

Public Finance Trends

96



- The statistical background to public spending and revenues
- A publication of the Government Statistical Service

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First published August 1996

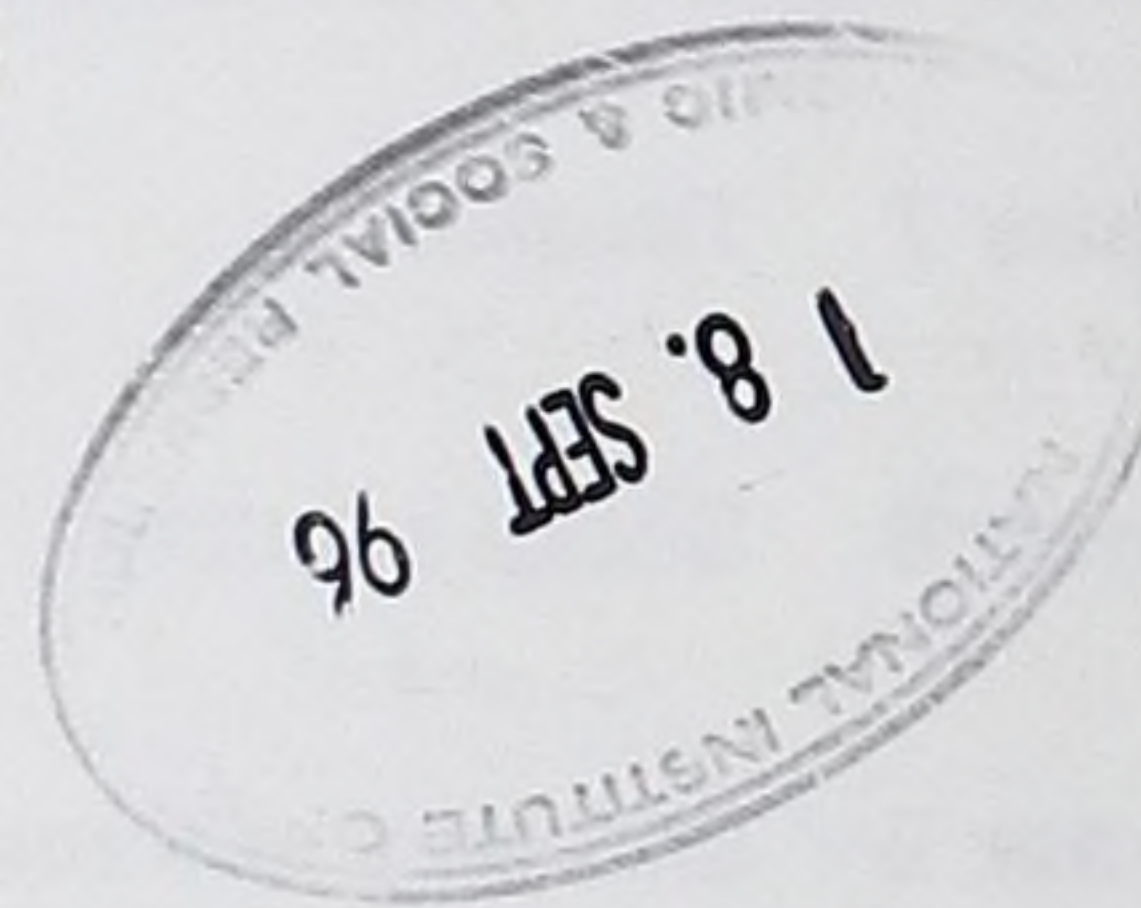
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ISBN 0 11 620789 2
ISSN 0267-8691

Cover design by Michelle Franco, ONS

Public Finance Trends 96

A statistical background
to public spending
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Editor : EDWARD HAYMAN

Assistant editor : ADRIAN SIMPSON

Production team : ALEX CLIFTON-FEARNSIDE
JEFF GOLLAND
AMANDA HUGHES
DAVID READ
NIGEL STUTTARD
DAVID VINCENT

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Introduction

This is the second edition of *Public Finance Trends*.

It brings together public sector data published by the Office for National Statistics, in the *UK National Accounts* (the *Blue Book*), *Economic Trends* and *Financial Statistics*, with data from other sources. It includes commentary, illustrations and long-run tables.

This second edition appears earlier in the year than the first. Most of the economic data are consistent with the 1996 Blue Book. Some inconsistencies with the Blue Book arise from a revision to the estimate for central government non-trading capital consumption¹. The data are fully consistent with HM Treasury's Summer Economic Forecast 1996.

We are grateful for advice and contributions from the Bank of England, HM Customs and Excise, the Department for Education and Employment, the Department of Environment, Inland Revenue, the Department of Social Security, the Scottish Office, HM Treasury and the Welsh Office.

We were pleased to receive comments from readers of the first edition and have taken account of these. We hope that new readers will come forward and previous readers will continue to comment. We aim to make *Public Finance Trends* comprehensive, timely and accessible. Please tell us if it meets your needs and how we can improve it.

¹ Announced in News Release ONS(96)93, 9 July 1996.

Chapter 1 The public sector: an overview

Introduction The United Kingdom economy is divided into sectors for national accounts purposes. The sectors bring together institutional units which play similar economic roles and react similarly to market, fiscal and monetary forces¹.

The public sector is largely financed through taxation and borrowing from the other sectors. The Budget is the annual plan for the public sector's revenue and expenditure (capital and current). In this century, as the role of the public sector has grown, so has its economic influence on the other sectors. The Chancellor of the Exchequer's Budget statement to the House of Commons has become a statement of government overall economic policy against the background of the public sector accounts².

The public sector consists of general government and the public corporations, which include the nationalised industries. General government is divided into central government and local authorities and these are further divided into trading and non-trading bodies. (A trading activity is the production of goods or services which is, or could be, carried out by the private sector operating in a market context.) Public corporations are by definition trading bodies.

The **central government sector** covers:

- departments and agencies which are answerable to a minister of the Crown or other responsible person, who is in turn answerable to Parliament.
- bodies not administered as government departments but subject to ministerial or departmental control. Regional Health Authorities are included but not National Health Service Trusts, which are public corporations. Non-departmental public bodies are included.
- trading bodies subject to ministerial or departmental control, with or without government grants, but without the power to maintain reserves.
- extra-budgetary non-trading funds and accounts controlled by departments, such as the National Insurance Fund, the Exchange Equalisation Account and the Contingencies Fund.

Local authorities are public authorities of limited geographical scope which have the power to raise funds through certain forms of local taxation. They comprise county, district, regional and borough councils; services run by joint authorities are included, such as waste regulation, police, fire and civil defence services.

1. For full definitions of the sectors used in the current system of national accounts see Bibliography references 12 and 13. In 1998 a new system of national accounts will be introduced to accord with the European System of Accounts 1995 (ESA95). ESA95 is consistent with the UN System of National Accounts 1993. An ESA95 version of the UK national accounts will be published in Autumn 1997, following the 1997 Blue Book, showing as far as possible what the 1997 accounts would look like on the new basis.

2. Before the 1959 Radcliffe report the Budget was presented in terms of the "Exchequer" accounts, limited to the Consolidated Fund. In the 1960s it was extended to cover the whole of the Public Sector Borrowing Requirement (see below and Bibliography reference 24).

Public corporations are corporate enterprises which are publicly owned and controlled, but which, at the same time, have a substantial freedom to conduct their own affairs on ordinary business lines. They can be distinguished from other public sector trading bodies in that they are able to hold reserves. Public corporations are ultimately controlled by Parliament, or in some cases by the parent local authority. Examples are the British Broadcasting Corporation, the Post Office, and HM Stationery Office; limited companies set up to run local transport services, ports and airports, and controlled by local authorities, are also included.

In the finances of the public sector there are **two strands of interest**:

- government finances *per se* - how taxes are raised and how the money is spent
- the macro-economic impact - how the sector contributes to gross domestic product (GDP) and employment; how its borrowing requirement affects the flows of other sectors.

The public sector in the economy

Employment

One method of comparing the size and importance of the sectors and sub-sectors is to look at employment. Figure 1.1 shows how the different parts of the public sector compared with the private sector in 1995 (on a headcount basis).

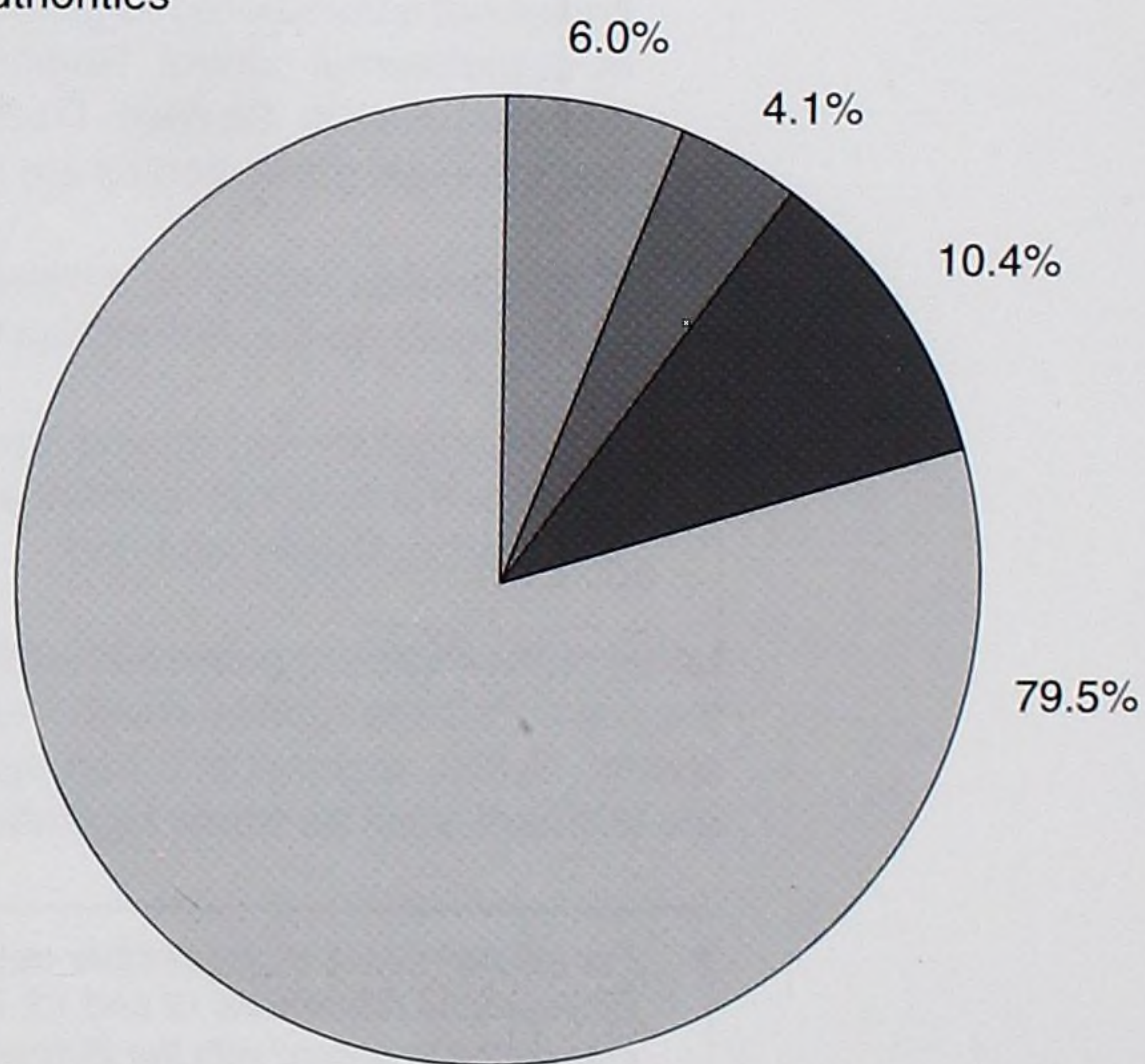
In 1995 the public sector as a whole represented 21 percent of total employment (excluding work related government training).

Figure 1.1

Employment by sector

Headcount, mid-year

- Private sector
- Public corporations
- Central government
- Local authorities



1995

Total workforce in employment (excluding work related government training programme) 25.5 m

Source: Business Statistics Group, ONS

For public sector employment full-time equivalent figures are available. These provide a more satisfactory basis for comparison, particularly in areas where the hours worked per week vary greatly between individuals. Table 1.1 uses this basis to show how the components of public sector employment changed between 1986 and 1995.

Table 1.1

UK public sector employment					
Full-time equivalents, mid-year					<i>thousands</i>
	1986	1987	1988	1989	1990
Total public sector	5641	5440	5360	5166	5124
Total CG	2119	2094	2087	2088	2079
HM Forces	322	319	316	308	303
NHS	1018	1016	1017	1013	1008
Other CG	779	759	754	767	768
Total LA	2352	2377	2379	2265	2278
Education	1029	1043	1046	992	990
Social services	263	271	277	282	288
Construction	125	128	125	119	114
Police	184	186	190	191	194
Other LA	751	749	741	681	692
Total PC	1170	969	894	813	767
Nationalised industries	1043	850	775	703	659
NHS trusts					
Other PC	127	119	119	110	108
	1991	1992	1993	1994	1995
Total public sector	4954	4844	4657	4445	4362
Total CG	1973	1779	1525	1133	1020
HM Forces	297	290	271	250	230
NHS	904	700	474	147	80
Other CG	772	789	780	736	710
Total LA	2291	2257	2105	2055	2040
Education	982	970	838	818	807
Social services	287	285	279	288	295
Construction	105	97	90	86	82
Police	197	199	201	201	202
Other LA	720	706	697	662	654
Total PC	690	808	1027	1257	1302
Nationalised industries	488	452	426	370	352
NHS trusts	102	252	512	808	876
Other PC	100	104	89	79	74
<i>Source: Business Statistics Group, ONS</i>					

An outstanding feature is the reduction in public corporations employment up to 1991, largely as a result of privatisation. Taking the period as a whole, central government employment was reduced by more than half. The reconstitution of NHS hospitals as trusts contributed greatly to a switch in employment between central government and public corporations¹.

Gross domestic product

Another method of comparing sectors and sub-sectors is by their contribution to GDP². Table 1.2 shows the variation since 1986 in the contribution of the different sectors.

Table 1.2

Public sector contribution to GDP					
Percentage of GDP at current factor cost					
	1986	1987	1988	1989	1990
Total GDP (£ million)	328.3	360.7	401.4	441.8	478.9
Total public sector	24.4	22.4	21.3	20.3	19.3
Central government	7.5	7.4	7.2	7.2	7.2
Local authorities	9.3	9.0	8.9	8.5	8.5
Public corporations	7.7	6.0	5.3	4.7	3.6
	1991	1992	1993	1994	1995
Total GDP (£ million)	496.3	518.1	548.0	579.2	604.3
Total public sector	19.3	20.0	19.4	18.6	18.2
Central government	7.4	7.3	6.5	5.2	4.8
Local authorities	8.9	9.1	8.5	8.1	8.1
Public corporations	3.0	3.6	4.5	5.2	5.3

Broadly the pattern of contributions to GDP shown here resembles the employment pattern shown above. However, the decline in the central government contribution to GDP has been less marked than the decline in its share of employment³.

Public Finance

Public finance relates to the income and expenditure of the public sector of the economy. Income is mainly derived from taxation, national insurance contributions, rent and the net trading income of public corporations. Expenditure is on the procurement of goods and services, wages and salaries and current and capital grants in such areas as health, education, defence, welfare and social security.

A way to show the relative size of the public sector activity in the economy over time is to present income and expenditure data as a percentage of GDP. Table 1.3 shows public sector receipts as a percentage of GDP during the period 1986/87 to 1995/96.

1. For a more detailed analysis of employment changes in the sector see Bibliography reference 8.
2. The public sector contribution to GDP is the output of the public sector, measured mainly by income from employment in the sector and trading profit. Transfer payments between sectors do not contribute to GDP and are therefore excluded.
3. In table 1.2 GDP at factor cost is used because an analysis by sector is available for this measure. For other purposes in this publication GDP at market prices, "money GDP", is used. The latter is based on expenditure data and includes the effects of taxes and subsidies. For an account of how GDP is derived see Bibliography references 1 and 12.

Table 1.3

Public sector receipts¹					
Percentage of GDP at market prices					
	1986/87	1987/88	1988/89	1989/90	1990/91
Total receipts	42.1	41.4	40.6	40.2	39.8
Taxes on income	13.5	13.8	13.1	13.7	13.9
Taxes on expenditure	16.4	16.2	15.9	15.4	13.9
Social security	6.8	6.5	6.5	6.4	6.3
Other receipts	5.5	5.0	5.1	4.7	5.8
	1991/92	1992/93	1993/94	1994/95	1995/96
Total receipts	39.0	37.0	36.3	37.6	38.5
Taxes on income	13.1	12.0	11.7	12.5	13.1
Taxes on expenditure	15.1	14.5	14.2	14.5	14.8
Social security	6.3	6.1	6.3	6.3	6.3
Other receipts	4.4	4.4	4.2	4.3	4.3
<i>1. Current and capital income as defined for the national accounts</i>					

Receipts overall decreased by under 4 per cent of GDP. Receipts from social security contributions decreased less as a percentage of GDP than receipts from taxes.

Table 1.4 shows public sector expenditure as a percentage of GDP during the same period.

Table 1.4

Public sector expenditure¹					
Percentage of GDP at market prices					
	1986/87	1987/88	1988/89	1989/90	1990/91
Total expenditure	44.2	42.1	39.2	39.6	40.5
Final consumption	20.8	20.4	19.7	19.8	20.7
Current grants to personal sector	12.7	11.8	10.8	10.5	10.9
Other expenditure	10.7	9.9	8.7	9.4	8.8
	1991/92	1992/93	1993/94	1994/95	1995/96
Total expenditure	42.2	44.4	44.1	43.5	43.4
Final consumption	21.8	22.0	21.8	21.5	21.2
Current grants to personal sector	12.4	13.7	14.0	13.8	13.6
Other expenditure	8.0	8.8	8.3	8.2	8.5
<i>1. Current and capital expenditure as defined for the national accounts</i>					

Final consumption covers expenditure on goods and services, wages and salaries and depreciation of non-trading capital assets. Since 1993 it includes payments to universities, colleges and further education institutions, previously shown as grants to the personal sector. Current grants to the personal sector are mainly social security benefits.

Public sector borrowing requirement

The public sector borrowing requirement (PSBR) indicates the extent to which the public sector borrows from other sectors of the economy and overseas or runs down its holdings of bank and building society deposits or other liquid assets to finance the balance of expenditure and receipts.

The PSBR can be defined in terms of the receipts and expenditure of the consolidated public sector accounts. Current and capital expenditure less receipts, as shown in tables 1.3 and 1.4, yields the public sector financial deficit (PSFD). The difference between this and the PSBR comprises:

1. Transactions in some financial assets (notably privatisation proceeds and net lending).
2. Public corporations trade credit.
3. Accruals adjustments; that is, the difference between the accruals figures of the national accounts and the cash flows which generate PSBR.

See table 10.61, and chapter 6.

It is also possible to consider PSBR in terms of the borrowing requirements of the sub-sectors of the public sector: central government (CGBR), local authorities (LABR) and public corporations (PCBR)¹.

Part of the central government borrowing requirement is needed to finance central government on-lending to local authorities and public corporations.

Table 1.5 shows the total public sector borrowing requirement and those for central government (own account), local authorities and public corporations as percentages of GDP.

Table 1.5

Public sector borrowing requirement				
Percentage of GDP at market prices				
	PSBR	CGBR(O)	LABR	PCBR
1986/87	0.9	1.2	0.0	-0.3
1987/88	-0.8	-0.8	0.3	-0.3
1988/89	-3.0	-2.7	0.1	-0.4
1989/90	-1.5	-1.0	0.3	-0.7
1990/91	-0.1	-0.5	0.6	-0.2
1991/92	2.4	2.0	0.3	0.1
1992/93	6.0	7.0	-0.9	-0.1
1993/94	7.1	7.5	-0.4	0.0
1994/95	5.3	5.7	-0.1	-0.2
1995/96	4.5	5.0	-0.1	-0.4

Negative signs indicate net repayment of debt.

Contact point Jeff Golland telephone: 0171 270 6176

1. For a fuller account of the PSBR see chapter 6 and Bibliography reference 24.

Chapter 2 General government

General government is the sector of the economy covering government at central and at local levels. General government receipts comprise mainly taxation and social security contributions, and its expenditure is on the public services, such as defence, health and social security.

Over time the responsibility for carrying out particular government services can pass between central and local government. In this instance, continuity can be maintained only for general government as a whole. The responsibility for carrying out particular government services can also be passed to public corporations or the private sector.

General government, the public expenditure planning process and the control total

Public expenditure is planned in the context of the **Public Expenditure Survey** (PES). The PES database holds data for the current, previous five and following three financial years. The government's plans for each year are first announced in the Budget statement in the previous November. They are published in the *Financial Statement and Budget Report* (FSBR)¹. More detail is published in the *Departmental Reports*² in March, and in the *Statistical Supplement* to the FSBR³ published in February.

The government's plans for public expenditure are currently defined in terms of the **Control Total**. This covers expenditure by central government and local authorities and the financing requirements of nationalised industries and the other public corporations. However, in order to provide the most effective target, it excludes two major items of public expenditure affected by the economic cycle, debt interest and the cyclical element of social security. It also excludes privatisation proceeds.

1. *Bibliography reference 14.*

2. *Bibliography reference 22.*

3. *Bibliography reference 15.*

Table 2.1 shows how the control total relates to three different measures of general government expenditure (GGE). These are the national accounts version (GGE), GGE excluding privatisation proceeds, and GGE(X) which is GGE excluding privatisation proceeds and lottery-financed spending, and net of interest and dividend receipts. Table 2.1 is largely based on national accounts data, but the control total is for planning purposes determined by PES.

Table 2.1

Public expenditure ¹.				
General government expenditure and the control total				<i>£ million</i>
	1992/93	1993/94	1994/95	1995/96
General government expenditure				
Current	245907	260839	272549	285639
Capital	21372	19660	19887	19389
Net lending, etc.	-6893	-3892	-5469	-2299
Total GGE	260386	276607	286967	302729
<i>less</i>				
Privatisation proceeds	-8184	-5430	-6433	-2435
GGE excluding privatisation proceeds	268570	282037	293400	305164
<i>less</i>				
Lottery financed spending	0	0	0	115
Interest & dividends receipts	5106	5027	5115	5490
GGE(X)	263464	277010	288285	299559
Adjustments to general government expenditure				
GGE	260386	276607	286967	302729
<i>less:</i>				
Privatisation proceeds	-8184	-5430	-6433	-2435
Cyclical social security	13300	14338	14242	14460
Non-trading capital consumption	3621	3279	3272	3290
Debt interest other than to local authorities	17429	19282	22104	24969
<i>plus</i>				
Other adjustments	-3222	-5071	-5666	-7022
Control total using national accounts data	230998	240067	248116	255423
1. Table 10.24 in Chapter 10 gives a more detailed analysis.				

Figure 2.1 shows the *Control Total* against general government expenditure. The graph shows the similarity between the two aggregates. The difference in magnitude between the two represents the economic categories and accounting adjustments that are not covered by the Control Total (see above).

Figure 2.1

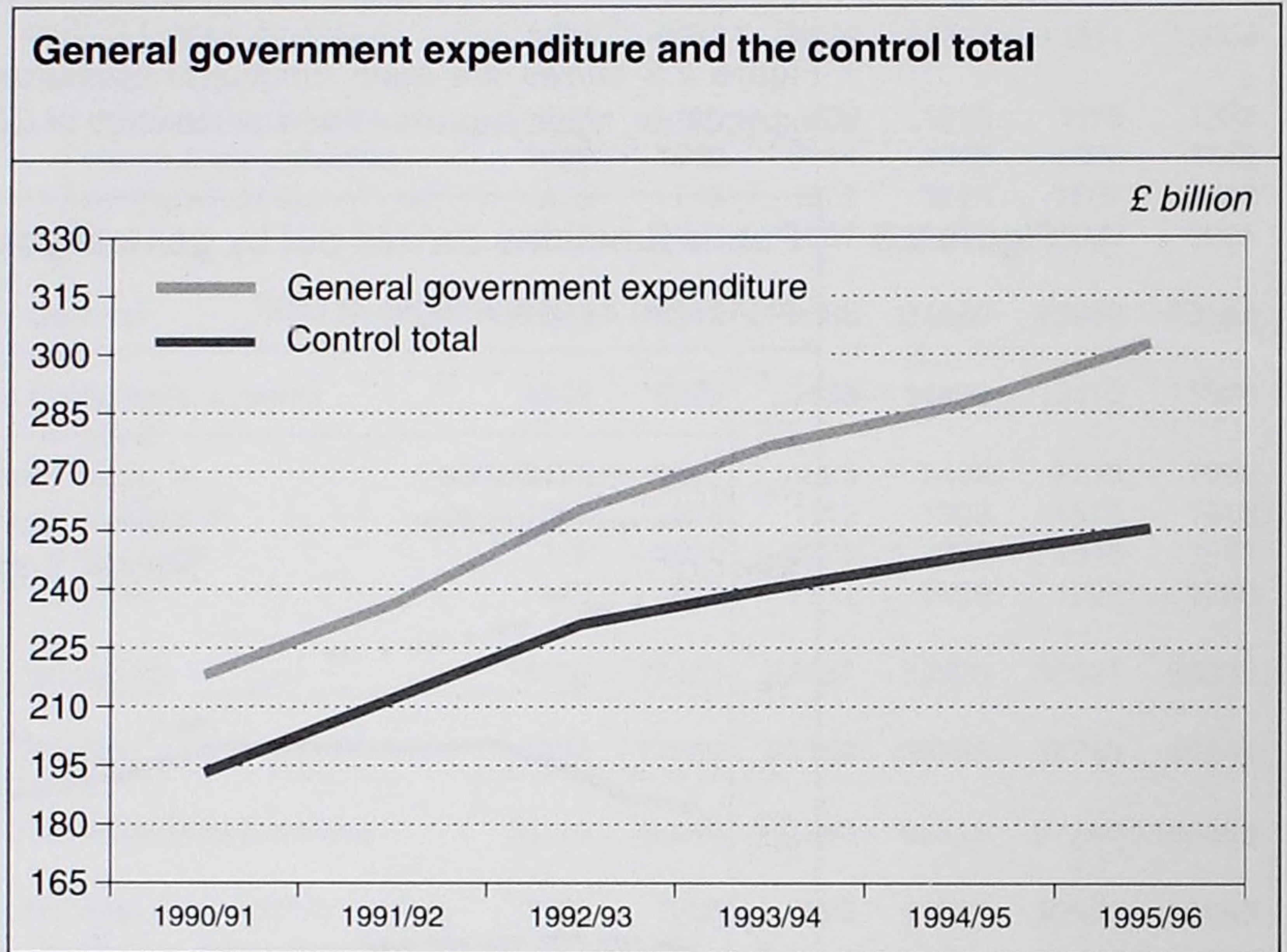
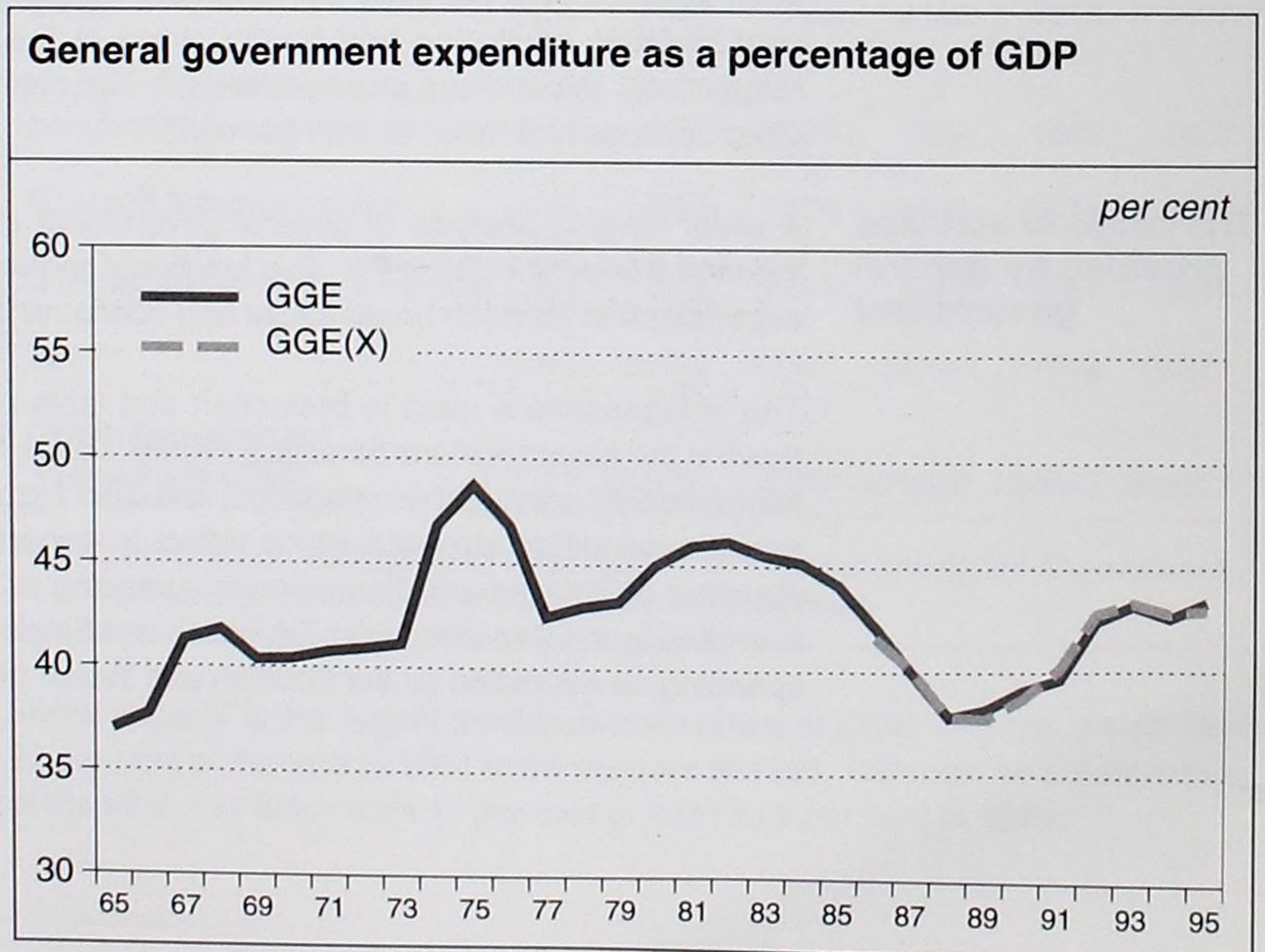


Figure 2.2 shows general government expenditure as a percentage of GDP. It is the government's objective that, in the medium-term, public expenditure as a share of national income should fall. Before 1995 this target was expressed in terms of GGE adjusted to exclude privatisation proceeds. Following an announcement in June of that year, it was adjusted to take account of National Lottery financed expenditure as well and presented as GGE(X).

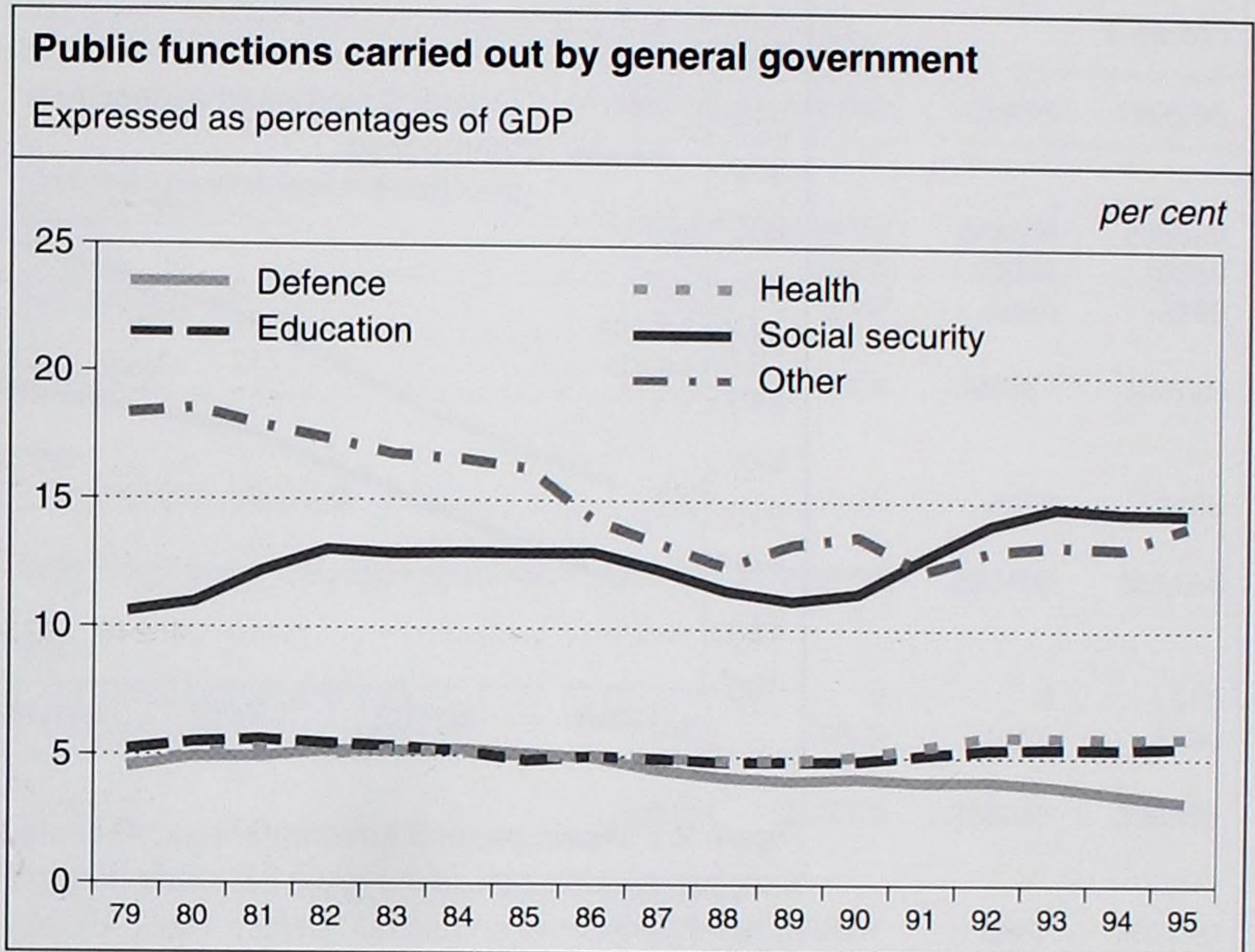
Figure 2.2



General government expenditure was around 37 per cent of GDP in the mid sixties. It rose to a peak of 48.7 per cent in 1975, fell back for two years then peaked again in 1982 at 46.1 per cent of GDP. Outturn figures for 1995 show the level at 43.4 per cent of GDP. The more recent peaks correspond with peaks in social security expenditure, determined to a large degree by the level of unemployment.

Figure 2.3 shows the main functional breakdown of general government expenditure, again expressed as a percentage of GDP at market prices.

Figure 2.3



In 1979 expenditure on defence, health and education were broadly similar at around 5 per cent of GDP. Social security expenditure stood at 10.6 per cent and other services 17.8 per cent. By 1995 defence expenditure had fallen to 3.3 per cent of GDP, education and health stood at 5.5 per cent and 5.8 per cent respectively, expenditure on social security had risen to 14.6 per cent and that on other services had fallen to 14.1 per cent.

The range of services provided by general government

A wider ranging analysis of general government expenditure than is shown in Figure 2.3 is given in Table 2.2. This functional context shows general government expenditure in fourteen broad social and economic areas.

The categorisations used in both chart and table are consistent with those set down in the *United Nations Statistical Papers Series M No. 70*⁴. They are therefore internationally comparable categories, and differ from those used in the Treasury's public expenditure statistics which reflect in general the current organisational structure of government. For example, spending on education includes not only spending by the Department for Education and Employment (DfEE), but also some spending on education by the Scottish and Welsh offices.

4. Bibliography reference 32.

Table 2.2

General government						
Analysis of total expenditure						£ million
	1981	1985	1989	1993	1994	1995
General public services	4535	6013	9336	11997	12811	13504
<i>of which:</i>						
Public administration	243	405	708	1013	1118	1272
Finance & tax collection	1429	1980	3144	4045	4023	3745
External relations	623	745	977	1818	1607	1559
Other	2240	2883	4507	5121	6063	6928
Defence	12642	18213	20988	24560	23952	23154
Public order & safety	4342	6225	9433	14429	15119	15320
<i>of which:</i>						
Police	2455	3557	4695	7402	7773	7999
Fire service	562	808	1112	1503	1573	1618
Law courts	712	1030	2295	3895	4046	3943
Prisons	613	830	1331	1629	1727	1760
Education	14320	17283	24837	33929	35921	38330
Health	13374	17889	25152	36765	38749	40842
Social security & welfare	31110	46246	57343	93513	97797	102483
Housing & community amenity	7120	7008	7996	11318	10536	10468
<i>of which:</i>						
Housing	4696	4192	4251	6542	5712	4607
Water & sewerage	413	-98	586	230	327	290
Other	2011	2914	3159	4546	4497	5571
Recreation & cultural affairs	1576	2241	3185	4263	4353	4289
Fuel & energy	320	1079	-1785	937	435	2224
Agriculture, forestry, fishing & food	1655	2622	1972	4160	3273	3487
Mining & mineral resources, manufacturing & construction	3564	2375	1524	1336	1695	1427
Transport & communication	4211	4094	7129	6502	6578	9127
Other economic affairs & services	2946	4348	5049	5084	5851	5845
Other ¹	15386	22128	24928	24130	27778	33377
General government expenditure (GGE)	117101	157764	197087	272923	284848	303877
1. <i>Comprises non-trading capital consumption, debt interest and net lending overseas, which cannot be allocated to one of the other categories.</i>						

Social security is the largest functional component of GGE, and has grown from 27 per cent of the total in 1981 to 34 per cent in 1995. Defence, as a percentage of the total, has fallen from 11 per cent in 1981 to 8 per cent in 1995.

Financing of general government expenditure

Table 2.3 shows the sources of general government revenue.

Table 2.3

The finances of general government

£ million

	1991/92	1992/93	1993/94	1994/95	1995/96
General government receipts¹					
Inland Revenue					
Income tax	57493	56797	58442	63100	68096
Corporation tax	18263	15783	14887	19390	23569
Petroleum revenue tax	-216	68	359	711	947
Capital gains tax	1140	982	710	926	806
Inheritance tax	1299	1211	1335	1409	1558
Stamp duties	1697	1266	1736	1799	2022
Other receipts	1	1	1	1	0
Total Inland Revenue²	79676	76105	77468	87335	96996
Customs and Excise					
Value added tax	35626	37340	38865	41817	43089
Fuel duties	10802	11232	12487	14007	15455
Tobacco duties	6289	6041	6518	7388	7288
Spirits duties	1742	1661	1707	1776	1653
Wine duties	924	981	1082	1139	1187
Beer duties	2325	2378	2282	2534	2642
Cider and perry duties	74	88	101	112	134
Betting and gaming duties and lottery	1053	1025	1106	1217	1574
Car tax	1240	603	-4	0	0
Customs duties	1732	1801	2009	2007	2328
Agricultural levies	194	174	160	157	149
Air passenger duty	0	0	0	84	343
Insurance premium tax	0	0	0	117	635
Other receipts	16	9	0	0	0
Total Customs and Excise²	62017	63333	66313	72355	76477
Vehicle excise duties	2933	3264	3628	3846	4017
Oil royalties	556	554	606	546	557
Local authority/business rates ³	13900	13415	13037	13339	13376
Other taxes and royalties	5253	5470	5776	6038	6161
Total tax and royalty receipts	164335	162141	166828	183459	197584
Social security receipts	36306	37332	38731	42080	44522
Community charge/council tax	7417	8334	8576	9038	9668
Interest and dividends	5546	5106	5027	5115	5490
Gross trading surpluses and rent	4101	4397	4874	5088	5168
Other receipts	4574	5223	5744	4411	6708
General government receipts	222279	222533	229780	249191	269140
North Sea revenues	983	1308	1219	1630	117
General government expenditure					
Public expenditure control total⁴	213279	231705	240880	248448	255584
Cyclical social security	10923	13300	14338	14242	14460
Central government debt interest	16253	17429	19282	22104	24969
Privatisation proceeds	-7923	-8184	-5430	-6433	-2435
Other adjustments	3622	6136	7537	8606	10177
General government expenditure (GGE)	236154	260386	276607	286967	302729
General government borrowing requirement (GGBR)	13875	37853	46827	37776	33589

1. On a cash basis.

2. Total not always sum of components because of rounding.

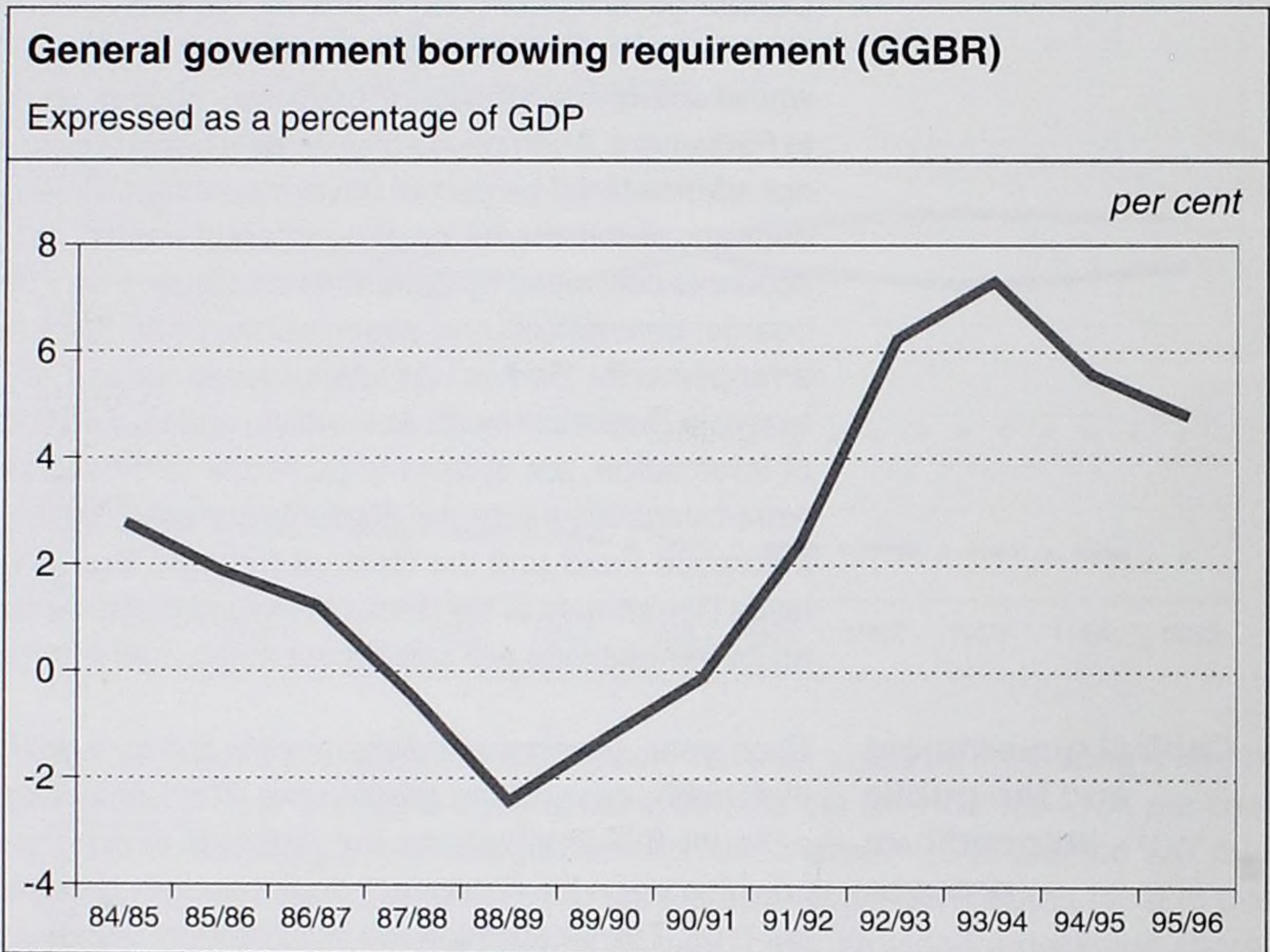
3. Mainly National non-domestic rates.

4. Using Public Expenditure Survey figures.

The shortfall of receipts against expenditure has to be met through borrowing (which gives us the sectoral borrowing requirement). Chapter 1 provides a definition of the *Public Sector Borrowing Requirement* (PSBR). Chapter 1 also noted that the PSBR could be sub-divided into borrowing requirements for the constituent sectors. General government financing of its shortfall is measured through the *General Government Borrowing Requirement* (GGBR).

Figure 2.4 shows the GGBR as a share of GDP.

Figure 2.4



A surplus (negative borrowing requirement) of £11.8 billion in 1988/89 had become a deficit of £13.9 billion by 1991/92. The GGBR peaked at £46.8 billion in 1993/94, the level as a proportion of GDP also peaking then at 7.3 per cent. Outturn figures for 1995/96 show that the level has fallen back to £33.6 billion - 4.7 per cent of GDP.

