i>	9,176	8,998	9,954	9,059	6,537	
<i>of which: public sector debt interest⁽²⁾</i>	60,064	54,542	52,933	41,822	72,848	
2. Defence ⁽³⁾	28,399	29,422	31,358	32,247	32,901	
3. Public order and safety	29,437	30,438	32,253	35,893	39,393	
4. Economic affairs	25,689	30,333	35,602	143,978	65,134	
<i>of which: enterprise and economic development</i>	7,300	9,382	13,894	108,105	35,239	
<i>of which: science and technology</i>	1,126	1,011	1,020	1,052	1,128	
<i>of which: employment policies</i>	2,512	2,632	2,253	2,543	4,098	
<i>of which: agriculture, fisheries and forestry</i>	4,783	5,344	5,405	5,800	5,483	
<i>of which: transport</i>	9,967	11,963	13,030	26,478	19,186	
5. Environment protection	7,274	7,377	7,909	8,523	8,984	
6. Housing and community amenities	2,979	3,086	3,257	3,693	3,445	
7. Health	141,033	145,899	156,509	204,993	207,574	
8. Recreation, culture and religion	9,306	9,267	9,398	10,806	10,354	
9. Education	77,088	79,051	82,255	86,217	91,009	
10. Social protection	268,245	274,261	275,347	298,673	297,846	
EU transactions	5,360	7,850	5,828	6,999	-1,830	
Total public sector current expenditure on services	674,149	690,743	714,412	898,109	858,649	
Accounting adjustments	68,911	70,040	75,294	81,255	82,865	
Public sector current expenditure	743,060	760,783	789,706	979,364	941,514	
Public sector capital expenditure on services						
1. General public services	3,637	5,454	4,416	5,552	4,752	
<i>of which: public and common services</i>	2,382	2,575	2,657	3,385	3,201	
<i>of which: international services</i>	1,255	2,879	1,759	2,167	1,551	
2. Defence ⁽³⁾	10,271	10,816	10,887	12,335	15,707	
3. Public order and safety	2,032	1,975	2,273	2,997	2,900	
4. Economic affairs	27,469	30,351	31,066	52,496	31,835	
<i>of which: enterprise and economic development⁽⁴⁾</i>	2,685	3,778	3,311	22,172	-1,461	
<i>of which: science and technology</i>	3,920	5,422	5,787	6,395	6,235	
<i>of which: employment policies</i>	105	47	2	77	124	
<i>of which: agriculture, fisheries and forestry</i>	394	389	398	517	925	
<i>of which: transport</i>	20,365	20,714	21,569	23,335	26,012	
5. Environment protection	4,527	3,684	3,910	4,436	4,899	
6. Housing and community amenities	8,377	8,961	10,902	9,880	11,814	
7. Health	6,304	7,018	7,630	13,576	9,211	
8. Recreation, culture and religion	2,173	2,121	2,535	2,112	2,444	
9. Education	8,968	9,000	8,366	9,309	9,242	
10. Social protection	483	550	468	638	839	
Total public sector capital expenditure on services	74,241	79,930	82,454	113,329	93,642	
Accounting adjustments	19,148	16,593	11,959	11,606	25,145	
Public sector capital expenditure	93,389	96,523	94,413	124,935	118,787	
Total public sector expenditure on services	748,390	770,673	796,866	1,011,438	952,291	
Accounting adjustments	88,059	86,633	87,253	92,861	108,010	
Total Managed Expenditure⁽⁵⁾	836,449	857,306	884,119	1,104,299	1,060,301	

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

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

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

⁽⁴⁾ Figures in 2020-21 and 2021-22 reflect expenditure on various Covid-19 related loan guarantee schemes and subsequent revaluations.

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

Table 5.5 Public sector gross current procurement expenditure on services by function, 2017-18 to 2021-22

	National Statistics					£ million
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
Public sector gross current procurement expenditure on services						
1. General public services	11,480	11,603	12,237	14,109	15,031	
<i>of which: public and common services</i>	9,651	9,813	10,261	12,546	13,594	
<i>of which: international services</i>	1,829	1,790	1,976	1,563	1,438	
2. Defence	16,473	17,133	18,053	18,382	19,778	
3. Public order and safety	13,179	13,788	14,134	14,455	16,251	
4. Economic affairs	12,406	13,895	14,067	15,667	15,836	
<i>of which: enterprise and economic development</i>	2,713	2,785	2,499	3,794	3,682	
<i>of which: science and technology</i>	23	25	37	40	76	
<i>of which: employment policies</i>	1,095	762	682	878	1,037	
<i>of which: agriculture, fisheries and forestry</i>	801	930	1,071	1,213	1,422	
<i>of which: transport</i>	7,773	9,394	9,777	9,742	9,619	
5. Environment protection	7,681	7,694	7,847	8,040	8,646	
6. Housing and community amenities	2,491	2,663	2,682	2,644	2,802	
7. Health	82,485	88,324	91,522	125,638	130,349	
8. Recreation, culture and religion	6,567	6,804	6,746	6,145	6,188	
9. Education	24,481	26,028	27,112	27,032	29,179	
10. Social protection	34,634	36,573	38,014	42,239	42,400	
Total public sector gross current procurement expenditure on services	211,877	224,505	232,413	274,353	286,459	

Table 5.6 Public sector capital procurement expenditure on services by function, 2017-18 to 2021-22

	National Statistics					£ million
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	
Public sector gross capital procurement expenditure on services						
1. General public services	3,230	3,197	2,975	3,451	4,127	
<i>of which: public and common services</i>	2,887	3,027	2,801	3,173	3,958	
<i>of which: international services</i>	343	169	174	278	169	
2. Defence	10,379	11,397	11,317	12,645	15,407	
3. Public order and safety	2,223	2,188	2,345	3,160	3,272	
4. Economic affairs	22,336	26,298	25,154	25,817	28,017	
<i>of which: enterprise and economic development</i>	2,683	3,529	3,081	1,801	1,480	
<i>of which: science and technology</i>	660	1,201	1,251	1,318	1,283	
<i>of which: employment policies</i>	112	47	30	81	125	
<i>of which: agriculture, fisheries and forestry</i>	333	347	339	416	639	
<i>of which: transport</i>	18,549	21,174	20,452	22,202	24,491	
5. Environment protection	3,289	3,054	3,258	3,167	3,881	
6. Housing and community amenities	7,840	7,781	8,854	8,225	10,021	
7. Health	6,013	7,096	7,602	13,285	15,849	
8. Recreation, culture and religion	1,645	1,688	2,591	1,747	1,994	
9. Education	7,398	7,925	7,676	8,352	8,779	
10. Social protection	519	519	470	594	746	
Total public sector gross capital procurement expenditure on services	64,872	71,142	72,241	80,442	92,094	
Plus public sector receipts from sales of assets						
Central government						
Fixed assets	-1,797	-3,060	-1,806	-2,305	-9,202	
Intangible assets	-32	-12	-159	-161	661	
Total central government receipts	-1,829	-3,072	-1,965	-2,466	-8,541	
Local government						
Fixed assets	-1,571	-1,853	-1,841	-1,247	-1,503	
Intangible assets	-	-	-	-	-	
Total local government receipts	-1,571	-1,853	-1,841	-1,247	-1,503	
Total general government receipts	-3,400	-4,925	-3,806	-3,713	-10,044	
Public corporations						
Fixed assets	-1,993	-1,645	-1,372	-1,155	-1,437	
Intangible assets	-	-	-	-	-	
Total public corporations receipts	-1,993	-1,645	-1,372	-1,155	-1,437	
Total public sector income from sales of capital assets	-5,393	-6,570	-5,178	-4,869	-11,481	

6

Central government own expenditure

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

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

6.3 Central government own expenditure accounts for about 82 per cent of Departmental Expenditure Limits (DEL) and about 94 per cent of departmental Annually Managed Expenditure (AME).

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

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

What's new

6.6 In September 2021 the government announced that the Ministry of Housing, Communities and Local Government (MHCLG) would be renamed the Department for Levelling Up, Housing and Communities (DLUHC). For **Tables 6.1 to 6.3** all outturn and plans data the department name DLUHC is used to reflect this change.

6.7 The ongoing pressures faced by some departments, due to the impact of the pandemic, may again lead to delays in the laying of some annual reports and accounts (ARAs) this year. As a result, the 2021-22 outturn published in PESA may be subject to data quality issues, as not all departments will have been able to align data to their ARAs. The public spending statistics (PSS) release, published on a quarterly basis, will reflect any later revisions made by departments to their 2021-22 outturn.

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

Central government own resource and capital expenditure by department

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

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

Central government own expenditure on services by sub-function

6.11 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**.

Central government own expenditure on services by economic category

6.12 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

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

Table 6.1 Central government own expenditure in budgets by departmental group⁽¹⁾, 2017-18 to 2024-25

	£ million							
	National Statistics							
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	outturn	outturn	outturn	outturn	outturn	plans	plans	plans
Within DEL								
Health and Social Care	121,615	127,261	136,673	185,565	183,839	176,167	179,723	184,361
Education	32,736	34,373	36,893	40,131	41,619	45,747	47,594	47,895
Home Office	2,363	2,674	2,661	4,710	4,304	3,801	3,123	2,940
Justice	7,359	7,776	8,182	9,461	9,990	11,160	12,039	11,506
Law Officers' Departments	569	563	618	619	682	824	788	801
Defence	36,627	38,031	39,878	42,394	45,893	50,638	48,083	48,706
Single Intelligence Account	2,596	2,741	2,974	2,848	3,356	3,846	3,562	3,667
Foreign, Commonwealth and Development Office	12,070	12,698	12,585	12,541	9,279	10,752	11,401	11,789
DLUHC ⁽²⁾ – Housing and Communities	4,143	4,038	5,161	4,701	2,920	6,427	3,861	3,443
DLUHC ⁽²⁾ – Local Government	–	1	-1	–	–	–	–	–
Transport ⁽³⁾	5,549	7,510	14,888	26,245	23,445	24,253	22,817	22,224
Business, Energy and Industrial Strategy	11,800	11,705	13,492	33,362	23,066	34,271	22,379	22,514
Digital, Culture, Media and Sport	1,649	1,797	2,086	3,660	2,456	2,833	2,601	2,701
Environment, Food and Rural Affairs	2,016	2,192	2,433	4,971	5,104	6,062	6,585	6,643
International Trade	390	420	485	527	520	575	562	553
Work and Pensions	5,909	5,526	5,312	6,234	8,148	8,419	7,249	6,927
HM Revenue and Customs	3,925	3,999	4,296	5,043	6,185	6,582	5,503	5,160
HM Treasury	139	345	489	323	411	363	288	268
Cabinet Office	634	709	770	1,736	1,443	1,817	1,004	1,021
Scotland ⁽⁴⁾	–	–	–	–	–	–	–	–
Wales	10,331	10,334	9,017	14,237	12,146	11,586	11,414	11,586
Northern Ireland	11,013	11,516	12,471	16,197	15,506	15,233	14,680	14,844
Small and Independent Bodies	1,817	1,658	1,932	2,454	2,702	2,813	2,919	3,016
Total CG own expenditure within DEL	275,251	287,865	313,295	417,960	403,015	424,170	408,174	412,564
Within departmental AME								
Health and Social Care	39,657	40,640	30,378	31,756	81,898	56,532	59,874	61,610
Education	30,866	39,845	44,735	45,243	43,114	49,257	50,025	50,694
Home Office	5	-31	230	-1	183	66	15	15
Justice	244	1,301	374	405	536	915	736	761
Law Officers' Departments	11	2	3	-1	-1	11	–	–
Defence	16,719	594	6,908	8,617	17,498	10,449	10,633	10,796
Single Intelligence Account	19	22	21	-4	111	65	65	65
Foreign, Commonwealth and Development Office	863	667	815	1,279	512	772	421	421
DLUHC ⁽²⁾ – Housing and Communities	184	199	-176	-76	1,718	1,568	-53	-47
Transport ⁽³⁾	15,014	13,264	1,838	1,493	3,768	4,649	4,650	4,634
Business, Energy and Industrial Strategy	74,077	-105,851	9,219	11,679	111,299	58,456	40,277	40,279
Digital, Culture, Media and Sport	4,783	5,160	5,368	3,171	5,534	8,019	8,014	8,014
Environment, Food and Rural Affairs	-28	-501	701	-608	464	355	319	319
International Trade	0	1	0	2	10	4	3	3
Work and Pensions	155,528	160,834	173,279	195,496	200,515	216,454	229,898	246,704
HM Revenue and Customs	41,845	40,232	40,622	116,524	52,123	36,128	31,546	31,026
HM Treasury ⁽⁵⁾	-4,314	-29,311	498	33,652	48,175	21,622	22,893	22,893
Cabinet Office	11,203	14,247	11,928	12,556	12,225	15,960	15,883	14,933
Scotland ⁽⁴⁾	27,732	30,314	31,257	39,559	41,277	43,812	44,118	44,845
Wales	654	933	3,293	3,417	3,601	1,420	1,573	1,472
Northern Ireland	9,191	10,127	9,817	10,749	11,081	12,643	13,431	13,868
Small and Independent Bodies	80	332	119	1,350	184	3,072	1,333	1,337
Total CG own expenditure within dept AME	424,334	223,019	371,225	516,258	635,824	542,231	535,656	554,644
Locally financed expenditure in Northern Ireland	595	625	656	312	370	577	628	630
Net expenditure transfers to the EU	10,188	12,892	11,549	10,930	315	752	-116	–
Central government debt interest	55,128	48,899	48,107	39,404	69,878	87,179	51,519	49,492
Accounting and other adjustments	-127,869	84,381	-59,168	-102,614	-261,918	-207,844	-146,155	-142,761
Total CG own expenditure⁽⁶⁾	637,627	657,681	685,664	882,250	847,484	847,065	849,707	874,568

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

⁽²⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

⁽³⁾ Following implementation of ESA10, Network Rail is now classified to Central Government. The actual expenditure of Network Rail appears in the Department for Transport Resource departmental AME budget for 2017-18 to 2018-19 and in DEL from 2019-20.

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

⁽⁵⁾ Transactions have been affected by financial sector interventions. See Box 2.B for details.

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

Table 6.2 Central government own resource expenditure in budgets by departmental group, 2017-18 to 2024-25

	£ million							
	National Statistics					2022-23 plans	2023-24 plans	2024-25 plans
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn			
Within resource DEL								
Health and Social Care	116,769	121,289	130,490	173,815	174,886	165,005	170,044	173,989
Education	30,418	31,621	33,972	36,692	38,909	42,024	43,384	44,209
Home Office	1,871	2,077	2,033	4,012	3,563	2,633	2,135	2,148
Justice	6,949	7,346	7,690	8,392	8,550	9,400	9,802	10,075
Law Officers' Departments	559	547	610	613	674	766	780	793
Defence	26,923	27,745	29,564	30,687	31,776	32,147	32,163	32,373
Single Intelligence Account	2,020	2,134	2,338	2,268	2,451	2,603	2,393	2,463
Foreign, Commonwealth and Development Office	9,608	9,451	10,401	9,722	7,534	8,193	7,917	7,792
DLUHC ⁽¹⁾ – Housing and Communities	455	28	551	142	299	718	798	788
DLUHC ⁽¹⁾ – Local Government	–	1	-1	–	–	–	–	–
Transport ⁽²⁾	1,343	1,889	3,663	12,899	8,110	7,181	5,870	4,775
Business, Energy and Industrial Strategy	1,464	958	2,360	14,138	3,401	15,933	2,687	2,592
Digital, Culture, Media and Sport	1,391	1,509	1,563	2,828	1,841	2,039	1,576	1,594
Environment, Food and Rural Affairs	1,474	1,587	1,804	4,150	3,949	4,230	4,193	4,115
International Trade	375	403	466	493	499	551	545	538
Work and Pensions	5,560	5,285	5,303	5,874	7,632	7,705	6,856	6,553
HM Revenue and Customs	3,647	3,650	3,961	4,501	5,523	5,907	4,924	4,691
HM Treasury	217	241	350	314	399	353	281	263
Cabinet Office	443	579	658	1,364	1,171	697	540	535
Scotland ⁽³⁾	–	–	–	–	–	–	–	–
Wales	9,079	9,067	7,652	11,989	10,080	9,666	9,714	9,897
Northern Ireland	9,932	10,321	11,213	14,623	13,931	13,259	12,984	13,177
Small and Independent Bodies	1,528	1,411	1,532	2,180	2,386	2,386	2,458	2,409
Total within resource DEL	232,025	239,136	258,172	341,697	327,564	333,395	322,044	325,770
Within resource departmental AME								
Health and Social Care	39,657	40,645	30,384	31,764	81,898	56,427	59,769	61,505
Education	15,094	22,739	23,753	24,099	21,181	20,520	21,288	21,956
Home Office	5	-31	230	-1	183	66	15	15
Justice	244	1,301	374	405	527	891	713	737
Law Officers' Departments	11	2	3	-1	1	8	–	–
Defence	16,675	594	6,908	8,617	17,498	10,449	10,633	10,796
Single Intelligence Account	19	22	21	-4	111	65	65	65
Foreign, Commonwealth and Development Office	468	-69	-141	629	-148	572	421	421
DLUHC ⁽¹⁾ – Housing and Communities	184	199	-176	-76	1,718	1,568	-53	-47
Transport ⁽²⁾	7,415	7,795	1,827	1,439	3,760	4,976	4,976	4,961
Business, Energy and Industrial Strategy	75,403	-105,658	9,393	-7,927	114,889	55,560	40,400	40,402
Digital, Culture, Media and Sport	4,291	4,753	4,979	2,943	5,278	5,608	5,604	5,604
Environment, Food and Rural Affairs	-28	-501	698	-612	453	306	303	303
International Trade	0	1	0	2	7	3	3	3
Work and Pensions	155,565	160,699	172,969	195,351	200,485	216,127	229,760	246,484
HM Revenue and Customs	41,845	40,232	40,622	116,524	52,123	36,128	31,546	31,026
HM Treasury ⁽⁴⁾	-617	-15,196	2,561	41,122	51,955	20,214	20,240	20,240
Cabinet Office	11,203	14,247	11,928	12,556	12,225	15,960	15,883	14,933
Scotland ⁽³⁾	24,293	26,978	27,535	34,903	36,663	37,117	38,670	39,459
Wales	149	235	2,490	2,528	2,647	219	262	45
Northern Ireland	8,872	9,753	9,477	10,469	10,827	12,191	12,910	13,331
Small and Independent Bodies	-88	-94	-189	241	-274	804	2	2
Total within resource departmental AME	400,661	208,644	345,645	474,969	614,007	495,778	493,410	512,242
Within resource other AME								
Locally financed expenditure in Northern Ireland	595	625	656	312	370	577	628	630
Net expenditure transfers to the EU	10,188	12,892	11,549	10,930	315	752	-116	–
Central government debt interest	55,128	48,899	48,107	39,404	69,878	87,179	51,519	49,492
Accounting and other adjustments	-116,975	86,681	-40,580	-80,843	-249,288	-150,129	-111,855	-106,270
Total CG own current expenditure	581,622	596,876	623,549	786,470	762,845	767,553	755,630	781,863

⁽¹⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

⁽²⁾ Following implementation of ESA10, Network Rail is now classified to Central Government. The actual expenditure of Network Rail appears in the Department for Transport Resource departmental AME budget for 2017-18 to 2018-19 and in DEL from 2019-20.

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

⁽⁴⁾ Transactions have been affected by financial sector interventions. See Box 2.B for details.

Table 6.3 Central government own capital expenditure by departmental group, 2017-18 to 2024-25

	£ million							
	National Statistics							
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 plans	2023-24 plans	2024-25 plans
Within capital DEL								
Health and Social Care	4,846	5,972	6,183	11,749	8,953	11,162	9,679	10,372
Education	2,318	2,752	2,921	3,439	2,711	3,723	4,209	3,686
Home Office	493	597	628	699	741	1,168	988	792
Justice	410	431	492	1,068	1,439	1,760	2,237	1,431
Law Officers' Departments	10	16	8	5	8	58	8	7
Defence	9,704	10,286	10,314	11,707	14,117	18,491	15,920	16,333
Single Intelligence Account	576	607	637	580	906	1,243	1,170	1,204
Foreign, Commonwealth and Development Office	2,461	3,246	2,184	2,819	1,745	2,559	3,484	3,997
DLUHC ⁽¹⁾ – Housing and Communities	3,688	4,009	4,610	4,559	2,621	5,709	3,063	2,655
Transport ⁽²⁾	4,206	5,621	11,225	13,345	15,336	17,072	16,947	17,449
Business, Energy and Industrial Strategy	10,336	10,747	11,131	19,224	19,665	18,338	19,693	19,922
Digital, Culture, Media and Sport	258	288	522	833	616	794	1,025	1,107
Environment, Food and Rural Affairs	542	605	629	821	1,155	1,832	2,392	2,528
International Trade	16	17	20	34	21	25	18	15
Work and Pensions	349	241	9	360	516	714	393	374
HM Revenue and Customs	278	349	335	542	662	676	579	469
HM Treasury	-78	104	139	8	12	10	7	5
Cabinet Office	191	131	112	373	272	1,120	464	486
Scotland ⁽³⁾	–	–	–	–	–	–	–	–
Wales	1,252	1,267	1,365	2,248	2,066	1,920	1,699	1,689
Northern Ireland	1,080	1,195	1,258	1,575	1,575	1,974	1,696	1,667
Small and Independent Bodies	289	247	400	274	316	427	460	607
Total within capital DEL	43,225	48,729	55,123	76,263	75,452	90,775	86,131	86,795
Within capital departmental AME								
Health and Social Care	–	-5	-6	-7	–	106	106	106
Education	15,771	17,106	20,982	21,144	21,933	28,738	28,738	28,738
Home Office	–	–	–	–	8	23	23	23
Defence	–	–	–	–	-2	3	–	–
Foreign, Commonwealth and Development Office	44	–	–	–	–	–	–	–
DLUHC ⁽¹⁾ – Housing and Communities	395	736	956	650	661	200	–	–
Transport ⁽²⁾	7,599	5,469	10	54	8	-327	-326	-327
Business, Energy and Industrial Strategy	-1,326	-192	-174	19,607	-3,590	2,897	-123	-123
Digital, Culture, Media and Sport	492	407	389	228	256	2,411	2,411	2,411
Environment, Food and Rural Affairs	0	0	3	4	11	50	16	16
International Trade	–	–	–	–	3	1	–	–
Work and Pensions	-37	135	309	146	30	328	138	220
HM Revenue and Customs	–	–	0	–	–	0	0	–
HM Treasury ⁽⁴⁾	-3,697	-14,115	-2,064	-7,470	-3,779	1,408	2,653	2,653
Scotland ⁽³⁾	3,440	3,336	3,722	4,656	4,613	6,695	5,448	5,386
Wales	505	698	803	889	954	1,201	1,311	1,427
Northern Ireland	318	374	340	280	253	452	521	537
Small and Independent Bodies	168	426	308	1,109	457	2,268	1,331	1,335
Total within capital departmental AME	23,673	14,376	25,580	41,289	21,818	46,452	42,246	42,402
Within capital other AME								
Accounting and other adjustments	-10,893	-2,300	-18,588	-21,772	-12,630	-57,715	-34,300	-36,491
Total CG own capital expenditure⁽⁵⁾	56,005	60,805	62,115	95,780	84,639	79,512	94,076	92,705

⁽¹⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

⁽²⁾ Following implementation of ESA10, Network Rail is now classified to Central Government. The actual expenditure of Network Rail appears in the Department for Transport Resource departmental AME budget for 2016-17 to 2018-19 and in DEL from 2019-20.

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

⁽⁴⁾ Transactions have been affected by financial sector interventions. See Box 2.B for details.

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

Table 6.4 Central government own expenditure on services by sub-function, 2017-18 to 2024-25

	National Statistics							
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 plans	2023-24 plans	2024-25 plans
£ million								
1. General public services								
1.1 Executive and legislative organs, financial and fiscal affairs, external affairs	8,577	9,295	10,057	11,475	20,999	23,349	17,604	14,488
1.2 Foreign economic aid ⁽¹⁾	8,613	9,447	9,134	8,546	5,459	6,690	6,699	6,999
1.3 General services	576	718	852	1,349	1,426	2,229	631	606
1.4 Basic research	—	—	—	—	—	—	—	—
1.5 R&D general public services	358	372	376	676	304	384	474	510
1.6 General public services n.e.c.	267	141	451	831	846	666	638	632
1.7 Public sector debt interest	55,128	48,899	48,107	39,404	69,878	87,179	51,519	49,492
<i>of which: central government debt interest⁽²⁾</i>	<i>55,128</i>	<i>48,899</i>	<i>48,107</i>	<i>39,404</i>	<i>69,878</i>	<i>87,179</i>	<i>51,519</i>	<i>49,492</i>
Total general public services	73,519	68,872	68,978	62,282	98,913	120,497	77,566	72,726
2. Defence⁽³⁾								
2.1 Military defence	36,409	37,980	40,257	42,432	45,751	51,180	49,444	50,172
2.2 Civil defence	—	—	—	—	—	—	—	—
2.3 Foreign military aid	801	696	476	478	509	373	73	73
2.4 R&D defence	1,231	1,339	1,233	1,318	2,061	1,708	1,436	1,436
2.5 Defence n.e.c.	168	182	226	211	221	215	—	—
Total defence	38,609	40,198	42,192	44,439	48,542	53,476	50,953	51,681
3. Public order and safety								
3.1 Police services	4,853	5,293	4,964	7,044	9,886	7,701	6,017	5,879
<i>of which: immigration and citizenship</i>	<i>752</i>	<i>834</i>	<i>510</i>	<i>2,417</i>	<i>4,488</i>	<i>1,913</i>	<i>1,428</i>	<i>1,275</i>
<i>of which: other police services</i>	<i>4,101</i>	<i>4,459</i>	<i>4,455</i>	<i>4,628</i>	<i>5,398</i>	<i>5,788</i>	<i>4,589</i>	<i>4,604</i>
3.2 Fire-protection services	471	485	490	514	536	518	529	539
3.3 Law courts	5,975	6,172	6,774	6,804	7,764	8,107	7,821	7,905
3.4 Prisons	4,314	4,555	4,361	5,512	5,418	6,608	7,627	7,054
3.5 R&D public order and safety	31	30	1	1	1	1	1	1
3.6 Public order and safety n.e.c.	814	795	1,619	1,809	924	1,183	1,227	1,244
Total public order and safety	16,458	17,328	18,210	21,683	24,528	24,118	23,222	22,623
4. Economic affairs								
4.1 General economic, commercial and labour affairs	8,102	10,784	14,828	128,721	33,960	20,657	17,722	18,779
4.2 Agriculture, forestry, fishing and hunting	4,942	5,555	5,538	5,999	5,968	6,736	6,815	6,712
<i>of which: market support under CAP</i>	<i>2,864</i>	<i>3,230</i>	<i>3,062</i>	<i>2,789</i>	<i>2,665</i>	<i>3,129</i>	<i>3,177</i>	<i>3,346</i>
<i>of which: other agriculture, food and fisheries policy</i>	<i>1,948</i>	<i>2,193</i>	<i>2,386</i>	<i>3,062</i>	<i>3,156</i>	<i>3,315</i>	<i>3,321</i>	<i>3,022</i>
<i>of which: forestry</i>	<i>130</i>	<i>132</i>	<i>90</i>	<i>149</i>	<i>146</i>	<i>292</i>	<i>316</i>	<i>344</i>
4.3 Fuel and energy	702	405	431	446	1,313	12,900	2,329	1,039
4.4 Mining, manufacturing and construction	35	31	38	24	8	9	2	2
4.5 Transport	18,582	21,620	23,390	34,729	31,509	32,695	30,874	29,861
<i>of which: national roads</i>	<i>4,270</i>	<i>4,815</i>	<i>5,570</i>	<i>6,145</i>	<i>5,414</i>	<i>6,257</i>	<i>6,265</i>	<i>6,548</i>
<i>of which: local roads</i>	<i>310</i>	<i>371</i>	<i>382</i>	<i>379</i>	<i>384</i>	<i>518</i>	<i>505</i>	<i>503</i>
<i>of which: local public transport</i>	<i>530</i>	<i>540</i>	<i>546</i>	<i>1,850</i>	<i>1,105</i>	<i>1,482</i>	<i>956</i>	<i>934</i>
<i>of which: railway</i>	<i>12,229</i>	<i>14,483</i>	<i>14,838</i>	<i>24,611</i>	<i>22,555</i>	<i>22,631</i>	<i>21,489</i>	<i>20,011</i>
<i>of which: other transport</i>	<i>1,242</i>	<i>1,410</i>	<i>2,054</i>	<i>1,745</i>	<i>2,050</i>	<i>1,808</i>	<i>1,659</i>	<i>1,864</i>
4.6 Communication	198	115	96	203	247	243	244	243
4.7 Other industries	161	177	174	229	240	163	159	160
4.8 R&D economic affairs	5,047	6,434	6,807	7,447	7,363	14,451	12,349	12,843
4.9 Economic affairs n.e.c.	412	564	562	663	656	911	1,167	1,136
Total economic affairs	38,181	45,685	51,863	178,461	81,264	88,766	71,661	70,775
5. Environment protection								
5.1 Waste management	2,483	2,461	2,695	2,798	3,469	3,159	3,340	3,333
5.2 Waste water management	—	—	—	—	—	—	—	—
5.3 Pollution abatement	84	161	197	284	470	955	1,326	1,731
5.4 Protection of biodiversity and landscape	359	336	324	364	420	547	497	486
5.5 R&D environment protection	511	208	168	179	174	330	397	484
5.6 Environment protection n.e.c.	1,650	1,561	1,701	2,315	1,792	2,036	2,246	2,333
Total environment protection	5,088	4,728	5,085	5,940	6,325	7,028	7,805	8,366
6. Housing and community amenities								
6.1 Housing development	1,566	2,008	2,673	2,480	2,378	3,523	3,535	3,219
<i>of which: local authority housing</i>	<i>227</i>	<i>290</i>	<i>325</i>	<i>310</i>	<i>403</i>	<i>594</i>	<i>423</i>	<i>417</i>
<i>of which: other social housing</i>	<i>1,339</i>	<i>1,719</i>	<i>2,348</i>	<i>2,170</i>	<i>1,975</i>	<i>2,929</i>	<i>3,112</i>	<i>2,802</i>
6.2 Community development	522	546	560	931	508	611	600	593
6.3 Water supply	292	284	285	350	381	369	359	357
6.4 Street lighting	23	28	28	38	51	35	34	34
6.5 R&D housing and community amenities	1	2	1	1	2	9	8	8
6.6 Housing and community amenities n.e.c.	131	151	232	208	294	285	313	359
Total housing and community amenities	2,534	3,019	3,778	4,009	3,615	4,832	4,849	4,569

Table 6.4 Central government own expenditure on services by sub-function, 2017-18 to 2024-25 (continued)

	National Statistics					£ million			
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 plans	2023-24 plans	2024-25 plans	
7. Health⁽⁴⁾									
Medical services	136,866	141,757	152,933	180,895	188,435	192,368	196,802	201,586	
Medical research	1,947	1,621	1,638	1,678	1,729	1,652	1,383	1,447	
Central and other health services	5,098	6,190	6,266	32,143	22,872	13,088	13,042	13,405	
Total health	143,912	149,568	160,837	214,716	213,036	207,108	211,227	216,438	
8. Recreation, culture and religion									
8.1 Recreational and sporting services	551	567	531	689	983	891	749	770	
8.2 Cultural services	2,211	2,010	2,217	3,277	2,585	2,580	2,352	2,377	
8.3 Broadcasting and publishing services	4,051	4,171	4,377	3,858	4,293	6,135	6,250	6,279	
8.4 Religious and other community services	129	137	120	106	115	82	85	86	
8.5 R&D recreation, culture and religion	170	73	89	123	74	5	6	6	
8.6 Recreation, culture and religion n.e.c	90	101	146	150	122	294	299	302	
Total recreation, culture and religion	7,202	7,059	7,480	8,203	8,171	9,987	9,740	9,818	
9. Education									
9.1 Pre-primary and primary education	797	828	928	1,065	1,026	1,281	1,386	1,214	
<i>of which: under fives</i>	85	87	84	182	102	283	410	226	
<i>of which: primary education</i>	712	741	843	883	924	998	976	988	
9.2 Secondary education ⁽⁵⁾	30,259	32,808	34,966	37,109	39,940	40,888	41,358	42,623	
9.3 Post-secondary non-tertiary education	–	–	–	–	–	–	–	–	
9.4 Tertiary education	5,419	4,621	4,372	4,898	4,706	4,726	4,767	4,876	
9.5 Education not definable by level	747	637	799	962	782	1,126	964	944	
9.6 Subsidiary services to education	535	595	678	902	833	861	861	878	
9.7 R&D education	1,815	2,259	2,324	2,692	2,608	2,301	2,301	2,301	
9.8 Education n.e.c	2,318	2,549	1,993	2,012	2,099	3,011	2,512	2,551	
Total education	41,890	44,296	46,059	49,640	51,994	54,194	54,149	55,386	
10. Social protection									
<i>of which: personal social services</i>	1,289	1,363	1,476	1,606	1,615	1,838	1,829	1,890	
10.1 Sickness and disability	44,997	46,739	47,170	48,695	49,331	52,302	56,621	57,860	
<i>of which: personal social services</i>	348	381	425	421	472	503	492	499	
<i>of which: incapacity, disability and injury benefits</i>	44,649	46,358	46,745	48,274	48,859	51,800	56,129	57,361	
10.2 Old age	113,466	116,812	112,242	113,246	115,812	124,358	132,712	139,722	
<i>of which: personal social services</i>	514	542	579	622	628	684	670	680	
<i>of which: pensions</i>	112,953	116,271	111,663	112,625	115,184	123,674	132,042	139,042	
10.3 Survivors	1,020	1,128	1,162	1,169	1,213	1,833	1,777	1,764	
10.4 Family and children	14,882	14,874	14,798	14,805	14,765	15,502	15,631	16,182	
<i>of which: personal social services</i>	387	394	414	451	434	585	601	643	
<i>of which: family benefits, income support and tax credits</i>	14,495	14,481	14,384	14,354	14,331	14,917	15,031	15,540	
10.5 Unemployment	2,022	1,683	1,189	1,860	1,225	1,189	1,425	1,446	
<i>of which: personal social services</i>	–	–	–	–	–	–	–	–	
<i>of which: other unemployment benefits</i>	2,022	1,683	1,189	1,860	1,225	1,189	1,425	1,446	
10.6 Housing	556	532	483	467	447	434	336	189	
10.7 Social exclusion n.e.c. ^{(6),(7)}	32,511	33,355	39,792	57,127	54,800	52,503	57,907	64,825	
<i>of which: personal social services</i>	41	47	58	113	81	66	66	68	
<i>of which: family benefits, income support, Universal Credit and tax credits</i>	32,470	33,308	39,734	57,014	54,719	52,437	57,841	64,757	
10.8 R&D Social protection	–	–	–	–	–	–	–	–	
10.9 Social protection n.e.c.	4,107	4,458	4,390	5,477	5,858	12,472	6,581	6,469	
Total social protection	213,561	219,581	221,227	242,846	243,450	260,593	272,990	288,458	

Table 6.4 Central government own expenditure on services by sub-function, 2017-18 to 2024-25 (continued)

	National Statistics							
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 plans	2023-24 plans	2024-25 plans
EU transactions⁽⁶⁾								
VAT-based and GNI-based contributions (net of abatement and collection costs)	9,490	12,227	10,886	10,346	305	737	-116	–
<i>derived as:</i>								
<i>EU gross contribution pre-abatement and after deduction of collection costs</i>	17,450	20,377	18,355	16,826	174	1,008	302	–
<i>Traditional Own Resources (without deduction of collection costs)</i>	-3,413	-3,304	-3,320	-2,695	-49	-73	-1	–
<i>UK abatement</i>	-4,547	-4,846	-4,149	-3,785	181	-198	-417	–
EU receipts	-4,130	-4,378	-5,059	-3,346	-2,136	-1,602	-897	-284
Other attributed costs and repayments	–	–	–	–	–	–	–	–
Total EU transactions	5,360	7,850	5,828	6,999	-1,830	-864	-1,013	-284
Total central government own expenditure on services	586,314	608,185	631,538	839,219	778,007	829,733	783,148	800,556
Accounting adjustments	51,313	49,496	54,126	43,031	69,477	17,332	66,558	74,012
Total central government own expenditure⁽⁹⁾	637,627	657,681	685,664	882,250	847,484	847,065	849,707	874,568

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

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

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

⁽⁴⁾ The level of detail required for COFOG level 2 is not yet available in England and Wales. Health spending is therefore presented using HM Treasury's own sub-functional classification.

⁽⁵⁾ The Department for Education is currently recording all central government academy expenditure as 'Secondary Education', across all years presented. While secondary schools currently account for the largest population in the academy sector, it is recognised that this will also cover some schools in primary and other functional categories. In future editions of PESA the Department for Education will look to improve apportionment of spending across the education categories.

⁽⁶⁾ Figures from 2019-20 reflect a switch to Universal Credit, which forms part of 10.7 Social exclusion n.e.c.

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

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

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

Table 6.5 Central government own expenditure on services by economic category, 2017-18 to 2024-25

	£ million							
	National Statistics					2022-23 plans	2023-24 plans	2024-25 plans
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn			
Central government current expenditure on services								
Pay	121,419	125,432	138,557	152,605	164,113	163,706	162,135	165,066
Gross current procurement	133,229	142,924	148,091	183,496	195,688	189,231	190,337	193,049
Income from sales of goods and services	-21,053	-24,081	-23,954	-20,382	-28,201	-26,750	-26,324	-27,066
Current grants to persons and non-profit bodies	217,279	222,219	230,175	257,314	255,399	283,294	287,731	304,013
Current grants abroad	12,232	14,507	13,159	14,051	11,520	14,691	9,295	7,252
Subsidies to private sector companies	10,077	12,832	17,448	120,073	41,312	23,854	20,058	20,300
Subsidies to public corporations	599	593	570	848	894	651	636	629
Net public service pensions	9,262	10,007	3,442	2,231	1,502	1,662	1,808	1,969
Central government debt interest	55,128	48,899	48,107	39,404	69,878	87,179	51,519	49,492
Other	993	1,105	1,187	1,203	677	92	78	75
Total central government own current expenditure on services	539,164	554,438	576,781	750,844	712,783	737,608	697,273	714,780
Accounting adjustments	42,458	42,438	46,768	35,626	50,062	29,945	58,357	67,083
Total central government own current expenditure	581,622	596,876	623,549	786,470	762,845	767,553	755,630	781,863
Central government capital expenditure on services								
Capital grants to persons and non-profit bodies	7,307	7,912	8,457	10,664	9,664	10,537	11,517	12,302
Capital grants to private sector companies	2,440	1,667	1,861	21,909	-1,307	6,569	6,542	6,368
Capital grants abroad	2,244	3,565	2,520	3,238	2,039	8,371	5,927	5,954
Gross capital procurement	36,988	43,675	43,883	55,031	63,368	67,848	63,441	62,568
Income from sales of capital assets	-1,829	-3,072	-1,965	-2,466	-8,541	-1,201	-1,552	-1,416
Total central government own capital expenditure on services	47,149	53,747	54,757	88,375	65,224	92,125	85,875	85,776
Accounting adjustments	8,856	7,058	7,358	7,405	19,415	-12,613	8,202	6,929
Total central government own capital expenditure	56,005	60,805	62,115	95,780	84,639	79,512	94,076	92,705
Total central government own expenditure on services	586,314	608,185	631,538	839,219	778,007	829,733	783,148	800,556
Accounting adjustments	51,313	49,496	54,126	43,031	69,477	17,332	66,558	74,012
Total central government own expenditure⁽¹⁾	637,627	657,681	685,664	882,250	847,484	847,065	849,707	874,568

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

Table 6.6 Central government own current and capital expenditure on services by function, 2017-18 to 2024-25

	National Statistics								£ million
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
	outturn	outturn	outturn	outturn	outturn	plans	plans	plans	
Central government own current expenditure on services									
1. General public services	71,024	64,712	65,914	58,509	96,159	115,790	73,286	68,186	
<i>of which: public and common services</i>	6,719	6,815	7,853	10,046	19,744	21,075	14,445	11,256	
<i>of which: international services</i>	9,176	8,998	9,954	9,059	6,537	7,536	7,323	7,439	
<i>of which: public sector debt interest</i>	55,128	48,899	48,107	39,404	69,878	87,179	51,519	49,492	
2. Defence ⁽¹⁾	28,357	29,382	31,305	32,104	32,834	34,146	33,953	34,234	
3. Public order and safety	15,418	16,089	16,903	19,582	22,474	20,935	20,011	20,350	
4. Economic affairs	22,058	26,833	31,949	135,505	59,453	53,453	37,737	37,645	
<i>of which: enterprise and economic development</i>	6,753	8,774	13,204	106,773	34,491	29,506	15,590	16,882	
<i>of which: science and technology</i>	1,126	1,011	1,020	1,052	1,128	1,565	1,627	1,651	
<i>of which: employment policies</i>	2,512	2,632	2,253	2,543	4,098	3,156	2,754	2,546	
<i>of which: agriculture, fisheries and forestry</i>	4,685	5,256	5,304	5,694	5,379	5,635	5,457	5,380	
<i>of which: transport</i>	6,982	9,159	10,169	19,442	14,357	13,591	12,308	11,186	
5. Environment protection	1,619	1,604	2,008	2,208	2,470	2,309	2,356	2,348	
6. Housing and community amenities	885	944	991	1,475	1,029	1,073	1,008	1,004	
7. Health	137,619	142,571	153,229	201,164	203,856	194,939	200,684	205,272	
8. Recreation, culture and religion	6,336	6,265	6,431	7,337	7,251	6,823	6,384	6,420	
9. Education	37,162	38,785	41,042	43,425	46,103	48,936	50,149	51,391	
10. Social protection	213,327	219,402	221,183	242,534	242,985	260,067	272,718	288,214	
EU transactions	5,360	7,850	5,828	6,999	-1,830	-864	-1,013	-284	
Total central government own current expenditure on services	539,164	554,438	576,781	750,844	712,783	737,608	697,273	714,780	
Accounting adjustments	42,458	42,438	46,768	35,626	50,062	29,945	58,357	67,083	
Total central government own current expenditure	581,622	596,876	623,549	786,470	762,845	767,553	755,630	781,863	
Central government own capital expenditure on services									
1. General public services	2,495	4,160	3,065	3,772	2,754	4,707	4,280	4,540	
<i>of which: public and common services</i>	1,251	1,295	1,317	1,616	1,203	2,745	2,103	2,196	
<i>of which: international services</i>	1,244	2,866	1,747	2,156	1,551	1,962	2,177	2,344	
2. Defence ⁽¹⁾	10,252	10,816	10,887	12,335	15,707	19,330	17,000	17,447	
3. Public order and safety	1,040	1,239	1,307	2,101	2,055	3,182	3,211	2,272	
4. Economic affairs	16,123	18,852	19,914	42,956	21,811	35,312	33,923	33,130	
<i>of which: enterprise and economic development⁽²⁾</i>	241	623	670	20,893	-2,289	2,065	3,207	1,867	
<i>of which: science and technology</i>	3,920	5,422	5,787	6,395	6,235	12,886	10,722	11,193	
<i>of which: employment policies</i>	105	47	2	77	124	156	72	64	
<i>of which: agriculture, fisheries and forestry</i>	257	299	234	305	589	1,101	1,357	1,332	
<i>of which: transport</i>	11,600	12,460	13,221	15,286	17,152	19,104	18,566	18,675	
5. Environment protection	3,469	3,124	3,078	3,732	3,855	4,718	5,449	6,018	
6. Housing and community amenities	1,650	2,074	2,787	2,534	2,586	3,759	3,841	3,565	
7. Health	6,292	6,997	7,608	13,552	9,180	12,169	10,543	11,166	
8. Recreation, culture and religion	866	793	1,049	866	920	3,164	3,355	3,399	
9. Education	4,728	5,511	5,017	6,214	5,891	5,257	4,000	3,995	
10. Social protection	234	179	44	312	464	526	272	244	
Total central government own capital expenditure on services	47,149	53,747	54,757	88,375	65,224	92,125	85,875	85,776	
Accounting adjustments	8,856	7,058	7,358	7,405	19,415	-12,613	8,202	6,929	
Total central government own capital expenditure⁽³⁾	56,005	60,805	62,115	95,780	84,639	79,512	94,076	92,705	

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

⁽²⁾ Figures in 2020-21 and 2021-22 reflect expenditure on various Covid-19 related loan guarantee schemes and subsequent revaluations.

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

7

Local government financing and expenditure

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

7.2 Data for outturn years (to 2021-22) are covered by National Statistics protocols.

7.3 Central government support data (**Tables 7.1 to 7.3**) for all years up to 2021-22 are final outturn figures and data from 2022-23 onwards are latest plans.

7.4 Local government spending data (**Tables 7.4 to 7.8**) for all years up to 2020-21 are final outturn, while data for 2021-22 are based on budget plans and provisional outturns, where the latter are available.

7.5 The ongoing pressures faced by some departments, due to the impact of the pandemic, may again lead to delays in the laying of some annual reports and accounts (ARAs) this year. As a result, the 2021-22 outturn published in PESA may be subject to data quality issues, as not all departments will have been able to align data to their ARAs. The public spending statistics (PSS) release, published on a quarterly basis, will reflect any later revisions made by departments to their 2021-22 outturn.

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

What's new

7.7 In September 2021 the government announced that the Ministry of Housing, Communities and Local Government (MHCLG) would be renamed the Department for Levelling Up, Housing and Communities (DLUHC). For **Tables 7.2 and 7.3** all outturn and plans data, the department name DLUHC is used to reflect this change.

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

The financing of local government expenditure

7.9 Central government support for local government expenditure is provided in two main forms: capital and current grants and the redistribution of non-domestic rate payments. Grant support may be non-specific (e.g. Revenue Support Grant), or related to specific services (e.g. Dedicated Schools Grant). A non-domestic rates retention scheme was introduced in England from April 2013, which allows local authorities to keep a proportion of the rates they collect,

along with growth in the revenue that is generated in their area. Local government expenditure can also be financed by Supported Capital Expenditure (Revenue), equivalent to supported borrowing in Scotland. However, this was discontinued in England as of 31 March 2011.

