
I. PUBLIC EXPENDITURE OVERVIEW

1.1 This chapter brings together information on public expenditure within the current budgeting and control framework. It also includes analyses of spending allocations from the central funds, information on Voted and non-Voted components of total public spending, and a breakdown of public expenditure by spending sector.

1.2 Outturn data on the budgeting and control aggregates in **Tables 1.1 to 1.10** and **1.16** and **1.17** fall within the scope of National Statistics, as do outturn data in **Table 1.15** (spending sectors). Data in **Tables 1.11 to 1.14** are not National Statistics.

THE BUDGETING AND CONTROL FRAMEWORK: DEL, AME AND TME

1.3 **Table 1.1** summarises public expenditure within the DEL/AME budgeting and control framework, which was first set out in the Economic and Fiscal Strategy Report of June 1988.

1.4 Departments are given firm three year spending limits called Departmental Expenditure Limits (DELs) within which they prioritise resources and plan ahead. In accordance with the fiscal rules, a clear distinction is made between current and capital spending, with departments' budgets and DELs separated between resource and capital.

1.5 Spending that cannot reasonably be subject to firm multi-year limits is included in Annually Managed Expenditure (AME). **Table 1.1** sets out the main elements of AME. **Table 1.1** is in resource terms on a RAB stage 2 basis, as are all the other tables in this chapter, except for **1.16** and **1.17**. Departmental AME (which is contained in departments' budgets) includes social security spending, payments under the Common Agricultural Policy, and the various other items of departmental expenditure set out in **Table 1.1**. For the spending plans set in the 2002 Spending Review, most of each department's non-cash items such as depreciation and capital charges (see paragraph 1.11 below) were brought into DEL (RAB stage 2). Outside departments' budgets, other AME consists of net payments to the EC, locally financed expenditure, debt interest, public corporations own-financed capital expenditure, and accounting and other adjustments. All AME projections for future years are estimates which are updated twice yearly in the Budget and Pre-Budget Reports.

1.6 **Table 1.13** presents a breakdown of the accounting and other adjustments line in **Table 1.1**. Appendix B gives further details of these accounting and other adjustments.

1.7 DEL and AME together make up Total Managed Expenditure (TME), an aggregate which is drawn from the national accounts and is defined in national accounts terms as public sector current expenditure plus net investment plus depreciation. (See Chapter 4 and **Table 4.1**).

1.8 **Table 1.2** shows DEL by departmental group. Departmental groups reflect departmental boundaries and names following the Machinery of Government changes announced in May 2002. Full details of departmental groups are set out in Appendix D. **Table 1.2** also shows separately, for the years up to 2000–01, Welfare to Work DEL for spending financed by the windfall tax. From 2001–02 onwards, funding for the equivalent programme is included in the relevant departmental DELs, principally that for Work and Pensions. The rest of the table shows unallocated amounts remaining in the central funds and in the DEL Reserve. Details of allocations from the ISB and CMF are shown in **Tables 1.11** and **1.12**, discussed further below.

1.9 **Table 1.3** and **1.4** present the same information as in **Table 1.1** and **1.2** in real terms.

RESOURCE BUDGETS AND CAPITAL BUDGETS

1.10 Under resource budgeting, departmental spending is separated into Resource Budgets and Capital Budgets, each containing DEL and AME. These are shown in **Tables 1.5** and **1.6**, reconciled (using the accounting adjustments from **Table 1.1**) to the national accounts measures of total current and capital spending.

1.11 Resource Budgets, shown in **Table 1.5**, include the resource costs of the capital assets used to deliver public services. These costs consist of capital consumed in each year (depreciation), and the opportunity cost of tying up resources in these assets (capital charge). **Table 1.7** shows the Resource Budget for each main department.

1.12 Capital Budgets, shown in **Table 1.6**, include the capital spending of the public sector fully inside departmental budgets, including NHS trusts and non-departmental public bodies, and capital expenditure outside of departmental budgets, including public corporations own financed expenditure. **Table 1.8** shows the Capital Budget for each main department.

1.13 **Table 1.9** shows departmental Resource Budgets net of non-cash components. **Table 1.10** shows the non-cash elements of the departmental Resource Budgets in aggregate.

ALLOCATIONS FROM CENTRAL FUNDS: ISB, CMF

1.14 **Tables 1.11** and **1.12** give details of the respective allocations by department of the Invest to Save Budget and the Capital Modernisation Fund. For ISB, outturn spending and allocations to departments for rounds 1 to 4, and some round 5 allocations, are included in individual departmental limits in **Tables 1.2, 1.4, 1.7** and **1.8**. The unallocated amounts remaining in the ISB, together with those round 5 allocations not included in individual departmental limits, are shown in a separate line in **Tables 1.2, 1.4, 1.7** and **1.8**. For the CMF, outturn spending and allocations to departments are included in individual departmental limits in **Tables 1.2, 1.4, and 1.8**. Full details of individual departments' spending under both programmes are given in departmental reports. As announced in the Budget on 9 April 2003, no further allocations will be made from the CMF, and unallocated funding has been reallocated to AME.

SUPPLY EXPENDITURE

1.15 **Table 1.14** shows the split of DEL and AME between money voted in Estimates, which accounts for about two-thirds, and other expenditure. The relationship between the budgetary aggregates (DEL and AME) and Supply Expenditure is explained in more detail in the introductory sections of the Supply Estimates 2003–04: Supplementary Budgeting Information (Cm 5797).

PUBLIC EXPENDITURE BY EACH SPENDING SECTOR

1.16 **Table 1.15** shows a breakdown of TME, and within it DEL and AME, as between the national accounts spending sectors which are used in many of the analyses in this publication. Central government own expenditure excludes central government spending in support of the spending of other parts of the public sector – local authorities and public corporations – but includes non-departmental public bodies classified to central government, as well as central government departments' own spending. It includes the spending of the devolved administrations in Scotland, Wales and Northern Ireland, which are

classified to central government. Central government own expenditure is split into DEL, departmental AME, and the other AME elements, including locally financed expenditure. This latter category is in respect of spending of the devolved administrations which is financed locally rather than from Westminster; at present it only includes expenditure of the Northern Ireland departments financed from regional rates. Further analyses of central government own expenditure are presented in **Chapter 4**.

I.17 Local authority expenditure is split into central government support (which can be in either DEL or AME), locally financed support in Scotland (the proceeds of non-domestic rates in Scotland which are collected and distributed to local authorities by the devolved administration) and self-financed expenditure. Total local authority expenditure excludes payments of debt interest within the public sector. Further analyses of local authority expenditure are presented in **Chapter 6**.

I.18 Public corporations expenditure is also split into DEL and AME, and all these DEL and AME components are included in departments' budgets. Departments' DELs include the subsidies and capital grants paid to, interest and dividends received from, loans and public dividend capital invested in and a capital charge on the department's investments in public corporations, except for self-financing public corporations, where they are contained in departmental AME. For the purposes of this publication, total public corporations expenditure includes central government payments of subsidies to public corporations. Further analyses for public corporations are presented in **Chapter 7**.

TME OUTTURN UNDER RAB STAGE I BUDGETING

I.19 **Table 1.16** is the RAB Stage 1 equivalent of **Table 1.1** and shows outturns from 1998–99 to 2002–03 for Total DEL, AME and its main components, and TME in resource terms, under the budgeting rules that operated for 2001–02 and 2002–03. **Table 1.17** shows outturns for Current and Capital DEL by department over the same period on the same basis.