Chapter 3 Central government

Central government (CG) is one of two sub-sectors of general government (the other being local authorities - see Chapter 4). The CG sector embraces bodies for whose activities a Minister of the Crown, or other responsible person, is accountable to Parliament. It comprises government departments, government agencies, bodies not administered as part of government departments although subject to varying degrees of ministerial or departmental control, and extra-budgetary funds and accounts controlled by departments. Government departments include all bodies, boards, committees and commissions under their ægis with identical accounting arrangements. Bodies not administered as part of government departments, for example Regional Health Authorities, and trading bodies such as the Central Office of Information, are subject in particular to detailed financial control. Examples of extra-budgetary funds and accounts controlled by departments include the National Insurance Fund and the Bank of England Exchange Equalisation Account. The Issue Department of the Bank of England is also included under central government as its transactions are carried out as an agent for central government.

Central government and the public expenditure process

Each year, government departments bid for additions to and subtractions from their public expenditure programme. The Cabinet agrees overall totals, taking into account the implications for revenue and borrowing. A Cabinet committee adjudicates on the changes to departmental programmes that are needed to deliver the total. The Chancellor and the Treasury decide upon the detail of any changes in taxation, and make an estimate of the borrowing implied by the tax and spending plans. Broad expenditure plans, taxation changes, and the consequent PSBR are announced in the Budget. Detailed spending plans for government departments are set down in departmental reports and in the supply estimates. The latter must be given formal Parliamentary approval.

Central government receipts

Taxes on income and on expenditure, together with social security contributions are the major sources of central government current receipts.

Figure 3.1

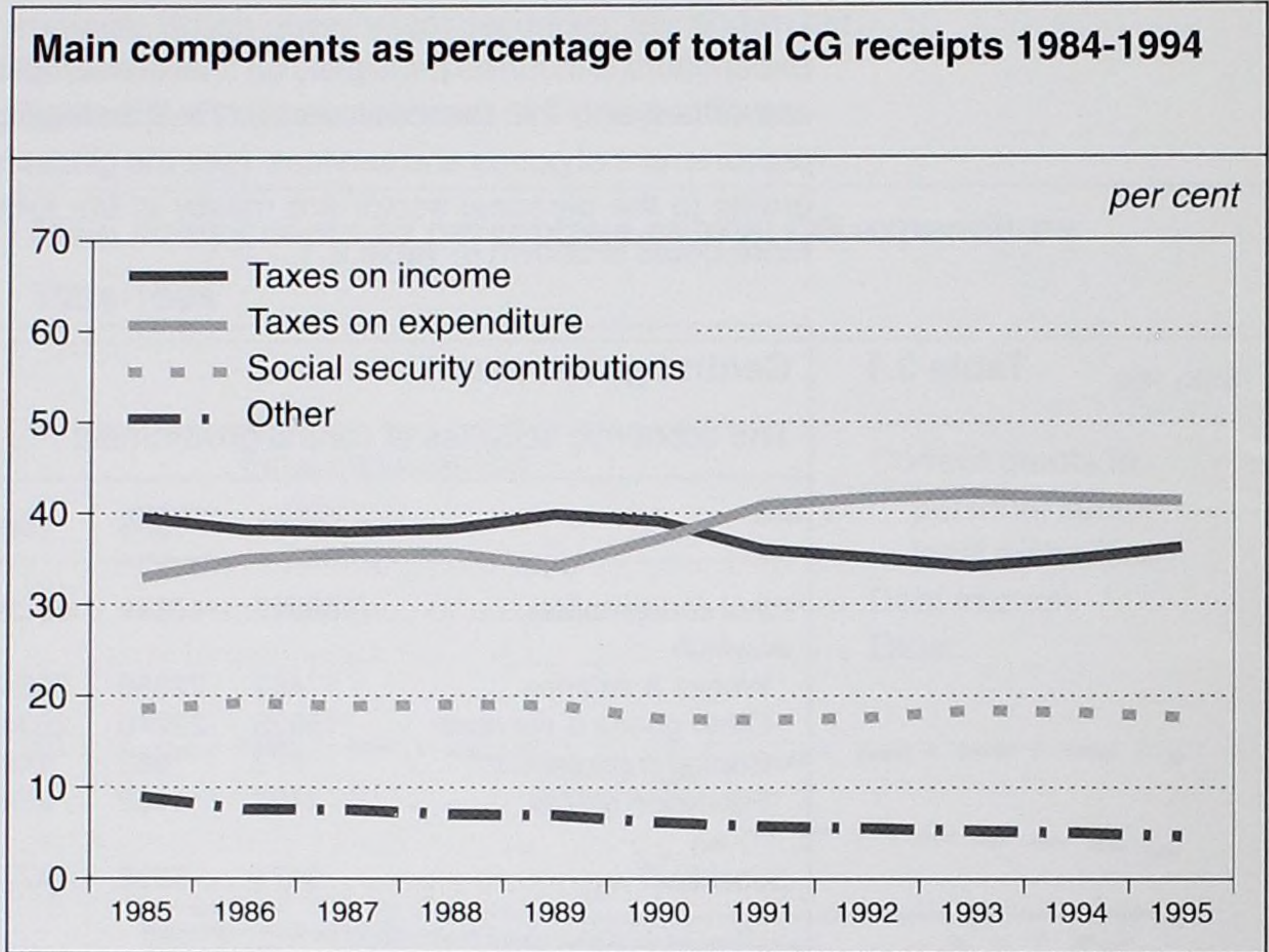


Figure 3.1 shows that taxes on expenditure have provided an increasing share of total revenue over the last ten years, rising from 33 per cent in 1985 to 41 per cent in 1995. The introduction of national non-domestic rates in 1990 and the VAT rate increase from 15 per cent to 17.5 per cent in 1991 have contributed most to this increase. Taxes on income on the other hand have provided a declining share, falling from 40 per cent to 36 per cent over the same period. Social security contributions have remained in the range 17 to 19 per cent.

Central government expenditure

Central government has accounted for about 75 per cent of general government expenditure (that is, current and capital account expenditure, net lending, etc.) in recent years.

Expenditure is incurred principally on final consumption and current grants to local authorities and the personal sector. Final consumption is mainly pay and the procurement of goods and services (see the glossary for a full definition). Current grants to the personal sector are mostly in the form of social security benefits. More detail is shown in Table 3.1.

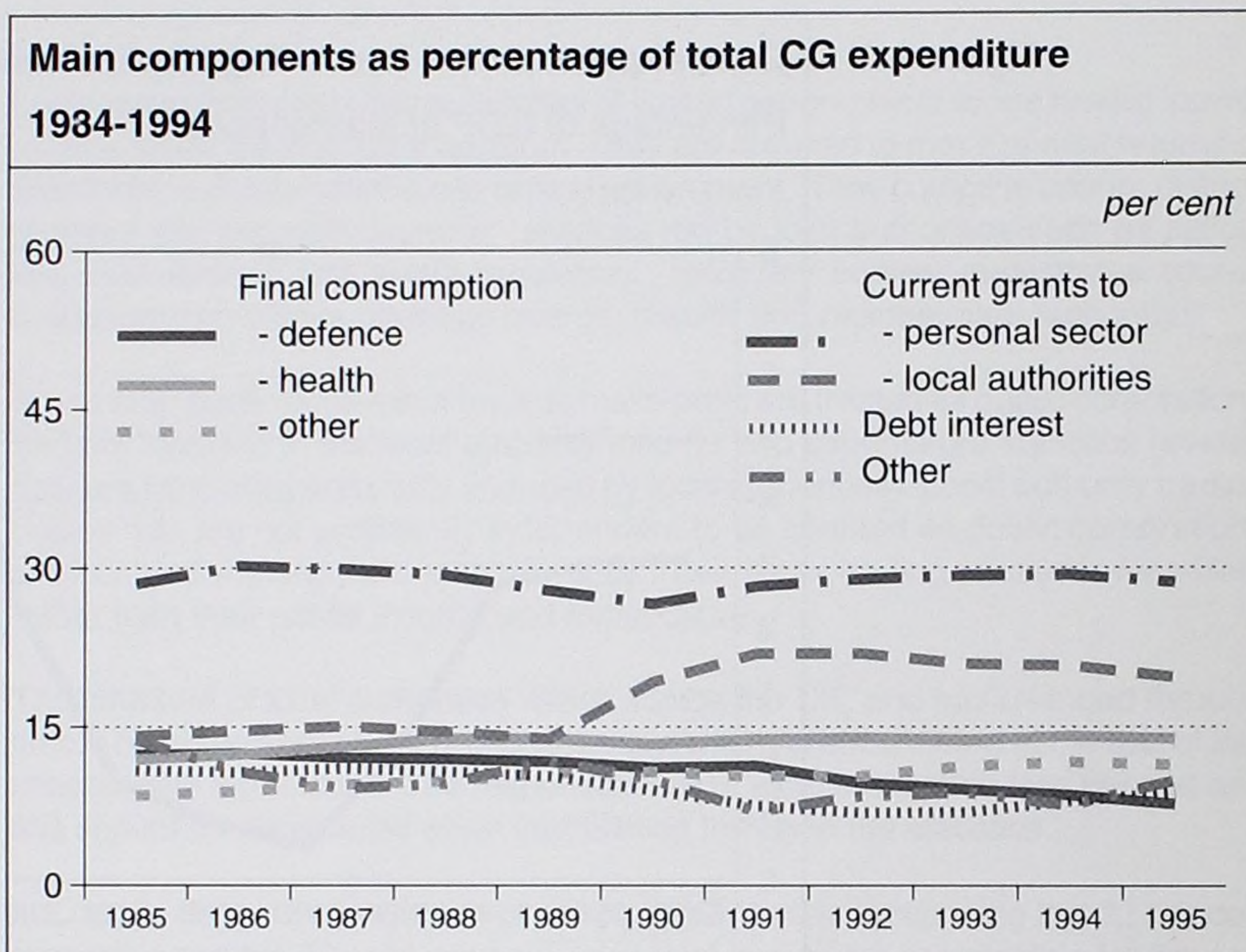
Table 3.1

Central government						
The economic activities of central government						<i>£ million</i>
	1981	1985	1989	1993	1994	1995
Final consumption	35017	47341	63294	89123	93031	95832
<i>of which</i>						
Wages & salaries	17481	22656	30698	34421	28954	27094
Other goods & services	15625	22240	28345	47190	55328	59150
Capital consumption	773	983	1484	1592	1408	1319
Education grants	1138	1462	2767	5920	7341	8269
Subsidies	5171	5939	4774	6599	6375	6256
Current grants to the personal sector	28962	41270	48675	76478	79455	83016
Current grants to local authorities	15201	20438	24200	54632	56233	57071
<i>of which</i>						
NDR	0	0	0	13741	13017	12950
Other	15201	20438	24200	40891	43216	44121
Current grants abroad (net)	1607	3427	4278	4969	5135	7180
Debt interest	10122	15724	18038	18080	21706	25363
GDFCF	1868	3126	4951	6391	5946	5642
Value of physical increase in stocks	-93	450	-163	-24	-251	-154
Capital transfers	2376	3298	5503	10494	9560	9068
<i>of which</i>						
Private sector	1659	2019	2159	4234	3434	3165
Local authorities	317	750	2144	3154	2930	2720
Public corporations	400	529	1200	3106	3196	3183
Net lending	362	5185	5788	-60	460	3323
<i>of which:</i>						
Private sector	418	172	1042	227	478	661
Local authorities	-697	4960	2577	-1540	-845	1715
Public corporations	904	-230	1900	1044	608	710
Overseas	-263	283	269	209	219	237
Public dividend capital, etc.	-160	836	45	0	0	0
Company securities	1649	-2345	-4657	-5400	-6654	-2484
Grand total	102255	143361	173696	261147	270830	288072

Unlike general government transactions, CG transactions with local authorities are not consolidated (netted) out. Flows between bodies entirely within the sector, such as interest receipts by various government funds on their holdings of, for example British government securities, are shown net.

Figure 3.2 shows a breakdown of CG expenditure.

Figure 3.2

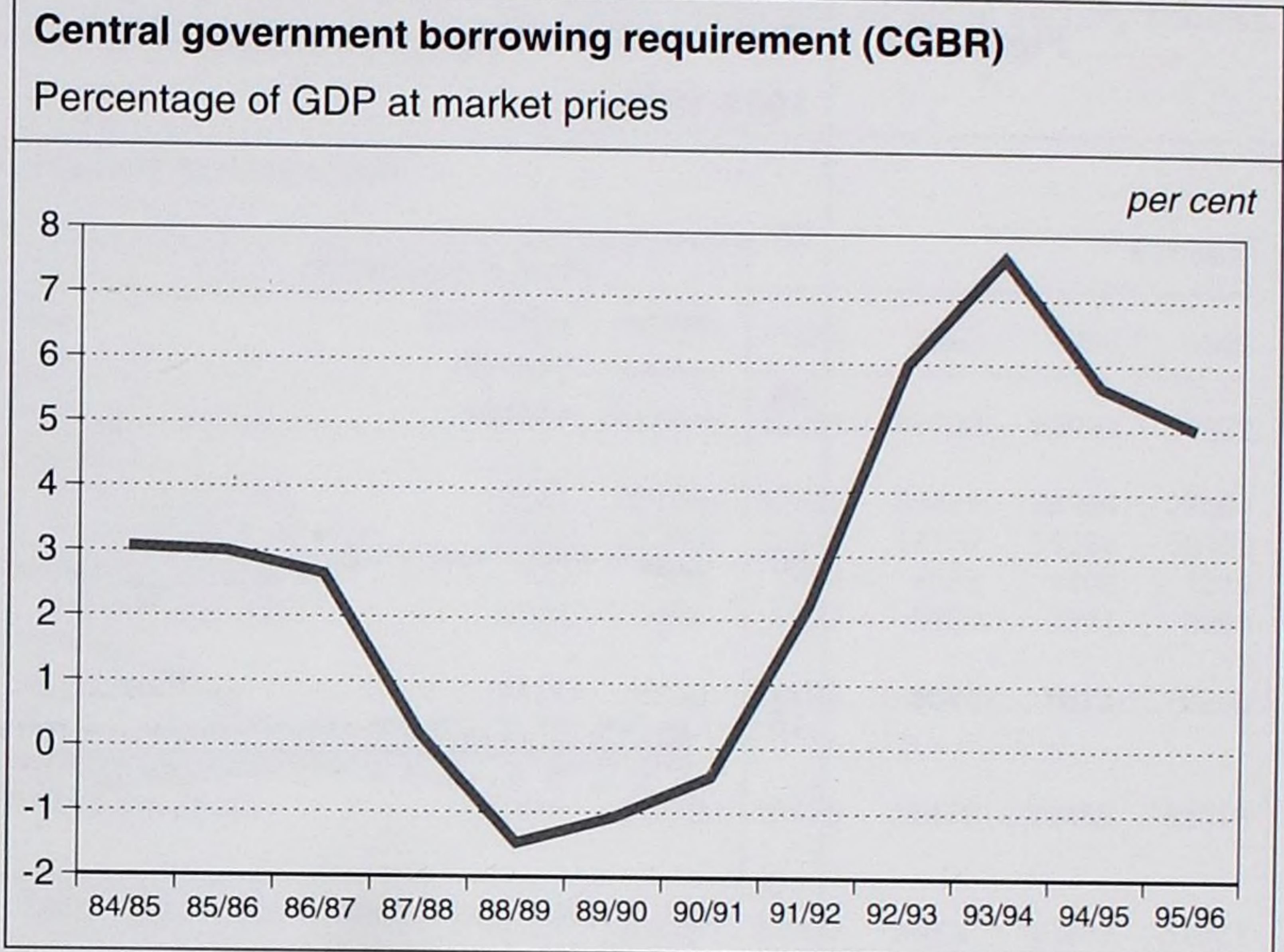


As a proportion of total CG expenditure the defence portion of final consumption has fallen from 12 per cent in 1985 to 8 per cent in 1995; health expenditure has risen in the same period from 12 to 14 per cent, whilst expenditure on the remaining social and economic functions detailed in Table 2.2 in the previous chapter, at 8 per cent in 1985, is now 11 per cent. Some of this rise reflects an increase in education grants expenditure resulting from the switch in funding of schools that became grant-maintained - previously funded by local authorities but now funded by central government. Current grants to the personal sector have shown little change, remaining in the range 27 to 30 per cent. Current grants to local authorities have risen from 14 per cent in 1985 to 20 per cent in 1995, the big step up from 1990 onwards as a result of the introduction of national non-domestic rates, whose distribution to LAs is included here. Debt interest payments, at 11 per cent of current expenditure in 1985, had declined to 9 per cent by 1995, having peaked at 11.1 per cent in 1987.

Central government borrowing requirement

Figure 3.3 illustrates that the CGBR as a share of GDP declined throughout the 1980s. The CGBR went into surplus at the end of the decade, most notably with a net repayment of £7.1 billion in 1988/89. The position reversed sharply thereafter; in 1993/4 the CGBR peaked at £49.0 billion, representing 8 per cent of GDP. Outturn figures for 1995/96 show a fall back to £35.4 billion, which represented 5 per cent of GDP.

Figure 3.3



Chapter 4 Local authorities

Definition of local authorities

Local authorities are public authorities of limited geographical scope having power to raise funds through local taxation. They are required to make annual returns of their income and expenditure to central government. They comprise county, district, regional and borough councils; services run by joint authorities such as police, fire, civil defence and waste regulation; residuary bodies, magistrates courts, probation committees, drainage boards, market and national park authorities.

Some local public bodies that trade to make profit are treated as public corporations and not included in the local authority income and expenditure statistics (even if they are controlled and partly financed by local authorities). Local authority trading bodies that are not sufficiently independent to be counted as public corporations are included with the local authority data. Their gross trading surplus is recorded, rather than their actual income and expenditure.

Structure of local authorities

The structure of local authorities varies across the UK, and has changed through time. The notes here give a broad overview; the references listed at the end of this chapter give more detail. The responsibilities of local authorities also change and this should be considered when interpreting trends in the statistics.

In London there is a single tier of principal authorities comprising the 32 London Boroughs and the City of London. Seven joint bodies are responsible for fire and civil defence, and for waste regulation and disposal. The Receiver for the Metropolitan Police is responsible for policing in the London area, except for the City of London.

In the six metropolitan areas in England most services are run by the 36 metropolitan districts, with police, fire services, civil defence, transport, and, in some cases, waste regulation being the responsibility of 20 joint bodies.

In the shire areas of England, from April 1996, there are 14 unitary authorities (following recommendations of the Local Government Commission). In addition, there are 36 counties and 274 districts. Planning, fire services, civil defence, public transport and highways, libraries, education and social services are at county level. Districts administer housing, refuse collection, local taxation, environmental health, planning applications, leisure and recreation. In some areas, parish, town and community councils (about 8,100 in total) form a minor third tier. There is also the Isles of Scilly single tier authority. There are 31 free standing police authorities, generally congruent with the area of a county but sometimes covering two or more counties. There are 4 combined fire authorities.

In Wales, from April 1996, there are 22 single tier authorities, called counties or county boroughs.

These cover the services administered by the two tier system in England. There are four free-standing police authorities in Wales and three combined fire authorities each covering aggregations of whole counties or county boroughs.

In Scotland, from April 1996, there are 32 unitary authorities, with joint boards running police, fire and assessor services. Some work previously carried out by local authorities will be done by central government departments: the Scottish Environmental Protection Agency and the Children's Reporter Service. Water and sewerage will be carried out by three public corporations.

In Northern Ireland there are six counties. They are responsible for a much smaller range of functions than local authorities in Great Britain. Most local authority services are administered by Northern Ireland departments and funded by central government.

The Local Government Commission for England has recommended further restructuring to local authorities in England. The plans are to introduce 13 more unitary authorities in the shire areas on 1 April 1997 and a further 19 on 1 April 1998.

Local authority finances

Local authorities account for around one quarter of general government expenditure. In 1995/96 total current and capital spending (including debt interest) by local authorities was £78.8 billion.

In recent years just under 80% of local authority funding has come from central government; the remainder is from council tax, rent, fees, trading activities, and investments. In Northern Ireland, old style rates continue instead of council tax. Central government support for local authorities is provided through grants for both current and capital expenditure, and from the redistribution of national non-domestic rates (NDR). Support may be non-specific, eg Revenue Support Grant; or related to specific services, eg police grant. Grants are all included within the Control Total (see chapter on general government), with the exception of certain grants (such as European Community capital grants) which are excluded to avoid double-counting with credit approvals/net capital allocations. Central government sets limits on local authority borrowing through the issue of credit approvals (called "net capital approvals" in Scotland).

Local authority spending can broadly be divided into two categories: main local services (see below); and other services that are financed wholly, or almost wholly, by central government through specific grants with little or no impact on local tax levels (examples are rent allowances and mandatory student awards).

Local authorities determine the level, pattern, and standard of the main local services - subject to the financial resources available, including the implications for local taxation, and in some cases subject to regulation and inspection of the service provided.

Total standard spending (TSS) is the amount that government judges appropriate for expenditure on main services. For 1996/97, TSS was set at £44.8 billion in England and £2.9 billion in Wales; £6.2 billion is the equivalent figure for Scotland, where it is called "government supported expenditure" (GSE). For TSS in England and GSE in Scotland, government provides a breakdown of expenditure on each main service that would be consistent with the overall figure.

Central government support for expenditure on the main services is provided through aggregate external finance (AEF). This comprises:

- Revenue support grant (RSG);

- National non-domestic rate (NDR) payments: there are separate NDR poundages set by government for England, Wales, and (from 1995/96) Scotland, with the proceeds pooled and distributed to local authorities in proportion to their adult populations;

- certain current specific grants, which fund part of the expenditure on a specific service or activity;

- special grants.

Central government support outside AEF is mainly for schemes wholly funded by central government. Examples are mandatory student awards and rent rebates.

Capital expenditure is funded from central government; from local authorities' own resources - capital receipts and revenue; and from borrowing or credit arrangements within the limit of credit approvals issued by government. Local authorities in England and Wales must set aside a specified part of their capital receipts to repay debt; which may also be carried forward into subsequent years. From 1996/97 Scottish authorities too are permitted to carry forward certain unused usable receipts. Annual capital expenditure has been about £7 billion in recent years.

Definitions in tables

Tables 10.41 to 10.48 are compiled by ONS using national accounts definitions. The totals differ from, but are consistent with, those published by Treasury, and figures published by departments with responsibilities for local government (DoE, SO, WO). Some differences between the national accounts' definitions and other measures are described below. Differences also arise from the timing and sources of information used.

Local authority final consumption includes an imputed charge for non-trading capital consumption. It represents the income from the ownership of non-trading capital assets, and the cost of consuming such assets. It is needed to arrive at a measure of the total economic cost of providing local authority services. It is not included in the Treasury and departmental figures which are based on actual cash payments.

Rent consists of local authorities' receipts of rent measured as the balance of income and expenditure in the housing operating account. On national accounts definitions, this balance excludes interest receipts and payments, capital expenditures met from revenue, and changes in working balances. It thus differs from the balance in local authority accounts which include these items of income and expenditure.

Grant maintained schools are classified to the personal sector in national accounts. Their expenditure is recorded as central government buying a service from the personal sector. The Treasury record this as local authority expenditure.

Recent major changes affecting time series

- 1988: Education Reform Act introduced concept of grant maintained status for schools. Such schools came into existence from 1989 onwards opting out from local authority control, and are classed as non-profit institutions (reduces local authority final consumption, increases central government final consumption).
- 1989: funding of polytechnic and higher education colleges in England transferred to the Polytechnic and Colleges Funding Council (PCFC) - now the Higher Education Funding Council (HEFC); (1993 in Wales) (reduces local authority final consumption, increases central government final consumption).
- 1989: domestic rates abolished in Scotland and replaced by community charge (reduces taxes on expenditure).
- 1990: nationally determined uniform non-domestic rate introduced (reduces taxes on expenditure, increases current grants from central government).
- 1990: proportion of mandatory student awards financed by central government increased to 100% (increases current grants from central government).
- 1990: domestic rates abolished in England and Wales and replaced by community charge (reduces taxes on expenditure).
- 1991: central government support is increased by £140 per community charge payer (increases current grants from central government).
- 1992: Chancellor's Autumn Statement announced temporary relaxation of capital receipts rules (boosts capital expenditure in 1993/94 and 1994/95).

- 1993: local authorities became responsible for implementing new legislation on community care (increases final consumption).
- 1993: funding of further education and sixth form colleges in England transferred from local authorities to the Further Education Funding Council; (1992 in Wales) (reduces final consumption, increases central government final consumption).
- 1993: community charge replaced by council tax.
- 1995: new police authorities took over policing in shire areas.
- 1996: thirteen new unitary authorities in England.
- 1996: four new combined fire authorities in England.
- 1996: single tier authorities in Scotland and Wales.
- 1996: responsibility for water and sewerage in Scotland transferred to a public corporation, Scottish Water (decreases LA expenditure by the amount previously incurred on domestic sewerage).
- 1996: Environment Agency set up, taking over some LA responsibilities (decreases LA expenditure).

Recent trends

Figure 4.1 shows local authority receipts. Central government grants are the main source. These rose sharply in the early part of the decade, following changes in the system of support described above, and continue to rise.

Figure 4.1

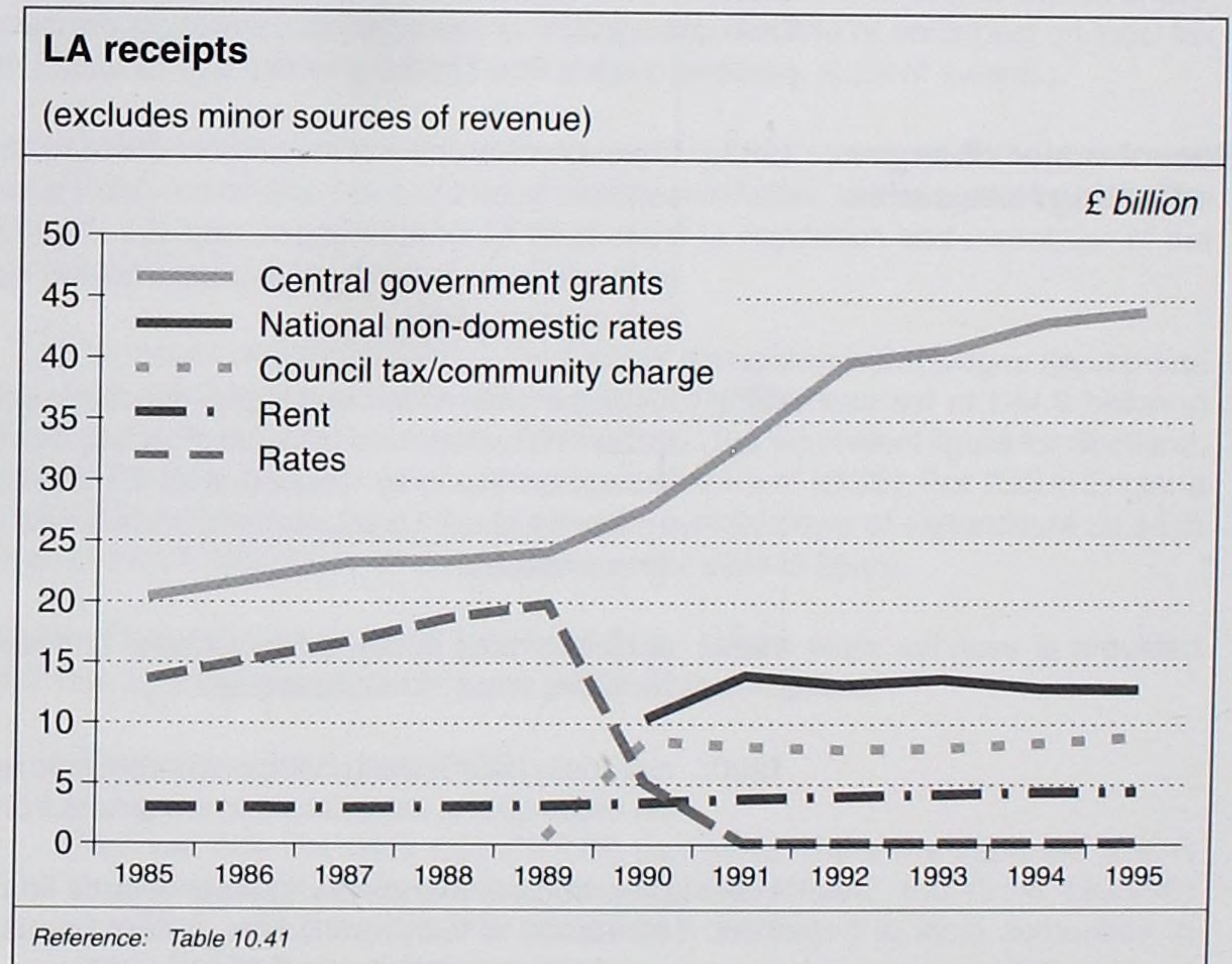


Figure 4.2 shows local authority expenditure. Local authority education expenditure fell in 1993/94 because the funding of sixth form colleges in England was transferred from local authorities to the Further Education Funding Council. Later it started to rise again. Since 1990, expenditure on grants to persons has shown the largest increase and partly reflects changes in the way housing is supported.

Figure 4.2

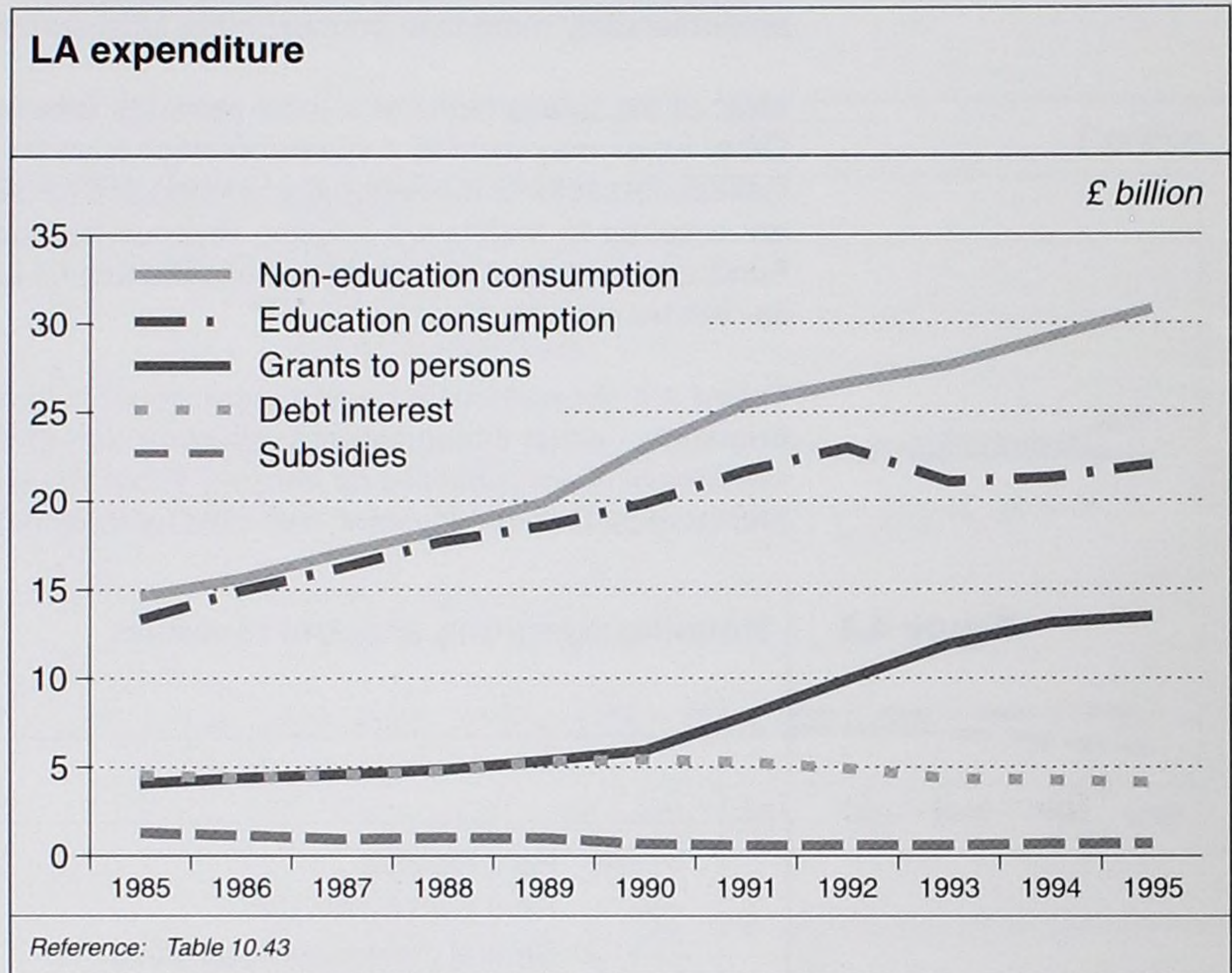
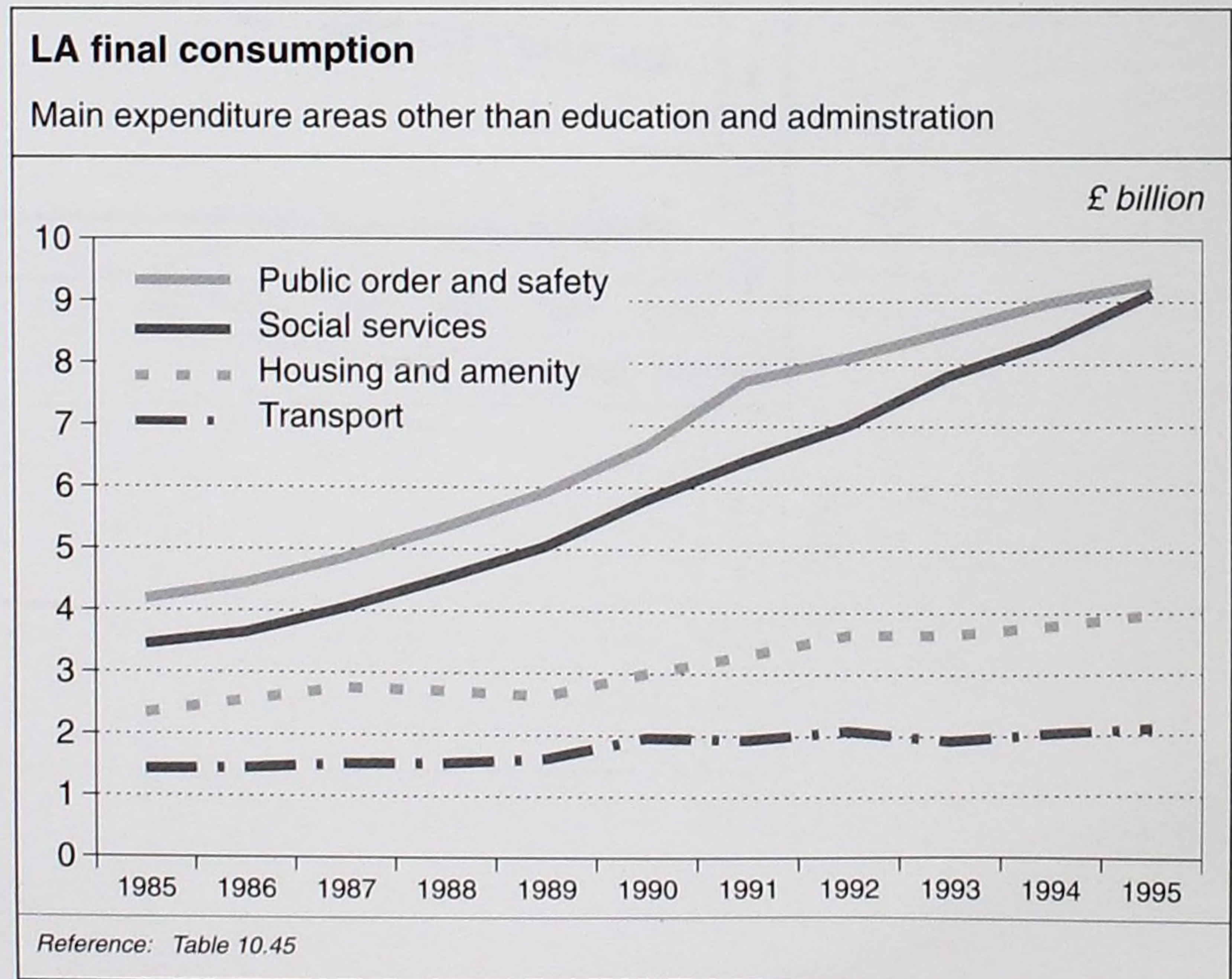


Figure 4.3 shows trends in final consumption expenditure on some main areas of local authority activity other than education and general services.

Figure 4.3



Expenditure on social services has been increasing in recent years. This reflects an upward trend for many years and the introduction of the Care in the Community programme in 1993 which gave local authorities some responsibilities for patient care that were previously the role of central government departments.

Expenditure on the police, fire services, and law courts has also risen proportionately more than on most other local authority activities.

Most of the transactions of a local authority take place within a General Fund. Other funds may include a superannuation fund (in the financial companies and institutions sector of the national accounts) and a collection fund. Local authorities are required to maintain a housing revenue account (HRA), within the General Fund, covering current income and expenditure on its housing services relating to its own housing stock.

Figure 4.4 shows housing operating account income. The proportion of income from rents - either through tenant payments or rent rebates - has increased at the expense of direct subsidies for housing. From 1992 to 1994, a period of recession and increased unemployment, rent paid by tenants fell and rent rebates rose.

Figure 4.4

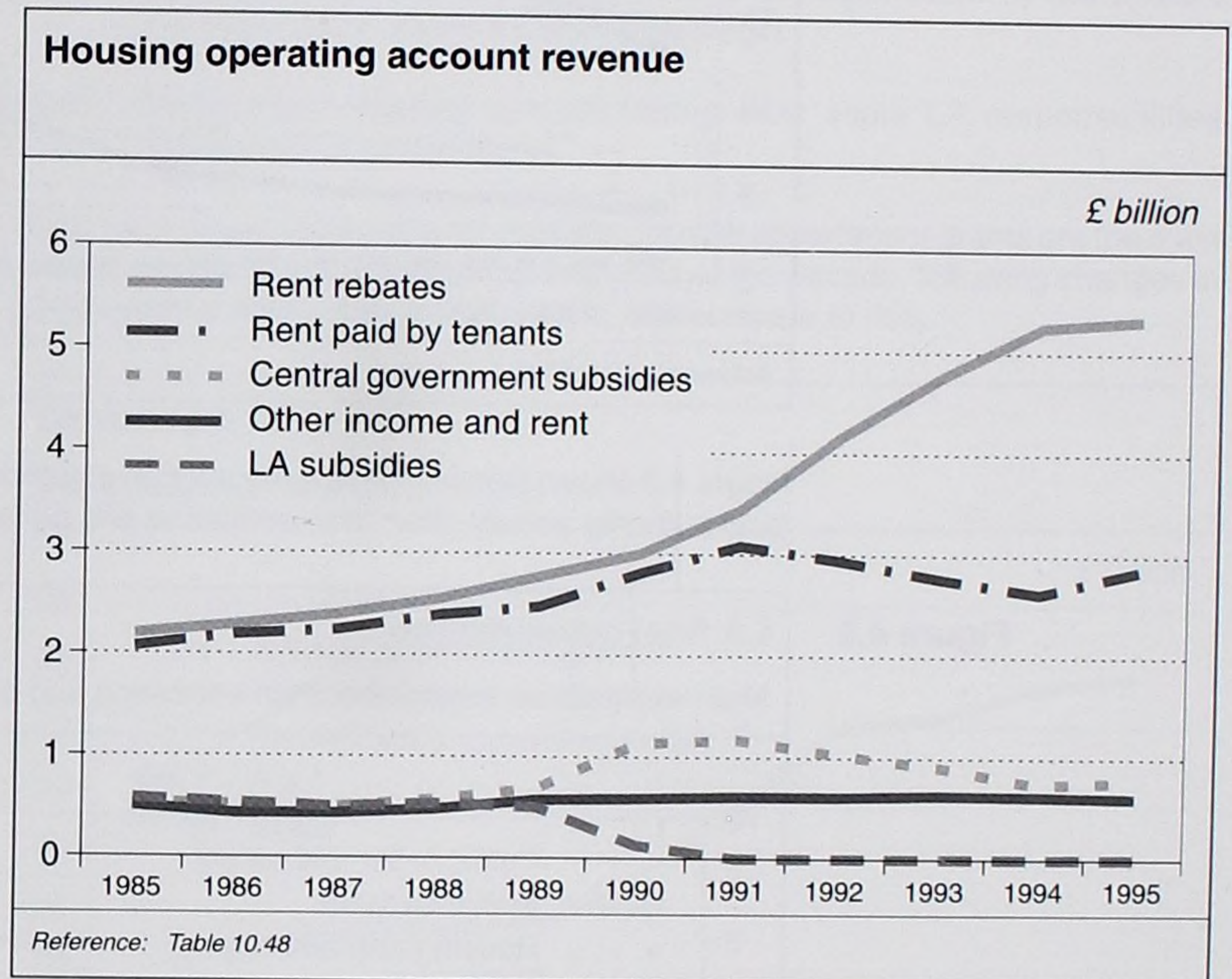
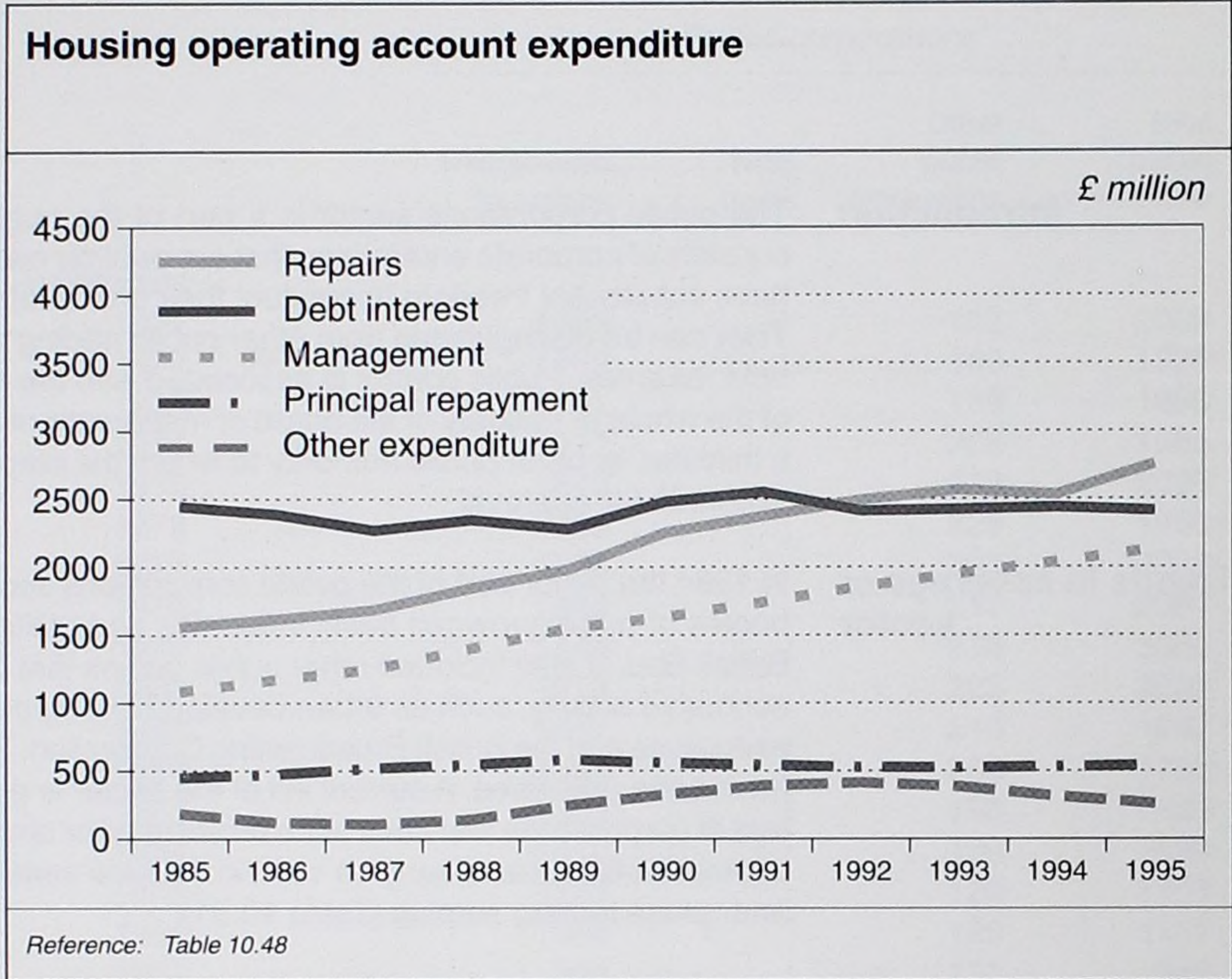


Figure 4.5 shows housing operating account expenditure. Spending on management and supervision has risen proportionately more than spending on repairs. Debt interest and repayment of capital rose by only a small amount over the period.

Figure 4.5



References: See Bibliography references 12, 13, 15, 25, 26, and 27.

Contact point Amanda Hughes telephone: 0171 270 6164

Chapter 5 Public corporations

Introduction The public corporations sector is a part of the public sector (see Chapter 1). It consists of corporate enterprises that are publicly owned and controlled, but which have substantial freedom to conduct their own affairs on ordinary business lines. They can be distinguished from other public trading bodies in that they are able to hold reserves. Public control is associated with the direct or indirect appointment of the whole or majority of the board of management by the sovereign, parliament, a minister, or other public authority to whom the corporation is required to present accounts for approval.

Trends in coverage of sector In 1984 the major part of the public corporations sector comprised the managing bodies of publicly-owned basic industries and utilities, such as British Steel and British Gas. It also included other public bodies that operated in other branches of economic activity, such as urban development corporations, passenger transport executives and the British Broadcasting Corporation. Since 1984 many corporations have been privatised. A current list of the sector is given in Annex 1, together with lists of corporations that have been reclassified or dissolved since 1984. The effects of privatisations can clearly be seen in the time series for employment (Table 5.1), and gross trading surplus (Table 10.51).