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

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

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

Support for local government current spending

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

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

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

Support for local government capital programmes

7.15 Central government support for local government capital expenditure comprises capital grants and Supported Capital Expenditure (Revenue) in Wales, equivalent to supported borrowing in Scotland. The latter enables local authorities to borrow or use other forms of credit to finance capital expenditure, with central government providing a revenue stream to support repayment of principal and interest. This is distinct from prudential borrowing where local authorities finance any additional borrowing from their own available resources. **Table 7.3** shows the components of central government capital support within the United Kingdom by country and department.

Data sources and data quality

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

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

Local government expenditure

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

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

Local government expenditure on services

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

Annex E gives more information on expenditure on services.

7.21 The functional categories in **Tables 7.4 to 7.7** are based on the UN Classification Of the Functions Of Government (COFOG)¹ and are consistent with the functional categories used in other PESA chapters:

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

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

Data sources and data quality

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

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

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

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

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

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

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

England – Department for Levelling Up, Housing and Communities

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

Scotland – Scottish Government

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

Wales – Welsh Government

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

Table 7.1 Financing of local government in the United Kingdom by country, 2017-18 to 2024-25

	£ million							
	National Statistics					2022-23 plans	2023-24 plans	2024-25 plans
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn			
Current finance in DEL								
England	52,759	50,494	54,321	84,706	80,657	66,557	67,488	68,956
Scotland	22	–	19	21	18	-10	11	11
Wales	4,227	4,240	4,448	5,587	6,352	5,600	5,641	5,747
Northern Ireland	148	162	150	262	191	177	173	176
Total current finance in DEL	57,156	54,896	58,938	90,576	87,218	72,324	73,313	74,890
Capital support in DEL								
England	8,034	8,761	9,649	11,775	10,263	11,426	11,992	11,937
Scotland	–	–	0	0	0	–	–	–
Wales	509	634	655	909	984	936	858	853
Northern Ireland	3	7	11	1	0	15	14	14
Total capital support in DEL	8,546	9,402	10,316	12,685	11,246	12,377	12,864	12,804
Total central government support in DEL⁽¹⁾	65,702	64,298	69,253	103,261	98,464	84,701	86,176	87,694
Current finance in departmental AME								
England	37,346	41,670	36,299	33,994	24,383	28,963	27,985	26,738
Scotland	8,307	8,514	9,039	13,309	11,961	9,183	9,495	9,590
Wales	1,006	948	911	808	749	694	647	580
Northern Ireland	–	–	–	–	–	–	–	–
Total current finance in departmental AME	46,658	51,131	46,249	48,111	37,094	38,840	38,127	36,908
Capital support in departmental AME								
England	-169	-205	–	74	60	118	118	118
Scotland	913	1,040	1,381	1,031	973	1,149	961	950
Wales	–	–	–	–	–	–	–	–
Northern Ireland	–	–	–	–	–	–	–	–
Total capital support in departmental AME	743	835	1,381	1,106	1,033	1,267	1,079	1,068
Total central government support in departmental AME⁽²⁾	47,402	51,966	47,630	49,217	38,126	40,107	39,206	37,976
Locally financed expenditure								
Local authority self-financed expenditure	43,364	44,224	47,662	33,883	46,784	63,152	65,942	68,273
Locally financed support in Scotland ⁽³⁾	2,666	2,636	2,853	1,868	2,090	2,766	3,330	3,285
Locally financed support in Wales	1,059	1,050	1,061	699	637	1,165	1,138	1,160
Total locally financed expenditure	47,088	47,910	51,576	36,450	49,511	67,083	70,410	72,718
Total financing of local government expenditure	160,192	164,175	168,459	188,928	186,102	191,890	195,792	198,388
Accounting and other adjustments	17,626	14,449	14,349	20,774	10,837	20,428	22,206	22,431
Total local government expenditure	177,818	178,624	182,808	209,702	196,939	212,319	217,998	220,820

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

⁽²⁾ Includes lottery grants.

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

Table 7.2 Central government current grants for local government in the United Kingdom by departmental group, 2017-18 to 2024-25

	National Statistics					£ million		
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 plans	2023-24 plans	2024-25 plans
England								
Health and Social Care								
Social Care	–	–	–	–	–	–	–	–
Public Health	3,091	3,011	2,932	4,206	2,331	3,202	3,307	3,385
Other	59	59	62	2,225	3,506	–	–	–
Total Health and Social Care	3,150	3,070	2,994	6,431	5,837	3,202	3,307	3,385
Education⁽³⁾								
Schools Grant	24,079	23,405	22,812	23,723	25,302	27,616	27,847	28,634
Pupil Premium	1,432	1,351	1,273	1,233	1,211	1,242	1,258	1,257
Private finance initiative grant	751	751	751	738	752	752	752	751
Other	3,962	4,362	4,709	5,870	4,801	5,470	6,004	5,808
Total Education	30,224	29,869	29,545	31,563	32,066	35,080	35,860	36,450
Home Office								
Police	10,399	10,623	11,346	11,804	11,992	13,018	14,289	14,358
Other	827	949	522	1,078	1,115	1,443	1,641	1,733
Total Home Office	11,226	11,572	11,868	12,882	13,108	14,461	15,929	16,091
DLUHC⁽¹⁾ Housing and Communities								
New Homes Bonus	1,227	948	918	907	622	556	–	–
PFI special grant (Housing)	192	192	187	185	185	177	168	168
Troubled Families	214	174	155	160	168	209	165	165
City Deals	91	122	130	175	167	168	152	152
Other	476	896	840	1,149	1,404	1,224	877	858
Total DLUHC⁽¹⁾ Housing and Communities	2,200	2,332	2,229	2,577	2,546	2,333	1,363	1,344
DLUHC⁽¹⁾ Local Government								
Non-domestic rate payments/Revenue Support Grant ⁽⁴⁾	19,598	23,433	22,460	19,216	17,345	17,664	13,530	13,530
Social Care and Better Care Fund	1,347	1,818	2,398	3,389	3,689	4,386	–	–
Covid grants	–	–	–	12,643	10,347	1,832	–	–
Independent Living Fund	171	166	161	161	161	161	–	–
PFI special grant	26	26	26	25	25	26	–	–
Other	1,324	578	1,898	2,177	-1,779	1,227	12,103	12,757
Total DLUHC⁽¹⁾ Local Government	22,466	26,021	26,942	37,611	29,788	25,296	25,633	26,287
Transport								
GLA transport	255	29	28	2,457	1,718	200	–	–
Strategic rail authority	86	87	0	151	84	110	110	110
PFI special grant	323	323	322	322	322	322	322	322
Other	155	180	177	438	317	529	522	544
Total Transport	820	619	527	3,369	2,441	1,162	954	977
Business, Energy and Industrial Strategy								
Covid Business Support grants	–	–	–	8,051	4,059	–	–	–
Other	10	22	183	71	78	41	–	–
Total Business, Energy and Industrial Strategy	10	22	183	8,122	4,138	41	–	–
Environment, Food and Rural Affairs								
Environment, Food and Rural Affairs	205	211	232	269	189	272	171	153
Total Environment, Food and Rural Affairs	205	211	232	269	189	272	171	153
Work and Pensions								
Housing benefits ⁽²⁾	19,085	17,708	15,499	14,908	13,580	12,886	11,923	10,676
Other	439	508	402	609	1,078	751	296	295
Total Work and Pensions	19,524	18,216	15,901	15,516	14,658	13,637	12,219	10,972
Other government departments	280	230	198	361	271	36	36	36
Total England	90,105	92,164	90,620	118,700	105,040	95,520	95,472	95,694

Table 7.2 Central government current grants for local government in the United Kingdom by departmental group, 2017-18 to 2024-25 (continued)

	National Statistics					£ million		
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 plans	2023-24 plans	2024-25 plans
Scotland								
Work and Pensions								
Housing benefits ⁽²⁾	1,625	1,548	1,434	1,335	1,242	1,156	1,062	951
Other	22	–	19	21	18	-10	11	11
Total Work and Pensions	1,647	1,548	1,453	1,356	1,261	1,146	1,073	961
Scottish Government								
Revenue Support Grant	6,799	6,885	6,937	10,355	9,167	7,093	7,452	7,635
Non-domestic rate income ⁽⁵⁾	2,666	2,636	2,853	1,868	2,090	2,766	3,330	3,285
Other	309	420	668	1,618	1,552	934	981	1,005
Total Scottish Government	9,773	9,941	10,458	13,842	12,809	10,793	11,763	11,925
Other government departments	-425	-339	–	–	–	–	–	–
Total Scotland	10,995	11,150	11,911	15,198	14,070	11,939	12,836	12,886
Wales								
Home Office								
Police	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–
Total Home Office	–	–	–	–	–	–	–	–
Work and Pensions								
Housing benefits ⁽²⁾	977	923	880	784	722	694	647	580
Other	12	–	10	11	10	-7	6	6
Total Work and Pensions	990	923	889	795	732	687	653	586
Welsh Assembly Government								
Non-domestic rate payments/Revenue Support Grant	4,309	4,394	4,488	4,959	5,276	5,494	5,489	5,593
Other	993	921	1,043	1,341	1,730	1,278	1,284	1,308
Total Welsh Assembly Government	5,302	5,315	5,531	6,300	7,006	6,772	6,773	6,902
Other government departments	–	–	–	–	–	–	–	–
Total Wales	6,292	6,238	6,420	7,094	7,738	7,459	7,426	7,487
Northern Ireland								
Northern Ireland Executive	148	162	150	262	191	177	173	176
Total Northern Ireland	148	162	150	262	191	177	173	176
Total current finance	107,539	109,713	109,100	141,254	127,038	115,095	115,908	116,243

⁽¹⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

⁽²⁾ Housing Benefit figures reflect the switch of payments from Housing Benefit to Universal Credit, which is funded directly from central government.

⁽³⁾ Academies are now treated as part of central government, and so their expenditure falls within pay and procurement and is no longer recorded within grants for local government.

⁽⁴⁾ The level of business rates retained by local authorities has been affected by a number of pilots for 100% rates retention since 2017-18.

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

Table 7.3 Central government capital support for local government in the United Kingdom by country and departmental group, 2017-18 to 2024-25

	National Statistics					£ million		
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 plans	2023-24 plans	2024-25 plans
England								
Capital grants								
Health and Social Care	516	66	810	939	63	865	750	804
Education	2,317	2,416	1,930	1,289	1,996	2,642	2,826	2,409
Home Office	131	148	153	89	120	–	–	–
Justice	4	–	–	–	–	–	–	–
DLUHC ⁽¹⁾ – Housing and Communities	2,914	3,365	3,594	4,485	3,528	3,857	3,784	4,090
Transport	1,633	2,282	3,007	3,635	3,332	3,075	2,926	3,003
Business, Energy and Industrial Strategy	41	6	2	1,152	952	669	1,083	1,301
Digital, Culture, Media and Sport	227	175	61	193	113	154	171	175
Environment, Food and Rural Affairs	79	97	93	68	220	281	570	272
Cabinet Office	2	1	–	–	–	–	–	–
Total capital grants	7,864	8,557	9,649	11,850	10,323	11,544	12,109	12,054
Total England	7,864	8,557	9,649	11,850	10,323	11,544	12,109	12,054
Scotland								
Supported borrowing								
Scottish Government	–	–	–	–	–	–	–	–
Total supported borrowing	–	–	–	–	–	–	–	–
Capital grants								
Scottish Government	913	1,040	1,381	1,031	972	1,149	961	950
Total capital grants	913	1,040	1,381	1,031	972	1,149	961	950
Total Scotland	913	1,040	1,381	1,031	972	1,149	961	950
Wales								
Supported Capital Expenditure (Revenue)⁽²⁾								
Welsh Assembly Government	89	89	89	89	89	89	89	89
Total Supported Capital Expenditure (Revenue)	89	89	89	89	89	89	89	89
Capital grants								
Welsh Assembly Government	421	545	566	820	895	847	769	764
Total capital grants	421	545	566	820	895	847	769	764
Total Wales	509	634	655	909	984	936	858	853
Northern Ireland capital grants								
Northern Ireland Executive	3	7	11	1	0	15	14	14
Total Northern Ireland	3	7	11	1	0	15	14	14
Total United Kingdom	9,289	10,237	11,697	13,790	12,279	13,643	13,943	13,872

⁽¹⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

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

Table 7.4 Local government current and capital expenditure on services in the United Kingdom by function, 2017-18 to 2021-22

	National Statistics				£ million
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 plans
Current					
1. General public services	4,209	4,256	4,607	5,930	5,500
<i>of which: public and common services</i>	3,378	3,405	3,956	5,159	4,710
<i>of which: public sector debt interest⁽¹⁾</i>	831	851	651	771	790
2. Defence	42	41	54	143	66
3. Public order and safety	14,019	14,348	15,350	16,311	16,920
4. Economic affairs	3,631	3,500	3,653	8,472	5,681
<i>of which: enterprise and economic development</i>	548	608	690	1,331	748
<i>of which: agriculture, fisheries and forestry</i>	98	88	101	105	104
<i>of which: transport</i>	2,985	2,804	2,861	7,035	4,829
5. Environment protection	5,655	5,773	5,901	6,315	6,513
6. Housing and community amenities	2,094	2,142	2,266	2,218	2,417
7. Health	3,414	3,327	3,281	3,829	3,718
8. Recreation, culture and religion	2,970	3,001	2,968	3,468	3,103
9. Education	39,926	40,265	41,213	42,792	44,906
10. Social protection	54,918	54,860	54,165	56,139	54,861
Total local government current expenditure on services	130,880	131,513	133,456	145,618	143,685
Accounting adjustments	25,979	27,259	28,039	45,382	32,839
Total local government current expenditure	156,859	158,772	161,495	191,000	176,524
Capital					
1. General public services	1,158	1,043	1,340	1,769	1,998
<i>of which: public and common services</i>	1,158	1,043	1,340	1,769	1,998
3. Public order and safety	992	736	966	896	845
4. Economic affairs	9,544	9,663	9,487	8,314	8,407
<i>of which: enterprise and economic development</i>	2,431	3,153	2,641	1,279	828
<i>of which: agriculture, fisheries and forestry</i>	131	85	158	203	323
<i>of which: transport</i>	6,981	6,425	6,689	6,831	7,256
5. Environment protection	1,058	560	832	704	1,044
6. Housing and community amenities	2,756	2,641	3,041	2,468	3,081
7. Health	12	21	22	24	31
8. Recreation, culture and religion	1,307	1,328	1,485	1,246	1,524
9. Education	4,241	3,489	3,349	3,094	3,351
10. Social protection	247	370	424	326	374
Total local government capital expenditure on services	21,314	19,851	20,946	18,839	20,654
Accounting adjustments	-355	1	367	-137	-239
Total local government capital expenditure	20,959	19,852	21,313	18,702	20,415
Total local government expenditure	177,818	178,624	182,808	209,702	196,939

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

Table 7.5 Local government current expenditure on services in the United Kingdom by country and function, 2017-18 to 2021-22

	National Statistics				£ million
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 plans
England					
1. General public services	2,723	2,884	2,985	4,564	3,994
<i>of which: public and common services</i>	2,723	2,884	2,985	4,564	3,994
2. Defence	36	35	48	134	60
3. Public order and safety	13,229	13,527	14,468	15,401	15,956
4. Economic affairs	2,725	2,633	2,684	7,426	4,639
<i>of which: enterprise and economic development</i>	268	331	414	1,024	347
<i>of which: agriculture, fisheries and forestry</i>	80	73	82	86	84
<i>of which: transport</i>	2,377	2,229	2,188	6,317	4,208
5. Environment protection	4,456	4,572	4,671	4,987	5,228
6. Housing and community amenities	1,734	1,717	1,876	1,902	1,838
7. Health	3,365	3,278	3,228	3,784	3,680
8. Recreation, culture and religion	2,032	2,003	2,039	2,442	2,163
9. Education	32,265	32,233	32,603	33,422	35,903
10. Social protection	46,988	46,863	46,192	47,747	46,383
Total England	109,554	109,746	110,793	121,811	119,844
Scotland					
1. General public services	460	348	783	392	495
<i>of which: public and common services</i>	460	348	783	392	495
2. Defence	3	3	3	6	3
3. Public order and safety	—	—	—	—	—
4. Economic affairs	662	621	710	741	749
<i>of which: enterprise and economic development</i>	212	205	196	223	315
<i>of which: agriculture, fisheries and forestry</i>	9	7	10	9	11
<i>of which: transport</i>	441	409	504	509	423
5. Environment protection	662	657	656	699	712
6. Housing and community amenities	91	135	75	91	207
8. Recreation, culture and religion	524	578	519	560	557
9. Education	5,020	5,332	5,791	6,273	6,009
10. Social protection	4,868	4,897	4,836	4,970	5,248
Total Scotland	12,290	12,572	13,374	13,732	13,980
Wales					
1. General public services	195	174	188	203	221
<i>of which: public and common services</i>	195	174	188	203	221
2. Defence	3	2	3	3	3
3. Public order and safety	790	821	882	910	964
4. Economic affairs	221	220	228	279	261
<i>of which: enterprise and economic development</i>	45	46	50	59	54
<i>of which: agriculture, fisheries and forestry</i>	8	8	9	11	9
<i>of which: transport</i>	168	166	169	210	199
5. Environment protection	334	350	354	404	378
6. Housing and community amenities	116	110	115	120	111
8. Recreation, culture and religion	206	206	197	243	193
9. Education	2,642	2,700	2,819	3,097	2,994
10. Social protection	3,061	3,099	3,136	3,422	3,230
Total Wales	7,568	7,683	7,922	8,681	8,356
Total Great Britain	129,412	130,001	132,088	144,224	142,180
Northern Ireland					
4. Economic affairs	23	26	31	27	32
<i>of which: enterprise and economic development</i>	23	26	31	27	32
5. Environment protection	203	194	220	224	196
6. Housing and community amenities	153	180	201	105	260
7. Health	49	49	53	45	38
8. Recreation, culture and religion	208	213	212	223	190
Total Northern Ireland	636	661	718	623	716
Debt interest ⁽¹⁾	831	851	651	771	790
Total local government current expenditure on services	130,880	131,513	133,456	145,618	143,685
Accounting adjustments	25,979	27,259	28,039	45,382	32,839
Total local government current expenditure	156,859	158,772	161,495	191,000	176,524

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

Table 7.6 Local government gross⁽¹⁾ capital expenditure on services in the United Kingdom by country and function, 2017-18 to 2021-22

	National Statistics				£ million
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 plans
England					
1. General public services	1,496	1,548	1,677	1,945	2,204
<i>of which: public and common services</i>	1,496	1,548	1,677	1,945	2,204
3. Public order and safety	1,072	831	923	990	865
4. Economic affairs	8,947	9,088	8,911	7,604	7,416
<i>of which: enterprise and economic development</i>	2,309	2,980	2,593	1,217	718
<i>of which: agriculture, fisheries and forestry</i>	162	171	171	180	254
<i>of which: transport</i>	6,476	5,937	6,148	6,208	6,444
5. Environment protection	995	409	490	518	722
6. Housing and community amenities	2,714	2,546	2,781	2,355	2,950
7. Health	10	20	21	23	24
8. Recreation, culture and religion	1,061	1,058	1,216	1,099	1,256
9. Education	2,998	2,565	2,445	2,209	2,290
10. Social protection	290	336	367	285	323
Total England	19,583	18,400	18,832	17,030	18,049
Scotland					
1. General public services	258	184	140	160	265
<i>of which: public and common services</i>	258	184	140	160	265
3. Public order and safety	–	–	–	–	–
4. Economic affairs	700	839	829	652	983
<i>of which: enterprise and economic development</i>	238	322	299	185	239
<i>of which: agriculture, fisheries and forestry</i>	43	37	38	57	81
<i>of which: transport</i>	419	480	491	411	662
5. Environment protection	61	119	292	155	220
6. Housing and community amenities	159	206	224	183	188
8. Recreation, culture and religion	180	166	613	127	202
9. Education	898	665	749	606	644
10. Social protection	43	56	58	37	50
Total Scotland	2,298	2,235	2,904	1,920	2,552
Wales					
1. General public services	39	50	58	75	113
<i>of which: public and common services</i>	39	50	58	75	113
3. Public order and safety	52	48	51	70	108
4. Economic affairs	179	252	217	304	282
<i>of which: enterprise and economic development</i>	48	62	32	56	84
<i>of which: agriculture, fisheries and forestry</i>	5	7	7	21	32
<i>of which: transport</i>	126	183	179	227	166
5. Environment protection	21	32	45	36	95
6. Housing and community amenities	110	137	217	141	215
8. Recreation, culture and religion	56	62	48	65	49
9. Education	430	330	246	319	449
10. Social protection	17	26	22	36	40
Total Wales	904	937	904	1,047	1,351
Total Great Britain	22,785	21,573	22,641	19,997	21,953
Northern Ireland					
4. Economic affairs	2	4	3	6	33
<i>of which: enterprise and economic development</i>	2	4	3	6	33
5. Environment protection	10	12	18	6	16
6. Housing and community amenities	17	24	31	33	76
7. Health	2	2	1	1	8
8. Recreation, culture and religion	69	89	92	43	72
Total Northern Ireland	101	131	145	90	205
Total United Kingdom	22,886	21,703	22,787	20,086	22,157
Memorandum					
United Kingdom gross capital expenditure, from above	22,886	21,703	22,787	20,086	22,157
United Kingdom capital receipts (see table 7.7)	-1,571	-1,853	-1,841	-1,247	-1,503
Total local government net capital expenditure on services	21,314	19,851	20,946	18,839	20,654
Accounting adjustments	-355	1	367	-137	-239
Total local government net capital expenditure	20,959	19,852	21,313	18,702	20,415

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

Table 7.7 Local government capital receipts within expenditure on services in the United Kingdom by country and function, 2017-18 to 2021-22

	National Statistics				£ million
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 plans
England					
1. General public services	-602	-684	-495	-370	-518
<i>of which: public and common services</i>	-602	-684	-495	-370	-518
3. Public order and safety	-130	-141	-6	-163	-124
4. Economic affairs	-259	-478	-440	-226	-263
<i>of which: enterprise and economic development</i>	-145	-179	-255	-159	-203
<i>of which: agriculture, fisheries and forestry</i>	-79	-129	-58	-54	-44
<i>of which: transport</i>	-35	-171	-126	-13	-15
5. Environment protection	-16	-6	-5	-7	-6
6. Housing and community amenities	-209	-241	-177	-198	-333
8. Recreation, culture and religion	-38	-32	-12	-59	-32
9. Education	-55	-44	-71	-34	-26
10. Social protection	-99	-42	-19	-28	-35
Total England	-1,408	-1,669	-1,225	-1,086	-1,338
Scotland					
1. General public services	-18	-39	-32	-29	-49
<i>of which: public and common services</i>	-18	-39	-32	-29	-49
3. Public order and safety	-	-	-	-	-
4. Economic affairs	-16	-27	-23	-12	-17
<i>of which: enterprise and economic development</i>	-11	-23	-20	-11	-15
<i>of which: agriculture, fisheries and forestry</i>	0	-	-	-	-
<i>of which: transport</i>	-4	-4	-2	-1	-2
5. Environment protection	-10	-3	-1	-2	-3
6. Housing and community amenities	-1	-1	-11	-18	19
8. Recreation, culture and religion	-1	-1	-454	-1	-2
9. Education	-12	-21	-16	-4	-4
10. Social protection	-3	-1	0	-2	-3
Total Scotland	-61	-92	-537	-68	-58
Wales					
1. General public services	-16	-15	-8	-12	-18
<i>of which: public and common services</i>	-16	-15	-8	-12	-18
3. Public order and safety	-2	-2	-3	-2	-3
4. Economic affairs	-8	-11	-8	-10	-15
<i>of which: enterprise and economic development</i>	-8	-11	-7	-10	-15
<i>of which: agriculture, fisheries and forestry</i>	-	-	-	-	-
<i>of which: transport</i>	-1	-1	0	0	0
5. Environment protection	0	0	0	0	0
6. Housing and community amenities	-27	-15	-11	-16	-22
8. Recreation, culture and religion	-1	0	-1	0	-1
9. Education	-19	-7	-5	-2	-2
10. Social protection	-1	-4	-4	-1	-
Total Wales	-74	-56	-40	-43	-61
Total Great Britain	-1,544	-1,817	-1,801	-1,198	-1,457
Northern Ireland					
4. Economic affairs	0	-3	-3	-5	-13
<i>of which: enterprise and economic development</i>	0	-3	-3	-5	-13
5. Environment protection	-1	-2	-5	-3	-1
6. Housing and community amenities	-7	-15	-14	-13	-11
7. Health	0	0	0	0	-1
8. Recreation, culture and religion	-19	-15	-17	-28	-21
Total Northern Ireland	-27	-36	-39	-49	-46
Total United Kingdom capital receipts	-1,571	-1,853	-1,841	-1,247	-1,503

Table 7.8 Local government expenditure on services in the United Kingdom by country and economic category, 2017-18 to 2021-22

	National Statistics				£ million
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 plans
England					
Pay	50,688	50,526	52,378	53,918	55,394
Gross current procurement	68,370	70,843	73,416	79,252	78,974
Income from sales of goods and services	-30,454	-30,952	-32,078	-31,127	-31,757
Subsidies to private sector companies	1,299	1,117	972	4,585	3,114
Subsidies to public corporations	13	15	11	15	13
Current grants to persons and non-profit bodies	19,638	18,197	16,094	15,168	14,106
Gross capital procurement	17,047	16,515	16,657	15,428	15,825
Income from sales of capital assets	-1,408	-1,669	-1,225	-1,086	-1,338
Capital grants	2,535	1,885	2,175	1,602	2,225
Total England	127,728	126,478	128,400	137,754	136,555
Scotland					
Pay	6,640	6,925	7,915	7,803	8,089
Gross current procurement	6,199	6,303	6,172	6,656	7,197
Income from sales of goods and services	-2,322	-2,349	-2,265	-2,225	-2,696
Subsidies to public corporations	102	105	111	117	103
Current grants to persons and non-profit bodies	1,671	1,588	1,441	1,380	1,286
Gross capital procurement	2,123	1,977	2,605	1,648	2,254
Income from sales of capital assets	-61	-92	-537	-68	-58
Capital grants	175	258	299	272	298
Total Scotland	14,527	14,714	15,741	15,583	16,474
Wales					
Pay	4,276	4,170	4,246	4,654	4,570
Gross current procurement	3,580	3,879	4,163	4,381	4,155
Income from sales of goods and services	-1,280	-1,311	-1,336	-1,144	-1,106
Current grants to persons and non-profit bodies	992	945	849	791	737
Gross capital procurement	845	874	833	979	1,247
Income from sales of capital assets	-74	-56	-40	-43	-61
Capital grants	58	63	72	68	104
Total Wales	8,398	8,564	8,786	9,685	9,646
Great Britain					
Pay	61,604	61,621	64,539	66,375	68,053
Gross current procurement	78,150	81,025	83,750	90,289	90,326
Income from sales of goods and services	-34,056	-34,611	-35,679	-34,496	-35,559
Subsidies to private sector companies	1,299	1,117	972	4,585	3,114
Subsidies to public corporations	115	120	122	132	117
Current grants to persons and non-profit bodies	22,301	20,730	18,385	17,339	16,130
Gross capital procurement	20,016	19,366	20,095	18,055	19,326
Income from sales of capital assets	-1,544	-1,817	-1,801	-1,198	-1,457
Capital grants	2,769	2,206	2,546	1,942	2,627
Total Great Britain	150,653	149,756	152,928	163,023	162,676
Northern Ireland					
Pay	368	397	403	393	431
Gross current procurement	499	556	572	567	445
Income from sales of goods and services	-230	-292	-258	-337	-160
Gross capital procurement	101	131	145	90	205
Income from sales of capital assets	-27	-36	-39	-49	-46
Total Northern Ireland	710	757	823	664	874
United Kingdom					
Pay	61,971	62,018	64,942	66,769	68,483
Gross current procurement	78,649	81,581	84,322	90,857	90,771
Income from sales of goods and services	-34,287	-34,903	-35,937	-34,834	-35,719
Subsidies to private sector companies	1,299	1,117	972	4,585	3,114
Subsidies to public corporations	115	120	122	132	117
Current grants to persons and non-profit bodies	22,301	20,730	18,385	17,339	16,130
Local government debt interest ⁽¹⁾	831	851	651	771	790
Gross capital procurement	20,117	19,497	20,240	18,144	19,530
Income from sales of capital assets	-1,571	-1,853	-1,841	-1,247	-1,503
Capital grants	2,769	2,206	2,546	1,942	2,627
Total local government expenditure on services	152,194	151,364	154,402	164,457	164,340
Accounting adjustments	25,624	27,260	28,406	45,245	32,599
Total local government expenditure	177,818	178,624	182,808	209,702	196,939

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

8

Public Corporations

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

8.2 Outturn data in this chapter up to 2021-22 are National Statistics.

8.3 The ongoing pressures faced by some departments, due to the impact of the pandemic, may again lead to delays in the laying of some annual reports and accounts (ARAs) this year. As a result, the 2021-22 outturn published in PESA may be subject to data quality issues, as not all departments will have been able to align data to their ARAs. The public spending statistics (PSS) release, published on a quarterly basis, will reflect any later revisions made by departments to their 2021-22 outturn.

What's new

8.4 In September 2021 the government announced that the Ministry of Housing, Communities and Local Government (MHCLG) would be renamed the Department for Levelling Up, Housing and Communities (DLUHC). For **Tables 8.2 and 8.3** all outturn and plans data, the department name DLUHC is used to reflect this change.

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

Definition of public corporations

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

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

Self financing public corporations (SFPCs)

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

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

Trading funds

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

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

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

The budgeting control framework

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

- subsidies paid to the public corporation by the department (in resource DEL);
- capital grants paid to the public corporation by the department (in capital DEL);
- interest and dividends received from the public corporation (resource DEL, or resource AME if an SFPC);
- equity purchase in and withdrawals from public corporations (capital DEL, or capital AME if an SFPC) – included with net lending in **Table 8.1**;
- loans and public dividend capital (PDC) invested in the public corporation (capital DEL, or capital AME if an SFPC) – also included with net lending in **Table 8.1**; and
- public corporations' market and overseas borrowing (PCMOB) where, exceptionally, it is permitted (capital DEL, or capital AME if an SFPC).

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

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

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

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

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

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

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

The National Accounts

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

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

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

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

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

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

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

Sources of data and data quality

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

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

Further Information

8.26 More information is available in the departmental reports of government departments and in the annual reports and accounts of individual public corporations. A fuller list of public corporations is available on the ONS website in *Public Sector Classification Guide*¹.

¹ <https://www.ons.gov.uk/economy/nationalaccounts/uksectoraccounts/datasets/publicsectorclassificationguide>

Table 8.1 Public corporations' contribution to budgets and Total Managed Expenditure⁽¹⁾, 2017-18 to 2024-25

	National Statistics					£ million		
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 plans	2023-24 plans	2024-25 plans
Resource DEL								
CG dividends from PCs (-)	-99	-122	-185	-91	-60	-27	-6	-6
CG interest from PCs (-)	-39	-36	-40	-38	-33	-23	-14	-10
Subsidies to PCs	430	418	404	689	734	464	443	431
Loans written off – mutual consent	–	–	–	–	–	–	–	–
Total resource DEL	291	260	179	560	640	413	423	415
Resource departmental AME								
CG dividends from PCs (-)	-138	-124	-110	2	-6	-4	-4	-4
CG interest from PCs (-)	-86	-107	-112	-65	-110	-77	-82	-85
Subsidies to PCs	169	175	166	159	161	187	193	198
Loans written off – mutual consent	–	–	–	–	–	–	–	–
Total resource departmental AME	-54	-57	-56	96	45	106	107	109
Total public corporations' contribution to resource budget	237	203	123	656	685	519	530	524
Capital DEL								
CG investment grants to PCs	208	371	248	440	775	215	198	195
Net lending to PCs	-15	96	184	299	304	248	79	9
Market and overseas borrowing	36	91	28	1	111	68	13	13
Total capital DEL	229	559	460	739	1,190	531	290	217
Capital departmental AME								
CG investment grants to PCs	13	26	52	79	77	101	84	83
Net lending to PCs	322	1,266	333	118	237	-417	-616	-620
Total capital departmental AME	335	1,292	385	197	314	-317	-532	-536
Total public corporations' contribution to capital budget	564	1,850	845	936	1,504	214	-242	-319
Other AME								
PC own-financed capital expenditure ⁽²⁾	15,271	9,209	9,551	8,440	10,413	10,246	11,908	12,009
Accounting adjustments	4,931	9,738	5,127	2,315	3,276	16,246	20,388	19,341
Total other AME	20,203	18,947	14,678	10,756	13,689	26,492	32,296	31,350
Public corporations' expenditure in TME⁽³⁾	21,004	21,001	15,647	12,347	15,878	27,226	32,585	31,555
<i>of which:</i>								
PC current expenditure in TME	4,579	5,135	4,662	1,894	2,145	15,682	19,835	18,781
PC gross investment in TME	16,425	15,866	10,985	10,453	13,733	11,544	12,750	12,773

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

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

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

Table 8.2 Public corporations' contribution to budgets by departmental group⁽¹⁾, 2017-18 to 2024-25

	National Statistics					£ million		
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 plans	2023-24 plans	2024-25 plans
Resource DEL								
Health and Social Care	–	–	–	–	102	72	74	76
Education	–	2	3	–	–	–	–	–
Home Office	–	–	–	–	0	–	–	–
Defence	-22	-13	-44	-32	-27	–	–	–
Foreign, Commonwealth and Development Office	173	163	189	147	283	185	173	163
Total DLUHC – Housing and Communities and DLUHC – Local Government ⁽²⁾	-1	-2	-2	0	–	–	–	–
Transport	-53	-29	-87	50	-4	-3	-3	-3
Business, Energy and Industrial Strategy	69	16	14	20	44	29	50	50
Digital, Culture, Media and Sport	14	11	12	13	10	1	1	1
Environment, Food and Rural Affairs	21	19	17	28	19	16	14	12
International Trade	–	–	–	–	–	–	–	–
Work and Pensions	8	14	10	10	19	18	20	21
Cabinet Office	-2	-6	-14	-15	-15	–	–	–
Wales	–	–	–	–	–	–	–	–
Northern Ireland	84	85	81	339	210	96	94	96
Small and Independent Bodies	–	–	–	–	–	–	–	–
Total resource DEL	291	260	179	560	640	413	423	415
Resource departmental AME								
Business, Energy and Industrial Strategy	-5	-7	-7	-3	-3	–	–	–
Digital, Culture, Media and Sport	-50	-60	-61	43	–	36	36	36
HM Treasury	-66	-58	-49	2	-6	-3	-3	-3
Scotland	64	65	59	51	51	71	75	76
Wales	–	–	–	–	–	–	–	–
Small and Independent Bodies	2	2	2	2	2	2	–	–
Total resource departmental AME	-54	-57	-56	96	45	106	107	109
Total public corporations' contribution to resource budget	237	203	123	656	685	519	530	524
Capital DEL								
Health and Social Care	-124	-97	23	16	19	21	18	20
Defence	–	9	–	–	63	–	–	–
Foreign, Commonwealth and Development Office	–	–	–	52	5	86	–	–
Total DLUHC – Housing and Communities and DLUHC – Local Government ⁽²⁾	31	49	69	53	7	18	9	7
Transport	33	70	10	154	515	–	–	–
Business, Energy and Industrial Strategy	82	204	95	75	213	52	5	-2
Digital, Culture, Media and Sport	-1	–	–	–	–	–	–	–
Environment, Food and Rural Affairs	–	0	4	1	28	13	–	–
Work and Pensions	84	93	72	108	110	140	64	1
Wales	60	136	111	140	-17	126	54	51
Northern Ireland	65	95	77	141	246	75	141	140
Total capital DEL	229	559	460	739	1,190	531	290	217
Capital departmental AME								
Business, Energy and Industrial Strategy	129	-120	37	-63	-72	800	800	800
Digital, Culture, Media and Sport	-20	-51	20	-61	–	-1,280	-1,480	-1,480
HM Treasury	–	1,180	–	–	–	–	–	–
Scotland	226	282	328	320	386	331	149	144
Small and Independent Bodies	–	–	–	–	–	-168	–	–
Total capital departmental AME	335	1,292	385	197	314	-317	-532	-536
Total public corporations' contribution to capital budget	564	1,850	845	936	1,504	214	-242	-319
Total public corporations' contribution to budgets	801	2,054	969	1,591	2,189	733	289	205

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

⁽²⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change. Commonwealth Office and Department for International Development were merged to create the Foreign, Commonwealth and Development Office on 2 September 2020. This table reflects that change.

Table 8.3 Public corporations' capital expenditure on services, 2017-18 to 2024-25

	National Statistics					£ million		
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 plans	2023-24 plans	2024-25 plans
Health and Social Care								
NHS Professionals Limited	#	#	#	#	#	#	#	#
NHS Blood and Transplant	#	#	#	#	#	#	#	#
Total Health and Social Care	#	#	#	#	#	#	#	#
Defence								
Defence Support Group	#	#	#	#	#	#	#	#
Defence Science and Technology Laboratory ⁽⁷⁾	#	#	#	#	#	#	#	#
Hydrographic Office ⁽⁷⁾	18	#	#	#	#	#	#	#
Navy, Army and Air Force Institute	#	#	#	#	#	#	#	#
Total Defence	18	#	#	#	#	#	#	#
Foreign, Commonwealth and Development Office								
British Council	10	13	12	11	#	#	#	#
CDC Group ⁽⁵⁾	#	#	#	#	#	#	#	#
Total Foreign, Commonwealth and Development Office	10	13	12	11	#	#	#	#
Total DLUHC – Housing and Communities and DLUHC – Local Government⁽¹⁾								
Fire Service College ⁽⁷⁾	#	#	#	#	#	#	#	#
QEII Conference Centre ⁽⁷⁾	#	#	#	#	#	#	#	#
Total DLUHC – Housing and Communities and DLUHC – Local Government⁽¹⁾	#	#	#	#	#	#	#	#
Transport								
Civil Aviation Authority	#	#	#	#	#	#	#	#
Total Transport	#	#	#	#	#	#	#	#
Business, Energy and Industrial Strategy								
UK Intellectual Property Office	-1	#	#	#	#	#	#	#
British Nuclear Fuels Limited ⁽⁵⁾	#	#	#	#	#	#	#	#
Royal Mail Holdings ⁽⁵⁾	#	#	#	#	#	#	#	#
Ordnance Survey ⁽⁷⁾	#	#	#	#	#	#	#	#
Meteorological Office ⁽⁷⁾	14	#	#	#	#	#	#	#
Total Business, Energy and Industrial Strategy	13	#	#	#	#	#	#	#
Digital, Culture Media and Sport								
Channel Four Television Corporation ⁽⁵⁾	#	#	#	#	#	#	#	#
Historic Royal Palaces Trust	#	#	#	#	#	#	#	#
Total Digital, Culture Media and Sport	#	#	#	#	#	#	#	#
Environment Food and Rural Affairs								
Covent Garden Market Authority	3	3	4	0	7	3	3	3
Total Environment Food and Rural Affairs	3	3	4	0	7	3	3	3
Work and Pensions								
Pension Protection Fund	2	0	#	#	#	#	#	#
National Employment Savings Trust	2	1	#	#	#	#	#	#
Office for Nuclear Regulation	0	2	#	#	#	#	#	#
Total Work and Pensions	3	3	#	#	#	#	#	#
HM Treasury								
Crown Estate ⁽⁵⁾	-28	236	#	#	#	#	#	#
Royal Mint ⁽⁵⁾⁽⁷⁾	#	#	#	#	#	#	#	#
Total HM Treasury	-28	236	#	#	#	#	#	#
Scotland								
Caledonian MacBrayne	39	66	54	30	#	#	#	#
Forest Enterprise	3	2	2	8	6	#	#	#
Scottish Water	498	509	513	447	589	#	#	#
Total Scotland	540	576	570	485	594	#	#	#
Northern Ireland								
Northern Ireland Driver and Vehicle Testing Agency ⁽⁷⁾	4	4	4	8	12	18	19	6
Northern Ireland Housing Executive	-3	-5	-10	-8	-9	51	82	110
Northern Ireland Public Trust Port Authority	46	62	62	49	45	116	82	65
Northern Ireland Transport Holding Company	75	102	104	156	242	250	341	393
Total Northern Ireland	121	165	160	206	290	435	524	574

Table 8.3 Public corporations' capital expenditure on services, 2017-18 to 2024-25 (continued)

	£ million							
	National Statistics							
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	outturn	outturn	outturn	outturn	outturn	plans	plans	plans
Local Government								
Transport Trading Limited	1,620	1,594	1,435	974	1,305	1,306	1,818	*
England Housing Revenue Account	2,614	2,749	3,384	3,522	4,139	3,425	3,709	3,835
Scotland Housing Revenue Account	613	723	884	659	989	819	887	917
Wales Housing Revenue Account	249	270	303	258	439	363	393	406
Total Local Government	5,096	5,336	6,006	5,413	6,872	5,913	6,806	*
Total public corporations' capital expenditure on services	5,777	6,333	6,751	6,115	7,764	6,351	7,334	7,597
Accounting Adjustments	10,648	9,533	4,234	4,338	5,969	5,193	5,416	5,177
of which: Housing Associations ⁽²⁾	7,009	1,331	216	54	–	–	–	–
Total public corporations' capital expenditure⁽³⁾	16,425	15,866	10,985	10,453	13,733	11,544	12,750	12,773

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

⁽¹⁾ denotes public corporation with trading fund status.

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

⁽¹⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

⁽²⁾ The Office for National Statistics has concluded that registered providers of social housing in England are private, market producers and as such were re-classified to the private non-financial corporations sector. This classification took effect from 16 November 2017.

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

Table 8.4 Public corporations' current and capital expenditure on services by function, 2017-18 to 2024-25

	National Statistics					£ million		
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 plans	2023-24 plans	2024-25 plans
Public corporations' current expenditure on services								
1. General public services	4,105	4,792	4,175	1,647	2,180	15,682	19,835	18,781
<i>of which: public sector debt interest⁽¹⁾</i>	4,105	4,792	4,175	1,647	2,180	15,682	19,835	18,781
Total public corporations' current expenditure on services	4,105	4,792	4,175	1,647	2,180	15,682	19,835	18,781
Accounting adjustments	474	343	487	247	-35	-	-	-
Total public corporations' current expenditure	4,579	5,135	4,662	1,894	2,145	15,682	19,835	18,781
Public corporations' capital expenditure on services								
1. General public services	-16	250	12	11	-	-	-	-
<i>of which: public and common services</i>	-26	237	-	-	-	-	-	-
<i>of which: international services</i>	10	13	12	11	-	-	-	-
2. Defence	18	-	-	-	-	-	-	-
3. Public order and safety	-	-	-	-	-	-	-	-
4. Economic affairs	1,802	1,836	1,665	1,226	1,617	1,693	2,263	2,328
<i>of which: enterprise and economic development</i>	13	2	-	-	-	-	-	-
<i>of which: employment policies</i>	-	-	-	-	-	-	-	-
<i>of which: agriculture, fisheries and forestry</i>	5	5	6	8	13	3	3	3
<i>of which: transport</i>	1,784	1,829	1,659	1,218	1,604	1,690	2,260	2,325
5. Environment protection	-	-	-	-	-	-	-	-
6. Housing and community amenities	3,971	4,246	5,074	4,878	6,146	4,658	5,071	5,269
7. Health	-	-	-	-	-	-	-	-
8. Recreation, culture and religion	-	-	-	-	-	-	-	-
10. Social protection	2	0	-	-	-	-	-	-
Total public corporations' capital expenditure on services	5,777	6,333	6,751	6,115	7,764	6,351	7,334	7,597
Accounting adjustments	10,648	9,533	4,234	4,338	5,969	5,193	5,416	5,177
Total public corporations' capital expenditure	16,425	15,866	10,985	10,453	13,733	11,544	12,750	12,773

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

Table 8.5 Public corporations' current and capital expenditure by economic category, 2017-18 to 2024-25

	National Statistics					£ million		
	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2021-22 outturn	2022-23 plans	2023-24 plans	2024-25 plans
Public corporations' current expenditure on services								
Public corporations' debt interest ⁽¹⁾	4,105	4,792	4,175	1,647	2,180	15,682	19,835	18,781
Total public corporations' current expenditure on services	4,105	4,792	4,175	1,647	2,180	15,682	19,835	18,781
Accounting adjustments	474	343	487	247	-35	–	–	–
Total public corporations' current expenditure	4,579	5,135	4,662	1,894	2,145	15,682	19,835	18,781
Public corporations' capital expenditure on services								
Gross capital procurement	7,768	7,970	8,118	7,267	9,195	7,544	8,622	8,932
Income from sales of assets	-1,993	-1,645	-1,372	-1,155	-1,437	-1,198	-1,293	-1,341
Capital grants	3	7	5	4	6	5	5	5
Total public corporations' capital expenditure on services	5,777	6,333	6,751	6,115	7,764	6,351	7,334	7,597
Accounting adjustments	10,648	9,533	4,234	4,338	5,969	5,193	5,416	5,177
Total public corporations' capital expenditure	16,425	15,866	10,985	10,453	13,733	11,544	12,750	12,773
Total public corporations' expenditure on services	9,882	11,125	10,926	7,762	9,944	22,033	27,169	26,378
Accounting adjustments	11,122	9,876	4,721	4,585	5,934	5,193	5,416	5,177
Total public corporations' expenditure⁽²⁾	21,004	21,001	15,647	12,347	15,878	27,226	32,585	31,555

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

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

9

Public expenditure by country, region and function

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

9.2 The first is that the information in **Chapters 9 and 10** was gathered in a separate data collection exercise during the summer of 2021. Therefore, the figures in these chapters are not entirely consistent with the figures in other PESA chapters. Following the practice instituted in PESA 2017, data presented in these chapters are *identical* to that published on GOV.UK in the Country and Regional Analysis (CRA) National Statistics release from November 2021¹. Therefore:

- TME, debt interest and EU transaction totals that feed into these tables are from data sourced in November 2021.
- Similarly, mid-year population estimates and GDP deflators used to produce ‘per head’ and ‘real terms’ tables respectively are also from the most up-to-date available sources as at November 2021. For clarification, the GDP deflators presented in Annex F of PESA are as of 30 June 2022 and are the source for ‘real terms’ tables seen elsewhere in this publication.

