

3

Differences from previous plans

3.1 This chapter compares the latest plans for DEL and AME with the plans set out in PESA 2008 (HC 489), which were consistent with Budget 2008. The tables in this chapter do not fall within the scope of National Statistics.

Types of changes

3.2 The comparisons distinguish between two types of change:

- changes that result from the transfer of financing responsibility between departments, or where spending is reclassified. I.e. changes in the way public expenditure is measured or the re-allocation of functions between departments (i.e. machinery of government changes); and
- other changes that are due to policy decisions or revised forecasts.

The tables

3.3 Data published in PESA 2008 are adjusted for the effects of machinery of government changes. There has been one main change since PESA 2008; the creation of the Department of Energy and Climate Change brings together climate change, previously within Environment, Food and Rural Affairs, and energy, previously within Business, Enterprise and Regulatory Reform.

3.4 **Tables 3.1, 3.2 and 3.3** compare outturn for 2007–08 with the estimated outturns in last year's PESA, and with the provisional outturns published in July in the Public Expenditure Outturn White Paper (PEOWP). The DEL tables also show final provision.

3.5 **Tables 3.4, 3.5 and 3.6** compare the estimated outturns for 2008–09 with the plans in last year's PESA. The DEL tables also show final provision.

3.6 **Tables 3.7, 3.8 and 3.9** compare the plans for 2009–10 and 2010–11 (consistent with Budget 2009 and as presented elsewhere in PESA) with the plans in last year's PESA.

Main classification and transfer changes affecting plans

3.7 There are a small number of changes that have been made to the budgeting framework. These have been effected as classification changes. I.e. budgets for current and future years have been restated so as to leave departments no better or worse off, and in most cases outturns have been adjusted so that numbers are presented on a consistent basis. The first year of the new regime for control purposes is 2009–10.

3.8 The following are the main changes that have been made to the framework:

- the ASB Financial Instrument Standards (the IFRS equivalents) were implemented in-year in 2008–09. This change to resource accounting has created differences in the measurement of financial instruments on balance sheets; some of these changes impact on budgeting. Changes for futures years will be reflected in subsequent publications but, due to the resource implications, there is no intention to ask departments to reflect changes to previous years; and
- the take up and release of provisions relating to capital expenditure have been moved from capital budgets into non-cash resource budgets. This change has been effected for all years.

3.9 **Tables 3.1 and 3.2** show the effects of transfers and classification changes on departmental resource and capital DELs respectively, for 2007–08 outturns. **Tables 3.4 and 3.5** show the same information for 2008–09 estimated outturns while **Tables 3.7 and 3.8** show these changes in plans. The main transfer and classification changes in departmental DELs are:

- the change to the budgeting treatment due to the implementation of ASB Financial Instrument Standards (the IFRS equivalents) increases Department for Transport non-cash DEL by £0.5bn in 2008–09;
- following the reclassification of Northern Ireland Water there are £0.1bn movements from resource DEL to capital DEL in 2007–08 and 2008–09, and further movements from resource DEL to AME in all years from its inception in 2007–08; and
- further changes largely reflect transfers of budgetary cover between departments.

3.10 **Tables 3.3, 3.6 and 3.9** show the effect of transfers and classification changes on Total Managed Expenditure (TME) by budgetary aggregate. These tables cover 2007–08 outturn, estimated outturn for 2008–09 and plans, respectively. Changes to aggregate resource and capital DELs are due to the departmental changes listed above.

3.11 The main transfers and classification changes in departmental AME are:

- decreases of £2.8bn in net public service pensions in both 2009–10 and 2010–11 to reflect the change in the discount rate announced in January 2009; and
- increases in non-cash AME following the reclassification of Northern Ireland Water as a central government body.

Policy and estimating changes

3.12 **Tables 3.1, 3.2 and 3.3** show changes to final outturn from 2007–08 since PEOWP 2007. Revisions to outturns after removing the effects of transfers and classification changes are due to the availability of information published in audited departmental resource accounts.