A number of smaller organisations have become public corporations, for example, airports and bus companies formerly owned by local authorities, and, most significantly, National Health Service Trusts. These are locally managed hospitals or groups of hospitals, which have grown in number from 57 in 1991/92 to 522 in 1995/96, as more gained Trust status. Some housing estates previously run by local authorities have become independently-run Housing Action Trusts (from 1991/92). Recent developments have been the privatisation of British Coal, and the break up of British Rail into business units. Railtrack, which owns the railway infrastructure, was privatised on 20 May 1996. The nuclear power industry was reviewed in 1995, with a view to restructuring and the privatisation of some parts in 1996.

Public expenditure control The public expenditure Control Total includes the external finance of public corporations accountable to central government. It excludes those accountable to local authorities. Table 10.24 in chapter 10 shows where this appears in the *Control Total*.

External finance comprises not only government subsidies and capital transfers, but also net borrowing which a corporation may raise to supplement income from trading activities. Net borrowing includes government lending (loans on Votes and from the National Loans Fund), market and overseas borrowing, finance leasing and public dividend capital. Government sets an External Finance Limit (EFL) for each corporation for the year ahead.

Public funds have been paid to public corporations to support

specific non-commercial objectives, (such as public transport services);

re-structuring (often prior to privatisation), and

loss-making industries, (notably British Coal).

Some corporations are financed almost entirely by grants - such as urban development corporations. Some corporations obtain grants from the European Union.

Table 5.1

UK public corporations employment 1971-1995 by major categories

headcount and full-time equivalents, mid year

thousands

	Public corporations ¹			Total public corporations
	Nationalised industries	NHS trusts	Other public corporations	
Headcount				
1971	1856		153	2009
1972	1769		160	1929
1973	1731		159	1890
1974	777		208	1985
1975	1816		219	2035
1976	1752		228	1980
1977	1866		223	2089
1978	1844		217	2061
1979	1849		216	2065
1980	1816		222	2038
1981	1657		210	1867
1982	1554		202	1756
1983	1465		198	1663
1984	1410		189	1599
1985	1131		120	1251
1986	1058		129	1187
1987	864		121	985
1988	791		121	912
1989	720		112	832
1990	676		110	786
1991	498	124	102	724
1992	459	309	106	874
1993	437	628	93	1158
1994	385	1000	82	1467
1995	366	1085	76	1527
Full-time equivalents				
1978	1843		217	2060
1979	1818		216	2034
1980	1785		222	2007
1981	1656		206	1862
1982	1538		198	1736
1983	1444		197	1641
1984	1390		188	1578
1985	1118		118	1236
1986	1043		127	1170
1987	850		119	969
1988	775		119	894
1989	703		110	813
1990	659		108	767
1991	488	102	100	690
1992	452	252	104	808
1993	426	512	89	1027
1994	370	808	79	1257
1995	352	876	74	1302

1. Details of transfers of public corporations to the private sector, including the numbers of employees involved, are given in Annex 1.

Source: Business Statistics Group. ONS

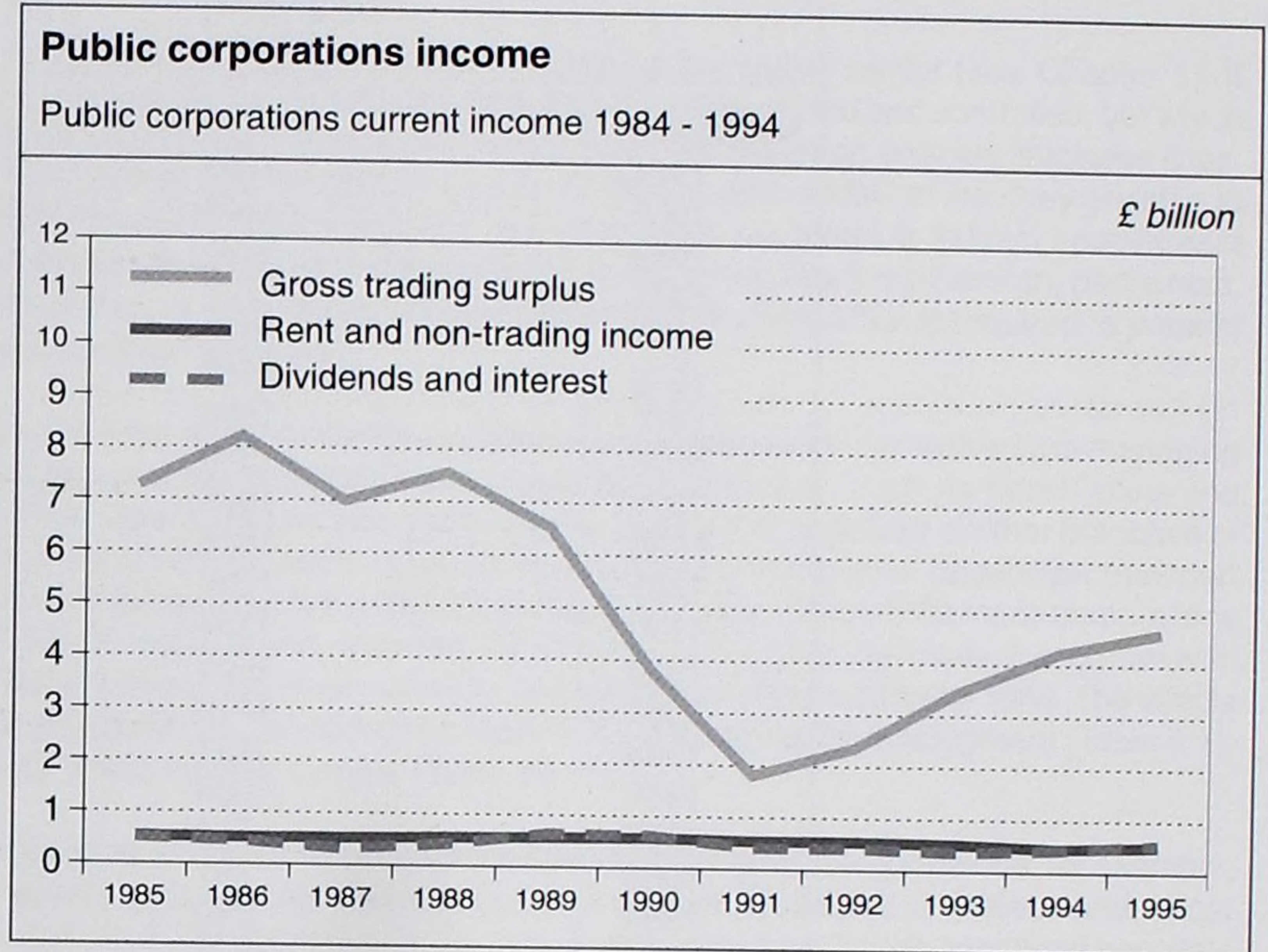
Public corporations accounts

Tables 10.51-10.53 and 10.55 present accounts on both a calendar and financial year basis while Tables 10.54 and 10.56 present more detailed information on a calendar year basis.

**Recent trends
Current Account**

Table 10.51 and Figure 5.1 show time series for the main components of income, *gross trading surplus*, *rent and dividends and interest receipts*. In the table, trading subsidies are shown as a component of *gross trading surplus*.

Figure 5.1



(a) Gross trading surplus

The decrease in trading surplus caused by privatisations between 1984 and 1988, such as British Telecom and British Gas, has largely been offset by increased contributions from other industries, such as British Steel and the Electricity Council. From 1989-1991, the decrease is more noticeable due to privatisation of the water and electricity industries. There have been large increases from 1992 onwards because of the creation of NHS Trusts, and the reclassification of British Nuclear Fuels as a public corporation. In addition, the contribution from other industries, such as London Transport and British Rail, has increased over this period.

Subsidies paid to public corporations rose during the first half of the 1980s. It then fell in the second half, reflecting privatisations. Since 1991 subsidies have increased, due to extra funding for British Rail and British Coal to cover additional costs, including those of redundancies and restructuring.

(b) Rent

The transfer of housing stock from New Towns Development Corporations and Commissions to local authorities and housing associations has caused a decrease in rent received from dwellings. This has however been offset by increases elsewhere. Rent income has remained steady since 1984. Rent subsidies have fallen over the last five years to reflect this.

(c) Interest payments on debt

This is shown in Table 10.52. The decline over the period reflects the change in coverage of the sector. The largest decreases in the 1990s reflect the privatisations of water and electricity companies. The increases in recent years arise from the inclusion of National Health Service Trusts.

Capital account These data are shown in Tables 10.53 and 10.54.

(d) Capital transfers-receipts Capital grants from central government have increased since 1989 for several reasons. Special grants were provided to the coal industry in 1990 and 1991 in order to repay debt. The capital grant to urban development corporations also increased from 1987/88 onwards due to the increase in their numbers and more emphasis on urban regeneration. Capital transfers from local authorities have fallen since 1985/86. This is because London Regional Transport became a nationalised industry, with direct funding from central government. Passenger Transport Executives had a reduced role since 1986 as a result of bus deregulation. Transfers from the private sector halved in 1991, due to the loss of consumer contributions to electricity companies upon their privatisation. The amount given to the Scottish Homes corporation from 1989/90 was much larger than its predecessor, the Scottish Special Housing Association, because of its widened role.

(e) Capital expenditure Some of the year on year movements reflect privatisations, and the contribution of new corporations. The amount of expenditure in a particular year will reflect the needs of the particular industry, and policy considerations. These can be funded by increased grants from central government. The gradual decline in mining and quarrying reflects the privatisations of Britoil (subsidiary of the then British National Oil Corporation) and Enterprise Oil Ltd, as well as the reduction in the size of the coal industry from the mid-1980s. The decrease in manufacturing in 1989 largely reflects the privatisation of British Steel with the increase from 1992 attributed to the inclusion of British Nuclear Fuels.

The pattern of investment in electricity, gas and water generally reflect the various privatisations. The effect of privatising regional water authorities in 1989 is outweighed by the increased investment by the newly created electricity companies prior to their privatisation. The changes in investment in transport and communication clearly reflect the privatisations of the mid-1980's e.g. National Bus company, British Telecom. Since 1989, the level of investment has risen because of increased investment by British Rail, London Transport (Rail), and the Post Office.

(f) Capital transfers-expenditure The increase from 1989, has been due to the inclusion of capital grants from Scottish Homes to housing associations.

Debt that is outstanding when a corporation is privatised is often written off. In some cases, part may be exchanged for debentures to be repaid at an agreed date. The amounts written off are shown below.

£ million

1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
-	1.6	-	4.0	5.0	1.7	0.4	-	-	-	1.6

Annex 1

A. Corporations in existence at 31 December 1995.	
Corporation	Commencing or vesting date
Audit Commission	April 1993
Angel Train Contracts Ltd ⁴	August 1995
Audit Commission	April 1993
British Broadcasting Corporation	1927
British Coal Corporation ^{1,2}	January 1947
British Nuclear Fuels plc ³	April 1971
British Railways Board ¹	January 1963
British Waterways Board ¹	January 1963
Caledonian Macbrayne Ltd ^{1,4}	April 1990
Channel 4 Television Company Ltd ⁴	December 1980
Civil Aviation Authority ¹	April 1972
Commonwealth Development Corporation	February 1948
Covent Garden Market Authority	October 1961
Crown Agents and Crown Agents Holding and Realisation Board	January 1980
Development Board for Rural Wales	April 1977
European Passenger Services Ltd ^{1,4}	May 1994
Eversholt Leasing Ltd ⁴	August 1995
Her Majesty's Stationery Office	April 1980
Highlands and Islands Airports ⁴	April 1995
Highlands and Islands Enterprise ²	November 1965
Housing Action Trusts	July 1991 to July 1994
Laganside Corporation	April 1989
Land Authority for Wales	April 1976
Local Authority Airport Companies	April 1987
Local Authority Bus Companies	October 1986
London Regional Transport ^{1,2}	January 1970
National Health Service Trusts	from April 1991
New Town Development Corporations and Commission	from December 1946
Northern Ireland Housing Executive	May 1971
Northern Ireland Transport Holding Company	April 1968
Nuclear Electric plc ^{1,4}	April 1989
Oil and Pipelines Agency	December 1985

Annex 1
(continued)

A. Corporations in existence at 31 December 1995 (continued)

Corporation	Commencing or vesting date
Passenger Transport Executives	from October 1969
Porterbrook Leasing Ltd ⁴	August 1995
Post Office ¹	April 1961
Railtrack plc ^{1,4}	April 1994
Royal Mint	April 1975
Scottish Enterprise ²	December 1975
Scottish Homes ²	1937
Scottish Nuclear plc ^{1,4}	April 1989
Trust Ports (Northern Ireland)	April 1974
Union Railways ⁴	April 1995
United Kingdom Atomic Energy Authority	April 1986
United Kingdom Nirex Ltd	July 1982
Urban Development Corporations	from March 1981
Urban Regeneration Agency	November 1993
Welsh Development Agency	January 1976
Welsh Fourth Channel Authority	January 1981

1. *Nationalised Industry.*

2. *Name changed. British Coal was formerly the National Coal Board; London Regional Transport was formerly London Transport Executive. Highlands and Islands Enterprise was formerly Highlands and Islands Development Board; Scottish Enterprise was formerly Scottish Development Agency and Scottish Homes was formerly Scottish Special Housing Association.*

3. *As of the 1994 Blue Book, British Nuclear Fuels plc has been reclassified to the public sector. Data underlying annual estimates of income, expenditure and financial transactions have been revised back to the second quarter of 1992.*

4. *Nuclear Electric plc was part of the former Central Electricity Generating Board; Caledonian Macbrayne Ltd was part of the Scottish Transport Group; Channel Four Television Company Ltd was part of the Independent Television Commission. Scottish Nuclear plc was part of the former South of Scotland Electricity Board. Highlands and Islands Airports was part of the Civil Aviation Authority. Railtrack plc, European Passenger Services Ltd, Union Railways, Angel Train Contracts Ltd, Eversholt Leasing Ltd and Porterbrook Leasing Ltd were part of the British Railways Board.*

Annex 1
(continued)

B. Publicly owned institutions not classified to the public corporations sector for statistical purposes	
Institution	Classified to
Bank of England Banking Department	financial institutions
Girobank until 1990	financial institutions
International Military Services (ceased trading July 1991).	industrial and commercial companies
C. Corporations transferred to private sector 1984-95	
(Numbers of employees at time of privatisation shown in brackets)	
Corporation	Transfer date
British Telecom plc (250,000)	November 1984
British Shipbuilders (Warship yards) and other companies	from July 1984
Trust Ports in Great Britain	from end March 1985
National Bus Company subsidiaries	Various dates between July 1986 and April 1988
British Gas plc (89,000)	December 1986
British Airways plc (36,000)	February 1987
Royal Ordnance plc (17,000)	April 1987
BAA plc (7,200)	July 1987
British Steel plc (53,000)	December 1988
25 Local Authority bus companies	from September 1988
General Practice Finance Corporation	March 1989
Regional Water Authorities and Water Authorities Association (40,000)	December 1989
Liverpool Airport	June 1990
Girobank (6,700)	July 1990
Scottish Transport Group Subsidiaries	from August 1990
Regional Electricity companies and National Grid company (119,000)	December 1990
National Power and Powergen (26,400)	March 1991
Scottish Hydroelectric (formerly the North of Scotland Hydro Electric Board)(3,500)	June 1991
Scottish Power (formerly part of the South of Scotland Electricity Board (9,800)	June 1991
British Technology Group	April 1992
Northern Ireland Electricity Service (5,000)	June 1993
East Midlands International Airport	August 1993
Southend Airport	March 1994
Belfast International Airport	July 1994
British Coal - coalfields	December 1994
London Regional Transport - 10 subsidiary bus companies	during 1994
Cardiff- Wales Airport	April 1995
Bournemouth International Airport	April 1995

**Annex 1
(continued)**

D. Corporations dissolved	
Corporation	Dissolution date
National Film Finance Corporation, being replaced in the private sector by the British Screen Finance Consortium	December 1985
British National Oil Corporation, being replaced by the Oil and Pipelines Agency	March 1986
Six local authority bus companies	April 1989 - November 1994
National Dock Labour Board	July 1989
Electricity Council, being replaced in the private sector by the Electricity Association.	March 1990
Crown Suppliers	March 1991
Pilotage Commission	April 1991
Urban development corporations: Leeds	March 1995
Bristol	December 1995
E. Other changes	
<p>The Housing Corporation was reclassified in the 1987 <i>Blue Book</i> as a central government trading body and the data were revised back to 1974.</p> <p>The Independent Television Commission (other than Channel Four) was reclassified to the central government sector from October 1991. The Independent Broadcasting Authority, a public corporation now dissolved, was the wider trading predecessor of the ITC. The Urban Regeneration Agency was established from November 1993, and incorporated the former English Industrial Estates Corporation from April 1994, trading as English Partnership. Letchworth Garden City Development Corporation became a private charity called Letchworth Garden City Heritage Foundation in October 1995.</p> <p>For statistical purposes within the national accounts, the income and expenditure transactions of the Bank of England Banking Department have been reclassified from the 1993 <i>Blue Book</i> to the financial sector. Data have been revised back to 1984. There has been a similar reclassification of the Girobank transactions from 1984 to its privatisation in July 1990. Previously, only their financial transactions have been included in this sector.</p> <p>From the 1993 <i>Blue Book</i>, the fossil fuel levy on electricity distribution is now separately identified as a capital grant within the public corporation accounts. Until this <i>Blue Book</i>, income generated was included in gross trading surplus.</p>	

Chapter 6 Public sector surplus or deficit and outstanding debt

Introduction

The ways in which government raises revenue and the pattern of public sector expenditure have an impact on the whole economy. The surplus or deficit on public sector transactions also has a significance of its own. It reflects the net impact of government transactions and can be seen as contributing to growth or inflation.

Three measures of surplus or deficit are in common use:

the public sector borrowing requirement (PSBR), the main deficit measure which is targeted in the United Kingdom,

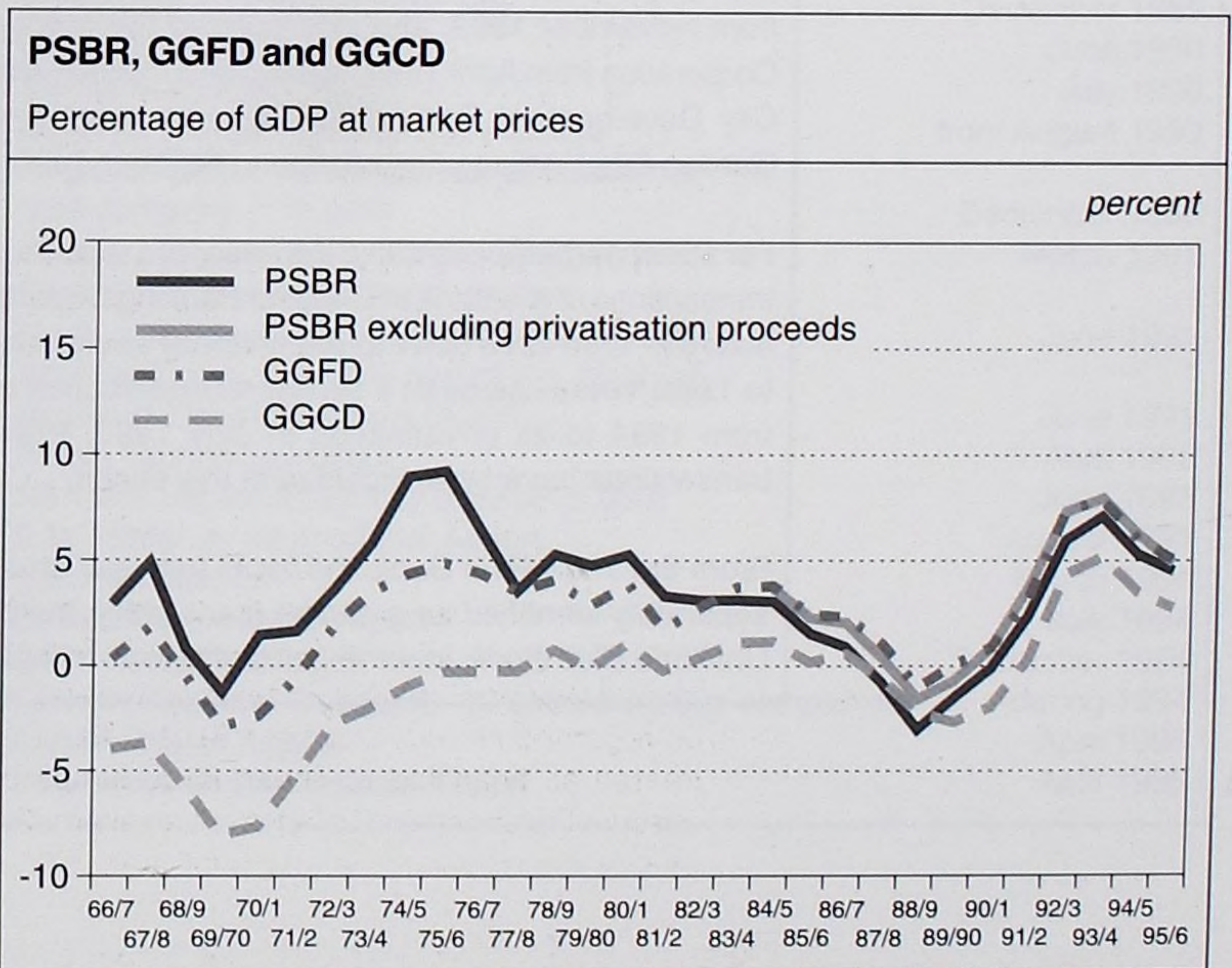
the general government financial surplus/deficit (GGFS or GGFD), which is one of the convergence criteria set up by the Maastricht Treaty,

the general government surplus/deficit on current account (GGCS or GGCD).

Equivalent measures can be calculated separately for central and local government and public corporations, but the above formulations are those most frequently used. Table 10.64, the outturn table corresponding to the 1995/96 Financial Statement and Budget Report (FSBR) table 4A.6, shows how the three are related¹.

Figure 6.1 shows the three measures as a percentage of GDP, from 1966/67 to date, the deficits GGFD and GGCD displayed as positive.

Figure 6.1



1. Tables 4A.6 and 4.2 of the FSBR use a measure of current balance which differs from the national accounts concept. It is based mainly on the same components, but taxes on capital are included in receipts and an estimate of depreciation is added to current expenditure and deducted from capital expenditure.

**Public sector
borrowing
requirement**

In 1993-94 all three reached a peak, with GGFD at 7.9 per cent, PSBR at 7.1 per cent and GGCD at 5.2 per cent. In 1995/96 they declined to 4.9, 4.5 and 2.7 per cent respectively.

The PSBR has been published annually in the FSBR since 1966, where it is the key measure of the government's fiscal stance. Section 4 of the 1996/97 FSBR discusses in detail the forecasts of public sector transactions leading up to the forecast PSBR and present projections of PSBR up to the year 2000/2001. In addition to table 10.64 mentioned above, other chapter 10 tables provide background to the FSBR:

Table 10.61 relates to FSBR tables 1.7 and 4.1; it shows the public sector's finances in broad terms.

Tables 10.62 and 10.63 give data on PSBR as shown in FSBR tables 1.1, 4.2 and 4A.2.

The definition and measurement of the PSBR are the joint responsibility of the Office for National Statistics and the Treasury. It is consistent with national accounts data¹. The distinctive elements are as follows:

It is available monthly.

Net borrowing is shown positive, net repayments negative.

It is a cash figure. This enables it to be calculated simply and quickly (the first estimate is published on the 12th working day after the end of the month to which it relates). The Accruals adjustments line in table 10.61 reflects the difference between the accruals based national accounts series above it, and the cash flows which generate the borrowing requirement.

It relates to the whole public sector. That is to say it covers the borrowing requirement of public corporations as well as of central and local government. It is consolidated; that is, borrowing by central government to lend on to local authorities or public corporations is counted only once. Similarly, purchases of gilts by local authorities are netted off the local authority borrowing requirement.

It records borrowing less acquisition of bank deposits and short term assets as financing. The public sector may finance its activities either by borrowing or by running down short term assets. The two are regarded as equivalent for this purpose.

Net lending to the private sector and abroad, and net cash expenditure on company securities are among the determinants of PSBR. That is to say they affect the size of the PSBR rather than the way in which it is financed. This treatment follows international practice. The large negative transactions in company securities in recent years reflect the proceeds of privatisations. There has been some debate as to whether privatisation proceeds should be regarded as reducing the PSBR in this way, or whether they should be treated as financing it. These large lumpy privatisation transactions can obscure the underlying balance, so an alternative measure of PSBR excluding privatisation proceeds is also published.

Figure 6.1 shows PSBR as a percentage of GDP since the financial year 1966/67, including and excluding privatisation proceeds.

1. See Bibliography references 10 and 24.

Excluding privatisation proceeds, the 1988/89 low point of -3.0 per cent of GDP (ie a surplus) becomes -1.6 per cent of GDP. The high point of 7.1 per cent in 1993/94 was 7.9 per cent excluding privatisation proceeds. The 1995/96 figure of 4.5 per cent becomes 4.9 per cent when privatisation proceeds are excluded.

The PSBR can be defined in terms of the receipts and expenditure of the consolidated public sector accounts. It may alternatively be considered in terms of the borrowing requirements of the sub-sectors of the public sector: central government (CGBR), local authorities (LABR) and public corporations (PCBR).

Part of the central government borrowing requirement is needed to finance central government on-lending to local authorities and public corporations; table 1.5 in chapter 1 shows separately the amount central government needs to borrow on its own account CGBR(O).

It is also possible to present the PSBR as the sum of CGBR and the contributions of local authorities and public corporations where a contribution is defined as borrowing (other than direct borrowing from central government) less net purchases of other public sector debt. The following table shows the relationship between the two presentations, in columns (a) and (b) respectively.

Sector	(a)		(b)
CG	CGBR(O)	plus on-lending to PCs and LAs =	CGBR
LA	LABR	less direct borrowing from CG =	LA contribution
PC	PCBR	less direct borrowing from CG =	PC contribution
Total	PSBR		PSBR

General government financial surplus/deficit

This is a national accounts concept. As a consequence figures on a similar basis can be produced for most OECD countries; it was selected with outstanding debt as government indicators of excessive deficits under the Maastricht treaty. Its distinctive characteristics are:

It is available quarterly.

A surplus (ie net repayment) is shown positive, a deficit (net borrowing) negative.

It is on an accrued basis. It is consistent with the accrued figures for income and expenditure used in the national accounts. For example value added tax revenue is scored in the period in which the expenditure took place that gave rise to the tax liability, and not when the cash was received.

It relates to general government (that is, central and local government). It is by its nature consolidated; central government grants to local authorities will not affect it, though they will affect the financial surplus of the separate sub-sectors.

All financial transactions are "below the line". That is, they finance the surplus/deficit rather than determine its size. Capital expenditure is however "above the line" and therefore adds to the deficit.

General government surplus/deficit on current account

This is the balance of current account revenue (eg taxes, social security contributions, etc) over current account expenditure. It is a national accounts concept and as a consequence its distinctive characteristics are the same as those of the financial surplus/deficit, except that it is not affected by capital expenditure or taxes on capital.

Outstanding debt

The three surplus/deficit measures described above are flow concepts, relating to the transactions in a particular period. Also important are the levels concepts of outstanding debt, deriving from the balance sheet at any particular date. Key elements in defining outstanding debt are:

Market price or nominal value? The national accounts balance sheets are at market prices on the day on which the balance is struck (ie end quarter). For the government's own accounting purposes, and for the Maastricht reporting requirements, nominal (or redemption) values are appropriate. However the redemption value of foreign currency stock is revalued at the current exchange rate.

Gross or net? Net debt is net of short term assets held by the government. It therefore corresponds closely to the PSBR flow.

Consolidated or unconsolidated? Consolidated debt does not include debt held within the sector; again, this is consistent with the PSBR.

Date. For many years the Bank of England has produced analyses of public sector debt at the end of financial years. For consistency with other EU member states end calendar years data has been produced from end 1991. The national accounts data at market values are estimated quarterly.

Sector coverage. Data for the public sector, general government, or the three subsectors is available.

The longest running series of outstanding debt figures relates to the national debt.

The national debt

The national debt comprises the total liabilities of the National Loans Fund. The total excludes accrued interest (including index-linked increases) on national savings, Consolidated Fund liabilities (including contingent liabilities, eg coin), liabilities of central government funds (notably the Issue Department's note liabilities, Northern Ireland government debt and stocks issued by certain government funds), and sundry other contingent liabilities and guaranteed debt.

The national debt includes the whole nominal value of all issued stocks, even where there are outstanding instalments due from market holders; in such circumstances a counter entry is included in public sector liquid assets. The nominal value of index-linked gilt-edged stocks has been raised by the amount of index-related capital uplift accrued to 31 March each year where applicable. Definitive figures for the national debt are published annually in the *Consolidated Fund and National Loans Fund Accounts Supplementary Statements*.

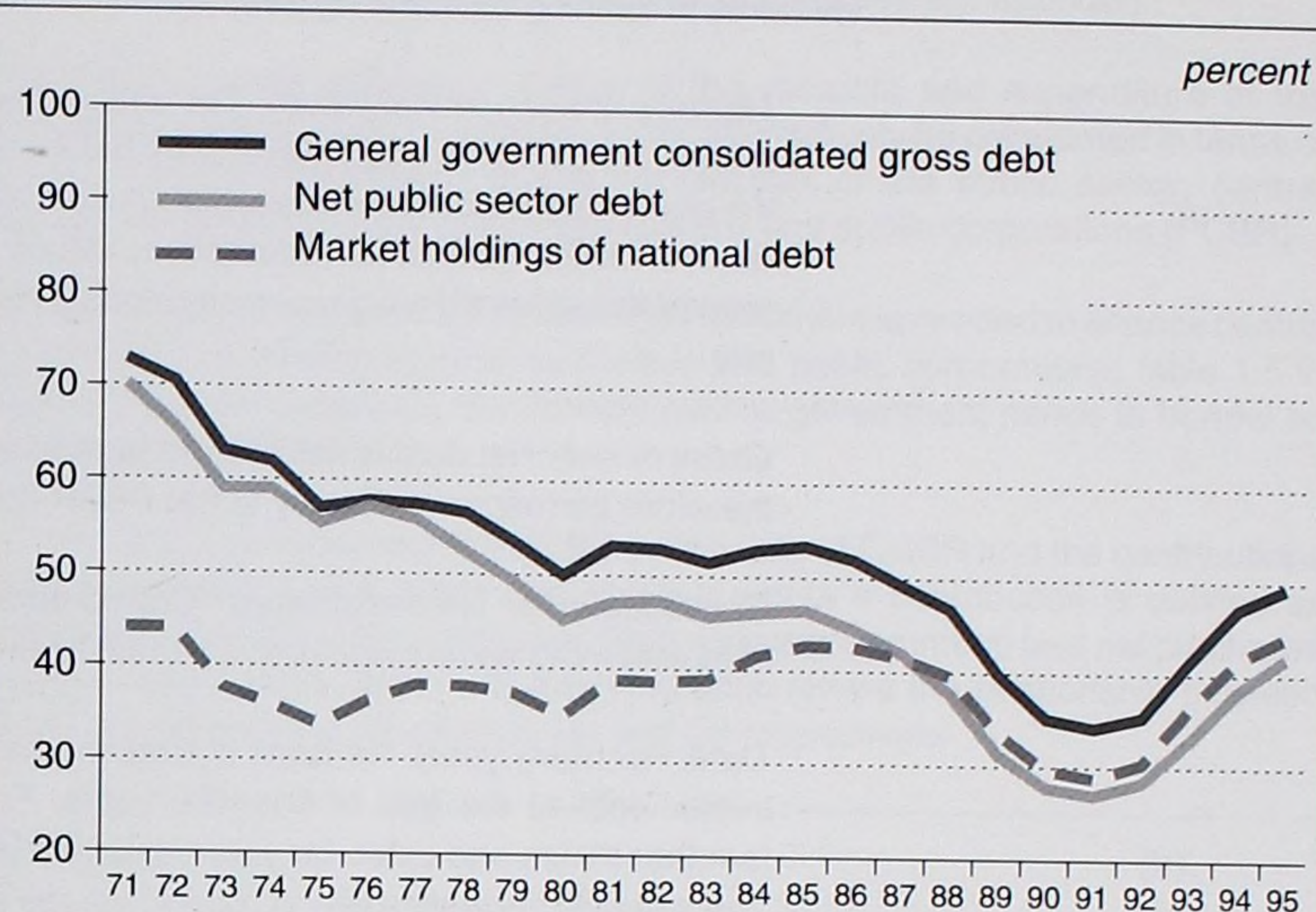
Broader in concept is the *net debt of the public sector*, which is the balance sheet equivalent of PSBR.

Net public sector debt

The Bank of England publishes annually in its November *Quarterly Bulletin* an article on the net debt of the public sector. The following is an abridged extract from the November 1995 article, updated to reflect subsequent revisions to the data. The article analyses developments in the net debt position of the public sector to the end of March 1995.

Figure 6.2

Measures of public sector debt as a percentage of GDP at market prices^{1,2} at end-March each year



1. Data from 1970 to 1995 are published in the Bank of England Statistical Abstract 1995, part 1, table 17.1.
2. Based on a centred GDP measure for the 6 months before and after the date of the level, according to Bank of England practice.

Source: Bank of England.

The net debt of the public sector reflects the cumulative effect of past fiscal policy; and trends in the ratio of net public sector debt to GDP (see Figure 6.2) give a guide to the effect of the current fiscal stance. In addition, inflation reduces the real value of the government's debt, since it is largely denominated in nominal terms. Interest payments on the debt are a current payment for past expenditure and can influence fiscal policy.

At the end of March 1995, the net debt of the public sector was £290.1 billion¹ (Table 6.1), an increase of £37.5 billion (14.8 %) on the previous year. The net debt was 41.9% of GDP, its highest proportion since 1986. The rate of increase has slowed, however, from its peak of 23.0% (£47.2 billion) in 1993/94.

1. All figures are at nominal value unless otherwise stated.

Table 6.1

Net public sector debt¹			
31 March	<i>£m nominal values</i>		
	1994	1995	Changes 1994-95
Central government			
Market holdings of national debt	274653	305917	31264
<i>as percentage of GDP²</i>	<i>41.7</i>	<i>44.2</i>	<i>2.5</i>
Net indebtedness to Bank of England			
Banking Department	729	869	140
Savings banks	1444	1445	1
Accrued interest and indexing on national savings			
	3103	3317	214
Notes and coin in circulation	21447	21771	324
Other	280	391	111
Total central government gross debt	301656	333710	32054
Local authorities			
Total gross debt	49264	49255	-9
less: CG holdings of LA debt	40977	40707	-270
LA holdings of CG debt	124	149	25
General government consolidated gross debt			
	309819	342109	32290
<i>as percentage of GDP²</i>	<i>47.1</i>	<i>49.4</i>	<i>2.3</i>
Public corporations			
Total gross debt	23867	26854	2987
less: CG holdings of PC debt	22951	26217	3266
LA holdings of PC debt	69	3	-66
PC holdings of CG debt	2854	4066	1212
PC holdings of LA debt	945	911	-34
Public sector consolidated total debt	306868	337766	30898
<i>as percentage of GDP²</i>	<i>46.6</i>	<i>48.8</i>	<i>2.2</i>
Public sector total liquid assets	54955	47659	-7296
<i>as percentage of GDP²</i>	<i>8.3</i>	<i>6.9</i>	<i>-1.4</i>
Net public sector debt	251913	290107	38194
<i>as percentage of GDP²</i>	<i>38.3</i>	<i>41.9</i>	<i>3.6</i>
1. Data from 1970 to 1995 are published in the Bank of England Statistical Abstract 1995, Part 1, Table 17.1.			
2. Based on a centred GDP measure for the 6 months before and after the date of the level, according to Bank of England practice.			
Source: Bank of England.			

The main component of the increase in gross debt in the year was a rise of around £22.9 billion in market holdings of gilts. In addition, market holdings of Treasury bills more than doubled during the year and holdings of national savings also increased. However, a large drop in the level of public sector liquid assets of £7.8 billion (Table 6.2) served to increase the net debt position. Most of the drop was the result of a reduction in the stock of money-market assistance held by the Issue Department of the Bank of England; in addition, since no pre-paid government stocks were issued in 1993/94, instalments due on such stocks fell to zero.

Table 6.2

Public sector liquid assets¹			
31 March	<i>£m nominal values</i>		
	1994	1995	Changes 1994-95
Central government			
Official reserves	28908	28330	-578
Commercial bills including bills held under repos ²	5388	1726	-3662
British government stock held under repos ²	3097	989	-2108
Treasury bills held under repos ²	1112	0	-1112
Loans against export credit and shipbuilding paper	890	84	-806
Bank deposits	1748	1795	47
Instalments due on British government stock	1250	0	-1250
Total	42393	32924	-9469
Local authorities			
Bank deposits	4907	5408	501
Building society deposits	3855	3927	72
Other short-term assets	2424	2621	197
Total	11186	11956	770
Public corporations			
Bank deposits	1376	2649	1273
Other short-term assets	0	130	130
Total	1376	2779	1403
Public sector total liquid assets	54955	47659	-7296
1. Data from 1970 to 1995 are published in the Bank of England Statistical Abstract 1995, Part 1, Table 17.1.			
2. "Repos" are purchase and resale agreements.			
Source: Bank of England.			

Treasury's Financial Statement and Budget Report (FSBR)

At the time of the November 1995 Budget, the Treasury published its Financial Statement and Budget Report 1996-97 (FSBR or "Red Book"). It described the Government's economic policy and assessed economic prospects; this assessment was updated in the Summer Economic Forecast (SEF96) published on 9 July 1996. The figures in this publication are consistent with SEF96.

Government's Economic Policy

The public sector's finances and its monetary policy influence the performance of the economy. This chapter describes statistics used to monitor that performance against economic policy objectives. It refers readers to the tables in chapter 10 that have long-run time series for those economic statistics and provides cross references to SEF96.

The FSBR states that the objective of the Government's economic policy is to promote sustained economic growth and rising prosperity through structural policies to improve the long term performance of the economy and a stable macro-economic environment.

Inflation

Since October 1992 the Government has set an explicit inflation objective: to keep underlying inflation (measured by the RPI excluding mortgage interest payments) within the range 1-4 per cent and to get down to the lower half of the range by the end of the present Parliament. In SEF96 the Treasury forecast that inflation on this measure would fall to 2.5 per cent in the fourth quarter 1996, and would fall further to 2.25 per cent in the second quarter of 1997, remaining there for the second half of the year.

Table 10.65 shows trends in inflation by giving the figures behind chart 1.31 in the SEF96.

Money Supply

The Government has also set medium term monitoring ranges for two measures of monetary growth - M0 and M4, although the information from these measures is assessed alongside all the other data.

The range for M0 (notes and coins in circulation outside the Bank of England plus bankers' operational deposits with the bank) is 0 to 4 per cent.

The range for M4 (sterling cash and deposits with banks and building societies in the UK held by UK residents other than the public sector, banks, and building societies) is 3 to 9 per cent.

The FSBR explained that the trend in M0 and M4 relative to GDP was uncertain and so the Government keeps the monitoring ranges under review.

Table 10.65 gives figures for the money supply indicators in chart 1.27 of SEF96.

Fiscal Policy

The FSBR stated that the role of fiscal policy is to maintain sound public finances. The Government's fiscal objective is to bring the PSBR back towards balance over the medium term. When the economy is on trend the public sector should borrow no more than needed to finance net capital spending. In SEF96 the Treasury forecast that the PSBR will fall to £27 billion in 1996-97, and to £23 billion in 1997-98. In 1995-96 the PSBR was £32.2 billion. This was £3 billion higher than forecast in the Budget reflecting lower than expected tax receipts. The forecasts assume:

Control Total spending is in line with plans announced in the 1995 Budget, with a full spend of the Reserve;

privatisation proceeds are £4.5 billion in 1996-97 and £2.0 billion in 1997-98;

income tax allowances are indexed and excise duties revalorised in future Budgets (except tobacco duty and fossil fuel duties which the Government plans to increase in real terms);

a gilt strips market will begin in April 1997; this will have the effect of reducing tax receipts in 1997-98 by around £0.5 billion as a result of later payment of tax.

In SEF96 the Treasury forecast that the General Government Financial Deficit would be down to 3 percent of GDP by 1997-98. This is the same percentage as the reference level in the European Union excessive deficits procedure.

Under that procedure there is a reference level of 60 per cent of GDP for general government debt. SEF96 explained that this ratio is expected to reach a peak of 56 per cent at end-March 1998.

Several chapter 10 tables illustrate fiscal policy.

Table 10.61 relates to SEF96 table 2.6; it shows the public sector's finances in broad terms.

Table 10.62 gives data on the PSBR as shown in SEF96 table 2.1.

Table 10.27 gives measures of General Government debt.

Table 10.64 shows public sector transactions by sub-sector and economic category; equivalent to FSBR1996-97 table 4A.6.

Public Expenditure

The Government's objective is to reduce public spending as a share of national income over time and, within the total, to improve the use of resources and the efficiency of markets throughout the economy.

The public spending objective is expressed in terms of the combined spending of central and local government - GGE(X). The Government seeks to achieve its objective by planning and controlling a narrower aggregate - the Control Total. The Control Total covers 85 per cent of total government spending. It differs from GGE(X) in that it excludes cyclical social security and debt interest, the two areas most affected by the economic cycle.

GGE is defined as the sum of central government and local authorities' current and capital expenditure, net lending and net cash expenditure on company securities. GGE(X) is GGE less interest and dividend receipts, privatisation proceeds and expenditure of the national lottery distributing bodies.

In SEF96 Treasury forecast that GGE(X) would fall to 40.5 per cent of GDP by 1997-98.

Table 10.24 shows detail of general government expenditure; it relates to table 2.4 and chart 2.3 in SEF96. It also shows trends in GGE(X) as percentage of GDP.

Summary of Cross References with Treasury Tables			
Tables in this publication		Charts	
FSBR 1996-97			
1.1	10.62	2.1	10.65
1.7	10.61	3.28	10.65
4.1	10.61		
4.2	10.62		
4.3	10.27		
4.5	10.24		
4A.2	10.61		
6.3	10.24		
4A.6	10.64		
Summer Economic Forecast 1996			
2.1	10.61	1.27	10.65
2.4	10.24	1.31	10.65
2.6	10.62	2.3	10.24

Gross general government debt

Table 6.3 shows the outstanding debt returned under the Maastricht Treaty. It relates to *gross debt, unconsolidated and consolidated at nominal values*, as at end *calendar years*. The 'F' number refers to the *financial instrument* under the ESA system.

Table 6.3

		<i>£million</i>		
		At end year		
ESA categories of debt		1993	1994	1995
Central government gross debt:				
F20	Currency and sight deposits	23,442	25,067	26,555
F30	Other deposits	55,798	60,090	64,327
F40	Bills and short term bonds	6,458	8,560	19,858
F50	Long term bonds	204,457	229,009	253,913
F70	Short-term loans	5,267	2,493	2,922
F80	Long-term loans	1,264	1,061	976
F90	Insurance technical reserves	0	0	0
Central government gross debt total		296,686	326,257	368,551
Local government gross debt:				
F20	Currency and sight deposits	0	0	0
F30	Other deposits	0	0	0
F40	Bills and short term bonds	0	0	0
F50	Long term bonds	0	0	0
F70	Short-term loans	1,675	1,995	2,086
F80	Medium and long-term loans	47,251	47,145	49,134
F90	Insurance technical reserves	0	0	0
Local government gross debt total		48,926	49,140	51,220
General government gross debt (unconsolidated):				
F20	Currency and sight deposits	23,442	25,067	26,555
F30	Other deposits	55,798	60,090	64,327
F40	Bills and short term bonds	6,458	8,537	19,858
F50	Long term bonds	204,457	229,009	253,913
F70	Short-term loans	6,942	4,488	5,008
F80	Medium and long-term loans	48,515	48,206	50,110
F90	Insurance technical reserves	0	0	0
General government gross debt total		345,612	375,397	419,771
<i>less:</i>				
	CG holdings of LA debt	40,727	39,910	41,898
	LA holdings of CG debt	120	59	151
General government gross debt (consolidated):		304,765	335,328	377,722

Relationship between PSBR and changes in outstanding gross debt of general government

Table 6.4 shows how the PSBR and changes in the outstanding gross debt of general government may be reconciled. These are the stages:

1. Start with PSBR.
2. Deduct market and overseas borrowing by public corporations to give general government borrowing requirement (GGBR)
3. Add back transactions in short term assets (treated as financing the PSBR) to give transactions in government debt.
4. Add in change in value of foreign currency debt arising from changes in exchange rates.
5. Add the uplift in value of index linked gilts in the period.
6. Add other adjustments (including valuation changes).

Table 6.4

	<i>£million</i>		
	1993	1994	1995
General government gross debt outstanding (nominal value)			
At beginning of year	249,366	304,765	335,328
At end of year	304,765	335,328	377,705
Change in outstanding debt	55,399	30,563	42,377
PSBR (calendar year total)	42,52	137,889	35,497
<i>less</i>			
market and overseas borrowing by PCs	-1,910	-1,538	-1,824
<i>equals</i>			
GGBR	44,431	39,427	37,321
<i>plus</i>			
Transactions in assets	10,720	-7,817	1,002
Revaluation of foreign currency debt from changes in exchange rate	395	-45	1,010
Gilts (index linked uplift)	1,512	951	1,396
Other (including valuation changes)	-1,659	-1,953	1,648
<i>equals</i>			
Change in outstanding debt	55,399	30,563	42,377

**Comparison of
European Union
countries**

Tables 6.5 and 6.6 give data reported by UK to the EU Commission in August 1995 (published in CSO News Releases CSO(95)179 on 25 August 1995). The UK figures for 1995 are Treasury forecasts for 1995-96; the UK figures for the other years relate to calendar years. The data for other member states were supplied by them in early 1995.