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

What’s new

9.4 There are no changes to presentation of tables to report since PESA 2021. As per last year, users following the link to the November 2021 publication, will find the inclusion of a methodology document giving a brief overview of how 2020-21 expenditure was assigned to countries and regions by departments and HM Treasury.

How public expenditure is planned and controlled

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

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

¹ <https://www.gov.uk/government/statistics/country-and-regional-analysis-2021>

The tables

9.7 Most of the tables in this chapter provide an analysis of spending for the period 2016-17 to 2020-21. Information on methods and data quality is provided in the sections below.

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

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

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

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

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

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

9.14 For Scotland, Wales and Northern Ireland, **Table 9.21** shows the relative contributions of the devolved administrations, Whitehall departments and local government under each functional heading. This table covers 2020-21 only.

9.15 A supplementary database and tables are available on GOV.UK alongside the November 2021 CRA release. This will include the information in **Table 9.21** for earlier years, while the interactive tables allow users to choose how they view the data.

Methods

The process of apportioning expenditure by country and region

9.16 In order to provide information on the allocation of expenditure by country and region, the Treasury asks the UK government departments and devolved administrations to undertake an annual statistical exercise. The basis of this exercise being published PESA expenditure data.

- The exercise is based on spending by the devolved administration and the subset of departmental spending that can be identified as benefiting the population of individual regions. It asks departments and devolved administrations to apportion that spending between countries and regions following guidance issued by the Treasury.
- The Treasury then collates departments' returns and combines these with the known spending of local government to produce the analyses of public expenditure by country and region that are published in this Command Paper.

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

Identifiable expenditure on services

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

- Around 92 per cent of total expenditure on services is **identifiable** expenditure, which has been incurred for the benefit of individuals, enterprises or communities within particular regions. Examples are health, education, and social protection spending; and
- **non-identifiable** expenditure, constituting the remaining 8 per cent of total expenditure on services, is deemed to be incurred on behalf of the United Kingdom as a whole. Examples include the majority of expenditure on defence, overseas representation, tax collection and debt interest.

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

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

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

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

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

- **practical difficulties:** for example, schools are not used solely by the residents of the region in which they are located. Definitional and border problems become increasingly significant the smaller the geographical unit considered;

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

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

Data on public expenditure by country and region

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

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

9.25 Subsequent inconsistencies between the CRA and earlier chapters in PESA reflect updates that have been made by departments and local authorities since the summer of 2021.

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

Non-identifiable expenditure

9.27 Non-identifiable expenditure, which is deemed to be incurred on behalf of the United Kingdom as a whole, makes up around 8 per cent of total public sector expenditure on services. The main elements are:

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

9.28 In CRA 2021 no new significant areas of spend have been classified as non-identifiable. Historically, spending on the 2012 London Olympics were treated as mix of identifiable and non-identifiable expenditure:

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

9.29 Spending related to the 2022 Commonwealth Games, to be held in Birmingham is being treated as identifiable spend assigned to the West Midlands. We will keep the treatment under review and update future releases if there are any changes.

Data quality

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

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

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

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

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

9.33 In their accompanying statements on data quality some departments have identified areas of their CRA return where the methods used have changed from previous years, are provisional, or do not fully meet the methodology set out in the CRA guidance. Specific comments made by departments on data quality for CRA 2021 are:

- **Department for Work and Pensions (DWP):** At CRA 2020 DWP provided country and regional splits for a number of their segments using Universal Credit as a proxy with prior years based on Job Seekers Allowance. For CRA 2021 these changes have been fully implemented to the methodology in 2019-20 and 2020-21 for all relevant DWP segments.

9.34 Public spending undertaken in response to the Coronavirus outbreak in 2020 is included in these tables, but not all data can be separately identified from the CRA data. Additional expenditure by the NHS on PPE, for example, will be reflected in the higher spending on health in table 9.11, but it is not possible to say from the underlying CRA data how much of that increase was in response to the Coronavirus. The expenditure that can be identified in the underlying CRA data covers the following:

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

Together this totals over £123.7 billion. The methodology used to assign the spend to England, Scotland, Wales, Northern Ireland and the English regions is set out in full in the separate methodology note, but is consistent with breakdowns already published by HMRC and the British Business Bank³⁴. The Office for Budget Responsibility's October 2021 Economic and Fiscal Outlook estimated the cumulative cost of the Government's pandemic-related support measures as being £315 billion, of which £229 billion related to 2020-21. Departments' individual Annual Reports and Accounts include analysis of COVID-19 related expenditure, alongside a summary of the impact of the pandemic on departmental activities and outcomes. Further information on measures announced by the government in response to the Coronavirus pandemic, how much has been spent, and how it is treated in the National Accounts may also be found in publications by the National Audit Office and the Office for National Statistics⁵⁶.

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

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

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

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

Table 9.1a Total identifiable expenditure on services, 2016-17 to 2020-21

	£ million				as a per cent of identifiable expenditure					
	National Statistics				National Statistics					
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn
North East	25,562	25,722	26,617	27,543	36,138	4	4	4	4	4
North West	68,348	70,997	72,298	75,252	100,624	11	11	11	11	11
Yorkshire and The Humber	48,106	48,500	49,975	51,725	69,839	8	8	7	7	8
East Midlands	39,116	39,766	41,253	43,112	58,937	6	6	6	6	6
West Midlands	51,462	52,288	54,805	57,000	76,558	8	8	8	8	8
East	49,702	51,534	53,942	56,472	78,254	8	8	8	8	8
London	88,612	90,935	92,889	97,855	139,452	14	14	14	14	15
South East	73,472	75,331	78,973	81,749	113,395	12	12	12	12	12
South West	46,955	47,924	49,801	52,058	71,347	8	7	7	8	8
Total England	491,335	502,997	520,553	542,767	744,545	78	78	78	78	80
Scotland	57,375	58,627	60,805	63,287	81,124	9	9	9	9	9
Wales	31,378	32,398	33,387	34,481	45,078	5	5	5	5	5
Northern Ireland	20,474	20,766	21,695	22,726	29,109	3	3	3	3	3
UK identifiable expenditure	600,561	614,789	636,440	663,261	899,857	96	96	96	96	97
Outside UK	25,458	26,410	29,980	28,250	26,107	4	4	4	4	3
Total identifiable expenditure	626,020	641,199	666,421	691,511	925,963	100	100	100	100	100
	£ million				as a per cent of Total Managed Expenditure					
	National Statistics				National Statistics					
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn
Identifiable expenditure	626,020	641,199	666,421	691,511	925,963	77	77	78	78	83
Non-identifiable expenditure	101,348	107,178	104,250	105,367	100,336	12	13	12	12	9
Public sector expenditure on services	727,367	748,376	770,671	796,878	1,026,299	89	89	90	90	92
Accounting adjustments	86,454	88,073	86,645	87,010	88,897	11	11	10	10	8
Total Managed Expenditure	813,821	836,449	857,316	883,888	1,115,196	100	100	100	100	100

Table 9.1b Total UK identifiable expenditure on services, per head 2016-17 to 2020-21⁽¹⁾

	£ per head				Index (UK identifiable expenditure = 100)					
	National Statistics		National Statistics		National Statistics		National Statistics			
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn
North East	9,695	9,726	10,014	10,316	13,480	106	104	105	104	100
North West	9,461	9,781	9,915	10,251	13,658	103	105	103	103	102
Yorkshire and The Humber	8,867	8,899	9,120	9,399	12,637	97	96	95	95	94
East Midlands	8,278	8,334	8,587	8,915	12,113	90	90	90	90	90
West Midlands	8,856	8,922	9,288	9,606	12,841	97	96	97	97	96
East	8,109	8,354	8,699	9,056	12,482	89	90	91	91	93
London	10,104	10,304	10,427	10,919	15,490	110	111	109	110	115
South East	8,136	8,296	8,646	8,905	12,302	89	89	90	90	92
South West	8,511	8,621	8,893	9,255	12,607	93	93	93	93	94
England	8,890	9,044	9,299	9,643	13,166	97	97	97	97	98
Scotland	10,616	10,807	11,181	11,584	14,842	116	116	117	117	111
Wales	10,079	10,367	10,637	10,936	14,222	110	111	111	110	106
Northern Ireland	10,995	11,100	11,530	12,001	15,357	120	119	120	121	114
UK identifiable expenditure	9,148	9,309	9,580	9,930	13,414	100	100	100	100	100

⁽¹⁾ Per head figures calculated using the latest mid-year population estimates from the ONS. See Annex within the CRA 2021 release for details.

Table 9.2a Real terms⁽¹⁾: Total identifiable expenditure on services, 2016-17 to 2020-21

	National Statistics					£ million
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	
North East	28,957	28,644	29,073	29,380	36,138	
North West	77,424	79,063	78,971	80,270	100,624	
Yorkshire and The Humber	54,494	54,010	54,588	55,174	69,839	
East Midlands	44,310	44,283	45,060	45,987	58,937	
West Midlands	58,295	58,228	59,863	60,801	76,558	
East	56,302	57,389	58,920	60,239	78,254	
London	100,378	101,265	101,461	104,382	139,452	
South East	83,228	83,890	86,261	87,201	113,395	
South West	53,190	53,369	54,397	55,530	71,347	
England	556,577	560,141	568,594	578,965	744,545	
Scotland	64,993	65,288	66,417	67,508	81,124	
Wales	35,544	36,079	36,468	36,780	45,078	
Northern Ireland	23,192	23,125	23,697	24,242	29,109	
UK identifiable expenditure	680,306	684,633	695,176	707,495	899,857	
Outside UK	28,839	29,411	32,747	30,134	26,107	
Total identifiable expenditure	709,145	714,043	727,923	737,629	925,963	
Non-identifiable expenditure	114,805	119,354	113,871	112,394	100,336	
Total Expenditure on Services	823,950	833,397	841,794	850,023	1,026,299	
Accounting adjustments	97,933	98,078	94,641	92,813	88,897	
Total Managed Expenditure	921,883	931,475	936,436	942,836	1,115,196	

⁽¹⁾ Real terms figures are the nominal figures adjusted to 2020-21 price levels using GDP deflators from the Office for National Statistics (released 30 September 2021).

Table 9.2b Real terms⁽¹⁾: Total UK identifiable expenditure on services per head,⁽²⁾ 2016-17 to 2020-21

	National Statistics					£ per head
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	
North East	10,983	10,831	10,938	11,004	13,480	
North West	10,718	10,892	10,830	10,934	13,658	
Yorkshire and The Humber	10,044	9,910	9,962	10,026	12,637	
East Midlands	9,377	9,280	9,379	9,510	12,113	
West Midlands	10,032	9,935	10,145	10,246	12,841	
East	9,186	9,304	9,501	9,660	12,482	
London	11,446	11,475	11,390	11,647	15,490	
South East	9,216	9,238	9,444	9,499	12,302	
South West	9,641	9,600	9,714	9,872	12,607	
England	10,070	10,071	10,158	10,286	13,166	
Scotland	12,025	12,035	12,213	12,357	14,842	
Wales	11,417	11,545	11,619	11,666	14,222	
Northern Ireland	12,455	12,361	12,594	12,802	15,357	
UK identifiable expenditure	10,363	10,367	10,464	10,592	13,414	

⁽¹⁾ Real terms figures are the nominal figures adjusted to 2020-21 price levels using GDP deflators from the Office for National Statistics (released 30 September 2021).

⁽²⁾ Per head figures calculated using the latest mid-year population estimates from the ONS. See Annex within the CRA 2021 release for details.

Table 9.3a Total current and capital identifiable expenditure, 2016-17 to 2020-21

	Total expenditure on services										of which: current						of which: capital						£ million
	National Statistics					National Statistics					National Statistics			National Statistics			National Statistics						
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn			
North East	25,562	25,722	26,617	27,543	36,138	23,736	23,869	24,555	25,253	32,912	1,827	1,853	2,062	2,291	3,226	1,827	1,853	2,062	2,291	3,226			
North West	68,348	70,997	72,298	75,252	100,624	62,102	63,050	65,136	67,985	90,141	6,246	7,947	7,163	7,266	10,484	6,246	7,947	7,163	7,266	10,484			
Yorkshire and The Humber	48,106	48,500	49,975	51,725	69,839	44,311	44,829	46,028	47,530	63,675	3,795	3,671	3,947	4,194	6,164	3,795	3,671	3,947	4,194	6,164			
East Midlands	39,116	39,766	41,253	43,112	58,937	36,441	36,961	38,271	39,824	53,891	2,675	2,804	2,982	3,288	5,047	2,675	2,804	2,982	3,288	5,047			
West Midlands	51,462	52,288	54,805	57,000	76,558	47,664	48,358	49,773	51,351	68,645	3,798	3,931	5,033	5,649	7,913	3,798	3,931	5,033	5,649	7,913			
East	49,702	51,534	53,942	56,472	78,254	45,441	46,626	48,224	50,386	70,058	4,261	4,908	5,718	6,086	8,196	4,261	4,908	5,718	6,086	8,196			
London	88,612	90,935	92,889	97,855	139,452	76,970	77,794	79,992	84,168	121,067	11,642	13,141	12,897	13,688	18,385	11,642	13,141	12,897	13,688	18,385			
South East	73,472	75,331	78,973	81,749	113,395	66,340	67,425	69,958	72,948	101,010	7,132	7,907	9,015	8,802	12,385	7,132	7,907	9,015	8,802	12,385			
South West	46,955	47,924	49,801	52,058	71,347	43,379	44,189	45,839	47,650	64,952	3,576	3,736	3,962	4,408	6,395	3,576	3,736	3,962	4,408	6,395			
England	491,335	502,997	520,553	542,767	744,545	446,384	453,100	467,775	487,094	666,351	44,951	49,897	52,778	55,673	78,194	44,951	49,897	52,778	55,673	78,194			
Scotland	57,375	58,627	60,805	63,287	81,124	50,778	51,714	53,810	55,729	71,702	6,597	6,914	6,995	7,558	9,422	6,597	6,914	6,995	7,558	9,422			
Wales	31,378	32,398	33,387	34,481	45,078	28,944	29,669	30,436	31,547	40,853	2,434	2,729	2,951	2,934	4,226	2,434	2,729	2,951	2,934	4,226			
Northern Ireland	20,474	20,766	21,695	22,726	29,109	19,024	19,383	20,037	21,061	26,598	1,449	1,383	1,658	1,665	2,511	1,449	1,383	1,658	1,665	2,511			
UK identifiable expenditure	600,561	614,789	636,440	663,261	899,857	545,131	553,866	572,058	595,431	805,504	55,431	60,923	64,382	67,830	94,353	55,431	60,923	64,382	67,830	94,353			
Outside the UK	25,458	26,410	29,980	28,250	26,107	22,755	24,178	26,610	25,984	23,373	2,704	2,233	3,370	2,266	2,734	2,704	2,233	3,370	2,266	2,734			
Total identifiable expenditure	626,020	641,199	666,421	691,511	925,963	567,885	578,044	598,668	621,415	828,877	58,134	63,155	67,752	70,096	97,086	58,134	63,155	67,752	70,096	97,086			
Non-identifiable expenditure	101,348	107,178	104,250	105,367	100,336	90,889	96,092	92,073	93,009	85,876	10,458	11,086	12,178	12,358	14,460	10,458	11,086	12,178	12,358	14,460			
Total Expenditure on Services	727,367	748,376	770,671	796,878	1,026,299	658,775	674,135	690,741	714,424	914,753	68,593	74,241	79,930	82,454	111,547	68,593	74,241	79,930	82,454	111,547			
Accounting adjustments	86,454	88,073	86,645	87,010	88,897	67,632	68,975	70,052	75,223	74,321	18,821	19,148	16,593	11,787	14,575	18,821	19,148	16,593	11,787	14,575			
Total Managed Expenditure	813,821	836,449	857,316	883,888	1,115,196	726,407	743,060	760,793	789,647	989,074	87,414	93,389	96,523	94,241	126,122	87,414	93,389	96,523	94,241	126,122			

Table 9.3b Total UK current and capital identifiable expenditure, per head 2016-17 to 2020-21⁽¹⁾

	Total expenditure on services						of which: current						of which: capital						£ per head
	National Statistics						National Statistics						National Statistics						
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn		2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn		2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn		
North East	9,695	9,726	10,014	10,316	13,480		9,002	9,025	9,238	9,458	12,277		693	701	776	858	1,203		
North West	9,461	9,781	9,915	10,251	13,658		8,597	8,686	8,932	9,261	12,235		865	1,095	982	990	1,423		
Yorkshire and The Humber	8,867	8,899	9,120	9,399	12,637		8,167	8,225	8,400	8,637	11,522		700	674	720	762	1,115		
East Midlands	8,278	8,334	8,587	8,915	12,113		7,712	7,746	7,966	8,235	11,076		566	588	621	680	1,037		
West Midlands	8,856	8,922	9,288	9,606	12,841		8,203	8,251	8,435	8,654	11,514		654	671	853	952	1,327		
East	8,109	8,354	8,699	9,056	12,482		7,414	7,559	7,777	8,080	11,175		695	796	922	976	1,307		
London	10,104	10,304	10,427	10,919	15,490		8,777	8,815	8,980	9,392	13,448		1,328	1,489	1,448	1,527	2,042		
South East	8,136	8,296	8,646	8,905	12,302		7,346	7,425	7,659	7,946	10,959		790	871	987	959	1,344		
South West	8,511	8,621	8,893	9,255	12,607		7,863	7,949	8,186	8,472	11,477		648	672	708	784	1,130		
England	8,890	9,044	9,299	9,643	13,166		8,077	8,146	8,357	8,654	11,783		813	897	943	989	1,383		
Scotland	10,616	10,807	11,181	11,584	14,842		9,395	9,533	9,895	10,201	13,118		1,221	1,274	1,286	1,383	1,724		
Wales	10,079	10,367	10,637	10,936	14,222		9,297	9,494	9,697	10,006	12,889		782	873	940	930	1,333		
Northern Ireland	10,995	11,100	11,530	12,001	15,357		10,216	10,361	10,649	11,122	14,032		778	739	881	879	1,325		
UK identifiable expenditure	9,148	9,309	9,580	9,930	13,414		8,304	8,387	8,611	8,914	12,008		844	923	969	1,015	1,407		

⁽¹⁾ Per head figures calculated using the latest mid-year population estimates from the ONS. See Annex within the CRA 2021 release for details.

Table 9.4a Real terms⁽¹⁾: Total current and capital identifiable expenditure, 2016-17 to 2020-21

	Total expenditure on services						of which: current						of which: capital						£ million
	National Statistics			National Statistics			National Statistics			National Statistics			National Statistics						
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn				
North East	28,957	28,644	29,073	29,380	36,138	26,888	26,580	26,821	26,937	32,912	2,069	2,064	2,252	2,444	3,226				
North West	77,424	79,063	78,971	80,270	100,624	70,348	70,213	71,147	72,520	90,141	7,075	8,849	7,824	7,751	10,484				
Yorkshire and The Humber	54,494	54,010	54,588	55,174	69,839	50,195	49,922	50,276	50,700	63,675	4,299	4,088	4,311	4,474	6,164				
East Midlands	44,310	44,283	45,060	45,987	58,937	41,280	41,160	41,803	42,480	53,891	3,030	3,123	3,257	3,508	5,047				
West Midlands	58,295	58,228	59,863	60,801	76,558	53,993	53,851	54,366	54,775	68,645	4,302	4,377	5,497	6,026	7,913				
East	56,302	57,389	58,920	60,239	78,254	51,475	51,923	52,675	53,747	70,058	4,827	5,466	6,245	6,492	8,196				
London	100,378	101,265	101,461	104,382	139,452	87,190	86,632	87,374	89,781	121,067	13,188	14,634	14,088	14,601	18,385				
South East	83,228	83,890	86,261	87,201	113,395	75,149	75,085	76,414	77,813	101,010	8,079	8,805	9,847	9,389	12,385				
South West	53,190	53,369	54,397	55,530	71,347	49,139	49,209	50,069	50,828	64,952	4,050	4,160	4,328	4,702	6,395				
England	556,577	560,141	568,594	578,965	744,545	505,657	504,575	510,945	519,579	666,351	50,920	55,566	57,649	59,386	78,194				
Scotland	64,993	65,288	66,417	67,508	81,124	57,521	57,589	58,777	59,445	71,702	7,473	7,699	7,640	8,062	9,422				
Wales	35,544	36,079	36,468	36,780	45,078	32,787	33,040	33,244	33,651	40,853	2,757	3,039	3,224	3,129	4,226				
Northern Ireland	23,192	23,125	23,697	24,242	29,109	21,551	21,585	21,886	22,466	26,598	1,642	1,540	1,811	1,776	2,511				
UK identifiable expenditure	680,306	684,633	695,176	707,495	899,857	617,515	616,789	624,852	635,141	805,504	62,791	67,844	70,324	72,353	94,353				
Outside the UK	28,839	29,411	32,747	30,134	26,107	25,776	26,924	29,066	27,717	23,373	3,063	2,486	3,681	2,418	2,734				
Total identifiable expenditure	709,145	714,043	727,923	737,629	925,963	643,291	643,713	653,918	662,858	828,877	65,854	70,330	74,005	74,771	97,086				
Non-identifiable expenditure	114,805	119,354	113,871	112,394	100,336	102,958	107,008	100,570	99,212	85,876	11,847	12,345	13,302	13,182	14,460				
Total Expenditure on Services	823,950	833,397	841,794	850,023	1,026,299	746,249	750,721	754,487	762,070	914,753	77,701	82,675	87,307	87,953	111,547				
Accounting adjustments	97,933	98,078	94,641	92,813	88,897	76,613	76,755	76,517	80,239	74,321	21,320	21,323	18,124	12,574	14,575				
Total Managed Expenditure	921,883	931,475	936,436	942,836	1,115,196	822,862	827,476	831,005	842,310	989,074	99,021	103,999	105,431	100,526	126,122				

⁽¹⁾ Real terms figures are the nominal figures adjusted to 2020-21 price levels using GDP deflators from the Office for National Statistics (released 30 September 2021).

Table 9.4b Real terms⁽¹⁾: Total UK current and capital identifiable expenditure, per head⁽²⁾, 2016-17 to 2020-21

	Total expenditure on services										of which: current										of which: capital										£ per head
	National Statistics					National Statistics					National Statistics					National Statistics					National Statistics										
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn											
North East	10,983	10,831	10,938	11,004	13,480	10,198	10,050	10,091	10,089	12,277	785	780	847	915	1,203	785	780	847	915	1,203											
North West	10,718	10,892	10,830	10,934	13,658	9,738	9,673	9,757	9,878	12,235	979	1,219	1,073	1,056	1,423	979	1,219	1,073	1,056	1,423											
Yorkshire and The Humber	10,044	9,910	9,962	10,026	12,637	9,252	9,160	9,175	9,213	11,522	792	750	787	813	1,115	792	750	787	813	1,115											
East Midlands	9,377	9,280	9,379	9,510	12,113	8,736	8,626	8,701	8,784	11,076	641	654	678	725	1,037	641	654	678	725	1,037											
West Midlands	10,032	9,935	10,145	10,246	12,841	9,292	9,189	9,213	9,231	11,514	740	747	932	1,016	1,327	740	747	932	1,016	1,327											
East	9,186	9,304	9,501	9,660	12,482	8,399	8,418	8,494	8,619	11,175	788	886	1,007	1,041	1,307	788	886	1,007	1,041	1,307											
London	11,446	11,475	11,390	11,647	15,490	9,942	9,817	9,808	10,018	13,448	1,504	1,658	1,581	1,629	2,042	1,504	1,658	1,581	1,629	2,042											
South East	9,216	9,238	9,444	9,499	12,302	8,322	8,268	8,366	8,476	10,959	895	970	1,078	1,023	1,344	895	970	1,078	1,023	1,344											
South West	9,641	9,600	9,714	9,872	12,607	8,907	8,852	8,941	9,036	11,477	734	748	773	836	1,130	734	748	773	836	1,130											
England	10,070	10,071	10,158	10,286	13,166	9,149	9,072	9,128	9,231	11,783	921	999	1,030	1,055	1,383	921	999	1,030	1,055	1,383											
Scotland	12,025	12,035	12,213	12,357	14,842	10,643	10,616	10,808	10,881	13,118	1,383	1,419	1,405	1,476	1,724	1,383	1,419	1,405	1,476	1,724											
Wales	11,417	11,545	11,619	11,666	14,222	10,532	10,572	10,592	10,673	12,889	886	972	1,027	993	1,333	886	972	1,027	993	1,333											
Northern Ireland	12,455	12,361	12,594	12,802	15,357	11,573	11,538	11,631	11,864	14,032	882	823	963	938	1,325	882	823	963	938	1,325											
UK identifiable expenditure	10,363	10,367	10,464	10,592	13,414	9,406	9,340	9,405	9,509	12,008	956	1,027	1,059	1,083	1,407	956	1,027	1,059	1,083	1,407											

⁽¹⁾ Real terms figures are the nominal figures adjusted to 2020-21 price levels using GDP deflators from the Office for National Statistics (released 30 September 2021).

⁽²⁾ Per head figures calculated using the latest mid-year population estimates from the ONS. See Annex within the CRA 2021 release for details.

Table 9.5 Identifiable expenditure on general public services, 2016-17 to 2020-21

	General public services										of which: current										of which: capital										£ million
	National Statistics					National Statistics					National Statistics					National Statistics															
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn											
North East	210	237	273	300	382	171	188	204	168	221	39	49	68	132	160																
North West	493	616	626	646	821	405	461	467	493	645	88	155	159	153	175																
Yorkshire and The Humber	359	329	390	480	581	250	229	259	295	360	110	100	131	185	221																
East Midlands	418	433	369	477	630	311	317	319	367	505	107	117	50	110	125																
West Midlands	511	569	592	735	984	432	460	438	516	717	79	108	154	220	267																
East	568	563	633	693	880	431	463	465	519	675	137	100	169	174	205																
London	1,022	828	680	1,007	1,297	608	611	560	678	904	414	217	119	329	393																
South East	1,333	904	1,093	1,008	1,329	640	656	701	765	1,027	693	248	392	242	302																
South West	541	484	541	528	749	370	379	422	481	683	171	105	119	47	66																
England	5,456	4,963	5,196	5,874	7,652	3,618	3,763	3,836	4,281	5,737	1,838	1,200	1,360	1,593	1,915																
Scotland	1,090	1,205	1,193	1,661	1,791	892	923	978	1,482	1,503	197	282	215	178	289																
Wales	509	535	539	579	641	465	484	458	498	549	44	51	81	81	91																
Northern Ireland	347	374	396	431	808	307	321	323	372	763	40	53	73	60	45																
UK identifiable expenditure	7,401	7,077	7,325	8,544	10,892	5,282	5,492	5,595	6,633	8,552	2,119	1,586	1,730	1,911	2,341																
Outside the UK	9,844	9,832	10,809	10,563	10,327	7,704	7,975	7,709	8,567	7,711	2,140	1,857	3,100	1,996	2,617																
Total identifiable expenditure	17,246	16,909	18,134	19,107	21,220	12,987	13,466	13,304	15,200	16,262	4,259	3,443	4,830	3,907	4,957																
Non-identifiable expenditure	61,327	66,077	61,090	60,034	49,602	60,839	65,882	60,467	59,524	48,895	488	194	624	509	707																
Total Expenditure on Services	78,572	82,986	79,224	79,141	70,822	73,826	79,349	73,770	74,725	65,158	4,747	3,637	5,454	4,416	5,664																

Table 9.5a Identifiable expenditure on general public services (of which: public and common services), 2016-17 to 2020-21

	Total public and common services										of which: current										of which: capital										£ million
	National Statistics					National Statistics					National Statistics					National Statistics					National Statistics										
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn						
North East	207	235	270	297	379	169	186	202	166	219	39	48	68	132	160																
North West	486	610	619	639	815	400	456	461	486	640	86	154	158	153	175																
Yorkshire and The Humber	354	324	385	475	576	246	225	255	290	356	108	100	130	185	221																
East Midlands	413	429	364	473	627	308	313	315	363	502	106	116	49	110	125																
West Midlands	505	564	586	730	979	427	456	433	511	713	78	108	153	219	266																
East	562	557	628	687	875	426	458	459	514	671	136	99	168	173	205																
London	1,013	821	671	998	1,289	601	604	553	670	898	412	217	118	328	392																
South East	1,325	896	1,085	999	1,322	633	649	694	757	1,020	691	248	391	242	301																
South West	536	479	535	523	744	366	374	417	476	679	169	105	118	47	65																
England	5,401	4,916	5,144	5,821	7,607	3,576	3,720	3,789	4,234	5,697	1,825	1,195	1,355	1,588	1,910																
Scotland	1,084	1,200	1,187	1,655	1,786	888	918	972	1,477	1,498	196	282	215	178	288																
Wales	505	532	536	576	638	462	482	456	495	547	43	51	81	80	91																
Northern Ireland	345	372	394	429	807	306	320	321	370	761	39	52	73	59	45																
UK identifiable expenditure	7,336	7,020	7,261	8,481	10,838	5,233	5,440	5,538	6,576	8,503	2,103	1,580	1,723	1,905	2,334																
Outside the UK	295	347	353	367	594	—	—	—	0	29	295	347	353	367	565																
Total identifiable expenditure	7,631	7,367	7,614	8,848	11,431	5,233	5,440	5,538	6,576	8,532	2,398	1,927	2,076	2,272	2,899																
Non-identifiable expenditure	4,875	5,133	5,191	5,644	6,792	4,444	4,678	4,692	5,259	6,194	431	455	499	385	598																
Total Expenditure on Services	12,506	12,500	12,805	14,493	18,223	9,677	10,117	10,230	11,836	14,726	2,829	2,382	2,575	2,657	3,497																

Table 9.5b Identifiable expenditure on general public services (of which: international services), 2016-17 to 2020-21

	International services						of which: current						of which: capital						£ million		
	2016-17		2017-18		2018-19		2019-20		2020-21		2016-17		2017-18		2018-19		2019-20			2020-21	
	outturn	9	outturn	8	outturn	7	outturn	6	outturn	5	outturn	4	outturn	3	outturn	2	outturn	1		outturn	0
North East	3	2	2	3	2	2	2	2	2	2	2	2	2	2	2	2	2	1	0	0	0
North West	7	6	7	7	6	7	6	6	6	5	5	6	6	6	6	6	6	2	1	1	1
Yorkshire and The Humber	5	5	5	5	4	4	4	4	4	4	4	4	4	4	4	4	4	1	0	1	1
East Midlands	5	4	4	5	4	4	4	4	4	4	4	4	4	4	4	4	4	1	0	0	0
West Midlands	6	5	6	6	6	6	6	6	5	4	5	5	5	5	4	4	4	1	1	1	1
East	6	5	6	6	6	6	6	6	5	4	5	5	5	5	4	4	4	1	1	1	1
London	9	8	8	8	7	7	7	7	7	7	7	7	7	7	7	7	7	2	1	1	1
South East	9	8	9	9	8	8	8	8	8	7	7	8	8	8	7	7	7	2	1	1	1
South West	5	5	5	5	5	5	5	5	4	4	4	4	4	4	4	4	4	1	0	1	1
England	55	48	52	53	45	45	45	45	41	43	47	48	48	40	13	5	6	5	6	5	5
Scotland	5	6	6	6	5	5	5	5	4	5	6	5	5	5	1	0	1	1	0	1	1
Wales	3	3	3	3	3	3	3	3	2	2	3	3	3	2	1	0	0	0	0	0	0
Northern Ireland	2	2	2	2	2	2	2	2	1	1	2	2	2	1	0	0	0	0	0	0	0
UK identifiable expenditure	65	58	63	63	54	54	54	49	49	52	56	57	48	48	16	6	7	6	6	6	6
Outside the UK	9,549	9,485	10,456	10,196	9,734	9,734	9,734	7,704	7,704	7,975	7,709	8,567	7,682	7,682	1,845	1,510	2,747	1,629	1,629	2,052	2,052
Total identifiable expenditure	9,614	9,542	10,520	10,259	9,788	9,788	9,788	7,754	7,754	8,026	7,766	8,624	7,730	7,730	1,861	1,516	2,754	1,635	1,635	2,058	2,058
Non-identifiable expenditure	1,192	880	1,347	1,444	1,494	1,494	1,494	1,135	1,135	1,141	1,222	1,320	1,385	1,385	57	-261	125	124	124	109	109
Total Expenditure on Services	10,807	10,422	11,867	11,703	11,282	11,282	11,282	8,889	8,889	9,167	8,988	9,944	9,115	9,115	1,918	1,255	2,879	1,759	1,759	2,167	2,167

Table 9.5c Identifiable expenditure on general public services (of which: public sector debt interest), 2016-17 to 2020-21

	Public sector debt interest						of which: current						of which: capital						£ million		
	2016-17		2017-18		2018-19		2019-20		2020-21		2016-17		2017-18		2018-19		2019-20			2020-21	
	outturn	–	outturn	–	outturn	–	outturn	–	outturn	–	outturn	–	outturn	–	outturn	–	outturn	–		outturn	–
North East	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
North West	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Yorkshire and The Humber	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
East Midlands	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
West Midlands	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
East	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
London	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
South East	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
South West	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
England	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Scotland	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Wales	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Northern Ireland	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
UK identifiable expenditure	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Outside the UK	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total identifiable expenditure	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Non-identifiable expenditure	55,260	60,064	54,552	52,945	41,316	55,260	60,064	54,552	52,945	41,316	55,260	60,064	54,552	52,945	41,316	55,260	60,064	54,552	52,945	41,316	55,260
Total Expenditure on Services	55,260	60,064	54,552	52,945	41,316	55,260	60,064	54,552	52,945	41,316	55,260	60,064	54,552	52,945	41,316	55,260	60,064	54,552	52,945	41,316	55,260

Table 9.6 Identifiable expenditure on defence, 2016-17 to 2020-21

	Defence						of which: current						of which: capital						£ million
	National Statistics			National Statistics			National Statistics			National Statistics			National Statistics						
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn				
North East	1	2	1	2	5	1	2	1	2	5	—	—	—	—	—				
North West	8	5	4	4	13	8	5	4	4	13	—	—	—	—	—				
Yorkshire and The Humber	3	2	3	3	11	3	2	3	3	11	—	—	—	—	—				
East Midlands	4	3	3	4	11	4	3	3	4	11	—	—	—	—	—				
West Midlands	3	3	3	3	10	3	3	3	3	10	—	—	—	—	—				
East	5	5	4	5	16	5	5	4	5	16	—	—	—	—	—				
London	6	6	6	12	38	6	6	6	12	38	—	—	—	—	—				
South East	7	7	7	8	25	7	7	7	8	25	—	—	—	—	—				
South West	3	3	3	5	16	3	3	3	5	16	—	—	—	—	—				
England	39	36	35	48	145	39	36	35	48	145	—	—	—	—	—				
Scotland	4	3	3	3	4	4	3	3	3	4	—	—	—	—	—				
Wales	2	3	2	3	3	2	3	2	3	3	—	—	—	—	—				
Northern Ireland	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
UK identifiable expenditure	45	42	41	54	152	45	42	41	54	152	—	—	—	—	—				
Outside the UK	602	801	696	476	456	487	597	602	451	445	115	203	94	25	11				
Total identifiable expenditure	647	843	736	529	609	532	640	643	505	598	115	203	94	25	11				
Non-identifiable expenditure	36,484	37,827	39,502	41,717	43,958	27,349	27,760	28,779	30,854	31,652	9,135	10,067	10,723	10,863	12,306				
Total Expenditure on Services	37,132	38,670	40,238	42,246	44,567	27,881	28,399	29,422	31,358	32,250	9,250	10,271	10,816	10,887	12,317				

Table 9.7 Identifiable expenditure on public order and safety, 2016-17 to 2020-21

	Public order and safety						of which: current						of which: capital						£ million
	National Statistics			National Statistics			National Statistics			National Statistics			National Statistics						
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn				
North East	1,230	1,236	1,243	1,315	1,429	1,178	1,169	1,198	1,245	1,343	52	67	45	70	86				
North West	3,274	3,277	3,345	3,546	3,862	3,061	3,066	3,167	3,308	3,551	213	211	179	238	311				
Yorkshire and The Humber	2,255	2,378	2,415	2,509	2,797	2,121	2,241	2,285	2,369	2,598	134	137	130	140	199				
East Midlands	1,800	1,837	1,916	2,054	2,274	1,692	1,726	1,803	1,928	2,101	109	111	114	126	173				
West Midlands	2,325	2,347	2,391	2,463	2,718	2,198	2,224	2,255	2,305	2,518	128	124	136	158	200				
East	2,134	2,241	2,313	2,498	2,699	2,033	2,142	2,220	2,356	2,533	101	99	93	142	165				
London	5,364	6,045	6,175	6,608	7,016	5,536	5,502	5,767	6,172	6,467	-172	543	408	436	549				
South East	2,996	3,126	3,278	3,521	3,827	2,873	2,984	3,075	3,321	3,579	123	143	203	200	248				
South West	1,747	1,945	2,013	2,215	2,354	1,660	1,851	1,907	2,071	2,182	87	94	106	144	173				
England	23,126	24,433	25,089	26,729	28,975	22,351	22,906	23,677	25,074	26,871	775	1,527	1,413	1,655	2,105				
Scotland	2,584	2,701	2,836	3,008	3,108	2,522	2,597	2,717	2,876	2,923	61	103	119	132	185				
Wales	1,261	1,359	1,423	1,534	1,693	1,194	1,284	1,348	1,448	1,554	67	76	75	85	139				
Northern Ireland	1,219	1,211	1,245	1,294	1,333	1,155	1,139	1,142	1,209	1,251	64	72	103	85	81				
UK identifiable expenditure	28,189	29,704	30,593	32,564	35,109	27,222	27,926	28,884	30,607	32,599	968	1,778	1,709	1,957	2,510				
Outside the UK	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
Total identifiable expenditure	28,189	29,704	30,593	32,564	35,109	27,222	27,926	28,884	30,607	32,599	968	1,778	1,709	1,957	2,510				
Non-identifiable expenditure	1,882	1,765	1,820	1,961	3,570	1,732	1,511	1,554	1,646	3,121	150	254	266	315	449				
Total Expenditure on Services	30,071	31,469	32,412	34,526	38,679	28,954	29,437	30,438	32,253	35,720	1,117	2,032	1,975	2,273	2,959				

Table 9.8 Identifiable expenditure on economic affairs, 2016-17 to 2020-21⁽¹⁾

	Economic affairs						of which: current						of which: capital ⁽³⁾						£ million														
	2016-17			2017-18			2018-19			2019-20			2020-21			2016-17				2017-18			2018-19			2019-20			2020-21				
	outturn	2016-17	2017-18	2018-19	2019-20	2020-21	outturn	2016-17	2017-18	2018-19	2019-20	2020-21	outturn	2016-17	2017-18	2018-19	2019-20	2020-21		outturn	2016-17	2017-18	2018-19	2019-20	2020-21	outturn	2016-17	2017-18	2018-19	2019-20	2020-21		
North East	1,587	1,560	1,894	2,051	6,998	879	829	1,035	1,212	5,427	709	731	859	840	1,571																		
North West ⁽²⁾	4,309	5,237	5,544	5,999	21,111	2,071	2,068	2,704	3,206	15,992	2,238	3,169	2,840	2,793	5,119																		
Yorkshire and The Humber	3,164	3,015	3,541	4,043	14,974	1,726	1,809	2,117	2,411	11,936	1,438	1,206	1,424	1,632	3,038																		
East Midlands	2,327	2,449	2,924	3,294	12,844	1,303	1,365	1,683	1,941	10,237	1,025	1,084	1,240	1,353	2,608																		
West Midlands	3,260	3,552	4,830	5,268	16,690	1,614	1,680	2,094	2,372	12,166	1,645	1,872	2,735	2,897	4,524																		
East	3,510	4,147	5,051	5,757	19,453	1,594	1,755	2,212	2,793	14,922	1,917	2,391	2,839	2,963	4,531																		
London	10,213	10,850	11,498	12,160	39,329	3,710	4,021	4,581	5,222	28,362	6,502	6,829	6,917	6,938	10,967																		
South East	5,587	6,556	8,255	9,075	28,486	2,373	2,454	3,231	4,227	21,128	3,214	4,102	5,024	4,848	7,359																		
South West	3,254	3,410	3,821	4,527	16,524	1,690	1,736	2,047	2,517	13,085	1,564	1,675	1,773	2,010	3,439																		
England	37,211	40,775	47,356	52,175	176,410	16,960	17,717	21,704	25,902	133,255	20,251	23,058	25,652	26,273	43,155																		
Scotland	6,199	6,439	6,684	7,127	18,003	3,650	3,719	3,972	4,260	13,531	2,549	2,720	2,712	2,867	4,472																		
Wales	2,386	2,584	2,749	2,877	9,114	1,503	1,578	1,673	1,937	7,111	883	1,006	1,076	939	2,002																		
Northern Ireland	1,571	1,539	1,758	2,127	5,277	1,136	1,117	1,212	1,540	4,112	434	422	546	588	1,165																		
UK identifiable expenditure	47,367	51,337	58,547	64,305	208,804	23,249	24,131	28,561	33,638	158,009	24,118	27,206	29,986	30,667	50,795																		
Outside the UK	420	245	236	224	220	36	138	100	109	128	383	107	136	114	92																		
Total identifiable expenditure	47,787	51,582	58,784	64,529	209,024	23,285	24,269	28,661	33,748	158,137	24,501	27,314	30,122	30,781	50,886																		
Non-identifiable expenditure	1,370	1,565	1,900	2,122	2,198	1,245	1,409	1,671	1,856	1,724	125	155	229	286	474																		
Total Expenditure on Services	49,157	53,147	60,684	66,651	211,222	24,530	25,678	30,333	35,584	159,861	24,626	27,469	30,351	31,066	51,361																		

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

⁽²⁾ The increase in the North West in 2017-18 is in part due to local authority capital expenditure on the Mersey Gateway Bridge.