3.13 **Tables 3.4, 3.5 and 3.6** show changes to plans for 2008–09 financed by allocations from the Reserve and other central funds, draw down of End Year Flexibility (EYF) following underspending in previous years, or changes to AME forecasts. Departmental resource and capital DEL plans increased by approximately £3bn and £1.5bn respectively. The main increases are given below:

- Health moved £0.2bn from resource DEL to provide budgetary cover for pressures in capital budgets.
- Innovation, Universities and Skills drew down £0.2bn of resource DEL EYF. Capital DEL increased by £0.2bn as a result of capital spending brought forward as part of the fiscal stimulus announced at the PBR;
- Justice resource DEL increased by £0.2bn following a claim on the Reserve and a small drawdown from the Modernisation Fund. Capital DEL increased by £0.3bn, split between a £0.1bn draw down of EYF and a £0.1bn claim on the Reserve. The claims on the Reserve were in respect of the Prison Capacity Programme;
- Communities and Local Government capital increased by £0.4bn as a result of capital spending brought forward as part of the September housing package announcement and the fiscal stimulus announced at the PBR;

- Defence were allocated £3.4bn of resource DEL from the Reserve in respect of international obligations. Capital DEL increased by £0.4bn following a £1.1bn claim on the Reserve and a £0.2bn draw down of EYF, partly offset by a £1.0bn transfer from capital DEL to resource DEL;
- Foreign and Commonwealth Office resource DEL increased by £0.2bn, largely due to a claim on the Reserve to finance peacekeeping activities;
- Energy and Climate Change resource DEL increased by £0.1bn, due to a small claim on the Reserve and drawdown of EYF;
- Work and Pensions drew down £0.1bn of resource DEL from the Modernisation Fund;
- Scotland resource DEL increased by £0.2bn following draw down of EYF in respect of the Scottish Health Service. In addition capital DEL increased by £0.2bn, £0.1bn of which is a drawdown of EYF, with the remaining £0.1bn brought forward as part of the fiscal stimulus announced at the PBR;
- Northern Ireland Executive resource and capital DEL both increased by £0.1bn following draw down of EYF;
- Northern Ireland Office drew down £0.2bn of resource DEL EYF and £0.1bn in capital DEL EYF;
- the Chancellor's Departments drew down £0.1bn from the Modernisation Fund; and
- Wales capital DEL increased by £0.1bn following a draw down of EYF.

3.14 The main policy and estimating changes in departmental AME in 2008–09 were:

- social security benefits and tax credits have increased in 2008–09 due to a range of factors associated with the economic downturn;
- the increase in non-cash items reflects the Government's provisional estimate made at Budget 2009 for unrealised losses arising from financial sector interventions;
- the lower net expenditure transfers to the EC reflect updated information on the size of the EC Budget 2009 and the level of UK payments to this budget;
- public corporations' own-financed capital expenditure is higher in 2008–09 to reflect lower sales of housing from local authority Housing Revenue Accounts (which are classified to the public corporation sector); and
- other departmental capital expenditure has increased as a result of the purchase of equity in Royal Bank of Scotland and Lloyd's Banking Group, and lending to Northern Rock and Bradford and Bingley.

3.15 These tables also show estimated outturns. These are provisional estimates that are subject to revision prior to the publication of the Public Expenditure Outturn White Paper in July.

3.16 Policy and estimating changes for 2009–10 and 2010–11 are shown in **Tables 3.7, 3.8 and 3.9**. The main changes to DEL are:

- Defence have been allocated a further £2.8bn of resource DEL from the Reserve in 2009–10 in respect of international obligations. Capital DEL increased by £1.0bn following a £1.6bn claim from the Reserve offset by a £0.6bn transfer from capital DEL to resource DEL;
- Work and Pensions resource DEL has increased by £1.3bn and £2.4bn in 2009–10 and 2010–11 respectively, as a result of the employment packages announced at the PBR and Budget;