Table 6.5

EU comparison					
General government financial surplus (+)/deficit (-)					
Percentage of GDP at market prices					
	1992	1993	1994	1995	1996
UK	-6.3	-7.8	-6.8	-6.0	-3.5
Belgium	-7.1	-6.7	-5.3	-4.5	-3.0
Denmark	-2.9	-3.9	-3.5	-1.5	-1.0
Germany	-2.8	-3.5	-2.6	-3.6	-3.6
Greece	-12.3	-14.2	-12.1	-9.2	-7.4
Spain	-4.1	-7.4	-6.2	-5.8	-4.4
France	-3.9	-5.9	-5.8	-5.0	-4.0
Ir. Repub	-2.4	-2.2	-2.0	-1.9	-2.6
Italy	-9.5	-9.6	-9.0	-7.1	-5.9
Luxemburg	0.8	1.7	2.2	1.1	0.4
Netherlands	-3.9	-3.2	-3.2	-3.7	-2.8
Austria	-1.9	-4.1	-4.5	-6.1	-4.2
Portugal	-3.6	-6.9	-5.7	-5.2	-4.2
Finland	-5.9	-8.0	-6.3	-5.6	-2.9
Sweden	-7.8	-12.3	-10.8	-7.8	-5.3

Source: Eurostat.

Table 6.6

EU comparison					
General government consolidated gross debt					
Percentage of GDP at market prices					
	1992	1993	1994	1995	1996
UK	41.9	48.5	50.5	54.2	53.1
Belgium	131.5	137.9	136.0	133.8	131.8
Denmark	68.7	80.1	76.0	72.1	71.3
Germany	44.1	48.2	50.4	58.1	60.7
Greece	89.4	111.8	110.4	111.7	111.4
Spain	48.0	60.1	62.6	65.2	66.3
France	39.7	45.4	48.4	52.2	..
Ir. Repub	95.0	98.0	91.7	85.4	81.2
Italy	108.5	119.4	125.6	124.8	123.8
Luxemburg	5.2	6.2	5.7	5.8	6.3
Netherlands	79.4	81.1	77.6	78.7	78.6
Austria	58.3	62.8	65.0	69.2	71.3
Portugal	63.7	67.7	70.0	71.4	71.5
Finland	41.5	57.3	59.5	59.4	61.5
Sweden	67.1	76.0	79.3	79.6	81.0

Source: Eurostat.

Chapter 7 Taxation

The main source of revenue

Taxation is the main source of revenue for the public sector. The table of public sector transactions (table 10.61) shows that taxation, including social security contributions, represented 94 per cent of total current receipts in 1995/96.

Indirect taxes

Indirect taxation (on expenditure) currently brings in more revenue than direct taxation (on income) excluding social security contributions. The main categories of the former are:

- value added tax (VAT)
- customs duties
- excise duties
- national non-domestic rates (NNDR)
- motor vehicle duties
- stamp duty.

VAT is collected on the value added at each stage in the production and distribution of goods and services by taxable units (enterprises or individuals with turnover above a set threshold). The tax included in the purchase price of goods or services bought by a unit is known as input tax. The tax charged by the selling unit is known as output tax. Output tax less input tax is paid to Customs and Excise. It is ultimately incorporated in the price paid by the consumer who cannot recover input tax.

Certain goods and services are zero-rated. Examples are exports, most foods, water and transport. In these cases the seller does not charge VAT to his customer but can reclaim input tax paid to his supplier.

Other goods and services are exempt from VAT. Examples are land, insurance and health services. In these cases the seller does not charge output tax but is generally not entitled to reclaim input tax.

VAT is set as a percentage of the cost of the goods or service at the time the supply is made, so that the revenue generated automatically increases with inflation.

Customs duties are levied on imported goods and charged according to the value of the goods. Since January 1993 this has meant goods imported from outside the European Union (EU). Duties are now regulated by the EU's Common Customs Tariff and are paid to the Union.

Excise duties are levied on both imported and domestically produced goods. They are generally set as fixed amounts per unit, rather than as a percentage of the value, so do not increase automatically with inflation. These duties are usually increased each year in the Budget but can also be reduced. Excise duties on hydrocarbon oils, alcohol and tobacco raise the most revenue.

National non-domestic rates (NNDR) are charged to the occupants of non-domestic properties, the rateable value being assessed in relation to rental value. In England, Scotland and Wales non-domestic rates are set by central government and redistributed to local authorities. Receipts of NNDR are included in central government receipts of taxes on expenditure, and their distribution in central government current grants to local authorities. Local authorities act as agents of central government for the collection of NNDR. They collect the tax from local businesses and make periodical payments to the central pool based on the expected annual yield. NNDR in respect of crown properties, and some other national organisations (the central list), is paid directly to central government.

Motor vehicle duties include both driver and vehicle license duties

Stamp duty is charged on transfers of property, such as houses, and on transfers of stocks and shares.

Direct taxes The main categories of direct taxation on income and capital are:

- income tax
- corporation tax
- petroleum revenue tax
- inheritance tax
- capital gains tax.

Income tax is charged on personal income from all sources and is set at percentage rates, which can vary with the source of income and the amount of income. The Budget also sets allowances, by which some income is not taxed at all, and reliefs, by which some payments may be made before income is assessed for tax. The main allowance is the personal allowance which enables each person's income to reach a set level before it is subject to tax. Examples of reliefs are those on pension contributions and donations to charities.

Corporation tax is paid by companies on their income and capital gains. Companies pay advance corporation tax (ACT) when they pay dividends to shareholders. ACT can, up to a limit, be set off against corporation tax payable on income and capital gains. One purpose of ACT is to finance the tax credit made available to shareholders by the Exchequer. Like personal income tax, corporation tax is subject to allowances and reliefs. There are, for example, reliefs for expenditure on such items as plant, machinery and scientific research.

Petroleum revenue tax is paid by companies licensed to produce oil or gas within Britain or its continental shelf. It is charged on sales receipts above a certain amount. Certain oil and gas fields also pay royalties charged on the value of their production.

Inheritance tax is charged on estates after death and certain lifetime transfers. There are thresholds below which the tax does not apply, and exemptions apply for certain assets, such as certain business assets, as well as certain types of transfer, such as transfers between spouses and gifts to charities. Inheritance tax is treated as a tax on capital in the national accounts.

Capital gains tax is payable by individuals and trusts on gains realised from the disposal of assets. The tax on chargeable gains is calculated at income tax rates as if it were an additional amount of taxable income. There are special rates for trusts. The capital gain is the amount by which disposal proceeds exceed acquisition costs (or value at March 1982). Indexation relief is given for the amount by which acquisition cost would have increased due to retail price inflation. Indexation relief can reduce a gain but can no longer create or enhance a capital loss. Capital losses may be set against capital gains of the same or a subsequent year.

Some classes of assets are exempt from capital gains tax, eg principal private residence. Other exemptions are available, subject to qualifying conditions, eg retirement relief. There are also deferral reliefs where the gains on disposal are deferred if the proceeds are used in a qualifying way, eg re-investment relief.

Capital gains tax is only payable on the amount by which total chargeable gains for the year exceed an annual exempt amount.

Capital gains tax is a tax on capital in the national accounts.

Social security contributions

Social security contributions comprise contributions to National Insurance, the National Health Service and, in the past, the Redundancy Fund and Maternity Pay Fund. National Insurance contributions help generate the funds which provide a variety of social security benefits (see chapter 8). However, they are geared to the income of the contributors rather than the expected claims on the funds. In that respect they resemble taxation rather than insurance.

There are four classes of National Insurance:

Class 1 is paid by employers and employees.

Class 2 is paid by the self-employed.

Class 3 is paid voluntarily for pension purposes.

Class 4 is paid by the self-employed, in addition to class 2 contributions, on taxable profits.

Lower and upper limits are set, for the income of employees and the profits of the self-employed, below which national insurance contributions are not imposed and above which they are not increased.

Other

Council tax was introduced in 1993 following the abolition of the community charge. Like rates, which preceded the community charge, council tax is levied on residential property, but it is geared to the capital value of properties rather than a notional rental value. Properties are divided into eight valuation bands, which provide a fixed scale according to which the tax is applied. The overall level of the tax is set annually by the individual authority. The tax is reduced by 25 per cent for properties occupied by only one tax payer and by 50 per cent for unoccupied properties. It is rebated on a sliding scale up to 100 per cent for tax payers on low income. Unlike rates, council tax is not treated as a tax on expenditure and so is not part of the GDP factor cost adjustment. Council tax does not apply to Northern Ireland, where rates continue to be levied.

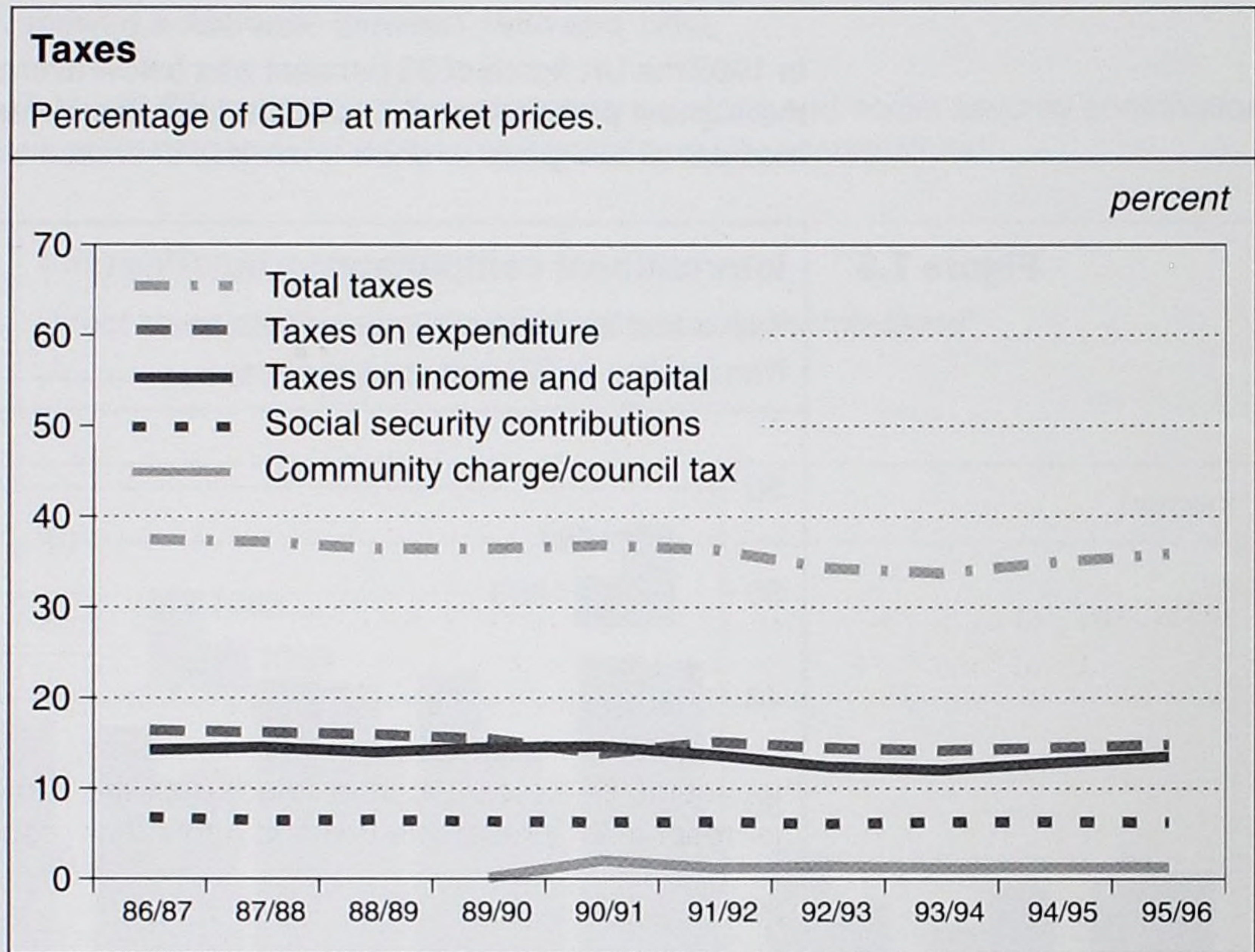
Taxes allocated by sector

Table 10.71 shows direct taxation allocated by sector.

Taxes as a percentage of GDP and as a percentage of income

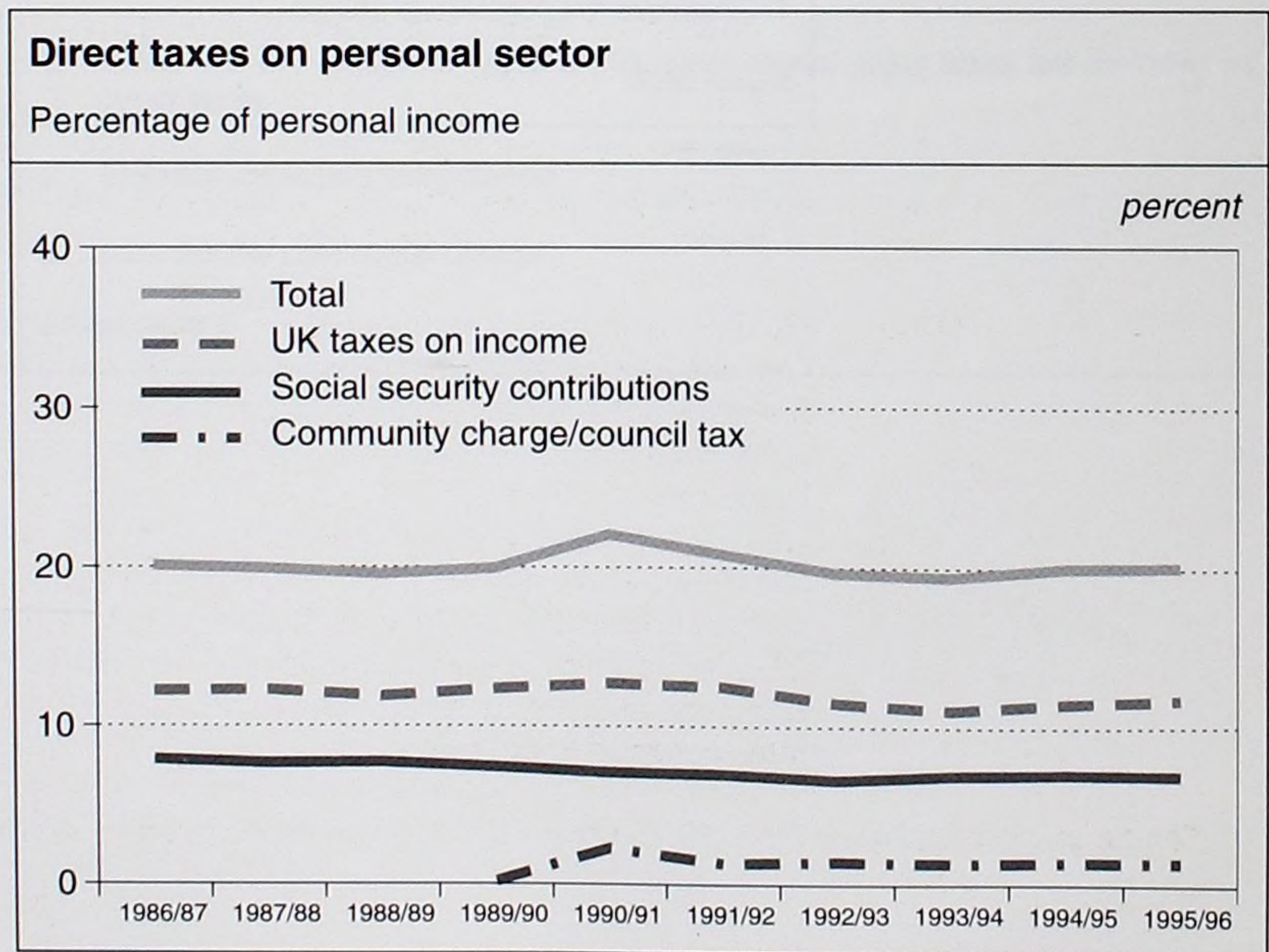
As a percentage of GDP (figure 7.1), taxes overall fell from 37 per cent in 1986/87 to 34 per cent in 1992/93 and 1993/94. They then rose to 36 per cent in 1995/96. For most of the decade 1986/87 to 1995/96 taxes on expenditure were a higher percentage of GDP than taxes on income and capital.

Figure 7.1



As a percentage of personal income (figure 7.2), direct taxes levied on the personal sector started the decade at 20 per cent. Following the introduction of the community charge, they rose to 22 per cent in 1990/91. They returned to 20 per cent in 1994/95 and 1995/96.

Figure 7.2

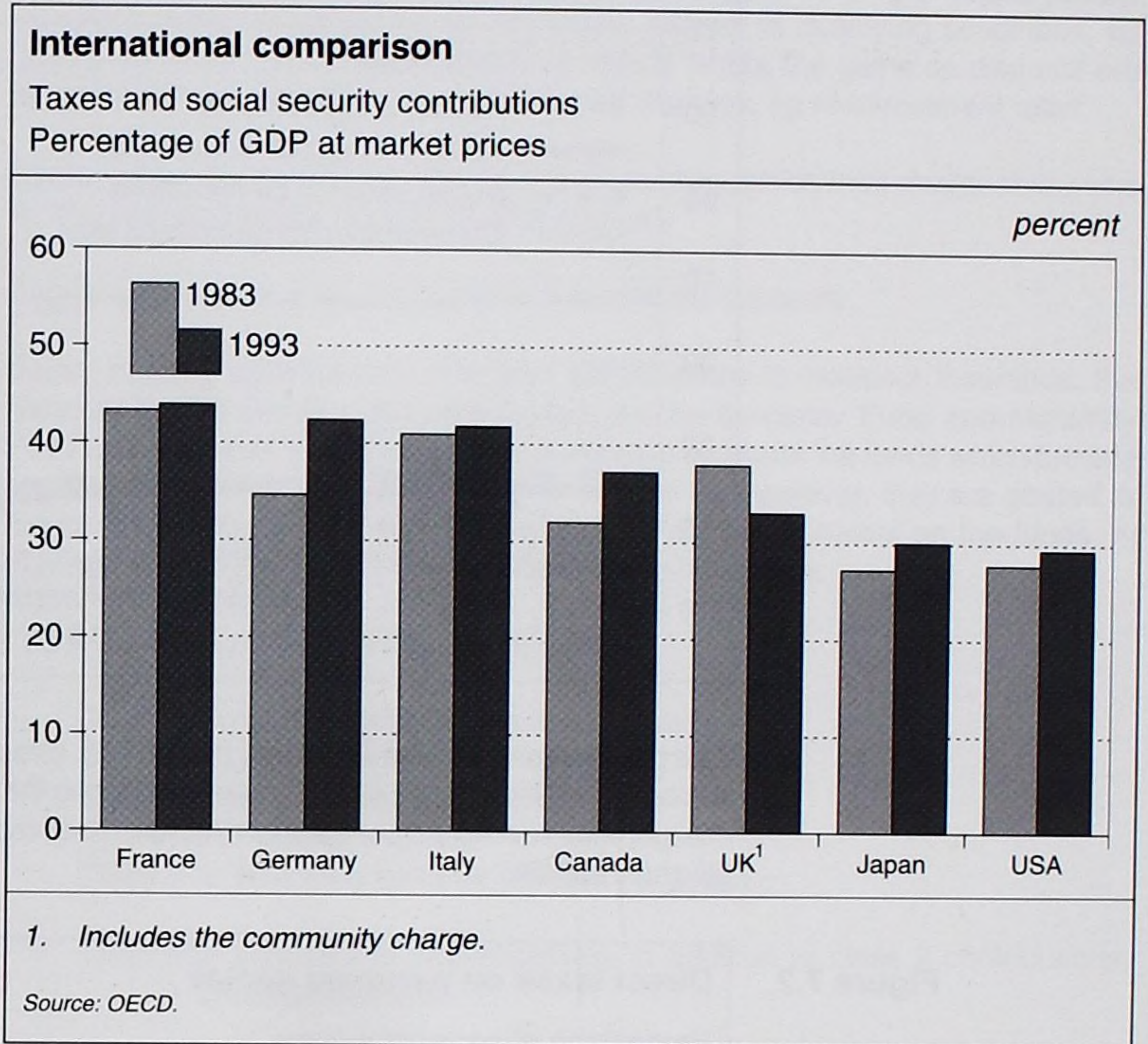


International comparison

Consideration of taxes and social security contributions as a percentage of GDP enables UK taxation to be compared with that of other countries, using OECD national accounts data. Figure 7.3 allows a comparison with the other "group of seven" (G7) countries. The comparison is only available in calendar years up to 1993.

In 1993 the UK figure of 33 per cent was below average for the group. France had the highest percentage, 43, and the USA the lowest, 29. The UK was the only member of the group to show a marked decrease between 1983 and 1993.

Figure 7.3

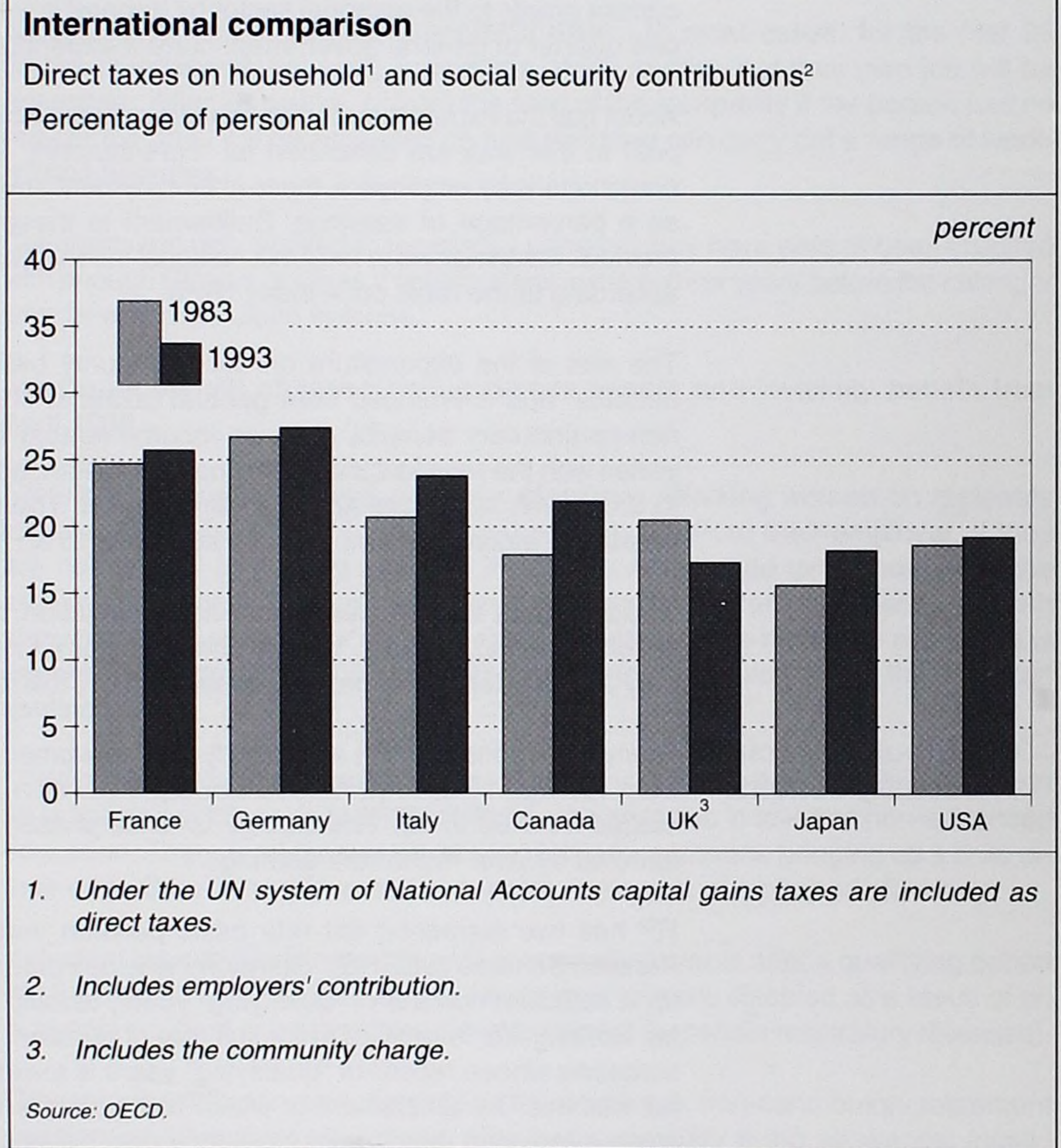


A similar comparison may be made in relation to direct taxes on households and social security contributions as a percentage of personal income. This is shown in figure 7.4.

By this measure the UK was the lowest in the group, and again, unlike the others, showed a decrease between 1983 and 1993.

Table 10.72 compares different categories of tax and social security contribution as percentages of total taxes and social security contributions¹.

Figure 7.4



Contact point Nigel Stuttard telephone: 0171 217 4217

1. For a more detailed treatment of the international comparison of taxes and social security contributions see Bibliography reference 5.

Chapter 8 Social security

Introduction

As mentioned in chapter 1, social security benefits are the major component of current grants to the personal sector by general government. They represent over one quarter of general government current expenditure.

About half the expenditure is met from the national insurance (NI) fund. The benefits paid in this way are described as "contributory". The fund is maintained from contributions by employers, those in employment and the self-employed, assessed as a percentage of earnings. Entitlement to these benefits depends partly on previous contributions to the fund. National insurance benefits are uprated annually according to the retail price index (RPI).

The rest of the expenditure on social security benefits is on "non-contributory benefits" and is financed from general taxation. The majority of expenditure on non-contributory benefits goes on income-related benefits; that is, the amount varies with the recipient's income and circumstances, and benefit is not paid at all to those with resources above a certain level. The practice to date has been to uprate the income-related benefits according to an "all-items" variant of the RPI.

Social security benefits, like some kinds of taxation, may be regarded as a means of redistributing income. Though they are not all tied to the recipient's income, they are all intended to provide a measure of income maintenance.

Contributory social security benefits

Retirement pension (RP) is currently paid to women from the age of 60 and men from the age of 65. From 2010 the state pension age for women will rise by stages from 60 to 65. The change is to be phased in over 10 years. RP is not affected by post-retirement earnings.

RP has two elements: flat rate basic pension and the State Earnings-related Pension Scheme (SERPS). Someone who has paid the requisite NI contributions for a sufficient number of "qualifying" years, usually about 9 years in every 10 of his working life, is entitled to the full rate of pension. A reduced rate is payable to someone whose record of "qualifying" years is lower but at least a quarter of the full number. The entitlement is within limits transferable on death to the former spouse provided they do not have their own full rate pension. A married woman, basing her own claim upon her husband's record, has a lower entitlement. SERPS is earnings-related, based on revalued earnings since April 1978.

Widows' benefit. Widows under 60 (or those over 60 whose husbands were not entitled to a state pension) receive a tax-free single payment on their husband's death. A widow's pension for childless widows or a widowed mother's allowance is also payable, depending on the age of the widow and her children, and on meeting contribution conditions.

Unemployment benefit is payable to those seeking work for up to a year in any one period of unemployment. To qualify a claimant must have paid sufficient Class 1 contributions in the two tax-years preceding the calendar year in which the claim is made.

From October 1996 a jobseeker's allowance (JSA) will replace unemployment benefit and income support for the unemployed. Claimants who would have been entitled to unemployment benefit will be entitled to JSA for 6 months without consideration of means or family circumstances. In addition, JSA based on income

may be paid to people who do not receive contributory JSA or whose needs it does not fully meet. JSA by this route will continue for as long as the claimant satisfies the conditions.

Statutory sick pay and incapacity benefit. Employers are responsible for paying statutory sick pay for up to 28 weeks of sickness. Employees not entitled to statutory sick pay, the self-employed and unemployed, can claim incapacity benefit. Incapacity benefit is paid at one of three basic rates: short-term lower rate for the first 28 weeks of incapacity, short-term higher rate from weeks 29 to 52 and long-term rate after 52 weeks.

Incapacity benefit is subject to medical tests. In most cases, for the first 28 weeks of incapacity for work, a person's ability to carry out their own job will be assessed. After 28 weeks, or from the start of the incapacity if the person has no regular job, they will be assessed on how well they can carry out a range of work-related activities.

Claimants are only entitled to incapacity benefit if they have paid or been credited with enough Class 1 or Class 2 contributions in the two tax years before the calendar year in which the claim is made.

Incapacity benefit replaced both sickness benefit and invalidity benefit from April 1995.

Statutory maternity pay and maternity allowance. Working women on maternity leave are usually entitled to statutory maternity pay from their employer. If they are not entitled to this, eg because they have not worked long enough for the employer or are self-employed, they may receive maternity allowance. Both allowances are payable for up to 18 weeks. Entitlement to maternity allowance is dependent on the claimant's NI contributions during the period before the expected confinement.

**Non-contributory
social security
benefits not tied
to income**

Child benefit is the main social security benefit for children. It is payable for children up to the age of 16, or up to 19 for children who continue in full-time non-advanced education. There is an increased rate available for someone bringing up a child on their own. Guardians allowance is payable in respect of orphaned children.

Industrial injuries disablement benefit is normally payable after a qualifying period of 15 weeks to an employee who is 14 per cent or more disabled as a result of an industrial accident or a prescribed disease (except for certain respiratory diseases).

Other non-contributory benefits not tied to income are: non-contributory retirement pension; war pension; attendance allowance; disability living allowance; invalid care allowance; severe disablement allowance; industrial death benefit.

**Non-contributory
social security
benefits tied
to income**

Housing benefit is paid to family units with incomes and capital below specified levels, covering up to 100 per cent of rent.

From January 1996 limits may be made to the housing benefit paid to tenants of private rented accommodation on above-average rents.

Family credit is payable to working families (couples and lone parents) whose income and capital is below a specified level and where there are children aged under 16 (or under 19 if in full-time education up to, and including "A" level or equivalent standard). One parent must work for sixteen hours or more a week.

There is an adult credit (the same for lone parents and couples) and a credit for each child depending on their age. From July 1995, there is an additional £10 credit where a parent works for thirty hours or more a week. Any extra benefit payable is not taken into account when housing benefit or council tax benefit is calculated.

From October 1994, for a child under eleven (who is cared for by an approved childcare provider) childcare charges of up to £60 a week are offset against a family's earnings. This is for lone parents, two-earner couples, and couples where one partner works and the other is incapacitated. (This help is available in disability working allowance, housing benefit and council tax benefit).

Income support is an income related benefit which provides financial help for people who are not in remunerative work and whose income from all sources is below a minimum level set by parliament. There are personal allowances related to age, the number of dependants and whether the claimant is single or with a partner. Some groups such as families with children, the old, the sick and disabled may qualify for additional premiums. Some sixteen to seventeen year olds, in special circumstances, can also claim income support.

From October 1995 new claimants do not have the interest paid for them on the first nine months of new mortgages; on existing mortgages support is limited for the first 6 months. (Existing claimants are unaffected and there are special arrangements for pensioners, the sick, the disabled and lone parents.)

Disability working allowance is payable to some disabled people whose income and capital are below a certain level. They must be aged 16 or over, working at least 16 hours a week on average and have a disability which puts them at a disadvantage in getting a job. They must also receive, or have recently received, one of the listed qualifying benefits.

There are adult allowances and allowances for each child. Since April 1995 there is a disabled child's allowance. Since July 1995 there is an extra allowance if the claimant or partner works 30 or more hours a week.

Council tax benefit is a rebate scheme to provide help with up to 100 per cent of the council tax.

Trends in expenditure on social security benefits

Figure 8.1 shows the trend of total expenditure on social security benefits as a percentage of GDP at market prices and as a percentage of personal income for the financial years 1976/77 to 1995/96.

Both measures have declined slightly since peaking in 1993/94.

Figure 8.1

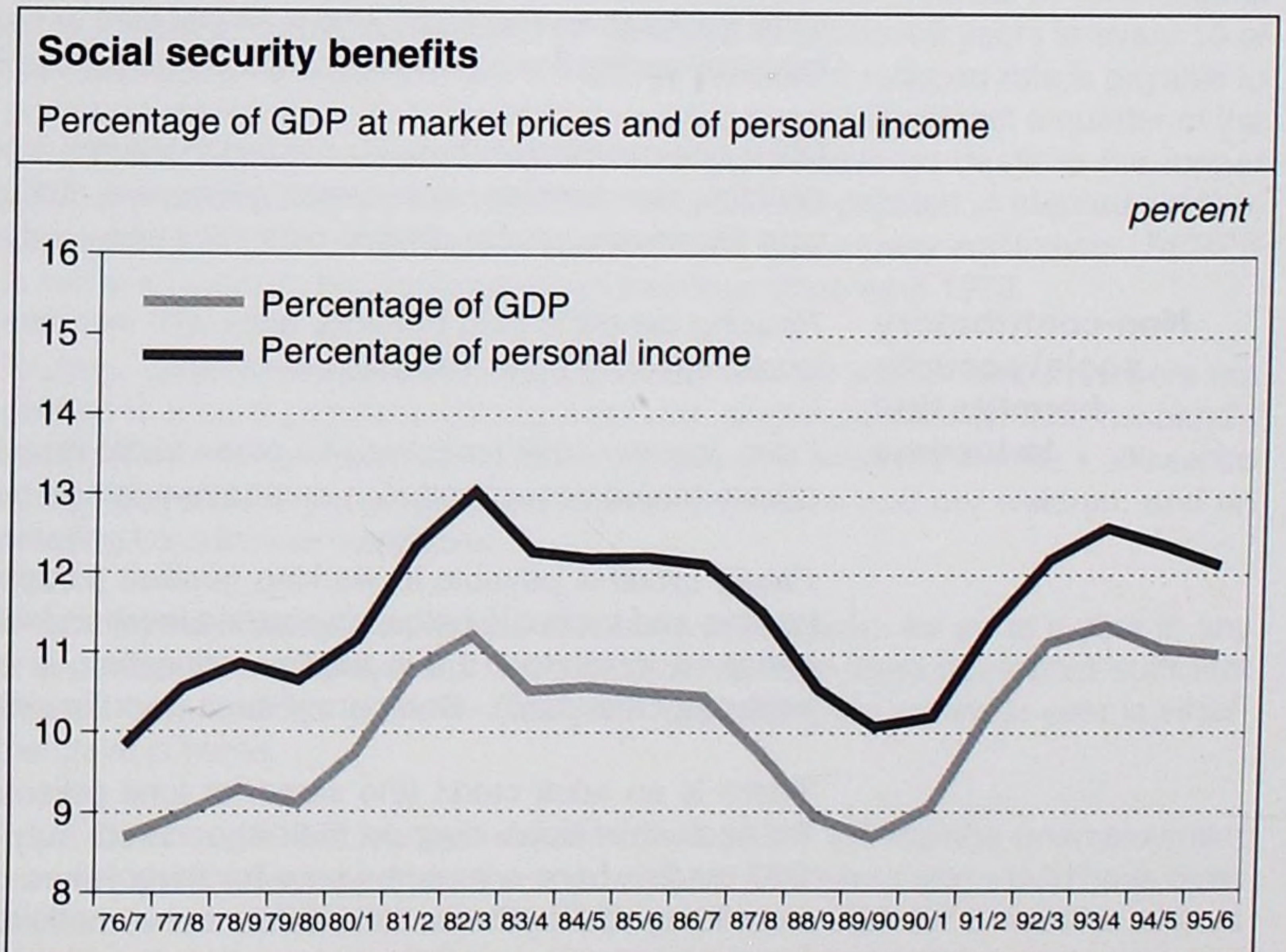
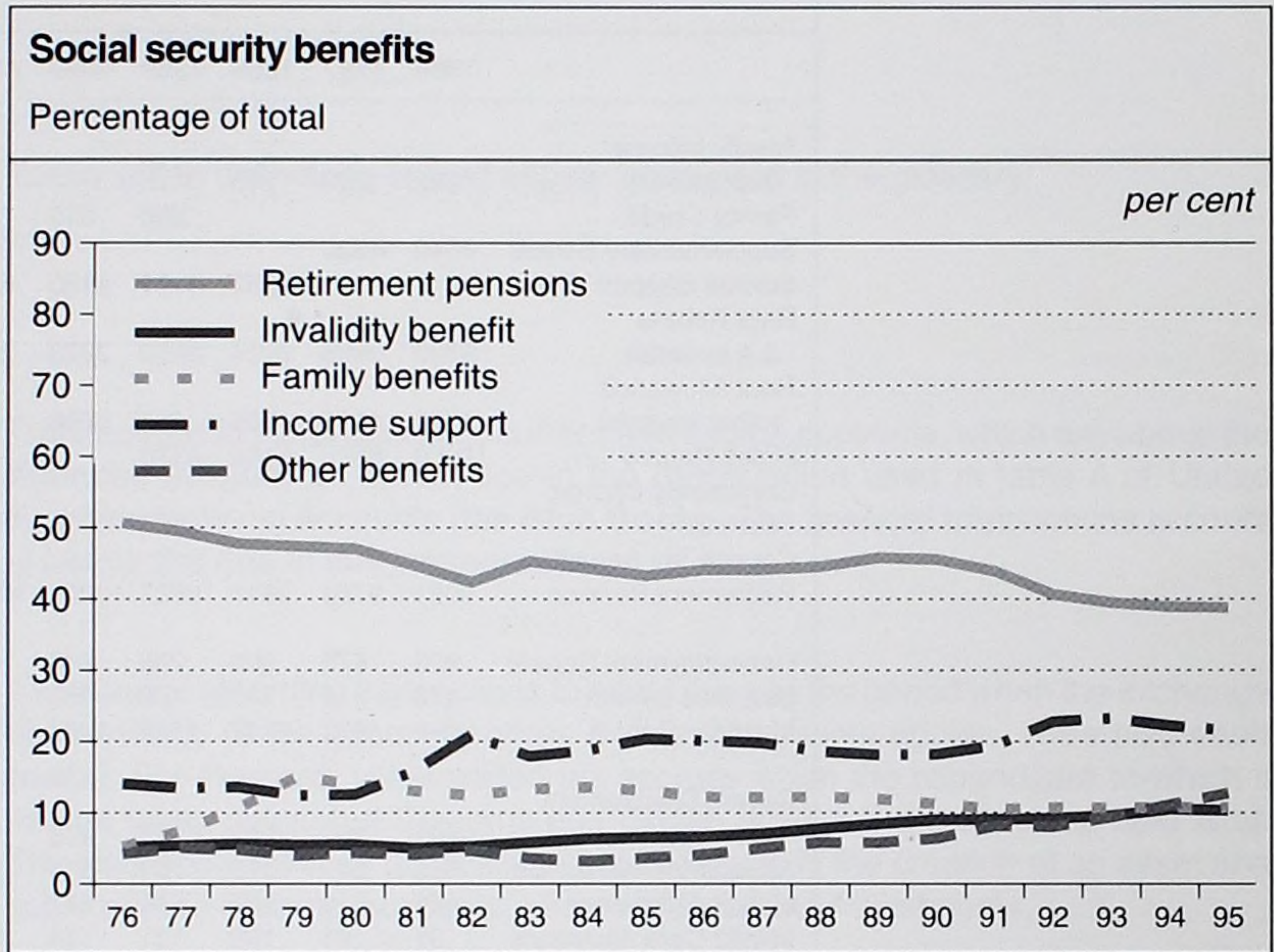


Table 10.81 analyses social security expenditure in terms of individual benefits. (Data are not available for financial years.)

Figure 8.2 shows the variation in some of the main benefits as a percentage of total expenditure on social security.

Figure 8.2



Expenditure on retirement pensions decreased from over 50 per cent in 1976 to 39 per cent in 1995. Expenditure on income support rose from a low point of just over 12 per cent of the total in 1979 and 1980 to 23 per cent in 1993. It has been slightly lower since then.

Recipients of social security benefits

Table 8.1 uses data from the Department of Social Security to show the numbers of recipients of individual benefits for calendar years since 1986.

Table 8.1

Recipients of social security benefits										
	<i>thousands</i>									
	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
Family Income Supplement	202	200	213							
Family Credit				286	313	328	356	485	578	643
Supplementary Benefit	4940	4900								
Income Support			4352	4161	4180	4487	5088	5643	5675	5670
Rent Rebate (LA tenants)	3720	3665	3125	2950	2923	2937	3031	3045	3016	2964
Rent Allowance (other tenants)	1180	1195	965	955	1066	1084	1289	1479	1634	1769
Rates Rebate	7050	6875	5150	4320						
Community Charge Benefit				865	6519	6330	6550	6872		
Council Tax Benefit								5251	5497	5624
Retirement Pension	9691	9764	9817	9827	10000	10059	10125	10131	10167	10289
Unemployment Benefit	923	675	500	289	343	626	654	584	428	281
Sickness Benefit	179	110	117	109	103	110	138	147	127	127
Invalidity Benefit	899	968	1047	1126	1209	1306	1439	1580	1681	1767
Severe Disablement Allowance	261	260	263	275	285	293	302	316	329	348
Attendance Allowance	585	641	713	763	835	918	1059	890	962	1046
Mobility Allowance	461	512	556	599	641	687	699			
Invalid Care Allowance	31	91	109	121	134	159	189	230	274	316
War Pensions	275	266	258	252	248	250	260	293	309	315
Disability Living Allowance								1145	1308	1491
Industrial Injuries Disablement Benefit	184	186	189	193	196	200	204	212	223	n/a
Reduced Earnings Allowance	149	147	146	155	160	164	160	156	151	n/a
Industrial Death Benefit	30	30	30	28	26	25	24	22	21	20
Workmen's Compensation	2	2	2	2	1	1	1	1	1	1
Pneumo Byss and Miscellaneous	1	1	1	1	1	1	1			
Child Benefit	6762	6712	6706	6695	6732	6805	6857	6913	6956	6967
One Parent Benefit	607	681	708	722	773	818	855	898	948	963
Widows Benefit	376	367	375	371	354	346	340	334	324	314
Childs Special Allowance	0.7	0.6	0.5	0.3	0.3	0.2	0.1	0.1	0.1	0.1
Guardians Allowance	2	2	2	2	2	2	2	2	2	2
Maternity Allowance	115	109	11	14	13	18	11	n/a	n/a	n/a
Disability Working Allowance								3	4	5

n/a = not available

Source: DSS, Social Security Statistics.

Contact point Nigel Stuttard telephone: 0171 217 4217

Chapter 9 Glossary of terms

Terms within definitions in bold appear elsewhere in the glossary.

A

Above the line: Transactions in the production, current and capital accounts, which are above the **financial surplus or deficit** line in the presentation used in table A of United Kingdom National Accounts (the **Blue Book**). The financial transactions account is **below the line** in this presentation.

Accruals basis: A method of recording transactions to relate them to the period when the exchange of ownership of the goods, services or financial assets applies. (See also **cash basis**). For example, value added tax accrues when the expenditure to which it relates takes place, but Customs and Excise receive the cash some time later. The difference between accruals and cash results in the creation of an asset and liability in the financial accounts, shown as Accruals Adjustments.

Additions to dividend reserves: The excess of accruals of dividends over actual payments during the year.

Additions to tax reserves: The excess of accruals of tax over the actual payments of tax in the year.

Assets: Entities over which ownership rights are enforced by institutional units, individually or collectively; and from which economic benefits may be derived by their owners by holding them over a period of time.

B

Balancing item: A balancing item is an accounting construct obtained by subtracting the total value of the entries on one side of an account from the total value for the other side. In the sector accounts, the term refers to the difference between the **financial surplus or deficit** for a sector, and the sum of the financial transactions for that sector.

Balance sheet: A statement drawn up at a particular point in time, of the value of **assets** owned and of the financial claims, **liabilities**, against the owner of these assets.

Banks (UK): Strictly, all financial institutions located in the United Kingdom and recognised by the Bank of England as banks for statistical purposes up to late 1981 or as UK banks from then onwards. This category includes the UK offices of institutions authorised under the Banking Act 1987, the Banking Department of the Bank of England, those institutions in the Channel Islands and the Isle of Man which have opted to adhere to the monetary control arrangements introduced in August 1981 and prior to their recognition as banks, the National Girobank and the TSB Group

plc. It may include branches of foreign banks, where these are recognised as banks by the Bank of England, but not offices abroad of these or of any British-owned banks. An updated list of banks appears in each February's issue of the Bank of England Quarterly Bulletin.

**Bank of England -
Banking Department:**

This is part of the Banks sector.

**Bank of England -
Issue Department:**

This part of the Bank of England deals with the issue of bank notes on behalf of central government, and is therefore classified to **central government** in the national accounts. Its activities include, *inter alia*, market purchases of commercial bills from the UK banks.

Below the line:

The financial transactions account which is below the **financial surplus or deficit** line in the National Accounts presentation used in Table A of the **Blue Book**.

Blue Book:

The informal name given to the CSO annual publication: *United Kingdom National Accounts*.

**British government
securities:**

See **Gilts**.

Building society:

Those institutions as defined in the Building Society Acts 1962 and 1986. They offer housing finance largely to the personal sector and fund this largely by taking short term deposits from the personal sector.

C

**Capital
consumption:**

The amount of fixed capital resources used up in the process of production during the year. It is allowed for (as depreciation) in the prices charged by trading bodies. Capital consumption is not an identifiable set of transactions: it is an imputed transaction which can be measured only by a system of conventions.

Capital transfers:

Transfers which directly affect or are based upon the level of capital investment or wealth of the recipient or payer. Mainly capital grants by the central government to other sectors and receipts by the central government from taxes on capital.