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

Table 9.8a Identifiable expenditure on economic affairs (of which: enterprise and economic development), 2016-17 to 2020-21⁽¹⁾

	Enterprise and economic development						of which: current						of which: capital						£ million
	National Statistics			National Statistics			National Statistics			National Statistics			National Statistics						
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn				
North East	236	268	345	449	4,848	189	249	324	440	4,271	48	19	22	9	576				
North West	632	610	991	1,392	15,118	560	559	773	1,309	13,084	72	51	218	82	2,034				
Yorkshire and The Humber	415	348	638	972	10,927	382	430	550	884	9,562	33	-82	88	88	1,365				
East Midlands	451	541	587	824	9,452	331	355	439	709	8,194	120	185	149	115	1,258				
West Midlands	485	466	643	988	11,682	397	463	591	908	10,119	89	3	52	79	1,563				
East	454	575	823	1,504	13,713	372	428	568	995	11,691	83	146	255	509	2,022				
London	1,041	1,458	1,975	2,851	24,083	1,015	1,139	1,661	2,638	19,990	25	319	315	212	4,093				
South East	1,200	1,733	2,326	2,327	19,220	626	651	886	1,510	16,248	575	1,082	1,440	817	2,972				
South West	461	718	865	1,298	12,301	394	410	542	844	10,607	67	308	323	454	1,694				
England	5,376	6,716	9,194	12,605	121,342	4,265	4,684	6,333	10,238	103,765	1,111	2,032	2,861	2,367	17,577				
Scotland	1,182	1,236	1,497	1,798	11,505	848	882	1,015	1,311	9,805	333	354	482	487	1,701				
Wales	423	497	634	750	6,489	333	366	426	627	5,598	89	131	209	123	892				
Northern Ireland	354	360	378	737	3,534	320	324	366	693	2,974	34	36	12	44	560				
UK identifiable expenditure	7,334	8,809	11,703	15,890	142,871	5,767	6,256	8,139	12,869	122,142	1,568	2,552	3,564	3,021	20,729				
Outside the UK	1	1	1	1	1	1	1	1	1	1	0	0	—	—	0				
Total identifiable expenditure	7,335	8,809	11,704	15,891	142,872	5,767	6,257	8,140	12,870	122,143	1,568	2,552	3,564	3,021	20,729				
Non-identifiable expenditure	921	1,176	1,456	1,315	1,769	818	1,043	1,242	1,025	1,320	103	133	214	290	449				
Total Expenditure on Services	8,256	9,985	13,160	17,205	144,641	6,585	7,300	9,382	13,894	123,463	1,671	2,685	3,778	3,311	21,178				

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

Table 9.8b Identifiable expenditure on economic affairs (of which: science and technology), 2016-17 to 2020-21

	Science and technology						of which: current						of which: capital						£ million
	National Statistics			National Statistics			National Statistics			National Statistics			National Statistics						
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn				
North East	157	214	295	316	338	34	38	37	49	55	123	175	257	267	284				
North West	399	476	545	560	595	104	108	98	93	101	295	369	447	466	494				
Yorkshire and The Humber	306	327	438	575	552	88	102	96	99	109	218	226	342	475	442				
East Midlands	310	271	362	388	415	84	98	94	111	123	226	173	268	277	292				
West Midlands	331	520	710	728	798	95	117	110	109	123	236	403	600	619	674				
East	454	517	628	648	676	87	100	86	82	92	367	416	542	567	583				
London	540	639	1,078	1,129	1,281	62	65	33	30	43	479	574	1,046	1,100	1,238				
South East	606	950	1,069	1,117	1,121	99	111	83	83	95	508	838	985	1,033	1,026				
South West	387	359	477	487	577	98	111	100	94	105	289	248	377	392	472				
England	3,491	4,273	5,601	5,948	6,352	751	851	736	751	847	2,741	3,422	4,865	5,197	5,506				
Scotland	473	484	517	527	798	146	181	186	182	205	327	303	331	345	593				
Wales	192	220	227	227	306	71	83	84	81	90	121	137	142	146	216				
Northern Ireland	70	62	68	82	97	11	11	5	6	6	58	50	63	76	91				
UK identifiable expenditure	4,226	5,039	6,412	6,783	7,553	978	1,126	1,011	1,020	1,147	3,248	3,913	5,401	5,763	6,406				
Outside the UK	261	7	20	22	26	0	0	0	0	0	262	7	20	22	26				
Total identifiable expenditure	4,487	5,046	6,432	6,805	7,580	978	1,126	1,011	1,020	1,147	3,509	3,919	5,421	5,785	6,432				
Non-identifiable expenditure	1	1	1	1	1	—	—	—	—	—	1	1	1	1	1				
Total Expenditure on Services	4,488	5,047	6,434	6,807	7,581	978	1,126	1,011	1,020	1,147	3,510	3,920	5,422	5,787	6,433				

Table 9.8c Identifiable expenditure on economic affairs (of which: employment policies), 2016-17 to 2020-21

	Employment policies												of which: current						of which: capital						£ million
	National Statistics						National Statistics						National Statistics												
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn								
North East	162	172	176	112	115	115	158	165	173	112	111	111	4	7	3	0	3								
North West	268	316	355	346	372	372	259	302	349	344	362	362	9	14	7	2	11								
Yorkshire and The Humber	254	276	294	189	217	217	248	265	289	188	211	211	7	11	5	0	6								
East Midlands	161	188	206	149	177	177	156	180	203	148	172	172	5	8	3	1	5								
West Midlands	262	299	291	188	218	218	256	286	286	188	211	211	6	12	5	0	6								
East	146	159	159	160	197	197	142	152	157	160	191	191	4	7	3	0	6								
London	360	390	396	369	487	487	352	374	389	369	472	472	8	16	7	0	15								
South East	193	218	214	208	265	265	188	209	210	208	257	257	5	9	4	0	8								
South West	119	119	104	152	172	172	116	114	102	152	167	167	3	5	2	0	5								
England	1,925	2,136	2,195	1,871	2,219	2,219	1,875	2,048	2,157	1,870	2,153	2,153	50	88	38	1	66								
Scotland	235	256	257	177	193	193	229	245	253	177	188	188	6	11	4	0	6								
Wales	132	133	128	102	114	114	129	128	125	102	111	111	3	5	2	0	3								
Northern Ireland	98	81	99	87	76	76	97	80	97	86	74	74	1	0	2	1	1								
UK identifiable expenditure	2,390	2,606	2,679	2,237	2,602	2,602	2,330	2,501	2,632	2,235	2,526	2,526	60	105	47	2	77								
Outside the UK	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—								
Total identifiable expenditure	2,390	2,606	2,679	2,237	2,602	2,602	2,330	2,501	2,632	2,235	2,526	2,526	60	105	47	2	77								
Non-identifiable expenditure	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—								
Total Expenditure on Services	2,390	2,606	2,679	2,237	2,602	2,602	2,330	2,501	2,632	2,235	2,526	2,526	60	105	47	2	77								

Table 9.8d Identifiable expenditure on economic affairs (of which: agriculture, fisheries and forestry), 2016-17 to 2020-21

	Agriculture, fisheries and forestry										of which: capital						£ million									
	National Statistics					National Statistics					2016-17			2017-18				2018-19			2019-20			2020-21		
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn		2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn
North East	203	192	224	219	243	188	176	207	210	232	14	16	16	9	11	34	28	17	16	26	34	28	17	16	26	
North West	368	344	370	377	447	334	316	354	361	422	34	34	35	36	42	44	44	59	51	59	44	60	59	51	59	
Yorkshire and The Humber	410	425	478	458	518	366	365	418	407	459	44	44	45	47	51	17	3	11	16	19	17	3	11	16	19	
East Midlands	382	367	434	428	480	365	364	423	413	461	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	
West Midlands	310	265	307	361	392	301	294	331	370	393	14	15	15	15	15	14	14	13	10	13	10	14	13	10	13	
East	447	457	483	546	618	433	442	521	526	586	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	
London	67	91	113	144	193	58	77	100	134	180	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	
South East	430	431	559	573	644	399	401	505	527	574	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	
South West	632	588	686	660	772	609	573	675	636	741	24	15	11	23	31	24	15	11	23	31	24	15	11	23	31	
England	3,250	3,158	3,654	3,766	4,307	3,053	3,007	3,535	3,584	4,049	197	151	119	181	258	197	151	119	181	258	197	151	119	181	258	
Scotland	929	909	925	898	866	814	784	813	804	774	115	124	112	94	92	115	124	112	94	92	115	124	112	94	92	
Wales	465	499	519	494	524	409	425	446	446	446	55	74	73	47	79	55	74	73	47	79	55	74	73	47	79	
Northern Ireland	503	498	548	561	627	465	454	476	486	553	38	44	44	75	75	38	44	44	75	75	38	44	44	75	75	
UK identifiable expenditure	5,146	5,064	5,646	5,718	6,324	4,741	4,671	5,271	5,320	5,820	405	393	376	397	504	405	393	376	397	504	405	393	376	397	504	
Outside the UK	57	113	87	85	101	29	112	74	84	101	28	0	14	1	0	28	0	14	1	0	28	0	14	1	0	
Total identifiable expenditure	5,203	5,177	5,733	5,803	6,425	4,770	4,783	5,344	5,405	5,921	433	394	389	398	504	433	394	389	398	504	433	394	389	398	504	
Non-identifiable expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditure on Services	5,203	5,177	5,733	5,803	6,425	4,770	4,783	5,344	5,405	5,921	433	394	389	398	504	433	394	389	398	504	433	394	389	398	504	

Table 9.8e Identifiable expenditure on economic affairs (of which: transport^{(1),(2)}), 2016-17 to 2020-21

	Transport												of which: current												of which: capital ⁽³⁾												£ million
	National Statistics						National Statistics						National Statistics						National Statistics																		
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2020-21 outturn																			
North East	829	714	855	955	1,455	1,455	310	201	294	401	758	758	519	513	561	555	696	696																			
North West ⁽⁴⁾	2,642	3,492	3,283	3,325	4,579	4,579	813	783	1,131	1,099	2,024	2,024	1,828	2,708	2,152	2,226	2,555	2,555																			
Yorkshire and The Humber	1,778	1,639	1,693	1,849	2,760	2,760	643	647	763	832	1,595	1,595	1,136	991	930	1,017	1,165	1,165																			
East Midlands	1,024	1,083	1,335	1,504	2,321	2,321	366	368	526	560	1,288	1,288	657	715	809	944	1,033	1,033																			
West Midlands	1,871	2,002	2,879	3,005	3,601	3,601	566	519	777	796	1,319	1,319	1,305	1,483	2,102	2,209	2,282	2,282																			
East	2,009	2,439	2,957	2,899	4,250	4,250	560	632	880	1,031	2,362	2,362	1,449	1,807	2,077	1,868	1,889	1,889																			
London	8,204	8,272	7,936	7,667	13,285	13,285	2,224	2,365	2,398	2,052	7,677	7,677	5,980	5,907	5,537	5,616	5,608	5,608																			
South East	3,158	3,224	4,088	4,850	7,237	7,237	1,062	1,082	1,546	1,898	3,953	3,953	2,097	2,142	2,542	2,952	3,283	3,283																			
South West	1,654	1,626	1,688	1,931	2,702	2,702	473	527	628	790	1,465	1,465	1,182	1,099	1,060	1,141	1,237	1,237																			
England	23,169	24,492	26,712	27,986	42,190	42,190	7,016	7,127	8,943	9,458	22,441	22,441	16,153	17,365	17,769	18,527	19,748	19,748																			
Scotland	3,381	3,554	3,488	3,727	4,640	4,640	1,613	1,627	1,705	1,787	2,560	2,560	1,768	1,928	1,783	1,940	2,080	2,080																			
Wales	1,174	1,235	1,242	1,304	1,680	1,680	561	575	591	681	868	868	613	660	650	623	812	812																			
Northern Ireland	547	539	665	661	943	943	244	248	268	268	505	505	304	291	396	392	438	438																			
UK identifiable expenditure	28,271	29,820	32,107	33,677	49,453	49,453	9,433	9,576	11,508	12,194	26,374	26,374	18,838	20,243	20,599	21,483	23,079	23,079																			
Outside the UK	101	125	128	116	92	92	7	25	26	24	27	27	94	100	102	91	66	66																			
Total identifiable expenditure	28,372	29,945	32,235	33,793	49,545	49,545	9,441	9,601	11,534	12,218	26,401	26,401	18,931	20,344	20,701	21,575	23,144	23,144																			
Non-identifiable expenditure	448	388	442	806	428	428	427	366	429	812	404	404	21	21	13	-6	24	24																			
Total Expenditure on Services	28,820	30,332	32,678	34,599	49,973	49,973	9,868	9,967	11,963	13,030	26,805	26,805	18,952	20,365	20,714	21,569	23,168	23,168																			

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

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

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

⁽⁴⁾ The increase in the North West in 2017-18 is in part due to local authority capital expenditure on the Mersey Gateway Bridge. The increase in the North West in 2017-18 is in part due to local authority capital expenditure on the Mersey Gateway Bridge.

Table 9.9 Identifiable expenditure on environment protection, 2016-17 to 2020-21

	Environment protection						of which: current						of which: capital						£ million		
	2016-17		2017-18		2018-19		2019-20		2020-21		2016-17		2017-18		2018-19		2019-20			2020-21	
	outturn	2016-17	outturn	2017-18	outturn	2018-19	outturn	2019-20	outturn	2020-21	outturn	2016-17	outturn	2017-18	outturn	2018-19	outturn	2019-20		outturn	2020-21
North East	306	289	298	293	330	262	242	248	257	277	45	47	50	35	53						
North West ⁽¹⁾	2,629	3,183	2,593	2,809	2,963	1,010	1,030	998	1,291	1,380	1,619	2,153	1,595	1,517	1,583						
Yorkshire and The Humber	647	664	621	673	718	495	495	482	508	549	152	169	139	165	170						
East Midlands	474	470	490	515	566	413	413	408	431	463	61	57	82	84	102						
West Midlands	608	567	570	580	647	481	491	499	499	541	128	76	71	82	107						
East	906	898	942	1,001	1,057	620	613	636	667	714	286	285	307	334	342						
London	1,066	1,045	1,126	1,152	1,243	894	858	905	927	985	172	187	221	225	258						
South East	1,088	1,286	1,088	1,113	1,218	856	828	844	891	955	232	458	243	222	263						
South West	873	913	876	943	997	590	600	615	653	691	283	313	261	290	306						
England	8,599	9,314	8,604	9,078	9,739	5,621	5,570	5,635	6,124	6,555	2,978	3,744	2,969	2,953	3,183						
Scotland	1,232	1,244	1,283	1,459	1,480	876	897	906	921	925	356	347	377	538	555						
Wales	608	618	616	650	674	481	491	489	499	524	127	127	127	151	150						
Northern Ireland	252	264	256	297	295	242	249	238	270	264	10	15	18	27	31						
UK identifiable expenditure	10,690	11,440	10,759	11,484	12,188	7,220	7,207	7,268	7,815	8,269	3,471	4,232	3,491	3,669	3,920						
Outside the UK	5	10	6	7	6	0	1	1	1	1	5	10	5	6	5						
Total identifiable expenditure	10,695	11,450	10,766	11,491	12,194	7,220	7,208	7,269	7,815	8,269	3,475	4,242	3,496	3,675	3,924						
Non-identifiable expenditure	350	338	283	328	535	45	52	95	94	102	306	285	188	235	434						
Total Expenditure on Services	11,045	11,788	11,049	11,819	12,729	7,264	7,260	7,365	7,909	8,371	3,781	4,527	3,684	3,910	4,358						

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

Table 9.10 Identifiable expenditure on housing and community amenities, 2016-17 to 2020-21

	Housing and community amenities						of which: current						of which: capital						£ million
	National Statistics						National Statistics						National Statistics						
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn		2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn		2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn		
North East	403	414	443	541	489		107	101	106	104	116		295	312	337	436	374		
North West	726	778	843	1,029	996		256	240	256	268	303		470	538	587	760	694		
Yorkshire and The Humber	860	884	894	843	848		214	196	207	224	250		646	689	687	619	598		
East Midlands	521	517	516	593	576		195	180	177	189	207		326	337	339	404	369		
West Midlands	767	680	725	1,050	938		217	212	220	249	272		549	469	505	801	666		
East	587	621	781	994	882		249	239	250	267	298		339	382	531	727	584		
London	2,008	2,642	2,425	3,049	2,784		462	474	481	578	597		1,546	2,167	1,944	2,471	2,187		
South East	892	1,030	1,108	1,261	1,235		397	404	394	425	473		496	626	714	836	762		
South West	531	525	526	724	678		215	220	216	219	245		316	305	310	505	433		
England	7,295	8,091	8,262	10,084	9,426		2,311	2,267	2,309	2,524	2,759		4,984	5,824	5,953	7,559	6,667		
Scotland	1,589	1,847	2,225	2,321	2,258		112	158	213	136	359		1,477	1,689	2,012	2,185	1,900		
Wales	712	711	816	966	838		165	167	156	168	176		546	544	660	797	662		
Northern Ireland	706	706	744	789	1,065		354	387	408	429	639		352	319	336	361	427		
UK identifiable expenditure	10,301	11,356	12,047	14,159	13,588		2,943	2,979	3,086	3,257	3,933		7,358	8,377	8,961	10,902	9,655		
Outside the UK	—	—	—	—	—		—	—	—	—	—		—	—	—	—	—		
Total identifiable expenditure	10,301	11,356	12,047	14,159	13,588		2,943	2,979	3,086	3,257	3,933		7,358	8,377	8,961	10,902	9,655		
Non-identifiable expenditure	—	—	—	—	—		—	—	—	—	—		—	—	—	—	—		
Total Expenditure on Services	10,301	11,356	12,047	14,159	13,588		2,943	2,979	3,086	3,257	3,933		7,358	8,377	8,961	10,902	9,655		

Table 9.11 Identifiable expenditure on health, 2016-17 to 2020-21⁽¹⁾

	Health												of which: capital						£ million
	National Statistics						National Statistics						National Statistics						
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn		
North East	6,119	6,299	6,494	6,985	9,328	9,328	5,899	6,041	6,198	6,651	8,824	8,824	220	258	296	334	504		
North West	16,487	17,145	17,905	19,208	25,798	25,798	15,900	16,457	17,089	18,293	24,214	24,214	588	688	815	914	1,584		
Yorkshire and The Humber	11,312	11,614	12,077	12,953	17,496	17,496	10,918	11,154	11,536	12,348	16,459	16,459	394	459	541	604	1,037		
East Midlands	9,026	9,286	9,740	10,678	14,622	14,622	8,708	8,913	9,299	10,177	13,717	13,717	318	373	441	502	905		
West Midlands	12,575	12,826	13,230	14,144	19,267	19,267	12,134	12,319	12,637	13,483	18,015	18,015	441	507	593	661	1,253		
East	11,346	12,166	12,647	13,499	18,645	18,645	10,932	11,585	12,053	12,851	17,442	17,442	414	581	594	648	1,203		
London	23,109	23,650	24,625	26,576	34,481	34,481	22,077	22,528	23,431	25,246	32,616	32,616	1,032	1,123	1,195	1,330	1,865		
South East	17,218	17,844	18,495	19,848	27,590	27,590	16,561	17,071	17,651	18,914	25,795	25,795	656	772	844	934	1,794		
South West	10,909	11,308	11,837	12,790	17,451	17,451	10,525	10,841	11,299	12,187	16,350	16,350	384	467	538	604	1,101		
England	118,101	122,138	127,051	136,682	184,678	184,678	113,655	116,909	121,195	130,150	173,433	173,433	4,447	5,228	5,856	6,532	11,246		
Scotland	12,600	12,725	13,023	13,702	17,998	17,998	11,976	12,253	12,537	13,237	17,368	17,368	624	473	486	465	631		
Wales	6,950	7,217	7,537	8,024	10,156	10,156	6,677	6,859	7,121	7,613	9,610	9,610	273	359	417	411	546		
Northern Ireland	4,176	4,311	4,582	4,941	6,560	6,560	3,934	4,096	4,331	4,726	6,153	6,153	242	216	251	215	407		
UK identifiable expenditure	141,827	146,391	152,193	163,350	219,393	219,393	136,242	140,116	145,183	155,726	206,563	206,563	5,585	6,275	7,010	7,623	12,829		
Outside the UK	762	946	724	789	702	702	736	917	715	783	699	699	26	29	9	7	4		
Total identifiable expenditure	142,589	147,338	152,917	164,139	220,095	220,095	136,978	141,033	145,899	156,509	207,262	207,262	5,611	6,304	7,018	7,630	12,833		
Non-identifiable expenditure	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
Total Expenditure on Services	142,589	147,338	152,917	164,139	220,095	220,095	136,978	141,033	145,899	156,509	207,262	207,262	5,611	6,304	7,018	7,630	12,833		

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

Table 9.12 Identifiable expenditure on recreation, culture and religion, 2016-17 to 2020-21

	Recreation, culture and religion						of which: current						of which: capital						£ million
	National Statistics			National Statistics			National Statistics			National Statistics			National Statistics						
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn				
North East	300	263	261	311	348	201	196	201	195	247	98	67	60	116	101				
North West	751	762	730	772	938	545	539	530	549	725	205	223	200	223	213				
Yorkshire and The Humber	574	584	545	638	743	402	406	388	413	551	173	178	158	225	191				
East Midlands	389	418	419	446	527	284	309	311	307	397	105	108	108	139	130				
West Midlands	492	488	513	522	658	374	393	406	386	541	117	95	106	135	117				
East	476	504	516	525	614	359	354	348	334	443	117	150	168	191	171				
London	1,179	1,300	1,106	1,258	1,759	909	982	843	881	1,389	270	318	263	377	371				
South East	833	827	795	757	950	533	522	521	498	708	299	305	274	260	242				
South West	458	491	479	460	603	336	336	310	291	431	122	155	169	169	171				
England	5,452	5,637	5,365	5,689	7,140	3,944	4,038	3,859	3,854	5,433	1,508	1,599	1,506	1,835	1,707				
Scotland	1,062	998	1,069	995	1,214	775	756	848	779	1,040	287	242	220	216	174				
Wales	478	534	519	520	664	409	439	415	423	562	70	95	103	96	102				
Northern Ireland	469	439	497	495	512	398	358	379	374	394	71	81	117	120	118				
UK identifiable expenditure	7,462	7,609	7,449	7,699	9,529	5,526	5,592	5,501	5,431	7,429	1,935	2,017	1,948	2,268	2,100				
Outside the UK	230	232	256	305	58	196	207	230	186	52	35	26	26	119	6				
Total identifiable expenditure	7,692	7,841	7,705	8,004	9,587	5,722	5,798	5,731	5,617	7,481	1,970	2,043	1,974	2,387	2,106				
Non-identifiable expenditure	3,914	3,638	3,683	3,929	3,406	3,660	3,508	3,535	3,782	3,315	255	130	148	148	91				
Total Expenditure on Services	11,606	11,479	11,388	11,933	12,993	9,382	9,306	9,267	9,398	10,796	2,225	2,173	2,121	2,535	2,197				

Table 9.13 Identifiable expenditure on education, 2016-17 to 2020-21

	Education						of which: current						of which: capital						£ million		
	2016-17		2017-18		2018-19		2019-20		2020-21		2016-17		2017-18		2018-19		2019-20			2020-21	
	outturn	2016-17	outturn	2017-18	outturn	2018-19	outturn	2019-20	outturn	2020-21	outturn	2016-17	outturn	2017-18	outturn	2018-19	outturn	2019-20		outturn	2020-21
North East	3,544	3,430	3,485	3,508	3,737	3,197	3,137	3,159	3,189	3,377	348	293	326	319	359						
North West	9,048	8,961	9,085	9,440	9,950	8,284	8,225	8,378	8,833	9,226	764	736	707	607	724						
Yorkshire and The Humber	7,135	7,103	7,134	7,266	7,605	6,408	6,414	6,431	6,669	6,937	727	690	703	597	668						
East Midlands	5,965	5,867	5,953	6,182	6,492	5,375	5,284	5,378	5,638	5,892	590	583	575	545	600						
West Midlands	7,585	7,592	7,805	8,050	8,485	6,919	6,957	7,118	7,386	7,750	666	635	687	664	736						
East	7,613	7,544	7,742	8,044	8,506	6,715	6,672	6,773	7,183	7,571	898	872	969	861	935						
London	13,139	12,893	13,228	13,269	13,968	11,300	11,156	11,473	11,748	12,272	1,839	1,737	1,755	1,521	1,696						
South East	11,146	10,918	11,293	11,561	12,147	9,790	9,728	10,030	10,346	10,797	1,356	1,190	1,263	1,216	1,351						
South West	6,395	6,276	6,617	6,768	7,083	5,766	5,681	5,960	6,157	6,416	630	595	657	610	667						
England	71,571	70,584	72,341	74,088	77,972	63,754	63,254	64,699	67,148	70,237	7,817	7,329	7,642	6,940	7,735						
Scotland	8,274	8,493	8,648	9,258	9,476	7,301	7,498	7,882	8,395	8,382	973	995	765	863	1,094						
Wales	4,186	4,280	4,285	4,386	4,986	3,780	3,837	3,907	4,032	4,505	406	443	379	354	482						
Northern Ireland	2,715	2,700	2,777	2,888	3,335	2,483	2,499	2,563	2,680	3,104	232	202	214	208	231						
UK identifiable expenditure	86,746	86,057	88,051	90,621	95,770	77,319	77,088	79,051	82,255	86,227	9,427	8,968	9,000	8,366	9,543						
Outside the UK	0	—	—	—	—	—	—	—	—	—	0	—	—	—	—						
Total identifiable expenditure	86,746	86,057	88,051	90,621	95,770	77,319	77,088	79,051	82,255	86,227	9,427	8,968	9,000	8,366	9,543						
Non-identifiable expenditure	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—						
Total Expenditure on Services	86,746	86,057	88,051	90,621	95,770	77,319	77,088	79,051	82,255	86,227	9,427	8,968	9,000	8,366	9,543						

Table 9.14 Identifiable expenditure on social protection, 2016-17 to 2020-21

	Social protection						of which: current						of which: capital						£ million		
	2016-17		2017-18		2018-19		2019-20		2020-21		2016-17		2017-18		2018-19		2019-20			2020-21	
	outturn	2016-17	outturn	2017-18	outturn	2018-19	outturn	2019-20	outturn	2020-21	outturn	2016-17	outturn	2017-18	outturn	2018-19	outturn	2019-20		outturn	2020-21
North East	11,862	11,991	12,224	12,238	13,092	11,841	11,963	12,202	12,229	13,074	20	29	29	21	9	18					
North West	30,623	31,033	31,623	31,799	34,171	30,562	30,959	31,542	31,740	34,092	61	74	81	59	79						
Yorkshire and The Humber	21,797	21,926	22,356	22,316	24,067	21,773	21,883	22,321	22,289	24,025	24	43	35	27	42						
East Midlands	18,192	18,486	18,923	18,869	20,394	18,157	18,451	18,889	18,843	20,360	34	36	34	26	34						
West Midlands	23,337	23,665	24,146	24,184	26,160	23,291	23,619	24,102	24,153	26,116	46	46	44	31	45						
East	22,555	22,845	23,313	23,455	25,502	22,504	22,798	23,264	23,409	25,444	51	47	49	46	59						
London	31,507	31,676	32,020	32,764	37,538	31,469	31,655	31,943	32,703	37,438	38	20	76	61	99						
South East	32,372	32,834	33,561	33,597	36,588	32,310	32,770	33,504	33,553	36,524	62	64	57	45	64						
South West	22,243	22,569	23,088	23,098	24,894	22,224	22,541	23,059	23,069	24,853	19	28	29	29	41						
England	214,486	217,026	221,254	222,322	242,407	214,132	216,639	220,828	221,989	241,926	354	387	427	333	481						
Scotland	22,743	22,971	23,842	23,753	25,791	22,670	22,908	23,753	23,638	25,669	72	63	89	114	123						
Wales	14,286	14,558	14,900	14,942	16,309	14,267	14,529	14,866	14,925	16,257	19	29	33	18	52						
Northern Ireland	9,019	9,221	9,441	9,463	9,924	9,013	9,216	9,441	9,462	9,919	6	4	0	1	5						
UK identifiable expenditure	260,534	263,775	269,437	270,480	294,431	260,083	263,292	268,888	270,014	293,771	451	483	549	466	660						
Outside the UK	4,792	4,854	5,025	5,001	5,111	4,792	4,854	5,025	5,001	5,111	—	—	—	—	—						
Total identifiable expenditure	265,326	268,629	274,462	275,481	299,542	264,875	268,146	273,913	275,015	298,882	451	483	549	466	660						
Non-identifiable expenditure	101	99	350	335	485	100	98	349	332	485	0	0	1	2	1						
Total Expenditure on Services	265,426	268,728	274,811	275,815	300,027	264,975	268,245	274,262	275,348	299,366	451	483	550	468	661						

Table 9.15 UK identifiable expenditure on services by function, per head⁽¹⁾, 2016-17 to 2020-21

Data in this table from 2016-17 to 2020-21 are National Statistics

	1. General public services	of which: public and common services	of which: international services	2. Defence	3. Public order and safety	4. Economic affairs	of which: enterprise and economic development	of which: science and technology	of which: employment policies	of which: agriculture, fisheries and forestry	of which: transport	5. Environment protection	6. Housing and community amenities	7. Health	8. Recreation, culture and religion	9. Education	10. Social protection	Total Expenditure on Services	£ per head
2016-17																			
North East	80	79	1	1	466	602	90	60	61	77	314	116	153	2,321	114	1,344	4,499	9,695	
North West	68	67	1	1	453	596	87	55	37	51	366	364	101	2,282	104	1,253	4,239	9,461	
Yorkshire and The Humber	66	65	1	0	416	583	76	56	47	76	328	119	158	2,085	106	1,315	4,018	8,867	
East Midlands	88	87	1	1	381	493	95	66	34	81	217	100	110	1,910	82	1,262	3,850	8,278	
West Midlands	88	87	1	1	400	561	84	57	45	53	322	105	132	2,164	85	1,305	4,016	8,856	
East	93	92	1	1	348	573	74	74	24	73	328	148	96	1,851	78	1,242	3,680	8,109	
London	117	116	1	1	612	1,165	119	62	41	8	935	122	229	2,635	134	1,498	3,593	10,104	
South East	148	147	1	1	332	619	133	67	21	48	350	120	99	1,907	92	1,234	3,585	8,136	
South West	98	97	1	1	317	590	84	70	22	115	300	158	96	1,977	83	1,159	4,032	8,511	
England	99	98	1	1	418	673	97	63	35	59	419	156	132	2,137	99	1,295	3,881	8,890	
Scotland	202	201	1	1	478	1,147	219	87	43	172	626	228	294	2,331	197	1,531	4,208	10,616	
Wales	163	162	1	1	405	766	136	62	42	149	377	195	229	2,232	154	1,345	4,589	10,079	
Northern Ireland	186	185	1	-	655	844	190	37	52	270	294	135	379	2,243	252	1,458	4,843	10,995	
UK identifiable expenditure	113	112	1	1	429	722	112	64	36	78	431	163	157	2,160	114	1,321	3,969	9,148	
2017-18																			
North East	90	89	1	1	467	590	101	81	65	73	270	109	156	2,382	100	1,297	4,534	9,726	
North West	85	84	1	1	451	722	84	66	44	47	481	439	107	2,362	105	1,234	4,275	9,781	
Yorkshire and The Humber	60	60	1	0	436	553	64	60	51	78	301	122	162	2,131	107	1,303	4,023	8,899	
East Midlands	91	90	1	1	385	513	113	57	39	77	227	98	108	1,946	88	1,230	3,874	8,334	
West Midlands	97	96	1	1	400	606	79	89	51	45	342	97	116	2,189	83	1,295	4,038	8,922	
East	91	90	1	1	363	672	93	84	26	74	395	146	101	1,972	82	1,223	3,704	8,354	
London	94	93	1	1	685	1,229	165	72	44	10	937	118	299	2,680	147	1,461	3,589	10,304	
South East	100	99	1	1	344	722	191	105	24	47	355	142	113	1,965	91	1,202	3,616	8,296	
South West	87	86	1	1	350	613	129	65	21	106	292	164	94	2,034	88	1,129	4,060	8,621	
England	89	88	1	1	439	733	121	77	38	57	440	167	145	2,196	101	1,269	3,902	9,044	
Scotland	222	221	1	1	498	1,187	228	89	47	168	655	229	340	2,346	184	1,566	4,234	10,807	
Wales	171	170	1	1	435	827	159	70	43	160	395	198	227	2,309	171	1,369	4,658	10,367	
Northern Ireland	200	199	1	-	647	823	192	33	43	266	288	141	378	2,304	235	1,443	4,929	11,100	
UK identifiable expenditure	107	106	1	1	450	777	133	76	39	77	452	173	172	2,217	115	1,303	3,994	9,309	

Table 9.15 UK identifiable expenditure on services by function, per head⁽¹⁾, 2016-17 to 2020-21 (continued)

Data in this table from 2015-16 to 2019-20 are National Statistics

	1. General public services	of which: public and common services	of which: international services	2. Defence	3. Public order and safety	4. Economic affairs	of which: enterprise and economic development	of which: science and technology	of which: employment policies	of which: agriculture, fisheries and forestry	of which: transport	5. Environment protection	6. Housing and community amenities	7. Health	8. Recreation, culture and religion	9. Education	10. Social protection	Total Expenditure on Services	
2018-19																			
North East	103	102	1	1	468	713	130	111	66	84	322	112	167	2,443	98	1,311	4,599	10,014	
North West	86	85	1	1	459	760	136	75	49	51	450	356	116	2,455	100	1,246	4,337	9,915	
Yorkshire and The Humber	71	70	1	1	441	646	116	80	54	87	309	113	163	2,204	100	1,302	4,080	9,120	
East Midlands	77	76	1	1	399	609	122	75	43	90	278	102	107	2,027	87	1,239	3,939	8,587	
West Midlands	100	99	1	0	405	818	109	120	49	52	488	97	123	2,242	87	1,323	4,092	9,288	
East	102	101	1	1	373	814	133	101	26	78	477	152	126	2,039	83	1,248	3,759	8,699	
London	76	75	1	1	693	1,291	222	121	44	13	891	126	272	2,764	124	1,485	3,594	10,427	
South East	120	119	1	1	359	904	255	117	23	61	448	119	121	2,025	87	1,236	3,674	8,646	
South West	97	96	1	1	360	682	154	85	19	123	301	156	94	2,114	86	1,182	4,123	8,893	
England	93	92	1	1	448	846	164	100	39	65	477	154	148	2,270	96	1,292	3,953	9,299	
Scotland	219	218	1	1	521	1,229	275	95	47	170	641	236	409	2,395	197	1,590	4,384	11,181	
Wales	172	171	1	1	453	876	202	72	41	165	396	196	260	2,401	165	1,365	4,747	10,637	
Northern Ireland	210	209	1	-	661	934	201	36	53	291	353	136	395	2,435	264	1,476	5,017	11,530	
UK identifiable expenditure	110	109	1	1	460	881	176	97	40	85	483	162	181	2,291	112	1,325	4,056	9,580	
2019-20																			
North East	112	111	1	1	492	768	168	118	42	82	358	110	203	2,616	117	1,314	4,584	10,316	
North West	88	87	1	1	483	817	190	76	47	51	453	383	140	2,616	105	1,286	4,332	10,251	
Yorkshire and The Humber	87	86	1	1	456	735	177	104	34	83	336	122	153	2,354	116	1,320	4,055	9,399	
East Midlands	99	98	1	1	425	681	170	80	31	89	311	107	123	2,208	92	1,278	3,902	8,915	
West Midlands	124	123	1	1	415	888	166	123	32	61	506	98	177	2,384	88	1,357	4,076	9,606	
East	111	110	1	1	401	923	241	104	26	88	465	161	159	2,165	84	1,290	3,761	9,056	
London	112	111	1	1	737	1,357	318	126	41	16	856	128	340	2,965	140	1,481	3,656	10,919	
South East	110	109	1	1	384	989	254	122	23	62	528	121	137	2,162	83	1,259	3,660	8,905	
South West	94	93	1	1	394	805	231	87	27	117	343	168	129	2,274	82	1,203	4,106	9,255	
England	104	103	1	1	475	927	224	106	33	67	497	161	179	2,428	101	1,316	3,950	9,643	
Scotland	304	303	1	1	551	1,304	329	96	32	164	682	267	425	2,508	182	1,695	4,348	11,584	
Wales	184	183	1	1	486	912	238	72	32	157	414	206	306	2,545	165	1,391	4,739	10,936	
Northern Ireland	228	227	1	-	683	1,123	389	43	46	296	349	157	417	2,609	261	1,525	4,997	12,001	
UK identifiable expenditure	128	127	1	1	488	963	238	102	33	86	504	172	212	2,445	115	1,357	4,049	9,930	

Table 9.16 UK identifiable expenditure on services by function, per head indexed, 2016-17 to 2020-21

		Index (UK identifiable expenditure = 100)										Total Expenditure on Services								
		1. General public services	of which: public and common services	of which: international services	2. Defence	3. Public order and safety	4. Economic affairs	of which: enterprise and economic development	of which: science and technology	of which: employment policies	of which: agriculture, fisheries and forestry		of which: transport	5. Environment protection	6. Housing and community amenities	7. Health	8. Recreation, culture and religion	9. Education	10. Social protection	
2016-17																				
North East		71	70	100	74	109	83	80	93	169	98	73	71	97	107	100	102	113	106	
North West		61	60	100	155	106	83	78	86	102	65	85	224	64	106	91	95	107	103	
Yorkshire and The Humber		59	58	100	71	97	81	68	88	129	96	76	73	101	97	93	100	101	97	
East Midlands		78	78	100	114	89	68	85	102	93	103	50	62	70	88	72	96	97	90	
West Midlands		78	78	100	78	93	78	75	89	124	68	75	64	84	100	74	99	101	97	
East		82	82	100	122	81	79	66	115	65	93	76	91	61	86	68	94	93	89	
London		103	103	100	97	142	161	106	96	113	10	217	75	146	122	118	113	91	110	
South East		131	131	100	108	77	86	119	104	59	61	81	74	63	88	81	93	90	89	
South West		87	87	100	75	74	82	75	109	59	146	70	97	61	92	73	88	102	93	
England		88	87	100	103	97	93	87	98	96	75	97	96	84	99	87	98	98	97	
Scotland		179	180	100	101	111	159	196	136	119	219	145	140	187	108	173	116	106	116	
Wales		145	145	100	112	94	106	122	96	117	190	88	120	146	103	135	102	116	110	
Northern Ireland		165	166	100	-	152	117	170	58	144	344	68	83	242	104	222	110	122	120	
UK identifiable expenditure		100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
2017-18																				
North East		84	83	98	102	104	76	76	106	165	95	60	63	91	107	86	100	114	104	
North West		79	79	98	106	100	93	63	86	110	62	107	253	62	107	91	95	107	105	
Yorkshire and The Humber		56	56	98	69	97	71	48	79	128	102	67	70	94	96	93	100	101	96	
East Midlands		85	85	98	103	86	66	85	74	100	100	50	57	63	88	76	94	97	90	
West Midlands		91	90	98	82	89	78	60	116	129	59	76	56	67	99	72	99	101	96	
East		85	85	98	119	81	86	70	110	65	97	88	84	59	89	71	94	93	90	
London		88	87	98	102	152	158	124	95	112	13	208	68	174	121	128	112	90	111	
South East		93	93	98	122	77	93	143	137	61	62	79	82	66	89	79	92	91	89	
South West		81	81	98	92	78	79	97	85	54	138	65	95	55	92	77	87	102	93	
England		83	83	98	102	98	94	91	101	97	74	98	97	85	99	88	97	98	97	
Scotland		207	208	119	98	111	153	171	117	119	218	145	132	198	106	160	120	106	116	
Wales		160	160	98	135	97	106	119	92	108	208	88	114	132	104	148	105	117	111	
Northern Ireland		187	187	98	-	144	106	144	43	109	347	64	81	220	104	204	111	123	119	
UK identifiable expenditure		100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	

Table 9.16 UK identifiable expenditure on services by function, per head indexed, 2016-17 to 2020-21 (continued)

		Index (UK identifiable expenditure = 100)										Total Expenditure on Services								
		1. General public services	of which: public and common services	of which: international services	2. Defence	3. Public order and safety	4. Economic affairs	of which: enterprise and economic development	of which: science and technology	of which: employment policies	of which: agriculture, fisheries and forestry		of which: transport	5. Environment protection	6. Housing and community amenities	7. Health	8. Recreation, culture and religion	9. Education	10. Social protection	
2018-19																				
	North East	93	93	98	90	102	81	74	115	164	99	67	69	92	107	88	99	113	105	
	North West	78	78	98	92	100	86	77	77	121	60	93	220	64	107	89	94	107	103	
	Yorkshire and The Humber	65	64	98	90	96	73	66	83	133	103	64	70	90	96	89	98	101	95	
	East Midlands	70	69	98	109	87	69	69	78	107	106	57	63	59	89	78	93	97	90	
	West Midlands	91	91	98	82	88	93	62	125	122	61	101	60	68	98	77	100	101	97	
	East	93	93	98	112	81	92	75	105	64	92	99	94	69	89	74	94	93	91	
	London	69	69	98	108	151	146	126	125	110	15	184	78	150	121	111	112	89	109	
	South East	109	109	98	122	78	103	145	121	58	72	93	74	67	88	78	93	91	90	
	South West	88	87	98	96	78	77	88	88	46	144	62	97	52	92	76	89	102	93	
	England	84	84	98	102	97	96	93	104	97	77	99	95	81	99	85	98	97	97	
	Scotland	199	200	118	98	113	139	156	98	117	200	133	146	226	105	175	120	108	117	
	Wales	156	156	98	128	98	99	115	75	101	195	82	121	143	105	147	103	117	111	
	Northern Ireland	191	192	98	-	144	106	114	37	131	343	73	84	218	106	235	111	124	120	
	UK identifiable expenditure	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
2019-20																				
	North East	88	88	99	78	101	80	71	117	125	96	71	64	96	107	101	97	113	104	
	North West	69	69	99	73	99	85	80	75	141	60	90	223	66	107	91	95	107	103	
	Yorkshire and The Humber	68	68	99	78	94	76	74	103	102	97	67	71	72	96	101	97	100	95	
	East Midlands	77	77	99	97	87	71	72	79	92	103	62	62	58	90	80	94	96	90	
	West Midlands	97	97	99	70	85	92	70	121	94	71	100	57	83	97	76	100	101	97	
	East	87	87	99	108	82	96	101	102	76	102	92	93	75	89	73	95	93	91	
	London	88	88	99	173	151	141	134	124	123	19	170	75	161	121	122	109	90	110	
	South East	86	86	99	109	79	103	107	120	68	73	105	71	65	88	72	93	90	90	
	South West	73	73	99	114	81	84	97	85	81	137	68	97	61	93	71	89	101	93	
	England	82	81	99	105	97	96	94	104	99	78	99	94	85	99	88	97	98	97	
	Scotland	238	239	112	73	113	136	138	95	97	192	135	155	200	103	158	125	107	117	
	Wales	143	144	99	112	100	95	100	71	97	183	82	120	144	104	143	103	117	110	
	Northern Ireland	178	179	99	-	140	117	164	43	137	346	69	91	197	107	227	112	123	121	
	UK identifiable expenditure	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	

Table 9.16 UK identifiable expenditure on services by function, per head indexed, 2016-17 to 2020-21 (continued)

		Index (UK identifiable expenditure = 100)										Total Expenditure on Services								
		1. General public services	of which: public and common services	of which: international services	2. Defence	3. Public order and safety	4. Economic affairs	of which: enterprise and economic development	of which: science and technology	of which: employment policies	of which: agriculture, fisheries and forestry		of which: transport	5. Environment protection	6. Housing and community amenities	7. Health	8. Recreation, culture and religion	9. Education	10. Social protection	
2020-21																				
	North East	88	88	98	84	102	84	85	112	110	96	74	68	90	106	91	98	111		100
	North West	69	68	98	78	100	92	96	72	130	64	84	221	67	107	90	95	106		102
	Yorkshire and The Humber	65	65	98	84	97	87	93	89	101	99	68	72	76	97	95	96	99		94
	East Midlands	80	80	98	104	89	85	91	76	94	105	65	64	58	92	76	93	95		90
	West Midlands	102	102	98	76	87	90	92	119	94	70	82	60	78	99	78	100	100		96
	East	86	86	98	116	82	100	103	96	81	105	92	93	69	91	69	95	93		93
	London	89	89	98	186	149	140	126	126	139	23	200	76	153	117	138	109	95		115
	South East	89	89	98	117	79	99	98	108	74	74	106	73	66	92	73	92	90		92
	South West	81	81	98	122	79	94	102	91	78	145	65	97	59	94	75	88	100		94
	England	83	83	98	113	98	100	101	100	101	81	101	95	82	100	89	97	98		98
	Scotland	202	202	121	32	109	106	99	130	91	168	115	149	204	101	156	121	108		111
	Wales	125	125	98	44	102	92	96	86	93	175	72	117	131	98	147	110	117		106
	Northern Ireland	263	263	98	-	134	89	88	46	103	351	67	86	277	106	190	123	119		114
	UK identifiable expenditure	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100		100

Table 9.17 Total local government identifiable expenditure on services, 2016-17 to 2020-21

	£ million						as a per cent of total spending in that region (from Table A.1)									
	National Statistics			National Statistics			2016-17		2017-18		2018-19		2019-20		2020-21	
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	
North East	6,372	6,168	6,130	6,385	6,793	25	24	23	23	23	25	24	23	23	19	
North West ⁽¹⁾	17,092	18,295	17,284	17,573	18,953	25	26	24	23	23	25	26	24	23	19	
Yorkshire and The Humber	11,856	11,421	11,243	11,459	12,224	25	24	22	22	22	25	24	22	22	18	
East Midlands	8,906	8,873	8,672	8,861	9,486	23	22	21	21	21	23	22	21	21	16	
West Midlands	12,231	11,919	12,073	12,360	13,136	24	23	22	22	22	24	23	22	22	17	
East	12,035	11,993	11,976	12,358	12,808	24	24	22	22	22	24	23	22	22	16	
London	28,565	29,290	28,642	29,124	33,658	32	32	31	31	30	32	32	31	30	24	
South East	19,020	18,967	19,589	19,122	19,555	26	25	25	25	23	26	25	25	23	17	
South West	10,616	10,801	10,868	11,159	11,634	23	23	22	22	21	23	23	22	21	16	
Total England	126,692	127,728	126,478	128,400	138,247	26	25	24	24	24	26	25	24	24	19	
Scotland	14,291	14,527	14,714	15,741	15,595	25	25	24	24	25	26	26	26	25	21	
Wales	8,208	8,398	8,564	8,786	9,685	4	3	3	3	4	4	3	3	4	3	
Northern Ireland ⁽²⁾	739	710	757	823	838	25	25	24	24	23	25	25	24	23	18	
UK local government identifiable expenditure	149,930	151,363	150,513	153,751	164,366	25	25	24	24	23	25	25	24	23	18	
Non-identifiable expenditure	844	831	851	652	717	1	1	1	1	1	1	1	1	1	1	
Total local government expenditure on services	150,774	152,194	151,364	154,403	165,083	21	20	20	20	19	21	20	20	19	16	
Accounting adjustments	25,272	25,624	27,260	28,314	46,996	29	29	31	31	33	29	29	31	33	53	
Total local government expenditure	176,046	177,818	178,624	182,717	212,079	22	21	21	21	21	22	21	21	21	19	

⁽¹⁾ The increase in the North West in 2017-18 is in part due to local authority capital expenditure on the Mersey Gateway Bridge.

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

Table 9.18 Total local government identifiable expenditure on services, per head⁽¹⁾ 2016-17 to 2020-21

	National Statistics					National Statistics				
	£ per head					Index (UK identifiable expenditure = 100)				
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn
North East	2,417	2,332	2,306	2,391	2,534	106	102	102	104	103
North West ⁽²⁾	2,366	2,521	2,370	2,394	2,573	104	110	105	104	105
Yorkshire and The Humber	2,185	2,096	2,052	2,082	2,212	96	91	91	90	90
East Midlands	1,885	1,860	1,805	1,832	1,950	83	81	80	80	80
West Midlands	2,105	2,034	2,046	2,083	2,203	92	89	90	90	90
East	1,964	1,944	1,931	1,982	2,043	86	85	85	86	83
London	3,257	3,319	3,215	3,250	3,739	143	145	142	141	153
South East	2,106	2,089	2,145	2,083	2,122	92	91	95	90	87
South West	1,924	1,943	1,941	1,984	2,056	84	85	86	86	84
Total England	2,292	2,296	2,259	2,281	2,445	100	100	100	99	100
Scotland	2,644	2,678	2,706	2,881	2,853	116	117	119	125	116
Wales	2,636	2,687	2,729	2,787	3,056	115	117	120	121	125
Northern Ireland ⁽³⁾	397	380	402	435	442	17	17	18	19	18
UK local government identifiable expenditure	2,284	2,292	2,266	2,302	2,450	100	100	100	100	100

⁽¹⁾ Per head figures calculated using the latest mid-year population estimates from the ONS. See Annex within the CRA 2021 release for details.

⁽²⁾ The increase in the North West in 2017-18 is in part due to local authority capital expenditure on the Mersey Gateway Bridge.