- Foreign and Commonwealth Office resource DEL in 2009–10 has increased by £0.4bn, largely due to a claim on the Reserve to finance peacekeeping activities;
- Business, Enterprise and Regulatory Reform resource DEL now includes £0.3bn for the scrappage scheme announced at the Budget. Capital DEL has increased by £0.4bn in 2009–10 and by £0.3bn in 2010–11, largely in respect of the Strategic Investment Fund also announced at the Budget;
- Energy and Climate Change capital DEL has increased by £0.4bn in respect of the measures announced at Budget to support energy and resource efficiency, and low carbon technologies;
- Chancellor’s Departments were allocated £0.7bn capital DEL from the Reserve in respect of the Infrastructure Finance Unit, set up to provide finance for PFI projects as announced at the Budget; and
- Further measures announced at PBR and Budget, including capital spending brought forward as part of the fiscal stimulus, and adjustments to 2010–11 near-cash DEL budgets to reflect additional value for money savings. Further detail is set out in chapter 6 of Budget 2009.

3.17 The main policy and estimating changes in departmental AME in these plans years are:

- as in 2008–09, social security benefits and tax credits forecasts have increased in 2009–10 and 2010–11, largely due to a range of factors associated with the economic downturn;
- net public service pensions have decreased in both plans years following revised actuarial advice provided to some of the larger schemes;
- net expenditure transfers to the EC are lower in 2009–10 and higher in 2010–11 following changes in the UK GNI-based contributions, which result from updated economic assumptions;
- central government gross debt interest has decreased in 2009–10 due to lower market interest rates, and increased in 2010–11 as a result of the higher net cash requirement;
- other departmental capital expenditure has increased as a result of continued planned lending to Northern Rock and Bradford and Bingley; and
- public corporations’ own-financed capital expenditure is higher in both years, again reflecting lower sales of housing from local authority Housing Revenue Accounts.

Table 3.1 Resource DEL 2007–08; changes since PESA April 2008 and PEOWP July 2008

					£ million	
	Final provision adjusted for MOG	Estimated outturn in PESA 2008 adjusted for MOG	Provisional outturn in PEOWP 2008 adjusted for MOG	Transfers and classification changes since PEOWP 2008	Other changes since PEOWP 2008	Outturn
Children, Schools and Families	45,084	44,935	44,904	–	–	44,904
Health	89,688	89,151	88,305	–	103	88,408
Transport	6,897	6,760	6,800	–	–6	6,794
Innovation, Universities and Skills	15,675	15,540	15,457	–	2	15,459
Communities and Local Government	4,340	4,238	4,202	–	22	4,224
Local Government	22,815	22,739	22,755	–	–4	22,751
Home Office	8,694	8,672	8,597	–	–45	8,552
Justice	9,154	8,974	8,906	–	26	8,932
Law Officers' Departments	764	738	715	–	21	736
Defence	36,921	36,746	35,730	–	–7	35,723
Foreign and Commonwealth Office	1,940	1,921	1,878	–	–	1,878
International Development	4,564	4,563	4,478	–	0	4,478
Energy and Climate Change	649	649	649	–	–	649
Business, Enterprise and Regulatory Reform	2,551	2,428	1,852	–	–60	1,792
Environment, Food and Rural Affairs	2,818	2,860	2,691	–	13	2,704
Culture, Media and Sport	1,607	1,652	1,601	–	–6	1,595
Work and Pensions	8,145	8,067	8,086	–	0	8,086
Scotland	23,844	23,844	23,804	–	0	23,805
Wales	12,596	12,506	12,283	–	48	12,331
Northern Ireland Executive	7,837	7,630	7,684	–105	17	7,596
Northern Ireland Office	1,385	1,363	1,345	–	–2	1,343
Chancellor's Departments	4,937	4,816	4,766	–	–50	4,716
Cabinet Office	1,913	1,875	1,804	–	–8	1,795
Independent Bodies	789	810	733	–	28	761
Allowance for Shortfall	–	–351	–	–	–	–
Total resource DEL	315,608	313,128	310,025	–105	93	310,012