Cash basis:

The recording of transactions when cash or other assets are actually transferred rather than on an **accruals** basis.

Central government:

All departments, offices, establishments and other bodies for whose activities a Minister of the Crown, or other responsible person is accountable to Parliament.

Certificate of deposit:

A short term interest paying instrument issued by deposit taking institutions in return for money deposited for a fixed period. Interest is earned at a given rate. The instrument can be used as security for a loan if the depositor requires money before the repayment date.

CGBR:

Central government borrowing requirement.

CGBR(O):	Central government borrowing requirement on own account. It differs from CGBR by excluding borrowings which are lent on to local authorities and public corporations.
Companies and financial institutions:	Industrial and commercial companies, and financial companies and institutions .
Commercial Paper:	This is an unsecured promissory note for a specific amount and maturing on a specific date. The commercial paper market allows companies to issue short term debt direct to financial institutions who then market this paper to investors or use it for their own investment purposes.
Consolidated Fund:	An account of Central Government, into which most Government revenue (excluding borrowing and certain payments to government departments) is paid, and from which most government expenditure (excluding loans and National Insurance benefits) is paid.
Consolidation:	A sector account is consolidated when transactions between one part of the sector and another are excluded. For example, consolidated general government accounts exclude grants from central government to local authorities.
Control total:	The Government seeks to achieve its wider objective for public expenditure by planning and controlling cash totals. The control total covers expenditure by central government departments, excluding cyclical social security , all expenditure by local authorities (including self-financed) and the financing requirements of the national industries and public corporations.
Corporate enterprises:	Companies, financial institutions and public corporations.
Current grants paid abroad by central government, net:	Grants to overseas governments under the economic aid programme; military aid to overseas governments; subscriptions and contributions to international organisations, war pensions and national insurance benefits paid to persons abroad, less transfers received from the European Community.
Current grants to local authorities:	Includes revenue support grant, general grants, and grants towards specific services paid by central government to local authorities. From 1st April 1990 this includes central government distribution to local authorities from the national non-domestic rates pool. Capital grants are excluded.
Current surplus:	The balancing item in the current accounts of central government and local authorities.
Current transfers:	Transfers intended to finance production or consumption, but not investment, and which are made out of the current income of the donor and regarded as current income by the recipient.
Current transfers to central government from overseas governments:	Receipts by the UK government from overseas governments and institutions, e.g. receipts from the European Community budget and the European Coal and Steel Community and payments towards the cost of the Gulf War in 1990 and 1991.
Cyclical social security:	Unemployment benefit and income support to non-pensioners.

D

Debt interest: Interest paid by central government and local authorities on their borrowing.

Depreciation. See **Capital consumption.**

Dividends: The portion of a company's profits that the board of directors decide to distribute to holders of preference and ordinary shares in the company.

DIM: The CSO Dividend and Interest Matrix, consisting of flows of interest and dividend receipts and payments analysed by type of financial instrument and sector of the economy.

Domestic product: See **Gross domestic product.**

E

ECGD: See **Export Credits Guarantee Department.**

Employers' social security contributions: Employers' contributions to the national insurance scheme, to the national health service, to the Redundancy Fund and to the Maternity Pay Fund. Payments of the national insurance surcharge are not included but are classified as taxes on expenditure.

Employers' contributions - other: Employers' contributions to superannuation and other pension funds which are, in the case of unfunded schemes, proxied by pensions and gratuities actually paid to retired employees, principally payments to former central government employees and to retired police and firemen. Also includes compensation payments by employers to injured employees or to their dependants and redundancy payments made by employers which are not covered by rebates from the Redundancy Fund.

ESA: European System of Integrated Economic Accounts. The European version of the UN System of National Accounts (**SNA**).

Exchange cover scheme (ECS): A scheme first introduced in 1969 whereby UK public bodies raise foreign currency from overseas residents, either directly or through UK banks, and surrender it to the **Exchange Equalisation Account** in exchange for sterling for use to finance expenditure in the United Kingdom. HM Treasury sells the borrower foreign currency to service and repay the loan at the exchange rate that applied when the loan was taken out.

Exchange Equalisation Account (EEA): An account of central government held by the Bank of England in which transactions in the official reserves are recorded. The means by which the government, through the Bank of England, influences exchange rates.

Export Credits Guarantee Department (ECGD): A government department whose main function is to provide insurance cover for export credit transactions.

External finance of public corporations: Financial support (lending, subsidies and grants) from central government for nationalised industries, trading funds and other public corporations and their borrowing from commercial sources, both in the UK and abroad (including the capital value of certain leases). Grants which are generally available to the private sector, such as grants for regional assistance, are not scored as external finance but are regarded as contributing to internal resources. Such grants are included within central government's own expenditure.

External financing limits: Cash limits imposed by the Government on **external finance**.

F

Factor cost: Equivalent to a **market price** valuation *less* taxes on expenditure *plus* subsidies.

Final consumption of central government and local authorities: Current expenditure by central government (including the National Insurance Fund) and local authorities, constituting a direct demand for goods and services, including the services of government employees, *plus* an imputed charge for the consumption of non-trading capital *less* fees and charges for sales of goods and services.

Final expenditure by private non-profit-making bodies serving persons: Similar to **final consumption of central government and local authorities**, this constitutes current expenditure by private non-profit-making bodies on goods and services including the services of their employees *plus* an imputed charge for consumption of non-trading capital *less* any fees or charges made for services rendered and goods supplied.

Financial companies and institutions: Those productive enterprises which provide financial services and act as financial intermediaries.

Financial surplus or deficit: Saving before providing for depreciation, stock appreciation, and addition to reserves, *plus* net receipts of capital transfers *less* gross domestic fixed capital formation *less* the increase in the book value of stocks and work in progress.

Fixed assets: Produced assets that are themselves used repeatedly or continuously in a production process for more than one year.

Flows: Economic flows reflect the creation, transformation, exchange, transfer or extinction of economic value; they involve changes in the volume, composition or value of an institutional unit's assets and liabilities.

G

GDP:	Gross domestic product.
General government:	Central government and local authorities.
GGBR:	General government borrowing requirement.
GGCS/GGCD:	General government surplus/deficit on current account.
General government expenditure (GGE):	The combined expenditure of the central government and local authority sectors excluding payments between the two sectors.
GGE(X):	GGE adjusted to exclude privatisation proceeds and expenditure met from the proceeds of the national lottery.
General government final consumption:	See Final consumption of central government and local authorities.
GGFS/GGFD:	General government financial surplus/deficit.
Gilts:	Bonds issued or guaranteed by the UK government. Also known as gilt edged securities or British government securities.
Grants paid to personal sector by central government:	Social security fund's benefits, supplementary benefits, family benefits, war pensions, etc, rebates to employers paid from the Redundancy Fund and grants to non-profit-making bodies serving persons.
Grants paid to personal sector by local authorities:	Scholarships and other education awards and rent rebates and allowances granted to tenants under the 1972 Housing Finance Act and the housing benefit scheme.
Gross domestic fixed capital formation:	Expenditure on fixed assets (buildings, vehicles, plant and machinery, etc.) either for replacing or adding to the stock of existing fixed assets. Expenditure on maintenance and repairs is excluded.
Gross domestic product:	Domestic product measures total economic activity taking place on UK territory. Equals the sum of all incomes (whether individual or corporate, etc) earned in the UK from the production of goods and services; also equals the total of final expenditures on the goods and services produced in the UK <i>less</i> their import content; and further equals the sum of the value added by all activities which produce goods and services on UK territory. Termed 'gross' when the aggregate is measured before providing for capital consumption and 'net' after deduction of capital consumption. Measured at market prices or at factor cost expressed in either current prices (to give value of activity) or constant prices (relating to a specific base year (currently 1990) to give volume of activity).

Gross national product: As GDP, but includes the income of UK residents from economic activity abroad and property held abroad; excludes the equivalent for foreign residents in the UK.

Gross trading surplus of public corporations: The trading surpluses, before deduction of tax or interest payments and before providing for depreciation and stock appreciation, of the nationalised industries and certain other public bodies engaged in providing trading activities (see public corporations).

H

Households: A sub-sector of the personal sector, representing households and individuals considered as final consumers. In practice it is not always possible to separate the transactions of unincorporated businesses from the purely personal transactions of their proprietors.

Household disposable income: Total household income from work and property (in cash or kind) together with pensions, social security benefits and other transfers, reduced by taxes on income, national insurance contributions and employees' contributions to occupational pension schemes. Excludes imputed rent of owner-occupied dwellings.

I

Industrial and commercial companies: All corporate bodies other than public corporations, banks, and other financial companies and institutions. Includes property companies.

Index Linked Gilts: **Gilts** whose coupon and redemption value are linked to movements in the index of retail prices.

Interest: The amount that a debtor becomes liable to pay a creditor, under the terms of a financial instrument agreed between them, over a given period of time without reducing the amount of principal outstanding.

L

LABR: Local authority borrowing requirement.

Levels: The stock of assets held by a sector or sectors of the UK economy.

Liability: Claim by another body, which gives rise to a payment or other transaction transferring assets to the other body. Conditional liabilities, ie where the transfer of assets only takes place under certain defined circumstances, are known as contingent liabilities.

Local authorities: Public authorities of limited geographical scope, having power to raise funds by certain forms of taxation. Include county, borough, district and parish councils, and joint boards and committees formed by two or more councils.

Local authority bill: A security issued by Local Authorities. The period of the security is usually between 1-3 years. The rate of interest is set at the outset and is payable at the end of the period.

M

M0: Notes and coin in circulation outside the Bank of England and bankers' operational balances with the Bank of England.

M4: Holdings by the UK **private sector** (other than banks and building societies) of sterling notes and coin and all types of sterling deposits with UK banks and building societies (including **certificates of deposit**).

Market prices: The prices which purchasers pay for the goods and services they acquire or use. Excludes deductible VAT (that is, includes non-deductible VAT).

Money supply: The money supply is measured by *monetary aggregates* such as **M0** and **M4**. It is monitored to provide information for the Government's inflation policy and interest rate decisions. Target ranges for the growth of the money supply are published.

MIPs: Mortgage interest payments.

N

National income (net national product at factor cost): The total income of residents of the UK after providing for **capital consumption**. Equal to the **gross national product at factor cost** less capital consumption.

National insurance, etc. contributions and benefits: See **Social Security contributions and benefits**.

National Loans Fund: An account of HM Government, set up under the National Loans Fund Act 1968, which handles all government borrowing, and most domestic lending transactions.

Net domestic fixed capital formation: Equal to **gross domestic fixed capital formation** less **capital consumption**.

P

PCBR: Public corporations borrowing requirement.

Personal sector: Consists mainly of households and individuals resident in the UK. Includes individuals living in hostels and other institutions as well as those living in private households. Also includes unincorporated private businesses, life assurance and pension funds (in parts of the national accounts only), private non-profit-making bodies serving persons, and private trusts.

PPI: Producer **price indices**.

Price indices: Economic indicators used as deflators and derived from surveys of expenditure on goods and services and of (producer or retail) prices.

Private sector: **Personal sector plus companies and financial institutions.**

Privatisation proceeds: The net receipts by central government from the sale of their shareholdings in public corporations or other organisations. These are recorded net of expenses, which include the cost of the sale, the cost of collecting instalments and the cost of distributing bonus shares.

Promissory note: A security which entitles the bearer to receive cash. (An example is a £5 note.) More generally, these may be issued by companies and other institutions (see **commercial paper**).

PSBR: **Public sector borrowing requirement.**

Public corporations: Public trading bodies, including the nationalised industries, which have a substantial degree of financial independence from the public authority which created them, including the powers to borrow and maintain reserves. Also includes National Health Service trust hospitals.

Public sector: Comprises central and local government and public corporations.

Public sector borrowing requirement (PSBR): The amount which the public sector needs to borrow to make up the difference between its expenditure and its revenue.

R

Red Book: HM Treasury's *Financial Statement and Budget Report*.

Rent: Gross receipts from ownership of land and buildings less actual expenditure by the owners on repairs, maintenance and insurance. An imputed income is included for owner-occupied dwellings and farm houses provided rent free by employers and houses owned by general government. Imputed income from owner-occupied trading property is included in trading income and is not part of rent.

Rent and non-trading income of corporate enterprises: Principal components are public debt interest, interest paid to financial companies and rent from property owned and let.

Rent, dividends and interest received by general government: Major components are rent income in respect of houses owned by local authorities and interest received by the central government on loans to public corporations. Interest received by the central government from local authorities, and interest received by one part of the central government from another are excluded.

RPI: **Retail prices index.**

S

- Saving (or undistributed income):** The residual difference between current income and current expenditure in each sector.
- Sector:** A group of entities similar to one another in general characteristics affecting economic behaviour. The following sectors are distinguished - **personal sector; industrial and commercial companies; financial companies and institutions;** (which is further sectorised in parts of the accounts); **public corporations; central government; local authorities;** and overseas sector.
- SNA:** System of National Accounts. An internationally agreed standard system for macroeconomic accounts. The latest version is described in *System of National Accounts 1993*.
- Social security fund's benefits:** Comprise payments from the social security fund to persons in the form of retirement pensions, widows' benefits, guardians' allowances, death grant, and benefits to cover unemployment, sickness, invalidity, maternity, injury, disablement, and industrial death. Includes imputed benefits in respect of Statutory Sick Pay (whereby employers pay their employees sickness benefit in return for a deduction from the contributions they pay).
- Social security contributions:** Contributions by employers, employees and self-employed persons to the national insurance scheme, the national health service, the Redundancy Fund, and the Maternity Pay Fund. Includes imputed contributions in respect of Statutory Sick Pay (whereby employers pay their employees sickness contributions return for a deduction from the contributions they pay).
- Subsidies:** Payments made by the central government or local authorities to a producer or trader with the object of reducing his selling price below the **factor cost** of production. The financing of certain losses on public trading services and the deficit on local authorities housing revenue account are included as well as payments made to nationalised transport undertakings.

T

- Tax credits:** Tax credits on dividends received by the personal sector.
- Taxes:** Compulsory, unrequited payments made to general government.
- Taxes on expenditure:** Indirect taxes which relate to the volume of production of, or trade in, particular goods and services (as distinct from taxes related to the income or capital resources of particular individuals, companies, etc.) levied by central government.
- Taxes on income:** Taxes related to the income of particular individuals, companies etc. Included are receipts from income tax, surtax, corporation tax, petroleum revenue tax, profits tax and excess profits taxes.

Transfers: Payments made by one sector to another without any goods or services being received directly in return by the payer. They represent a distribution of the national income without adding to its total. A distinction is made between *current transfers* and *capital transfers*, depending upon the purpose for which, the basis on which, and the frequency with which the transfer is made.

Treasury bills: Treasury bills are in the form of short term security or promissory notes which are issued by the British government in return for funding from the money market. Every week the Bank of England invites tenders for Sterling Treasury bills from the financial institutions operating in the market. ECU denominated bills are issued by tender each month. Treasury bills are an important form of short term borrowing for the government. They are generally issued for periods of 3 or 6 months.

TSB: Trustee savings banks.

U

United Kingdom: In the domestic accounts, the UK comprises Great Britain plus Northern Ireland and that part of the continental shelf deemed by international convention to belong to the UK. In the overseas account, the UK is defined as including also the Isle of Man and the Channel Islands.

United Kingdom taxes on property income paid abroad: This comprises corporation tax, income tax, petroleum revenue tax, profits tax and excess profits taxes paid on profits earned in the UK by foreign-owned branches and subsidiaries, and income tax deducted from dividends and interest paid to non-residents from their portfolio investments in UK securities.

V

Value added: Gross value added is defined as the value of output *less* the value of intermediate consumption. Net value added is defined as the value of output *less* the values of both intermediate consumption and consumption of value added.

W

Wages and salaries: Earnings of civilian wage earners and salaried employees, other than employers' social contributions before deduction of income tax, surtax or insurance contributions *including* income in kind *less* expenses of employment. The figures include directors' fees.

Chapter 10 Tables

Chapter 10 is a collection of long-run calendar-year and financial-year tables, beginning in some cases in 1966. They provide background information for chapters 1-8. Most of the tables, covering shorter periods, can also be found in either the UK National Accounts (*Blue Book*) or *Financial Statistics*.

The following is a list of tables that appear in this chapter. The part of the table number after the decimal point refers to the chapter the table is associated with (e.g. tables 10.21-10.27 illustrate chapter 2, General government).

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General government

10.24 Public expenditure Control Total

Definitions consistent with 1996-97 FSB tables 4.5 and 6.3; SEF96 table 2.4; SEF96 chart 2.3

		£ million							
		1988	1989	1990	1991	1992	1993	1994	1995
		/89	/90	/91	/92	/93	/94	/95	/96
General government expenditure									
Current	AAXH	174 688	188 101	204 588	223 858	245 907	260 839	272 549	285 639
Capital	AAYD	10 434	18 925	20 222	20 300	21 372	19 660	19 887	19 389
Net lending, etc	ABAA	-5 278	-6 172	-6 703	-8 004	-6 893	-3 892	-5 469	-2 299
Total	ABAB	179 844	200 854	218 107	236 154	260 386	276 607	286 967	302 729
<i>of which</i>									
Central government contribution	ABAC	132 838	147 326	160 652	172 043	191 611	208 654	214 139	227 650
Local authority contribution	ABAD	47 006	53 528	57 455	64 111	68 775	67 953	72 828	75 079
Privatisation proceeds	-ABIF	7 069	4 219	5 345	7 923	8 184	5 430	6 433	2 435
Lottery-financed spending	-CJPT	-	-	-	-	-	-	-	-115
Interest and dividend receipts	-ATAC	-6 215	-7 063	-6 264	-5 546	-5 106	-5 027	-5 115	-5 490
GGE(X)	CJPX	180 698	198 010	217 188	238 531	263 464	277 010	288 285	299 559
GGE(X) as a per cent of GDP		37.3	37.7	39.0	41.0	43.4	43.3	42.6	42.3
Adjustments to central government expenditure excluding transactions with local authorities (and including support to nationalised industries and public corporations) less									
Privatisation proceeds	-ABIF	7 069	4 219	5 345	7 923	8 184	5 430	6 433	2 435
Cyclical social security	-ABBV	-7 183	-6 708	-7 833	-10 923	-13 300	-14 338	-14 242	-14 460
Non-trading capital consumption	-ACGL	-1 343	-1 525	-1 664	-1 676	-1 624	-1 529	-1 361	-1 304
Debt interest other than to local authorities	-ABAE	-17 603	-17 855	-17 552	-16 253	-17 429	-19 282	-22 104	-24 969
Grants and lending to certain public corporations	-ABAF	229	315	83	227	156	91	-15	599
VAT refunded	-ABBA	-402	-495	-620	-724	-753	-779	-878	-1 165
Pensions increase payments	-ABBM	-814	-898	-1 031	-1 247	-1 327	-1 389	-1 415	-1 462
Net pensions costs	-ABBU	-141	-557	-580	-621	-871	-1 585	-1 821	-1 989
Grant maintained schools	-CUKR	-	-15	-59	-161	-435	-1 012	-1 391	-1 489
Other	ABBC	-480	-332	-147	64	-426	-535	-463	-1 386
Central government component of the control total	ABBW	112 204	123 475	136 594	148 652	163 786	173 726	176 882	182 460
Adjustments to Local Authorities expenditure less									
Local Authorities	ABAD	47 006	53 528	57 455	64 111	68 775	67 953	72 828	75 079
Non-trading capital consumption	-ADAG	-1 853	-2 014	-2 174	-2 067	-1 997	-1 750	-1 911	-1 986
Company securities	-ADNR	-103	-138	-6	-38	4	-22	-17	-20
Vat refunded	-ABAJ	-1 478	-1 855	-2 193	-2 451	-2 554	-2 630	-2 813	-2 822
LA trading services (subsidies)	-CDXX	-142	-170	-213	-246	-314	-336	-127	-126
plus									
Debt interest to CG	ACGI	4 121	4 322	4 586	4 881	4 347	3 949	3 727	3 583
Grant maintained schools	CUKR	-	15	59	161	435	1 012	1 391	1 489
Other	ABAK	-286	-74	-86	-98	-111	-111	-111	-103
LA component of the control total	CJNT	47 265	53 614	57 428	64 253	68 585	68 065	72 967	75 094
Public sector components of the control total:									
Central government expenditure	ABBW	112 204	123 475	136 594	148 652	163 786	173 726	176 882	182 460
Local authorities expenditure	CJNT	47 265	53 614	57 428	64 253	68 585	68 065	72 967	75 094
Certain public corporations' capital expenditure	ABAM	-541	-449	-318	-356	-162	-122	-193	-188
Market and overseas borrowing (net) by nationalised industries and other public corporations	ABAP	-2 847	-1 393	-565	-513	-1 211	-1 602	-1 540	-1 943
Public expenditure control total using national accounts data	ABBX	156 081	175 247	193 139	212 036	230 998	240 067	248 116	255 423

General government

10.25 The finances of general government

£ million

		1988 /89	1989 /90	1990 /91	1991 /92	1992 /93	1993 /94	1994 /95	1995 /96
GENERAL GOVERNMENT RECEIPTS¹									
<i>Inland Revenue</i>									
Income tax	ACCB	43 433	48 801	55 296	57 493	56 797	58 442	63 100	68 096
Corporation tax ²	ACCD	18 537	21 495	21 495	18 263	15 783	14 887	19 390	23 569
Petroleum revenue tax	ABLF	1 371	1 050	860	-216	68	359	711	947
Capital gains tax	ACCE	2 323	1 854	1 852	1 140	982	710	926	806
Inheritance tax	ACCH	1 071	1 232	1 262	1 299	1 211	1 335	1 409	1 558
Stamp duties	ACCI	2 255	2 117	1 703	1 697	1 266	1 736	1 799	2 022
Other	ACCF	15	10	4	-	-	-	-	-
Total Inland Revenue³	ACCA	69 005	76 559	82 473	79 676	76 105	77 468	87 335	96 996
<i>Customs and Excise</i>									
Value added tax	ACDB	27 328	29 483	30 991	35 626	37 340	38 865	41 817	43 089
Fuel duties ⁴	ABLM	8 513	8 572	9 444	10 802	11 232	12 487	14 007	15 455
Tobacco duties	ACDE	4 990	5 035	5 636	6 289	6 041	6 518	7 388	7 288
Spirits duties	ACDF	1 576	1 514	1 703	1 742	1 661	1 707	1 776	1 653
Wine duties	ACDH	784	791	855	924	981	1 082	1 139	1 187
Beer duties	ACDG	2 105	2 074	2 229	2 325	2 378	2 282	2 534	2 642
Cider and perry duties	ACDI	53	59	69	74	88	101	112	134
Betting and gaming duties and lottery	ACDJ	913	976	1 006	1 053	1 025	1 106	1 217	1 574
Car tax	ACDC	1 418	1 519	1 464	1 240	603	-4	-	-
Customs duties	ACDK	1 673	1 814	1 684	1 732	1 801	2 009	2 007	2 328
Agricultural levies	ACDL	165	129	132	194	174	160	157	149
Other receipts	ACDN	22	20	10	16	9	-	-	-
Total Customs and Excise³	ABLR	49 540	51 986	55 223	62 017	63 333	66 313	72 355	76 477
Vehicle excise duties	GTAX	2 765	2 969	2 945	2 933	3 264	3 628	3 846	4 017
Oil royalties	ACEC	598	575	606	556	554	606	546	557
Local authority/business rates	ABLN	19 260	20 133	12 253	13 900	13 415	13 037	13 339	13 376
Other taxes and royalties	CJOI	2 859	3 365	4 970	5 253	5 470	5 776	6 038	6 161
Total tax and royalty receipts	ABLS	144 027	155 587	158 470	164 335	162 141	166 828	183 459	197 584
Social security contributions	ABLP	32 356	32 883	35 454	36 306	37 332	38 731	42 080	44 522
Community charge/council tax	ABLQ	-	717	10 335	7 417	8 334	8 576	9 038	9 663
Interest and dividends	ATAC	6 215	7 063	6 264	5 546	5 106	5 027	5 115	5 490
Gross trading surpluses and rent	ABLI	3 458	3 496	3 673	4 101	4 397	4 874	5 088	5 168
Accounting adjustments ⁵	ABLJ	5 531	7 741	4 509	4 574	5 223	5 744	4 411	6 708
General government receipts	ATAP	191 587	207 487	218 705	222 279	222 533	229 780	249 191	269 140
North Sea revenues ⁶	ABLT	3 276	2 470	2 313	983	1 306	1 219	1 629	2 358
GENERAL GOVERNMENT EXPENDITURE									
Public expenditure control total⁷	ABBZ	156 058	175 115	193 528	213 279	231 705	240 880	248 448	255 558
Cyclical social security	ABBV	7 183	6 708	7 833	10 923	13 300	14 338	14 242	14 460
Central government debt interest	ABAE	17 603	17 855	17 552	16 253	17 429	19 282	22 104	24 969
Privatisation proceeds	ABIF	-7 069	-4 219	-5 345	-7 923	-8 184	-5 430	-6 433	-2 435
Other adjustments	CJOK	6 069	5 405	4 710	3 622	6 136	7 537	8 606	10 177
General government expenditure (GGE)	ABAB	179 844	200 854	218 107	236 154	260 386	276 607	286 967	302 729

1 On a cash basis.

2 Includes advance corporation tax (net of repayments):

	1987 /88	1988 /89	1989 /90	1990 /91	1991 /92	1992 /93	1993 /94	1994 /95	1995 /96
ACCN	4 947	6 203	7 267	7 679	7 936	8 738	7 816	8 084	9 886

Also includes North Sea Corporation tax after ACT set off, and corporation tax on gains.

3 Total not always sum of components because of rounding.

4 Net of bus fuel rebates and shipbuilders' relief.

5 Includes accruals adjustments.

6 North Sea corporation tax (before ACT set-off), petroleum revenue tax and oil royalties.

7 Using Public Expenditure Survey figures.

10.26 Analysis of total expenditure

continued

£ million

		1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
Transport and communications												
Current expenditure on goods and services:												
Wages and salaries etc ¹	GTIZ	656	540	545	664	710	765	849	852	762	743	794
Other	GTJA	1 205	1 355	1 519	1 396	1 595	1 896	2 047	2 087	2 063	2 275	2 286
Subsidies	GTJC	1 534	1 376	1 194	1 065	1 000	1 099	1 332	1 838	1 590	2 289	2 410
Current grants to personal sector	GTJD	82	88	94	86	89	94	26	64	65	65	54
Gross domestic fixed capital formation	GTJB	1 709	1 914	1 978	2 142	2 666	3 587	3 513	4 116	4 151	4 568	4 508
Capital transfers to private sector	GTJE	6	7	10	6	7	4	1	12	7	3	84
Capital transfers to public corporations	GTJF	279	296	307	293	398	482	410	781	768	830	913
Net lending to private sector	GTJG	-9	-4	-10	-10	-10	-4	-2	-49	-1	-	-
Net lending to public corporations	GTJH	169	-56	84	-201	759	1 612	500	342	805	67	-156
Public dividend capital etc	GTJI	-	-	-	-	-	-	-	-	-	-	-
Company securities (net)	GTJJ	-1 537	-1 788	-1 723	-961	-85	-92	-1 938	-3 398	-3 708	-4 262	-1 766
Total	GTJK	4 094	3 728	3 998	4 480	7 129	9 443	6 738	6 645	6 502	6 578	9 127
Other economic affairs and services												
Current expenditure on goods and services:												
Wages and salaries etc ¹	GTJL	918	1 205	1 295	1 093	1 185	1 588	922	1 243	1 690	1 602	1 140
Other	GTJM	657	571	750	935	981	1 586	1 154	1 235	1 650	2 023	1 909
Subsidies	GTJO	1 173	999	687	573	906	1 347	849	666	365	341	290
Current grants to personal sector	GTJP	1 088	1 127	656	993	1 471	1 479	1 270	1 148	1 368	1 353	1 836
Gross domestic fixed capital formation	GTJN	150	181	139	1	254	367	440	121	-16	186	250
Value of physical increase in stocks	GTLS	-1	-2	-1	-1	-2	-4	-178	-180	-212	-44	34
Capital transfers to private sector	GTJQ	23	-98	-28	-234	197	215	196	228	167	205	211
Capital transfers to public corporations	GTJR	19	15	120	174	228	236	217	91	152	334	548
Net lending to private sector	GTKC	33	60	63	87	109	61	91	117	36	26	62
Net lending to public corporations	GTJT	151	220	-130	-162	-432	-243	-746	-149	-121	-195	-449
Net lending to overseas sector	-AACT	126	-199	-	-	-	-	-	-	-	-	-
Public dividend capital etc	GTJU	-	-	-	-	-	-	-	-	-	-	-
Company securities (net)	GTJV	11	49	163	113	152	95	-63	-17	5	20	14
Total	GTJW	4 348	4 128	3 714	3 572	5 049	6 727	4 152	4 503	5 084	5 851	5 845
Other expenditure												
Non-trading capital consumption	AAAG	2 372	2 583	2 804	3 110	3 448	3 806	3 763	3 603	3 404	3 267	3 298
Debt interest	AAAL	17 586	17 151	17 936	18 197	18 928	18 696	16 936	17 039	18 427	22 144	25 800
Current grants	GTKA	2 013	659	1 769	1 423	2 283	2 460	513	1 970	2 090	2 148	4 042
Net lending to overseas sector	GTKD	157	158	126	185	269	160	264	342	209	219	237
Total	GTKE	22 128	20 551	22 635	22 915	24 928	25 122	21 476	22 954	24 130	27 778	33 377
Total expenditure												
Current expenditure on goods and services:												
Wages and salaries etc ¹	GTKF	43 352	46 666	50 918	55 139	58 830	64 023	68 552	72 021	68 544	63 399	63 218
Other	GTKG	29 543	31 662	33 323	35 392	39 518	45 105	51 790	56 251	65 858	76 878	82 127
Subsidies	AAJG	7 225	6 301	6 265	6 037	5 782	6 066	5 995	6 737	7 203	7 060	6 966
Current grants to personal sector	AIIE	45 351	49 454	50 798	52 175	54 033	58 939	69 287	80 052	88 384	92 574	96 490
Current grants abroad	-HDKH	3 427	2 233	3 277	3 248	4 278	4 596	1 083	4 834	4 969	5 135	7 180
of which Gulf contributions	-HHQG	-	-	-	-	-	-38	-2 110	-9	-	-	-
Gross domestic fixed capital formation	AAJE	6 872	7 509	7 577	6 506	9 582	12 659	12 143	12 506	11 803	12 290	12 453
Value of physical increase in stock	AAAD	450	-237	-498	-322	-163	156	151	-17	-24	-251	-154
Capital transfers to private sector	GTKH	2 724	2 517	2 547	3 071	3 017	3 587	4 343	4 388	5 436	4 681	4 248
Capital transfers to public corporations	GTKI	595	485	669	735	1 216	6 561	3 592	3 292	3 166	3 253	3 250
Net lending to private sector	GTKJ	-287	-264	-252	39	912	-130	-518	-262	-99	228	521
Net lending to public corporations	ACKD	-230	-77	-626	659	1 900	-4 305	-113	1 301	1 044	608	710
Net lending to overseas sector	ACEK	283	-41	126	185	269	160	264	342	209	219	237
Public dividend capital etc	ACKF	836	157	144	147	45	5	1	1	-	-	-
Company securities (net)	GTLF	-2 335	-3 760	-5 767	-6 081	-4 508	-4 381	-8 934	-7 585	-5 401	-6 637	-2 467
Total	GTKK	137 806	142 605	148 501	156 930	174 711	193 041	207 640	233 861	251 092	259 437	274 779
Non-trading capital consumption	AAAG	2 372	2 583	2 804	3 110	3 448	3 806	3 763	3 603	3 404	3 267	3 298
Debt interest	AAAL	17 586	17 151	17 936	18 197	18 928	18 696	16 936	17 039	18 427	22 144	25 800
Total expenditure	ABAB	157 764	162 339	169 241	178 237	197 087	215 543	228 339	254 503	272 923	284 848	303 877

See footnote on previous page.

General government

10.27 Levels of debt and deficit¹

Definitions consistent with 1996-97 FSBR table 4.3

	General Government debt held outside public sector		General Government Financial Deficit	
	£ million	% of GDP	£ million	% of GDP
1971	44 423	76.9	-774	-1.3
1972	47 731	73.8	1 181	1.8
1973	50 111	67.5	2 607	3.5
1974	54 269	64.7	3 181	3.8
1975	61 604	58.2	5 006	4.7
1976	72 590	58.0	6 170	4.9
1977	83 792	57.4	4 963	3.4
1978	94 792	56.2	7 411	4.4
1979	104 505	52.7	6 449	3.3
1980	115 664	49.9	8 100	3.5
1981	133 216	52.3	10 217	4.0
1982	144 881	51.9	7 942	2.8
1983	154 109	50.6	10 185	3.3
1984	171 908	52.8	12 622	3.9
1985	187 863	52.6	10 090	2.8
1986	197 201	51.2	10 961	2.8
1987	205 606	48.6	6 866	1.6
1988	215 768	45.8	836	0.2
1989	202 161	39.2	11	-
1990	194 460	35.3	8 286	1.5
1991	195 821	34.0	15 079	2.6
1992	206 149	34.4	37 540	6.3
1993	260 136	41.2	49 310	7.8
1994	313 889	47.0	45 380	6.8
1995	348 638	49.7	40 358	5.8

	General Government debt held outside public sector		General Government Financial Deficit	
	£ million	% of GDP	£ million	% of GDP
1971/72	46 538	78.5	-342	-0.6
1972/73	48 059	71.1	1 254	1.9
1973/74	51 979	69.3	2 614	3.5
1974/75	59 594	66.7	3 885	4.3
1975/76	71 328	64.1	5 418	4.9
1976/77	82 480	63.4	5 674	4.4
1977/78	93 846	62.0	5 325	3.5
1978/79	102 782	59.2	7 093	4.1
1979/80	113 807	54.6	5 982	2.9
1980/81	132 997	56.0	9 240	3.9
1981/82	144 237	55.3	4 554	1.7
1982/83	153 135	53.6	7 988	2.8
1983/84	168 578	54.4	11 610	3.7
1984/85	186 164	56.1	12 598	3.8
1985/86	195 691	53.6	8 863	2.4
1986/87	203 131	51.7	9 125	2.3
1987/88	213 189	49.0	4 561	1.0
1988/89	201 186	41.6	-4 939	-1.0
1989/90	192 823	36.7	384	0.1
1990/91	196 539	35.3	4 977	0.9
1991/92	211 801	36.4	18 566	3.2
1992/93	259 815	42.8	45 053	7.4
1993/94	313 106	48.9	50 248	7.9
1994/95	346 194	51.1	40 862	6.0
1995/96	385 463	54.4	35 529	5.0

¹ Calendar year figures for deficit and debt are reported twice yearly to the European Union as part of the Maastricht Treaty agreement, using aggregates consistent with the European System of Accounts (ESA).

Under the ESA, general government financial deficit includes the write-off of public corporations debt. In this table the calendar year totals include these write-offs, the financial year totals do not.

Central government

10.31 Current account Summary of receipts¹

£ million

	Total current receipts	Taxes on income	Taxes on expenditure ²	Social security contributions	Gross trading surplus or deficit	Rent and royalties etc.	Interest and dividends, etc	Miscellaneous current transfers	Imputed charge for consumption of non-trading capital
	ACGA	ACGB	ACGC	AIIH	ACGG	ACGH	ACGY	ACGX	ACGL
1966	11 221	4 587	4 006	1 804	33	22	673	20	76
1967	12 587	5 286	4 484	1 924	33	22	736	22	80
1968	14 282	5 872	5 207	2 161	49	27	852	27	87
1969	16 005	6 515	6 043	2 242	62	30	987	33	93
1970	17 968	7 410	6 525	2 655	63	38	1 131	37	109
1971	19 046	8 020	6 567	2 826	66	82	1 319	41	125
1972	20 039	8 116	6 812	3 337	29	49	1 506	46	144
1973	22 641	9 257	7 411	3 937	17	57	1 734	55	173
1974	28 493	12 716	8 285	5 000	36	63	2 107	57	229
1975	36 665	16 758	10 058	6 848	38	78	2 513	73	299
1976	42 875	18 969	11 781	8 423	35	137	3 052	118	360
1977	49 038	20 490	14 757	9 503	35	289	3 415	136	413
1978	54 518	22 624	17 096	10 101	30	344	3 706	151	466
1979	65 374	25 239	23 103	11 526	-24	579	4 265	134	552
1980	80 030	31 002	28 213	13 939	-74	1 220	4 872	169	689
1981	92 215	36 134	32 271	15 916	-26	1 436	5 534	177	773
1982	101 896	40 282	34 735	18 095	-134	1 680	6 240	187	811
1983	110 512	43 344	37 281	20 780	-304	1 979	6 366	222	844
1984	118 897	46 658	39 969	22 322	-489	2 534	6 790	217	896
1985	130 516	51 598	43 029	24 210	-175	2 467	8 175	229	983
1986	136 086	51 973	47 621	26 165	-279	1 045	8 219	266	1 076
1987	146 580	55 658	52 194	27 663	-485	1 325	8 683	363	1 179
1988	161 094	61 723	57 313	30 682	-459	975	9 163	394	1 303
1989	175 635	70 000	60 067	33 333	-323	664	9 979	431	1 484
1990	196 658	76 875	73 169	34 457	-545	796	9 779	504	1 623
1991	208 687	75 178	85 295	36 216	-443	757	9 464	545	1 675
1992	209 739	73 716	87 388	36 975	-186	736	9 083	419	1 608
1993	214 231	73 232	90 194	39 499	-247	1 174	8 164	623	1 592
1994	230 286	80 670	95 990	41 943	23	1 170	8 378	704	1 408
1995	250 110	90 672	103 444	44 251	248	1 219	8 238	719	1 319
1966/67	11 536	4 751	4 129	1 827	28	22	683	20	76
1967/68	12 814	5 285	4 617	1 975	39	23	770	23	82
1968/69	14 692	6 010	5 399	2 192	52	28	893	29	89
1969/70	16 561	6 856	6 147	2 324	65	32	1 006	34	97
1970/71	18 250	7 571	6 587	2 660	66	40	1 177	37	112
1971/72	19 392	8 104	6 607	2 985	65	84	1 375	43	129
1972/73	20 493	8 215	6 954	3 492	8	49	1 578	47	150
1973/74	23 495	9 717	7 491	4 106	24	63	1 858	53	183
1974/75	30 329	13 772	8 536	5 410	39	71	2 192	63	246
1975/76	38 257	17 288	10 579	7 173	40	81	2 694	86	316
1976/77	44 701	19 855	12 148	8 833	28	179	3 161	123	374
1977/78	50 410	20 829	15 398	9 751	36	312	3 520	139	425
1978/79	56 482	23 235	18 173	10 238	28	361	3 819	145	483
1979/80	70 042	27 067	25 168	12 020	-45	760	4 344	146	582
1980/81	82 141	31 811	28 804	14 400	-62	1 263	5 030	175	720
1981/82	96 609	38 320	33 617	16 477	-25	1 487	5 776	175	782
1982/83	104 214	41 556	35 042	18 732	-213	1 826	6 252	197	822
1983/84	112 166	43 579	38 116	21 336	-328	2 009	6 381	220	853
1984/85	122 219	48 385	40 689	22 748	-326	2 810	6 775	221	917
1985/86	132 465	52 371	43 958	24 639	-293	2 046	8 496	245	1 003
1986/87	138 032	52 160	48 703	26 687	-275	932	8 442	280	1 103
1987/88	151 524	58 878	53 262	28 140	-547	1 345	8 866	374	1 206
1988/89	163 889	62 793	57 893	31 517	-341	881	9 405	398	1 343
1989/90	178 311	71 364	61 067	33 519	-428	800	9 990	474	1 525
1990/91	201 434	77 303	77 067	35 006	-585	776	9 726	477	1 664
1991/92	212 915	76 047	87 853	36 669	-368	780	9 669	589	1 676
1992/93	208 546	72 333	87 714	37 008	-208	796	8 854	425	1 624
1993/94	216 664	73 807	90 687	40 312	-55	1 242	8 516	626	1 529
1994/95	236 368	83 778	98 219	42 815	-10	1 142	8 320	743	1 361
1995/96	253 164	92 139	104 767	44 450	179	1 180	8 452	693	1 304

¹ For a more detailed breakdown since 1979 see table 10.32.

² Includes, from second quarter 1990, accruals of National Non-Domestic Rates which are treated as a central government tax.