I. PUBLIC EXPENDITURE OVERVIEW

Table I.1 Total Managed Expenditure 1998–99 to 2005–06

Outturn data in this table fall within the scope of National Statistics								£ million
	1998–99 outturn	1999–00 outturn	2000–01 outturn	2001–02 outturn	2002–03 estimated outturn	2003–04 plans	2004–05 plans	2005–06 plans
Departmental Expenditure Limits								
Resource Budget	173,459	183,964	199,305	215,763	241,601	249,100	263,800	283,400
Capital Budget	12,905	11,943	15,075	18,001	20,607	25,100	26,800	29,100
Less depreciation	7,388	7,420	9,288	9,639	18,279	10,349	11,093	11,816
Total Departmental Expenditure Limits	178,976	188,487	205,092	224,124	243,930	263,800	279,500	300,700
Annually Managed Expenditure								
<i>Departmental AME</i>								
Social security benefits	91,967	96,982	99,127	104,893	109,589	114,659	117,650	122,059
Tax Credits ⁽¹⁾	140	1,268	3,903	5,189	5,801	8,205	11,230	12,520
Housing Revenue Account subsidies	3,486	3,285	3,096	4,527	4,270	4,279	4,019	4,064
Common Agricultural Policy	3,060	2,814	2,966	3,713	2,598	2,336	2,342	2,318
Net public service pensions ⁽²⁾	3,455	4,750	2,453	11,537	5,823	471	305	195
National Lottery	1,831	1,908	1,855	1,710	1,930	2,200	1,900	1,500
Non-cash items	18,981	19,659	21,044	22,289	27,435	24,561	25,271	26,029
Other departmental expenditure	316	1,911	1,942	1,249	2,652	2,266	1,868	2,019
Total Departmental AME	123,237	132,577	136,386	155,107	160,098	158,978	164,585	170,703
<i>Other AME</i>								
Net payments to EC institutions ⁽³⁾	3,590	2,807	3,697	770	2,288	2,307	3,042	3,367
Locally financed expenditure	17,501	18,585	18,383	19,835	20,714	22,959	24,642	26,148
Central Government gross debt interest	28,760	24,927	25,945	22,051	20,845	21,833	23,214	24,277
Public corporations own-financed capital expenditure	1,437	1,392	971	1,540	2,161	2,579	2,687	2,714
Total Other AME	51,289	47,710	48,996	44,197	46,008	49,678	53,585	56,506
Total AME before Accounting Adjustments	174,526	180,288	185,382	199,304	206,106	208,655	218,170	227,210
AME Margin						1,000	2,000	3,000
Accounting adjustments ⁽⁴⁾	-20,205	-25,143	-23,658	-33,849	-29,011	-17,833	-14,997	-14,400
Total Annually Managed Expenditure	154,321	155,145	161,724	165,455	177,095	191,822	205,173	215,810
Total Managed Expenditure	333,297	343,632	366,816	389,579	421,025	455,700	484,700	516,500
<i>of which:</i>								
Current expenditure	314,667	326,601	348,575	366,584	395,036	422,300	446,500	475,200
Net investment	6,015	4,385	5,197	9,575	12,233	18,900	23,000	25,400
Depreciation	12,615	12,646	13,044	13,420	13,756	14,400	15,200	15,900

(1) Tax credits include working tax credits, stakeholder pension credits, and from 2003–04, Child Tax Credits previously included as child allowances in Income Support and Jobseekers' Allowance.

(2) The main pension schemes are reported under FRS17 accounting requirements. Other schemes have yet to move to an FRS17 basis and are reported on a non-FRS17 basis.

(3) Net payments to EC institutions exclude the UK's contribution to the cost of EC aid to non-Member States (which is attributed to the aid programme). Net payments therefore differ from the UK's net contribution to the EC Budget, latest estimates for which are:

£1.5bn in 2001–02, £3.1bn in 2002–03, £3.2bn in 2003–04, £3.7bn in 2004–05, £4.0bn in 2005–06. The trend forecast for 2002–03 is £3.0bn.

(4) Excludes depreciation.

I. PUBLIC EXPENDITURE OVERVIEW

Table I.2 Departmental Expenditure Limits⁽¹⁾, 1998–99 to 2005–06

Outturn data in this table fall within the scope of National Statistics								£ million
	1998–99	1999–00	2000–01	2001–02	2002–03	2003–04	2004–05	2005–06
	outturn	outturn	outturn	outturn	estimated outturn	plans	plans	plans
Resource and Net Capital DEL								
Education and Skills	12,812	13,871	16,450	19,005	23,169	25,257	27,369	29,908
Health	40,550	41,946	45,697	53,536	59,078	65,613	71,600	78,680
<i>of which: NHS</i>	39,778	41,254	44,901	52,288	56,727	63,293	69,373	76,389
Transport	4,599	5,105	4,752	6,827	8,677	10,343	10,754	11,265
Office of the Deputy Prime Minister	4,201	4,373	5,298	4,474	5,601	6,635	7,153	7,484
Local Government	32,734	34,194	35,325	37,006	37,620	41,332	44,392	48,338
Home Office	7,632	7,708	9,091	10,671	11,933	12,585	12,474	13,228
Lord Chancellor's departments	2,728	2,413	2,784	3,094	3,352	3,151	3,428	3,516
Attorney General's departments	337	335	375	428	498	482	519	539
Defence	28,472	29,482	31,466	30,709	32,311	29,242	29,817	30,712
Foreign and Commonwealth Office	1,136	1,166	1,347	1,387	1,513	1,571	1,476	1,549
International Development	2,420	2,764	2,979	3,187	3,588	3,629	3,749	4,495
Trade and Industry	3,055	3,826	5,943	5,354	4,886	5,056	5,038	5,442
Environment, Food and Rural Affairs	1,969	2,313	2,745	2,817	2,868	2,888	2,841	2,895
Culture, Media and Sport	1,009	1,041	1,064	1,151	1,322	1,401	1,441	1,525
Work and Pensions ⁽²⁾	5,217	5,766	6,061	6,275	7,562	7,877	8,162	8,133
Scotland ⁽³⁾	13,179	13,992	14,823	17,135	18,954	20,123	21,293	22,715
Wales ⁽³⁾	6,802	7,249	7,773	8,584	9,679	10,419	11,035	11,891
Northern Ireland Executive ⁽³⁾	4,675	4,940	5,520	5,881	6,721	6,799	7,148	7,599
Northern Ireland Office	1,008	1,127	856	962	1,186	1,097	1,131	1,178
Chancellor's departments	3,208	3,421	3,378	4,097	4,602	4,618	4,790	4,971
Cabinet Office	1,233	1,455	1,365	1,547	1,727	2,227	1,870	1,897
Capital Modernisation Fund								
Invest to Save Budget Reserve						50	40	30
Unallocated Special Reserve ⁽⁴⁾					2,000	1,400	2,000	2,700
Allowance for Shortfall					-4,916			
Total DEL	178,976	188,487	205,092	224,124	243,930	263,800	279,500	300,700
Total Education Spending⁽⁵⁾	39.0	40.9	44.2	49.4	53.6	58.6	62.9	68.5

(1) Full resource budgeting basis, net of depreciation.

(2) Includes Welfare to Work expenditure financed by the Windfall Tax.

(3) Allocations within DEL totals may be subject to final decisions in allocation by the devolved administrations.

(4) This is the remaining contingency provision for costs of military operations in Iraq after an allocation of a preliminary £1.0bn to the Ministry of Defence from the £3.0bn total.