Table 3.2 Capital DEL 2007–08; changes since PESA April 2008 and PEOWP July 2008

£ million						
	Final provision adjusted for MOG	Estimated outturn in PESA 2008 adjusted for MOG	Provisional outturn in PEOWP 2008 adjusted for MOG	Transfers and classification changes since PEOWP 2008	Other changes since PEOWP 2008	Outturn
Children, Schools and Families	5,829	5,532	5,228	–	0	5,228
Health	4,322	3,575	3,818	–	–4	3,815
Transport	7,186	7,104	7,053	–	1	7,053
Innovation, Universities and Skills	2,066	2,029	2,054	–	5	2,059
Communities and Local Government	6,069	6,067	6,069	–	2	6,070
Local Government	130	34	34	–	–2	32
Home Office	764	780	716	–	20	736
Justice	1,052	980	823	–	–69	753
Law Officers' Departments	19	15	11	–	0	11
Defence	8,120	8,120	7,945	–	0	7,945
Foreign and Commonwealth Office	244	246	228	–	–	226
International Development	731	731	739	–	–	739
Energy and Climate Change	1,486	1,486	1,486	–	–	1,486
Business, Enterprise and Regulatory Reform	93	24	6	–	2	8
Environment, Food and Rural Affairs	510	529	560	–	0	559
Culture, Media and Sport	522	455	498	–	19	517
Work and Pensions	108	101	101	–	0	101
Scotland	3,565	3,542	3,563	–	0	3,563
Wales	1,568	1,527	1,490	–	–28	1,461
Northern Ireland Executive	1,055	1,015	1,022	60	–32	1,051
Northern Ireland Office	72	9	9	–	–	9
Chancellor's Departments	301	292	261	–	–5	256
Cabinet Office	406	409	352	–	–30	322
Independent Bodies	74	63	60	–	1	62
Allowance for Shortfall	–	–727	–	–	–	–
Total capital DEL	46,291	43,936	44,124	60	–120	44,063

Table 3.3 Total Managed Expenditure 2007–08; changes since PESA April 2008 and PEOWP July 2008

	Estimated outturn in PESA 2008	Provisional outturn in PEOWP 2008	Transfers and classification changes since PEOWP 2008	Other changes since PEOWP 2008	£ million Outturn
CURRENT EXPENDITURE					
<i>Resource DEL</i>					
Total resource DEL	313,128	310,025	-105	93	310,012
<i>Resource departmental AME</i>					
Social security benefits	140,273	140,555	-	-81	140,474
Tax credits	15,398	15,404	-	-	15,404
Net public service pensions	10,083	10,067	-433	-4,245	5,388
National lottery	908	864	-	19	882
BBC domestic services	3,256	3,213	-	217	3,430
Student loans	-515	-813	-50	-6	-869
Non-cash items	44,535	48,764	439	6	49,209
Other departmental expenditure	2,534	2,172	-21	5	2,156
Total resource departmental AME	216,472	220,225	-65	-4,086	216,074
<i>Resource other AME</i>					
Net expenditure transfers to the EC	5,392	5,394	-	-2	5,392
Locally financed expenditure	24,757	24,682	-	-365	24,317
Central government gross debt interest	29,946	29,951	-	9	29,960
Accounting adjustments	-49,554	-52,342	170	2,003	-50,168
Total resource other AME	10,541	7,685	170	1,645	9,501
Total resource AME	227,013	227,910	105	-2,441	225,575
Public sector current expenditure	540,141	537,935	-	-2,348	535,587
CAPITAL EXPENDITURE					
<i>Capital DEL</i>					
Total capital DEL	43,936	44,124	60	-121	44,063
<i>Capital departmental AME</i>					
National lottery	790	755	-	-42	713
BBC domestic services	85	85	-	-	85
Student loans	4,166	4,476	-	5	4,481
Other departmental expenditure	-341	-1,364	268	-74	-1,170
Total capital departmental AME	4,700	3,952	268	-111	4,109
<i>Capital other AME</i>					
Locally financed expenditure	4,178	4,178	-	-195	3,982
Public corporations' own-financed capital expenditure	4,683	4,683	-	741	5,424
Accounting adjustments	-11,289	-11,557	-328	1,395	-10,489
Total capital other AME	-2,428	-2,696	-328	1,941	-1,083
Total capital AME	2,272	1,255	-60	1,830	3,026
Public sector gross investment	46,208	45,379	-	1,710	47,089
less public sector depreciation	17,698	17,724	-	50	17,774
Public sector net investment	28,510	27,655	-	1,660	29,315
Total Managed Expenditure	586,349	583,314	-	-638	582,676