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

Table 9.19 Total expenditure on services excluding local government⁽¹⁾, 2016-17 to 2020-21

	£ million									
	National Statistics					National Statistics				
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn
North East	19,191	19,554	20,486	21,159	29,345	75	76	77	77	81
North West	51,256	52,701	55,015	57,679	81,671	75	74	76	77	81
Yorkshire and The Humber	36,250	37,079	38,732	40,266	57,615	75	76	78	78	82
East Midlands	30,210	30,892	32,581	34,251	49,451	77	78	79	79	84
West Midlands	39,231	40,369	42,732	44,640	63,422	76	77	78	78	83
East	37,667	39,541	41,966	44,114	65,446	76	77	78	78	84
London	60,047	61,645	64,247	68,731	105,794	68	68	69	70	76
South East	54,452	56,364	59,384	62,627	93,840	74	75	75	77	83
South West	36,339	37,124	38,933	40,899	59,713	77	77	78	79	84
Total England	364,643	375,269	394,075	414,367	606,298	74	75	76	76	81
Scotland	43,083	44,100	46,091	47,545	65,529	75	75	76	75	81
Wales	23,170	24,001	24,822	25,694	35,393	74	74	74	75	79
Northern Ireland ⁽²⁾	19,735	20,056	20,939	21,903	28,271	96	97	97	96	97
UK identifiable expenditure excluding local government	450,632	463,426	485,928	509,509	735,491	75	75	76	77	82
Outside UK	25,458	26,410	29,980	28,250	26,107	100	100	100	100	100
Total identifiable expenditure on services excluding local government	476,090	489,836	515,908	537,760	761,597	76	76	77	78	82
Non-identifiable expenditure	100,504	106,347	103,399	104,715	99,619	99	99	99	99	99
Total expenditure on services excluding local government	576,594	596,182	619,307	642,475	861,216	79	80	80	81	84
Accounting adjustments	61,181	62,449	59,385	58,696	41,901	71	71	69	67	47
Total Managed Expenditure excluding local government	637,775	658,631	678,692	701,171	903,117	78	79	79	79	81

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

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

Table 9.20 UK identifiable expenditure excluding local government⁽¹⁾ per head⁽²⁾, 2016-17 to 2020-21

	£ per head				Index (UK identifiable expenditure = 100)					
	National Statistics		National Statistics		National Statistics		National Statistics			
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn
North East	7,279	7,394	7,708	7,925	10,947	106	105	105	104	100
North West	7,095	7,261	7,544	7,857	11,085	103	103	103	103	101
Yorkshire and The Humber	6,682	6,803	7,068	7,317	10,426	97	97	97	96	95
East Midlands	6,393	6,474	6,782	7,083	10,163	93	92	93	93	93
West Midlands	6,751	6,888	7,242	7,523	10,638	98	98	99	99	97
East	6,146	6,410	6,767	7,074	10,439	90	91	93	93	95
London	6,847	6,985	7,212	7,669	11,752	100	100	99	101	107
South East	6,030	6,207	6,502	6,822	10,181	88	88	89	89	93
South West	6,587	6,678	6,953	7,271	10,552	96	95	95	95	96
Total England	6,598	6,747	7,040	7,362	10,721	96	96	96	97	98
Scotland	7,971	8,129	8,476	8,703	11,988	116	116	116	114	109
Wales	7,443	7,680	7,909	8,150	11,166	108	109	108	107	102
Northern Ireland ⁽³⁾	10,598	10,720	11,128	11,566	14,915	154	153	152	152	136
UK identifiable expenditure excluding local government	6,864	7,017	7,314	7,628	10,964	100	100	100	100	100

(1) Expenditure in this table covers central government and public corporations.

(2) Per head figures calculated using the latest mid-year population estimates from the ONS. See Annex within the CRA 2021 release for details.

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

Table 9.21 Identifiable expenditure on services for Scotland, Wales and Northern Ireland in 2020-21

All the data in this table are National Statistics

Function		National Statistics										Total Expenditure on Services						
		1. General public services <i>of which: public and common services</i>	2. Defence <i>of which: international services</i>	3. Public order and safety	4. Economic affairs <i>of which: enterprise and economic development</i>	<i>of which: science and technology</i>	<i>of which: employment policies</i>	<i>of which: agriculture, fisheries and forestry</i>	<i>of which: transport</i>	5. Environment protection	6. Housing and community amenities		7. Health	8. Recreation, culture and religion	9. Education	10. Social protection		
Scotland																		
Scottish Government ⁽¹⁾	868	1	3,020	6,087	2,777	1	–	814	2,496	318	1,163	16,980	461	3,184	3,800		35,881	
Scotland Office	14	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	14	
Scottish local government	816	–	–	1,375	438	–	–	39	897	918	1,095	–	684	6,279	5,091	–	16,262	
Local government public corporations	–	–	–	3	–	–	–	–	3	–	–	–	–	–	–	–	3	
UK government departments	93	4	88	10,538	8,290	797	193	13	1,244	244	–	1,018	69	13	16,900	–	28,964	
Total identifiable expenditure in Scotland	1,791	5	3,108	18,003	11,505	798	193	866	4,640	1,480	2,258	17,998	1,214	9,476	25,791		81,124	
Wales																		
Welsh Government ⁽¹⁾	272	–	4	3,159	1,868	33	–	480	778	165	324	9,573	235	1,566	326	–	15,623	
Wales Office	4	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	4	
Welsh local government	267	–	978	573	105	–	–	32	436	441	504	–	308	3,413	3,457	–	9,943	
Local government public corporations	–	–	–	2	–	–	–	–	2	–	–	–	–	–	–	–	2	
UK government departments	97	3	712	5,379	4,516	273	114	12	463	69	10	583	120	8	12,527	–	19,505	
Total identifiable expenditure in Wales	641	3	1,693	9,114	6,489	306	114	524	1,680	674	838	10,156	664	4,986	16,309		45,078	
Northern Ireland																		
Northern Ireland Executive	749	–	1,329	2,172	537	23	76	617	919	89	780	6,171	225	3,335	8,758	–	23,608	
Northern Ireland Office	27	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	27	
Northern Irish local government ⁽²⁾	–	–	–	47	47	–	–	–	–	207	285	43	257	–	–	–	838	
UK government departments	32	2	3	3,059	2,950	75	0	10	23	0	–	347	30	–	1,165	–	4,636	
Total identifiable expenditure in Northern Ireland	808	2	1,333	5,277	3,534	97	76	627	943	295	1,065	6,560	512	3,335	9,924		29,109	

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

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

10 Public expenditure by country and sub-function

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

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

- as with **Chapter 9**, the information in **Chapter 10** was gathered in a separate data collection exercise during the summer of 2021. The **Chapter 10** tables are identical to those published in the 'Country and regional analysis' (CRA) National Statistics release from November 2021¹. Therefore mid-year population estimates used to produce the 'per head' tables in this chapter are from the most up-to-date available source as at November 2021.
- most public spending is planned to benefit categories of individuals and enterprises irrespective of location. The regional analyses presented in this chapter show where the individuals and enterprises that benefited from public spending were located. It does not mean that all such spending was planned to benefit a particular region because only a minority of public spending is planned on a regional basis.

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

10.4 The interactive tables and database available on GOV.UK alongside the November 2021 CRA release will include information in **Table 10.9** for earlier years.

10.5 Users should be aware that whilst accurate at the functional level, differences between countries at the lower sub-functional level will reflect the different structures departments and devolved authorities use when reporting data to HM Treasury, in addition to any actual policy differences which may exist.

10.6 Below is a summary of the tables presented in this chapter. Unless otherwise stated, these tables show outturn between 2016-17 and 2020-21:

- **Table 10.1** shows total identifiable expenditure on services for England by sub-function;
- **Table 10.2** shows total identifiable expenditure on services for Scotland by sub-function;
- **Table 10.3** shows total identifiable expenditure on services for Wales by sub-function;
- **Table 10.4** shows total identifiable expenditure on services for Northern Ireland by sub-function;
- **Table 10.5** shows total identifiable expenditure on services for England by sub-function per head;
- **Table 10.6** shows total identifiable expenditure on services for Scotland by sub-function per head;

¹ <https://www.gov.uk/government/statistics/country-and-regional-analysis-2021>

- **Table 10.7** shows total identifiable expenditure on services for Wales by sub-function per head;
- **Table 10.8** shows total identifiable expenditure on services for Northern Ireland by sub-function per head;
- **Table 10.9** shows total identifiable expenditure on services for each English region by sub-function for outturn period 2020-21 only and;
- **Table 10.10** shows total identifiable expenditure on services for each English region by sub-function per head for outturn period 2020-21 only.

Table 10.1 Total identifiable expenditure on services in England by sub-function, 2016-17 to 2020-21⁽¹⁾

	National Statistics					£ million
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	
1. General public services						
1.1 Executive and legislative organs, financial and fiscal affairs, external affairs	2,085	2,345	2,477	2,448	2,569	
1.2 Foreign economic aid	–	–	–	–	–	
1.3 General services	873	842	959	1,038	1,797	
1.4 Basic research	–	–	–	–	–	
1.5 R&D general public services	4	4	5	5	4	
1.6 General public services n.e.c.	2,494	1,773	1,755	2,383	3,281	
Total general public services	5,456	4,963	5,196	5,874	7,652	
2. Defence						
2.1 Military defence	–	–	–	–	–	
2.2 Civil defence	39	36	35	48	145	
2.3 Foreign military aid	–	–	–	–	–	
2.4 R&D defence	–	–	–	–	–	
2.5 Defence n.e.c.	–	–	–	–	–	
Total defence	39	36	35	48	145	
3. Public order and safety						
3.1 Police services	11,888	13,037	13,313	13,878	14,677	
<i>of which: immigration and citizenship</i>	–	–	–	–	–	
<i>of which: other police services</i>	11,888	13,037	13,313	13,878	14,677	
3.2 Fire-protection services	2,123	2,102	2,100	2,316	2,343	
3.3 Law courts	4,885	5,135	5,306	5,850	5,624	
3.4 Prisons	3,633	3,643	3,847	3,643	4,794	
3.5 R&D public order and safety	27	15	15	–	–	
3.6 Public order and safety n.e.c.	570	501	507	1,042	1,538	
Total public order and safety	23,126	24,433	25,089	26,729	28,975	
4. Economic affairs						
4.1 General economic, commercial and labour affairs	5,630	5,669	7,722	11,263	121,760	
4.2 Agriculture, forestry, fishing and hunting	3,250	3,158	3,654	3,766	4,307	
<i>of which: market support under CAP</i>	1,971	1,825	2,095	1,976	1,979	
<i>of which: other agriculture, food and fisheries policy</i>	1,230	1,295	1,519	1,748	2,269	
<i>of which: forestry</i>	49	39	40	42	59	
4.3 Fuel and energy	330	548	295	306	342	
4.4 Mining, manufacturing and construction	869	2,196	2,830	2,372	842	
4.5 Transport	23,169	24,492	26,712	27,986	42,189	
<i>of which: national roads</i>	3,051	3,090	3,879	4,689	5,040	
<i>of which: local roads⁽²⁾</i>	4,021	4,583	4,003	4,242	4,991	
<i>of which: local public transport</i>	2,110	2,097	2,066	1,982	6,974	
<i>of which: railway</i>	13,535	14,039	15,990	16,027	24,152	
<i>of which: other transport</i>	453	682	773	1,045	1,031	
4.6 Communication	–	–	0	–	–	
4.7 Other industries	116	109	126	107	93	
4.8 R&D economic affairs	3,491	4,273	5,601	5,948	6,353	
4.9 Economic affairs n.e.c.	355	330	417	428	524	
Total economic affairs	37,211	40,775	47,356	52,175	176,410	

Table 10.1 Total identifiable expenditure on services in England by sub-function, 2016-17 to 2020-21⁽¹⁾ (continued)

	National Statistics					£ million
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	
5. Environment protection						
5.1 Waste management	6,422	7,131	6,608	6,999	7,457	
5.2 Waste water management	–	–	–	–	–	
5.3 Pollution abatement	55	65	120	157	253	
5.4 Protection of biodiversity and landscape	291	237	212	200	236	
5.5 R&D environment protection	371	441	178	142	145	
5.6 Environment protection n.e.c.	1,460	1,441	1,486	1,579	1,648	
Total environment protection	8,599	9,314	8,604	9,078	9,739	
6. Housing and community amenities						
6.1 Housing development	3,522	4,473	4,730	6,164	5,491	
<i>of which: local authority housing</i>	<i>3,175</i>	<i>3,781</i>	<i>3,805</i>	<i>4,611</i>	<i>4,254</i>	
<i>of which: other social housing</i>	<i>347</i>	<i>692</i>	<i>924</i>	<i>1,553</i>	<i>1,238</i>	
6.2 Community development	2,821	2,736	2,683	3,018	3,087	
6.3 Water supply	6	6	7	7	6	
6.4 Street lighting	775	756	699	674	650	
6.5 R&D housing and community amenities	–	–	–	–	–	
6.6 Housing and community amenities n.e.c.	170	120	143	220	192	
Total housing and community amenities	7,295	8,091	8,262	10,084	9,426	
7. Health⁽²⁾						
Medical services	113,773	115,852	120,116	129,792	153,920	
Health research	1,569	1,703	1,360	1,366	2,009	
Central and other health services	2,759	4,583	5,575	5,524	28,749	
Total health	118,101	122,138	127,051	136,682	184,678	
8. Recreation, culture and religion						
8.1 Recreational and sporting services	2,279	2,163	2,149	2,268	2,539	
8.2 Cultural services	2,786	2,966	2,712	2,927	4,065	
8.3 Broadcasting and publishing services	201	281	343	296	298	
8.4 Religious and other community services	7	30	35	17	28	
8.5 R&D recreation, culture and religion	138	148	63	77	103	
8.6 Recreation, culture and religion n.e.c.	42	49	62	106	107	
Total recreation, culture and religion	5,452	5,637	5,365	5,689	7,140	
9. Education						
9.1 Pre-primary and primary education	25,260	24,802	24,593	24,590	25,175	
<i>of which: under fives</i>	<i>2,512</i>	<i>2,938</i>	<i>3,286</i>	<i>3,367</i>	<i>3,607</i>	
<i>of which: primary education</i>	<i>22,747</i>	<i>21,865</i>	<i>21,307</i>	<i>21,223</i>	<i>21,568</i>	
9.2 Secondary education ⁽⁴⁾	34,982	34,977	37,061	38,816	40,898	
9.3 Post-secondary non-tertiary education	594	581	485	529	572	
9.4 Tertiary education	3,855	3,215	2,467	2,272	2,393	
9.5 Education not definable by level	500	591	492	626	752	
9.6 Subsidiary services to education	2,873	2,799	2,993	3,464	3,956	
9.7 R&D education	1,704	1,816	2,259	2,323	2,671	
9.8 Education n.e.c.	1,804	1,802	1,990	1,468	1,556	
Total education	71,571	70,584	72,341	74,088	77,972	

Table 10.1 Total identifiable expenditure on services in England by sub-function, 2016-17 to 2020-21⁽¹⁾ (continued)

	National Statistics					£ million
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	
10. Social protection						
<i>of which: personal social services</i>	25,221	26,036	27,497	28,899	31,685	
10.1 Sickness and disability	42,093	43,267	44,838	45,416	48,364	
<i>of which: personal social services</i>	8,171	8,496	8,830	9,179	10,921	
<i>of which: incapacity, disability and injury benefits</i>	33,922	34,771	36,008	36,238	37,443	
10.2 Old age	96,714	98,511	101,500	98,322	98,942	
<i>of which: personal social services</i>	7,975	7,992	8,440	8,835	8,978	
<i>of which: pensions</i>	88,739	90,519	93,060	89,487	89,965	
10.3 Survivors	796	795	765	788	787	
10.4 Family and children	20,922	21,031	21,226	21,457	21,916	
<i>of which: personal social services</i>	8,478	8,843	9,349	9,889	10,574	
<i>of which: family benefits, income support and tax credits</i>	12,443	12,188	11,877	11,568	11,341	
10.5 Unemployment	1,769	1,624	1,370	980	1,316	
<i>of which: personal social services</i>	–	–	–	–	–	
<i>of which: other unemployment benefits</i>	1,769	1,624	1,370	980	1,316	
10.6 Housing	21,536	20,402	18,912	16,781	15,971	
10.7 Social exclusion n.e.c.	27,250	28,091	28,975	34,910	50,304	
<i>of which: personal social services</i>	597	705	878	996	1,212	
<i>of which: family benefits, income support and tax credits</i>	26,653	27,386	28,097	33,913	49,092	
10.8 R&D social protection	–	–	–	–	–	
10.9 Social protection n.e.c.	3,406	3,306	3,669	3,667	4,807	
Total social protection	214,486	217,026	221,254	222,322	242,407	
Total Expenditure on Services in England	491,335	502,997	520,553	542,767	744,545	

⁽¹⁾ Although accurate at the functional level, differences between countries at the lower sub-functional level will reflect the different structures departments and Devolved Authorities use when reporting data to HM Treasury, in addition to any actual policy differences which may exist.

⁽²⁾ The increase in 2017-18 is in part due to local authority capital expenditure on the Mersey Gateway Bridge in the North West.

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

⁽⁴⁾ The Department for Education is currently recording all central government academy expenditure as 'Secondary Education', across all years presented. While secondary schools currently account for the largest population in the academy sector, it is recognised that this will also cover some schools in primary and other functional categories. In future editions of PESA and the CRA the Department for Education will look to improve apportionment of spending across the education categories.

Table 10.2 Total identifiable expenditure on services in Scotland by sub-function, 2016-17 to 2020-21⁽¹⁾

	£ million				
	National Statistics				
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn
1. General public services					
1.1 Executive and legislative organs, financial and fiscal affairs, external affairs	839	925	1,005	1,028	1,259
1.2 Foreign economic aid	–	1	1	1	1
1.3 General services	64	45	46	44	55
1.4 Basic research	–	–	–	–	–
1.5 R&D general public services	9	7	14	4	35
1.6 General public services n.e.c.	177	227	127	585	442
Total general public services	1,090	1,205	1,193	1,661	1,791
2. Defence					
2.1 Military defence	–	–	–	–	–
2.2 Civil defence	4	3	3	3	4
2.3 Foreign military aid	–	–	–	–	–
2.4 R&D defence	–	–	–	–	–
2.5 Defence n.e.c.	–	–	–	–	–
Total defence	4	3	3	3	4
3. Public order and safety					
3.1 Police services	1,424	1,526	1,618	1,723	1,755
<i>of which: immigration and citizenship</i>	–	–	–	–	–
<i>of which: other police services</i>	1,424	1,526	1,618	1,723	1,755
3.2 Fire-protection services	369	383	391	396	414
3.3 Law courts	462	458	490	535	540
3.4 Prisons	309	318	319	336	379
3.5 R&D public order and safety	–	–	–	–	–
3.6 Public order and safety n.e.c.	20	16	18	18	20
Total public order and safety	2,584	2,701	2,836	3,008	3,108
4. Economic affairs					
4.1 General economic, commercial and labour affairs	1,162	1,244	1,517	1,741	11,325
4.2 Agriculture, forestry, fishing and hunting	929	909	925	898	866
<i>of which: market support under CAP</i>	462	430	567	505	486
<i>of which: other agriculture, food and fisheries policy</i>	368	397	278	353	334
<i>of which: forestry</i>	99	82	80	40	45
4.3 Fuel and energy	69	75	54	55	60
4.4 Mining, manufacturing and construction	1	1	1	1	1
4.5 Transport	3,381	3,554	3,488	3,727	4,640
<i>of which: national roads</i>	754	848	637	631	717
<i>of which: local roads</i>	673	645	650	724	647
<i>of which: local public transport</i>	275	277	281	298	417
<i>of which: railway</i>	1,241	1,373	1,444	1,557	2,307
<i>of which: other transport</i>	438	411	476	517	552
4.6 Communication	82	63	31	20	86
4.7 Other industries	73	74	77	86	151
4.8 R&D economic affairs	473	484	517	527	798
4.9 Economic affairs n.e.c.	30	34	75	73	76
Total economic affairs	6,199	6,439	6,684	7,127	18,003

Table 10.2 Total identifiable expenditure on services in Scotland by sub-function, 2016-17 to 2020-21⁽¹⁾ (continued)

	£ million				
	National Statistics				
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn
5. Environment protection					
5.1 Waste management	881	879	929	1,103	1,053
5.2 Waste water management	–	–	–	–	–
5.3 Pollution abatement	7	9	16	17	16
5.4 Protection of biodiversity and landscape	116	111	116	120	110
5.5 R&D environment protection	38	47	17	13	16
5.6 Environment protection n.e.c.	189	198	205	206	285
Total environment protection	1,232	1,244	1,283	1,459	1,480
6. Housing and community amenities					
6.1 Housing development	1,008	1,271	1,624	1,714	1,700
<i>of which: local authority housing</i>	<i>685</i>	<i>806</i>	<i>1,016</i>	<i>1,121</i>	<i>1,032</i>
<i>of which: other social housing</i>	<i>323</i>	<i>465</i>	<i>608</i>	<i>593</i>	<i>668</i>
6.2 Community development	78	64	82	82	101
6.3 Water supply	492	503	513	517	450
6.4 Street lighting	6	5	4	6	5
6.5 R&D housing and community amenities	0	1	2	0	0
6.6 Housing and community amenities n.e.c.	3	3	–	3	1
Total housing and community amenities	1,589	1,847	2,225	2,321	2,258
7. Health⁽²⁾					
Medical services	12,075	12,306	12,574	13,261	16,482
Health research	209	146	192	204	254
Central and other health services	315	274	256	237	1,262
Total health	12,600	12,725	13,023	13,702	17,998
8. Recreation, culture and religion					
8.1 Recreational and sporting services	517	467	543	464	523
8.2 Cultural services	498	474	470	478	628
8.3 Broadcasting and publishing services	24	33	40	39	46
8.4 Religious and other community services	12	11	9	6	6
8.5 R&D recreation, culture and religion	12	13	6	7	11
8.6 Recreation, culture and religion n.e.c.	0	0	0	1	1
Total recreation, culture and religion	1,062	998	1,069	995	1,214
9. Education					
9.1 Pre-primary and primary education	3,366	3,387	3,516	3,922	3,706
<i>of which: under fives</i>	<i>507</i>	<i>502</i>	<i>534</i>	<i>736</i>	<i>522</i>
<i>of which: primary education</i>	<i>2,859</i>	<i>2,885</i>	<i>2,982</i>	<i>3,186</i>	<i>3,184</i>
9.2 Secondary education	2,836	3,011	3,021	3,165	3,167
9.3 Post-secondary non-tertiary education	–	–	–	–	–
9.4 Tertiary education	1,484	1,478	1,482	1,497	1,774
9.5 Education not definable by level	136	145	138	142	123
9.6 Subsidiary services to education	217	238	257	267	323
9.7 R&D education	0	-1	0	0	0
9.8 Education n.e.c.	236	235	234	265	384
Total education	8,274	8,493	8,648	9,258	9,476

Table 10.2 Total identifiable expenditure on services in Scotland by sub-function, 2016-17 to 2020-21⁽¹⁾ (continued)

	National Statistics					£ million
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	
10. Social protection						
<i>of which: personal social services</i>	3,105	3,076	3,203	3,378	3,563	
10.1 Sickness and disability	5,071	5,196	5,473	5,673	5,907	
<i>of which: personal social services</i>	866	858	906	1,064	1,128	
<i>of which: incapacity, disability and injury benefits</i>	4,205	4,338	4,568	4,609	4,779	
10.2 Old age	10,589	10,768	11,095	10,699	10,822	
<i>of which: personal social services</i>	1,350	1,320	1,384	1,413	1,483	
<i>of which: pensions</i>	9,240	9,448	9,711	9,286	9,339	
10.3 Survivors	172	35	176	177	186	
10.4 Family and children	2,003	1,988	1,970	1,930	1,986	
<i>of which: personal social services</i>	889	898	913	901	953	
<i>of which: family benefits, income support and tax credits</i>	1,114	1,090	1,056	1,029	1,034	
10.5 Unemployment	215	194	159	109	135	
<i>of which: personal social services</i>	–	–	–	–	–	
<i>of which: other unemployment benefits</i>	215	194	159	109	135	
10.6 Housing	1,856	1,836	1,766	1,498	1,511	
10.7 Social exclusion n.e.c.	2,342	2,439	2,644	3,081	4,328	
<i>of which: personal social services</i>	–	–	–	–	–	
<i>of which: family benefits, income support and tax credits</i>	2,342	2,439	2,644	3,081	4,328	
10.8 R&D social protection	–	–	–	–	–	
10.9 Social protection n.e.c.	493	515	559	585	915	
Total social protection	22,743	22,971	23,842	23,753	25,791	
Total Expenditure on Services in Scotland	57,375	58,627	60,805	63,287	81,124	

⁽¹⁾ Although accurate at the functional level, differences between countries at the lower sub-functional level will reflect the different structures departments and Devolved Authorities use when reporting data to HM Treasury, in addition to any actual policy differences which may exist.

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

Table 10.3 Total identifiable expenditure on services in Wales by sub-function, 2016-17 to 2020-21⁽¹⁾

	£ million				
	National Statistics				
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn
1. General public services					
1.1 Executive and legislative organs, financial and fiscal affairs, external affairs	409	423	414	427	455
1.2 Foreign economic aid	–	–	–	–	–
1.3 General services	22	22	26	27	35
1.4 Basic research	–	–	–	–	–
1.5 R&D general public services	–	–	–	–	–
1.6 General public services n.e.c.	77	90	100	124	151
Total general public services	509	535	539	579	641
2. Defence					
2.1 Military defence	–	–	–	–	–
2.2 Civil defence	2	3	2	3	3
2.3 Foreign military aid	–	–	–	–	–
2.4 R&D defence	–	–	–	–	–
2.5 Defence n.e.c.	–	–	–	–	–
Total defence	2	3	2	3	3
3. Public order and safety					
3.1 Police services	685	710	749	796	842
<i>of which: immigration and citizenship</i>	–	–	–	–	–
<i>of which: other police services</i>	685	710	749	796	842
3.2 Fire-protection services	147	155	156	168	169
3.3 Law courts	237	277	271	289	302
3.4 Prisons	176	203	231	238	321
3.5 R&D public order and safety	1	0	0	–	–
3.6 Public order and safety n.e.c.	15	14	15	42	59
Total public order and safety	1,261	1,359	1,423	1,534	1,693
4. Economic affairs					
4.1 General economic, commercial and labour affairs	428	458	572	692	6,386
4.2 Agriculture, forestry, fishing and hunting	465	499	519	494	524
<i>of which: market support under CAP</i>	242	249	248	247	254
<i>of which: other agriculture, food and fisheries policy</i>	221	244	266	242	268
<i>of which: forestry</i>	2	5	5	4	2
4.3 Fuel and energy	29	39	25	25	27
4.4 Mining, manufacturing and construction	-13	23	38	11	19
4.5 Transport	1,174	1,235	1,242	1,304	1,680
<i>of which: national roads</i>	348	332	287	235	319
<i>of which: local roads</i>	216	227	279	271	338
<i>of which: local public transport</i>	45	64	45	55	73
<i>of which: railway</i>	523	568	582	683	889
<i>of which: other transport</i>	42	45	48	59	60
4.6 Communication	38	30	20	22	42
4.7 Other industries	28	33	34	41	42
4.8 R&D economic affairs	192	220	227	227	306
4.9 Economic affairs n.e.c.	46	46	72	61	86
Total economic affairs	2,386	2,584	2,749	2,877	9,114

Table 10.3 Total identifiable expenditure on services in Wales by sub-function, 2016-17 to 2020-21⁽¹⁾ (continued)

	£ million				
	National Statistics				
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn
5. Environment protection					
5.1 Waste management	397	397	422	435	463
5.2 Waste water management	–	–	–	–	–
5.3 Pollution abatement	0	2	2	3	3
5.4 Protection of biodiversity and landscape	10	11	11	7	10
5.5 R&D environment protection	8	10	4	3	3
5.6 Environment protection n.e.c.	192	198	177	202	196
Total environment protection	608	618	616	650	674
6. Housing and community amenities					
6.1 Housing development	498	545	626	683	617
<i>of which: local authority housing</i>	<i>498</i>	<i>545</i>	<i>626</i>	<i>683</i>	<i>617</i>
<i>of which: other social housing</i>	<i>–</i>	<i>–</i>	<i>–</i>	<i>–</i>	<i>–</i>
6.2 Community development	159	111	139	230	172
6.3 Water supply	–	–	–	–	–
6.4 Street lighting	45	47	44	44	42
6.5 R&D housing and community amenities	–	–	–	–	–
6.6 Housing and community amenities n.e.c.	9	8	8	9	7
Total housing and community amenities	712	711	816	966	838
7. Health⁽²⁾					
Medical services	6,799	7,061	7,290	7,658	9,138
Health research	48	54	46	44	72
Central and other health services	103	103	202	322	946
Total health	6,950	7,217	7,537	8,024	10,156
8. Recreation, culture and religion					
8.1 Recreational and sporting services	192	193	213	187	238
8.2 Cultural services	179	217	181	197	294
8.3 Broadcasting and publishing services	81	83	87	96	92
8.4 Religious and other community services	-2	-3	-2	-1	-4
8.5 R&D recreation, culture and religion	3	4	2	3	3
8.6 Recreation, culture and religion n.e.c.	26	39	38	38	41
Total recreation, culture and religion	478	534	519	520	664
9. Education					
9.1 Pre-primary and primary education	1,618	1,668	1,650	1,693	1,841
<i>of which: under fives</i>	<i>39</i>	<i>39</i>	<i>40</i>	<i>43</i>	<i>49</i>
<i>of which: primary education</i>	<i>1,579</i>	<i>1,629</i>	<i>1,611</i>	<i>1,650</i>	<i>1,792</i>
9.2 Secondary education	1,910	1,944	1,945	1,951	2,269
9.3 Post-secondary non-tertiary education	–	–	–	–	–
9.4 Tertiary education	384	389	349	286	339
9.5 Education not definable by level	102	106	106	122	132
9.6 Subsidiary services to education	106	125	150	192	277
9.7 R&D education	–	–	–	–	–
9.8 Education n.e.c.	67	47	85	143	129
Total education	4,186	4,280	4,285	4,386	4,986

Table 10.3 Total identifiable expenditure on services in Wales by sub-function, 2016-17 to 2020-21⁽¹⁾ (continued)

	£ million				
	National Statistics				
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn
10. Social protection					
<i>of which: personal social services</i>	1,801	1,894	2,038	2,152	2,464
10.1 Sickness and disability	3,362	3,469	3,636	3,705	3,833
<i>of which: personal social services</i>	559	586	631	652	688
<i>of which: incapacity, disability and injury benefits</i>	2,803	2,883	3,005	3,053	3,144
10.2 Old age	6,274	6,410	6,602	6,352	6,521
<i>of which: personal social services</i>	623	652	696	724	877
<i>of which: pensions</i>	5,651	5,757	5,906	5,628	5,644
10.3 Survivors	71	70	64	67	68
10.4 Family and children	1,312	1,324	1,346	1,372	1,432
<i>of which: personal social services</i>	584	619	667	721	795
<i>of which: family benefits, income support and tax credits</i>	728	705	680	651	636
10.5 Unemployment	122	102	81	57	67
<i>of which: personal social services</i>	–	–	–	–	–
<i>of which: other unemployment benefits</i>	122	102	81	57	67
10.6 Housing	1,180	1,174	1,108	1,033	1,061
10.7 Social exclusion n.e.c.	1,655	1,674	1,745	2,056	2,806
<i>of which: personal social services</i>	35	36	45	55	103
<i>of which: family benefits, income support and tax credits</i>	1,620	1,638	1,700	2,001	2,703
10.8 R&D social protection	–	–	–	–	–
10.9 Social protection n.e.c.	311	335	317	300	521
Total social protection	14,286	14,558	14,900	14,942	16,309
Total Expenditure on Services in Wales	31,378	32,398	33,387	34,481	45,078

⁽¹⁾ Although accurate at the functional level, differences between countries at the lower sub-functional level will reflect the different structures departments and Devolved Authorities use when reporting data to HM Treasury, in addition to any actual policy differences which may exist.

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

Table 10.4 Total identifiable expenditure on services in Northern Ireland by sub-function, 2016-17 to 2020-21⁽¹⁾

	£ million				
	National Statistics				
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn
1. General public services					
1.1 Executive and legislative organs, financial and fiscal affairs, external affairs	168	192	206	226	229
1.2 Foreign economic aid	–	–	–	–	–
1.3 General services	161	167	172	190	561
1.4 Basic research	–	–	–	–	–
1.5 R&D general public services	0	–	0	0	0
1.6 General public services n.e.c.	17	15	18	15	18
Total general public services	347	374	396	431	808
2. Defence					
2.1 Military defence	–	–	–	–	–
2.2 Civil defence	–	–	–	–	–
2.3 Foreign military aid	–	–	–	–	–
2.4 R&D defence	–	–	–	–	–
2.5 Defence n.e.c.	–	–	–	–	–
Total defence	–	–	–	–	–
3. Public order and safety					
3.1 Police services	783	770	792	849	881
<i>of which: immigration and citizenship</i>	–	–	–	–	–
<i>of which: other police services</i>	783	770	792	849	881
3.2 Fire-protection services	83	92	91	92	94
3.3 Law courts	222	199	204	209	211
3.4 Prisons	131	150	158	144	146
3.5 R&D public order and safety	–	0	0	1	1
3.6 Public order and safety n.e.c.	–	–	–	–	–
Total public order and safety	1,219	1,211	1,245	1,294	1,333
4. Economic affairs					
4.1 General economic, commercial and labour affairs	360	355	401	738	3,511
4.2 Agriculture, forestry, fishing and hunting	503	498	548	561	627
<i>of which: market support under CAP</i>	301	309	314	312	16
<i>of which: other agriculture, food and fisheries policy</i>	194	182	226	242	597
<i>of which: forestry</i>	7	7	8	7	14
4.3 Fuel and energy	51	40	34	45	26
4.4 Mining, manufacturing and construction	1	2	1	2	1
4.5 Transport	547	539	665	661	943
<i>of which: national roads</i>	9	4	16	19	73
<i>of which: local roads</i>	315	310	371	382	379
<i>of which: local public transport</i>	64	66	91	68	187
<i>of which: railway</i>	94	99	110	114	232
<i>of which: other transport</i>	66	60	77	78	72
4.6 Communication	3	6	1	1	22
4.7 Other industries	35	37	39	37	48
4.8 R&D economic affairs	70	62	68	82	97
4.9 Economic affairs n.e.c.	1	1	1	0	1
Total economic affairs	1,571	1,539	1,758	2,127	5,277

Table 10.4 Total identifiable expenditure on services in Northern Ireland by sub-function, 2016-17 to 2020-21⁽¹⁾
(continued)

	National Statistics					£ million
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	
5. Environment protection						
5.1 Waste management	209	214	205	236	209	
5.2 Waste water management	0	0	0	0	0	
5.3 Pollution abatement	–	–	–	–	–	
5.4 Protection of biodiversity and landscape	0	0	0	0	0	
5.5 R&D environment protection	0	1	0	0	0	
5.6 Environment protection n.e.c.	42	49	51	61	86	
Total environment protection	252	264	256	297	295	
6. Housing and community amenities						
6.1 Housing development	206	178	182	192	263	
<i>of which: local authority housing</i>	–	–	–	–	–	
<i>of which: other social housing</i>	206	178	182	192	263	
6.2 Community development	106	87	96	111	179	
6.3 Water supply	252	281	273	274	331	
6.4 Street lighting	20	23	28	28	38	
6.5 R&D housing and community amenities	–	–	–	0	1	
6.6 Housing and community amenities n.e.c.	122	138	166	184	253	
Total housing and community amenities	706	706	744	789	1,065	
7. Health⁽²⁾						
Medical services	3,954	4,106	4,360	4,688	5,615	
Health research	19	16	14	16	32	
Central and other health services	203	190	208	237	913	
Total health	4,176	4,311	4,582	4,941	6,560	
8. Recreation, culture and religion						
8.1 Recreational and sporting services	242	213	239	236	230	
8.2 Cultural services	172	167	193	194	221	
8.3 Broadcasting and publishing services	10	12	14	13	12	
8.4 Religious and other community services	42	42	49	49	46	
8.5 R&D recreation, culture and religion	4	4	2	2	2	
8.6 Recreation, culture and religion n.e.c.	–	–	–	0	0	
Total recreation, culture and religion	469	439	497	495	512	
9. Education						
9.1 Pre-primary and primary education	802	777	806	900	947	
<i>of which: under fives</i>	67	65	65	63	67	
<i>of which: primary education</i>	735	712	741	837	880	
9.2 Secondary education	1,040	1,039	1,063	1,155	1,251	
9.3 Post-secondary non-tertiary education	–	–	–	–	–	
9.4 Tertiary education	343	336	324	317	418	
9.5 Education not definable by level	70	66	66	75	108	
9.6 Subsidiary services to education	197	222	246	288	442	
9.7 R&D education	–	–	–	1	0	
9.8 Education n.e.c.	263	261	273	153	170	
Total education	2,715	2,700	2,777	2,888	3,335	

Table 10.4 Total identifiable expenditure on services in Northern Ireland by sub-function, 2016-17 to 2020-21⁽¹⁾
(continued)

	National Statistics					£ million
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	
10. Social protection						
<i>of which: personal social services</i>	1,016	1,067	1,145	1,245	1,276	
10.1 Sickness and disability	2,814	2,881	3,031	3,144	3,184	
<i>of which: personal social services</i>	323	348	381	425	421	
<i>of which: incapacity, disability and injury benefits</i>	2,491	2,533	2,650	2,719	2,763	
10.2 Old age	3,749	3,919	4,046	3,835	3,914	
<i>of which: personal social services</i>	495	514	542	579	622	
<i>of which: pensions</i>	3,254	3,406	3,504	3,257	3,292	
10.3 Survivors	77	80	83	86	90	
10.4 Family and children	666	688	810	1,121	1,558	
<i>of which: personal social services</i>	198	206	222	241	234	
<i>of which: family benefits, income support and tax credits</i>	469	482	587	879	1,324	
10.5 Unemployment	119	102	73	43	42	
<i>of which: personal social services</i>	–	–	–	–	–	
<i>of which: other unemployment benefits</i>	119	102	73	43	42	
10.6 Housing	581	552	529	479	462	
10.7 Social exclusion n.e.c.	994	973	849	726	637	
<i>of which: personal social services</i>	–	–	–	–	–	
<i>of which: family benefits, income support and tax credits</i>	994	973	849	726	637	
10.8 R&D social protection	–	–	–	–	–	
10.9 Social protection n.e.c.	18	25	20	29	36	
Total social protection	9,019	9,221	9,441	9,463	9,924	
Total Expenditure on Services in Northern Ireland	20,474	20,766	21,695	22,726	29,109	

⁽¹⁾ Although accurate at the functional level, differences between countries at the lower sub-functional level will reflect the different structures departments and Devolved Authorities use when reporting data to HM Treasury, in addition to any actual policy differences which may exist.

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

Table 10.5 Total identifiable expenditure on services in England by sub-function, per head, 2016-17 to 2020-21⁽¹⁾

	£ per head				
	National Statistics				
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn
1. General public services					
1.1 Executive and legislative organs, financial and fiscal affairs, external affairs	38	42	44	43	45
1.2 Foreign economic aid	–	–	–	–	–
1.3 General services	16	15	17	18	32
1.4 Basic research	–	–	–	–	–
1.5 R&D general public services	0	0	0	0	0
1.6 General public services n.e.c.	45	32	31	42	58
Total general public services	99	89	93	104	135
2. Defence					
2.1 Military defence	–	–	–	–	–
2.2 Civil defence	1	1	1	1	3
2.3 Foreign military aid	–	–	–	–	–
2.4 R&D defence	–	–	–	–	–
2.5 Defence n.e.c.	–	–	–	–	–
Total defence	1	1	1	1	3
3. Public order and safety					
3.1 Police services	215	234	238	247	260
<i>of which: immigration and citizenship</i>	–	–	–	–	–
<i>of which: other police services</i>	215	234	238	247	260
3.2 Fire-protection services	38	38	38	41	41
3.3 Law courts	88	92	95	104	99
3.4 Prisons	66	66	69	65	85
3.5 R&D public order and safety	0	0	0	–	–
3.6 Public order and safety n.e.c.	10	9	9	19	27
Total public order and safety	418	439	448	475	512
4. Economic affairs					
4.1 General economic, commercial and labour affairs	102	102	138	200	2,153
4.2 Agriculture, forestry, fishing and hunting	59	57	65	67	76
<i>of which: market support under CAP</i>	36	33	37	35	35
<i>of which: other agriculture, food and fisheries policy</i>	22	23	27	31	40
<i>of which: forestry</i>	1	1	1	1	1
4.3 Fuel and energy	6	10	5	5	6
4.4 Mining, manufacturing and construction	16	39	51	42	15
4.5 Transport	419	440	477	497	746
<i>of which: national roads</i>	55	56	69	83	89
<i>of which: local roads⁽²⁾</i>	73	82	72	75	88
<i>of which: local public transport</i>	38	38	37	35	123
<i>of which: railway</i>	245	252	286	285	427
<i>of which: other transport</i>	8	12	14	19	18
4.6 Communication	–	–	–	–	–
4.7 Other industries	2	2	2	2	2
4.8 R&D economic affairs	63	77	100	106	112
4.9 Economic affairs n.e.c.	6	6	7	8	9
Total economic affairs	673	733	846	927	3,120

Table 10.5 Total identifiable expenditure on services in England by sub-function, per head, 2016-17 to 2020-21⁽¹⁾
(continued)

	National Statistics					£ per head
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	
5. Environment protection						
5.1 Waste management	116	128	118	124	132	
5.2 Waste water management	—	—	—	—	—	
5.3 Pollution abatement	1	1	2	3	4	
5.4 Protection of biodiversity and landscape	5	4	4	4	4	
5.5 R&D environment protection	7	8	3	3	3	
5.6 Environment protection n.e.c.	26	26	27	28	29	
Total environment protection	156	167	154	161	172	
6. Housing and community amenities						
6.1 Housing development	64	80	84	110	97	
<i>of which: local authority housing</i>	57	68	68	82	75	
<i>of which: other social housing</i>	6	12	17	28	22	
6.2 Community development	51	49	48	54	55	
6.3 Water supply	0	0	0	0	0	
6.4 Street lighting	14	14	12	12	11	
6.5 R&D housing and community amenities	—	—	—	—	—	
6.6 Housing and community amenities n.e.c.	3	2	3	4	3	
Total housing and community amenities	132	145	148	179	167	
7. Health⁽²⁾						
Medical services	2,059	2,083	2,146	2,306	2,722	
Health research	28	31	24	24	36	
Central and other health services	50	82	100	98	508	
Total health	2,137	2,196	2,270	2,428	3,266	
8. Recreation, culture and religion						
8.1 Recreational and sporting services	41	39	38	40	45	
8.2 Cultural services	50	53	48	52	72	
8.3 Broadcasting and publishing services	4	5	6	5	5	
8.4 Religious and other community services	0	1	1	0	1	
8.5 R&D recreation, culture and religion	2	3	1	1	2	
8.6 Recreation, culture and religion n.e.c.	1	1	1	2	2	
Total recreation, culture and religion	99	101	96	101	126	
9. Education						
9.1 Pre-primary and primary education	457	446	439	437	445	
<i>of which: under fives</i>	45	53	59	60	64	
<i>of which: primary education</i>	412	393	381	377	381	
9.2 Secondary education ⁽⁴⁾	633	629	662	690	723	
9.3 Post-secondary non-tertiary education	11	10	9	9	10	
9.4 Tertiary education	70	58	44	40	42	
9.5 Education not definable by level	9	11	9	11	13	
9.6 Subsidiary services to education	52	50	53	62	70	
9.7 R&D education	31	33	40	41	47	
9.8 Education n.e.c.	33	32	36	26	28	
Total education	1,295	1,269	1,292	1,316	1,379	

Table 10.5 Total identifiable expenditure on services in England by sub-function, per head, 2016-17 to 2020-21⁽¹⁾
(continued)

	National Statistics					£ per head
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	
10. Social protection						
<i>of which: personal social services</i>	456	468	491	513	560	
10.1 Sickness and disability	762	778	801	807	855	
<i>of which: personal social services</i>	148	153	158	163	193	
<i>of which: incapacity, disability and injury benefits</i>	614	625	643	644	662	
10.2 Old age	1,750	1,771	1,813	1,747	1,750	
<i>of which: personal social services</i>	144	144	151	157	159	
<i>of which: pensions</i>	1,606	1,627	1,662	1,590	1,591	
10.3 Survivors	14	14	14	14	14	
10.4 Family and children	379	378	379	381	388	
<i>of which: personal social services</i>	153	159	167	176	187	
<i>of which: family benefits, income support and tax credits</i>	225	219	212	206	201	
10.5 Unemployment	32	29	24	17	23	
<i>of which: personal social services</i>	–	–	–	–	–	
<i>of which: other unemployment benefits</i>	32	29	24	17	23	
10.6 Housing	390	367	338	298	282	
10.7 Social exclusion n.e.c.	493	505	518	620	890	
<i>of which: personal social services</i>	11	13	16	18	21	
<i>of which: family benefits, income support and tax credits</i>	482	492	502	603	868	
10.8 R&D social protection	–	–	–	–	–	
10.9 Social protection n.e.c.	62	59	66	65	85	
Total social protection	3,881	3,902	3,953	3,950	4,287	
Total Expenditure on Services in England	8,890	9,044	9,299	9,643	13,166	

⁽¹⁾ Although accurate at the functional level, differences between countries at the lower sub-functional level will reflect the different structures departments and Devolved Authorities use when reporting data to HM Treasury, in addition to any actual policy differences which may exist.

⁽²⁾ The increase in 2017-18 is in part due to local authority capital expenditure on the Mersey Gateway Bridge in the North West.

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

⁽⁴⁾ The Department for Education is currently recording all central government academy expenditure as 'Secondary Education', across all years presented. While secondary schools currently account for the largest population in the academy sector, it is recognised that this will also cover some schools in primary and other functional categories. In future editions of PESA and the CRA the Department for Education will look to improve apportionment of spending across the education categories.