(5) Includes spending by local authorities and devolved administrations.

I. PUBLIC EXPENDITURE OVERVIEW

Table I.3 Total Managed Expenditure (real terms), 1998–99 to 2005–06⁽¹⁾

Outturn data in this table fall within the scope of National Statistics									£ million
	1998–99	1999–00	2000–01	2001–02	2002–03	2003–04	2004–05	2005–06	
	outturn	outturn	outturn	outturn	estimated outturn	plans	plans	plans	
Departmental Expenditure Limits									
Resource Budget	186,228	192,838	204,287	215,763	234,485	235,400	243,100	254,800	
Capital Budget	13,855	12,519	15,452	18,001	20,000	23,800	24,700	26,100	
Less depreciation	7,932	7,778	9,520	9,639	17,740	9,781	10,220	10,621	
Total Departmental Expenditure Limits	192,152	197,580	210,219	224,124	236,745	249,400	257,500	270,300	
Annually Managed Expenditure									
<i>Departmental AME</i>									
Social security benefits	98,738	101,661	101,605	104,893	106,361	108,367	108,390	109,709	
Tax Credits ⁽²⁾	150	1,329	4,001	5,189	5,630	7,755	10,346	11,253	
Housing Revenue Account subsidies	3,742	3,444	3,173	4,527	4,144	4,044	3,703	3,653	
Common Agricultural Policy	3,286	2,949	3,040	3,713	2,521	2,208	2,157	2,083	
Net public service pensions ⁽³⁾	3,710	4,979	2,515	11,537	5,651	446	281	175	
National Lottery	1,966	2,000	1,901	1,710	1,873	2,079	1,750	1,348	
Non-cash items	20,379	20,608	21,570	22,289	26,627	23,213	23,282	23,396	
Other departmental expenditure	339	2,003	1,990	1,249	2,574	2,142	1,721	1,814	
Total departmental AME	132,310	138,973	139,795	155,107	155,382	150,254	151,631	153,432	
<i>Other AME</i>									
Net payments to EC institutions ⁽⁴⁾	3,854	2,942	3,789	770	2,221	2,180	2,803	3,026	
Locally financed expenditure	18,790	19,481	18,843	19,835	20,103	21,699	22,703	23,503	
Central Government gross debt interest	30,877	26,129	26,594	22,051	20,231	20,635	21,387	21,821	
Public corporations own-financed capital expenditure	1,543	1,459	995	1,540	2,097	2,437	2,476	2,439	
Total Other AME	55,064	50,012	50,221	44,197	44,653	46,952	49,368	50,789	
Total AME before Accounting Adjustments	187,374	188,985	190,016	199,304	200,035	197,206	200,999	204,221	
AME Margin						945	1,843	2,696	
Accounting adjustments ⁽⁵⁾	-21,692	-26,356	-24,249	-33,849	-28,156	-16,855	-13,817	-12,943	
Total Annually Managed Expenditure	165,682	162,629	165,767	165,455	171,879	181,296	189,025	193,974	
Total Managed Expenditure	357,834	360,209	375,986	389,579	408,623	430,700	446,600	464,300	
<i>of which:</i>									
Current expenditure	337,832	342,356	357,289	366,584	383,400	399,100	411,400	427,100	
Net investment	6,458	4,597	5,327	9,575	11,873	17,900	21,200	22,800	
Depreciation	13,544	13,256	13,370	13,420	13,351	13,657	13,977	14,298	

(1) At 2001–02 prices using GDP deflators consistent with the April 2003 Financial Statement and Budget Report.
For other footnotes, please see footnotes for Table I.1.

I. PUBLIC EXPENDITURE OVERVIEW

Table I.4 Departmental Expenditure Limits,⁽¹⁾ (real terms), 1998–99 to 2005–06⁽²⁾

Outturn data in this table fall within the scope of National Statistics								£ million
	1998–99	1999–00	2000–01	2001–02	2002–03	2003–04	2004–05	2005–06
	outturn	outturn	outturn	outturn	estimated outturn	plans	plans	plans
Resource and Net Capital DEL								
Education and Skills	13,755	14,540	16,862	19,005	22,486	23,871	25,215	26,882
Health	43,535	43,970	46,840	53,536	57,338	62,012	65,964	70,719
of which: NHS	42,706	43,244	46,023	52,288	55,056	59,820	63,913	68,660
Transport	4,937	5,351	4,871	6,827	8,421	9,775	9,907	10,126
Office of the Deputy Prime Minister	4,510	4,584	5,430	4,474	5,436	6,271	6,590	6,727
Local Government	35,144	35,843	36,208	37,006	36,512	39,064	40,898	43,447
Home Office	8,193	8,079	9,318	10,671	11,581	11,895	11,492	11,889
Lord Chancellor's departments	2,928	2,530	2,853	3,094	3,253	2,978	3,158	3,161
Attorney General's departments	362	352	384	428	483	455	478	485
Defence	30,568	30,904	32,252	30,709	31,359	27,637	27,471	27,605
Foreign and Commonwealth Office	1,220	1,223	1,381	1,387	1,468	1,485	1,360	1,392
International Development	2,598	2,897	3,054	3,187	3,482	3,430	3,454	4,040
Trade and Industry	3,280	4,011	6,091	5,354	4,742	4,779	4,641	4,892
Environment, Food and Rural Affairs	2,114	2,425	2,814	2,817	2,784	2,729	2,617	2,602
Culture, Media and Sport	1,083	1,091	1,090	1,151	1,283	1,324	1,328	1,371
Work and Pensions ⁽³⁾	5,601	6,044	6,213	6,275	7,339	7,445	7,519	7,310
Scotland ⁽⁴⁾	14,150	14,667	15,193	17,135	18,396	19,019	19,617	20,417
Wales ⁽⁴⁾	7,303	7,599	7,967	8,584	9,394	9,848	10,167	10,688
Northern Ireland Executive ⁽⁴⁾	5,020	5,178	5,658	5,881	6,523	6,426	6,586	6,830
Northern Ireland Office	1,082	1,181	877	962	1,151	1,036	1,042	1,059
Chancellor's departments	3,444	3,586	3,463	4,097	4,467	4,365	4,413	4,468
Cabinet Office	1,324	1,525	1,399	1,547	1,676	2,105	1,723	1,705
Capital Modernisation Fund								
Invest to Save Budget Reserve						47	37	27
Unallocated Special Reserve ⁽⁵⁾					1,941	1,400	1,900	2,400
Allowance for Shortfall					-4,771			
Total DEL	192,152	197,580	210,219	224,124	236,745	249,400	257,500	270,300
Total Education Spending⁽⁶⁾	41.9	42.9	45.3	49.4	52.0	55.9	58.0	61.6

(1) Full resource budgeting basis, net of depreciation.

(2) At 2001–02 prices, using GDP deflators consistent with the April 2003 Financial Statement and Budget Report.

(3) Includes Welfare to Work expenditure financed by the Windfall Tax.

(4) Allocations within DEL totals may be subject to final decisions in allocation by the devolved administrations.

(5) This is the remaining contingency provision for costs of military operations in Iraq after an allocation of a preliminary £1.0bn to the Ministry of Defence from the £3.0bn total.

(6) See footnote 5 to Table I.2.