Table 3.4 Resource DEL 2008–09; changes since PESA 2008

				£ million	
	Plans in PESA 2008 adjusted for MOG	Other transfers and classification changes	Reserve allocation and other policy changes	Final provision	Estimated outturn
Children, Schools and Families	46,909	-20	81	46,971	46,848
Health	93,997	19	-197	93,819	92,455
Transport	6,356	456	18	6,830	6,546
Innovation, Universities and Skills	16,380	28	263	16,671	16,666
Communities and Local Government	4,331	0	49	4,380	4,274
Local Government	24,705	2	10	24,718	24,647
Home Office	9,066	-22	-48	8,996	8,926
Justice	9,333	21	187	9,541	9,283
Law Officers' Departments	725	11	18	755	685
Defence	33,623	-10	4,458	38,071	37,889
Foreign and Commonwealth Office	1,830	33	215	2,078	2,025
International Development	4,869	-31	-	4,838	4,835
Energy and Climate Change	983	2	104	1,090	1,016
Business, Enterprise and Regulatory Reform	1,602	-22	67	1,647	1,594
Environment, Food and Rural Affairs	2,704	0	-36	2,668	2,654
Culture, Media and Sport	1,620	4	10	1,634	1,633
Work and Pensions	7,963	-6	163	8,120	8,059
Scotland	24,422	24	192	24,639	24,599
Wales	12,987	-15	0	12,972	12,970
Northern Ireland Executive	8,077	-103	125	8,100	8,117
Northern Ireland Office	1,207	24	114	1,344	1,342
Chancellor's Departments	4,753	3	144	4,900	4,826
Cabinet Office	2,098	19	-9	2,108	2,049
Independent Bodies	862	5	16	883	806
Modernisation Funding	510	-	-510	-	-
DEL Reserve	2,340	-	-2,340	-	-
Allowance for Shortfall	-	-	-	-	-600
Total resource DEL	324,252	422	3,096	327,770	324,192

Table 3.5 Capital DEL 2008–09; changes since PESA 2008

		£ million			
	Plans in PESA 2008 adjusted for MOG	Other transfers and classification changes	Reserve allocation and other policy changes	Final provision	Estimated outturn
Children, Schools and Families	6,011	–4	1	6,007	5,634
Health	4,711	–1	201	4,911	4,561
Transport	7,294	–10	–	7,284	7,283
Innovation, Universities and Skills	1,990	–35	167	2,122	2,123
Communities and Local Government	6,975	3	350	7,327	7,125
Local Government	87	–4	92	176	129
Home Office	854	–6	19	867	862
Justice	692	2	279	974	975
Law Officers' Departments	13	–	2	15	12
Defence	7,871	–	442	8,313	8,604
Foreign and Commonwealth Office	206	–	10	216	218
International Development	891	–	–	891	891
Energy and Climate Change	1,660	–	50	1,710	1,688
Business, Enterprise and Regulatory Reform	–10	44	–15	19	16
Environment, Food and Rural Affairs	582	1	36	619	618
Culture, Media and Sport	1,045	0	39	1,083	791
Work and Pensions	82	7	–	89	57
Scotland	3,147	10	179	3,337	3,337
Wales	1,568	–	100	1,668	1,656
Northern Ireland Executive	994	49	111	1,154	1,137
Northern Ireland Office	72	0	8	80	78
Chancellor's Departments	269	–	41	310	293
Cabinet Office	361	4	53	417	416
Independent Bodies	60	1	1	61	42
DEL Reserve	655	–	–655	–	–
Allowance for Shortfall	–	–	–	–	–200
Total capital DEL	48,080	61	1,510	49,651	48,345