Central government

10.32 Current account Detail of receipts

£ million

		1979	1980	1981	1982	1983	1984	1985	1986	1987
RECEIPTS										
Taxes on income:										
Income tax	GTAE	20 343	24 311	27 809	30 023	31 591	32 945	35 200	37 385	39 956
Surtax	GTAF	12	6	3	3	3	1	-	-	-
Petroleum revenue tax	GTAH	726	1 799	2 477	2 821	5 443	6 873	7 369	2 698	1 754
Supplementary petroleum duty	GTAI	-	-	1 531	2 214	676	-	-	-	-
Corporation tax	GTAJ	4 123	4 835	4 267	5 165	5 616	6 791	9 015	11 827	13 865
less Overspill relief	GTAK	-19	-1	-1	-	-	-	-	-	-
Independent Broadcasting Authority levy	GTAL	54	52	48	56	15	48	14	63	83
Total taxes on income	ACGB	25 239	31 002	36 134	40 282	43 344	46 658	51 598	51 973	55 658
Taxes on expenditure:										
Customs and excise revenue:										
Beer	GTAM	905	1 029	1 324	1 511	1 647	1 800	1 943	1 980	1 964
Wines, cider, perry and spirits	GTAN	1 462	1 513	1 700	1 855	1 999	2 064	2 230	2 262	2 282
Tobacco	GTAO	2 478	2 735	3 252	3 527	3 759	4 058	4 378	4 640	5 075
Hydrocarbon oils	GTAP	2 705	3 327	4 312	4 987	5 376	5 944	6 292	7 133	7 565
Customs/protective duties	GTAQ	873	855	919	1 024	1 111	1 292	1 269	1 286	1 461
EC agricultural levies	GTAR	223	254	220	227	196	141	155	224	202
Value added tax	GTAS	8 795	11 897	13 056	14 308	16 216	18 437	20 679	23 162	25 713
Car tax	GTAT	518	484	506	598	703	743	863	961	1 128
Betting and gaming	ACDJ	376	456	501	578	613	651	728	763	825
Air passenger duty	CWAA	-	-	-	-	-	-	-	-	-
Insurance premium tax	CWAD	-	-	-	-	-	-	-	-	-
Other	ACDN	12	12	19	23	31	27	24	23	22
Total customs and excise revenue	GTAW	18 347	22 562	25 809	28 638	31 651	35 157	38 561	42 434	46 237
Motor vehicle duties	GTAX	1 117	1 314	1 511	1 807	1 948	2 096	2 388	2 519	2 603
National insurance surcharge	GTAY	2 966	3 498	3 742	2 823	1 906	1 056	42	-	-
Fossil fuel levy	CIQY	-	-	-	-	-	-	-	-	-
Gas levy	GTAZ	-	83	300	471	522	500	525	515	502
Sugar levy	GTBA	17	21	26	41	42	61	49	62	80
European coal and steel community levy	GTBB	13	12	8	10	11	7	9	13	12
Stamp duties	GTBC	564	630	766	832	1 079	956	1 159	1 700	2 355
National non-domestic rates	CUKY	-	-	-	-	-	-	-	-	-
Northern Ireland rates	GTBD	72	85	98	104	109	123	127	158	159
LRT levy	GTBE	-	-	-	-	-	-	159	201	170
Miscellaneous	GTBF	7	8	11	9	12	13	10	19	76
Camelot: payments to National Lottery Distribution Fund	CIOJ	-	-	-	-	-	-	-	-	-
Total taxes on expenditure	ACGC	23 103	28 213	32 271	34 735	37 281	39 969	43 029	47 621	52 194
Social security contributions:										
National insurance	ACGD	10 432	12 685	14 358	15 977	18 449	19 884	21 548	23 221	24 575
National health	ACGE	882	1 042	1 344	1 594	1 754	1 861	2 032	2 244	2 741
Redundancy Fund, etc.	ACGF	212	212	214	524	577	577	630	700	347
Total social security contributions	AIIH	11 526	13 939	15 916	18 095	20 780	22 322	24 210	26 165	27 663
Gross trading surplus	ACGG	-24	-74	-26	-134	-304	-489	-175	-279	-485
Rent, dividends and interest, etc:										
Rent	GTBG	48	64	74	80	92	75	101	104	174
Royalties	CTAI	522	936	1 348	1 588	1 837	2 433	2 240	925	1 127
Licence fees on oil and gas production	CTAG	9	220	14	12	50	26	126	16	24
ITC franchise payments	CUKL	-	-	-	-	-	-	-	-	-
Dividends and interest, etc.:										
From local authorities	ACGI	1 458	1 612	1 800	1 747	2 001	2 357	2 678	3 192	3 683
From public corporations	ACGJ	1 729	1 895	2 162	2 358	2 491	2 245	2 046	2 020	2 049
Other	ACGK	1 078	1 365	1 572	2 135	1 874	2 188	3 451	3 007	2 951
Total rent, dividends and interest, etc	CTCC	4 844	6 092	6 970	7 920	8 345	9 324	10 642	9 264	10 008
Miscellaneous current transfers	ACGX	134	169	177	187	222	217	229	266	363
Imputed charge for consumption of non-trading capital	ACGL	552	689	773	811	844	896	983	1 076	1 179
Total receipts	ACGA	65 374	80 030	92 215	101 896	110 512	118 897	130 516	136 086	146 580

10.32 Current account

Detail of receipts

continued

£ million

		1988	1989	1990	1991	1992	1993	1994	1995
RECEIPTS									
Taxes on income:									
Income tax	GTAE	43 580	47 621	54 663	56 428	57 766	57 795	62 452	67 448
Surtax	GTAF	-	-	-	-	-	-	-	-
Petroleum revenue tax	GTAH	1 505	1 003	942	-105	7	380	822	820
Supplementary petroleum duty	GTAI	-	-	-	-	-	-	-	-
Corporation tax	GTAJ	16 548	21 273	21 136	18 742	15 871	15 057	17 396	22 404
less Overspill relief	GTAK	-	-	-	-	-	-	-	-
Independent Broadcasting Authority levy	GTAL	90	103	134	113	72	-	-	-
Total taxes on income	ACGB	61 723	70 000	76 875	75 178	73 716	73 232	80 670	90 672
Taxes on expenditure:									
Customs and excise revenue:									
Beer	GTAM	2 085	2 094	2 220	2 299	2 394	2 497	2 560	2 585
Wines, cider, perry and spirits	GTAN	2 426	2 403	2 627	2 676	2 759	2 914	3 074	2 891
Tobacco	GTAO	5 020	4 991	5 541	6 121	6 055	6 359	6 839	7 402
Hydrocarbon oils	GTAP	8 426	8 556	9 335	10 480	11 156	12 355	13 869	15 070
Customs/protective duties	GTAQ	1 643	1 795	1 710	1 724	1 765	2 008	1 981	2 308
EC agricultural levies	GTAR	172	134	127	182	178	164	153	150
Value added tax	GTAS	29 245	31 656	33 457	39 247	41 471	42 627	45 931	48 413
Car tax	GTAT	1 418	1 519	1 464	1 240	603	-4	-	-
Betting and gaming	ACDJ	893	956	1 022	1 009	1 056	1 094	1 119	1 575
Air passenger duty	CWAA	-	-	-	-	-	-	33	351
Insurance premium tax	CWAD	-	-	-	-	-	-	116	635
Other	ACDN	23	22	17	9	12	-	-	-
Total customs and excise revenue	GTAW	51 351	54 126	57 520	64 987	67 449	70 014	75 707	81 400
Motor vehicle duties	GTAX	2 758	2 915	2 971	2 972	3 113	3 482	3 848	3 954
National insurance surcharge	GTAY	-	-	-	-	-	-	-	-
Fossil fuel levy	CIQY	-	-	875	1 336	1 344	1 331	1 355	1 317
Gas levy	GTAZ	407	335	291	282	288	240	153	161
Sugar levy	GTBA	59	59	46	48	47	56	98	55
European coal and steel community levy	GTBB	11	12	11	10	7	1	-	-
Stamp duties	GTBC	2 344	2 127	1 755	1 789	1 224	1 635	1 831	1 924
National non-domestic rates	CUKY	-	-	9 226	13 570	13 639	13 092	12 556	12 994
Northern Ireland rates	GTBD	173	207	228	121	115	183	198	204
LRT levy	GTBE	129	175	47	-	-	-	-	-
Miscellaneous	GTBF	81	111	199	180	162	160	148	174
Camelot: payments to National Lottery Distribution Fund	CIOJ	-	-	-	-	-	-	96	1 261
Total taxes on expenditure	ACGC	57 313	60 067	73 169	85 295	87 388	90 194	95 990	103 444
Social security contributions:									
National insurance	ACGD	27 188	29 194	30 169	31 703	32 363	34 763	37 079	39 139
National health	ACGE	3 435	4 139	4 288	4 513	4 612	4 736	4 864	5 112
Redundancy Fund, etc.	ACGF	59	-	-	-	-	-	-	-
Total social security contributions	AIIH	30 682	33 333	34 457	36 216	36 975	39 499	41 943	44 251
Gross trading surplus	ACGG	-459	-323	-545	-443	-186	-247	23	248
Rent, dividends and interest, etc:									
Rent	GTBG	152	108	142	178	135	183	189	194
Royalties	CTAI	799	522	625	543	568	600	553	574
Licence fees on oil and gas production	CTAG	24	34	29	36	33	41	48	53
ITC franchise payments	CUKL	-	-	-	-	-	350	380	398
Dividends and interest, etc.:									
From local authorities	ACGI	3 956	4 418	4 628	4 656	4 497	3 988	3 812	3 681
From public corporations	ACGJ	2 017	2 191	1 664	1 048	1 034	1 244	1 947	2 184
Other	ACGK	3 190	3 370	3 487	3 760	3 552	2 932	2 619	2 373
Total rent, dividends and interest, etc	CTCC	10 138	10 643	10 575	10 221	9 819	9 338	9 548	9 457
Miscellaneous current transfers	ACGX	394	431	504	545	419	623	704	719
Imputed charge for consumption of non-trading capital	ACGL	1 303	1 484	1 623	1 675	1 608	1 592	1 408	1 319
Total receipts	ACGA	161 094	175 635	196 658	208 687	209 739	214 231	230 286	250 110

Central government

10.33 Current account Summary of expenditure¹ and current surplus/deficit

£ million

	Total current expenditure	Final consumption	Subsidies	Current grants to the personal sector	Current grants to local authorities	Current grants paid abroad (net)	Debt interest	Current surplus or deficit
	ACHB	ACHC	ACHG	GTAC	ACHJ	-HDKH	ACHL	AAAA
1966	10 034	4 270	480	2 587	1 481	180	1 036	1 187
1967	11 322	4 678	720	2 925	1 706	188	1 105	1 265
1968	12 441	4 938	801	3 385	1 898	179	1 240	1 841
1969	12 966	5 069	726	3 615	2 099	177	1 280	3 039
1970	14 333	5 688	766	3 961	2 450	169	1 299	3 635
1971	16 116	6 474	838	4 361	2 858	195	1 390	2 930
1972	18 758	7 318	1 085	5 313	3 233	220	1 589	1 281
1973	21 548	8 277	1 395	5 771	3 988	344	1 773	1 093
1974	27 647	10 574	2 833	7 130	4 686	302	2 122	846
1975	37 351	14 055	3 314	9 342	7 619	337	2 684	-686
1976	45 154	16 830	3 100	11 561	9 246	776	3 641	-2 279
1977	49 953	18 534	2 915	13 647	9 201	1 083	4 573	-915
1978	57 526	20 866	3 185	16 324	9 954	1 664	5 533	-3 008
1979	67 228	24 178	3 837	19 255	11 272	2 016	6 670	-1 854
1980	82 305	31 033	4 620	23 375	13 233	1 780	8 264	-2 275
1981	96 080	35 017	5 171	28 962	15 201	1 607	10 122	-3 865
1982	106 073	38 278	4 386	34 010	16 190	1 789	11 420	-4 177
1983	114 969	42 071	4 744	35 258	18 703	1 930	12 263	-4 457
1984	124 583	44 583	6 040	37 843	19 908	2 099	14 110	-5 686
1985	134 139	47 341	5 939	41 270	20 438	3 427	15 724	-3 623
1986	140 536	50 331	5 139	45 066	21 813	2 233	15 954	-4 450
1987	148 883	53 736	5 315	46 189	23 277	3 277	17 089	-2 303
1988	153 908	57 522	5 007	47 308	23 452	3 248	17 371	7 186
1989	163 259	63 294	4 774	48 675	24 200	4 278	18 038	12 376
1990	189 304	70 108	5 401	53 005	38 273	4 596	17 921	7 354
1991	208 803	76 985	5 410	61 410	47 578	1 083	16 337	-116
1992	233 072	82 259	6 133	70 126	53 091	4 834	16 629	-23 333
1993	249 881	89 123	6 599	76 478	54 632	4 969	18 080	-35 650
1994	261 935	93 031	6 375	79 455	56 233	5 135	21 706	-31 649
1995	274 718	95 832	6 256	83 016	57 071	7 180	25 363	-24 608
1966/67	10 371	4 407	535	2 668	1 520	181	1 060	1 165
1967/68	11 681	4 765	763	3 039	1 756	187	1 171	1 133
1968/69	12 533	4 958	759	3 464	1 922	181	1 249	2 159
1969/70	13 218	5 145	730	3 694	2 222	168	1 259	3 343
1970/71	14 703	5 874	801	3 972	2 587	174	1 295	3 547
1971/72	16 942	6 764	947	4 614	2 951	201	1 465	2 450
1972/73	19 332	7 538	1 047	5 458	3 424	256	1 609	1 161
1973/74	22 673	8 582	1 795	5 944	4 111	348	1 893	822
1974/75	30 136	11 415	3 076	7 547	5 595	279	2 224	193
1975/76	39 831	14 938	3 115	10 116	8 243	474	2 945	-1 574
1976/77	46 025	17 219	3 184	11 964	8 898	864	3 896	-1 324
1977/78	51 767	19 053	2 863	14 367	9 340	1 343	4 801	-1 357
1978/79	59 355	21 404	3 338	16 992	10 193	1 708	5 720	-2 873
1979/80	70 855	25 693	4 056	20 230	11 621	1 957	7 298	-813
1980/81	86 495	32 374	4 927	24 708	14 356	1 425	8 705	-4 354
1981/82	98 867	35 972	4 930	30 411	15 439	1 411	10 704	-2 258
1982/83	108 005	39 488	4 433	34 573	16 078	1 977	11 456	-3 791
1983/84	118 589	42 859	5 110	35 818	19 770	2 323	12 709	-6 423
1984/85	127 531	45 715	6 373	38 498	19 980	2 649	14 316	-5 312
1985/86	134 868	48 123	5 413	42 275	20 468	2 537	16 052	-2 403
1986/87	142 716	50 724	5 390	45 249	22 199	2 687	16 467	-4 684
1987/88	151 069	54 721	5 235	46 695	23 530	3 811	17 077	455
1988/89	154 975	58 518	4 797	47 396	23 771	2 880	17 613	8 914
1989/90	166 314	64 849	4 682	49 556	24 810	4 544	17 873	11 997
1990/91	192 947	71 453	5 605	54 323	40 104	3 895	17 567	8 487
1991/92	216 672	78 660	5 611	63 656	50 365	2 114	16 266	-3 757
1992/93	239 110	83 193	6 286	72 187	55 059	4 940	17 445	-30 564
1993/94	254 229	91 066	6 239	77 650	54 896	5 077	19 301	-37 565
1994/95	264 163	93 550	6 257	80 353	57 117	4 760	22 126	-27 795
1995/96	275 406	96 614	6 408	83 239	57 275	6 880	24 990	-22 242

1 For a more detailed breakdown of current account expenditure since 1979 see table 10.34.

Central government

10.34 Current account Detail of expenditure

£ million

		1979	1980	1981	1982	1983	1984	1985	1986	1987
EXPENDITURE										
Final consumption:										
Current expenditure on goods and services ¹	GTBW	23 626	30 344	34 244	37 467	41 227	43 687	46 358	49 255	52 557
Non-trading capital consumption	ACGL	552	689	773	811	844	896	983	1 076	1 179
Total final consumption	ACHC	24 178	31 033	35 017	38 278	42 071	44 583	47 341	50 331	53 736
Subsidies¹	ACHG	3 837	4 620	5 171	4 386	4 744	6 040	5 939	5 139	5 315
Current grants to personal sector:¹										
Social security benefits:										
Social security funds ²	GTKP	12 072	14 689	17 674	19 151	20 582	21 630	23 085	25 383	25 878
War pensions and allowances ²	CSDD	342	392	433	476	497	502	557	572	552
Family benefits	CSDB	2 727	3 048	3 527	3 938	4 302	4 664	4 928	4 996	5 099
Supplementary benefits/Income support	CSDE	2 255	2 737	4 259	6 635	5 799	6 449	7 667	8 230	8 316
Other social security benefits	CSDC	726	947	1 109	1 477	1 156	1 105	1 372	1 679	2 116
Total social security benefits	AUAA	18 122	21 813	27 002	31 677	32 336	34 350	37 609	40 860	41 961
Other	AUAB	1 133	1 562	1 960	2 333	2 922	3 493	3 661	4 206	4 228
Total current grants to personal sector	GTAC	19 255	23 375	28 962	34 010	35 258	37 843	41 270	45 066	46 189
Current grants to local authorities¹	ACHJ	11 272	13 233	15 201	16 190	18 703	19 908	20 438	21 813	23 277
Current grants paid abroad:¹										
Transactions with the European Community:										
Payments to the European Community	HDLN	1 626	1 783	2 188	2 878	2 994	3 213	3 789	2 812	4 066
less Receipts	-HDIS	-550	-958	-1 675	-2 154	-2 235	-2 392	-1 760	-2 138	-2 282
Net	-CGII	1 076	825	513	724	759	821	2 029	674	1 784
Social security benefits paid abroad	HBVJ	111	134	209	224	266	311	349	390	426
Gulf contributions ³	-HHQG	-	-	-	-	-	-	-	-	-
Other	CXCW	829	821	885	841	905	967	1 049	1 169	1 067
Total current grants paid abroad	-HDKH	2 016	1 780	1 607	1 789	1 930	2 099	3 427	2 233	3 277
Debt interest										
To local authorities	CTAD	14	12	16	19	13	19	20	19	21
To public corporations	CTAE	188	94	163	217	293	319	238	182	78
To private sector and overseas	CTDA	6 468	8 158	9 943	11 184	11 957	13 772	15 466	15 753	16 990
Total	ACHL	6 670	8 264	10 122	11 420	12 263	14 110	15 724	15 954	17 089
Total current expenditure	ACHB	67 228	82 305	96 080	106 073	114 969	124 583	134 139	140 536	148 883
Balance: current surplus before providing for depreciation	AAAA	-1 854	-2 275	-3 865	-4 177	-4 457	-5 686	-3 623	-4 450	-2 303
Total	ACGA	65 374	80 030	92 215	101 896	110 512	118 897	130 516	136 086	146 580

1 For a functional analysis see Table 10.39.

2 Excluding payments to non-residents which are shown separately in this table.

3 Contributions by other countries towards the UK's cost of the Gulf conflict.

10.34 Current account Detail of expenditure

continued

£ million

		1988	1989	1990	1991	1992	1993	1994	1995
EXPENDITURE									
Final consumption:									
Current expenditure on goods and services ¹	GTBW	56 219	61 810	68 485	75 310	80 651	87 531	91 623	94 513
Non-trading capital consumption	ACGL	1 303	1 484	1 623	1 675	1 608	1 592	1 408	1 319
Total final consumption	ACHC	57 522	63 294	70 108	76 985	82 259	89 123	93 031	95 832
Subsidies ¹	ACHG	5 007	4 774	5 401	5 410	6 133	6 599	6 375	6 256
Current grants to personal sector:¹									
Social security benefits:									
Social security funds ²	GTKP	26 698	28 216	30 704	34 706	37 592	39 655	40 502	41 243
War pensions and allowances ²	CSDD	570	623	677	795	947	940	1 023	1 195
Family benefits	CSDB	5 268	5 361	5 487	6 032	7 035	7 619	7 994	8 302
Supplementary benefits/Income support	CSDE	8 016	8 156	8 907	11 155	15 022	16 676	16 511	16 623
Other social security benefits	CSDC	2 504	2 609	3 123	4 693	5 306	6 741	8 270	9 823
Total social security benefits	AUAA	43 056	44 965	48 898	57 381	65 902	71 631	74 300	77 186
Other	AUAB	4 252	3 710	4 107	4 029	4 224	4 847	5 155	5 830
Total current grants to personal sector	GTAC	47 308	48 675	53 005	61 410	70 126	76 478	79 455	83 016
Current grants to local authorities ¹	ACHJ	23 452	24 200	38 273	47 578	53 091	54 632	56 233	57 071
Current grants paid abroad:¹									
Transactions with the European Community:									
Payments to the European Community	HDLN	3 555	4 443	4 669	3 318	4 863	5 445	5 469	7 689
less Receipts	-HDIS	-2 115	-2 143	-2 194	-2 789	-2 879	-3 325	-3 356	-3 554
Net	-CGII	1 440	2 300	2 475	529	1 984	2 120	2 173	3 993
Social security benefits paid abroad	HBVJ	461	538	605	712	647	794	874	924
Gulf contributions ³	-HHQG	-	-	-38	-2 110	-9	-	-	-
Other	CXCW	1 347	1 440	1 554	1 952	2 212	2 055	2 088	2 263
Total current grants paid abroad	-HDKH	3 248	4 278	4 596	1 083	4 834	4 969	5 135	7 180
Debt interest									
To local authorities	CTAD	10	16	18	12	15	18	22	22
To public corporations	CTAE	110	285	242	188	148	142	176	265
To private sector and overseas	CTDA	17 251	17 737	17 661	16 137	16 466	17 920	21 508	25 072
Total	ACHL	17 371	18 038	17 921	16 337	16 629	18 080	21 706	25 363
Total current expenditure	ACHB	153 908	163 259	189 304	208 803	233 072	249 881	261 935	274 718
Balance: current surplus before providing for depreciation	AAAA	7 186	12 376	7 354	-116	-23 333	-35 650	-31 649	-24 608
Total	ACGA	161 094	175 635	196 658	208 687	209 739	214 231	230 286	250 110

See footnotes on previous page.

Central government

10.35 Capital account Summary

£ million

	Receipts				Expenditure ¹				
	Total	Current surplus or deficit	Taxes on capital	Other capital receipts	Total	Gross domestic fixed capital formation	Increase in book value of stocks and work in progress	Capital transfers	Balance: financial surplus or deficit
1966	1 502	1 187	315	–	594	343	–	251	908
1967	1 604	1 265	339	–	904	403	–3	504	700
1968	2 278	1 841	437	–	1 283	463	3	817	995
1969	3 664	3 039	625	–	1 466	496	6	964	2 198
1970	4 308	3 635	673	–	1 516	590	4	922	2 792
1971	3 594	2 930	664	–	1 657	615	7	1 035	1 937
1972	2 050	1 281	769	–	1 595	654	17	924	455
1973	1 896	1 093	803	–	1 865	785	21	1 059	31
1974	1 724	846	878	–	2 093	970	15	1 108	–369
1975	111	–686	797	–	2 489	1 261	–9	1 237	–2 378
1976	–1 468	–2 279	811	–	2 830	1 408	2	1 420	–4 298
1977	–103	–915	812	–	2 841	1 294	50	1 497	–2 944
1978	–2 200	–3 008	808	–	3 377	1 292	31	2 054	–5 577
1979	–875	–1 854	979	–	3 450	1 560	–35	1 925	–4 325
1980	–1 137	–2 275	1 134	4	4 034	1 761	43	2 230	–5 171
1981	–2 393	–3 865	1 471	1	4 151	1 868	–93	2 376	–6 544
1982	–2 601	–4 177	1 559	17	4 970	2 230	155	2 585	–7 571
1983	–2 839	–4 457	1 616	2	5 468	2 497	246	2 725	–8 307
1984	–3 899	–5 686	1 783	4	6 147	2 728	280	3 139	–10 046
1985	–1 303	–3 623	2 297	23	6 874	3 126	450	3 298	–8 177
1986	–1 452	–4 450	2 976	22	6 456	3 351	–237	3 342	–7 908
1987	775	–2 303	3 078	–	6 296	3 358	–498	3 436	–5 521
1988	11 359	7 186	4 153	20	7 380	3 709	–322	3 993	3 979
1989	16 840	12 376	4 440	24	10 291	4 951	–163	5 503	6 549
1990	11 565	7 354	4 211	–	17 665	6 415	156	11 094	–6 100
1991	3 235	–116	3 351	–	16 316	6 876	151	9 289	–13 081
1992	–20 683	–23 333	2 650	–	21 200	6 855	–17	14 362	–41 883
1993	–33 303	–35 650	2 347	–	16 861	6 391	–24	10 494	–50 164
1994	–29 093	–31 649	2 556	–	15 255	5 946	–251	9 560	–44 348
1995	–21 922	–24 608	2 686	–	14 556	5 642	–154	9 068	–36 478
1966/67	1 482	1 165	317	–	627	366	–1	262	855
1967/68	1 495	1 133	362	–	1 081	430	4	647	414
1968/69	2 705	2 159	546	–	1 294	462	–	832	1 411
1969/70	3 987	3 343	644	–	1 467	507	–	960	2 520
1970/71	4 177	3 547	630	–	1 620	603	7	1 010	2 557
1971/72	3 149	2 450	699	–	1 618	631	11	976	1 531
1972/73	1 922	1 161	761	–	1 683	687	10	986	239
1973/74	1 679	822	857	–	1 924	856	22	1 046	–245
1974/75	1 031	193	838	–	2 228	999	–	1 229	–1 197
1975/76	–771	–1 574	803	–	2 595	1 387	11	1 197	–3 366
1976/77	–532	–1 324	792	–	2 934	1 431	–6	1 509	–3 466
1977/78	–523	–1 357	834	–	3 091	1 263	53	1 775	–3 614
1978/79	–2 031	–2 873	842	–	3 215	1 341	25	1 849	–5 246
1979/80	225	–813	1 038	–	3 564	1 610	–58	2 012	–3 339
1980/81	–3 192	–4 354	1 158	4	4 112	1 755	40	2 317	–7 304
1981/82	–563	–2 258	1 694	1	4 366	1 982	–105	2 489	–4 929
1982/83	–2 270	–3 791	1 502	19	5 307	2 428	253	2 626	–7 577
1983/84	–4 717	–6 423	1 703	3	5 414	2 555	119	2 740	–10 131
1984/85	–3 399	–5 312	1 912	1	6 559	2 826	473	3 260	–9 958
1985/86	140	–2 403	2 516	27	6 789	3 181	322	3 286	–6 649
1986/87	–1 622	–4 684	3 044	18	6 368	3 411	–434	3 391	–7 990
1987/88	3 747	455	3 286	6	6 785	3 677	–374	3 482	–3 038
1988/89	13 325	8 914	4 373	38	7 827	3 942	–302	4 187	5 498
1989/90	16 270	11 997	4 273	–	14 232	5 530	–101	8 803	2 038
1990/91	12 514	8 487	4 027	–	16 327	6 544	222	9 561	–3 813
1991/92	–690	–3 757	3 067	–	15 930	6 956	77	8 897	–16 620
1992/93	–28 078	–30 564	2 486	–	22 149	6 961	44	15 144	–50 227
1993/94	–35 253	–37 565	2 312	–	16 049	6 238	–133	9 944	–51 302
1994/95	–25 148	–27 795	2 647	–	15 257	5 814	–282	9 725	–40 405
1995/96	–19 513	–22 242	2 729	–	15 730	5 349	–69	10 450	–35 243

¹ For a more detailed breakdown of capital account expenditure since 1979 see table 10.36.

10.36.01

10.36.01

Central government

10.36 Capital account Detail

		£ million								
		1979	1980	1981	1982	1983	1984	1985	1986	1987
RECEIPTS										
Current surplus before providing for depreciation	AAAA	-1 854	-2 275	-3 865	-4 177	-4 457	-5 686	-3 623	-4 450	-2 303
Taxes on capital ¹	ACIC	979	1 134	1 471	1 559	1 616	1 783	2 297	2 976	3 078
Other capital receipts	ACIE	-	4	1	17	2	4	23	22	-
Total	ACIA	-875	-1 137	-2 393	-2 601	-2 839	-3 899	-1 303	-1 452	775
EXPENDITURE										
Gross domestic fixed capital formation²	AAAC	1 560	1 761	1 868	2 230	2 497	2 728	3 126	3 351	3 358
Increase in value of stocks:										
Trading bodies, etc. ³	DHHN	-68	41	-133	87	238	277	443	-237	-498
Emergency and strategic stocks	DHHO	33	2	40	68	8	3	7	-	-
Total increase in stocks	AAAD	-35	43	-93	155	246	280	450	-237	-498
Capital transfers:										
To private sector:										
Universities, colleges, etc.	GTDH	107	136	158	151	138	138	133	146	165
Housing associations	GTDI	566	593	420	595	767	1 006	926	780	753
Other personal sector	GTDJ	255	345	340	436	470	423	382	310	404
Company sector	GTDK	420	518	741	671	661	556	578	706	499
Total to private sector	ACIH	1 348	1 592	1 659	1 853	2 036	2 123	2 019	1 942	1 821
To local authorities	ACII	267	295	317	328	316	677	750	937	1 002
To public corporations	ACIJ	310	343	400	404	373	339	529	463	613
Total capital transfers	ACIG	1 925	2 230	2 376	2 585	2 725	3 139	3 298	3 342	3 436
Total capital expenditure	ACID	3 450	4 034	4 151	4 970	5 468	6 147	6 874	6 456	6 296
Balance: financial surplus or deficit	AABA	-4 325	-5 171	-6 544	-7 571	-8 307	-10 046	-8 177	-7 908	-5 521
Total	ACIA	-875	-1 137	-2 393	-2 601	-2 839	-3 899	-1 303	-1 452	775

1 For details see table 10.71

2 Net of the following sales (£million):

	1979	1980	1981	1982	1983	1984	1985	1986	1987
GTDL	60	144	164	190	212	195	233	337	463

3 Includes the Intervention Board for Agricultural Produce.

10.36 Capital account Detail

continued

£ million

		1988	1989	1990	1991	1992	1993	1994	1995
RECEIPTS									
Current surplus before providing for depreciation	AAAA	7 186	12 376	7 354	-116	-23 333	-35 650	-31 649	-24 608
Taxes on capital ¹	ACIC	4 153	4 440	4 211	3 351	2 650	2 347	2 556	2 686
Other capital receipts	ACIE	20	24	-	-	-	-	-	-
Total	ACIA	11 359	16 840	11 565	3 235	-20 683	-33 303	-29 093	-21 922
EXPENDITURE									
Gross domestic fixed capital formation ²	AAAC	3 709	4 951	6 415	6 876	6 855	6 391	5 946	5 642
Increase in value of stocks:									
Trading bodies, etc. ³	DHHN	-322	-163	156	151	-17	-24	-251	-154
Emergency and strategic stocks	DHHO	-	-	-	-	-	-	-	-
Total increase in stocks	AAAD	-322	-163	156	151	-17	-24	-251	-154
Capital transfers:									
To private sector:									
Universities, colleges, etc.	GTDH	141	261	312	366	308	355	231	391
Housing associations	GTDI	703	1 058	1 469	1 870	1 761	2 502	1 563	1 200
Other personal sector	GTDJ	398	292	457	561	677	964	1 168	1 074
Company sector	GTDK	1 008	548	501	483	444	413	472	500
Total to private sector	ACIH	2 250	2 159	2 739	3 280	3 190	4 234	3 434	3 165
To local authorities	ACII	1 037	2 144	1 810	2 433	7 921	3 154	2 930	2 720
To public corporations	ACIJ	706	1 200	6 545	3 576	3 251	3 106	3 196	3 183
Total capital transfers	ACIG	3 993	5 503	11 094	9 289	14 362	10 494	9 560	9 068
Total capital expenditure	ACID	7 380	10 291	17 665	16 316	21 200	16 861	15 255	14 556
Balance: financial surplus or deficit	AABA	3 979	6 549	-6 100	-13 081	-41 883	-50 164	-44 348	-36 478
Total	ACIA	11 359	16 840	11 565	3 235	-20 683	-33 303	-29 093	-21 922

See previous page for footnotes 1 and 3.
2 Net of the following sales (£million):

	1988	1989	1990	1991	1992	1993	1994	1995
GTDL	575	655	530	456	368	424	437	417

Central government

10.37 Financial account and balancing item Summary¹

£ million

	Transactions in financial liabilities (net)							Transactions in financial assets (net)							Balancing item
	Financial surplus or deficit		Accruals adjustments	Trans- actions concern- ing certain public sector pension funds	Borrowing for Finance leasing	Other ident- ified financial liabilities (net)	Borrowing require- ment	Total	Accruals adjust- ments	Net lending	Public dividend capital etc.	Company secur- ities	Other financial assets	Total financial trans- actions	
	AABA	ACJR	ACJB	AACW	CULP	ACJS	ABEA	ACJU	CUBO	CUBX	ACKF	ACKG	ACKZ	AADA	
1966	908	761	167	64	—	-6	536	1 640	122	1 485	—	—	—	879	
1967	700	1 667	-11	61	—	469	1 148	2 311	179	1 630	18	33	—	29	
1968	995	1 095	139	72	—	144	740	2 107	271	1 768	13	—	484	56	
1969	2 198	-366	-52	51	—	537	-902	1 803	164	1 590	4	3	54	-17	
1970	2 792	-825	20	66	—	-215	-696	1 903	29	1 863	9	2	42	29	
1971	1 937	452	-58	106	—	-236	640	2 378	30	2 266	—	—	2 728	64	
1972	455	1 804	161	154	—	-55	1 544	2 311	13	2 223	82	—	1 926	11	
1973	31	2 791	232	182	—	133	2 244	2 834	638	2 158	35	—	507	-52	
1974	-369	3 892	179	273	—	-158	3 598	3 798	794	2 925	7	—	43	-12	
1975	-2 378	7 922	-643	380	—	31	8 154	5 320	1 011	3 349	20	—	-94	-275	
1976	-4 298	7 249	-25	458	—	33	6 783	3 389	579	2 300	557	—	-2 602	224	
1977	-2 944	4 998	-171	439	—	333	4 397	2 193	421	1 742	403	26	-3 860	-438	
1978	-5 577	8 952	158	445	1	127	8 221	3 231	980	1 226	26	-477	-2 805	-139	
1979	-4 325	11 365	143	534	2	322	10 364	7 108	3 307	2 361	59	-68	-5 721	144	
1980	-5 171	10 932	-154	698	2	-399	10 785	5 915	1 609	2 743	148	-132	-4 257	-68	
1981	-6 544	12 088	132	648	2	923	10 383	5 649	3 798	362	1 649	—	-6 439	-105	
1982	-7 571	9 614	152	622	2	995	7 843	2 435	-1 142	2 797	840	-60	-7 179	-392	
1983	-8 307	15 065	515	691	3	-599	14 455	6 806	2 009	4 638	-506	—	-8 259	-48	
1984	-10 046	12 462	1 582	768	5	-53	10 160	2 893	1 642	2 829	853	-2 431	-9 569	-477	
1985	-8 177	12 798	401	553	8	32	11 804	4 858	1 182	5 185	836	-2 345	-7 940	-237	
1986	-7 908	8 889	-96	689	9	-123	8 410	1 086	-1 112	5 850	157	-3 809	-7 803	-105	
1987	-5 521	5 733	607	639	11	404	4 072	177	875	5 088	144	-5 930	-5 556	35	
1988	3 979	-3 388	583	856	12	118	-4 957	11	113	5 945	147	-6 194	3 399	580	
1989	6 549	-3 146	1 434	389	25	140	-5 134	3 270	2 094	5 788	45	-4 657	6 416	133	
1990	-6 100	-2 506	1 918	61	36	121	-4 642	-8 217	-532	-3 228	5	-4 462	-5 711	-389	
1991	-13 081	8 077	1 188	-40	-1	-775	7 705	-5 325	2 315	1 284	1	-8 925	-13 402	321	
1992	-41 883	28 794	-48	-292	-12	-94	29 240	-12 363	-674	-4 108	1	-7 580	-41 157	-726	
1993	-50 164	47 549	1 377	-492	-9	907	45 766	-2 495	2 965	-60	—	-5 400	-50 044	-120	
1994	-44 348	40 273	834	-281	4	1 299	38 417	-4 300	1 894	460	—	-6 654	-44 573	225	
1995	-36 478	40 073	1 860	-817	-6	374	38 662	3 037	2 198	3 323	—	-2 484	-37 036	558	
1966/67	855	916	138	60	—	-2	720	1 777	170	1 588	3	16	861	-6	
1967/68	414	1 942	7	66	—	498	1 371	2 376	76	1 801	15	—	434	-20	
1968/69	1 411	246	76	73	—	400	-303	1 694	160	1 466	13	1	1 448	-37	
1969/70	2 520	-637	34	41	—	203	-915	1 853	161	1 638	9	3	2 490	30	
1970/71	2 557	-224	70	83	—	-366	-11	2 170	182	1 952	4	32	2 394	163	
1971/72	1 531	566	-65	110	—	-90	611	2 204	-176	2 331	—	49	1 638	-107	
1972/73	239	2 305	197	162	—	52	1 894	2 591	14	2 478	60	39	286	-47	
1973/74	-245	2 576	318	187	—	-35	2 106	2 517	584	1 915	11	7	-59	-186	
1974/75	-1 197	5 464	94	350	—	-88	5 108	4 418	836	3 240	125	217	-1 046	-151	
1975/76	-3 366	8 290	-759	412	—	-86	8 723	4 886	646	3 456	417	367	-3 404	38	
1976/77	-3 466	6 345	41	418	—	30	5 856	2 928	495	1 840	566	27	-3 417	-49	
1977/78	-3 614	5 152	-113	421	—	322	4 522	1 686	600	1 116	526	-556	-3 466	-148	
1978/79	-5 246	8 789	135	474	2	268	7 910	3 878	1 168	1 262	1 446	2	-4 911	-335	
1979/80	-3 339	9 668	135	489	2	780	8 262	5 987	2 463	2 259	1 577	-312	-3 681	342	
1980/81	-7 304	13 565	-138	813	2	156	12 732	6 378	1 599	3 110	107	1 562	-7 187	-117	
1981/82	-4 929	8 061	229	607	1	-373	7 597	3 743	2 161	322	975	285	-4 318	-611	
1982/83	-7 577	13 611	44	681	3	149	12 734	5 694	180	4 540	856	118	-7 917	340	
1983/84	-10 131	14 260	747	696	2	637	12 178	4 804	1 561	3 605	684	-1 046	-9 456	-675	
1984/85	-9 958	12 239	1 310	719	9	37	10 164	2 737	841	3 185	694	-1 983	-9 502	-456	
1985/86	-6 649	11 993	569	483	7	-28	10 962	5 300	1 246	6 199	602	-2 747	-6 693	44	
1986/87	-7 990	11 334	233	883	9	-242	10 451	2 729	539	5 878	254	-3 942	-8 605	615	
1987/88	-3 038	1 894	127	634	11	283	839	-706	282	4 270	110	-5 368	-2 600	-438	
1988/89	5 498	-5 204	1 018	833	17	70	-7 142	58	269	6 776	118	-7 105	5 262	236	
1989/90	2 038	-3 684	1 495	102	28	319	-5 628	-1 812	2 051	537	3	-4 403	1 872	166	
1990/91	-3 813	-1 137	1 663	-85	26	-284	-2 457	-5 176	-198	587	5	-5 570	-4 039	226	
1991/92	-16 620	12 900	390	-57	-5	-352	12 924	-3 428	3 507	1 487	1	-8 423	-16 328	-292	
1992/93	-50 227	36 981	690	-173	-14	157	36 321	-13 306	560	-5 655	1	-8 209	-50 287	60	
1993/94	-51 302	49 186	-5	-475	2	711	48 953	-1 487	2 680	1 340	—	-5 508	-50 673	-629	
1994/95	-40 405	38 606	-121	-413	-4	798	38 346	-2 304	3 402	800	—	-6 506	-40 910	505	
1995/96	-35 243	35 846	1 372	-739	-1	-221	35 435	-93	1 619	743	—	-2 455	-35 939	696	

¹ For a more detailed breakdown of central government financial transactions since 1979 see table 10.38.

Central government

10.38 Financial account and balancing item Detail

£ million

		1979	1980	1981	1982	1983	1984	1985	1986	1987
FINANCIAL SURPLUS OR DEFICIT	AABA	-4 325	-5 171	-6 544	-7 571	-8 307	-10 046	-8 177	-7 908	-5 521
TRANSACTIONS IN FINANCIAL LIABILITIES (NET)										
Accruals adjustments:										
Current expenditure on goods and services	ACJC	-33	-28	-7	-15	-7	-1	-5	-	-9
Subsidies	ACJD	173	-129	34	-320	393	856	-138	-124	188
Current grants to personal sector	ACJE	3	11	-20	84	-14	-43	3	-7	13
Debt interest	ACLE	-	-	157	353	251	398	715	376	613
Increase in value of stocks	ACLJ	-	-8	-32	50	-108	372	-174	-341	-198
Total accruals adjustments	ACJB	143	-154	132	152	515	1 582	401	-96	607
Transactions concerning certain public sector pension schemes (net)	AACW	534	698	648	622	691	768	553	689	639
Borrowing for finance leasing	CULP	2	2	2	2	3	5	8	9	11
Other identified financial liabilities (net)	ACJS	322	-399	923	995	-599	-53	32	-123	404
Borrowing requirement:										
Liabilities ¹										
Notes and coin in circulation	-AACB	1 199	406	672	463	823	617	429	674	1 089
Market transactions:										
Sterling treasury bills	-AACD	-333	324	-1 242	-359	154	9	68	253	2 186
Government securities ²	-AACD	10 145	10 692	8 135	6 457	9 490	8 576	9 555	6 876	4 609
Non-marketable debt:										
National savings	-AACE	1 047	1 281	4 282	3 592	3 032	3 446	2 556	2 462	2 550
Tax reserve certificates	CTIX	-	-	-	-	-	-	-	-	-
Certificates of tax deposit	CTIZ	183	266	71	1 360	-101	475	556	124	-577
British Gas Corporation deposits	-CTJA	150	150	-	-	-	-	-	-300	-
Temporary deposit facility	-CTJB	-	-	-	-	296	-168	86	-121	204
Ways and means advances	CTJC	-5	-2	-	-	-	84	-36	-48	-
Fund for the Bank for Savings repayments	CTJD	-185	-149	-178	-192	-107	-214	-319	-107	-
Trading fund balances with Paymaster General	CTJE	-42	29	-3	24	31	-39	-28	-13	11
Net indebtedness to Bank of England Banking Department	-RRBT	-251	-864	-309	156	-157	51	122	-28	281
Northern Ireland central government debt	-AACH	-1	6	41	19	12	10	-21	-13	-6
Cost of exchange cover scheme on repayment of principal	-AACI	-148	7	61	-68	-88	-293	-242	-186	-147
Borrowing from overseas governments (net)	HEUL	-116	-57	-73	-86	-97	-104	-87	-86	-69
British Government foreign currency bonds	HGBA	-	-	-	-115	-	-342	-	-	-11
HMG Total \$ floating rate note issues	-CTJK	-	-	-	-	-	-	1 762	2 762	-
Miscellaneous direct official borrowing from overseas	CTJL	-13	-2	-1	-1	-3	-1	-1	-	-
Allocation of SDRs	HBUN	195	180	158	-	-	-	-	-	-
Net drawings from <i>less</i> repayments to IMF	AION	-596	-140	-145	-163	-36	-	-	-	-
Foreign currency borrowing ³	CTJQ	15	-629	-1 230	-	-	273	-40	-70	-152
Assets ¹										
Net change in official reserves	AIPA	-1 059	-291	2 419	1 421	607	908	-1 758	-2 891	-12 012
Redemption of government guaranteed stock	-ACMN	540	30	-	-	-	-	-	-	-
Transactions in Building Societies deposits Issue Department and National Insurance Fund transactions in:	-CBQM	-	-	-	-	-	-	-	-	-
Commercial bills and ECGD backed promissory notes	-AACK	-12	-403	-2 559	-4 714	725	-3 062	-1 129	-522	5 735
Public corporations debt	-ACMY	-	-	-42	31	-32	-29	-18	-127	-38
Local authority, etc. debt	-ACMV	-338	262	174	-19	-26	75	148	74	341
Deposits with banks	-AADM	-11	-311	152	37	-68	-112	201	-303	78
Total borrowing requirement	ABEA	10 364	10 785	10 383	7 843	14 455	10 160	11 804	8 410	4 072
Total transactions in financial liabilities	ACJR	11 365	10 932	12 088	9 614	15 065	12 462	12 798	8 889	5 733

1 **Assets:** increase negative/decrease positive.

Liabilities: increase positive/decrease negative.

2 Including government guaranteed securities.

3 Including Northern Ireland central government borrowing from the European Investment Bank.

10.38 Financial account and balancing item

Detail

continued

£ million

		1988	1989	1990	1991	1992	1993	1994	1995
FINANCIAL SURPLUS OR DEFICIT	AABA	3 979	6 549	-6 100	-13 081	-41 883	-50 164	-44 348	-36 478
TRANSACTIONS IN FINANCIAL LIABILITIES (NET)									
Accruals adjustments:									
Current expenditure on goods and services	ACJC	-5	-9	238	426	-218	830	777	625
Subsidies	ACJD	238	43	-9	-502	-88	-283	-488	22
Current grants to personal sector	ACJE	-15	-2	-2	-	-461	461	-	-
Debt interest	ACLE	291	1 288	1 501	1 235	767	406	763	1 347
Increase in value of stocks	ACLJ	74	114	190	29	-48	-37	-218	-134
Total accruals adjustments	ACJB	583	1 434	1 918	1 188	-48	1 377	834	1 860
Transactions concerning certain public sector pension schemes (net)	AACW	856	389	61	-40	-292	-492	-281	-817
Borrowing for finance leasing	CULP	12	25	36	-1	-12	-9	4	-6
Other identified financial liabilities (net)	ACJS	118	140	121	-775	-94	907	1 299	374
Borrowing requirement:									
Liabilities ¹									
Notes and coin in circulation	-AACB	1 476	1 245	78	207	1 397	1 330	1 370	1 578
Market transactions:									
Sterling treasury bills	-AACC	1 335	2 936	2 149	-1 675	-4 423	-1 250	2 209	11 841
Government securities ²	-AACD	-5 032	-18 327	-7 330	9 178	21 373	51 853	22 614	20 590
Non-marketable debt:									
National savings	-AACE	1 528	-1 547	801	2 229	5 065	2 897	4 610	3 237
Tax reserve certificates	CTIX	-	-	-	-	-	-	-	-
Certificates of tax deposit	CTIZ	-997	150	293	-24	-448	-91	-535	-385
British Gas Corporation deposits	-CTJA	-	-	-	-	-	-	-	-
Temporary deposit facility	-CTJB	449	-99	194	236	64	1 125	307	1 240
Ways and means advances	CTJC	-	-	-	-	-	-	-	-
Fund for the Bank for Savings repayments	CTJD	-	-	-	-	-	-	-	-
Trading fund balances with Paymaster General	CTJE	1	2	19	-30	51	98	325	-162
Net indebtedness to Bank of England Banking Department	-RRBT	138	370	353	-131	-206	-6 719	4 463	-636
Northern Ireland central government debt	-AACH	-6	-13	-3	1	-34	-10	-7	-7
Cost of exchange cover scheme on repayment of principal	-AACI	188	87	-33	-34	-28	-46	-24	-35
Borrowing from overseas governments (net)	HEUL	-73	-83	-73	-74	-99	-95	-93	-95
British Government foreign currency bonds	HGBA	-	-	-	-	-	-	-	-
HMG Total \$ floating rate note issues	-CTJK	-1 477	-	-10	1 887	5 567	1 565	1 904	59
Miscellaneous direct official borrowing from overseas	CTJL	-	-	-	-	-	-	-	-
Allocation of SDRs	HBUN	-	-	-	-	-	-	-	-
Net drawings from less repayments to IMF	AION	-	-	-	-	-	-	-	-
Foreign currency borrowing ³	CTJQ	1 026	1 256	142	-181	4 231	-2 978	-3 432	-9
Assets ¹									
Net change in official reserves	AIPA	-2 761	5 440	-76	-2 679	1 407	-698	-1 045	200
Redemption of government guaranteed stock	-ACMN	-	-	10	-	-	-	-	-
Transactions in Building Societies deposits	-CBQM	-	-	-	-	-	-	-14	30
Issue Department and National Insurance Fund transactions in:									
Commercial bills and ECGD backed promissory notes	-AACK	-435	3 598	-705	-1 751	-4 517	-1 534	6 200	2 092
Public corporations debt	-ACMY	90	147	-7	3	-	-8	2	-
Local authority, etc. debt	-ACMV	-31	-12	21	161	118	97	-64	-285
Deposits with banks	-AADM	-376	-284	-465	382	-278	230	-371	-359
Total borrowing requirement	ABEA	-4 957	-5 134	-4 642	7 705	29 240	45 766	38 417	38 662
Total transactions in financial liabilities	ACJR	-3 388	-3 146	-2 506	8 077	28 794	47 549	40 273	40 073

See previous page for footnotes.