Table I.5 Public Sector Current Expenditure, 1998–99 to 2005–06

Outturn data in this table fall within the scope of National Statistics								£ million
	1998–99	1999–00	2000–01	2001–02	2002–03	2003–04	2004–05	2005–06
	outturn	outturn	outturn	outturn	estimated outturn	plans	plans	plans
<i>Resource Budget:</i>								
in Departmental Expenditure Limits	173,459	183,964	199,305	215,763	241,601	249,100	263,800	283,400
in Departmental AME	122,744	130,862	134,377	154,490	158,423	157,446	163,742	169,838
Total Resource Budget	296,203	314,826	333,681	370,253	400,025	406,500	427,600	453,300
<i>Other current spending in AME:</i>								
Net payments to EC institutions ⁽¹⁾	3,590	2,807	3,697	770	2,288	2,307	3,042	3,367
Locally financed current expenditure	16,441	17,988	18,966	18,644	19,388	21,488	22,875	24,483
Central Government gross debt interest	28,760	24,927	25,945	22,051	20,845	21,833	23,214	24,277
AME Margin (current)						870	1,248	1,928
Accounting and other adjustments	-24,892	-26,288	-26,731	-37,024	-39,230	-20,349	-20,708	-20,586
Classification changes to national accounts	-5,435	-7,658	-6,983	-8,110	-8,279	-10,360	-10,723	-11,553
Public Sector Current Expenditure	314,667	326,601	348,575	366,584	395,036	422,300	446,500	475,200

(1) See footnote 3 to Table I.1.

I. PUBLIC EXPENDITURE OVERVIEW

Table I.6 Public Sector Net Investment, 1998–99 to 2005–06

Outturn data in this table fall within the scope of National Statistics									£ million
	1998–99 outturn	1999–00 outturn	2000–01 outturn	2001–02 outturn	2002–03 estimated outturn	2003–04 plans	2004–05 plans	2005–06 plans	
<i>Capital Budget:</i>									
in Departmental Expenditure Limits	12,905	11,943	15,075	18,001	20,607	25,100	26,800	29,100	
in Departmental AME	493	1,716	2,009	617	1,674	1,531	844	866	
Total Capital Budget	13,398	13,659	17,084	18,617	22,282	26,700	27,600	29,900	
<i>Other capital spending in AME:</i>									
Public corporations and own-financed capital expenditure	1,437	1,392	971	1,540	2,161	2,579	2,687	2,714	
Locally financed capital expenditure	1,060	597	-583	1,191	1,326	1,471	1,767	1,665	
Accounting and other adjustments	-2,701	-6,275	-6,214	-6,463	-8,059	-7,703	-4,630	-4,558	
Classification changes to national accounts	5,435	7,658	6,983	8,110	8,279	10,360	10,723	11,553	
Public Sector gross investment	18,630	17,031	18,241	22,995	25,989	33,400	38,200	41,300	
Less Depreciation (national accounts)	12,615	12,646	13,044	13,420	13,756	14,450	15,171	15,907	
Public Sector net investment	6,015	4,385	5,197	9,575	12,233	18,900	23,000	25,400	

Table I.7 Resource Budgets, 1998–99 to 2005–06

Outturn data in this table fall within the scope of National Statistics									£ million
	1998–99 outturn	1999–00 outturn	2000–01 outturn	2001–02 outturn	2002–03 estimated outturn	2003–04 plans	2004–05 plans	2005–06 plans	
Within DEL									
Education and Skills	11,878	12,783	14,531	16,981	20,647	22,005	23,662	25,648	
Health	39,944	41,400	44,752	52,062	57,361	63,008	68,666	74,859	
of which: NHS	39,233	40,769	44,019	50,906	55,097	60,787	66,536	72,673	
Transport	3,431	4,021	3,379	4,444	5,984	7,343	7,459	8,357	
Office of the Deputy Prime Minister	2,401	2,790	2,972	2,734	4,116	4,802	5,157	5,404	
Local Government	32,375	33,922	35,270	36,922	37,402	41,007	44,068	47,990	
Home Office	7,428	7,449	8,834	10,284	11,280	11,712	11,630	12,403	
Lord Chancellor's departments	2,686	2,305	2,796	3,051	3,307	3,124	3,409	3,492	
Attorney General's departments	337	336	367	436	490	472	520	540	
Defence	29,358	31,329	33,394	32,333	41,361	30,752	31,462	32,278	
Foreign and Commonwealth Office	1,082	1,132	1,498	1,429	1,613	1,652	1,542	1,609	
International Development	2,445	2,743	3,000	3,174	3,592	3,639	3,752	4,502	
Trade and Industry	3,097	3,919	5,983	5,384	4,622	4,673	4,992	5,463	
Environment, Food and Rural Affairs	1,829	2,242	2,715	2,690	2,686	2,725	2,708	2,758	
Culture, Media and Sport	980	1,056	1,102	1,180	1,320	1,401	1,473	1,545	
Work and Pensions ⁽¹⁾	5,592	5,782	6,078	6,199	7,475	7,969	8,050	8,159	
Scotland	12,417	13,075	13,942	15,951	17,304	18,394	19,369	20,652	
Wales	6,411	6,944	7,362	8,234	9,128	9,778	10,373	11,142	
Northern Ireland Executive	4,452	4,708	5,407	5,710	6,247	6,446	6,736	7,148	
Northern Ireland Office	1,011	1,129	851	976	1,191	1,071	1,113	1,145	
Chancellor's departments	3,283	3,525	3,767	4,073	4,552	4,581	4,705	4,890	
Cabinet Office	1,022	1,373	1,304	1,516	1,689	1,824	1,849	1,864	
Capital Modernisation Fund									
Invest to Save Budget						40	32	24	
Reserve						600	1,100	1,600	
Unallocated Special Reserve					2,000				
Allowance for shortfall					-3,765				
Total Resource DEL	173,459	183,964	199,305	215,763	241,601	249,100	263,800	283,400	

(1) Includes Welfare to Work expenditure financed from the Windfall Tax.

I. PUBLIC EXPENDITURE OVERVIEW

Table I.7 Resource Budgets, 1998–99 to 2005–06 (continued)

Outturn data in this table fall within the scope of National Statistics								£ million
	1998–99	1999–00	2000–01	2001–02	2002–03	2003–04	2004–05	2005–06
	outturn	outturn	outturn	outturn	estimated outturn	plans	plans	plans
Within Departmental AME								
Education and Skills	6,096	6,273	6,458	6,656	6,650	5,962	6,176	6,572
Health	5,403	7,170	4,803	13,769	7,503	6,183	6,559	6,952
<i>of which: NHS</i>						–5		
Transport	2,075	1,771	1,725	2,107	2,131	2,296	2,089	1,579
Office of the Deputy Prime Minister	3,307	3,105	2,913	4,338	4,060	4,620	4,400	4,491
Local Government	109	200	61	498	169	220		
Home Office	–1	312	1	–1	1,691	1	1	1
Lord Chancellor's departments	81	87	92	96	102	47	53	55
Defence	3,949	4,154	4,420	4,482	6,452	4,545	4,485	4,505
Foreign and Commonwealth Office		–1			–1	–1	–1	–1
International Development	132	58	81	59	56	60	57	54
Trade and Industry	172	730	776	1,475	3,489	371	365	378
Environment, Food and Rural Affairs	2,317	2,164	3,606	2,314	1,834	1,266	1,613	1,589
Culture, Media and Sport	1,148	1,169	1,403	1,359	1,634	1,937	1,674	1,322
Work and Pensions	80,289	84,146	85,717	91,198	95,580	99,624	102,405	106,473
Scotland	2,342	1,931	2,080	2,284	2,255	1,962	1,919	1,964
Wales	358	348	346	574	613	626	617	596
Northern Ireland Executive	3,416	3,506	4,085	4,379	4,994	4,947	5,082	5,283
Northern Ireland Office	–88	–92	3	42	41	50	50	50
Chancellor's departments	7,458	9,643	12,574	14,164	15,167	17,965	21,211	22,753
Cabinet Office	4,181	4,188	3,233	4,695	4,003	4,765	4,986	5,221
Total Resource Departmental AME	122,744	130,862	134,377	154,490	158,423	157,446	163,742	169,838
Total Resource Budget	296,203	314,826	333,681	370,253	400,025	406,500	427,600	453,300

(1) Includes Welfare to Work expenditure financed from the Windfall Tax.