Table 3.6 Total Managed Expenditure 2008–09; changes since PESA 2008

	Plans in PESA 2008	Transfers and classification changes	Other Changes	£ million Estimated Outturn
CURRENT EXPENDITURE				
<i>Resource DEL</i>				
Total resource DEL	324,252	422	-482	324,192
<i>Resource departmental AME</i>				
Social security benefits	147,317	16	4,164	151,497
Tax credits	18,029	-	373	18,402
Net public service pensions	6,364	-85	-169	6,111
National lottery	856	-	93	948
BBC domestic services	3,456	-	-104	3,352
Student loans	-1,139	-50	-2	-1,191
Non-cash items	45,357	529	57,433	103,319
Other departmental expenditure	1,651	-	-1,066	585
Total resource departmental AME	221,891	410	60,722	283,024
<i>Resource other AME</i>				
Net expenditure transfers to the EC	5,490	-	-2,430	3,060
Locally financed government expenditure	25,662	-	1,683	27,344
Central government gross debt interest	30,270	-	196	30,466
AME margin	900	-	-900	-
Accounting adjustments	-42,221	-832	-60,572	-103,625
Total resource other AME	20,100	-832	-62,023	-42,755
Total resource AME	241,992	-422	-1,301	240,269
Public sector current expenditure	566,244	-	-1,783	564,461
CAPITAL EXPENDITURE				
<i>Capital DEL</i>				
Total capital DEL	48,080	56	209	48,345
<i>Capital departmental AME</i>				
National lottery	614	-	32	647
BBC domestic services	76	-	40	116
Student loans	5,212	-	-480	4,732
Other departmental expenditure	13,754	-	71,573	85,327
Total capital departmental AME	19,656	-	71,165	90,821
<i>Capital other AME</i>				
Locally financed expenditure	4,588	-	-57	4,532
Public corporations' own-financed capital expenditure	5,160	-	1,997	7,157
AME margin	100	-	-100	-
Accounting adjustments	-26,069	-56	-68,506	-94,631
Total capital other AME	-16,220	-56	-66,666	-82,942
Total capital AME	3,436	-56	4,499	7,879
Public sector gross investment	51,516	-	4,708	56,224
less public sector depreciation	18,595	-	-31	18,564
Public sector net investment	32,921	-	4,739	37,660
Total Managed Expenditure	617,760	-	2,925	620,685