10.38 Financial account and balancing item

Detail

continued

£ million

		1979	1980	1981	1982	1983	1984	1985	1986	1987
TRANSACTIONS IN FINANCIAL ASSETS (NET)										
Accruals adjustments:										
Income tax	ACJW	639	941	921	271	754	911	1 288	-1 708	36
Customs duties										
Value added tax	CUAI	2 036	105	1 479	-259	329	250	-523	561	910
Car tax	CUAF	33	7	-13	25	20	8	18	34	47
Beer	CINV	-1	23	31	20	-1	6	8	6	-13
Wines, cider, sherry and spirits	CINX	-	-	-	-	105	-9	18	8	27
Tobacco	CINZ	6	39	86	-13	9	19	36	57	258
Hydrocarbon oils	CIOB	-	-	-	-	-	-	32	116	31
Customs/protective duties	CIOD	13	-14	76	-62	16	4	-11	14	8
EC agricultural levies	CIOF	-2	2	20	-26	2	-13	13	3	-24
Air passenger duty	CSAV	-	-	-	-	-	-	-	-	-
Insurance premium tax	CSAW	-	-	-	-	-	-	-	-	-
Gas levy	CUAG	-	83	45	32	-12	-2	5	-9	9
Northern Ireland rates	CUBN	-2	5	-9	2	1	-6	-1	-2	-
National non-domestic rates	CULD	-	-	-	-	-	-	-	-	-
National insurance surcharge	CUAH	113	101	161	-823	366	-179	-54	-2	-
Social security contributions	ACJY	362	408	928	-459	426	457	441	55	-504
Royalties	ACJZ	92	-120	49	102	-7	226	-70	-242	89
Other interest and dividends	CUCF	18	29	24	48	1	-30	-18	-3	1
Total accruals adjustments	CUBO	3 307	1 609	3 798	-1 142	2 009	1 642	1 182	-1 112	875
Net lending:										
To private sector:										
Refinanced shipbuilding credits	CUBP	-24	-62	-48	-30	-47	-26	-82	-9	-
Other industry and trade	CUBQ	133	114	151	94	162	133	211	135	71
Building societies	CUBR	-4	-4	-1	-	-	-	-	-	-
Loans secured on dwellings	AADK	95	297	316	372	55	-22	69	68	60
Other	CUBT	10	2	-	-9	-32	-19	-26	-12	-11
Total net lending to private sector	ACKB	210	347	418	427	138	66	172	182	120
To local authorities	ABEC	555	1 224	-697	1 365	3 710	2 758	4 960	5 786	5 468
To public corporations	ACKD	1 624	1 690	904	1 215	781	-128	-230	-77	-626
To overseas sector:										
Overseas governments	CUAD	12	-71	-9	-31	-12	-66	-52	-69	-84
Refinanced export credits	-AACT	-298	-500	-476	-423	-235	-6	126	-199	-
Drawings from UK subscriptions to international lending bodies	CUAA	260	52	222	244	256	205	209	227	210
Other	CUBV	-2	1	-	-	-	-	-	-	-
Total net lending to overseas sector	ACKE	-28	-518	-263	-210	9	133	283	-41	126
Total net lending	CUBX	2 361	2 743	362	2 797	4 638	2 829	5 185	5 850	5 088
Public dividend capital, etc.	ACKF	1 572	1 415	-160	840	665	853	836	157	144
Company securities:										
Purchases	CUBZ	2	328	1 934	310	201	2	1	-	2 489
less Sales	CUCA	-134	-180	-285	-370	-707	-2 433	-2 346	-3 809	-8 419
Net	ACKG	-132	148	1 649	-60	-506	-2 431	-2 345	-3 809	-5 930
Total transactions in financial assets	ACJU	7 108	5 915	5 649	2 435	6 806	2 893	4 858	1 086	177
NET TOTAL FINANCIAL TRANSACTIONS ¹	AADA	-4 257	-5 017	-6 439	-7 179	-8 259	-9 569	-7 940	-7 803	-5 556
BALANCING ITEM	AADB	-68	-154	-105	-392	-48	-477	-237	-105	35

¹ Total assets less total liabilities.

10.38 Financial account and balancing item

Detail

continued

£ million

		1988	1989	1990	1991	1992	1993	1994	1995
TRANSACTIONS IN FINANCIAL ASSETS (NET)									
Accruals adjustments:									
Income tax	ACJW	452	1 225	958	-947	234	473	610	611
Customs duties									
Value added tax	CUAI	785	174	110	2 477	420	1 488	899	1 394
Car tax	CUAF	86	-27	-47	-20	-224	-35	-	-
Beer	CINV	1	-13	-6	17	18	267	60	-61
Wines, cider, sherry and spirits	CINX	-10	-9	-	22	32	41	137	-133
Tobacco	CINZ	-2	-166	29	158	-362	-1 038	-458	-175
Hydrocarbon oils	CIOB	84	-5	33	112	61	105	125	-46
Customs/protective duties	CIOD	-1	-3	-6	5	30	4	-	21
EC agricultural levies	CIOF	8	-11	12	-	-3	-3	-4	-2
Air passenger duty	CSAV	-	-	-	-	-	-	24	20
Insurance premium tax	CSAW	-	-	-	-	-	-	115	37
Gas levy	CUAG	-30	-6	-32	-2	7	-20	-21	-10
Northern Ireland rates	CUBN	-6	8	-5	3	-69	15	10	71
National non-domestic rates	CULD	-	-	-1 333	73	243	-43	230	102
National insurance surcharge	CUAH	-	-	-	-	-	-	-	-
Social security contributions	ACJY	-1 295	751	213	505	-1 009	1 756	212	400
Royalties	ACJZ	37	161	-456	4	3	2	-13	1
Other interest and dividends	CUCF	4	15	-2	-92	-55	-47	-64	-52
Total accruals adjustments	CUBO	113	2 094	-532	2 315	-674	2 965	1 894	2 198
Net lending:									
To private sector:									
Refinanced shipbuilding credits	CUBP	-	-	-	-	-	-	-	-
Other industry and trade	CUBQ	86	863	188	165	-72	13	21	-20
Building societies	CUBR	-	-	-	-	-	-	-	-
Loans secured on dwellings	AADK	153	137	-98	-433	-104	-74	-37	-20
Other	CUBT	33	42	65	171	241	288	494	701
Total net lending to private sector	ACKB	272	1 042	155	-97	65	227	478	661
To local authorities	ABEC	4 829	2 577	762	1 230	-5 818	-1 540	-845	1 715
To public corporations	ACKD	659	1 900	-4 305	-113	1 301	1 044	608	710
To overseas sector:									
Overseas governments	CUAD	-66	-47	-51	-46	-31	-57	-53	-59
Refinanced export credits	-AACT	-	-	-	-	-	-	-	-
Drawings from UK subscriptions to international lending bodies	CUAA	251	316	211	310	375	266	272	296
Other	CUBV	-	-	-	-	-	-	-	-
Total net lending to overseas sector	ACKE	185	269	160	264	342	209	219	237
Total net lending	CUBX	5 945	5 788	-3 228	1 284	-4 108	-60	460	3 323
Public dividend capital, etc.	ACKF	147	45	5	1	1	-	-	-
Company securities:									
Purchases	CUBZ	38	1 580	15	-	-	6	3	3
less Sales	CUCA	-6 232	-6 237	-4 477	-8 925	-7 580	-5 406	-6 657	-2 487
Net	ACKG	-6 194	-4 657	-4 462	-8 925	-7 580	-5 400	-6 654	-2 484
Total transactions in financial assets	ACJU	11	3 270	-8 217	-5 325	-12 363	-2 495	-4 300	3 037
NET TOTAL FINANCIAL TRANSACTIONS¹	AADA	3 399	6 416	-5 711	-13 402	-41 157	-50 044	-44 573	-37 036
BALANCING ITEM	AADB	580	133	-389	321	-726	-120	225	558

See previous page for footnote.

Central government

10.39 Analysis of total expenditure

£ million

		1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
General public services												
Current expenditure on goods and services:												
Wages and salaries etc ¹	GTMB	2 274	2 271	2 494	2 862	3 174	3 293	4 090	4 355	4 456	4 562	4 523
Other	GTML	596	823	651	592	1 104	1 410	921	1 026	1 083	1 500	2 119
Current grants to personal sector	GTFB	492	519	715	866	931	1 203	1 146	1 302	1 547	1 535	1 473
Current grants to local authorities	GTLN	75	86	97	95	92	162	164	162	158	116	62
Current grants abroad	GTPC	978	1 061	954	1 217	1 316	1 438	1 800	1 976	1 879	1 974	1 939
Gross domestic fixed capital formation	GTCR	368	379	349	512	687	681	730	740	766	707	697
Capital transfers to private sector	GTFD	54	66	70	73	80	91	64	60	83	61	75
Net lending to public corporations	GTFE	50	43	7	14	53	62	56	42	32	-5	12
Company securities (net)	GTFP	-	-	-	-	-	-	-	-14	-	-	-
Total	GTOD	4 887	5 248	5 337	6 231	7 437	8 340	8 971	9 649	10 004	10 450	10 900
<i>of which:</i> Parliament	GTPH	405	503	494	638	708	664	806	926	1 013	1 118	1 272
Finance and tax collection	GTNX	1 779	1 827	2 216	2 372	2 725	3 113	3 375	3 334	3 386	3 239	2 966
External	GTFJ	745	777	927	902	977	1 154	1 396	1 697	1 818	1 607	1 559
Other	GTOS	1 958	2 141	1 700	2 319	3 027	3 409	3 394	3 692	3 787	4 486	5 103
Defence												
Current expenditure on goods and services:												
Wages and salaries etc ¹	GTPA	6 917	7 325	7 472	7 797	8 301	9 026	10 039	10 533	10 939	10 477	9 916
Other	GTMM	10 938	11 268	11 189	11 485	12 146	13 156	14 506	12 936	12 729	12 650	12 382
Current grants to personal sector	GTPB	-	-	15	34	27	35	42	25	20	50	33
Current grants to local authorities	CTKA	10	13	17	23	21	22	19	23	21	19	20
Current grants abroad	GTFP	51	82	84	99	79	39	-2 007	169	109	49	112
<i>of which</i> Gulf contributions	-HHQG	-	-	-	-	-	-38	-2 110	-9	-	-	-
Gross domestic fixed capital formation	GTCS	268	356	351	356	406	619	611	711	753	726	686
Value of physical increase in stocks	GTFO	-	-	-	-	-	-	-	-11	-25	-28	-4
Capital transfers to private sector	GTFQ	21	12	-	-	-	-	1	5	6	3	5
Company securities (net)	GTLD	-	-	-190	-	-	-	-	-	-	-	-
Total	GTOE	18 205	19 056	18 938	19 794	20 980	22 897	23 211	24 391	24 552	23 946	23 150
Public order and safety												
Current expenditure on goods and services:												
Wages and salaries etc ¹	GTMC	1 000	1 102	1 301	1 433	1 548	1 759	2 124	2 321	2 304	2 272	2 278
Other	GTMN	598	852	839	980	1 141	1 301	1 752	2 208	2 249	2 485	2 334
Current grants to personal sector	GTFV	98	107	138	179	187	236	299	316	375	365	395
Current grants to local authorities	CTKB	1 828	1 781	2 334	2 133	2 565	2 876	3 177	3 514	3 722	3 859	4 149
Gross domestic fixed capital formation	GTCT	174	200	194	223	320	610	726	547	579	592	543
Capital transfers to local authorities	CTLI	-	-	26	29	54	122	156	182	169	196	182
Total	GTOP	3 698	4 042	4 832	4 977	5 815	6 904	8 234	9 088	9 398	9 769	9 881
<i>of which:</i> Police	GTNY	1 891	1 843	2 192	1 853	2 155	2 413	3 098	3 560	3 799	3 914	4 150
Fire	GTNZ	30	32	32	37	40	45	45	51	47	52	48
Law courts	GTOT	840	962	1 220	1 751	2 100	2 632	3 264	3 651	3 923	4 076	3 923
Prisons	GTPB	937	1 205	1 388	1 336	1 520	1 814	1 827	1 826	1 629	1 727	1 760
Education												
Current expenditure on goods and services:												
Wages and salaries etc ¹	GTMD	808	850	938	1 009	1 101	1 227	1 431	1 602	1 566	1 601	1 960
Other	GTOU	167	235	161	122	146	174	207	220	227	275	312
Education grants	CUKP	1 462	1 530	1 696	1 912	2 767	3 056	2 754	3 131	5 920	7 341	8 269
Current grants to personal sector	GTOV	373	464	399	388	338	352	522	613	905	1 030	1 158
Current grants to local authorities	CTKC	793	796	955	952	998	1 223	1 802	2 266	2 149	1 681	1 180
Gross domestic fixed capital formation	GTCU	23	30	19	25	24	25	29	33	27	43	27
Capital transfers to private sector	GTFP	208	235	245	455	570	659	569	505	776	745	881
Capital transfers to local authorities	CTNR	-	7	19	15	4	2	11	15	7	14	20
Net lending to private sector	GTGG	-3	-4	-	-	-	33	82	162	236	482	639
Total	GTOG	3 831	4 143	4 432	4 878	5 948	6 751	7 407	8 547	11 813	13 212	14 446
Health												
Current expenditure on goods and services:												
Wages and salaries etc ¹	CIKN	9 312	9 943	11 117	12 268	13 617	14 900	14 931	14 229	10 707	5 592	3 924
Other	CIKO	7 451	8 013	8 648	9 503	9 960	10 953	14 410	19 021	24 884	32 498	36 329
Current grants to personal sector	GTGK	97	99	109	127	129	206	123	93	101	115	117
Current grants to local authorities	GTLO	4	1	2	5	7	-	-	-	-	-	2
Current grants abroad	GTGL	20	26	29	31	45	39	49	58	67	65	138
Gross domestic fixed capital formation	GTCV	1 005	1 078	998	994	1 402	1 643	1 625	1 594	999	451	304
Capital transfers to private sector	GTGM	4	5	4	13	13	25	12	4	7	28	30
Company securities (net)	GTLT	-	-	-	-	-14	-	-	-	-	-	-
Total	GTOH	17 893	19 165	20 907	22 941	25 159	27 766	31 150	34 999	36 765	38 749	40 844
Social security												
Current expenditure on goods and services:												
Wages and salaries etc ¹	GTME	844	888	1 020	1 111	1 114	1 239	1 527	1 681	1 660	1 721	2 273
Other	GTMP	826	719	1 030	1 174	1 266	1 293	1 546	1 697	2 291	1 887	1 774
Current grants to personal sector	GTMX	37 614	40 864	41 968	43 062	44 964	48 914	57 396	65 926	71 658	74 330	77 226
Current grants to local authorities	CTKD	2 977	3 258	3 501	3 680	4 388	4 647	5 118	5 099	6 571	7 712	8 496
Current grants abroad	GTGS	365	405	441	478	555	620	728	661	824	899	949
Gross domestic fixed capital formation	GTCW	33	60	84	119	233	296	310	306	317	354	270
Capital transfers to private sector	GTGT	-	-	-1	-2	-3	-	-	1	3	4	1
Capital transfers to local authorities	CTLJ	-	-	1	1	1	2	2	3	2	12	27
Net lending to private sector	GTLV	-	-	-	54	48	37	26	42	48	27	47
Total	GTOI	42 659	46 194	48 044	49 677	52 566	57 048	66 653	75 416	83 374	86 946	91 063

¹ Including employers' contributions to social security, superannuation, etc.

10.39 Analysis of total expenditure

continued

£ million

		1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
Housing and community amenities												
Current expenditure on goods and services:												
Wages and salaries etc ¹	GTMF	13	13	59	51	43	51	70	89	128	150	147
Other	GTMQ	25	30	66	85	127	249	215	306	169	129	223
Subsidies	GTBX	852	849	837	924	1 027	1 484	1 482	1 373	1 305	1 101	1 188
Current grants to personal sector	GTGZ	572	800	1 263	1 102	165	146	171	117	64	35	32
Current grants to local authorities	CTKE	1 016	1 132	1 282	1 189	1 141	1 061	1 131	1 038	406	387	383
Gross domestic fixed capital formation	GTCX	26	28	33	27	31	33	33	43	93	143	124
Capital transfers to private sector	GTMZ	916	847	863	891	714	1 219	1 946	1 952	2 766	1 852	1 314
Capital transfers to local authorities	CTLK	222	293	306	380	484	659	1 119	1 303	1 546	1 144	1 110
Capital transfers to public corporations	GTHB	64	26	160	255	573	661	1 483	999	792	521	679
Net lending to private sector	AADK	69	68	60	153	137	-98	-433	-104	-74	-37	-20
Net lending to public corporations	GTHD	18	558	674	895	1 169	221	-92	36	38	36	4
Company securities (net)	GTLU	-	-	-	-	-607	-1 524	-1 391	-101	-	-	-
Total	GTOJ	3 793	4 644	5 603	5 952	5 004	4 162	5 734	7 051	7 233	5 461	5 184
<i>of which:</i> Housing	GTOA	2 987	2 996	3 081	3 252	3 360	4 492	5 870	5 740	5 920	4 592	3 346
Water and sewerage	GTOB	-110	441	530	736	538	-1 311	-1 319	-32	96	184	156
Other	GTOV	916	1 207	1 992	1 964	1 106	981	1 183	1 343	1 217	685	1 682
Recreational and cultural affairs												
Current expenditure on goods and services:												
Wages and salaries etc ¹	GTMG	55	93	140	102	144	170	226	271	375	346	355
Other	GTMR	147	147	142	267	275	304	317	399	405	421	339
Subsidies	GTBY	-	-	-	-	-	-	-	59	56	57	66
Current grants to personal sector	GTHM	298	290	301	293	205	223	291	398	272	394	360
Current grants to local authorities	CTKF	144	33	12	23	15	32	41	51	49	55	48
Gross domestic fixed capital formation	GTCY	33	38	59	37	129	121	170	148	240	169	219
Capital transfers to private sector	GTHN	3	1	3	6	6	9	22	10	10	29	17
Capital transfers to local authorities	CTLL	6	10	-	3	3	-	-	-	-	-	-
Capital transfers to public corporations	GTHO	-	-	-	-	-	-	-	-	-	-	-
Net lending to public corporations	GTHP	-7	-2	2	-8	3	-11	-20	-15	-4	16	13
Company securities (net)	GTOC	-	-	-	-	-	-	-68	-	-	-	-
Total	GTOK	679	610	659	723	780	848	979	1 321	1 403	1 487	1 417
Fuel and energy²												
Current expenditure on goods and services:												
Wages and salaries etc ¹	GTHR	197	19	-	-	1	-	-	-	-	-	-
Other	GTHS	67	285	281	167	302	237	227	244	202	175	201
Subsidies	GTHV	1 501	766	760	610	740	222	408	685	624	452	130
Current grants to personal sector	GTHW	421	593	482	159	157	103	61	48	25	37	261
Gross domestic fixed capital formation	GTCZ	50	4	-	-	-	-	-	-	-	-	-
Value of physical increase in stocks	GTHU	-1	-	-	-	-	-	-	-	-	-	-
Capital transfers to private sector	GTHX	-	-	-	-	-	-	51	35	58	90	107
Capital transfers to public corporations	GTHY	-	-	6	7	7	5 179	1 486	1 421	1 431	1 385	953
Net lending to private sector	GTHZ	-2	-2	-4	-2	-2	-3	-3	-2	-	-	-
Net lending to public corporations	GTIA	-708	-819	-1 329	72	-351	-6 046	190	1 047	295	691	1 287
Company securities (net)	GTIB	-446	-2 020	-3 566	-4 039	-2 639	-2 708	-5 474	-4 012	-1 698	-2 395	-715
Total	GTOL	1 079	-1 174	-3 370	-3 026	-1 785	-3 016	-3 054	-534	937	435	2 224
Agriculture, forestry and fishing												
Current expenditure on goods and services:												
Wages and salaries etc ¹	GTMH	188	184	238	234	256	277	341	414	403	401	343
Other	GTMN	194	216	266	244	225	308	311	419	355	403	468
Subsidies	GTIH	1 311	1 523	1 963	2 010	1 372	1 633	1 687	1 823	2 966	2 419	2 586
Current grants to personal sector	GTII	49	21	14	1	3	3	7	10	10	12	3
Current grants to local authorities	GTLN	26	27	29	30	30	32	33	33	36	17	10
Gross domestic fixed capital formation	GTDA	32	40	44	89	72	100	84	108	93	112	132
Value of physical increase in stocks	GTIG	449	-233	-493	-315	-160	161	329	175	216	-175	-181
Capital transfers to private sector	GTIJ	220	170	169	71	80	85	68	90	71	60	36
Capital transfers to local authorities	CTLM	22	11	10	16	20	15	22	17	26	21	39
Net lending to private sector	GTIK	-3	5	-3	-3	-	-	2	2	2	3	-
Company securities (net)	GTLE	-	-	-66	-	-	-	-	-	-	-	-
Total	GTOM	2 488	1 964	2 171	2 377	1 898	2 614	2 884	3 091	4 178	3 273	3 436
Mining and mineral resources, manufacturing and construction												
Current expenditure on goods and services:												
Wages and salaries etc ¹	GTFM	39	56	70	74	77	92	62	76	100	100	85
Other	GTFN	349	298	288	345	281	305	460	369	355	309	221
Subsidies	GTFQ	250	226	301	297	226	152	237	293	296	401	292
Current grants to personal sector	GTFR	86	94	35	18	9	11	56	66	68	134	68
Current grants to local authorities	GTOZ	-	-	-	-	-	-	3	7	5	38	40
Gross domestic fixed capital formation	GTFB	70	51	34	27	32	37	77	92	44	31	48
Value of physical increase in stocks	GTFP	3	-2	-4	-6	-1	-1	-	-1	-3	-4	-3
Capital transfers to private sector	GTFI	564	697	486	971	495	432	350	288	280	354	404
Capital transfers to local authorities	CTLP	-	-	-	-	-	-	5	6	71	82	47
Capital transfers to public corporations	GTFJ	233	148	76	6	10	3	-	-	23	183	157
Net lending to private sector	GTFU	130	119	75	89	860	166	165	-72	11	18	-20
Net lending to public corporations	GTFV	97	-21	66	49	699	100	-1	-2	-1	-2	-1
Public dividend capital etc	GTFW	836	157	144	147	45	5	1	1	-	-	-
Company securities (net)	GTFX	-363	-1	-385	-1 194	-1 315	-152	-	-43	-	-	-
Total	GTON	2 294	1 822	1 186	823	1 418	1 150	1 415	1 080	1 249	1 644	1 338

1 Including employers' contributions to social security, superannuation, etc.

2 Comprises identifiable expenditure only.

10.39 Analysis of total expenditure

continued

£ million

		1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
Transport and communications												
Current expenditure on goods and services:												
Wages and salaries etc ¹	GTMJ	190	126	100	196	272	294	341	357	286	280	306
Other	GTMU	240	314	438	327	417	406	617	492	613	696	664
Subsidies	GTNP	1 047	957	956	813	736	836	1 046	1 517	1 254	1 814	1 896
Current grants to personal sector	GTJD	82	88	94	86	89	94	26	64	65	65	54
Current grants to local authorities	CTKG	143	51	4	2	2	1	1	11	22	40	92
Gross domestic fixed capital formation	GTDC	943	984	1 081	1 214	1 455	2 066	2 232	2 434	2 392	2 581	2 513
Capital transfers to private sector	GTJE	6	7	10	6	7	4	1	12	7	3	84
Capital transfers to local authorities	CTLN	218	240	255	294	312	305	456	489	487	415	360
Capital transfers to public corporations	GTNR	213	274	251	264	382	466	390	740	708	773	846
Net lending to private sector	GTJG	-9	-4	-10	-10	-10	-4	-2	-49	-1	-	-
Net lending to public corporations	GTJH	169	-56	84	-201	759	1 612	500	342	805	67	-156
Public dividend capital etc	GTJI	-	-	-	-	-	-	-	-	-	-	-
Company securities (net)	GTJJ	-1 537	-1 788	-1 723	-961	-85	-92	-1 938	-3 398	-3 708	-4 262	-1 766
Total	GTOO	1 705	1 193	1 540	2 030	4 336	5 988	3 670	3 011	2 930	2 472	4 893
Other economic affairs and services												
Current expenditure on goods and services:												
Wages and salaries etc ¹	GTMK	819	1 101	1 182	968	1 050	1 449	769	1 061	1 497	1 452	984
Other	GTMV	642	554	731	911	955	1 556	1 116	1 194	1 628	1 900	1 784
Subsidies	GTNQ	978	818	498	353	673	1 074	550	383	98	131	98
of which interest support costs	GTCF	506	315	184	151	360	406	273	134	42	31	36
Other	GTLC	472	503	314	202	313	668	277	249	56	100	62
Current grants to personal sector	GTJP	1 088	1 127	656	993	1 471	1 479	1 270	1 148	1 368	1 353	1 836
Current grants to local authorities	CTKH	21	25	21	18	33	291	381	442	403	416	250
Gross domestic fixed capital formation	GTDD	101	103	112	86	160	184	249	99	88	37	79
Value of physical increase in stocks	GTLS	-1	-2	-1	-1	-2	-4	-178	-180	-212	-44	34
Capital transfers to private sector	GTJQ	23	-98	-28	-234	197	215	196	228	167	205	211
Capital transfers to local authorities	CTLO	17	47	49	39	44	57	35	17	165	220	85
Capital transfers to public corporations	GTJR	19	15	120	174	228	236	217	91	152	334	548
Net lending to private sector	GTOX	-10	-	2	-9	9	24	66	86	5	-15	15
Net lending to public corporations	GTJT	151	220	-130	-162	-432	-243	-746	-149	-121	-195	-449
Net lending to overseas sector	-AACT	126	-199	-	-	-	-	-	-	-	-	-
Public dividend capital etc	GTJU	-	-	-	-	-	-	-	-	-	-	-
Company securities (net)	GTMW	1	-	-	-	3	14	-54	-12	6	3	-3
Total	GTOP	3 975	3 711	3 212	3 136	4 389	6 332	3 871	4 408	5 244	5 797	5 472
Other expenditure												
Non-trading capital consumption	ACGL	983	1 076	1 179	1 303	1 484	1 623	1 675	1 608	1 592	1 408	1 319
Debt interest	ACHL	15 724	15 954	17 089	17 371	18 038	17 921	16 337	16 629	18 080	21 706	25 363
Current grants to local authorities	CTJZ	13 401	14 610	15 023	15 302	14 908	27 926	35 708	40 445	41 090	41 893	42 339
of which NNDR	CIOZ	-	-	-	-	-	10 426	14 010	13 260	13 741	13 017	12 950
Current grants abroad	GTKA	2 013	659	1 769	1 423	2 283	2 460	513	1 970	2 090	2 148	4 042
Capital transfers to local authorities	CTLH	265	329	336	260	1 222	648	627	5 889	681	826	850
Net lending to local authorities	ABEC	4 960	5 786	5 468	4 829	2 577	762	1 230	-5 818	-1 540	-845	1 715
Net lending to overseas sector	GTKD	157	158	126	185	269	160	264	342	209	219	237
Total	GTOQ	37 503	38 572	40 990	40 673	40 781	51 500	56 354	61 065	62 202	67 355	75 865
Total expenditure												
Current expenditure on goods and services:												
Wages and salaries etc ¹	GILN	22 656	23 971	26 131	28 105	30 698	33 777	35 951	36 989	34 421	28 954	27 094
Other ²	CUCN	22 240	23 754	24 730	26 202	28 345	31 652	36 605	40 531	47 190	55 328	59 150
Education grants	CUKP	1 462	1 530	1 696	1 912	2 767	3 056	2 754	3 131	5 920	7 341	8 269
Subsidies	ACHG	5 939	5 139	5 315	5 007	4 774	5 401	5 410	6 133	6 599	6 375	6 256
Current grants to personal sector	GTAC	41 270	45 066	46 189	47 308	48 675	53 005	61 410	70 126	76 478	79 455	83 016
Current grants to local authorities	ACHJ	20 438	21 813	23 277	23 452	24 200	38 273	47 578	53 091	54 632	56 233	57 071
Current grants abroad	-HDKH	3 427	2 233	3 277	3 248	4 278	4 596	1 083	4 834	4 969	5 135	7 180
of which Gulf contributions	-HHQG	-	-	-	-	-	-38	-2 110	-9	-	-	-
Gross domestic fixed capital formation	AAAC	3 126	3 351	3 358	3 709	4 951	6 415	6 876	6 855	6 391	5 946	5 642
Value of physical increase in stocks	AAAD	450	-237	-498	-322	-163	156	151	-17	-24	-251	-154
Capital transfers to private sector	ACIH	2 019	1 942	1 821	2 250	2 159	2 739	3 280	3 190	4 234	3 434	3 165
Capital transfers to local authorities	ACII	750	937	1 002	1 037	2 144	1 810	2 433	7 921	3 154	2 930	2 720
Capital transfers to public corporations	ACIJ	529	463	613	706	1 200	6 545	3 576	3 251	3 106	3 196	3 183
Net lending to private sector	ACKB	172	182	120	272	1 042	155	-97	65	227	478	661
Net lending to public corporations	ACKD	-230	-77	-626	659	1 900	-4 305	-113	1 301	1 044	608	710
Net lending to overseas sector	ACKE	283	-41	126	185	269	160	264	342	209	219	237
Public dividend capital etc	ACKF	836	157	144	147	45	5	1	1	-	-	-
Company securities (net)	ACKG	-2 345	-3 809	-5 930	-6 194	-4 657	-4 462	-8 925	-7 580	-5 400	-6 654	-2 484
Total	GTOR	123 022	126 374	130 745	137 683	152 627	178 978	198 237	230 164	243 150	248 727	261 716
Non-trading capital consumption	ACGL	983	1 076	1 179	1 303	1 484	1 623	1 675	1 608	1 592	1 408	1 319
Debt interest	ACHL	15 724	15 954	17 089	17 371	18 038	17 921	16 337	16 629	18 080	21 706	25 363
Net lending to local authorities	ABEC	4 960	5 786	5 468	4 829	2 577	762	1 230	-5 818	-1 540	-845	1 715
Total expenditure	GTOY	144 689	149 190	154 481	161 186	174 726	199 284	217 479	242 583	261 282	270 996	290 113

1 Including employers' contributions to social security, superannuation, etc.

2 Net of the following income from fees & charges, etc (£million).

	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
GTCQ	2 287	1 970	2 026	2 255	2 498	2 555	2 667	2 792	2 820	2 900	2 960

Local authorities

10.41 Current account Receipts

£ million

	Total	Central Government grants to LAs	Non-Domestic rate distribution	Net Rates Income	Community Charge/Council Tax	Gross Trading Surplus	Rent ¹	Interest and dividends etc. ²	Imputed Charge for Non Trading Capital Consumption
	ADAA	CUKZ	CIOZ	ADAB	ADBH	ADAD	ADAE	XAHJ	ADAG
1966	3 570	1 481	—	1 374	—	91	404	84	136
1967	3 956	1 706	—	1 467	—	94	453	92	144
1968	4 323	1 898	—	1 548	—	102	520	96	159
1969	4 763	2 099	—	1 678	—	113	595	103	175
1970	5 369	2 450	—	1 827	—	116	670	109	197
1971	6 132	2 858	—	2 086	—	135	704	118	231
1972	6 877	3 233	—	2 379	—	134	738	124	269
1973	8 112	3 988	—	2 647	—	134	886	182	275
1974	9 790	4 686	—	3 089	—	97	1 213	345	360
1975	14 088	7 619	—	3 978	—	89	1 464	460	478
1976	16 780	9 246	—	4 503	—	117	1 805	544	565
1977	17 541	9 201	—	5 077	—	148	1 967	516	632
1978	19 184	9 954	—	5 660	—	186	2 173	495	716
1979	22 050	11 272	—	6 567	—	204	2 594	559	854
1980	26 545	13 233	—	8 261	—	254	3 031	707	1 059
1981	30 849	15 201	—	10 194	—	262	3 279	738	1 175
1982	33 473	16 190	—	11 732	—	350	3 177	818	1 206
1983	36 115	18 703	—	12 219	—	354	2 857	745	1 237
1984	37 959	19 908	—	12 767	—	372	2 839	782	1 291
1985	39 785	20 438	—	13 638	—	440	3 043	837	1 389
1986	42 858	21 813	—	15 251	—	434	3 056	797	1 507
1987	45 951	23 277	—	16 777	—	410	3 022	840	1 625
1988	48 454	23 452	—	18 726	—	427	3 142	900	1 807
1989	51 853	24 200	—	19 913	586	522	3 238	1 430	1 964
1990	59 550	27 847	10 426	5 129	8 629	557	3 459	1 320	2 183
1991	63 085	33 568	14 010	121	8 128	407	3 808	955	2 088
1992	68 283	39 831	13 260	133	7 907	392	4 000	765	1 995
1993	69 780	40 891	13 741	142	8 038	440	4 189	527	1 812
1994	72 073	43 216	13 017	148	8 450	467	4 367	549	1 859
1995	73 668	44 121	12 950	153	8 989	365	4 430	681	1 979
1966/67	3 660	1 520	—	1 411	—	92	414	86	137
1967/68	4 045	1 756	—	1 484	—	96	467	94	148
1968/69	4 393	1 922	—	1 569	—	106	537	97	162
1969/70	4 951	2 222	—	1 716	—	111	617	105	180
1970/71	5 567	2 587	—	1 863	—	117	686	110	204
1971/72	6 328	2 951	—	2 166	—	142	708	121	240
1972/73	7 165	3 424	—	2 450	—	133	759	131	268
1973/74	8 399	4 111	—	2 708	—	134	956	198	292
1974/75	10 998	5 595	—	3 245	—	87	1 284	393	394
1975/76	15 070	8 243	—	4 206	—	89	1 546	490	496
1976/77	16 628	8 898	—	4 603	—	119	1 867	557	584
1977/78	17 910	9 340	—	5 239	—	169	2 000	510	652
1978/79	19 677	10 193	—	5 791	—	187	2 254	510	742
1979/80	22 881	11 621	—	6 827	—	215	2 719	594	905
1980/81	28 314	14 356	—	8 745	—	262	3 114	742	1 095
1981/82	31 614	15 439	—	10 678	—	271	3 289	743	1 194
1982/83	33 670	16 078	—	12 087	—	359	3 101	836	1 209
1983/84	37 258	19 770	—	12 255	—	357	2 818	810	1 248
1984/85	38 181	19 980	—	12 940	—	384	2 871	691	1 315
1985/86	40 111	20 468	—	13 863	—	454	3 089	825	1 412
1986/87	43 726	22 199	—	15 717	—	423	3 046	801	1 540
1987/88	46 556	23 530	—	17 130	—	411	3 012	812	1 661
1988/89	49 540	23 771	—	19 260	—	435	3 193	1 028	1 853
1989/90	53 022	24 810	—	20 133	782	549	3 251	1 483	2 014
1990/91	58 954	27 970	12 134	109	11 245	559	3 528	1 235	2 174
1991/92	64 773	36 086	14 279	124	7 088	356	3 893	880	2 067
1992/93	70 508	40 954	14 105	136	8 182	404	4 034	696	1 997
1993/94	69 993	41 681	13 215	145	7 988	452	4 240	522	1 750
1994/95	73 213	44 241	12 876	149	8 611	472	4 375	578	1 911
1995/96	73 987	43 667	13 608	154	9 113	328	4 443	688	1 986

1 See table 10.48.

2 Since 1984, Interest and Dividend receipts have been gross of transactions with other authorities.

Local authorities

10.42 Current account Summary of expenditure¹ and current surplus/deficit

£ million

	Total	Final Consumption	Subsidies	Grants	Debt interest ²	Current surplus/deficit
	ADAH	CSBA	ADAK	ADAL	XAHH	AAAE
1966	3 186	2 401	79	106	600	384
1967	3 567	2 695	81	120	671	389
1968	3 921	2 903	94	133	791	402
1969	4 317	3 123	116	148	930	446
1970	4 905	3 557	118	162	1 068	464
1971	5 455	4 078	101	172	1 104	677
1972	6 176	4 744	75	213	1 144	701
1973	7 313	5 497	108	264	1 444	799
1974	9 202	6 577	274	305	2 046	588
1975	12 788	9 597	457	401	2 333	1 300
1976	14 629	10 868	472	532	2 757	2 151
1977	15 749	11 645	471	674	2 959	1 792
1978	17 592	13 261	590	827	2 914	1 592
1979	20 601	15 429	806	885	3 481	1 449
1980	25 403	18 951	1 099	1 105	4 248	1 142
1981	28 248	21 495	1 198	1 142	4 413	2 601
1982	30 382	23 363	1 425	1 296	4 298	3 091
1983	33 798	25 133	1 525	3 181	3 959	2 317
1984	35 890	26 618	1 497	3 736	4 039	2 069
1985	37 982	27 926	1 286	4 081	4 689	1 803
1986	40 652	30 580	1 162	4 388	4 522	2 206
1987	43 505	33 309	950	4 609	4 637	2 446
1988	46 890	36 119	1 030	4 867	4 874	1 564
1989	50 267	38 502	1 008	5 358	5 399	1 586
1990	54 933	42 826	665	5 934	5 508	4 617
1991	60 955	47 120	585	7 877	5 373	2 130
1992	65 165	49 616	604	9 926	5 019	3 118
1993	65 595	48 683	604	11 906	4 402	4 185
1994	68 621	50 513	685	13 119	4 304	3 452
1995	71 177	52 811	710	13 474	4 182	2 491
1966/67	3 292	2 479	77	112	624	368
1967/68	3 670	2 759	83	124	704	375
1968/69	4 008	2 945	99	138	826	385
1969/70	4 430	3 181	121	153	975	521
1970/71	5 046	3 701	115	164	1 066	521
1971/72	5 626	4 232	94	179	1 121	702
1972/73	6 441	4 946	75	231	1 189	724
1973/74	7 711	5 696	136	271	1 608	688
1974/75	10 306	7 511	325	327	2 143	692
1975/76	13 182	9 726	478	445	2 533	1 888
1976/77	14 976	11 083	466	566	2 861	1 652
1977/78	16 167	12 011	490	749	2 917	1 743
1978/79	18 135	13 616	636	826	3 057	1 542
1979/80	21 802	16 301	871	951	3 679	1 079
1980/81	26 431	19 749	1 145	1 155	4 382	1 883
1981/82	28 788	21 928	1 285	1 173	4 402	2 826
1982/83	31 021	23 896	1 415	1 526	4 184	2 649
1983/84	34 260	25 534	1 516	3 522	3 688	2 998
1984/85	36 692	27 112	1 512	3 846	4 222	1 489
1985/86	38 354	28 318	1 218	4 126	4 692	1 757
1986/87	41 255	31 116	1 097	4 484	4 558	2 471
1987/88	44 398	34 166	954	4 624	4 654	2 158
1988/89	47 702	36 636	1 057	4 919	5 090	1 838
1989/90	51 007	39 297	981	5 459	5 270	2 015
1990/91	56 442	44 036	552	6 406	5 448	2 512
1991/92	62 554	47 942	595	8 476	5 541	2 219
1992/93	66 300	50 195	613	10 660	4 832	4 208
1993/94	65 517	48 361	601	12 183	4 372	4 476
1994/95	69 286	51 280	716	13 068	4 222	3 927
1995/96	71 158	52 901	707	13 242	4 308	2 829

1 For a more detailed breakdown of expenditure since 1979 see table 10.43.

2 Since 1984, Debt Interest payments have been gross of transactions with other authorities.

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SP.01

Local authorities

10.43 Current account Detail

£ million

		1979	1980	1981	1982	1983	1984	1985	1986	1987
RECEIPTS										
Current grants from central government	ACHJ	11 272	13 233	15 201	16 190	18 703	19 908	20 438	21 813	23 277
Net Rates income	ADAB	6 567	8 261	10 194	11 732	12 219	12 767	13 638	15 251	16 777
Community charge/Council tax ¹	ADBH	—	—	—	—	—	—	—	—	—
Gross trading surplus	ADAD	204	254	262	350	354	372	440	434	410
Rent	ADAE	2 594	3 031	3 279	3 177	2 857	2 839	3 043	3 056	3 022
Interest and dividends, etc. ²	XAHJ	559	707	738	818	745	782	837	797	840
Imputed charge for consumption of non-trading capital	ADAG	854	1 059	1 175	1 206	1 237	1 291	1 389	1 507	1 625
Total	ADAA	22 050	26 545	30 849	33 473	36 115	37 959	39 785	42 858	45 951
EXPENDITURE										
Final consumption:										
Current expenditure on goods and services:										
General public services	CTKI	403	429	528	536	554	650	880	956	1 088
Civil defence	CTKJ	5	7	9	10	12	13	17	20	22
Public order and safety:										
Police	CTKK	1 463	1 803	2 170	2 415	2 654	2 982	3 147	3 315	3 623
Fire services	CTKL	351	435	509	569	620	656	719	761	833
Law courts	CTKN	153	205	244	274	281	311	319	371	401
Education ³	CTKM	7 532	9 233	10 420	11 229	11 955	12 350	12 559	14 140	15 388
Social security:										
Concessionary fares	CTKO	166	195	214	275	316	332	349	297	321
Housing benefit administration	CTKP	5	5	6	7	20	105	106	156	191
Personal social services	CTKQ	1 504	1 912	2 165	2 372	2 606	2 761	2 993	3 193	3 537
Housing and community amenity:										
Housing	CTKR	85	115	109	140	168	122	131	200	248
Community development	CTKS	236	289	323	380	487	620	691	790	841
Sanitary services	CTKT	821	1 015	1 105	1 178	1 232	1 256	1 325	1 366	1 470
Street lighting	CTKU	114	147	163	181	189	195	191	200	203
Recreational and cultural affairs	CTKV	744	908	1 008	1 110	1 226	1 318	1 344	1 497	1 612
Agriculture (including land drainage and coast protection)	CTKW	71	85	81	101	122	136	144	152	160
Mining, manufacturing and construction:										
Consumer protection	CTKX	40	49	55	61	66	70	77	83	88
Transport and communication	CTKY	829	994	1 131	1 229	1 291	1 345	1 431	1 455	1 526
Other economic affairs and services	CTKZ	53	66	80	90	97	105	114	121	132
Total⁵	CTNA	14 575	17 892	20 320	22 157	23 896	25 327	26 537	29 073	31 684
Non-trading capital consumption	ADAG	854	1 059	1 175	1 206	1 237	1 291	1 389	1 507	1 625
Total final consumption	CSBA	15 429	18 951	21 495	23 363	25 133	26 618	27 926	30 580	33 309
Subsidies:										
Housing	CTMO	373	516	554	571	637	632	578	538	502
Water supply	CTLB	17	23	25	25	25	26	26	24	21
Passenger transport	CTLC	320	440	492	656	661	624	487	419	238
Other economic affairs and services	CTLD	96	120	127	173	202	215	195	181	189
Current grants to personal sector:										
Education	CTNB	691	862	1 018	1 021	1 055	1 092	1 091	1 153	1 204
Rent rebates and allowances	CSBD	194	243	124	275	2 126	2 644	2 990	3 235	3 405
Debt interest:										
On loans from central government	ACGI	1 458	1 612	1 800	1 747	2 001	2 357	2 678	3 192	3 683
Other ⁴	FNBM	2 023	2 636	2 613	2 551	1 958	1 682	2 011	1 330	954
Total current expenditure	ADAH	20 601	25 403	28 248	30 382	33 798	35 890	37 982	40 652	43 505
Balance: current surplus	AAAE	1 449	1 142	2 601	3 091	2 317	2 069	1 803	2 206	2 446
Total	ADAA	22 050	26 545	30 849	33 473	36 115	37 959	39 785	42 858	45 951

1 Community charge replaced domestic rates in Scotland, from April 1989 and in England and Wales, from April 1990. This was replaced by the Council Tax in April 1993.

2 Since 1984, Interest and Dividend receipts have been gross of transactions with other authorities.

3 Excludes expenditure of polytechnics in England from April 1989, FE and Sixth form colleges from April 1993.

4 Since 1984, Other Debt Interest payments have been gross of transactions with other authorities.

5 Net of the following income from fees and charges, etc. (£ million):

	1979	1980	1981	1982	1983	1984	1985	1986	1987
CTNC	1 451	1 741	2 032	2 271	2 429	2 624	2 809	3 012	3 256

10.43 Current account Detail

continued

£ million

		1988	1989	1990	1991	1992	1993	1994	1995
RECEIPTS									
Current grants from central government	ACHJ	23 452	24 200	38 273	47 578	53 091	54 632	56 233	57 071
Net Rates income	ADAB	18 726	19 913	5 129	121	133	142	148	153
Community charge/Council tax ¹	ADBH	—	586	8 629	8 128	7 907	8 038	8 450	8 989
Gross trading surplus	ADAD	427	522	557	407	392	440	467	365
Rent	ADAE	3 142	3 238	3 459	3 808	4 000	4 189	4 367	4 430
Interest and dividends, etc. ²	XAHJ	900	1 430	1 320	955	765	527	549	681
Imputed charge for consumption of non-trading capital	ADAG	1 807	1 964	2 183	2 088	1 995	1 812	1 859	1 979
Total	ADAA	48 454	51 853	59 550	63 085	68 283	69 780	72 073	73 668
EXPENDITURE									
Final consumption:									
Current expenditure on goods and services:									
General public services	CTKI	1 182	1 473	1 950	2 242	1 910	1 884	2 059	2 158
Civil defence	CTKJ	24	27	29	32	33	29	24	22
Public order and safety:									
Police	CTKK	4 002	4 414	4 962	5 753	6 041	6 380	6 768	7 010
Fire services	CTKL	908	998	1 111	1 273	1 317	1 382	1 428	1 481
Law courts	CTKN	449	506	590	698	735	772	796	815
Education ³	CTKM	16 794	17 561	18 719	20 610	21 943	20 124	20 425	21 078
Social security:									
Concessionary fares	CTKO	340	375	399	419	431	443	450	462
Housing benefit administration	CTKP	222	277	379	297	389	479	516	526
Personal social services	CTKQ	3 971	4 395	5 022	5 725	6 185	6 891	7 400	8 152
Housing and community amenity:									
Housing	CTKR	257	233	303	363	400	376	398	405
Community development	CTKS	674	514	620	699	790	826	869	937
Sanitary services	CTKT	1 570	1 667	1 823	1 989	2 179	2 174	2 244	2 347
Street lighting	CTKU	210	219	255	252	271	271	286	295
Recreational and cultural affairs	CTKV	1 761	1 889	2 176	2 375	2 484	2 478	2 445	2 513
Agriculture (including land drainage and coast protection)	CTKW	169	107	55	39	45	58	60	64
Mining, manufacturing and construction:									
Consumer protection	CTKX	93	106	120	137	155	163	171	176
Transport and communication	CTKY	1 537	1 616	1 961	1 938	2 090	1 926	2 042	2 110
Other economic affairs and services	CTKZ	149	161	169	191	223	215	273	281
Total⁴	CTNA	34 312	36 538	40 643	45 032	47 621	46 871	48 654	50 832
Non-trading capital consumption	ADAG	1 807	1 964	2 183	2 088	1 995	1 812	1 859	1 979
Total final consumption	CSBA	36 119	38 502	42 826	47 120	49 616	48 683	50 513	52 811
Subsidies:									
Housing	CTMO	537	503	129	—	—	1	—	4
Water supply	CTLB	21	8	—	—	—	—	—	—
Passenger transport	CTLC	252	264	263	286	321	336	475	514
Other economic affairs and services	CTLD	220	233	273	299	283	267	210	192
Current grants to personal sector:									
Education	CTNB	1 276	1 432	1 453	2 250	2 758	3 216	3 113	2 886
Rent rebates and allowances	CSBD	3 591	3 926	4 481	5 627	7 168	8 690	10 006	10 588
Debt interest:									
On loans from central government	ACGI	3 956	4 418	4 628	4 656	4 497	3 988	3 812	3 681
Other ⁵	FNBM	918	981	880	717	522	414	492	501
Total current expenditure	ADAH	46 890	50 267	54 933	60 955	65 165	65 595	68 621	71 177
Balance: current surplus	AAAE	1 564	1 586	4 617	2 130	3 118	4 185	3 452	2 491
Total	ADAA	48 454	51 853	59 550	63 085	68 283	69 780	72 073	73 668

See previous page for footnotes 1 to 5.