I. PUBLIC EXPENDITURE OVERVIEW

Table I.8 Capital Budgets, 1998–99 to 2005–06

Outturn data in this table fall within the scope of National Statistics								£ million
	1998–99	1999–00	2000–01	2001–02	2002–03	2003–04	2004–05	2005–06
	outturn	outturn	outturn	outturn	estimated outturn	plans	plans	plans
Within DEL								
Education and Skills	716	867	1,232	2,055	2,551	3,297	3,753	4,306
Health	760	911	1,238	1,769	2,052	3,001	3,490	4,480
<i>of which: NHS</i>	700	850	1,173	1,676	1,953	2,892	3,383	4,363
Transport	1,181	1,104	1,402	2,426	3,017	3,299	3,647	3,295
Office of the Deputy Prime Minister	1,802	1,592	2,339	1,757	1,507	1,853	2,016	2,101
Local Government	360	272	56	84	219	324	324	349
Home Office	466	395	403	576	901	1,096	1,076	1,069
Lord Chancellor's departments	75	36	38	94	112	103	102	118
Attorney General's departments	5	4	14	22	11	15	14	15
Defence	5,302	4,051	5,391	5,848	6,328	6,128	6,405	7,041
Foreign and Commonwealth Office	86	88	105	60	68	57	71	84
International Development	-22	25	-16	24	13	11	18	14
Trade and Industry	24	5	49	94	382	503	168	105
Environment, Food and Rural Affairs	179	189	170	291	351	346	334	344
Culture, Media and Sport	82	40	23	37	70	88	61	75
Work and Pensions ⁽¹⁾	-302	42	36	140	201	29	232	94
Scotland	814	1,024	992	1,396	1,951	1,957	2,155	2,295
Wales	533	481	546	541	774	830	919	999
Northern Ireland Executive	229	239	300	352	564	423	483	523
Northern Ireland Office	23	25	35	18	54	64	57	72
Chancellor's departments	92	87	-223	205	398	272	317	308
Cabinet Office	231	202	202	210	236	619	238	247
Welfare to Work	271	264	742					
Invest to Save Budget						10	8	6
Capital Modernisation Fund Reserve						800	900	1,100
Allowance for shortfall					-1,151			
Total Capital Budget DEL	12,905	11,943	15,075	18,001	20,607	25,100	26,800	29,100
Within Departmental AME								
Education and Skills	1	3	2	1	1	1	1	1
Office of the Deputy Prime Minister		21	255		560	616	616	616
Local Government				50	210	100	175	175
Defence				108	-52		-28	-15
Foreign and Commonwealth Office				5	5	5	5	5
Trade and Industry	-226	919	1,260		557	310	-464	-416
Environment, Food and Rural Affairs	9	2	1	1	1	1	1	1
Culture, Media and Sport	709	741	468	377	308	272	236	188
Work and Pensions		29	22	75	77	90	101	109
Wales					7	10		
Northern Ireland Executive						125	200	200
Chancellor's departments								
Total Capital Budget Departmental AME	493	1,716	2,009	617	1,674	1,531	844	866
Total Capital Budget	13,398	13,659	17,084	18,617	22,282	26,700	27,600	29,900

(1) Includes Welfare to Work expenditure financed from the Windfall Tax.

I. PUBLIC EXPENDITURE OVERVIEW

Table 1.9 Cash Equivalent Resource Budgets, 1998–99 to 2005–06

Outturn data in this table fall within the scope of National Statistics

	£ million							
	1998–99	1999–00	2000–01	2001–02	2002–03	2003–04	2004–05	2005–06
	outturn	outturn	outturn	outturn	estimated outturn	plans	plans	plans
Within DEL								
Education and Skills	11,859	12,421	14,577	16,810	20,619	21,962	23,614	25,599
Health	38,242	39,979	43,495	48,741	54,635	60,746	65,965	71,742
<i>of which: NHS</i>	37,530	39,349	42,764	47,587	52,384	58,536	63,847	69,569
Transport	3,444	4,081	3,584	4,511	5,663	7,218	7,256	8,120
Office of the Deputy Prime Minister	2,392	2,730	2,872	2,687	3,955	4,705	5,059	5,306
Local Government	32,375	33,922	35,269	36,922	37,402	41,007	44,068	47,990
Home Office	6,865	7,151	8,510	9,897	10,558	11,266	11,171	11,931
Lord Chancellor's departments	2,615	2,040	2,615	2,905	3,137	2,957	3,189	3,251
Attorney General's departments	333	330	360	399	485	464	501	520
Defence	18,378	19,984	19,391	18,523	20,118	19,769	20,173	20,444
Foreign and Commonwealth Office	965	1,037	1,201	1,277	1,393	1,444	1,329	1,382
International Development	2,012	2,527	2,731	3,168	3,390	3,573	3,656	4,425
Trade and Industry	2,965	2,956	3,343	3,973	4,382	4,409	4,720	5,180
Environment, Food and Rural Affairs	1,660	1,846	1,932	2,919	2,439	2,425	2,392	2,435
Culture, Media and Sport	885	961	994	1,057	1,186	1,228	1,294	1,363
Work and Pensions	5,581	5,729	6,032	6,146	7,370	7,855	7,940	8,053
Scotland	12,341	12,882	13,712	15,448	16,681	17,652	18,623	19,906
Wales	6,209	6,719	7,166	7,965	8,812	9,467	9,979	10,739
Northern Ireland Executive	4,401	4,650	4,944	5,230	5,990	6,212	6,502	6,913
Northern Ireland Office	964	956	917	989	1,110	1,021	1,065	1,095
Chancellor's departments	3,155	3,349	3,566	3,858	4,187	4,277	4,398	4,590
Cabinet Office	984	1,212	1,127	1,265	1,403	1,523	1,545	1,561
Total Resource DEL cash budget	158,623	167,462	178,337	194,688	214,914	231,178	244,441	262,544
Within AME								
Education and Skills	893	868	841	769	470	-404	-490	-434
Health	1,371	2,838	303	8,561	1,983	337	356	377
<i>of which: NHS</i>						1		
Transport		92		7	-2			
Office of the Deputy Prime Minister	3,307	3,105	2,913	4,338	4,060	4,620	4,400	4,491
Local Government	109	200	61	498	169	220		
Home Office	-1	312	1	-1	1,691	1	1	1
Lord Chancellor's departments	40	43	45	46	48	-12	-9	-9
Defence	1,281	1,302	1,428	1,335	1,189	1,166	1,115	1,077
Foreign and Commonwealth Office		-1			-1	-1	-1	-1
International Development	132							
Trade and Industry	325	292	384	552	1,115	785	761	569
Environment, Food and Rural Affairs	2,317	2,164	2,281	3,509	1,974	1,266	1,613	1,589
Culture, Media and Sport	1,148	1,169	1,403	1,359	1,632	1,938	1,674	1,322
Work and Pensions	80,069	83,916	85,588	91,106	95,456	99,505	102,281	106,344
Scotland	934	769	873	1,102	863	449	403	410
Wales	358	348	346	341	380	392	383	362
Northern Ireland Executive	3,416	3,506	3,604	3,824	4,078	3,897	4,006	4,181
Northern Ireland Office	-88	-92	3	42	41	50	50	50
Chancellor's departments	7,435	9,583	12,517	14,068	15,053	17,880	21,126	22,668
Cabinet Office	516	574	622	650	674	686	688	693
Total Resource AME cash budget	103,562	110,989	113,212	132,105	130,873	132,777	138,359	143,691
Total Resource cash budget	262,185	278,451	291,549	326,793	345,787	363,955	382,799	406,235