Table 3.7 Resource DEL 2009–10 to 2010–11; changes since PESA 2008

	£ million							
	2009–10				2010–11			
	Plans in PESA 2008 adjusted for MOG	Other transfers and classification changes	Reserve allocation and other policy changes	New Plans	Plans in PESA 2008 adjusted for MOG	Other transfers and classification changes	Reserve allocation and other policy changes	New Plans
Children, Schools and Families	49,237	-6	0	49,232	51,945	7	-650	51,302
Health	99,907	-10	0	99,897	106,339	-14	-2,300	104,025
Transport	6,398	0	-	6,398	6,571	0	-200	6,371
Innovation, Universities and Skills	17,157	18	49	17,224	18,208	23	-327	17,905
Communities and Local Government	4,477	23	45	4,545	4,621	-7	-155	4,459
Local Government	25,591	5	-	25,596	26,392	4	-100	26,296
Home Office	9,313	4	37	9,354	9,607	17	-150	9,474
Justice	9,380	-9	92	9,465	9,440	11	-69	9,382
Law Officers' Departments	720	0	13	732	711	0	-9	703
Defence	35,171	-13	3,424	38,582	36,709	-6	15	36,718
Foreign and Commonwealth Office	1,610	69	350	2,029	1,618	3	-20	1,600
International Development	5,502	-62	-	5,440	6,386	0	-155	6,231
Energy and Climate Change	1,094	2	10	1,106	1,152	1	-13	1,142
Business, Enterprise and Regulatory Reform	1,452	-20	342	1,774	1,344	-20	7	1,331
Environment, Food and Rural Affairs	2,711	-2	-	2,709	2,758	-2	-75	2,682
Culture, Media and Sport	1,678	2	-	1,681	1,753	0	-20	1,733
Work and Pensions	7,797	2	1,252	9,051	7,537	-7	2,399	9,929
Scotland	25,398	14	8	25,421	26,507	5	-383	26,129
Wales	13,569	-17	4	13,556	14,219	-19	-211	13,990
Northern Ireland Executive	8,389	-39	39	8,389	8,749	-40	-50	8,659
Northern Ireland Office	1,172	12	2	1,186	1,181	4	-10	1,174
Chancellor's Departments	4,636	1	-	4,637	4,522	0	-5	4,516
Cabinet Office	2,245	-2	17	2,260	2,428	-2	-15	2,411
Independent Bodies	845	11	51	906	944	11	-4	950
Modernisation Funding	400	-	-200	300	100	-	200	300
DEL Reserve	2,800	-	-2,100	700	2,900	-	0	2,900
Total resource DEL	338,700	-15	3,500	342,100	354,600	-30	-2,300	352,300

Table 3.8 Capital DEL 2009–10 to 2010–11; changes since PESA 2008

	£ million							
	2009–10				2010–11			
	Plans in PESA 2008 adjusted for MOG	Other transfers and classification changes	Reserve allocation and other policy changes	New Plans	Plans in PESA 2008 adjusted for MOG	Other transfers and classification changes	Reserve allocation and other policy changes	New Plans
Children, Schools and Families	6,376	-2	969	7,343	7,631	-2	-969	6,660
Health	5,475	-1	99	5,573	6,208	-	-1,385	4,823
Transport	7,614	-	700	8,314	8,112	-	-700	7,412
Innovation, Universities and Skills	2,205	-	442	2,647	2,260	-	-442	1,818
Communities and Local Government	7,337	-	1,286	8,623	7,524	-	-1,176	6,348
Local Government	107	-1	-	106	93	-1	-	92
Home Office	782	-	28	810	853	-	-20	833
Justice	779	-	-3	777	744	-	0	745
Law Officers' Departments	13	-	-	13	13	-	-	13
Defence	8,187	-	934	9,121	8,871	-	-25	8,846
Foreign and Commonwealth Office	216	-	-	216	205	-	-	205
International Development	1,366	-	-	1,366	1,556	-	-	1,556
Energy and Climate Change	1,672	-	357	2,028	1,818	-	16	1,834
Business, Enterprise and Regulatory Reform	-30	-	370	340	-16	-	320	304
Environment, Food and Rural Affairs	640	-4	33	669	634	-	-25	609
Culture, Media and Sport	404	-	-	404	566	-	-	566
Work and Pensions	81	3	-	84	71	3	-	74
Scotland	3,342	-	371	3,713	3,641	-	-460	3,181
Wales	1,678	-	44	1,722	1,841	-	-93	1,748
Northern Ireland Executive	1,058	-	25	1,084	1,156	-	-47	1,110
Northern Ireland Office	72	-	5	77	72	-	-	72
Chancellor's Departments	262	5	772	1,040	256	-	-	256
Cabinet Office	390	-	-	390	354	-	-	354
Independent Bodies	52	1	11	64	45	-	21	67
DEL Reserve	700	-	500	1,200	800	-	1,300	2,100
Total capital DEL	50,700	0	7,000	57,700	55,300	0	-3,700	51,600