Table 10.6 Total identifiable expenditure on services in Scotland by sub-function, per head, 2016-17 to 2020-21⁽¹⁾

	£ per head				
	National Statistics				
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn
1. General public services					
1.1 Executive and legislative organs, financial and fiscal affairs, external affairs	155	171	185	188	230
1.2 Foreign economic aid	–	0	0	0	0
1.3 General services	12	8	8	8	10
1.4 Basic research	–	–	–	–	–
1.5 R&D general public services	2	1	3	1	6
1.6 General public services n.e.c.	33	42	23	107	81
Total general public services	202	222	219	304	328
2. Defence					
2.1 Military defence	–	–	–	–	–
2.2 Civil defence	1	1	1	1	1
2.3 Foreign military aid	–	–	–	–	–
2.4 R&D defence	–	–	–	–	–
2.5 Defence n.e.c.	–	–	–	–	–
Total defence	1	1	1	1	1
3. Public order and safety					
3.1 Police services	263	281	298	315	321
<i>of which: immigration and citizenship</i>	–	–	–	–	–
<i>of which: other police services</i>	263	281	298	315	321
3.2 Fire-protection services	68	71	72	72	76
3.3 Law courts	85	84	90	98	99
3.4 Prisons	57	59	59	62	69
3.5 R&D public order and safety	–	–	–	–	–
3.6 Public order and safety n.e.c.	4	3	3	3	4
Total public order and safety	478	498	521	551	569
4. Economic affairs					
4.1 General economic, commercial and labour affairs	215	229	279	319	2,072
4.2 Agriculture, forestry, fishing and hunting	172	168	170	164	158
<i>of which: market support under CAP</i>	85	79	104	92	89
<i>of which: other agriculture, food and fisheries policy</i>	68	73	51	65	61
<i>of which: forestry</i>	18	15	15	7	8
4.3 Fuel and energy	13	14	10	10	11
4.4 Mining, manufacturing and construction	0	0	0	0	0
4.5 Transport	626	655	641	682	849
<i>of which: national roads</i>	140	156	117	116	131
<i>of which: local roads</i>	125	119	120	132	118
<i>of which: local public transport</i>	51	51	52	54	76
<i>of which: railway</i>	230	253	266	285	422
<i>of which: other transport</i>	81	76	87	95	101
4.6 Communication	15	12	6	4	16
4.7 Other industries	14	14	14	16	28
4.8 R&D economic affairs	87	89	95	96	146
4.9 Economic affairs n.e.c.	6	6	14	13	14
Total economic affairs	1,147	1,187	1,229	1,304	3,294

Table 10.6 Total identifiable expenditure on services in Scotland by sub-function, per head, 2016-17 to 2020-21⁽¹⁾
(continued)

	National Statistics					£ per head
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	
5. Environment protection						
5.1 Waste management	163	162	171	202	193	
5.2 Waste water management	–	–	–	–	–	
5.3 Pollution abatement	1	2	3	3	3	
5.4 Protection of biodiversity and landscape	21	21	21	22	20	
5.5 R&D environment protection	7	9	3	2	3	
5.6 Environment protection n.e.c.	35	36	38	38	52	
Total environment protection	228	229	236	267	271	
6. Housing and community amenities						
6.1 Housing development	187	234	299	314	311	
<i>of which: local authority housing</i>	127	149	187	205	189	
<i>of which: other social housing</i>	60	86	112	109	122	
6.2 Community development	14	12	15	15	19	
6.3 Water supply	91	93	94	95	82	
6.4 Street lighting	1	1	1	1	1	
6.5 R&D housing and community amenities	0	0	0	0	0	
6.6 Housing and community amenities n.e.c.	1	1	–	1	0	
Total housing and community amenities	294	340	409	425	413	
7. Health⁽²⁾						
Medical services	2,234	2,268	2,312	2,427	3,015	
Health research	39	27	35	37	46	
Central and other health services	58	50	47	43	231	
Total health	2,331	2,346	2,395	2,508	3,293	
8. Recreation, culture and religion						
8.1 Recreational and sporting services	96	86	100	85	96	
8.2 Cultural services	92	87	86	87	115	
8.3 Broadcasting and publishing services	4	6	7	7	8	
8.4 Religious and other community services	2	2	2	1	1	
8.5 R&D recreation, culture and religion	2	2	1	1	2	
8.6 Recreation, culture and religion n.e.c.	–	–	–	0	0	
Total recreation, culture and religion	197	184	197	182	222	
9. Education						
9.1 Pre-primary and primary education	623	624	647	718	678	
<i>of which: under fives</i>	94	93	98	135	95	
<i>of which: primary education</i>	529	532	548	583	582	
9.2 Secondary education	525	555	555	579	579	
9.3 Post-secondary non-tertiary education	–	–	–	–	–	
9.4 Tertiary education	275	272	272	274	324	
9.5 Education not definable by level	25	27	25	26	23	
9.6 Subsidiary services to education	40	44	47	49	59	
9.7 R&D education	0	0	0	0	0	
9.8 Education n.e.c.	44	43	43	48	70	
Total education	1,531	1,566	1,590	1,695	1,734	

Table 10.6 Total identifiable expenditure on services in Scotland by sub-function, per head, 2016-17 to 2020-21⁽¹⁾
(continued)

	National Statistics					£ per head
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	
10. Social protection						
<i>of which: personal social services</i>	575	567	589	618	652	
10.1 Sickness and disability	938	958	1,007	1,038	1,081	
<i>of which: personal social services</i>	160	158	167	195	206	
<i>of which: incapacity, disability and injury benefits</i>	778	800	840	844	874	
10.2 Old age	1,959	1,985	2,040	1,958	1,980	
<i>of which: personal social services</i>	250	243	254	259	271	
<i>of which: pensions</i>	1,710	1,742	1,786	1,700	1,709	
10.3 Survivors	32	7	32	32	34	
10.4 Family and children	371	366	362	353	363	
<i>of which: personal social services</i>	165	165	168	165	174	
<i>of which: family benefits, income support and tax credits</i>	206	201	194	188	189	
10.5 Unemployment	40	36	29	20	25	
<i>of which: personal social services</i>	–	–	–	–	–	
<i>of which: other unemployment benefits</i>	40	36	29	20	25	
10.6 Housing	343	338	325	274	277	
10.7 Social exclusion n.e.c.	433	450	486	564	792	
<i>of which: personal social services</i>	–	–	–	–	–	
<i>of which: family benefits, income support and tax credits</i>	433	450	486	564	792	
10.8 R&D social protection	–	–	–	–	–	
10.9 Social protection n.e.c.	91	95	103	107	167	
Total social protection	4,208	4,234	4,384	4,348	4,718	
Total Expenditure on Services in Scotland	10,616	10,807	11,181	11,584	14,842	

⁽¹⁾ Although accurate at the functional level, differences between countries at the lower sub-functional level will reflect the different structures departments and Devolved Authorities use when reporting data to HM Treasury, in addition to any actual policy differences which may exist.

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

Table 10.7 Total identifiable expenditure on services in Wales by sub-function, per head, 2016-17 to 2020-21⁽¹⁾

	£ per head				
	National Statistics				
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn
1. General public services					
1.1 Executive and legislative organs, financial and fiscal affairs, external affairs	131	135	132	135	143
1.2 Foreign economic aid	–	–	–	–	–
1.3 General services	7	7	8	9	11
1.4 Basic research	–	–	–	–	–
1.5 R&D general public services	–	–	–	–	–
1.6 General public services n.e.c.	25	29	32	39	48
Total general public services	163	171	172	184	202
2. Defence					
2.1 Military defence	–	–	–	–	–
2.2 Civil defence	1	1	1	1	1
2.3 Foreign military aid	–	–	–	–	–
2.4 R&D defence	–	–	–	–	–
2.5 Defence n.e.c.	–	–	–	–	–
Total defence	1	1	1	1	1
3. Public order and safety					
3.1 Police services	220	227	239	252	266
<i>of which: immigration and citizenship</i>	–	–	–	–	–
<i>of which: other police services</i>	220	227	239	252	266
3.2 Fire-protection services	47	50	50	53	53
3.3 Law courts	76	89	86	92	95
3.4 Prisons	56	65	74	75	101
3.5 R&D public order and safety	0	0	0	–	–
3.6 Public order and safety n.e.c.	5	4	5	13	19
Total public order and safety	405	435	453	486	534
4. Economic affairs					
4.1 General economic, commercial and labour affairs	137	147	182	220	2,015
4.2 Agriculture, forestry, fishing and hunting	149	160	165	157	165
<i>of which: market support under CAP</i>	78	80	79	78	80
<i>of which: other agriculture, food and fisheries policy</i>	71	78	85	77	85
<i>of which: forestry</i>	1	2	2	1	1
4.3 Fuel and energy	9	13	8	8	8
4.4 Mining, manufacturing and construction	-4	7	12	4	6
4.5 Transport	377	395	396	414	530
<i>of which: national roads</i>	112	106	92	75	101
<i>of which: local roads</i>	69	73	89	86	107
<i>of which: local public transport</i>	15	20	14	17	23
<i>of which: railway</i>	168	182	185	217	280
<i>of which: other transport</i>	13	14	15	19	19
4.6 Communication	12	10	7	7	13
4.7 Other industries	9	11	11	13	13
4.8 R&D economic affairs	62	70	72	72	97
4.9 Economic affairs n.e.c.	15	15	23	19	27
Total economic affairs	766	827	876	912	2,875

Table 10.7 Total identifiable expenditure on services in Wales by sub-function, per head, 2016-17 to 2020-21⁽¹⁾
(continued)

	National Statistics					£ per head
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	
5. Environment protection						
5.1 Waste management	127	127	135	138	146	
5.2 Waste water management	–	–	–	–	–	
5.3 Pollution abatement	0	0	1	1	1	
5.4 Protection of biodiversity and landscape	3	4	4	2	3	
5.5 R&D environment protection	3	3	1	1	1	
5.6 Environment protection n.e.c.	62	63	56	64	62	
Total environment protection	195	198	196	206	213	
6. Housing and community amenities						
6.1 Housing development	160	174	199	217	195	
<i>of which: local authority housing</i>	<i>160</i>	<i>174</i>	<i>199</i>	<i>217</i>	<i>195</i>	
<i>of which: other social housing</i>	–	–	–	–	–	
6.2 Community development	51	35	44	73	54	
6.3 Water supply	–	–	–	–	–	
6.4 Street lighting	15	15	14	14	13	
6.5 R&D housing and community amenities	–	–	–	–	–	
6.6 Housing and community amenities n.e.c.	3	2	2	3	2	
Total housing and community amenities	229	227	260	306	264	
7. Health⁽²⁾						
Medical services	2,184	2,259	2,323	2,429	2,883	
Health research	15	17	15	14	23	
Central and other health services	33	33	64	102	299	
Total health	2,232	2,309	2,401	2,545	3,204	
8. Recreation, culture and religion						
8.1 Recreational and sporting services	62	62	68	59	75	
8.2 Cultural services	57	69	58	63	93	
8.3 Broadcasting and publishing services	26	27	28	30	29	
8.4 Religious and other community services	-1	-1	-1	0	-1	
8.5 R&D recreation, culture and religion	1	1	1	1	1	
8.6 Recreation, culture and religion n.e.c.	8	13	12	12	13	
Total recreation, culture and religion	154	171	165	165	209	
9. Education						
9.1 Pre-primary and primary education	520	534	526	537	581	
<i>of which: under fives</i>	<i>12</i>	<i>12</i>	<i>13</i>	<i>14</i>	<i>15</i>	
<i>of which: primary education</i>	<i>507</i>	<i>521</i>	<i>513</i>	<i>523</i>	<i>565</i>	
9.2 Secondary education	613	622	620	619	716	
9.3 Post-secondary non-tertiary education	–	–	–	–	–	
9.4 Tertiary education	123	125	111	91	107	
9.5 Education not definable by level	33	34	34	39	42	
9.6 Subsidiary services to education	34	40	48	61	88	
9.7 R&D education	–	–	–	–	–	
9.8 Education n.e.c.	21	15	27	45	41	
Total education	1,345	1,369	1,365	1,391	1,573	

Table 10.7 Total identifiable expenditure on services in Wales by sub-function, per head, 2016-17 to 2020-21⁽¹⁾
(continued)

	National Statistics					£ per head
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	
10. Social protection						
<i>of which: personal social services</i>	578	606	649	682	777	
10.1 Sickness and disability	1,080	1,110	1,159	1,175	1,209	
<i>of which: personal social services</i>	180	187	201	207	217	
<i>of which: incapacity, disability and injury benefits</i>	900	923	958	968	992	
10.2 Old age	2,015	2,051	2,103	2,015	2,057	
<i>of which: personal social services</i>	200	209	222	230	277	
<i>of which: pensions</i>	1,815	1,842	1,882	1,785	1,781	
10.3 Survivors	23	22	20	21	22	
10.4 Family and children	421	424	429	435	452	
<i>of which: personal social services</i>	187	198	212	229	251	
<i>of which: family benefits, income support and tax credits</i>	234	226	217	207	201	
10.5 Unemployment	39	33	26	18	21	
<i>of which: personal social services</i>	–	–	–	–	–	
<i>of which: other unemployment benefits</i>	39	33	26	18	21	
10.6 Housing	379	376	353	328	335	
10.7 Social exclusion n.e.c.	531	536	556	652	885	
<i>of which: personal social services</i>	11	12	14	18	32	
<i>of which: family benefits, income support and tax credits</i>	520	524	542	635	853	
10.8 R&D social protection	–	–	–	–	–	
10.9 Social protection n.e.c.	100	107	101	95	164	
Total social protection	4,589	4,658	4,747	4,739	5,146	
Total Expenditure on Services in Wales	10,079	10,367	10,637	10,936	14,222	

⁽¹⁾ Although accurate at the functional level, differences between countries at the lower sub-functional level will reflect the different structures departments and Devolved Authorities use when reporting data to HM Treasury, in addition to any actual policy differences which may exist.

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

Table 10.8 Total identifiable expenditure on services in Northern Ireland by sub-function, per head, 2016-17 to 2020-21⁽¹⁾

	National Statistics					£ per head
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	
1. General public services						
1.1 Executive and legislative organs, financial and fiscal affairs, external affairs	90	103	109	119	121	
1.2 Foreign economic aid	–	–	–	–	–	
1.3 General services	87	89	92	100	296	
1.4 Basic research	–	–	–	–	–	
1.5 R&D general public services	0	–	0	0	0	
1.6 General public services n.e.c.	9	8	10	8	10	
Total general public services	186	200	210	228	426	
2. Defence						
2.1 Military defence	–	–	–	–	–	
2.2 Civil defence	–	–	–	–	–	
2.3 Foreign military aid	–	–	–	–	–	
2.4 R&D defence	–	–	–	–	–	
2.5 Defence n.e.c.	–	–	–	–	–	
Total defence	–	–	–	–	–	
3. Public order and safety						
3.1 Police services	420	411	421	448	465	
<i>of which: immigration and citizenship</i>	–	–	–	–	–	
<i>of which: other police services</i>	420	411	421	448	465	
3.2 Fire-protection services	45	49	49	48	50	
3.3 Law courts	119	107	108	110	111	
3.4 Prisons	71	80	84	76	77	
3.5 R&D public order and safety	–	0	0	0	0	
3.6 Public order and safety n.e.c.	–	–	–	–	–	
Total public order and safety	655	647	661	683	703	
4. Economic affairs						
4.1 General economic, commercial and labour affairs	193	190	213	390	1,853	
4.2 Agriculture, forestry, fishing and hunting	270	266	291	296	331	
<i>of which: market support under CAP</i>	162	165	167	165	9	
<i>of which: other agriculture, food and fisheries policy</i>	104	98	120	128	315	
<i>of which: forestry</i>	4	4	4	4	7	
4.3 Fuel and energy	28	21	18	24	14	
4.4 Mining, manufacturing and construction	1	1	1	1	1	
4.5 Transport	294	288	353	349	497	
<i>of which: national roads</i>	5	2	8	10	39	
<i>of which: local roads</i>	169	166	197	202	200	
<i>of which: local public transport</i>	34	35	49	36	99	
<i>of which: railway</i>	50	53	58	60	122	
<i>of which: other transport</i>	35	32	41	41	38	
4.6 Communication	2	3	0	0	12	
4.7 Other industries	19	20	21	20	25	
4.8 R&D economic affairs	37	33	36	43	51	
4.9 Economic affairs n.e.c.	0	1	0	0	0	
Total economic affairs	844	823	934	1,123	2,784	

Table 10.8 Total identifiable expenditure on services in Northern Ireland by sub-function, per head, 2016-17 to 2020-21⁽¹⁾ (continued)

	National Statistics					£ per head
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	
5. Environment protection						
5.1 Waste management	112	114	109	125	110	
5.2 Waste water management	0	0	0	0	0	
5.3 Pollution abatement	–	–	–	–	–	
5.4 Protection of biodiversity and landscape	0	0	0	0	0	
5.5 R&D environment protection	0	0	0	0	0	
5.6 Environment protection n.e.c.	23	26	27	32	46	
Total environment protection	135	141	136	157	156	
6. Housing and community amenities						
6.1 Housing development	110	95	97	101	139	
<i>of which: local authority housing</i>	–	–	–	–	–	
<i>of which: other social housing</i>	110	95	97	101	139	
6.2 Community development	57	47	51	58	94	
6.3 Water supply	135	150	145	145	174	
6.4 Street lighting	11	12	15	15	20	
6.5 R&D housing and community amenities	–	–	–	0	0	
6.6 Housing and community amenities n.e.c.	65	74	88	97	134	
Total housing and community amenities	379	378	395	417	562	
7. Health⁽²⁾						
Medical services	2,123	2,194	2,317	2,476	2,962	
Health research	10	8	8	9	17	
Central and other health services	109	101	110	125	482	
Total health	2,243	2,304	2,435	2,609	3,461	
8. Recreation, culture and religion						
8.1 Recreational and sporting services	130	114	127	124	121	
8.2 Cultural services	92	90	103	102	117	
8.3 Broadcasting and publishing services	5	7	8	7	7	
8.4 Religious and other community services	22	22	26	26	24	
8.5 R&D recreation, culture and religion	2	2	1	1	1	
8.6 Recreation, culture and religion n.e.c.	–	–	–	0	0	
Total recreation, culture and religion	252	235	264	261	270	
9. Education						
9.1 Pre-primary and primary education	431	415	428	475	500	
<i>of which: under fives</i>	36	35	35	33	35	
<i>of which: primary education</i>	395	381	394	442	464	
9.2 Secondary education	559	555	565	610	660	
9.3 Post-secondary non-tertiary education	–	–	–	–	–	
9.4 Tertiary education	184	180	172	167	220	
9.5 Education not definable by level	37	35	35	39	57	
9.6 Subsidiary services to education	106	119	131	152	233	
9.7 R&D education	–	–	–	0	0	
9.8 Education n.e.c.	141	139	145	81	90	
Total education	1,458	1,443	1,476	1,525	1,759	

Table 10.8 Total identifiable expenditure on services in Northern Ireland by sub-function, per head, 2016-17 to 2020-21⁽¹⁾ (continued)

	National Statistics					£ per head
	2016-17 outturn	2017-18 outturn	2018-19 outturn	2019-20 outturn	2020-21 outturn	
10. Social protection						
<i>of which: personal social services</i>	545	570	609	657	673	
10.1 Sickness and disability	1,511	1,540	1,611	1,660	1,680	
<i>of which: personal social services</i>	173	186	202	224	222	
<i>of which: incapacity, disability and injury benefits</i>	1,338	1,354	1,408	1,436	1,458	
10.2 Old age	2,013	2,095	2,150	2,025	2,065	
<i>of which: personal social services</i>	266	275	288	306	328	
<i>of which: pensions</i>	1,748	1,820	1,862	1,720	1,737	
10.3 Survivors	41	43	44	45	47	
10.4 Family and children	358	368	430	592	822	
<i>of which: personal social services</i>	106	110	118	127	123	
<i>of which: family benefits, income support and tax credits</i>	252	258	312	464	699	
10.5 Unemployment	64	55	39	23	22	
<i>of which: personal social services</i>	–	–	–	–	–	
<i>of which: other unemployment benefits</i>	64	55	39	23	22	
10.6 Housing	312	295	281	253	244	
10.7 Social exclusion n.e.c.	534	520	451	383	336	
<i>of which: personal social services</i>	–	–	–	–	–	
<i>of which: family benefits, income support and tax credits</i>	534	520	451	383	336	
10.8 R&D social protection	–	–	–	–	–	
10.9 Social protection n.e.c.	10	13	11	16	19	
Total social protection	4,843	4,929	5,017	4,997	5,235	
Total Expenditure on Services in Northern Ireland	10,995	11,100	11,530	12,001	15,357	

⁽¹⁾ Although accurate at the functional level, differences between countries at the lower sub-functional level will reflect the different structures departments and Devolved Authorities use when reporting data to HM Treasury, in addition to any actual policy differences which may exist.

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

Table 10.9 Total identifiable expenditure on services in the English Regions by sub-function for 2020-21

	National Statistics										£ million	
	Yorkshire and The Humber					West Midlands						
	North East	North West	East Midlands	West Midlands	East	London	South East	South West	Total England			
1. General public services												
1.1 Executive and legislative organs, financial and fiscal affairs, external affairs	94	304	225	205	302	449	437	230	2,569			
1.2 Foreign economic aid	—	—	—	—	—	—	—	—	—			
1.3 General services	80	262	21	165	308	393	262	186	1,797			
1.4 Basic research	—	—	—	—	—	—	—	—	—			
1.5 R&D general public services	0	1	0	0	0	1	1	0	4			
1.6 General public services n.e.c.	207	254	335	260	373	455	629	332	3,281			
Total general public services	382	821	581	630	984	1,297	1,329	749	7,652			
2. Defence												
2.1 Military defence	—	—	—	—	—	—	—	—	—			
2.2 Civil defence	5	13	11	11	10	38	25	16	145			
2.3 Foreign military aid	—	—	—	—	—	—	—	—	—			
2.4 R&D defence	—	—	—	—	—	—	—	—	—			
2.5 Defence n.e.c.	—	—	—	—	—	—	—	—	—			
Total defence	5	13	11	11	10	38	25	16	145			
3. Public order and safety												
3.1 Police services	621	1,895	1,295	988	1,220	4,130	2,035	1,206	14,677			
<i>of which: immigration and citizenship</i>	—	—	—	—	—	—	—	—	—			
<i>of which: other police services</i>	621	1,895	1,295	988	1,220	4,130	2,035	1,206	14,677			
3.2 Fire-protection services	129	300	221	170	225	443	370	244	2,343			
3.3 Law courts	282	770	551	415	560	1,512	653	425	5,624			
3.4 Prisons	315	681	580	585	553	598	560	349	4,794			
3.5 R&D public order and safety	—	—	—	—	—	—	—	—	—			
3.6 Public order and safety n.e.c.	82	217	151	115	160	334	209	129	1,538			
Total public order and safety	1,429	3,862	2,797	2,274	2,718	7,016	3,827	2,354	28,975			
4. Economic affairs												
4.1 General economic, commercial and labour affairs	4,886	15,324	11,023	9,512	11,785	24,331	19,044	12,217	121,760			
4.2 Agriculture, forestry, fishing and hunting	243	447	518	480	392	193	644	772	4,307			
<i>of which: market support under CAP</i>	113	176	235	276	203	6	256	387	1,979			
<i>of which: other agriculture, food and fisheries policy</i>	126	263	276	198	183	181	379	376	2,269			
<i>of which: forestry</i>	3	8	6	5	6	6	9	9	59			
4.3 Fuel and energy	32	41	36	37	34	44	52	34	342			
4.4 Mining, manufacturing and construction	18	29	30	38	27	67	293	164	842			

Table 10.9 Total identifiable expenditure on services in the English Regions by sub-function for 2020-21 (continued)

	National Statistics										£ million				
	North East		North West		Yorkshire and The Humber		East Midlands		West Midlands			London	South East	South West	Total England
	North East	North West	Yorkshire and The Humber	East Midlands	West Midlands	West Midlands	East								
4. Economic affairs continued															
4.5 Transport	1,455	4,579	2,760	2,321	3,601	4,250	7,236	2,702	42,189						
of which: national roads	421	611	449	394	407	516	1,772	417	5,040						
of which: local roads	287	744	553	458	508	684	813	547	4,991						
of which: local public transport	138	663	331	349	275	203	305	306	6,974						
of which: railway	539	2,490	1,328	1,035	2,312	2,712	4,109	1,303	24,152						
of which: other transport	69	70	99	84	99	137	237	127	1,031						
4.6 Communication	—	—	—	—	—	—	—	—	—						
4.7 Other industries	5	13	11	5	6	7	14	7	93						
4.8 R&D economic affairs	338	595	552	415	798	676	1,121	577	6,353						
4.9 Economic affairs n.e.c.	21	83	44	37	48	57	81	50	524						
Total economic affairs	6,998	21,111	14,974	12,844	16,690	19,453	28,486	16,524	176,410						
5. Environment protection															
5.1 Waste management	229	2,723	442	407	452	658	898	759	7,457						
5.2 Waste water management	—	—	—	—	—	—	—	—	—						
5.3 Pollution abatement	8	19	16	17	21	57	37	22	253						
5.4 Protection of biodiversity and landscape	12	22	39	40	29	26	9	30	236						
5.5 R&D environment protection	9	14	18	7	9	18	18	20	145						
5.6 Environment protection n.e.c.	72	186	204	94	136	298	289	166	1,648						
Total environment protection	330	2,963	718	566	647	1,057	1,243	997	9,739						
6. Housing and community amenities															
6.1 Housing development	246	450	427	335	485	516	634	345	5,491						
of which: local authority housing	129	147	291	239	311	377	476	226	4,254						
of which: other social housing	116	303	136	95	174	139	158	119	1,238						
6.2 Community development	183	451	310	190	358	272	588	259	3,087						
6.3 Water supply	0	1	1	0	1	1	1	1	6						
6.4 Street lighting	47	89	83	44	74	65	104	45	650						
6.5 R&D housing and community amenities	—	—	—	—	—	—	—	—	—						
6.6 Housing and community amenities n.e.c.	14	6	27	7	19	29	36	28	192						
Total housing and community amenities	489	996	848	576	938	882	2,784	678	9,426						

Table 10.9 Total identifiable expenditure on services in the English Regions by sub-function for 2020-21 (continued)

	National Statistics										£ million
	Yorkshire and The Humber					West Midlands					
	North East	North West	East Midlands	West Midlands	East	London	South East	South West	Total England		
7. Health⁽¹⁾											
Medical services	7,870	21,799	14,496	11,982	16,031	29,540	22,583	14,380	153,920		
Health research	95	254	191	166	205	364	321	194	2,009		
Central and other health services	1,363	3,745	2,809	2,474	3,031	4,577	4,686	2,877	28,749		
Total health	9,328	25,798	17,496	14,622	19,267	34,481	27,590	17,451	184,678		
8. Recreation, culture and religion											
8.1 Recreational and sporting services	132	358	318	204	261	493	356	190	2,539		
8.2 Cultural services	195	522	379	276	356	1,153	498	365	4,065		
8.3 Broadcasting and publishing services	12	35	26	25	27	58	47	28	298		
8.4 Religious and other community services	0	2	0	6	-2	7	11	1	28		
8.5 R&D recreation, culture and religion	5	8	9	7	5	31	21	8	103		
8.6 Recreation, culture and religion n.e.c.	5	14	10	9	11	17	17	11	107		
Total recreation, culture and religion	348	938	743	527	658	1,759	950	603	7,140		
9. Education⁽²⁾											
9.1 Pre-primary and primary education <i>of which: under fives</i>	1,162	3,845	2,227	1,833	2,688	5,054	4,044	1,854	25,175		
<i>of which: primary education</i>	168	565	324	263	386	718	576	263	3,607		
9.2 Secondary education	993	3,279	1,903	1,571	2,302	4,336	3,468	1,592	21,568		
9.3 Post-secondary non-tertiary education	1,961	4,719	4,351	3,773	4,642	6,196	6,188	4,178	40,898		
9.4 Tertiary education	36	87	48	30	49	135	78	65	572		
9.5 Education not definable by level	134	292	240	223	264	513	342	210	2,393		
9.6 Subsidiary services to education	35	99	74	64	81	121	123	73	752		
9.7 R&D education	222	439	292	275	429	901	598	387	3,956		
9.8 Education n.e.c.	115	248	224	166	166	793	521	174	2,671		
Total education	3,737	9,950	7,605	6,492	8,485	13,968	12,147	7,083	77,972		
10. Social protection											
<i>of which: personal social services</i>	1,635	4,313	3,041	2,470	3,187	5,641	4,881	3,247	31,685		
10.1 Sickness and disability <i>of which: personal social services</i>	2,922	7,797	5,061	4,338	5,293	6,411	6,749	4,879	48,364		
<i>of which: incapacity, disability and injury benefits</i>	482	1,552	974	871	1,046	1,664	1,820	1,207	10,921		
10.2 Old age <i>of which: personal social services</i>	2,440	6,245	4,087	3,468	4,246	4,747	4,929	3,672	37,443		
<i>of which: personal social services</i>	5,201	13,197	9,819	8,960	10,560	10,255	17,216	12,057	98,942		
<i>of which: pensions</i>	539	1,164	930	713	918	1,477	1,390	981	8,978		
	4,662	12,033	8,890	8,247	9,642	8,778	15,826	11,076	89,965		

Table 10.9 Total identifiable expenditure on services in the English Regions by sub-function for 2020-21 (continued)

	National Statistics										£ million	
	Yorkshire and The Humber					West Midlands						
	North East	North West	East Midlands	West Midlands	West	East	London	South East	South West	Total England		
10. Social protection continued												
10.3 Survivors	57	111	96	97	90	80	-2	123	134	787		
10.4 Family and children	1,153	3,091	2,259	1,828	2,447	2,203	3,724	3,176	2,035	21,916		
of which: personal social services	593	1,505	1,074	836	1,137	994	1,940	1,507	989	10,574		
of which: family benefits, income support and tax credits	560	1,586	1,185	992	1,310	1,209	1,785	1,669	1,046	11,341		
10.5 Unemployment	75	169	136	108	160	129	245	193	102	1,316		
of which: personal social services	-	-	-	-	-	-	-	-	-	-		
of which: other unemployment benefits	75	169	136	108	160	129	245	193	102	1,316		
10.6 Housing	779	1,887	1,239	953	1,509	1,365	4,940	2,084	1,217	15,971		
10.7 Social exclusion n.e.c.	2,658	7,229	5,004	3,775	5,604	4,687	10,855	6,436	4,056	50,304		
of which: personal social services	22	93	64	51	86	103	560	164	69	1,212		
of which: family benefits, income support and tax credits	2,636	7,137	4,940	3,724	5,517	4,584	10,295	6,272	3,987	49,092		
10.8 R&D social protection	-	-	-	-	-	-	-	-	-	-		
10.9 Social protection n.e.c.	248	691	452	336	498	446	1,110	611	414	4,807		
Total social protection	13,092	34,171	24,067	20,394	26,160	25,502	37,538	36,588	24,894	242,407		
Total Expenditure on Services in the English Regions	36,138	100,624	69,839	58,937	76,558	78,254	139,452	113,395	71,347	744,545		

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

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

Table 10.10 Total identifiable expenditure on services in the English Regions by sub-function, per head for 2020-21

	National Statistics										£ per head
	North East	North West	Yorkshire and The Humber	East Midlands	West Midlands	East	London	South East	South West	Total England	
1. General public services											
1.1 Executive and legislative organs, financial and fiscal affairs, external affairs	35	41	41	42	51	52	50	47	41	45	
1.2 Foreign economic aid	—	—	—	—	—	—	—	—	—	—	
1.3 General services	30	36	4	34	52	19	44	28	33	32	
1.4 Basic research	—	—	—	—	—	—	—	—	—	—	
1.5 R&D general public services	0	0	0	0	0	0	0	0	0	0	
1.6 General public services n.e.c.	77	34	61	53	63	70	51	68	59	58	
Total general public services	142	111	105	130	165	140	144	144	132	135	
2. Defence											
2.1 Military defence	—	—	—	—	—	—	—	—	—	—	
2.2 Civil defence	2	2	2	2	2	3	4	3	3	3	
2.3 Foreign military aid	—	—	—	—	—	—	—	—	—	—	
2.4 R&D defence	—	—	—	—	—	—	—	—	—	—	
2.5 Defence n.e.c.	—	—	—	—	—	—	—	—	—	—	
Total defence	2	2	2	2	2	3	4	3	3	3	
3. Public order and safety											
3.1 Police services	232	257	234	203	205	205	459	221	213	260	
<i>of which: immigration and citizenship</i>	—	—	—	—	—	—	—	—	—	—	
<i>of which: other police services</i>	232	257	234	203	205	205	459	221	213	260	
3.2 Fire-protection services	48	41	40	35	38	38	49	40	43	41	
3.3 Law courts	105	104	100	85	94	73	168	71	75	99	
3.4 Prisons	117	92	105	120	93	91	66	61	62	85	
3.5 R&D public order and safety	—	—	—	—	—	—	—	—	—	—	
3.6 Public order and safety n.e.c.	30	29	27	24	27	23	37	23	23	27	
Total public order and safety	533	524	506	467	456	430	779	415	416	512	
4. Economic affairs											
4.1 General economic, commercial and labour affairs	1,823	2,080	1,995	1,955	1,977	2,175	2,703	2,066	2,159	2,153	
4.2 Agriculture, forestry, fishing and hunting	90	61	94	99	66	99	21	70	137	76	
<i>of which: market support under CAP</i>	42	24	43	57	34	52	1	28	68	35	
<i>of which: other agriculture, food and fisheries policy</i>	47	36	50	41	31	46	20	41	67	40	
<i>of which: forestry</i>	1	1	1	1	1	1	1	1	2	1	
4.3 Fuel and energy	12	6	6	8	6	5	5	6	6	6	
4.4 Mining, manufacturing and construction	7	4	5	8	5	28	7	32	29	15	

Table 10.10 Total identifiable expenditure on services in the English Regions by sub-function, per head for 2020-21 (continued)

	National Statistics							£ per head		
	North East	North West	Yorkshire and The Humber	East Midlands	West Midlands	East	London		South East	South West
4. Economic affairs continued										
4.5 Transport	543	622	499	477	604	678	1,476	785	477	746
of which: national roads	157	83	81	81	68	82	6	192	74	89
of which: local roads	107	101	100	94	85	109	44	88	97	88
of which: local public transport	52	90	60	72	46	32	489	33	54	123
of which: railway	201	338	240	213	388	433	925	446	230	427
of which: other transport	26	10	18	17	17	22	12	26	22	18
4.6 Communication	—	—	—	—	—	—	—	—	—	—
4.7 Other industries	2	2	2	1	1	1	3	2	1	2
4.8 R&D economic affairs	126	81	100	85	134	108	142	122	102	112
4.9 Economic affairs n.e.c.	8	11	8	8	8	9	11	9	9	9
Total economic affairs	2,610	2,866	2,710	2,640	2,799	3,103	4,369	3,091	2,920	3,120
5. Environment protection										
5.1 Waste management	85	370	80	84	76	105	99	97	134	132
5.2 Waste water management	—	—	—	—	—	—	—	—	—	—
5.3 Pollution abatement	3	3	3	4	3	9	4	6	4	4
5.4 Protection of biodiversity and landscape	4	3	7	8	5	4	1	3	5	4
5.5 R&D environment protection	3	2	3	1	1	3	2	3	4	3
5.6 Environment protection n.e.c.	27	25	37	19	23	47	32	22	29	29
Total environment protection	123	402	130	116	109	169	138	132	176	172
6. Housing and community amenities										
6.1 Housing development	92	61	77	69	81	82	228	69	61	97
of which: local authority housing	48	20	53	49	52	60	228	52	40	75
of which: other social housing	43	41	25	20	29	22	0	17	21	22
6.2 Community development	68	61	56	39	60	43	65	52	46	55
6.3 Water supply	0	0	0	0	0	0	0	0	0	0
6.4 Street lighting	18	12	15	9	12	10	12	11	8	11
6.5 R&D housing and community amenities	—	—	—	—	—	—	—	—	—	—
6.6 Housing and community amenities n.e.c.	5	1	5	1	3	5	4	3	5	3
Total housing and community amenities	183	135	153	118	157	141	309	134	120	167

Table 10.10 Total identifiable expenditure on services in the English Regions by sub-function, per head for 2020-21 (continued)

	National Statistics										£ per head
	Yorkshire and The Humber					West					
	North East	North West	East Midlands	West Midlands	East	London	South East	South West	Total England		
7. Health⁽¹⁾											
Medical services	2,936	2,959	2,463	2,689	2,431	3,281	2,450	2,541	2,722		
Health research	36	34	34	34	35	40	35	34	36		
Central and other health services	508	508	508	508	508	508	508	508	508		
Total health	3,480	3,502	3,005	3,232	2,974	3,830	2,993	3,084	3,266		
8. Recreation, culture and religion											
8.1 Recreational and sporting services	49	49	42	44	36	55	39	34	45		
8.2 Cultural services	73	71	57	60	51	128	54	65	72		
8.3 Broadcasting and publishing services	4	5	5	5	6	6	5	5	5		
8.4 Religious and other community services	0	0	1	0	1	1	1	0	1		
8.5 R&D recreation, culture and religion	2	1	1	1	1	3	2	1	2		
8.6 Recreation, culture and religion n.e.c.	2	2	2	2	2	2	2	2	2		
Total recreation, culture and religion	130	127	108	110	98	195	103	106	126		
9. Education⁽²⁾											
9.1 Pre-primary and primary education	433	522	377	451	394	561	439	328	445		
of which: under fives	63	77	54	65	55	80	62	46	64		
of which: primary education	371	445	323	386	339	482	376	281	381		
9.2 Secondary education	731	640	775	779	780	688	671	738	723		
9.3 Post-secondary non-tertiary education	13	12	6	8	7	15	8	11	10		
9.4 Tertiary education	50	40	46	44	28	57	37	37	42		
9.5 Education not definable by level	13	13	13	14	13	13	13	13	13		
9.6 Subsidiary services to education	83	60	57	72	66	100	65	68	70		
9.7 R&D education	43	34	34	28	42	88	57	31	47		
9.8 Education n.e.c.	27	30	26	28	26	28	28	25	28		
Total education	1,394	1,351	1,334	1,423	1,357	1,552	1,318	1,252	1,379		
10. Social protection											
of which: personal social services	610	585	508	535	522	627	530	574	560		
10.1 Sickness and disability	1,090	1,058	892	888	784	712	732	862	855		
of which: personal social services	180	211	179	176	208	185	197	213	193		
of which: incapacity, disability and injury benefits	910	848	713	712	576	527	535	649	662		
10.2 Old age	1,940	1,791	1,841	1,771	1,863	1,139	1,868	2,131	1,750		
of which: personal social services	201	158	146	154	138	164	151	173	159		
of which: pensions	1,739	1,633	1,695	1,617	1,724	975	1,717	1,957	1,591		

Table 10.10 Total identifiable expenditure on services in the English Regions by sub-function, per head for 2020-21 (continued)

	National Statistics										£ per head		
	Yorkshire and The Humber					West Midlands							
	North East	North West	East Midlands	West Midlands	East	London	South East	South West	Total England				
10. Social protection continued													
10.3 Survivors	21	15	17	20	13	0	13	24	14				
10.4 Family and children	430	420	409	376	351	414	345	360	388				
of which: personal social services	221	204	194	172	159	215	163	175	187				
of which: family benefits, income support and tax credits	209	215	214	204	193	198	181	185	201				
10.5 Unemployment	28	23	25	22	21	27	21	18	23				
of which: personal social services	—	—	—	—	—	—	—	—	—				
of which: other unemployment benefits	28	23	25	22	21	27	21	18	23				
10.6 Housing	291	256	224	196	218	549	226	215	282				
10.7 Social exclusion n.e.c.	992	981	906	776	748	1,206	698	717	890				
of which: personal social services	8	13	12	10	16	62	18	12	21				
of which: family benefits, income support and tax credits	983	969	894	765	731	1,144	680	705	868				
10.8 R&D social protection	—	—	—	—	—	—	—	—	—				
10.9 Social protection n.e.c.	92	94	82	69	71	123	66	73	85				
Total social protection	4,884	4,638	4,355	4,192	4,068	4,170	3,970	4,399	4,287				
Total Expenditure on Services in the English Regions	13,480	13,658	12,637	12,113	12,482	15,490	12,302	12,607	13,166				

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

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

A

Sources, data quality and conventions

A.1 This annex outlines the main sources used in producing PESA and provides information on:

- data quality;
- our revisions policy;
- coverage of public bodies;
- the treatment of certain transactions;
- consistency with other publications;
- the main conventions used throughout the publication.

The information in this annex applies to all in-year updates as well as to this publication.

Sources of data

Central government and public corporations' data

A.2 Most expenditure data in PESA are taken directly from the Treasury's public expenditure database, known as the Online System for Central Accounting and Reporting (OSCAR). This system collects public spending data from central government departments and the devolved administrations. OSCAR is a reporting system rather than an accounting system and so contains aggregate spending information rather than any transactional detail.

A.3 Data entered onto OSCAR by departments and devolved administrations cover:

- their own expenditure;
- the expenditure of agencies and Arms Length Bodies (ALBs);
- support for local government and public corporations;
- capital expenditure of the public corporations that they sponsor¹.

A.4 Departments and devolved administrations can maintain up to ten years of live data depending on the year of the latest Spending Review. For PESA 2022 departments reported five outturn years from 2017-18 to 2021-22. This year, PESA also includes three plans years from 2022-23 to 2024-25. This involves:

- updating values in the light of better or new information, ensuring final outturns are consistent with information in published audited accounts (normally available in the summer after the end of the financial year);
- implementing classification changes across all live years to ensure data are consistent.

¹ The departmental reporting requirements in relation to public corporations result from the fact that only PC capital expenditure is treated as spending in the National Accounts. The current spending (except debt interest paid to the private sector) is included in the calculation of the gross operating surplus, which scores on the revenue side of the account.

A.5 Data are extracted from OSCAR approximately two weeks prior to publication, with the following exception:

- the historical information that extends back beyond the live outturn years is maintained off-database.

Local government data

A.6 The Department for Work and Pensions (DWP) supplies data on local government housing benefit payments in all countries except Northern Ireland. All other data on local government spending in England are supplied by the Department for Levelling Up, Housing and Communities (DLUHC). The devolved administrations provide local government spending data for Scotland, Wales and Northern Ireland.

National Accounts aggregates

A.7 The Office for National Statistics (ONS) supplies outturn numbers for the following National Accounts aggregates used in PESA:

- Total Managed Expenditure (TME);
- public sector current expenditure, gross investment and net investment;
- public sector, central and local government, and public corporations' depreciation;
- public sector, central and local government, and public corporations' debt interest;
- central government own expenditure (total, current and capital);
- local government expenditure (total, current, capital);
- public corporations' expenditure (total, current and capital).

Two points worth noting are:

- the public sector or total expenditure on services (TES) aggregate used in PESA is a Treasury aggregate that broadly follows the National Accounts framework and so is mostly consistent with TME. **Annex E** provides a detailed definition of TES;
- depreciation in budgets is a number sourced from departments consistent with their resource accounts. The depreciation numbers used in the National Accounts are derived by the ONS.

Classification of the Functions of Government (COFOG)

A.8 The Treasury assigns level 2 United Nations COFOG categories to departmental and local government data in consultation with departments and the devolved administrations. Where data streams cover more than one sub-functional category, departments are asked to change their reporting (if at all possible) so that spending on each sub-function is recorded separately. We do not ask departments to make changes where the amounts involved would be less than £10m.

A.9 All departments and the devolved administrations are reporting data against COFOG level 2, with two notable exceptions. Both the Department of Health and Social Care and the Welsh Government are currently unable to report the health function on this basis as the NHS for these bodies is neither financed nor organised along the lines of COFOG level 2. The health sub-functional analysis is therefore presented against Treasury defined sub-functions.

Data quality

A.10 Departments (including agencies and ALBs) and devolved administrations aim to produce good quality data for internal management and control, as well as for external reporting via audited accounts. They also seek to ensure that the data they feed into OSCAR are of high quality. Several outputs directly relevant to Whitehall departments' operations and reporting are derived from OSCAR, including Supply Estimates and tables published in Departmental Reports.

A.11 While Whitehall departments have clear incentives to ensure accurate data is reported on OSCAR, a number of factors can adversely affect data quality:

- complexity of the public expenditure system: data needs to be coded so that a wide range of outputs can be produced against a number of frameworks. Some data will be miscoded;
- although comprehensive guidance is made available, those recording data sometimes need to apply judgement to determine the right coding. Views on the right judgement to make may differ;
- while the budget-based numbers in PESA (for example in **Chapter 1**) are key control totals for departments and devolved administrations that are closely monitored, some of the economic category and sub-functional analyses do not appear in departmental outputs so may be less robust. The devolved administrations do not draw outputs directly from the Treasury's database;
- the need to keep compliance costs down means that some data disaggregation is not justifiable.

A.12 The Department for Education (DfE) continue to make efforts to improve the data underlying their budgetary aggregates. This includes expenditure listed by function (chapters 4, 5 and 6) and on local government grants (chapter 7). While DfE and HMT have engaged in quality assurance on these data, due to the number of academies continuing to move between the local government and central government sectors further work is needed to provide consistent information across outturn and plans years. A programme of work at DfE and with academies is in place to further develop this data and improvements will be made in future editions of PESA.

A.13 The aim of PESA is to provide a broad picture of where public expenditure goes. As a general rule, the more detailed the presentation, the less accurate the attribution to lower level categories. Small differences in numbers should not be taken as significant. We present many figures to the nearest £1m to prevent users from introducing rounding errors.

Revisions policy

A.14 The data in all PESA tables are open for revision to ensure that the latest data are published. Long-run data are published on a consistent classification basis, as far back as possible. The main data updates that will be included through the year are as follows:

- May – updated outturn for central government departments;
- July – Public Spending Statistics (PSS) comprising provisional outturn for central government (Whitehall) departments and PESA including revised spending plans consistent with the Budget;
- November – final outturn for central government (Whitehall) departments and provisional outturn for local government – updated Country and Regional Analysis (CRA);
- February – final outturn for local government and devolved administrations;

A.15 Further information on significant revisions since PESA 2021 is provided in chapter text.

A.16 Where we discover errors after the production of PESA 2022 we will take the following action:

- minor errors will be corrected at the next National Statistics update or the next edition of PESA; and
- larger errors will lead to the publication of revised tables on the Treasury's website together with an explanatory note.