I. PUBLIC EXPENDITURE OVERVIEW

Table I.10 Non-cash Resource Budgets, 1998–99 to 2005–06

Outturn data in this table fall within the scope of National Statistics									£ million
	1998–99	1999–00	2000–01	2001–02	2002–03	2003–04	2004–05	2005–06	
	outturn	outturn	outturn	outturn	estimated outturn	plans	plans	plans	
Within DEL									
Education and Skills	18	362	–46	171	28	43	48	49	
Health	1,702	1,420	1,257	3,321	2,727	2,263	2,702	3,117	
<i>of which: NHS</i>	1,702	1,420	1,256	3,319	2,713	2,250	2,689	3,105	
Transport	–13	–60	–205	–66	321	125	203	237	
Office of the Deputy Prime Minister	9	60	100	47	161	97	98	98	
Local Government									
Home Office	563	298	324	387	722	446	459	472	
Lord Chancellor's departments	71	266	182	146	170	166	220	241	
Attorney General's departments	5	7	7	37	5	8	19	20	
Defence	10,980	11,345	14,003	13,810	21,243	10,983	11,288	11,834	
Foreign and Commonwealth Office	117	95	297	152	221	207	212	227	
International Development	433	216	268	6	202	67	96	77	
Trade and Industry	132	963	2,641	1,411	241	264	272	282	
Environment, Food and Rural Affairs	168	397	783	–229	247	300	316	322	
Culture, Media and Sport	95	94	108	123	135	173	179	182	
Work and Pensions	11	53	46	53	105	114	110	106	
Scotland	76	193	231	503	623	743	746	746	
Wales	202	226	196	269	315	311	393	403	
Northern Ireland Executive	51	58	463	480	256	234	234	235	
Northern Ireland Office	48	174	–66	–13	81	50	48	50	
Chancellor's departments	127	176	202	215	366	305	306	300	
Cabinet Office	38	161	177	252	286	301	302	304	
Total Resource DEL non-cash budget	14,835	16,502	20,968	21,075	28,452	17,199	18,252	19,302	
Within AME									
Education and Skills	5,202	5,406	5,617	5,887	6,180	6,366	6,666	7,006	
Health	4,032	4,332	4,500	5,208	5,520	5,846	6,203	6,575	
<i>of which: NHS</i>						–6			
Transport	2,075	1,678	1,725	2,100	2,133	2,296	2,089	1,579	
Lord Chancellor's departments	41	44	47	51	54	59	62	64	
Defence	2,668	2,851	2,992	3,148	5,263	3,378	3,370	3,428	
International Development		58	81	60	56	61	58	54	
Trade and Industry	–153	438	392	923	2,375	–414	–396	–191	
Environment, Food and Rural Affairs			1,325	–1,195	–140				
Culture, Media and Sport					1	–1			
Work and Pensions	220	230	128	91	123	119	123	129	
Scotland	1,407	1,162	1,206	1,182	1,392	1,513	1,516	1,554	
Wales				234	233	233	233	233	
Northern Ireland Executive			481	556	916	1,049	1,076	1,102	
Chancellor's departments	24	60	58	95	114	85	85	85	
Cabinet Office	3,666	3,615	2,611	4,045	3,329	4,079	4,298	4,528	
Total Resource AME non-cash budget	19,183	19,873	21,165	22,385	27,551	24,670	25,383	26,147	
Total Resource non-cash budget	34,018	36,375	42,133	43,460	56,003	41,868	43,636	45,449	

I. PUBLIC EXPENDITURE OVERVIEW

Table I.11 Invest to Save Budget, 1999–2000 to 2005–06⁽¹⁾

	£ million						
	1999–00	2000–01	2001–02	2002–03	2003–04	2004–05	2005–06
	outturn	outturn	outturn	estimated outturn	Plans	Plans	Plans
Education and Skills	2.1	0.1	0.4	6.2	5.4	0.2	0.2
Health	0.2	5.9	6.5	4.8	1.9	0.7	0.1
Transport	0.2	0.1		3.3	1.4	0.4	
Office of Deputy Prime Minister	0.3	0.1	–0.9	0.7	0.3		0.1
Local Government		4.1	12.8	22.1	13.9	1.8	0.4
Home Office	0.5	4.7	6.0	16.2	12.2	2.9	1.8
Lord Chancellor's Departments	0.6	2.4	0.6	–0.8	1.6	0.2	0.2
Attorney General's Departments							
Defence		0.1	2.2	0.2	0.5		
Foreign and Commonwealth Office					0.2	0.2	
Trade and Industry		1.2	3.0	11.1	1.7	0.4	0.2
Environment, Food and Rural Affairs				3.3	0.6	0.1	
Culture, Media and Sport	0.1		0.4	3.3	3.6	0.7	
Work and Pensions	30.4	16.1	11.6	4.9	2.7		
Scotland		0.5			3.8	0.7	0.3
Wales	0.4	1.7	8.4	5.7	1.6	0.3	0.1
Northern Ireland Executive	1.2	0.5	0.5	3.2	1.1	0.2	0.1
Northern Ireland Office	0.1	0.1					
Chancellor's Departments	1.8	3.0	3.3	2.3	0.4		
Cabinet Office		0.8	0.1	0.7	3.2		
Unallocated					30.5	31.3	26.6
Total Invest to Save Budget	37.7	41.3	54.8	87.1	86.4	40.0	30.0

(1) The departments allocated resources from the Invest to Save Budget are, in each case, the lead departments for innovative service delivery projects involving two or more departments.

Table I.12 Capital Modernisation Fund, 1999–00 to 2003–04⁽¹⁾

	£ million				
Department	1999–00	2000–01	2001–02	2002–03	2003–04
	outturn	outturn	outturn	estimated outturn	plans
Education and Skills	50.0	193.0	251.0	234.8	166.1
Health	114.0	172.0	278.0	162.7	79.9
Transport	10.0	162.8	25.6	34.4	41.8
Office of the Deputy Prime Minister		1.0	34.5	83.7	3.8
Home Office	20.4	240.3	164.6	92.3	71.8
Lord Chancellor's Departments		10.0	14.2	8.1	23.9
Attorney General's Departments		3.8	1.6	6.0	6.8
Defence		7.1	9.9	1.6	2.3
Foreign and Commonwealth Office		5.6	8.2	3.0	3.0
Trade and Industry		73.3	60.9	68.2	76.5
Environment, Food and Rural Affairs		9.0	17.6	37.1	39.9
Culture, Media & Sport		15.0	95.7	50.7	35.4
Work and Pensions	10.0	96.0	132.0	27.0	85.6
Scotland	19.6	79.0	91.3	70.0	56.7
Wales	10.0	35.4	45.9	31.7	33.1
Northern Ireland	6.3	25.7	30.2	21.1	16.5
Northern Ireland Office			0.5	1.1	0.5
Chancellor's Departments	1.3	62.8	33.4	14.5	12.3
Cabinet Office		25.0	20.7	36.5	56.1
Total Capital Modernisation Fund	241.6	1,216.7	1,315.8	984.4	811.8

(1) Full details of allocations announced to date can be found on the Treasury website and on departmental websites.