Table 3.9 Total Managed Expenditure 2009–10 to 2010–11; changes since PESA 2008

	£ million							
	2009–10				2010–11			
	Plans in PESA 2008	Other transfers and classification changes	Reserve allocation and other policy changes	New Plans	Plans in PESA 2008	Other transfers and classification changes	Reserve allocation and other policy changes	New Plans
CURRENT EXPENDITURE								
<i>Resource DEL</i>								
Total resource DEL	338,700	-15	3,500	342,100	354,600	-30	-2,300	352,300
<i>Resource departmental AME</i>								
Social security benefits	153,716	-	11,768	165,485	159,704	-	11,545	171,249
Tax credits	19,992	-	787	20,779	20,495	-	858	21,353
Net public service pensions	6,729	-2,805	-2,040	1,884	7,110	-2,827	-2,210	2,073
National lottery	747	-	146	893	777	-	87	864
BBC domestic services	3,566	-	-102	3,464	3,675	-	-29	3,646
Student loans	-1,385	-50	421	-1,014	-1,654	-50	661	-1,043
Non-cash items	48,517	602	839	49,959	51,681	671	-1,301	51,051
Other departmental expenditure	1,506	4	130	1,639	1,430	5	-59	1,375
Total resource departmental AME	233,388	-2,249	11,950	243,089	243,217	-2,202	9,552	250,568
<i>Resource other AME</i>								
Net expenditure transfers to the EC	6,220	-	-571	5,649	6,747	-	1,128	7,875
Locally financed government expenditure	26,651	109	1,180	27,940	27,831	-	647	28,479
Central government gross debt interest	30,332	-	-3,126	27,206	33,965	-	8,941	42,906
AME margin	1,800	-	-900	900	2,700	-	-900	1,800
Accounting adjustments	-44,792	2,155	3,718	-38,919	-46,685	2,232	5,261	-39,037
Total resource other AME	20,200	2,264	300	22,800	24,600	2,232	15,100	42,000
Total resource AME	253,600	15	12,300	265,900	267,800	30	24,600	292,600
Public sector current expenditure	592,300	-	15,700	608,000	622,400	-	22,300	644,800

Table 3.9 Total Managed Expenditure 2009–10 to 2010–11; changes since PESA 2008 (continued)

	£ million							
	2009–10				2010–11			
	Plans in PESA 2008	Other transfers and classification changes	Reserve allocation and other policy changes	New Plans	Plans in PESA 2008	Other transfers and classification changes	Reserve allocation and other policy changes	New Plans
CAPITAL EXPENDITURE								
<i>Capital DEL</i>								
Total capital DEL	50,700	0	7,000	57,700	55,300	–	–3,700	51,600
<i>Capital departmental AME</i>								
National lottery	867	–	121	987	774	–	77	851
BBC domestic services	76	–	47	123	76	–	38	114
Student loans	5,841	–	–555	5,285	6,218	–	–642	5,576
Other departmental expenditure	366	–159	34,914	35,121	776	–	200	976
Total capital departmental AME	7,149	–159	34,526	41,516	7,844	–	–327	7,517
<i>Capital other AME</i>								
Locally financed expenditure	4,044	–	333	4,378	3,360	–	514	3,874
Public corporations' own-financed capital expenditure	5,573	–	1,832	7,406	5,670	–	1,856	7,526
AME margin	200	–	–100	100	300	–	–100	200
Accounting adjustments	–13,445	159	–34,382	–47,669	–15,014	–	1,180	–13,833
Total capital other AME	–3,600	159	–32,316	–35,800	–5,700	–	3,451	–2,200
Total capital AME	3,500	0	2,210	5,700	2,200	–	3,124	5,300
Public sector gross investment	54,300	–	9,174	63,400	57,400	–	–560	56,900
less public sector depreciation	19,600	–	40	19,600	20,700	–	25	20,700
Public sector net investment	34,700	–	9,134	43,800	36,700	–	–584	36,200
Total Managed Expenditure	646,500	–	24,908	671,400	679,800	–	21,755	701,700