Coverage of public bodies

A.17 PESA generally aims to include the expenditure of all bodies classified to the public sector by the Office for National Statistics (ONS). However, when new public bodies are set up, or when bodies are reclassified to, or within, the public sector, there may be a delay before data are recorded in a way that allows their inclusion in PESA.

Treatment of certain transactions in PESA

The Private Finance Initiative

A.18 The private finance initiative (PFI) is a means of procuring capital-intensive services. Instead of the public sector being responsible, for example, for building and maintaining a school building, the public sector contracts with the private sector for the provision of serviced school premises. The government entity that is purchasing services pays a single unitary charge to the PFI provider for as long as the services are provided to the required standard.

A.19 PFI deals may be on or off the government's balance sheet depending upon where the balance of risks in the project lies. For the period that this publication covers, independent public sector auditors take the balance sheet decision based on GAAP principles, and this decision is also normally used by the ONS for the National Accounts. If the project is on the government's balance sheet, the capital expenditure is treated as part of public sector capital expenditure. If the project is off the government's balance sheet, then the capital expenditure is considered to be undertaken by the private sector, with the unitary charge adding to public sector current expenditure.

A.20 For on-balance sheet projects, PESA includes:

- the capital expenditure imputed to the public sector;
- the service and debt interest elements of the unitary charge;
- the depreciation on the imputed asset.

A.21 For off-balance sheet projects, where the asset economically as well as legally belongs to the private sector, PESA includes the whole general government payment of unitary charges as payments for services.

Financial sector interventions

A.22 In December 2009 the ONS created an alternative measure of Public Sector Net Borrowing (PSNBex). This treated the classification of banks to the public sector (Northern Rock, Bradford & Bingley, Dunfermline, Lloyds Banking Group and Royal Bank of Scotland) as temporary, reflecting the Government's intention to return these banks to the private sector. As a result, these institutions are treated as if they are outside the public sector. Only Royal Bank of Scotland is still classified to the public sector.

A.23 In the budgeting tables, the support still scores within the HM Treasury Annually Managed Expenditure (AME) budget. All support to financial sector institutions is central government own spending.

A.24 The expenditure on services tables reflects the impact of this support on public spending in the National Accounts, i.e. on Total Managed Expenditure within PSNBex. The only transactions that are treated as spending within this measure are:

- the element of the share purchase that the ONS have classified as a capital grant;
- the element of depositor compensation over and above their statutory entitlements;
- fees received from underwriting commission and credit guarantee scheme income.

A.25 Other transactions do not generally have an impact on Total Managed Expenditure, nor therefore on the expenditure on services tables, because:

- they take the form of financial transactions, such as loans or share purchases, which do not constitute spending (as one asset is exchanged for another); or
- they are offset by recoveries imputed in the National Accounts, such as for liabilities borne by the FSCS.

Consistency with other publications

Previous editions of PESA

A.26 Data in previous editions of PESA may not be directly consistent with PESA 2022 due to changes in data coverage and classification changes. Details of the main budgetary classification changes are shown in **Annex C**. Readers are therefore strongly advised against simply splicing together data in different editions of PESA. The summary analysis in **Chapter 4** incorporates historical data adjusted to current definitions in order to show trends over a longer period.

Public Sector Finance Statistics

A.27 Total Managed Expenditure (TME) and its sectoral components are consistent with the joint ONS/Treasury Public Sector Finance Statistics monthly release published on 23 June 2022.

Conventions

Rounding

A.28 The figures in this publication are generally shown to the nearest £1million.

A.29 In all chapters dashes in the tables show that there are no data, while zeros show that there are data that round to 0.

A.30 Figures in tables may not sum due to rounding.

Real terms figures

A.31 A number of the tables in this publication give figures in real terms or as a percentage of GDP. Real terms figures are the current price outturns or plans adjusted to a constant price level by excluding the effect of general inflation as measured by the GDP deflator at market prices. The real terms figures in this publication are given in 2021-22 prices. The GDP data used in this publication are those given in **Annex F**.

Use of accruals data in tables

A.32 All data are presented on an accruals basis.

B

Departmental Groups

B.1 A number of tables in this publication present analyses by department. Rather than showing figures for all individual government departments separately, departments are grouped together. These groupings are set out below.

B.2 This presentation is consistent with Spending Review 2021 and Spring Statement 2022 documents.

Title	Departments included
Health and Social Care	Department of Health and Social Care (inc NHS)
Education	Department for Education Office of Qualifications and Examinations Regulation (Ofqual)
Home Office	Home Office
Justice	Ministry of Justice
Law Officers' Departments	The Crown Prosecution Service Serious Fraud Office HM Procurator General and Treasury Solicitor
Defence	Ministry of Defence
Single Intelligence Account	Single Intelligence Account
Foreign, Commonwealth and Development Office	Foreign, Commonwealth and Development Office
DLUHC ¹ – Local Government	Local Government part of Department for Levelling Up, Housing and Communities (mainly grants to English local authorities and the Greater London Authority)
DLUHC ¹ – Levelling Up, Housing and Communities	Levelling Up, Housing and Communities part of Department for Levelling Up, Housing and Communities
Transport	Department for Transport
Business, Energy and Industrial Strategy	Department for Business, Energy and Industrial Strategy
Digital, Culture, Media and Sport	Department for Digital, Culture, Media and Sport
Environment, Food and Rural Affairs	Department for Environment, Food and Rural Affairs
International Trade	Department for International Trade
Work and Pensions	Department for Work and Pensions
HM Revenue and Customs	HM Revenue and Customs
HM Treasury	HM Treasury
Cabinet Office	Cabinet Office
Scotland	Scottish Government
Wales	Welsh Government
Northern Ireland	Northern Ireland Executive

¹ In September 2021 the government announced that the Ministry of Housing, Communities and Local Government (MHCLG) would be renamed the Department for Levelling Up, Housing and Communities (DLUHC). The department name DLUHC is used in this table to reflect this change.

Title	Departments included
Small and Independent Bodies	Charity Commission Competition and Markets Authority Crown Estate Office Electoral Commission Export Credits Guarantee Department Food Standards Agency Government Actuary's Department House of Commons House of Lords Independent Parliamentary Standards Authority Local Government Boundary Commission for England National Audit Office National Savings and Investment Northern Ireland Office Office for Standards in Education, Children's Services and Skills. Office of Gas and Electricity Markets Office of Rail and Road Office of the Parliamentary Commissioner for Administration and Health Service Commissioners for England Parliamentary Works Sponsor Body Scotland Office and Office of the Advocate General Statistics Board The National Archives United Kingdom Supreme Court Wales Office Water Services Regulatory Authority



Public expenditure budgeting and control aggregates

C.1 This annex describes the budgeting and control regime under the current resource budgeting framework that was first introduced for the 2002 Spending Review (full resource budgeting) and that has been modified since then.

C.2 Departments have separate resource and capital budgets. These are split into Departmental Expenditure Limits (DEL) and departmental Annually Managed Expenditure (AME). Within DEL there are separate control totals for capital and resource DEL budgets; and within resource DEL there is a further control total for administration budgets and a ring-fence for depreciation. In addition to departmental AME, other AME covers spending that is not tied to a departmental budget. DEL plus AME, including accounting adjustments, sum to Total Managed Expenditure (TME), an aggregate that is drawn from National Accounts.

Resource budgeting

C.3 In 2003-04 the government completed its staged move to a full resource basis for financial reporting and control. Since this point, budgets have been set and monitored in resource terms, as described below.

C.4 There are separate departmental budgets for resource (i.e. current) and capital expenditure. These are also laid out in more detail below.

Resource budget

C.5 The **resource budget** controls the current expenditure of a department and largely follows the contents of resource accounts. Resource accounts are prepared in accordance with the Government Financial Reporting Manual, which follows International Financial Reporting Standards (IFRS) with such adaptations as are necessary for the public sector.

C.6 Resource budgets measure expenditure when it accrues rather than when the cash is spent. They do not include, as an in-year cost, prepayments for goods and services not consumed in that year but they will include resources consumed but paid for in later years or where pre-financed in earlier periods. Stock consumption scores in the resource budget whereas spending on adding to stocks does not. They include non-cash costs such as movements in provisions and charges for bad debts. Resource budgets record the cost of lending to students on the basis of an assessment of the subsidy implied in the low interest rate charged and the bad debt provision that is required. The annual resource cost to departments of the assets they use to deliver services is also included in resource budgets. This cost is in the form of charges for capital consumed in that year (depreciation).

C.7 The resource (DEL) budget includes all administration costs of central government departments such as pay and employer pension contributions or superannuation charges paid to unfunded public service pensions schemes. It also includes most of departments' other purchases of services. It includes current grants and subsidies paid to the private sector.

C.8 The resource budgets for the Foreign, Commonwealth and Development Office (FCDO) include an attributed share of the EU's expenditure on overseas aid and the Common Foreign and Security Policy.

C.9 Arms Length Bodies – resource and capital budgets include the expenditure of most arms length bodies (ALBs) classified to the central government sector.

C.10 Public Corporations are budgeted for on an external finance basis. Resource budgets include subsidies paid to, and dividends and interest received from, all public corporations sponsored by a department. Capital grants, lending to public corporations, and private sector borrowing by public corporations are in the capital budget.

C.11 Central government support for local government – the resource budget scores current grants to local government. Capital support scores in capital budgets. More information on local government is in **Chapter 7**.

Capital budget

C.12 Capital budgets include expenditure on fixed capital assets, capital grants and the acquisition of certain financial assets acquired or sold for policy reasons. Capital budgets include capital expenditure financed by finance leases and on balance sheet Private Finance Initiative transactions. Capital budgets are set net of the sale value of receipts from the sale of capital assets.

C.13 In resource accounts proceeds from sales of assets are split between the book value and any profit/loss on disposal. Receipts relating to the book value are recorded in capital budgets. The profit/loss on disposal is recorded in the resource budget.

C.14 Capital budgets generally include loans on a net basis, i.e. new loans issued *less* repayments of loan principal. Large (over £20 million) prepayments and debtors score in capital budgets if they last more than 12 months.

C.15 Central government support for local government – current grants score in resource budgets. Capital grants (also called Supported Capital Expenditure (Capital) in England and Wales) score in capital budgets. Capital budgets also include amounts for local authority borrowing where central government has agreed to fund the resultant loan charges. These credit approvals are known as Supported Capital Expenditure (Revenue) in England and Wales, and supported borrowing in Scotland. More information on local government is in **Chapter 7**.

Resource and capital budgets – summary table

C.16 This table summarises the main standard contents of resource and capital budgets:

	Resource budget	Capital budget
Department's own transactions	Pay, current purchases, grants to individuals, subsidies Depreciation and impairments on the department's assets Take-up of provisions, movement in value of provisions and utilisation of provisions Bad debts Loss on sale of fixed assets Less income from sales of goods and services Less release of provisions Less profit on sale of fixed assets	Expenditure on new fixed assets Less book value sale proceeds of fixed assets Net lending to the private sector Investment grants to the private sector
ALB transactions	As the department	As the department
Local government	Current grants to local government	Capital grants to local government Credit approvals
Public corporations on an external finance basis	Subsidies paid to public corporations Less interest and dividends received from public corporations	Investment grants paid to public corporations Net lending to public corporations (including equity withdrawals from public corporations) Public corporations' market and overseas borrowing

Departmental Expenditure Limits

C.17 Around half of public expenditure (TME) by value is in DEL. But because AME includes a small number of large programmes, by far the majority of public expenditure programmes are in DEL. The main programmes in AME are set out later in this section.

C.18 DELs are ordinarily set for three or four years in a Spending Review. They represent firm plans for departmental spending that may only be increased in exceptional circumstances with the Treasury's agreement through a claim on the DEL Reserve. Departments may carry forward some unspent DEL from one year to the next with the agreement of Treasury under the system of Budget Exchange.

C.19 DEL is net of certain receipts, mainly from sales of goods and services, asset sales, dividends, interest, rent of land and income from the European Union. It is also net of certain taxes, levies and fines where exceptionally the Chief Secretary to the Treasury has given specific agreement for a department to retain them in their DEL.

C.20 DEL includes a Reserve to meet unexpected needs. When sums are allocated from the Reserve, individual departments' DELs are increased and the Reserve line reduced by the same amount.

C.21 Public corporations – most transactions in respect of public corporations score in DEL but those in respect of self-financing public corporations score in departmental AME (except where they receive grants and subsidies, which would score in DEL).

C.22 Total DEL is not a control total but a standard way of presenting the sum of current and capital spending in DEL. Total DEL is defined as resource DEL excluding depreciation *plus* capital DEL. Depreciation here includes impairments (including Student Loan provisions) and the release of the donated assets and government grant reserves.

Annually Managed Expenditure

C.23 The following text describes the components of AME, which for the purposes of PESA is divided into departmental AME and other AME. The items in bold correspond to the row names of **Table 1.1**.

Departmental Annually Managed Expenditure

C.24 Departmental AME programmes are set out in departmental reports. A programme is included in AME if it cannot reasonably be subject to firm three-year limits as for DEL. Typically this is where the programme expenditure is demand-led, volatile, and large in relation to the size of the department. But those are neither necessary nor sufficient conditions for inclusion in AME. Discretionary new spending programmes are always in DEL except where a special case can be made to demonstrate that treatment as AME is likely to deliver better control of expenditure.

C.25 The main programmes in departmental AME are:

- social security benefits;
- tax credits for individuals;
- net lending to students;
- BBC domestic services;
- net public service pensions;
- expenditure financed by the proceeds of the national lottery.

C.26 Social security benefits – includes payments of social security and National Insurance benefits by the Department for Work and Pensions (DWP) and the Northern Ireland Department for Communities. It includes central government support for certain social security benefits paid by local government, such as Housing Benefit. It includes payments by DWP to the BBC in respect of free television licences for the over-75s.

C.27 Tax credits – Until PESA 2011 tax credits in HMRC's AME did not include negative tax (i.e. where the amount paid is less than or equal to the tax liability of the household). In this PESA all tax credits are included in departmental AME, increasing departmental AME by approximately £5 billion to £6 billion per year. This aligns to the way tax credits appear in resource accounts.

C.28 Student loans – the transactions of loan principal score in capital departmental AME while resource departmental AME contains interest receivable and certain non-cash transactions. Resource DEL scores the changes in the impairment recognised by the issuing departments in their resource accounts.

C.29 BBC domestic services – the expenditure of the BBC on domestic broadcasting scores in departmental AME. Certain trading operations of the BBC are treated as self-financing public corporations in AME.

C.30 Net public service pensions – this line scores the majority of the operating costs, net of income, for the main public service unfunded pension schemes. Operating costs are measured under International Accounting Standard 19 (IAS 19) as amended for the public sector. The main schemes are those for NHS staff, the civil service, teachers and the armed forces. This line comprises an assessment of the increase in the liability relating to current employees less relevant receipts. It does not include an amount for the unwinding of the discount rate, which is shown as part of the non-cash items in AME.

C.31 All the major unfunded pension schemes follow IAS 19 to report any increase (or decrease) in liabilities accrued in the period. In broad terms, there is a charge (or benefit) shown in this row equal to the gross increase in the provision that impacts on the operating statement of the scheme (excluding the unwinding of the discount rate) *less* pension contributions receivable from employers and employees, and *less* other income.

C.32 Note that there may be several reasons for a difference in the level of contributions and the IAS 19 charge. In particular, calculations of contributions and of the IAS 19 charge use different discount rates and different actuarial methodologies. In addition, contribution rates are revised only every three or four years, after full actuarial valuations, so the contribution rate is set to reflect previous over- and under-assessment of contributions due to scheme-specific experience on issues such as pay and demography.

C.33 Cash payments of members' continuing pensions, lump sums, spouses' benefits and similar payments, and bulk and individual transfers out, are all normally charged directly to the pension provision shown on the balance sheet. This means that they do not impact on the cost of the scheme as measured in this line, because the obligation to pay the pension had been recognised as adding to liabilities by an increase in the pension provision when the right to the pension accrued. However, if any cash payment is made that is not covered by a previously recognised liability then that payment would score in this AME line.

C.34 Relevant receipts include employers' contributions (including accruing superannuation liability charges such as those paid by departments to the Principal Civil Service Pension Scheme), employees' contributions for ordinary pensions (including widows'/widowers' pensions) and for added years, and receipts of bulk and individual transfers in.

C.35 This line does not reflect changes to the pension provision on the balance sheet resulting from changes in the actuarial assumptions made about the future (for example life expectancy, pay growth, inflation etc). Such changes result in the cost of providing already accrued pensions being higher (or lower) than previously thought. For example, if pensioners are living longer than previously thought, then the overall liability of a scheme will rise. The effects of these changes are shown in a separate statement (Statement of Recognised Gains and Losses) in the pension schemes' resource accounts and do not score in budgets.

C.36 For simplicity, and because of the immateriality of the amounts, some small unfunded schemes may report the difference between the cash paid out during the year and any contributions received.

C.37 Note that this line does not cover:

- pension schemes with a real pensions fund, such as local government and most public corporations' pension schemes;
- the schemes for police officers and fire-fighters, which although unfunded are run by local government, and whose costs are therefore in local government expenditure;
- pensions of some ALBs and other offices in the central government sector which operate their own pay-as-you-go pensions schemes and which are in DEL, generally on an IAS 19 basis.

C.38 Future payments of pensions are discounted in order to obtain the value of the liability in today's terms. Each year, future payments come a year closer and so the effects of discounting are reduced. That unwinding of the discount rate is a cost that is recognised in the accounts. In budgets, the amount for the unwinding of the discount rate on the liability is part of the **non-cash items** row.

C.39 The amount for the unwinding of the discount rate can be seen as loosely equivalent to the amount of interest the government would have had to pay if the schemes had been funded, and is sometimes referred to as interest on scheme liabilities (note that the discount rate is set in accordance with IFRS principles as endorsed by the Financial Reporting Advisory Board and is not automatically a gilt rate). So this item reflects the fact that the schemes are unfunded. Showing this item in the non-cash items row separates out the costs that the government bears as employer from guaranteeing the schemes (which are the costs in the net public service pensions row) from the notional costs that result because the schemes are unfunded.

C.40 The cost of pension schemes as measured on an IFRS basis does not impact directly on TME or the other fiscal aggregates. **Annex D** explains how the IFRS measures for the main public service pension schemes in departmental AME can be reconciled to their impact on TME, and this is shown in detail in **Table D.1**.

C.41 The overall change over the year in the schemes' balance sheet pensions liability measured on an IFRS basis is normally given by:

- current service cost and other pension costs (e.g. liabilities transferred in);
- *plus* unwinding of the discount rate;
- *less* pensions paid out;
- *plus or less* changes in actuarial assumptions and other balance sheet adjustments.

C.42 With the exception of the last item, which is not an expenditure or budget item, figures for the components listed above are shown in **Table D.1**.

C.43 Expenditure on services includes the cost of public service pensions on a TME basis in the social protection function.

C.44 National Lottery – expenditure on good causes funded from the proceeds of the National Lottery is in this line. The Big Lottery Fund was officially established by Parliament on 1 December 2006 and at the same time assumed the residual responsibilities of the dissolved National Lottery Charities Board (Community Fund), the New Opportunities Fund and the Millennium Commission. The Big Lottery Fund rolls out grants to health, education, environment and charitable causes across the UK.

C.45 Non-cash items include:

- large, demand-led non-cash items that could not reasonably be included in DEL budgets, such as provisions for nuclear decommissioning liabilities and the increase in the liability of public service pensions schemes due to the unwinding of the discount rate;
- non-cash items in respect of departmental AME programmes.

C.46 Financial sector interventions – includes all transactions that relate to the support provided by the Treasury to financial institutions since 2008-09. The underlying components are set out in **Box 2.A** in **Chapter 2**.

C.47 Other departmental expenditure includes:

- transactions in respect of Self-Financing Public Corporations;
- European Union Financial Settlement payments and European Investment Bank receipts;
- Export Credits Guarantee Department (part);

- expenditure on tax credits for companies (research and development for Small and Medium Enterprises, contaminated land clearance) and charities calculated on an OECD basis, which reflects payments in excess of tax liability;
- HM Revenue and Customs (HMRC) payments in respect of Child Trust Funds;
- rates paid on behalf of embassies, net of beneficial portion receipts;
- Housing Subsidy in England and Wales, and Housing Support Grant in Scotland;
- Redundancy Payments Scheme;
- coal health liabilities;
- adjustments to prior years' National Non-Domestic Rates (NDR) collection;
- support to local government in respect of police officers' and fire-fighters' pension schemes;
- debt repayment grants to local authorities;
- expenditure of certain levy-funded bodies;
- acceptances of artworks in lieu of Inheritance Tax.

Other Annually Managed Expenditure

C.48 Locally Financed Expenditure (LFE) – this line comprises the following items:

- Local Authority Self-Financed Expenditure (LASFE) in the UK;
- expenditure financed from the product of the Scottish Non-Domestic Rates;
- expenditure financed from the product of the Welsh Non-Domestic Rates;
- central government expenditure financed from the product of Northern Ireland Regional Rates (NIRR) and from borrowing from the National Loans Fund under the Re-investment & Reform Initiative (RRI).

C.49 LASFE is that part of total local authority expenditure not met by central government support. Its largest single financing component is the product of the Council Tax. Other components include the surpluses of trading activities, interest receipts, unsupported borrowing and the use of reserves.

C.50 Northern Ireland Regional Rates (NIRR) are set by the central government in Northern Ireland and can be used to finance any public sector expenditure within Northern Ireland. By convention it is treated in PESA as locally financed central government expenditure. The product of NIRR is treated as a transfer from AME into DEL, so this means that DEL is set net of the product of the NIRR.

C.51 Expenditure financed by borrowing from the National Loans Fund under the RRI is shown under LFE because the loans will be serviced and repaid out of the product of the NIRR.

C.52 Net expenditure transfers to the European Union – Transactions with the institutions of the European Union are shown in **Table C.1** and comprise the following concepts:

- net expenditure transfers to the European Union;
- net payments to EU institutions;
- the net contribution to the EU budget.

C.53 The TME effect of EU membership is therefore given by:

- GNI-based contributions
- *plus* VAT-based payments to the EU
- *less* the UK's abatement
- *less* an amount in respect of the cost of collecting Traditional Own Resources.

Table C.1: Transactions with the institutions of the European Community, 2017-18 to 2024-25

	£ million							
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	outturn	outturn	outturn	outturn	outturn	plans ⁽⁵⁾	plans ⁽⁵⁾	plans ⁽⁵⁾
GNI based contribution	11,761	14,599	13,003	12,762	139	950	301	–
UK abatement	-4,547	-4,846	-4,149	-3,785	181	-198	-417	–
VAT-based payments to the EU ⁽¹⁾	2,974	3,138	2,696	1,954	-4	–	–	–
Net expenditure transfers to the EU not in departmental budgets	10,188	12,892	11,549	10,930	315	752	-116	–
Receipts to cover collection costs in respect of collecting Traditional Own Resources (TOR) ⁽³⁾	-698	-664	-663	-585	-10	-15	0	–
to give contribution to TME not in departmental budgets⁽⁴⁾	9,490	12,227	10,886	10,346	305	737	-116	–
European Union Financial Settlement payments and receipts ⁽²⁾	–	–	–	-249	8,124	9,117	4,532	1,621
to give total contribution to TME	9,490	12,227	10,886	10,097	8,429	9,854	4,416	1,621
TOR ⁽³⁾	3,413	3,304	3,320	2,695	49	73	1	–
Gross contribution to the EU budget	12,903	15,531	14,206	12,791	8,478	9,927	4,417	1,621
Public sector EU receipts ⁽⁴⁾	-4,130	-4,378	-5,059	-3,346	-2,136	-1,602	-897	-284
Net contributions to the EU budget	8,773	11,154	9,147	9,445	6,343	8,325	3,520	1,336
less Other attributed costs and repayments ⁽⁶⁾	–	–	–	–	–	–	–	–
Net payments to EU institutions	8,773	11,154	9,147	9,445	6,343	8,325	3,520	1,336

⁽¹⁾ VAT-based payments to the EU are included in the TME subtotal, reflecting changes in the European System of Accounts 2010.

⁽²⁾ European Union Financial Settlement payments and European Investment Bank receipts form part of HM Treasury's departmental AME.

⁽³⁾ TOR comprises customs duties (including those on agricultural products) and sugar levies.

⁽⁴⁾ Receipts are shown here on a cash basis. EU receipts in budgets are on an accruals basis. Under the Withdrawal Agreement, the UK continues to participate in programmes funded under the 2014-2020 Multiannual Financial Framework, with funding continuing to be received post-2020.

⁽⁵⁾ Consistent with forecasts published by the OBR in March 2022.

⁽⁶⁾ The UK's contribution to the cost of EU aid to states outside the EU is attributed to departmental budgets.

C.54 Public Corporations' Own-Financed Capital Expenditure – this line comprises the capital expenditure of public corporations' net of any capital grants or loans given by its parent department and net of public corporations' market and overseas borrowing where that scores to departmental budgets.

C.55 This line also includes the whole amount of capital expenditure of public corporations accountable to local government, whether own-financed or supported by local government: an accounting adjustment removes local government support to public corporations to avoid this spending being double counted.

C.56 Central government debt interest – this line includes interest paid to the private sector and overseas, but not interest paid to other parts of the public sector. The capital uplift on index-linked gilts is scored as interest at the time it accrues. This line includes the amortisation of discounts/premia on gilts at issue.

C.57 Accounting adjustments are described in **Annex D**.

Total Managed Expenditure

C.58 Total Managed Expenditure (TME) is an aggregate drawn from National Accounts. It covers the current and capital expenditure of the public sector, net of some receipts. It therefore includes expenditure of central government, local government and the capital expenditure of public corporations. TME excludes grants and interest payments between parts of the public sector (as it is a consolidated measure) as well as all financial transactions (such as lending). So TME is the expenditure side of the equation that gives public sector net borrowing, a measure of the fiscal stance.

C.59 As in **Table 1.1**, TME can be shown to equal Total DEL + AME (including accounting adjustments).

C.60 In addition, TME may be expressed as the sum of:

- public sector current expenditure;
- public sector net investment;
- public sector depreciation.

C.61 In this presentation, depreciation represents the amount of capital expenditure required to make good the depreciation of assets, and net investment represents the amount of capital expenditure that adds to the overall stock of assets.

D

Accounting adjustments in the budgeting presentation of TME

The need for accounting adjustments

D.1 The National Accounts, produced by the Office for National Statistics (ONS), follow international guidelines and provide a widely accepted framework for analysing the economic activity of the country. Total Managed Expenditure (TME) is an aggregate drawn from National Accounts that measures the sum of public sector current and capital spending.

D.2 Government departments budget and account for their spending in resource terms. From 2009-10 onwards this was based on International Financial Reporting Standards (IFRS) and prior to that was based on UK's Generally Accepted Accounting Practice. Both accounting frameworks differ in a number of ways from National Accounts, which are based on the European System of Accounts 2010 (ESA10). The main difference is that ESA10, in the main, recognises liabilities and assets only when they crystallise.

D.3 As a consequence of this, a number of adjustments are needed to reconcile budgets to the component parts of TME – these are known as accounting adjustments. **Table 1.1** shows resource DEL plus resource AME equalling public sector current expenditure, and capital DEL plus capital AME equalling public sector gross investment. Public sector current expenditure (PSCE) plus public sector gross investment (PSGI) then equals TME. In this presentation the AME totals include the accounting adjustments.

D.4 The accounting adjustments are shown separately for resource and capital in **Table 1.14**, the former shows the breakdown of those adjustments necessary to reconcile to PSCE and the latter those adjustments necessary to reconcile to PSGI. In each table the accounting adjustments are broken down into three categories;

- a. data that are removed from budgets because the National Accounts uses a different data source;
- b. data that are removed from budgets because they are not part of spending as defined by the National Accounts;
- c. accounting adjustments that are made to budgets to move them to a basis and economic categorisation consistent with spending as defined by the National Accounts.

D.5 The accounting adjustments in the first two categories above are shown separately according to whether they are in DEL or AME. The main accounting adjustments within the third category are shown separately for the central government and local government sectors arranged by the economic categories within TME. The section below goes through the main adjustments giving a description of the nature of the adjustment and the reason that it needs to be made. For each economic category there are a large number of smaller adjustments that are not shown separately – the total for these is in the 'other' category. These adjustments include the part of the timing adjustments published at the bottom of **Table 1.14** that is applicable to each economic category and a number of less significant accounting adjustments, including those that switch misreported data on OSCAR between economic categories.

List of the accounting adjustments in Table 1.14

Resource Accounting Adjustments

Remove data in budgets which form part of public sector current expenditure but where a different source is used for National Accounts

Capital consumption and NHS capital consumption

D.6 These items are removed from both DEL and AME because, as is common international practice, estimates of capital consumption in the National Accounts are produced using a Perpetual Inventory Model (PIM) rather than the data reported by departments as part of their budgets.

Interest

D.7 This item is removed from both DEL and AME as the ONS sources its central government interest transaction from a variety of sources with none being the data in budgets reported by departments. In **Table 1.1** gross debt interest is shown separately from accounting adjustments under other AME. This is far larger than the interest items deducted from budgets as it includes the interest the Debt Management Office pays on its gilts as well as interest paid by departments.

Subsidy element of renewable obligation certificates and other environmental levies

D.8 Where there is a compulsory and unrequited payment imposed by government, even if the payment is not to a public sector body, National Accounts sometimes require the payment to be imputed in the public finances as offsetting taxation and subsidy spending. This is the case with renewable obligation certificates (ROCs), where companies not meeting their renewable obligations have to purchase ROCs from companies who have exceeded their obligations. The Department for Business, Energy and Industrial Strategy (BEIS) have already included estimates in their AME forecast for the subsidy elements, however ONS and the Office for Budget Responsibility (OBR) are currently using a different source for their estimates of the value of this subsidy so the BEIS estimates are removed from AME. This also applies for other environmental levies such as Feed-in Tariffs and the Renewable Heat Initiative so these are also removed.

Other

D.9 The items deducted from both DEL and AME under this category include dividends and rent. In both cases ONS use sources other than the data reported by departments as part of their budgets.

Adjustment for different data used by OBR in PSCE forecast

D.10 The forecast data for departments' DEL and AME budgets from 2022-23 used in this publication are taken from the data submitted by departments on OSCAR. The OBR used OSCAR data consistent with PESA 2021 as a starting point for their forecast in the March 2022 Economic and Fiscal Outlook (EFO). These adjustments are to reconcile the data used by the OBR in their forecast with that in PESA. For AME, the OBR used the forecasts provided to them by departments, which should also have been reflected on OSCAR. For DEL the OBR used plans from PESA 2021 adjusted to reflect policy announcements made during the year. For 2022-23 onwards, the OBR also included an estimate of the expected level of underspending by departments.

Remove data in budgets which do not form part of public sector current expenditure

Impairments

D.11 Impairments as defined in budgets, in both DEL and AME, can result from a number of factors which do not affect PSCE as defined in the National Accounts. Examples of these are impairments resulting from the revaluation of assets or from unexpected losses which are treated as balance sheet movements only in National Accounts. Impairments from wear and tear in the course of normal business are treated as part of PSCE capital consumption in the National Accounts and are accounted for as part of the PIM discussed in D.6 above. As a result all impairments as reported in budgets by departments are removed from both DEL and AME as they do not form part of public expenditure.

Fees, levies and charges, receipts treated as negative DEL but revenue in National Accounts, and miscellaneous current transfers

D.12 Some receipts included under these categories benefit resource budgets, in both DEL and AME, even where they are included on the revenue side of the National Accounts. The deduction of such receipts in budgets needs to be reversed in the calculation of TME.

D.13 The central government receipts that are removed in the adjustment are:

- certain taxes collected, including licences issued by the utility regulators;
- certain fines;
- current donations;
- current compensation;
- rent of land;
- dividends and interest from the private sector and overseas.

Change in pension scheme liabilities, unwinding of discount rate on pension scheme liabilities and release of provisions covering payments of pension benefits

D.14 Pension costs are measured differently in resource accounts (and predominantly AME budgets) and National Accounts due to the different way these frameworks deal with provision liabilities.

D.15 In the National Accounts, the following transactions are included within TME:

- payments to pensioners, surviving spouses etc and transfers out to other schemes;
- less receipts of contributions by employees and employers, and transfers in from other schemes.

D.16 In resource accounts a provision liability is recognised on the balance sheet equal to the net present value of the expected future cash benefits to be paid. Broadly speaking, changes in this liability impact on the operating cost statement. The net public service pensions line in departmental AME presents expenditure on this basis. The line consists of the following:

- the gross change in the liability that scores in the operating statement of the schemes;
- plus payments of pensions or transfers out that are not covered by a previously recognised liability;

- less receipts of contributions by employees and employers, and transfers in from other schemes.

D.17 The unwinding of the discount rate that is applied to the future cash flows is also a cost in the operating statement in accounts. This cost is recorded separately in the non-cash items in departmental AME. See **Annex C** for further details.

D.18 Table D.1 reconciles pensions expenditure as presented in **Table 1.1**, in resource accounts and in TME. So the table presents:

- the three main contributions to the net public service pensions line in **Table 1.1** (as in D.17 above);
- the pensions element of the non-cash items line in **Table 1.1** (i.e. the unwinding of the discount on the liability);
- the sum of these elements, which is the contribution of pension schemes to departmental AME;
- the accounting adjustments required to reach the contribution to TME (see D.20 below);
- the contribution of the main public service pensions schemes to TME.

D.19 The adjustments are as follows:

- remove changes in liabilities scored in the net public service pensions line;
- remove changes in liabilities arising from the unwinding of the discount rate that are scored in the non-cash items line in AME;
- add cash payments to pensioners, surviving spouses etc. and transfers out to other schemes.

Table D.1 Pay as you go public service pension schemes in AME and in TME, 2017-18 to 2024-25

	£ million							
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	outturn	outturn	outturn	outturn	outturn	plans	plans	plans
Departmental AME (GAAP basis)								
Change in liability ⁽¹⁾	54,210	82,660	67,922	80,756	99,836	114,730	119,439	120,443
Contributions received*	-27,455	-28,492	-36,604	-38,865	-40,771	-43,559	-45,003	-45,856
Cash payments in OCS not covered by release of provision*	202	231	114	90	99	100	99	97
Net public service pensions (GAAP basis)	26,957	54,398	31,432	41,981	59,164	71,272	74,535	74,684
Unwinding of discount rate (= contribution to non-cash items)	42,545	39,876	45,741	34,294	26,735	36,779	37,605	38,923
Total Departmental AME (GAAP basis)	69,502	94,274	77,173	76,275	85,899	108,050	112,140	113,608
Accounting adjustments								
Remove change in liability	-54,210	-82,660	-67,922	-80,756	-99,836	-114,730	-119,439	-120,443
Remove increased liability due to unwinding of discount rate	-42,545	-39,876	-45,741	-34,294	-26,735	-36,779	-37,605	-38,923
Add pensions in payment covered by release of provision* ⁺	36,427	38,185	39,841	40,818	42,085	45,027	46,620	47,634
Accounting adjustments (Pensions)	-60,328	-84,351	-73,822	-74,231	-84,486	-106,482	-110,424	-111,732
Contribution to TME (National Accounts basis)	9,174	9,924	3,351	2,044	1,413	1,569	1,716	1,876
of which:								
Pensions in payment*	36,629	38,416	39,955	40,909	42,184	45,127	46,719	47,731
Contributions received*	-27,455	-28,492	-36,604	-38,865	-40,771	-43,559	-45,003	-45,856

* Includes bulk and individual transfers, including transfers of liabilities within government.

⁺ offsets change in gross liability.

⁽¹⁾ The increase in 2018-19 is due to higher provisions for past service costs.

Grant equivalent element of student lending

D.20 In budgets this is the provision that represents the net present value of the interest support element of student loans that scores in DEL and AME as the loans are issued. In the National Accounts the impact on the current balance is determined by the difference between interest payments made on government debt and interest income receivable from students. These values therefore need to be removed from DEL and AME as an accounting adjustment.

Stock write-offs

D.21 In budgets the write-off of stocks covers items such as military expenditure and medical stocks that are treated as being consumed at the point of purchase in National Accounts. This adjustment therefore removes the value of these stocks from DEL.

Northern Ireland Executive transfers between DEL and AME

D.22 As explained in Annex C, expenditure financed by Northern Ireland Rates is treated as a transfer from AME into DEL and by convention treated as part of locally financed expenditure in **Table 1.1**. This is removed from DEL and added back in the section which removes data from local government expenditure.

Profit or loss – sale of company securities

D.23 Departmental resource DEL and AME budgets include the profit or loss on the sale of company securities. These are removed as an adjustment as they are scored as financial transactions in the National Accounts.

Profit or loss – sale of other assets

D.24 Departmental resource DEL and AME budgets include the profit or loss on sales of tangible and intangible fixed assets. In the National Accounts, these are treated as capital transactions rather than resource transactions and so this adjustment is necessary to remove them from PSCE.

Fee income treated as capital in National Accounts

D.25 The Government announced the intention to instigate the Asset Protection Scheme for Lloyds Banking Group (LBG) and RBS in February 2009. In December 2009, RBS signed the contract to participate in the scheme and LBG announced it would not take part in the scheme. The Government received an exit fee from LBG and a fee from RBS for the implicit guarantee provided between February and December 2009. These fees were treated as capital receipts in the National Accounts but as negative resource AME (receipts) in HM Treasury's budget. This adjustment removes the receipts from PSCE.

Other

D.26 There are a number of other items that are removed from DEL and AME because they do not score as part of TME in the National Accounts. These include:

- notional audit fees, which are not scored in TME as no money flows;
- some other miscellaneous transactions that are scored in budgets but treated as financial transactions in the National Accounts;
- some transfers between different parts of central government that are excluded from the National Accounts as they are within the same sector in the National Accounts.

Central Government Adjustments in the National Accounts

Expenditure on Goods and Services

VAT refunds

D.27 VAT is a tax that is paid by final consumers, i.e. government and households. Producers pay VAT on materials that they use in the course of production, but are able to claim those VAT payments back from HMRC. Producers then charge VAT on sales and pass these monies to HMRC. Where a public sector body is engaged in production and receives such a VAT refund, this refund would not add to TME, nor would it be included in their spending data, which is measured net of recoverable VAT. Therefore, in these cases no adjustment is needed to reconcile to TME.

D.28 However, some public sector bodies additionally receive refunds of VAT that they have paid in respect of contracted out services for non-business purposes, including the free-to-enter public museums. These VAT payments by general government bodies form part of the prices paid as a final consumer, and therefore form part of final government consumption within TME (as well as part of current receipts). However, departmental budgets, and other spending data, are net of all recoverable VAT. This adjustment therefore adds back VAT refunded to central government departments in respect of contracted out services for non-business purposes and VAT refunds to free public museums in respect of non-business activities.

EU tax collection costs

D.29 The UK receives a payment from the EU for collecting Traditional Own Resources (customs duties, agricultural and sugar levies) on behalf of the EU. This receipt (which is netted off the payment made to the EU) is treated as a government receipt and reduces TME. This income is recorded here.

Capital consumption

D.30 As explained above, departmental estimates for capital consumption are removed from both DEL and AME because, as is common international practice, estimates of capital consumption in the National Accounts are produced using a Perpetual Inventory Model (PIM). This adjustment adds in the PIM estimates.

Net Current Grants Abroad

FCDO funding for capital projects scored in resource DEL

D.31 A proportion of the Foreign, Commonwealth and Development Office's (FCDOs) bilateral aid budget is deemed to be a capital grant to the rest of the world in the National Accounts, although all bilateral aid grants are shown in resource DEL budgets. This adjustment removes the part that is deemed to be capital spending so that it is not included in PSCE. This is not reflected in the forecast years as the composition of the FCDO aid budget has changed.

EU receipts and EU funded expenditure

D.32 EU grant expenditure routed through government departments is treated in the National Accounts as a transaction between the EU and the end-recipient of the grant. Both the receipt from the EU and the spending funded by the EU are included in departments' DEL budgets. This adjustment therefore removes the receipt of the EU finance by departments, which is scored as part of their DEL budget. There are adjustments within the "other" category in Other Current Grants and in Subsidies that remove the spending.

Subsidies

Renewable obligation certificates and other environmental levies

D.33 As mentioned above, ROCs and some other environmental levies are treated as imputed subsidies (and tax) in the National Accounts. This adjustment adds in ONS's and OBR's valuation of the imputed subsidy (BEIS's OSCAR data having been removed in the first section of the table).

Company tax credits outside departmental AME

D.34 Currently ONS treat all company tax credits payments as part of TME. These include research and development tax credits, transitional relief to charities formerly entitled to receive tax credits on dividends, film tax credits and tax relief on clearing contaminated land. This adjustment adds the part of the payments of these tax credits that are not in HMRC's AME budget.

Local government adjustments in the National Accounts

D.35 As explained in Annex C, the contribution to AME from the local government sector is locally financed expenditure. This comprises the parts of local authority expenditure not met by central government support in the UK (known as LASFE), expenditure financed by Scottish NNDR, expenditure financed by Welsh NNDR and expenditure financed by Northern Ireland Regional Rates. LASFE is calculated as total local government expenditure, sourced from local government data (as outlined in Annex A), adjusted to a National Accounts basis, less CG support, based on data in central government departments' budgets. The accounting adjustments listed below are therefore the main adjustments to local government source data needed to transform it to a National Accounts basis and to reconcile central and local government sources for PSCE.

Remove data which do not form part of public sector current expenditure

Retirement benefits

D.36 An adjustment is required here to remove items in the local government source data which do not reflect actual payments.

Debt interest payments to central government

D.37 Interest payments to central government are removed as they represent flows between two parts of the public sector and so do not score towards TME.

Adjustments to reconcile use of different data sources

Central government support

D.38 As mentioned above, the data for central government support used in the calculation of LASFE is based on data in central government departments' budgets and the total spending is from the local government sources. This adjustment is therefore necessary to reconcile central government and local government sources of information for current central government support. The data based on central government departments' budgets are the data deducted in the calculation of LASFE as these are felt to be more reliable and are available at a more detailed level for quality assurance.

Debt interest

D.39 This adjustment reconciles differences between the data source used for the calculation of debt interest payments to the private sector by local authorities in the National Accounts and that used in local government sources.

Expenditure on Goods and Services

VAT refunds

D.40 As mentioned in the section on central government adjustments to expenditure on goods and services above, public sector bodies, including local authorities, receive refunds of VAT that they have paid in respect of contracted out services for non-business purposes. Central government support in resource DEL (and AME) and current LASFE are measured net of these VAT refunds, but in TME the expenditure is recorded including the VAT paid and therefore an adjustment is made to add back these refunds.

Capital consumption

D.41 As also mentioned above, in the section on central government adjustments to expenditure on goods and services, estimates of capital consumption in the National Accounts are sourced from the ONS's PIM model. This adjustment adds in these estimates for the local government sector.

Rates

D.42 This deducts payments of National Non-domestic Rates (NNDR) paid by local government which are in locally financed expenditure but do not form part of TME.

Subsidies

Equity injection into Housing Revenue Account

D.43 The HRA is treated as a public corporation in National Accounts. This means that the regular deficit resulting from its operations is treated in National Accounts as an imputed subsidy (if a regular profit were made it would be treated as an imputed dividend). The deficit (or profit) is calculated as the gross operating surplus less gross capital expenditure. Gross, rather than net, capital expenditure is used as sales of housing stock are treated as financial transactions which reduce LG equity in the HRA. Since 2004-05 the HRA have had a regular deficit so a subsidy is imputed from local government to the PC sector. This adjustment adds in the subsidy to local government spending. (Unlike grants subsidies from one part of the public sector to another are included in TME).

Net Social Benefits

Housing benefits and rent rebates

D.44 ONS use data from DWP in respect of housing benefits and rent rebates. An adjustment is necessary to bring data from local government sources into line with that from DWP.

Public corporations

D.45 The main adjustment in relation to public corporations data is their payment of debt interest to the private sector. This is the only part of public corporation own expenditure other than Public Corporations' Own Financed Capital Expenditure (see Annex C) that scores in TME. This adjustment adds in the data used in the National Accounts for their debt interest payments to the private sector.

Capital Accounting Adjustments

Remove data in budgets which form part of public sector gross investment but where a different source is used for National Accounts

Change in inventories and acquisitions less disposals of valuables

D.46 The data in the National Accounts for both of these are sourced from ONS surveys and administrative sources other than OSCAR.

Adjustment for different data used by OBR in PSGI forecast

D.47 As explained above for resource spending, the forecast data for departments' DEL and AME budgets for 2021-22 used in this PESA publication differ from those used by the OBR in their March 2022 EFO. These adjustments are to reconcile the data used by the OBR with those on OSCAR used in PESA.

Remove data in budgets which do not form part of public sector gross investment

Net lending to private sector and the purchase and sale of company securities

D.48 These types of transactions are treated as financial transactions which do not score as spending in the National Accounts, because they involve a swap of financial assets and so are excluded from PSGI and TME. However, they are included in DEL and AME in order to have control over departments' impact on Public Sector Net Debt (PSND) so this adjustment is necessary to exclude them from TME.

Capital support for public corporations and local government supported capital expenditure

D.49 These transactions are excluded from TME as they are lending from central government to support capital expenditure by other parts of the public sector.

Northern Ireland Executive transfers between DEL and AME

D.50 This is the capital equivalent of the transfers described in D.22 above.

Other

D.51 There are a number of other items that are removed from DEL and AME because they do not score as part of PSGI in the National Accounts. These include:

- some capital provisions;
- some other miscellaneous transactions that are scored in budgets but treated as financial transactions in the National Accounts; and
- some transfers between different parts of central government that are excluded from the National Accounts as they are within the same sector in the National Accounts.

Central government adjustments in National Accounts

Gross Fixed Capital Formation

Profit or loss – sale of other assets (from resource budgets)

D.52 As mentioned in the section on resource accounting adjustments, in National Accounts the profit or loss on sales of tangible and intangible fixed assets are treated as capital expenditure and therefore as part of PSGI. However, they are treated as part of resource DEL and AME. This adjustment is necessary to add them to PSGI.