I. PUBLIC EXPENDITURE OVERVIEW

Table I.13 Accounting adjustments, 1998–99 to 2005–06

	£ million							
	1998–99	1999–00	2000–01	2001–02	2002–03	2003–04	2004–05	2005–06
	outturn	outturn	outturn	outturn	estimated outturn	plans	plans	plans
Removal of non-cash spending in DEL ⁽¹⁾	-7,447	-9,082	-11,680	-11,382	-10,189	-6,814	-7,123	-7,450
Financial transactions in DEL	-625	-814	-1,036	-1,413	-1,400	-1,695	-1,228	-1,241
Removal of non-cash spending in AME	-3,247	-3,242	-5,012	-4,658	-9,243	-5,036	-5,165	-5,225
Adjustment for Pensions accounted for under FRS17	-14,496	-16,151	-13,381	-25,318	-19,728	-19,593	-20,537	-21,403
Financial transactions in AME	80	80	-1,180	54	-425	-146	650	582
Adjustments for public corporations	2,396	2,447	2,916	3,117	2,968	3,300	3,292	3,490
Central government non-trading capital consumption	7,580	7,759	7,991	8,275	8,535	8,968	9,417	9,882
VAT refunded on general government expenditure	5,340	5,837	6,661	7,602	8,846	9,810	10,611	11,638
EC contributions	-5,576	-5,530	-6,314	-6,104	-4,229	-4,481	-4,218	-4,126
Tax credits	1,887	1,790	952	881	1,314	753	807	836
Intra-general government debt interest	-3,279	-3,388	-3,039	-3,043	-3,591	-2,491	-2,794	-2,824
Other accounting adjustments	-2,818	-4,850	-535	-1,860	-1,869	-407	1,290	1,442
Total accounting adjustments	-20,205	-25,143	-23,658	-33,849	-29,011	-17,833	-14,997	-14,400

(1) Excluding depreciation in resource DEL.

I. PUBLIC EXPENDITURE OVERVIEW

Table I.14 Voted and non-voted expenditure in TME, 1998–99 to 2005–06

	resources, £ million							
	1998–99	1999–00	2000–01	2001–02	2002–03	2003–04	2004–05	2005–06
	outturn	outturn	outturn	outturn	estimated outturn	plans	plans	plans
Voted expenditure in TME:								
DEL⁽¹⁾								
Central Government spending	93,780	100,021	109,510	117,459	126,564	127,776	136,434	146,688
Central Government support for local authorities	42,451	42,553	46,103	49,226	52,105	57,206	59,966	64,755
Central Government support for public corporations	1,089	1,473	940	932	1,184	1,436	1,456	1,487
Departmental AME								
Central Government own spending	59,865	64,568	62,727	75,950	76,320	67,813	68,079	69,926
Central Government support for local authorities	11,005	11,024	11,287	12,855	13,665	14,945	15,834	16,990
Central Government support for public corporations	4	60	57	82	73	803	74	87
Other AME								
Central Government spending (EU receipts)	-3,836	-3,654	-3,389	-3,500	-3,706	-3,613	-3,606	-3,591
Accounting adjustments ⁽²⁾	6,986	6,851	8,541	8,753	17,247	9,306	9,899	10,582
Total voted expenditure in TME	211,344	222,897	235,777	261,757	283,452	275,673	288,135	306,924
Non-Voted expenditure in TME:								
DEL⁽¹⁾								
Central Government spending (including spending by Devolved Executives and Non-Departmental Public Bodies)	30,200	32,265	35,264	42,887	45,596	57,454	59,728	64,513
Central Government support for local authorities	10,104	10,454	11,480	11,708	14,557	16,168	17,499	17,936
Public Corporations	1,352	1,721	1,795	1,913	1,924	2,305	2,396	2,582
DEL not allocated by spending sector					-2,000	1,500	2,100	2,700
AME								
Central Government spending (including spending by Devolved Executives and Non-Departmental Public Bodies)	51,860	56,423	61,867	65,638	69,286	74,783	79,950	83,127
Central Government support for local authorities	510	502	514	627	755	636	651	576
Public Corporations	-8	-1	-68	-44				
Other AME and AME margin								
Central Government debt interest, AME margin, locally financed expenditure, non-voted net payments to EU, and accounting and other adjustments	27,934	19,370	20,187	5,094	7,455	27,150	34,293	38,113
Total non-voted expenditure in TME	121,953	120,735	131,039	127,822	137,573	180,000	196,600	209,600
Total Managed Expenditure	333,297	343,632	366,816	389,579	421,025	455,700	484,700	516,500

Memorandum:

Voted expenditure not in TME (included within "Non-Budget" in Estimates):

Grants to NDPBs to finance their expenditure	11,696	13,583	14,906	19,688	24,115	28,205	27,629	28,959
Grants to Devolved Executives to finance their expenditure	1,620	21,967	26,999	31,134	35,954	36,643	9,877	10,508
Other non-public expenditure	-898	1,063	2,792	1,423	2,558	32,107	-4,188	-4,022
Total voted expenditure not in TME	12,419	36,613	44,697	52,245	62,627	96,955	33,319	35,445
Total voted expenditure	223,763	259,510	280,474	314,002	346,079	372,627	321,454	342,369

(1) Full resource budgeting basis, net of depreciation.

(2) Depreciation voted in resource DEL.

I. PUBLIC EXPENDITURE OVERVIEW

Table I.15 Total Managed Expenditure by Spending Sector, 1998–99 to 2005–06

	resources, £ million							
	1998–99	1999–00	2000–01	2001–02	2002–03	2003–04	2004–05	2005–06
	outturn	outturn	outturn	outturn	estimated outturn	plans	plans	plans
Central Government own expenditure:								
DEL ⁽¹⁾⁽²⁾	123,979	132,286	144,774	160,345	172,160	185,231	196,161	211,201
Departmental AME	111,726	120,991	124,595	141,588	145,606	142,596	148,029	153,052
Locally financed support in								
Northern Ireland	97	111	129	156	141	145	154	167
Net payments to EC institutions	3,590	2,807	3,697	770	2,288	2,307	3,042	3,367
Central Government debt interest	28,760	24,927	25,945	22,051	20,845	21,833	23,214	24,277
Accounting and other adjustments ⁽¹⁾	-22,164	-29,276	-29,033	-39,100	-31,421	-21,500	-18,300	-16,500
Total Central Government own expenditure	245,988	251,846	270,106	285,811	309,620	330,600	352,300	375,600
Local Authority expenditure:								
Central Government support in DEL ⁽²⁾	52,555	53,007	57,583	60,934	66,661	73,374	77,464	82,691
Central Government support in departmental AME	11,515	11,527	11,802	13,482	14,420	15,581	16,485	17,566
Locally financed support in								
Scotland	1,395	1,441	1,663	1,554	1,650	1,646	1,774	1,909
Local authority self-financed expenditure	16,009	17,033	16,592	18,125	18,923	21,168	22,714	24,073
Accounting and other adjustments ⁽¹⁾	387	3,642	3,503	4,328	4,082	6,100	6,600	7,100
Total Local Authority expenditure	81,861	86,649	91,142	98,424	105,736	117,900	125,000	133,400
Public Corporation expenditure:								
DEL ⁽²⁾	2,441	3,194	2,735	2,845	3,109	3,741	3,852	4,069
Departmental AME	-4	60	-10	38	73	803	74	87
Public Corporations' own-financed capital expenditure	1,437	1,392	971	1,540	2,161	2,579	2,687	2,714
Accounting and other adjustments ⁽¹⁾	1,573	491	1,873	921	327	100	800	700
Total Public Corporation expenditure	5,448	5,137	5,568	5,344	5,669	7,200	7,400	7,600
Total Managed Expenditure	333,297	343,632	366,816	389,579	421,025	455,700	484,700	516,500

(1) Full resource budgeting basis, net of depreciation.