Capital grants to and from the private sector

VAT refunds

D.53 Refunds of VAT are also available on certain items to householders who are building their own home or converting a non-residential building into a home for them to live in. As mentioned above, spending in National Accounts is recorded inclusive of refunded VAT and therefore the value of these refunds is included in PSGI as a capital grant to the household sector (and also included in total VAT receipts) but not in Budgets. This adjustment adds the value of these refunds to PSGI.

Fee income treated as capital in National Accounts

D.54 As outlined in the section on resource accounting adjustments, certain fees received from RBS and LBG in respect of the Asset Protection Scheme were treated as capital receipts in the National Accounts and resource receipts in HM Treasury's AME. This adjustment ensures that these receipts are included in PSGI.

FCDO funding for capital projects scored in resource DEL

D.55 As also stated above, in the section on resource accounting adjustments a proportion of FCDO's bilateral aid budget is deemed to be a capital grant to the rest of the world in the National Accounts, although all bilateral aid grants are shown in their resource DEL budgets. This adjustment adds the part deemed to be capital so that it scores in PSGI.

Local government adjustments in National Accounts

D.56 The overall rationale behind the accounting adjustments for local government is explained in the section on resource accounting adjustments. The accounting adjustments listed below are the main adjustments to local government source data needed to transform it to a National Accounts basis and to reconcile central and local government sources for PSGI.

Adjustments to reconcile use of different data sources

Central government support

D.57 As mentioned above, the data for central government support used in the calculation of LASFE is based on data in central government departments' budgets and the total spending is from the local government sources. This adjustment is therefore necessary to reconcile central government and local government sources of information for central government support via capital grants. The data based on central government departments' budgets are the data deducted in the calculation of LASFE as these are felt to be more reliable and are available at a detailed level for quality assurance.

Financial transactions

D.58 Financial transactions, which do not score as spending in the National Accounts because they involve a swap of financial assets, are excluded from PSGI and TME. This adjustment removes the parts of capital LASFE that need to be excluded as they are financial transactions.

Capital grants from private sector

D.59 In some cases receipts are treated as financing expenditure in AME when National Accounts treat them as reducing expenditure. The value of the receipts needs to be included in TME. An adjustment is therefore made to add to public sector net investment the local authority receipts of investment grants from private sector developers.

Gross Fixed Capital Formation

VAT refunds

D.60 As mentioned above, local authorities receive refunds of VAT that they have paid in respect of contracted-out services for non-business purposes, including on capital expenditure. Central government capital grants to local authorities in resource DEL (and AME) and capital LASFE are measured net of these VAT refunds, but in TME the expenditure is recorded including the VAT paid. This adjustment therefore adds the value of the refunds to PSGI.

Roads de-trunking

D.61 De-trunking of roads involves transferring the ownership and control of roads from the Highways Agency (part of central government) to local authorities. In National Accounts this involves recording the payment for the receipts of an asset by local authorities. As this is not recorded in LASFE an adjustment is necessary to add this in to PSGI.

Capital Grants to public corporations

D.62 Local government capital expenditure includes grants paid to public corporations. The capital expenditure that this finances is included as part of Public Corporations' Own-Financed Capital Expenditure (PCOFCE), as this contains capital spending other than that financed by central government. An adjustment is therefore required to avoid double counting this spending in TME. This mainly concerns payments by Transport for London to London Underground.

Other capital adjustments

Public corporations

D.63 The Public corporation element of TME is effectively composed of PCOFCE plus central government support for public corporations. This adjustment adds back an element of the net lending subtracted above, to ensure that the level of PC spending is properly reflected.

E

Expenditure on services framework

E.1 Tables in **Chapters 4 to 8**, showing public expenditure by function and/or economic category are all based on the public sector expenditure on services framework.

E.2 Public sector or total expenditure on services (TES) broadly represents the current and capital expenditure of the public sector, and so is similar to the National Accounts measure of Total Managed Expenditure (TME). For the avoidance of doubt, expenditure on services is the spending required to deliver services, not just the purchasing of services.

E.3 The introduction of the Online System for Central Accounting and Reporting (OSCAR) was accompanied by changes to the chart of accounts, against which departments record their expenditure. Most of the changes to the expenditure on services framework have been minor. The most significant has been the removal of the attributed share of the EU's aid. Departmental budgets include this attributed expenditure, but it doesn't increase TME as it is actually part of EU spending financed by the UK's budgetary contributions. This change brings TES closer into line with the National Accounts.

E.4 Expenditure on services is a more stable measure of public spending than departments' budgets, as it is not affected by the creation or amalgamation of departments or by programmes of work moving between departments.

Expenditure on services and TME

E.5 TME is the current and capital expenditure of the public sector on a National Accounts basis. Public sector expenditure on services is similar, but with minor divergences. The divergences mainly reflect the difficulty of attributing certain types of spending to the correct functions in all cases, which, if attempted, would result in a lack of consistency between functions. The main difference from TME is that expenditure on services does not include general government capital consumption (depreciation) and does not reverse the deduction of certain VAT refunds in the budget-based expenditure data. It also includes a small number of items that are in budgets but not in TME. Public sector expenditure on services is worth about 91% of TME.

EU transactions in expenditure on services

E.6 EU transactions score in their entirety within public sector expenditure on services in the same way as in TME. However, expenditure on services scores EU funded payments, for instance on agriculture, as UK government spending within the appropriate function, whereas the National Accounts score these as direct payments from the EU to enterprises and households. From 2021-22 onwards, EU Withdrawal Agreement financial settlement payments form part of HM Treasury's departmental AME and are therefore scored against the available United Nations' Classification Of the Functions Of Government categories. As a result, these payments are scored against 'General Public Services'. However please note, a complete picture of transactions with the institutions of the EU is shown in Table C.1.

Expenditure on services and budgets

E.7 Expenditure on services can be built up from departmental budgets (resource DEL, capital DEL and departmental AME). Essentially, (most) transfers to other parts of the public sector are removed, as are transactions that do not score as spending in the National Accounts. Spending by local government and public corporations is then added.

Departmental budgets (resource Departmental Expenditure Limits + capital Departmental Expenditure Limits + departmental Annually Managed Expenditure)

Less	grants to local government; capital grants to public corporations; depreciation (includes the impairment costs of Student Loans); provisions; spending classified as financial transactions in the National Accounts; interest and dividends; items classified as revenue in the National Accounts which are netted off spending in budgets; EU receipts; other items that are not classified as spending in National Accounts (e.g. transfers between central government departments); and most intra-public sector transfers, the main exceptions being subsidies to public corporations and trading bodies.
Plus	local government current and capital expenditure; Northern Ireland locally financed expenditure; public corporations' capital expenditure; public sector debt interest; and EU transactions.

E.8 Table E.1 shows the derivation of expenditure on services from departmental groups' budgets.

Classification changes

E.9 Classification changes since PESA 2021 are detailed in **Chapter 4**, where they affect expenditure on services or the functional split, and **Chapter 5**, where they affect expenditure on services, the sub-functional split or the economic breakdown.

Table E.1 Derivation of public sector expenditure on services from departmental groups' budgets, 2021-22

	£ million																								
	Health and Social care	Education	Home Office	Justice	Law Officers' Departments	Defence	Single Intelligence Account	Foreign, Commonwealth and Development Office	Levelling Up, Housing and Communities ⁽¹⁾	Transport	Business, Energy and Industrial Strategy	Digital, Culture, Media and Sport	Environment, Food and Rural Affairs	International Trade	Work and Pensions	HM Revenue and Customs	HM Treasury	Cabinet Office	Scotland	Wales	Northern Ireland	Small and Independent Bodies	Local Government Expenditure	Total for all departments	
Departmental Budgets																									
Resource DEL	183,772	72,374	14,958	9,433	694	39,740	2,926	7,740	24,117	18,669	7,845	2,027	4,367	535	8,972	5,698	403	1,245	28,602	16,239	14,441	2,499	-	467,297	
Capital DEL	9,035	4,706	861	1,439	8	14,180	906	1,750	6,157	19,182	20,830	668	1,403	21	626	662	12	272	5,143	3,033	1,821	316	-	93,030	
Resource Departmental AME	81,898	21,181	2,420	527	1	17,498	111	-148	10,244	3,760	114,886	5,318	453	7	216,030	52,123	51,949	12,225	19,085	2,674	10,827	-274	-	622,795	
Capital Departmental AME	-	-21,933	-	-	8	-2	-	661	-	8	-3,662	316	11	3	30	-	-3,779	-	829	954	253	457	-	18,021	
Remove																									
Grants to local government	-5,900	-34,061	-13,228	-197	-	-	-	-	-28,380	-5,772	-5,090	-174	-409	0	-16,651	-	-	-12	-11,691	-7,353	-191	-	-	-129,108	
Capital grants to public corporations	-19	-	-	-	-	-	-	-	-7	-430	-2	-	-28	-	-	-	-	-	-77	-	-288	-	-	-853	
Depreciation	-3,681	-5,505	-536	-810	-20	-7,427	-575	-216	-1,656	-8,111	-10,126	-197	-234	-36	-488	-184	-47,857	-171	-231	245	-490	-121	-	-88,427	
Provisions	-85,466	-20,337	-135	-383	-1	-17,007	-12	181	-50	-1,497	-103,603	-6	-551	-6	-1,008	31	3,754	-9,046	-6,333	-521	-3,524	270	-	-245,251	
Financial transactions	87	-21,869	-	-	-	-	-	-866	-2,316	114	-1,592	-87	1	-	-633	-	3,973	-	-987	-1,115	-271	-457	-	-26,018	
Interest and dividends	-650	4,814	-13	-85	-	-141	-25	3	76	-2,269	284	1	0	-	22	-	635	2	2	179	-4	119	-	2,951	
Items classified as revenue in National Accounts	-2,000	411	3,872	1,199	32	63	0	-745	126	4,199	1,942	335	237	11	-197	30	1	491	79	19	-2	-325	-	9,779	
EU receipts	-	106	-	-	-	-	-	-	582	44	9	-	300	-	283	-	-	-	170	443	129	-	-	2,066	
Other items not in TME	-1,742	-582	-702	-75	25	-41	48	-2	-7,023	633	-5,950	128	-37	-	439	-130	-151	78	-560	-1,123	84	-11	-	-16,693	
Add																									
Local government current expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	142,895	
Local government capital expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20,654	
Northern Ireland locally financed expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	370	-	-	370	
Public corporations' capital expenditure	-	-	-	-	-	-	-	-	4,139	1,305	-	-	7	-	-	-	-	-	1,584	439	290	-	-	7,764	
Public sector debt interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	790	72,848	
EU transactions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-1,830	
Loans written off by mutual consent	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Public sector expenditure on services	175,334	43,172	7,498	11,057	739	46,864	3,379	8,357	6,008	29,834	15,769	8,331	5,520	534	207,426	58,230	79,168	5,084	35,615	14,111	23,447	2,473	164,340	952,291	

⁽¹⁾ The Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC) in September 2021. This table reflects that change.

F

GDP deflators

F.1 This annex presents the GDP deflators used in this release.

GDP deflators

F.2 A number of the tables in this publication give figures in real terms. Real terms figures are the current price outturns or plans adjusted to a constant price level by excluding the effect of general inflation as measured by the GDP deflator at market prices. The real terms figures in this publication are given in 2021-22 prices. The GDP deflators used in this publication are those given below. The most up to date deflators can be found on the GOV.UK website¹. Please note that these deflators do not apply to the real terms tables presented in chapter 9 of this publication.

Table F.1 GDP deflators and money GDP

Outturn data are based on the June 2022 National Accounts figures from ONS

Forecast data are consistent with the 2022 Spring Statement

Financial year	GDP deflator at market prices		Money GDP £ million
	2021-22 = 100	Per cent change on previous year	
1981-82	29.199	10.53	297,719
1982-83	31.347	7.36	326,894
1983-84	32.844	4.78	357,532
1984-85	34.713	5.69	385,441
1985-86	36.646	5.57	423,319
1986-87	38.171	4.16	455,208
1987-88	40.349	5.71	511,132
1988-89	43.059	6.72	570,568
1989-90	46.466	7.91	629,075
1990-91	50.361	8.38	679,572
1991-92	53.354	5.94	716,288
1992-93	54.817	2.74	738,955
1993-94	56.248	2.61	783,211
1994-95	57.042	1.41	821,875
1995-96	58.801	3.08	866,242
1996-97	60.899	3.57	924,297
1997-98	60.642	-0.42	962,708
1998-99	62.027	2.28	1,012,210
1999-00	62.379	0.57	1,054,714
2000-01	63.619	1.99	1,110,346
2001-02	64.947	2.09	1,151,245
2002-03	66.323	2.12	1,208,514
2003-04	68.010	2.54	1,275,904
2004-05	70.029	2.97	1,341,848
2005-06	72.104	2.96	1,423,370

¹ <https://www.gov.uk/government/collections/gdp-deflators-at-market-prices-and-money-gdp>

Table F.1 GDP deflators and money GDP (continued)

Outturn data are based on the June 2022 National Accounts figures from ONS
Forecast data are consistent with the 2022 Spring Statement

Financial year	GDP deflator at market prices		Money GDP £ million
	2021-22 = 100	Per cent change on previous year	
2006-07	74.243	2.97	1,494,225
2007-08	76.318	2.80	1,572,772
2008-09	78.579	2.96	1,583,849
2009-10	79.814	1.57	1,566,720
2010-11	81.145	1.67	1,631,224
2011-12	82.370	1.51	1,678,775
2012-13	84.031	2.02	1,734,589
2013-14	85.956	2.29	1,817,879
2014-15	86.946	1.15	1,888,390
2015-16	87.486	0.62	1,953,366
2016-17	89.442	2.24	2,039,801
2017-18	90.982	1.72	2,111,738
2018-19	92.758	1.95	2,199,704
2019-20	94.865	2.27	2,260,614
2020-21	100.221	5.65	2,140,996
2021-22	100.000	-0.22	2,376,012
2022-23	104.054	4.05	2,513,171
2023-24	106.562	2.41	2,621,534
2024-25	108.538	1.85	2,726,167

GDP Deflator: Financial years 1981-82 to 2021-22 taken from ONS series L8GG.
2022-23 to 2024-25: derived from Office for Budget Responsibility (OBR) forecasts for GDP deflator increases as at the Spring Statement 2022.

Money GDP: For years 1981-82 to 2021-22: ONS data for money GDP (not seasonally adjusted, BKTL).
2022-23 to 2024-25: OBR forecasts for money GDP as at the Spring Statement 2022.

Population numbers and GDP deflators used for country and regional tables

F.3 The tables in chapters 9 and 10 are identical to those published in the November 2021 Country and Regional Analysis (CRA)² release. Therefore mid-year population estimates used for the November 2021 CRA publication can be found within the annex of that release. Similarly, GDP deflators used to produce ‘real terms’ tables in chapter 9 of this publication can also be found within this annex.

² <https://www.gov.uk/government/statistics/country-and-regional-analysis-2021>

G

Glossary

Within an explanation of a term, words in bold are themselves explained elsewhere in the glossary.

Acronyms

ALBs	Arms Length Bodies
AME	Annually Managed Expenditure
ASLCs	Accruing Superannuation Liability Charges
CAP	Common Agricultural Policy
CRA	Country and Regional Analysis
DEL	Departmental Expenditure Limit
EFO	Economic and Fiscal Outlook
GAAP	Generally Accepted Accounting Practice
GDP	Gross Domestic Product
IFRS	International Financial Reporting Standards
LASFE	Local Authority Self-Financed Expenditure
LIBOR	London Inter-bank Offered Rate
OSCAR	Online System for Central Accounting and Reporting
PCOFCE	Public Corporations' Own-Financed Capital Expenditure
PSCE	Public sector current expenditure
PSNB	Public sector net borrowing
PSND	Public sector net debt
PSNI	Public sector net investment
RAB	Resource Accounting and Budgeting
SUME	Single Use Military Equipment
TES	Total Expenditure on Services
TME	Total Managed Expenditure

Terms

Accounting adjustments shown in, for example, **Table 1.1** are certain items of expenditure that account for the difference between the **National Accounts** aggregate **TME** and the sum of the **resource budgeting** items **DEL**, **departmental AME** and **other AME**. Accounting adjustments are required because there are certain components in TME that are not included in the **resource** and **capital budgets** that form the basis of planning and control of departmental spending under resource budgeting, and there are some items in resource budgeting aggregates that are not part of TME. Annex D has full details.

Accruals – all the data in PESA are based on accruals. Accruals accounting recognises when costs occur rather than when the payment is made, i.e. having the heating on is a cost that accrues each day whereas the bill might be paid quarterly.

Accruing Superannuation Liability Charges (ASLCs) are employer pension contributions paid to the bodies responsible for paying and accounting for unfunded public service occupational pensions. For example, government departments pay ASLCs in respect of serving civil servants. The payments represent an actuarial assessment of the accruing discounted future cost of public expenditure on pensions arising from the current employment of staff. ASLCs are included within **DEL**.

Administration budget – the costs of running a central government department (including their ALBs) that do not relate to the delivery of frontline services; it includes the pay of most of the civil servants who work in the department, and associated expenditure such as **ASLCs**, accommodation, travel and training. Administration budgets are a subset of resource **DEL** that are set net of income arising from departments' administrative activities.

Alignment (or 'Clear Line of Sight') project – in order to simplify public spending reporting, this project aims to align more closely the treatment of spending in departmental budgets, **Estimates** and **Resource Accounts**. More information is available on the Treasury's website¹.

Annually Managed Expenditure (AME) is spending included in **TME** that does not fall within **DELs**. Expenditure in AME is generally less predictable and more difficult to control than expenditure in DEL. AME is split into **departmental AME** and **other AME**.

Arms Length Bodies – refers to a department's executive NDPBs and Trading Funds where these bodies have been classified as being within central government by the Office for National Statistics.

Assets can be either financial or non-financial:

- financial assets include monetary gold, bank deposits, International Monetary Fund Special Drawing Rights, loans granted, bonds, shares, accounts receivable, and the value of the government's stake in public corporations; and
- non-financial assets consist of fixed capital (such as buildings and vehicles); stocks; land and valuables.

Billion – a thousand million.

Budget Exchange – a mechanism that allows departments to surrender an underspend in advance of the end of the financial year in return for a corresponding increase in the following year, subject to Treasury agreement.

¹ http://webarchive.nationalarchives.gov.uk/20130405170223/http://www.hm-treasury.gov.uk/psr_clear_line_of_sight_intro.htm

Capital budget – a department’s capital budget covers **capital expenditure**. The capital budget is divided into **DEL** and **departmental AME**. The capital budget is not a control total; capital DEL is a control total and capital AME is a planning total. The capital budget includes:

- **capital formation** and the acquisition of assets (including under finance leases) such as land, buildings, machinery and vehicles. In both capital budgets and **National Accounts**, acquisition of assets is recorded net of the sale value of any assets disposed of (where sale value is the aggregate of the net book value and any profit or loss on disposal);
- **net lending** undertaken for policy purposes; *net* means after the repayment of debt principal;
- **in-house development of assets** such as computer software and databases. This can be capitalised in government accounts provided certain conditions are met. It is sometimes called “own account capital formation”;
- large (over £20 million) **debtors** or **prepayments** that are long term (over 12 months). These are included in capital budgets on the same basis as **net lending**, i.e. on an additions *less* reductions basis;
- **capital grants**.

Capital consumption – see **depreciation**.

Capital expenditure can be understood in several ways:

- in **National Accounts**, capital expenditure is usually understood to mean **capital formation**, net acquisition of land, and expenditure on **capital grants**. Certain types of significant computer software development are treated as capital expenditure. The **pay** of civil servants engaged in inhouse capital formation is also recorded as capital expenditure, not as pay. **Public sector net investment** is given by capital expenditure as defined above (also known as public sector gross investment) less **depreciation**;
- under **resource accounting**, capital expenditure also includes loans that are given and the net acquisition of shares. In other words, it includes the net acquisition of financial assets that are acquired for policy reasons rather than for managing the government’s funds. Such policy lending also generally scores in **DEL**, in the **capital budget**, but is removed by the **accounting adjustments**, as it does not score in **TME**;
- some presentations of central government capital expenditure include **Supported Capital Expenditure** (Revenue) allocations given to local authorities in England and Wales (the equivalent in Scotland is supported borrowing). Northern Ireland does not have an equivalent concept as their local government sector is much smaller.

Capital formation is expenditure, net of sales, on fixed assets (such as buildings, vehicles and machinery) and net stock building, and can be measured gross or net of **depreciation**. Fixed assets are assets that can be used repeatedly to produce goods and services and generally last more than one year. Sometimes a minimum cost threshold (say £1,000) is applied to further define capital assets.

Capital grants (also called investment grants) are payments made by government on the condition that the recipient uses the funds for **capital formation** (for example building a school or factory or buying a machine). Capital grants are also used in **National Accounts** to record debt writeoffs made by government for policy reasons, and some other transfers of accumulated wealth. In the case of debt write-offs, two transactions are recorded: a capital grant from government to the debtor; and the repayment of debt by the debtor. Capital grants are treated as resource expenditure in resource accounts and **Estimates** but are included in the **capital budget**.

Central government is a sector in **National Accounts**. It comprises Parliament; government departments and their executive agencies; the devolved assemblies of Scotland, Wales and Northern Ireland; government funds such as the **National Loans Fund**; the foreign exchange official reserves; most **ALBs**; and various other non-market public bodies that are controlled by central government. Central government does not include **public corporations**, nor those non-profit institutions that receive significant government funding but are not controlled by government and so belong in the private sector (for example universities, further education colleges, and housing associations).

Central government own expenditure is expenditure that central government makes to the private sector plus subsidies to **public corporations**. It excludes central government support to **local government** and capital support to public corporations.

Classification changes are changes in the way public expenditure is recorded, rather than an actual change in the amount of cash spent or resources consumed. Classification changes can increase or decrease the recorded level of public expenditure. When there is a classification change the data are normally restated for all years in order to provide a consistent series.

Classification Of the Functions Of Government (COFOG) – a UN-defined system for functional analysis of government spending. The PESA analysis is consistent with UN COFOG at level 2, with the exception of the health function, which continues to be presented against the HM Treasury's own sub-functional classification. Further information on COFOG is available available in an Annex document produced by the IMF².

Common Foreign and Security Policy (CFSP) is an EU programme. Its costs were attributed to the Foreign, Commonwealth and Development Office's DEL.

Control total – resource budget DEL, depreciation in DEL, administration budget in DEL and capital budget DEL are control totals. This means that departments have to manage spending within set limits.

Cost of capital charge used to be a notional charge that was applied to each department's budget in order to make departments aware of the full cost of holding assets. As part of the **alignment project** this charge has been removed from budgets.

Country and Regional Analysis (CRA) – the CRA presents statistical estimates for the allocation of **identifiable expenditure** between the UK countries and nine English regions. See **Chapters 9 and 10** in PESA for more information.

Current expenditure – this is spending on items that are consumed in the process of providing public services or, in other words, is recurring spending. This includes, for example, wages and salaries, benefits, and purchasing goods and services.

Current grants are unrequited payments to individuals or bodies, which means that no specific goods or services are received in return. In **National Accounts** current grants to persons are called **social benefits** and those to trading businesses are called **subsidies**.

Debtors are **assets** on the balance sheet. They are recognised where a transaction has accrued, but cash is yet to be received. For example where a public sector body sells an asset but defers cash receipts – the fact that cash is yet to be received means that **PSND** has not benefited from the accrued transaction. Where a department or its **ALB** has a large (over £20 million), long term (over 12 months) debtor, this is included in their **capital budget** on the same basis as net lending.

² <https://www.imf.org/external/pubs/ft/gfs/manual/pdf/ch6ann.pdf>

Dedicated Schools Grants (DSG) is a hypothecated (ring-fenced) **current grant** from central government to local authorities, paid by the Department for Education and allocated to schools on a formula basis. This was introduced from 2006-07 replacing part of the **Revenue Support Grant** (RSG) paid by the Department for Levelling Up, Housing and Communities³ (DLUHC).

Departmental AME is spending that is outside **DEL** but included in departmental budgets. Main categories include social security benefits and tax credits for individuals.

Departmental Expenditure Limits (DELs) are firm plans for three years for a specific part of a department's expenditure. DEL covers all administration costs and programme expenditure except where:

- some programme spending cannot reasonably be subject to close control over a three-year period; or
- spending relates to non-cash costs other than depreciation and impairments.

Departmental spending not in DEL is included in **departmental AME**. Both **resource** and **capital budgets** are divided into DEL and departmental AME.

Departmental Unallocated Provision (DUP) is an amount that a department keeps within its budget to meet unplanned increases in spending, and which is not allocated to any particular programme at the start of a year.

Depreciation is also termed capital consumption. It is a measure of the reduction in value of an asset due to the effects of wear and tear. **TME** includes depreciation as an item of **current expenditure**. **Public sector net investment** is given by deducting depreciation from gross **capital expenditure**. The depreciation ring fence includes depreciation, **impairments** and student loans **provisions** recently classified as **impairments**.

Economic categories – these represent broad classifications of the economic impact of transactions. Examples of economic categories are **pay**, **social benefits** and **subsidies**. The main categories in expenditure on services, based on **National Accounts** definitions, are set out in Table 5.3 and described in Chapter 5. The equivalent budgeting presentation, based on resource accounting, is shown in Table 2.1 and described in Chapter 2.

Economic and Fiscal Outlook – is a bi-annual publication. It sets out the OBR forecasts for the economy and the public finances, and an assessment of whether the government is likely to achieve its fiscal mandate and supplementary target.

Estimated outturn is a forecast of spending incurred on the basis of actual expenditure to date.

Estimates – see **Supply Expenditure**.

European System of Accounts 2010 (ESA10) – This is the system used by the **Office for National Statistics** for measuring and presenting UK **National Accounts**. The system is compulsory for EU member states reporting economic statistics to the EU Commission. ESA10 is consistent with the earlier System of National Accounts 2008 (SNA08), which was developed by a number of international organisations.

Expenditure on services (known as TES) is an aggregate used in PESA to analyse the capital and current spending of the public sector. The current and capital elements of expenditure on services are sometimes shown separately as current expenditure on services and capital

³ In September 2021 the government announced that the Ministry of Housing, Communities and Local Government (MHCLG) would be renamed the Department for Levelling Up, Housing and Communities (DLUHC).

expenditure on services. Note that TES and its components represent the overall cost of providing services, rather than just the cost of purchasing services from third parties, and includes expenditure on **assets**. See Annex E for a full definition.

Financial Reporting Standard 17 (FRS17) sets out the **GAAP** basis for recording pensions.

Financial Statement and Budget Report (FSBR) – the FSBR is published each year by the Treasury on Budget day. It has been known as the Red Book. Since 1999 it has been published alongside the Economic and Fiscal Strategy Report in a single Budget document.

Financial transactions are payments and receipts relating to changes in holdings of financial assets or liabilities. Financial assets entitle their owners to unconditional financial claims on the units that have the liability (except for gold where there is no liability on another unit). Government departments' financial assets include bank deposits; foreign currency held; bonds and shares owned; loans given; accounts receivable in respect of, for example, income accrued but not yet paid; and **public dividend capital** and the value of government's other stakes in **public corporations**. Physical assets such as buildings and land are not financial assets. Transactions in some financial assets are undertaken to manage cash flows, for example movements in bank deposits, but some are undertaken to further a policy such as lending to students. These types of financial transactions are sometimes called policy lending and are normally included in a department's **DEL capital budget**.

General Government is the consolidated combination of the **central government** and **local government** sectors in **National Accounts**.

Generally accepted accounting practice (GAAP) – there is no statutory definition of GAAP, but it is taken to be the accounting and disclosure requirements of the Companies Act, pronouncements by the Accounting Standards Board (e.g. financial reporting standards), and the body of accounting knowledge built up over time. **Public sector** bodies have recently moved from GAAP to **International Financial Reporting Standards (IFRS)**.

Grants – see **current grants** and **capital grants**.

Gross Domestic Product (GDP) (at market prices) is the value of goods and services produced in the UK. "Gross" means there is no deduction for **depreciation**. Economic data are often quoted as a per cent of GDP to give an indication of trends through time and to make international comparisons easier.

Housing Revenue Account (HRA) – the HRA represents the current income and expenditure of local authority social housing provision. The HRA is treated as a quasicorporation in **National Accounts**. The surplus of income (which includes rent rebates and subsidies paid by other parts of government) over expenditure is treated as being paid over to local authorities as a notional dividend. This net amount is then included as revenue rather than spending in the **National Accounts**, which means that the current expenditure of local authority housing departments is not included in **TME**. The cost of rent rebates and subsidies is included in TME; these items are within the **AME** lines for social security benefits and other departmental expenditure in AME. Local authority **capital expenditure** on housing associated with the HRA scores as capital spending in the **public corporation** sector, following the implementation of **ONS's** reclassification decision in June 2006. PESA had previously shown this spending in the local government sector. Payments of interest on housing related debt will continue to be treated as part of local government expenditure.

Identifiable expenditure is expenditure that can be recognised as having been incurred for the benefit of individuals, enterprises or communities within a particular country or region. Examples are most health and education services, and spending on social security and pensions. See Chapter 9 of PESA for further details.

Impairments are recorded where there is the permanent loss or write-off of the recoverable value of a fixed or current asset below the value recorded on the balance sheet in accounts. Impairments are a non-cash charge in the **resource budget** alongside the **depreciation** charge, but are separately identified. In order to provide support for departments' management decisions, impairments are split into six different categories, some of which are scored in **AME** and others in **DEL**. Further information can be obtained from the Consolidated Budgeting Guidance (CBG)⁴. In the Public Spending Statistics budgeting-based presentations impairments are included in the depreciation line, and it is the combined total that is used in the calculation of **Total DEL**. In the **National Accounts**, impairments resulting from accidental damage are included alongside depreciation; other sorts of impairment are not counted in the main expenditure measures.

International Financial Reporting Standards (IFRS) have been implemented by **public sector** bodies to replace **GAAP**-based **resource accounting**. Departments have reported 2009-10 resource accounts against IFRS, whilst local authorities moved onto this basis in 2010-11.

Local Authority Self-Financed Expenditure (LASFE) is aggregate **local government** expenditure less its receipts of **central government** current and capital support including distribution of **National Non-Domestic Rates** in England and Wales. It represents local government expenditure financed from local resources such as council tax, trading surpluses, investment income, capital receipts, self-financed borrowing, and use of reserves. LASFE does not include **depreciation**.

Locally Financed Expenditure (LFE) is LASFE plus expenditure financed by non-domestic rates in Scotland, Wales and Northern Ireland Regional Rates (NIRR).

Local government is a sector in **National Accounts**. It comprises all local authorities in the UK including county councils, metropolitan districts, parish councils, police and fire authorities, residuary bodies, passenger transport authorities, Transport for London, London boroughs, and the Greater London Assembly.

National Accounts – this is a statistical system that represents the UK's economic transactions. The system provides a number of key economic statistics including **Gross Domestic Product (GDP)**, consumers' expenditure, the balance of payments with the rest of the world, and the public sector balances. The National Accounts is presented by the ONS in the Blue Book.

National Loans Fund (NLF) – the NLF is a government account with the Bank of England set up under the National Loans Fund Act 1968. All government borrowing transactions are handled through this fund.

National Lottery Distribution Fund (NLDF) – the NLDF is a central government fund, administered by the Department for Culture, Media and Sport (DCMS). The Fund receives a proportion of the proceeds from national lottery ticket sales (receipt of that proportion is treated as a tax in **National Accounts**). The Fund passes it to the Lottery Distributors, independent public sector bodies responsible for awarding national lottery grants to good causes. Payments by the distributors are treated in the National Accounts as **central government** expenditure in **AME**.

National Non-Domestic Rates (NNDR) in England is a tax paid by the occupiers of nondomestic property, principally businesses. Most NNDR is collected from businesses by local authorities and then paid into a **central government** pool. Some large businesses with national activity (such as utility companies) pay directly into the pool (the Central List). The pool is distributed back to local authorities in the form of central government grants. Similar systems apply in Wales and Scotland. The grant is in **DEL** for England and Wales, but in the **AME** line

⁴ <https://www.gov.uk/government/publications/consolidated-budgeting-guidance-2018-to-2019>

for **Locally Financed Expenditure** in Scotland. NNDR payments by **central government** or **local government** in respect of the occupation of property are consolidated out through the **accounting adjustments** to arrive at **TME**.

Net lending has two meanings:

- in **National Accounts** it is the balance of the current and capital accounts and is often quoted with sign reversed as “net borrowing”, which is sometimes called the government deficit; and
- in this publication net lending is more likely to mean lending by government net of any repayments of previous lending. It includes transactions in shares – so, for example, privatisation receipts count as negative net lending. Government lends to students, some industries, **public corporations**, **local government**, some overseas governments and some international bodies that supply foreign aid.

Non-budget income and expenditure normally refers to income and expenditure that pass through a government department’s books and that are not included in **DEL** or departmental **AME**. For example, the grant-in-aid paid to **ALBs** is normally a nonbudget transfer – it is the ALB’s income and expenditure that scores in budgets.

Non-cash refers to various transactions that appear in the **operating cost statement** under **resource accounting**, but are not directly included in the **National Accounts** measure of surplus on the current Budget. The major non-cash transactions are **depreciation**, **impairments** and the taking and release of **provisions**. Most depreciation and impairments are in **DEL** but following changes to the budgeting framework as part of the **alignment project**, most other non-cash items are in **AME**.

Nonidentifiable expenditure is expenditure that cannot be recognised as benefiting a particular country or region, so is deemed to be incurred on behalf of the United Kingdom as a whole, e.g. most defence expenditure, overseas representation and tax collection.

Non-voted expenditure is expenditure that is not voted by Parliament through the Supply procedure. It includes spending funded from various funds, such as the National Insurance Fund.

Office for National Statistics (ONS) – the ONS is an independent public sector body that produces many official statistics such as the **National Accounts**. ONS decisions about the classification of bodies are the basis for determining which bodies are included within Public Spending Statistics and PESA and as part of which sector.

Online System for Central Accounting and Reporting (OSCAR) – the Treasury’s database that holds public expenditure data.

Other AME is public spending that is outside both **DEL** and **departmental AME**. It includes net transfers to the EU, **locally financed expenditure**, debt interest, **public corporations’** own-financed capital expenditure and **accounting adjustments**.

Outturn describes expenditure actually incurred and will generally have been included in the resource accounts of the relevant body.

Pay includes salaries, employers’ National Insurance Contributions, and accruing pension costs, such as **ASLCs**. The pay of staff engaged in ownaccount **capital formation** is treated as **capital expenditure**.

Prepayments are assets on the balance sheet. They are recognised where cash payments are made to suppliers of services in advance of those services being delivered. In resource accounts these are cash movements on the balance sheet and do not score as expenditure in **TME**. The reduction in cash held by the public sector increases **PSND**. Where a department or its **ALB**

makes a large (over £20 million) prepayment that is long term (over 12 months) this is included in the **capital budget** on the same basis as **net lending**. When the service is delivered this is scored as appropriate, e.g. as the consumption of goods and services in **resource DEL** within **TME**.

Private Finance Initiative (PFI) is a system for purchasing capital intensive services for the public sector. Typically, the private sector designs, finances, builds, and maintains infrastructure, and other fixed capital **assets**, and then operates those assets to sell services to the **public sector**. In a proportion of cases the capital assets are accounted for on the balance sheet of the private sector operator; in other cases they are on the public sector's books. Annex A has more information on the treatment of PFI in Public Spending Statistics.

Privatisation receipts are the receipts from the sale of shares, other securities and debt in **public corporations** that were sold as part of the privatisation programme. The proceeds are recorded as negative **net lending**. A corporation is said to be privatised when it is no longer controlled by government.

Procurement spending is now shown gross throughout Public Spending Statistics, rather than net of sales as was previously the case within certain tables. It is shown as current or capital procurement as follows:

- current procurement is expenditure on goods and services, including hire and rentals under PFI and non-PFI operating leases, payments for contract and agency staff and payments for consultancy and audit services. It also includes the purchase of services from GPs. Purchase of minor maintenance and minor pieces of equipment and IT systems that are not treated as capital would be counted as current procurement;
- capital procurement is expenditure on the purchase of fixed **assets** such as buildings, machinery and large-scale IT projects.

Provider Trusts sell health services in England and Wales. In England they can either be classified as NHS or Foundation Trusts, the latter having more financial and operational independence. In Wales they are known as Health Trusts. In Scotland trusts have been reabsorbed back into Health Boards. All Provider Trusts throughout the UK are in the **central government** sector.

Provisions – departments take provisions in accounts and budgets when a past event means that they should recognise a future liability of uncertain amount or timing. Budgets also score the release of the provision and the expenditure that the release finances. Provisions score as part of the resource budget, usually in **AME** unless they relate to pensions or are scored by independent bodies exceptionally allowed to score provisions in **DEL**.

Public corporations are publicly controlled **trading bodies** with substantial financial and operational independence from **central** and **local government** – they are legally separate institutional units responsible for their own day-to-day operations and producing their own accounts. To be classed as trading they must receive the majority of their income from sales into a market, rather than grant funding from government. They include Royal Mail Holdings, and most **trading funds** such as the Meteorological Office and Companies House.

Public Corporations' Own-Financed Capital Expenditure (PCOFCE) is aggregate **public corporation capital expenditure** less its receipts of **central government** capital support in budgets.

Public Dividend Capital (PDC) is a form of long-term government finance for some **public corporations**. The government receives a return in the form of dividends rather than fixed interest payments.

Public expenditure is spending by public bodies. The definition of aggregate public expenditure most frequently used in this publication is **Total Managed Expenditure (TME)**.

Public sector – the public sector comprises **central government, local government** and **public corporations**.

Public sector current expenditure (PSCE):

- is the sum of the **current expenditure** of **central government** and **local government**, plus certain transactions (interest and rent) paid by **public corporations** to the private sector and abroad;
- does not include expenditure incurred in producing goods and services for sale where undertaken by **public corporations** – rather the surplus of sale receipts over operating costs for public corporations is scored as a public sector receipt and does not affect expenditure measures;
- is net of certain receipts such as: receipts of contributions to public sector occupational pension schemes; receipts of grants from abroad including the EU abatement; sales of goods and services; and income from rent of buildings; and
- includes non-trading capital consumption. This is the **depreciation** of the fixed **assets** held by **central government** and **local government**. It excludes depreciation on assets used to produce goods and services for sale including the assets of **public corporations** and local authority housing.

Within Public Spending Statistics, PSCE is presented consistent with a measure of **public sector net borrowing** excluding the temporary effects of the financial sector interventions (PSNBex).

Public sector net borrowing (PSNB) is the difference between **public sector** receipts and expenditure as measured by **National Accounts**. It also equals the net balance of the public sector's net acquisition of financial liabilities *less* its acquisition of financial assets. Data imprecision means that the different ways of measuring net borrowing never give exactly the same answer – the difference is called the statistical discrepancy in **ESA10**. In December 2009 the ONS defined an alternative measure of PSNB excluding the temporary effects of the financial sector interventions (PSNBex). Spending aggregates consistent with PSNBex are used throughout this release.

Public sector net debt (PSND) is the sum of the public sector's financial liabilities at nominal value, *less* its liquid financial assets.

Public sector net investment (PSNI) is all **capital expenditure** by the **public sector** *less* an amount representing public sector **depreciation**. Broadly, the amount of capital expenditure that equals the depreciation charge could be seen as keeping the stock of assets stable. Net investment therefore represents the increase in the asset base after allowing for depreciation. For this release, PSNI is presented consistent with a measure of **public sector net borrowing** excluding the temporary effects of the financial sector interventions (PSNBex).

Public sector gross investment (PSGI) – see **capital expenditure**

Quasi-corporations are entities that meet the economic definition of a public corporation (i.e. trading income covers at least half their costs) but that do not take a separate legal form. Examples are Export Credits Guarantee Department and local authority housing. They score in the **National Accounts** like public corporations (although interest on housing related debt is treated as local authority expenditure).

RAB – see **resource accounting** and **resource budgeting**.

Real terms figures are amounts adjusted for the effect of general price inflation as measured by the **GDP** market price deflator.

Reserve – an amount within **DEL** not allocated to departmental programmes, which provides a margin to cover emergencies and genuinely unforeseen contingencies.

Resource accounting is the accounting system used to record expenditure in departmental accounts. It applies **International Financial Reporting Standards** (IFRS) to departmental transactions.

Resource budget is the budget for **current expenditure** on an accruals basis. It is divided into resource **DEL** (which is a **control total**) and resource **departmental AME** (a planning total).

Resource budgeting is the budgeting regime based on **resource accounting** introduced for the spending plans set in the 2000 Spending Review and which has been used for in-year spending control from 2001-02. Under RAB Stage I (2001-02 to 2002-03) resource **DEL** included **near-cash** transactions measured on an **accruals** basis while **non-cash** transactions were in Departmental **AME**. Under RAB Stage II (from 2003-04) most non-cash transactions were included in resource DEL. Near-cash controls were introduced in 2003-04 and clarified in 2005-06 such that near-cash in resource DEL was a control total. However, under the 2011-12 framework on which this release is based, the near-cash control within resource DEL has been removed as part of the **alignment project**. Resource budgeting is largely derived from resource accounting rules, but there are a number of differences in treatment between resource accounts and resource budgets. For example, **capital grants** are capital in budgets (and in the **National Accounts**), but current in departmental resource accounts. See Annex C for further information.

Revenue Support Grant is an unhypothecated (i.e. non ring-fenced) current grant from **central government** to local authorities, paid by the Department for Levelling Up, Housing and Communities⁵ (DLUHC).

Social benefits include social security, tax credits and similar payments to individuals. They also include unrequited grants to not-for-profit nonmarket bodies such as charities (although purchases of services from charities count as **procurement**). Public service pension payments are included in social benefits.

Special reserve is **reserve** specifically set aside to cover military operations.

Spending Reviews or **Spending Rounds** (SRs) set **DELs** for future years. The first was the Comprehensive Spending Review in 1998 with further SRs held every two years until 2004. In November 2015 a further spending review set capital budgets for all departments for 2016-17 to 2020-21. Resource budgets were set for all departments up to 2019-20, and for protected departments up to 2020-21 (Health, Defence and Foreign, Commonwealth and Development Office). Spending Round (November 2019) set budgets for all departments for 2020-21 only, and Spending Review 2020 set budgets for 2021-22. Spending Review 2021 set budgets from 2022-23 through to 2024-25.

Spending sectors are the part of the **public sector** that are making the expenditure, either **central government**, **local government** or **public corporations**.

Statement of Comprehensive Net Expenditure (SoCNE) – this is the statement in departmental resource accounts that shows the current income and expenditure of the department on an accruals basis. It is similar to the profit and loss statement in commercial accounts.

⁵ In September 2021 the government announced that the Ministry of Housing, Communities and Local Government (MHCLG) would be renamed the Department for Levelling Up, Housing and Communities (DLUHC).

Stock building (also known as the net acquisition of inventories) is the value of the physical increase in stocks. In government accounts it relates mainly to buildings within urban regeneration areas.

Subsidies are payments by government and the EU to trading businesses to help pay for current costs. These include payments to farmers under the EU's Common Agricultural Policy. Subsidies may be paid to **public corporations** as well as to private sector firms.

Supply expenditure is expenditure that is voted by Parliament either in the annual Main Estimates (at the start of the year) or in Supplementary Estimates in-year.

Supported borrowing – this is the equivalent of **Supported Capital Expenditure (Revenue)** in Scotland.

Supported Capital Expenditure (SCE) – Supported Capital Expenditure (Revenue) (SCE(R)) is the amount of borrowing by a local authority in England and Wales (to fund capital expenditure) towards which central government is prepared to provide revenue grant. This support is provided either through **Revenue Support Grant (RSG)** or **Housing Revenue Account (HRA)** subsidy. It is known as **supported borrowing** in Scotland but there is no equivalent in Northern Ireland as their local government sector is much smaller. Supported Capital Expenditure (Capital) (SCE(C)) is sometimes used to refer to central government **capital grants** paid to local authorities, although capital grants remains the more commonly used terminology.

Tax credits are the Working Tax Credit and Child Tax Credit. They replaced former personal tax credits in 2003/04. In budgets tax credits score in departmental AME including negative tax, this is aligned with resource accounts. Tax credits score in **TME** (within departmental **AME**) when the amount paid exceeds the tax liability of the household but as negative tax when the amount paid is less than or equal to the tax liability of the household.

Total DEL is the sum of the **resource budget DEL** and the **capital budget DEL**, less **depreciation**. Depreciation is excluded from Total DEL as scoring both **capital expenditure** and depreciation may be seen as double counting. In the calculation of Total DEL, depreciation includes **impairments**, release from donated asset reserve and release from government grant reserve. Total DEL is not a **control total**: it is purely used for presentation.

Total Expenditure on Services (TES) – see **Expenditure on services**.

Total Managed Expenditure (TME) is a definition of aggregate public spending derived from **National Accounts**. It is the consolidated sum of **current** and **capital expenditure** of **central** and **local government**, and **public corporations**. TME can also be presented as the sum of **DEL** and **AME**. For Public Spending Statistics, TME and its components are presented consistent with **public sector net borrowing** excluding the temporary effects of the financial sector interventions (PSNBex).

Trading bodies are publicly owned or controlled trading businesses. **Public corporations** and **quasi-corporations** are trading bodies. There may also be some trading activities that are closely integrated within **central government** or **local government** and do not have enough independence to be classified as a public corporation or quasicorporation. **Capital expenditure** of trading bodies is included in public expenditure measures, but the surplus of current income over **current expenditure** is included as a revenue item called gross trading surplus. There are examples in the **local government** sector such as some theatres and sports facilities.

Trading Funds are government departments or parts of government departments. They have financing frameworks that allow them to meet outgoings without the cash flows passing through **Supply Estimates**. Generally they cover their costs from trading receipts. In **National Accounts** they are normally treated as **public corporations**.

Traditional Own Resources (TOR) – the European Union’s Traditional Own Resources are customs duties, including those on agricultural products and sugar levies.

VAT refunds are given to departments in relation to payments for contracted out services to remove a disincentive to contracting out services that might otherwise have been performed in-house.

HM Treasury contacts

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

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

Tel: 020 7270 5000

Email: public.enquiries@hmtreasury.gov.uk

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