(2) The sectoral DEL figures shown above exclude the £2.0 billion Special Reserve in 2002–03 (see footnote 4 to table I.2), and for 2003–04, 2004–05 and 2005–06, also exclude the DEL reserve, and unallocated amounts for the Invest to Save Budget. AME figures for 2003–04, 2004–05 and 2005–06 exclude the AME margin. Amounts for each of these items are shown in Tables I.1 and I.2. These items are included within the accounting and other adjustments figures in Table I.15 above, reflecting notional forecast allocations. The accounting and other adjustments in this table differ from those shown in Tables I.1 and I.13, by these amounts

I. PUBLIC EXPENDITURE OVERVIEW

Table I.16 Total Managed Expenditure, 1998–99 to 2002–03 (RAB stage I basis)

(Outturn data in this table fall within the scope of National Statistics)					£ million
	1998–99 outturn	1999–00 outturn	2000–01 outturn	2001–02 outturn	2002–03 estimated outturn
Departmental Expenditure Limits					
Resource Budget	153,460	159,835	172,537	188,076	206,279
Capital Budget	17,437	18,695	20,115	23,716	27,364
Total Departmental Expenditure Limits	170,897	178,530	192,652	211,793	233,643
Annually Managed Expenditure					
Social security benefits	91,975	96,988	99,131	104,982	109,775
Housing Revenue Account subsidies	3,486	3,285	3,096	4,527	4,270
Common Agricultural Policy	3,060	2,814	2,966	3,713	2,598
Export Credits Guarantee Department	–154	925	1,315	141	763
Self-financing Public Corporations	709	1,387	1,374	1,000	1,173
Net public service pensions	5,539	5,658	5,662	5,655	5,774
National Lottery	1,831	1,908	1,855	1,710	1,930
Other programme spending	–29	1,007	1,807	4,115	919
<i>Non-cash items:</i>					
Depreciation	7,345	7,372	9,240	9,579	18,356
Cost of capital charges	9,091	9,442	9,939	10,266	10,968
Provisions and other charges	1,012	2,822	5,081	3,268	6,630
Total departmental AME	123,866	133,608	141,468	148,956	163,157
<i>Other AME</i>					
Net payments to EC institutions ⁽¹⁾	3,590	2,807	3,697	770	2,288
Locally financed expenditure	17,501	18,585	18,383	19,835	20,714
Central Government gross debt interest	28,760	24,927	25,945	22,051	20,845
Total Other AME	49,851	46,318	48,025	42,657	43,847
Accounting adjustments	–11,318	–14,825	–15,329	–13,826	–19,622
<i>AME Margin</i>					
Total Annually Managed Expenditure	162,400	165,102	174,164	177,786	187,382
Total Managed Expenditure	333,297	343,632	366,816	389,579	421,025
<i>of which:</i>					
Current expenditure	314,667	326,601	348,575	366,584	395,036
Net investment	6,015	4,385	5,197	9,575	12,233
Depreciation	12,615	12,646	13,044	13,420	13,756

(1) See footnote 3 to Table I.1.

I. PUBLIC EXPENDITURE OVERVIEW

Table I.17 Departmental Expenditure Limits, 1998–99 to 2002–03 (RAB stage I basis)

Outturn data in this table fall within the scope of National Statistics						£ million
	1998–99	1999–00	2000–01	2001–02	2002–03	
	outturn	outturn	outturn	outturn	estimated	outturn
Resource Budget						
Education and Skills	11,666	12,190	14,222	16,503	19,979	
Health	38,242	39,937	43,437	48,655	54,520	
<i>of which: NHS</i>	37,530	39,307	42,706	47,501	52,269	
Transport	2,590	2,702	2,831	2,686	3,110	
Office of the Deputy Prime Minister	569	625	740	1,328	1,787	
Local Government	32,375	33,922	35,270	36,922	37,404	
Home Office	6,812	7,060	8,418	9,684	10,401	
Lord Chancellor's departments	2,655	2,054	2,645	2,911	3,114	
Attorney General's departments	333	331	361	400	486	
Defence	17,729	18,152	19,239	18,540	20,161	
Foreign and Commonwealth Office	953	1,025	1,178	1,263	1,399	
International Development	2,012	2,528	2,732	3,168	3,390	
Trade and Industry	2,746	2,854	3,039	3,536	3,798	
Environment, Food and Rural Affairs	1,570	1,717	1,815	2,731	2,259	
Culture, Media and Sport	853	925	960	1,022	1,161	
Work and Pensions	5,338	5,264	5,438	6,152	7,375	
Scotland	11,675	12,100	12,805	14,232	16,141	
Wales	6,028	6,297	6,801	7,501	8,523	
Northern Ireland Executive	3,937	4,170	4,421	4,748	5,670	
Northern Ireland Office	964	956	916	987	1,103	
Chancellor's departments	3,160	3,318	3,514	3,837	4,189	
Cabinet Office	984	1,214	1,122	1,271	1,407	
Welfare to Work	269	493	635			
Invest to Save Budget						
Capital Modernisation Fund						
Reserve						
Unallocated Special Reserve						2,000
Allowance for Shortfall						-3,100
Total Resource DEL	153,460	159,835	172,537	188,076	206,279	
Capital Budget						
Education and Skills	888	1,094	1,582	2,497	3,194	
Health	760	969	1,310	1,871	2,182	
<i>of which: NHS</i>	700	908	1,246	1,778	2,083	
Transport	1,978	2,474	2,151	4,316	5,595	
Office of the Deputy Prime Minister	3,171	3,146	3,797	2,646	3,185	
Local Government	360	272	56	85	221	
Home Office	473	458	481	802	1,065	
Lord Chancellor's departments	96	57	64	120	139	
Attorney General's departments	5	4	14	22	11	
Defence	5,989	5,976	5,740	5,880	6,340	
Foreign and Commonwealth Office	101	102	130	77	98	
International Development	-22	25	-16	24	13	
Trade and Industry	247	191	345	550	992	
Environment, Food and Rural Affairs	284	343	344	513	637	
Culture, Media and Sport	115	76	61	72	94	
Work and Pensions	-286	63	63	160	206	
Scotland	1,370	1,701	1,813	2,164	1,981	
Wales	783	632	775	933	1,065	
Northern Ireland Executive	491	479	561	539	549	
Northern Ireland Office	23	26	36	20	61	
Chancellor's departments	108	141	-146	215	399	
Cabinet Office	231	203	210	211	236	
Welfare to Work	271	264	742			
Invest to Save Budget						
Capital Modernisation Fund						
Policy Innovation Fund						
Reserve						
Allowance for Shortfall						-900
Total Capital DEL	17,437	18,695	20,115	23,716	27,364	
Total Budget DEL	170,897	178,530	192,652	211,793	233,643	