	1988	1989	1990	1991	1992	1993	1994	1995
CTNC	3 596	3 805	4 059	4 519	4 491	4 183	4 273	4 433

Local authorities

10.44 Capital account Summary

£ million

	Receipts				Expenditure ¹			Balance: financial surplus or deficit
	Total	Current surplus or deficit	Capital grants from central government	Miscellaneous capital receipts	Total	Gross domestic fixed capital formation	Capital transfers	
	ADCA	AAAE	ACII	CBGA	ADCC	AAAG	ADCD	AABB
1966	466	384	82	—	1 368	1 348	20	-902
1967	502	389	113	—	1 594	1 572	22	-1 092
1968	546	402	144	—	1 738	1 716	22	-1 192
1969	589	446	143	—	1 780	1 759	21	-1 191
1970	620	464	156	—	1 883	1 853	30	-1 263
1971	852	677	175	—	2 015	1 963	52	-1 163
1972	904	701	203	—	2 190	2 091	99	-1 286
1973	1 037	799	238	—	3 048	2 889	159	-2 011
1974	812	588	224	—	3 624	3 415	209	-2 812
1975	1 468	1 300	168	—	3 869	3 734	135	-2 401
1976	2 307	2 151	154	2	4 176	4 014	162	-1 869
1977	1 950	1 792	146	12	3 706	3 523	183	-1 756
1978	1 842	1 592	223	27	3 623	3 406	217	-1 781
1979	1 752	1 449	267	36	3 876	3 665	211	-2 124
1980	1 480	1 142	295	43	4 149	3 891	258	-2 669
1981	2 953	2 601	317	35	3 114	2 804	310	-161
1982	3 461	3 091	328	42	2 751	2 207	544	710
1983	2 675	2 317	316	42	4 505	3 372	1 133	-1 830
1984	2 791	2 069	677	45	5 327	3 991	1 336	-2 536
1985	2 604	1 803	750	51	4 517	3 746	771	-1 913
1986	3 326	2 206	937	183	4 755	4 158	597	-1 429
1987	3 656	2 446	1 002	208	5 001	4 219	782	-1 345
1988	2 812	1 564	1 037	211	3 647	2 797	850	-835
1989	3 973	1 586	2 144	243	5 505	4 631	874	-1 532
1990	6 656	4 617	1 810	229	7 108	6 244	864	-452
1991	4 770	2 130	2 433	207	6 350	5 267	1 083	-1 580
1992	11 233	3 118	7 921	194	6 890	5 651	1 239	4 343
1993	7 528	4 185	3 154	189	6 674	5 412	1 262	854
1994	6 616	3 452	2 930	234	7 648	6 344	1 304	-1 032
1995	5 679	2 491	2 720	468	7 961	6 811	1 150	-2 282
1966/67	456	368	88	—	1 432	1 412	20	-976
1967/68	509	375	134	—	1 660	1 637	23	-1 151
1968/69	523	385	138	—	1 720	1 698	22	-1 197
1969/70	661	521	140	—	1 787	1 767	20	-1 126
1970/71	687	521	166	—	1 981	1 946	35	-1 294
1971/72	885	702	183	—	2 074	2 014	60	-1 189
1972/73	932	724	208	—	2 425	2 310	115	-1 493
1973/74	941	688	253	—	3 310	3 135	175	-2 369
1974/75	922	692	230	—	3 610	3 422	188	-2 688
1975/76	2 018	1 888	130	—	4 070	3 925	145	-2 052
1976/77	1 817	1 652	162	3	4 025	3 861	164	-2 208
1977/78	1 936	1 743	176	17	3 647	3 456	191	-1 711
1978/79	1 793	1 542	222	29	3 640	3 424	216	-1 847
1979/80	1 404	1 079	287	38	4 047	3 821	226	-2 643
1980/81	2 217	1 883	289	45	4 153	3 888	265	-1 936
1981/82	3 188	2 826	331	31	2 813	2 458	355	375
1982/83	3 007	2 649	313	45	3 418	2 733	685	-411
1983/84	3 355	2 998	316	41	4 834	3 479	1 355	-1 479
1984/85	2 370	1 489	835	46	5 010	3 875	1 135	-2 640
1985/86	2 598	1 757	763	78	4 812	4 135	677	-2 214
1986/87	3 629	2 471	964	194	4 764	4 132	632	-1 135
1987/88	3 385	2 158	1 015	212	4 908	4 083	825	-1 523
1988/89	3 079	1 838	1 031	210	3 638	2 813	825	-559
1989/90	4 538	2 015	2 267	256	6 960	6 058	902	-2 422
1990/91	4 784	2 512	2 053	219	5 948	5 069	879	-1 164
1991/92	5 031	2 219	2 607	205	6 977	5 806	1 171	-1 946
1992/93	12 371	4 208	7 974	189	7 197	5 910	1 287	5 174
1993/94	7 862	4 476	3 197	189	6 808	5 457	1 351	1 054
1994/95	7 001	3 927	2 828	246	7 458	6 298	1 160	-457
1995/96	7 380	2 829	4 007	544	7 666	6 526	1 140	-286

¹ For a more detailed breakdown of capital expenditure since 1979 see table 10.45.

10.45

10.45

10.45

Local authorities

10.45 Capital account Detail

£ million

		1979	1980	1981	1982	1983	1984	1985	1986	1987
RECEIPTS										
Current surplus before providing for depreciation	AAAE	1 449	1 142	2 601	3 091	2 317	2 069	1 803	2 206	2 446
Capital grants from central government	ACII	267	295	317	328	316	677	750	937	1 002
Miscellaneous capital receipts	CBGA	36	43	35	42	42	45	51	183	208
Total	ADCA	1 752	1 480	2 953	3 461	2 675	2 791	2 604	3 326	3 656
EXPENDITURE										
Gross domestic fixed capital formation:										
General public services	CTLQ	171	241	183	332	290	278	321	208	203
Civil defence	CTLR	-	-	-	-	1	-	1	3	-
Public order and safety:										
Police	CTLS	42	56	55	99	81	57	91	45	101
Fire service	CTLT	28	34	37	39	48	57	59	52	58
Law courts	CTLU	8	9	9	11	11	20	20	21	36
Education	CTLV	459	554	549	488	539	598	595	638	779
Social security:										
Personal social services	CTLW	74	90	91	87	90	108	126	130	137
Housing and community amenity:										
Housing	CTLX	1 775	1 566	621	-297	745	1 093	931	1 137	1 153
Community development	CTLY	128	131	126	119	166	193	157	293	236
Water supply	CTLZ	35	40	34	31	47	38	37	40	41
Sanitary services	CTMA	117	160	155	113	164	196	168	174	186
Street lighting	CTMB	11	11	10	20	15	12	15	16	18
Recreational and cultural affairs	CTMC	165	224	236	259	318	391	368	382	340
Fuel and energy	CTMD	1	1	-	-	-	-	-	-	-
Agriculture (including land drainage and coast protection)	CTME	86	105	95	140	67	51	38	10	7
Mining, manufacturing and construction	CTMF	2	1	1	2	-	1	4	1	-
Transport and communication	CTMG	473	534	527	655	666	748	766	930	897
Other economic affairs and services	CTMH	90	134	75	109	124	150	49	78	27
Total¹	AAAG	3 665	3 891	2 804	2 207	3 372	3 991	3 746	4 158	4 219
Capital grants to personal sector										
Housing	ADCE	142	176	230	428	991	1 186	705	575	726
Capital grants to public corporations										
Transport and communication	ADCF	69	82	80	116	142	150	66	22	56
Total capital expenditure	ADCC	3 876	4 149	3 114	2 751	4 505	5 327	4 517	4 755	5 001
Balance: financial surplus or deficit	AABB	-2 124	-2 669	-161	710	-1 830	-2 536	-1 913	-1 429	-1 345
Total	ADCA	1 752	1 480	2 953	3 461	2 675	2 791	2 604	3 326	3 656

¹ Net of the following receipts from sales (£ million):

		1979	1980	1981	1982	1983	1984	1985	1986	1987
Council houses	CTCS	401	786	1 039	2 035	1 572	1 310	1 240	1 339	1 648
Other	GTEE	214	230	378	433	537	620	875	856	1 127

10.45 Capital account Detail

continued

£ million

		1988	1989	1990	1991	1992	1993	1994	1995
RECEIPTS									
Current surplus before providing for depreciation	AAAE	1 564	1 586	4 617	2 130	3 118	4 185	3 452	2 491
Capital grants from central government	ACII	1 037	2 144	1 810	2 433	7 921	3 154	2 930	2 720
Miscellaneous capital receipts	CBGA	211	243	229	207	194	189	234	468
Total	ADCA	2 812	3 973	6 656	4 770	11 233	7 528	6 616	5 679
EXPENDITURE									
Gross domestic fixed capital formation:									
General public services	CTLQ	277	518	511	468	563	267	418	508
Civil defence	CTLR	2	2	3	2	2	—	1	2
Public order and safety:									
Police	CTLS	117	183	205	187	209	231	238	301
Fire service	CTLT	58	74	73	59	74	74	93	89
Law courts	CTLU	57	62	85	52	86	83	82	74
Education	CTLV	597	898	1 026	901	980	932	866	1 120
Social security:									
Personal social services	CTLW	137	193	248	194	179	209	203	215
Housing and community amenity:									
Housing	CTLX	244	634	1 310	824	833	818	930	982
Community development	CTLY	-164	-63	73	167	237	332	543	536
Water supply	CTLZ	40	47	69	76	107	141	148	136
Sanitary services	CTMA	213	208	229	211	220	233	211	217
Street lighting	CTMB	18	19	20	15	18	20	21	22
Recreational and cultural affairs	CTMC	370	534	663	601	414	431	476	407
Fuel and energy	CTMD	—	—	—	—	—	—	—	—
Agriculture (including land drainage and coast protection)	CTME	-13	17	25	38	25	-14	-22	36
Mining, manufacturing and construction	CTMF	1	—	—	—	—	—	—	—
Transport and communication	CTMG	928	1 211	1 521	1 281	1 682	1 759	1 987	1 995
Other economic affairs and services	CTMH	-85	94	183	191	22	-104	149	171
Total¹	AAAG	2 797	4 631	6 244	5 267	5 651	5 412	6 344	6 811
Capital grants to personal sector									
Housing	ADCE	821	858	848	1 063	1 198	1 202	1 247	1 083
Capital grants to public corporations									
Transport and communication	ADCF	29	16	16	20	41	60	57	67
Total capital expenditure	ADCC	3 647	5 505	7 108	6 350	6 890	6 674	7 648	7 961
Balance: financial surplus or deficit	AABB	-835	-1 532	-452	-1 580	4 343	854	-1 032	-2 282
Total	ADCA	2 812	3 973	6 656	4 770	11 233	7 528	6 616	5 679

¹ Net of the following receipts from sales (£ million):

		1988	1989	1990	1991	1992	1993	1994	1995
Council houses	CTCS	2 665	3 153	2 215	1 447	1 229	1 227	1 236	629
Other	GTEE	2 121	1 988	2 099	1 274	1 273	1 912	1 607	2 010

Local authorities

10.46 Financial account and balancing item Summary¹

£ million

	Transactions in financial liabilities (net)					Transactions in financial assets (net)							Balancing item
	Financial surplus or deficit	Total	Accruals adjustments	Borrowing requirement	Other financial liabilities	Total	Accruals adjustments	Lending to private sector	Net acquisition of UK company securities	Other financial assets	Total financial transactions		
	AABB	ADDA	ADDB	ABEG	ADGK	ADDQ	ADDR	ADDU	ADNR	ADEE	AAES	AAET	
1966	-902	942	-18	960	-	55	1	54	-	-	-887	-15	
1967	-1 092	1 123	3	1 120	-	75	6	69	-	-	-1 048	-44	
1968	-1 192	1 171	36	1 135	-	17	7	10	-	-	-1 154	-38	
1969	-1 191	1 135	1	1 134	-	-8	9	-17	-	-	-1 143	-48	
1970	-1 263	1 258	21	1 237	-	63	-13	76	-	-	-1 195	-68	
1971	-1 163	1 418	45	1 373	-	107	-2	109	-	-	-1 311	148	
1972	-1 286	1 439	52	1 387	-	234	33	201	-	-	-1 205	-81	
1973	-2 011	2 278	-106	2 384	-	352	-5	357	-	-	-1 926	-85	
1974	-2 812	3 408	78	3 330	-	535	-19	558	-	-4	-2 873	61	
1975	-2 401	3 079	295	2 784	-	462	-148	620	-	-10	-2 617	216	
1976	-1 869	1 829	225	1 604	-	105	91	69	-	-55	-1 724	-145	
1977	-1 756	1 605	176	1 429	-	-206	-149	6	-	-63	-1 811	55	
1978	-1 781	1 270	188	1 061	21	-55	58	-49	-	-64	-1 325	-456	
1979	-2 124	2 721	320	2 375	26	372	85	307	32	-52	-2 349	225	
1980	-2 669	3 464	452	2 940	72	457	35	465	4	-47	-3 007	338	
1981	-161	830	557	264	9	241	1	279	15	-54	-589	428	
1982	710	-431	334	-798	33	369	-99	575	76	-183	800	-90	
1983	-1 830	1 365	74	1 228	63	-340	14	-288	15	-81	-1 705	-125	
1984	-2 536	2 527	109	2 304	114	-168	41	-162	4	-51	-2 695	159	
1985	-1 913	1 878	134	1 585	159	-486	130	-459	10	-167	-2 364	451	
1986	-1 429	1 233	308	673	252	-752	-38	-446	49	-317	-1 985	556	
1987	-1 345	1 301	273	736	292	-414	5	-372	163	-210	-1 715	370	
1988	-835	931	86	595	250	-86	103	-233	113	-69	-1 017	182	
1989	-1 532	982	255	565	162	76	176	-130	149	-119	-906	-626	
1990	-452	1 788	-1 928	3 687	29	910	1 124	-285	81	-10	-878	426	
1991	-1 580	1 803	70	1 888	-155	-278	161	-421	-9	-9	-2 081	501	
1992	4 343	-5 695	-86	-5 521	-88	-1 308	-966	-327	-5	-10	4 387	-44	
1993	854	-2 561	311	-2 875	3	-1 135	-803	-326	-1	-5	1 426	-572	
1994	-1 032	268	84	165	19	-855	-619	-250	17	-3	-1 123	91	
1995	-2 282	479	98	374	7	-1 404	-1 279	-140	17	-2	-1 883	-399	
1966/67	-976	1 041	3	1 038	-	88	6	82	-	-	-953	-23	
1967/68	-1 151	1 071	-34	1 105	-	40	7	33	-	-	-1 031	-120	
1968/69	-1 197	1 177	11	1 166	-	19	8	11	-	-	-1 158	-39	
1969/70	-1 126	1 089	7	1 082	-	5	12	-7	-	-	-1 084	-42	
1970/71	-1 294	1 299	21	1 278	-	104	13	91	-	-	-1 195	-99	
1971/72	-1 189	1 395	-12	1 407	-	132	9	123	-	-	-1 263	74	
1972/73	-1 493	1 528	-14	1 542	-	242	3	239	-	-	-1 286	-207	
1973/74	-2 369	2 550	22	2 528	-	406	45	361	-	-	-2 144	-225	
1974/75	-2 688	3 417	78	3 339	-	727	21	708	-	-2	-2 690	2	
1975/76	-2 052	2 471	90	2 381	-	245	-122	419	-	-52	-2 226	174	
1976/77	-2 208	2 065	69	1 996	-	10	-8	57	-	-39	-2 055	-153	
1977/78	-1 711	1 472	46	1 420	6	-191	-77	-35	-	-79	-1 663	-48	
1978/79	-1 847	1 413	83	1 311	19	21	21	52	-	-52	-1 392	-455	
1979/80	-2 643	3 173	167	2 969	37	515	116	417	35	-53	-2 658	15	
1980/81	-1 936	2 293	117	2 120	56	184	-73	295	5	-43	-2 109	173	
1981/82	375	229	437	-224	16	376	-73	489	15	-55	147	228	
1982/83	-411	172	46	83	43	218	42	274	78	-176	46	-458	
1983/84	-1 479	1 354	80	1 209	65	-384	-55	-242	9	-96	-1 738	260	
1984/85	-2 640	2 669	112	2 387	170	-280	85	-306	5	-64	-2 949	309	
1985/86	-2 214	1 928	84	1 674	170	-485	116	-407	14	-208	-2 413	199	
1986/87	-1 135	365	-5	132	238	-677	-28	-437	71	-283	-1 042	-93	
1987/88	-1 523	1 477	-86	1 275	288	-312	-6	-309	177	-174	-1 789	266	
1988/89	-559	2 306	-57	340	2 023	-92	116	-229	103	-82	-2 398	1 839	
1989/90	-2 422	1 746	213	1 257	276	15	160	-185	138	-98	-1 731	-691	
1990/91	-1 164	3 525	368	3 331	-174	1 271	1 524	-259	6	-	-2 254	1 090	
1991/92	-1 946	1 624	170	1 590	-136	-904	-461	-468	38	-13	-2 528	582	
1992/93	5 174	-5 870	-76	-5 735	-59	-281	21	-290	-4	-8	5 589	-415	
1993/94	1 054	-2 495	272	-2 781	14	-922	-537	-402	22	-5	1 573	-519	
1994/95	-457	-772	179	-962	11	-1 419	-1 262	-172	17	-2	-647	190	
1995/96	-286	-1 315	50	-1 375	10	-606	-489	-136	20	-1	709	-995	

¹ For a more detailed breakdown of financial transactions since 1979 see table 10.47.

10.47

10.47

Local authorities

10.47 Financial account and balancing item Detail

		£ million								
		1979	1980	1981	1982	1983	1984	1985	1986	1987
FINANCIAL SURPLUS OR DEFICIT	AABB	-2 124	-2 669	-161	710	-1 830	-2 536	-1 913	-1 429	-1 345
Transactions in financial liabilities (net)										
Accruals adjustments:										
Rates	ADDC	249	314	327	479	-117	13	56	302	310
Income tax	ADDE	15	76	98	9	97	63	31	-	29
Social security contributions	ADDF	43	49	112	-55	50	54	53	6	-66
National insurance surcharge	ADDG	13	13	20	-99	44	-21	-6	-	-
Borrowing requirement:										
Loans from central government (net)	ABEC	555	1 224	-697	1 365	3 710	2 758	4 960	5 786	5 468
Borrowing from other sources (net)	-ABED	1 747	1 800	1 099	-1 678	-2 412	-234	-2 564	-3 302	-2 139
Transactions in short term assets	-AMIO	76	-50	-128	-502	-68	-164	-814	-1 800	-2 524
Transactions in other public sector debt (net sales)	-AMIV	-3	-34	-10	17	-2	-56	3	-11	-69
Total borrowing requirement	ABEG	2 375	2 940	264	-798	1 228	2 304	1 585	673	736
Other financial liabilities	ADGK	26	72	9	33	63	114	159	252	292
Total transactions in financial liabilities	ADDA	2 721	3 464	830	-431	1 365	2 527	1 878	1 233	1 301
Transactions in financial assets (net)										
Accruals adjustments:										
Subsidies	ADDS	83	28	21	-176	41	37	87	-94	-34
Community charge/Council tax	CDXW	-	-	-	-	-	-	-	-	-
National non-domestic rates	CCXN	-	-	-	-	-	-	-	-	-
Other	RCZZ	2	7	-20	77	-27	4	43	56	39
Net lending to private sector:										
For house purchase	AAEO	301	456	271	555	-306	-195	-502	-506	-433
Other	AAEP	6	9	8	20	18	33	43	60	61
Net acquisition of UK company securities	ADNR	32	4	15	76	15	4	10	49	163
Other financial assets	ADEE	-52	-47	-54	-183	-81	-51	-167	-317	-210
Total transactions in financial assets	ADDQ	372	457	241	369	-340	-168	-486	-752	-414
NET TOTAL FINANCIAL TRANSACTIONS¹	AAES	-2 349	-3 007	-589	800	-1 705	-2 695	-2 364	-1 985	-1 715
BALANCING ITEM	AAET	225	338	428	-90	-125	159	451	556	370

¹ Total assets less total liabilities.

10.47 Financial account and balancing item

Detail

continued

£ million

		1988	1989	1990	1991	1992	1993	1994	1995
FINANCIAL SURPLUS OR DEFICIT	AABB	-835	-1 532	-452	-1 580	4 343	854	-1 032	-2 282
Transactions in financial liabilities (net)									
Accruals adjustments:									
Rates	ADDC	210	24	-2 045	12	-23	-9	-1	1
Income tax	ADDE	50	133	90	-7	68	92	57	45
Social security contributions	ADDF	-174	98	27	65	-131	228	28	52
National insurance surcharge	ADDG	-	-	-	-	-	-	-	-
Borrowing requirement:									
Loans from central government (net)	ABEC	4 829	2 577	762	1 230	-5 818	-1 540	-845	1 715
Borrowing from other sources (net)	-ABED	-1 431	-1 167	344	-389	1 262	1 293	990	82
Transactions in short term assets	-AMIO	-2 726	-916	2 492	1 042	-963	-2 585	73	-1 467
Transactions in other public sector debt (net sales)	-AMIV	-77	71	89	5	-2	-43	-53	44
Total borrowing requirement	ABEG	595	565	3 687	1 888	-5 521	-2 875	165	374
Other financial liabilities	ADGK	250	162	29	-155	-88	3	19	7
Total transactions in financial liabilities	ADDA	931	982	1 788	1 803	-5 695	-2 561	268	479
Transactions in financial assets (net)									
Accruals adjustments:									
Subsidies	ADDS	47	21	-178	-176	-110	68	-64	-2
Community charge/Council tax	CDXW	-	81	145	444	-796	-566	-602	-584
National non-domestic rates	CCXN	-	-	1 090	-190	-132	-341	-8	-719
Other	RCZZ	56	74	67	83	72	36	55	26
Net lending to private sector:									
For house purchase	AAEO	-329	-230	-322	-446	-358	-357	-291	-187
Other	AAEP	96	100	37	25	31	31	41	47
Net acquisition of UK company securities	ADNR	113	149	81	-9	-5	-1	17	17
Other financial assets	ADEE	-69	-119	-10	-9	-10	-5	-3	-2
Total transactions in financial assets	ADDQ	-86	76	910	-278	-1 308	-1 135	-855	-1 404
NET TOTAL FINANCIAL TRANSACTIONS¹	AAES	-1 017	-906	-878	-2 081	4 387	1 426	-1 123	-1 883
BALANCING ITEM	AAET	182	-626	426	501	-44	-572	91	-399

See previous page for footnote.

Local authorities

10.48 Housing revenue and expenditure

£ million

		1979	1980	1981	1982	1983	1984	1985	1986	1987
REVENUE										
Rent on dwellings:										
Paid by tenants	CTMK	1 544	1 778	2 719	3 057	2 019	2 012	2 063	2 187	2 239
Rent rebates	CTML	414	541	473	782	1 881	2 005	2 190	2 285	2 389
Rent on other properties	CTMM	61	75	83	96	65	60	108	125	130
Subsidies:										
Central government	CTMN	1 438	1 715	1 258	644	434	432	537	521	501
Local authorities	CTMO	373	516	554	571	637	632	578	538	502
Other income	CTMP	121	133	188	267	317	353	393	306	305
Total	CTMQ	3 951	4 758	5 275	5 417	5 353	5 494	5 869	5 962	6 066
EXPENDITURE										
Supervision and management	CTMR	516	649	783	861	941	1 005	1 084	1 172	1 251
Repairs	CTMS	805	1 015	1 141	1 261	1 420	1 506	1 558	1 616	1 686
Other current expenditure ¹	CTMT	36	63	72	118	135	144	184	118	107
Balance: rent before providing for interest and depreciation ^{2,3}	ADAE	2 594	3 031	3 279	3 177	2 857	2 839	3 043	3 056	3 022
Total	CTMQ	3 951	4 758	5 275	5 417	5 353	5 494	5 869	5 962	6 066

1 Excluding payments and receipts of interest.

2 Transferred to table 10.41.

3 Loan charges to be met from rent are as follows (£ million):

		1979	1980	1981	1982	1983	1984	1985	1986	1987
Debt interest (net of interest receipts)	CTMW	2 293	2 715	2 774	2 586	2 309	2 276	2 447	2 389	2 270
Repayment of principal	CTMX	269	306	341	377	405	433	449	476	520
Total	CTMY	2 562	3 021	3 115	2 963	2 714	2 709	2 896	2 865	2 790

		1988	1989	1990	1991	1992	1993	1994	1995
REVENUE									
Rent on dwellings:									
Paid by tenants	CTMK	2 389	2 477	2 813	3 085	2 946	2 771	2 626	2 858
Rent rebates	CTML	2 547	2 773	3 003	3 442	4 171	4 768	5 257	5 332
Rent on other properties	CTMM	144	173	183	192	212	229	223	229
Subsidies:									
Central government	CTMN	577	688	1 132	1 175	1 030	914	741	773
Local authorities	CTMO	537	503	129	–	–	1	–	4
Other income	CTMP	336	402	409	419	400	402	400	378
Total	CTMQ	6 530	7 016	7 669	8 313	8 759	9 085	9 247	9 574
EXPENDITURE									
Supervision and management	CTMR	1 401	1 551	1 631	1 741	1 855	1 950	2 036	2 130
Repairs	CTMS	1 845	1 982	2 253	2 373	2 491	2 563	2 531	2 756
Other current expenditure ¹	CTMT	142	245	326	391	413	383	313	258
Balance: rent before providing for interest and depreciation ^{2,3}	ADAE	3 142	3 238	3 459	3 808	4 000	4 189	4 367	4 430
Total	CTMQ	6 530	7 016	7 669	8 313	8 759	9 085	9 247	9 574

1 Excluding payments and receipts of interest.

2 Transferred to table 10.41

3 Loan charges to be met from rent are as follows (£million):

		1988	1989	1990	1991	1992	1993	1994	1995
Debt interest (net of interest receipts)	CTMW	2 347	2 280	2 480	2 550	2 411	2 422	2 437	2 412
Repayment of principal	CTMX	546	583	558	544	527	525	531	540
Total	CTMY	2 893	2 863	3 038	3 094	2 938	2 947	2 968	2 952

Public corporations¹

10.51 Current account Income¹

£ million

	Gross trading surplus				Dividend and Interest Receipts		
	After deducting stock appreciation	Stock appreciation	Before deducting stock appreciation ²	Of which: subsidies	Rent	Total	of which: income from abroad
	ADRB	ADRC	ARDR	ADRZ	GISI	XARB	HGEN
1966	1 027	15	1 042	146	52	..	..
1967	1 125	7	1 132	181	55	..	..
1968	1 351	12	1 363	192	56	..	..
1969	1 405	46	1 451	140	64	..	..
1970	1 345	102	1 447	156	74	..	..
1971	1 448	75	1 523	153	84	..	..
1972	1 627	56	1 683	391	125	..	..
1973	1 914	151	2 065	610	123	..	..
1974	2 220	341	2 561	1 281	141	..	..
1975	2 688	406	3 094	1 036	182	..	..
1976	4 107	398	4 505	881	246	..	..
1977	4 701	394	5 095	846	297	..	..
1978	5 128	338	5 466	1 001	324	..	..
1979	5 057	653	5 710	1 318	358	..	..
1980	6 031	278	6 309	1 440	386	..	..
1981	7 690	284	7 974	1 955	457	..	..
1982	9 099	403	9 502	2 283	472	..	..
1983	9 969	35	10 004	2 662	499	..	..
1984	8 446	65	8 511	3 610	534	585	51
1985	7 154	108	7 262	3 112	522	507	50
1986	8 050	163	8 213	2 135	514	452	48
1987	6 905	88	6 993	1 887	519	313	56
1988	7 295	259	7 554	1 575	548	414	62
1989	6 473	55	6 528	1 649	568	640	68
1990	3 681	120	3 801	1 223	578	624	68
1991	1 779	30	1 809	1 719	541	413	72
1992	2 322	39	2 361	2 577	547	419	94
1993	3 490	-36	3 454	2 255	522	368	91
1994	4 222	8	4 230	2 795	451	429	92
1995	4 603	31	4 634	2 604	506	542	92
1966/67	1 033	17	1 050	153	52	..	..
1967/68	1 195	13	1 208	183	55	..	..
1968/69	1 413	11	1 424	179	58	..	..
1969/70	1 350	84	1 434	135	66	..	..
1970/71	1 332	77	1 409	165	77	..	..
1971/72	1 430	79	1 509	264	89	..	..
1972/73	1 758	91	1 849	344	133	..	..
1973/74	1 899	194	2 093	893	123	..	..
1974/75	2 290	415	2 705	1 230	147	..	..
1975/76	3 054	350	3 404	915	195	..	..
1976/77	4 419	487	4 906	876	267	..	..
1977/78	4 748	310	5 058	856	302	..	..
1978/79	5 259	472	5 731	1 076	328	..	..
1979/80	5 409	612	6 021	1 365	370	..	..
1980/81	6 167	218	6 385	1 499	392	..	..
1981/82	8 348	316	8 664	2 144	478	..	..
1982/83	9 546	200	9 746	2 281	469	..	..
1983/84	9 946	74	10 020	2 914	507	..	..
1984/85	7 029	93	7 122	3 916	545	580	53
1985/86	8 045	114	8 159	2 474	519	484	48
1986/87	7 367	155	7 522	2 206	505	410	50
1987/88	6 915	229	7 144	1 972	525	315	57
1988/89	7 618	22	7 640	1 284	554	476	64
1989/90	5 771	72	5 843	1 610	574	645	68
1990/91	2 840	144	2 984	1 257	575	596	69
1991/92	1 537	44	1 581	2 068	524	390	77
1992/93	2 619	56	2 675	2 787	565	418	93
1993/94	3 222	-65	3 157	2 004	509	380	92
1994/95	4 418	22	4 440	2 771	457	457	92
1995/96	4 660	20	4 680	2 602	499	750	92

¹ Figures reflect privatisation of British Telecom with effect from 28 November 1984, British Gas from 3 December 1986, British Airways from 6 February 1987, Royal Ordnance from 22 April 1987, BAA from 16 July 1987, British Steel from 2 December 1988, Regional Water Authorities from 12 December 1989, Girobank from 2 July 1990, electricity distribution companies in England and Wales from 12 March 1991, Scottish electricity companies from 18 June 1991 and British Coal coalmines in December 1994.

The figures include National Health Service Trusts from their establishment in April 1991.

² Before providing for depreciation.

Public corporations¹

10.52 Current account Allocation of income¹

£ million

	Dividend and Interest Payments					Balance	
	Total	of which: to central government	of which: to local authorities	Royalties and licence fees	UK taxes on income ²	Undistributed income ³	
	XAQZ	ACGJ	GIUL	GISK	ADRK	AAAI	
1966	..	385	—	—	31	645	
1967	..	414	—	—	9	683	
1968	..	523	—	—	17	845	
1969	..	602	—	—	8	880	
1970	..	677	—	—	10	819	
1971	..	757	—	3	8	817	
1972	..	819	—	2	7	965	
1973	..	905	—	1	8	1 252	
1974	..	1 050	119	3	11	1 378	
1975	..	1 186	161	4	12	1 647	
1976	..	1 491	157	3	2	2 796	
1977	..	1 598	146	8	21	3 284	
1978	..	1 521	140	11	28	3 788	
1979	..	1 729	146	30	68	3 788	
1980	..	1 895	180	77	52	4 250	
1981	..	2 162	171	104	172	5 561	
1982	..	2 358	154	112	435	6 607	
1983	..	2 491	124	20	244	7 515	
1984	3 201	2 245	109	14	285	6 130	
1985	2 964	2 046	103	5	103	5 219	
1986	2 893	2 020	80	6	313	5 967	
1987	2 774	2 049	53	—	62	4 989	
1988	2 598	2 017	37	—	103	5 815	
1989	2 635	2 191	32	—	102	4 999	
1990	1 946	1 664	26	—	161	2 896	
1991	1 286	1 048	26	—	451	1 026	
1992	1 234	1 034	30	—	199	1 894	
1993	1 413	1 244	33	—	162	2 769	
1994	2 123	1 947	41	—	140	2 847	
1995	2 370	2 184	40	—	210	3 102	
1966/67	..	379	—	—	15	675	
1967/68	..	463	—	—	15	703	
1968/69	..	546	—	—	12	892	
1969/70	..	612	—	—	10	859	
1970/71	..	703	—	—	8	758	
1971/72	..	783	—	3	7	785	
1972/73	..	879	—	2	8	1 081	
1973/74	..	965	—	3	11	1 181	
1974/75	..	1 062	158	4	12	1 423	
1975/76	..	1 296	162	1	2	1 925	
1976/77	..	1 515	156	3	21	3 162	
1977/78	..	1 585	149	11	28	3 242	
1978/79	..	1 592	146	12	68	3 918	
1979/80	..	1 684	158	41	52	4 190	
1980/81	..	1 976	179	87	43	4 241	
1981/82	..	2 238	165	110	361	5 993	
1982/83	..	2 448	146	84	413	6 843	
1983/84	..	2 405	116	22	283	7 596	
1984/85	3 060	2 071	104	11	139	5 037	
1985/86	3 056	2 101	103	5	313	5 788	
1986/87	2 840	2 046	69	4	62	5 531	
1987/88	2 701	2 022	45	—	103	5 180	
1988/89	2 534	1 986	33	—	102	6 034	
1989/90	2 586	2 201	29	—	161	4 315	
1990/91	1 816	1 532	27	—	451	1 888	
1991/92	1 134	927	26	—	199	1 162	
1992/93	1 351	1 154	30	—	162	2 145	
1993/94	1 844	1 671	35	—	140	2 062	
1994/95	2 281	2 087	42	—	210	2 863	
1995/96	2 751	2 588	40	—	255	2 923	

1 See footnote no. 1 in table 10.51.

2 Corporation tax, petroleum revenue tax and supplementary petroleum tax.

3 Before providing for depreciation, stock appreciation and additions to reserves.

Public corporations¹

10.53 Capital account Summary²

£ million

	Receipts			Expenditure					Balance: financial surplus or deficit
	Total	Undistributed income	Capital transfers	Total	Gross domestic fixed capital formation	Increase in book value of stocks and work in progress	Taxes on capital	Capital transfers to other sectors	
	ADSA	AAAI	ADSC	ADSF	AAAK	AAAL	ADSB	ADSG	AABD
1966	656	645	11	1 497	1 455	42	-	-	-841
1967	699	683	16	1 742	1 665	77	-	-	-1 043
1968	914	845	69	1 632	1 615	17	-	-	-718
1969	950	880	70	1 455	1 482	-27	-	-	-505
1970	895	819	76	1 739	1 676	63	-	-	-844
1971	901	817	84	2 000	1 858	141	-	1	-1 099
1972	1 087	965	122	1 841	1 771	69	-	1	-754
1973	1 404	1 252	152	2 191	2 068	121	-	2	-787
1974	1 593	1 378	215	3 149	2 858	289	-	2	-1 556
1975	1 938	1 647	291	4 763	3 920	841	-	2	-2 825
1976	3 177	2 796	381	5 463	4 693	766	-	4	-2 286
1977	3 725	3 284	441	5 101	4 779	299	1	22	-1 376
1978	4 336	3 788	548	5 399	5 069	282	2	46	-1 063
1979	4 268	3 788	480	6 511	5 833	610	3	65	-2 243
1980	4 809	4 250	559	7 412	6 828	497	6	81	-2 603
1981	6 174	5 561	613	7 349	6 924	344	8	73	-1 175
1982	7 186	6 607	579	8 084	7 314	664	4	102	-898
1983	8 222	7 515	707	8 541	8 065	371	5	100	-319
1984	6 825	6 130	695	7 190	7 441	-378	10	117	-365
1985	6 003	5 219	784	6 185	5 931	104	3	147	-182
1986	6 632	5 967	665	5 408	5 521	-322	61	148	1 224
1987	5 830	4 989	841	4 536	4 561	-152	-	127	1 294
1988	6 768	5 815	953	5 011	4 580	283	-	148	1 757
1989	6 452	4 999	1 453	5 964	5 467	274	-	223	488
1990	9 723	2 896	6 827	5 210	4 955	-134	-	389	4 513
1991	4 745	1 026	3 719	4 397	3 779	88	-	530	348
1992	5 229	1 894	3 335	5 259	4 727	53	-	479	-30
1993	6 042	2 769	3 273	5 154	4 895	-202	-	461	888
1994	6 108	2 847	3 261	5 083	4 915	-304	-	472	1 025
1995	6 358	3 102	3 256	5 371	5 054	-151	-	468	987
1966/67	686	675	11	1 601	1 527	74	-	-	-915
1967/68	730	703	27	1 729	1 678	51	-	-	-999
1968/69	964	892	72	1 552	1 575	-23	-	-	-588
1969/70	932	859	73	1 500	1 490	10	-	-	-568
1970/71	843	758	85	1 868	1 751	117	-	-	-1 025
1971/72	863	785	78	1 887	1 868	18	-	1	-1 024
1972/73	1 235	1 081	154	2 008	1 816	191	-	1	-773
1973/74	1 329	1 181	148	2 181	2 142	37	-	2	-852
1974/75	1 682	1 423	259	3 780	3 203	575	-	2	-2 098
1975/76	2 244	1 925	319	4 967	4 305	659	-	3	-2 723
1976/77	3 572	3 162	410	5 340	4 584	750	1	5	-1 768
1977/78	3 736	3 242	494	5 006	4 817	157	2	30	-1 270
1978/79	4 409	3 918	491	5 771	5 237	482	2	50	-1 362
1979/80	4 690	4 190	500	6 932	6 106	753	4	69	-2 242
1980/81	4 836	4 241	595	7 355	6 955	311	4	85	-2 519
1981/82	6 567	5 993	574	7 506	7 021	407	9	69	-939
1982/83	7 500	6 843	657	8 167	7 560	493	5	109	-667
1983/84	8 297	7 596	701	8 218	8 093	18	4	103	79
1984/85	5 732	5 037	695	7 066	7 093	-154	9	118	-1 334
1985/86	6 560	5 788	772	5 842	5 735	-115	68	154	718
1986/87	6 196	5 531	665	5 287	5 386	-238	-5	144	909
1987/88	6 138	5 180	958	4 828	4 631	64	-	133	1 310
1988/89	7 030	6 034	996	5 040	4 467	408	-	165	1 990
1989/90	8 807	4 315	4 492	5 638	5 337	25	-	276	3 169
1990/91	6 861	1 888	4 973	5 295	4 921	-2	-	376	1 566
1991/92	4 255	1 162	3 093	4 399	3 695	122	-	582	-144
1992/93	5 512	2 145	3 367	5 585	5 296	-156	-	445	-73
1993/94	5 314	2 062	3 252	4 963	4 653	-155	-	465	351
1994/95	6 341	2 863	3 478	5 380	5 173	-268	-	475	961
1995/96	6 369	2 923	3 446	5 422	4 929	28	-	465	947

1 The comparability of data over time is affected by the privatisation, since 1979, of a number of public corporations and by the creation of NHS Trusts since 1991.

2 For a more detailed breakdown of this table since 1979 see table 10.54.

Public corporations¹

10.54 Capital account Detail

£ million

		1979	1980	1981	1982	1983	1984	1985	1986	1987
CAPITAL RECEIPTS										
Undistributed income before providing for depreciation and stock appreciation	AAAI	3 788	4 250	5 561	6 607	7 515	6 130	5 219	5 967	4 989
Capital transfers:										
From central government	ACIJ	310	343	400	404	373	339	529	463	613
From local authorities	ADCF	69	82	80	116	142	150	66	22	56
From private sector	ADSE	101	134	133	59	192	206	189	180	172
Total ²	ADSA	4 268	4 809	6 174	7 186	8 222	6 825	6 003	6 632	5 830
CAPITAL EXPENDITURE										
Gross domestic fixed capital formation:										
Mining and quarrying	EGAV	696	999	1 069	1 291	1 444	1 000	959	681	518
Manufacturing	EGAW	376	320	211	224	205	212	294	311	406
Electricity, gas and water supply	EGAX	1 593	1 925	2 265	2 372	2 750	2 650	2 544	2 583	1 931
Transport, storage and communication	GISN	2 228	2 528	2 346	2 299	2 584	2 589	1 278	1 064	832
Financial intermediation, real estate and business activities	EGAY	85	110	138	166	146	143	134	130	224
Dwellings	DEER	289	335	309	301	326	318	280	242	253
Other	GISP	566	611	586	661	610	529	442	510	397
Total	AAAK	5 833	6 828	6 924	7 314	8 065	7 441	5 931	5 521	4 561
Increase in book value of stocks and work in progress	AAAL	610	497	344	664	371	-378	104	-322	-152
Taxes on capital	ADSB	3	6	8	4	5	10	3	61	-
Other capital transfers	ADSG	65	81	73	102	100	117	147	148	127
Total capital expenditure	ADSF	6 511	7 412	7 349	8 084	8 541	7 190	6 185	5 408	4 536
Balance: financial surplus or deficit	AABD	-2 243	-2 603	-1 175	-898	-319	-365	-182	1 224	1 294
Total	ADSA	4 268	4 809	6 174	7 186	8 222	6 825	6 003	6 632	5 830

See footnotes below.

		1988	1989	1990	1991	1992	1993	1994	1995
CAPITAL RECEIPTS									
Undistributed income before providing for depreciation and stock appreciation	AAAI	5 815	4 999	2 896	1 026	1 894	2 769	2 847	3 102
Capital transfers:									
From central government	ACIJ	706	1 200	6 545	3 576	3 251	3 106	3 196	3 183
From local authorities	ADCF	29	16	16	20	41	60	57	67
From private sector	ADSE	218	237	266	123	43	107	8	6
Total ²	ADSA	6 768	6 452	9 723	4 745	5 229	6 042	6 108	6 358
CAPITAL EXPENDITURE									
Gross domestic fixed capital formation:									
Mining and quarrying	EGAV	454	325	332	256	174	133	68	-45
Manufacturing	EGAW	426	39	40	35	384	406	336	343
Electricity, gas and water supply	EGAX	2 046	2 799	2 485	1 068	704	490	350	231
Transport, storage and communication	GISN	854	1 205	1 698	1 980	2 502	2 613	2 291	2 157
Financial intermediation, real estate and business activities	EGAY	243	360	356	403	399	268	258	267
Dwellings	DEER	246	256	247	211	219	236	245	243
Other (includes NHS Trusts from 1991)	GISP	311	483	-203	-174	345	749	1 367	1 858
Total	AAAK	4 580	5 467	4 955	3 779	4 727	4 895	4 915	5 054
Increase in book value of stocks and work in progress	AAAL	283	274	-134	88	53	-202	-304	-151
Taxes on capital	ADSB	-	-	-	-	-	-	-	-
Other capital transfers	ADSG	148	223	389	530	479	461	472	468
Total capital expenditure	ADSF	5 011	5 964	5 210	4 397	5 259	5 154	5 083	5 371
Balance: financial surplus or deficit	AABD	1 757	488	4 513	348	-30	888	1 025	987
Total	ADSA	6 768	6 452	9 723	4 745	5 229	6 042	6 108	6 358

1 The comparability of data over time is affected by the privatisation, since 1979, of a number of public corporations and by the creation of NHS Trusts since 1991.

2 Excluding notional transactions on central government debt written-off. See footnote 4 to table 10.56.

Public corporations¹

10.55 Financial account and balancing item Summary²

£ million

	Transactions in financial liabs (net)					Transactions in financial assets (net)								Balancing item
	Financial surplus or deficit	Total	Accruals adjustments	Borrowing requirement	Trade creditors etc.	Total	Accruals adjustments	Lending to private sector	Lending and investment overseas	Transactions in UK company securities	Trade debtors	Other assets	Total financial transactions	
	AABD	-ADTA	-ADTB	ABEM	-ADTC	ADTE	ADTF	ADTG	RCZY	RHQP	ADTK	ADTL	AAFY	AAFY
1966	-841	905	1	842	62	29	-	11	13	20	-	-15	-876	35
1967	-1 043	1 109	4	1 137	-32	49	12	31	11	5	-	-10	-1 060	17
1968	-718	880	4	1 066	-190	136	10	39	14	56	-	17	-744	26
1969	-505	564	6	686	-128	67	-36	50	18	9	-	26	-497	-8
1970	-844	964	-2	990	-24	105	39	41	21	4	-	-	-859	15
1971	-1 099	1 168	6	1 189	-27	98	44	28	29	-3	-	-	-1 070	-29
1972	-754	1 009	4	971	34	353	127	29	24	-22	168	27	-656	-98
1973	-787	1 435	61	1 223	151	558	267	55	32	8	178	18	-877	90
1974	-1 556	1 906	51	1 444	411	464	146	33	49	13	228	-5	-1 442	-114
1975	-2 825	2 672	68	2 424	180	-168	-299	19	54	15	69	-26	-2 840	15
1976	-2 286	3 084	27	2 524	533	999	-148	34	130	236	739	8	-2 085	-201
1977	-1 376	1 708	16	1 445	247	531	-11	162	80	40	229	31	-1 177	-199
1978	-1 063	2 175	82	1 237	856	1 311	95	12	83	527	520	74	-864	-199
1979	-2 243	4 704	174	3 563	967	2 272	104	39	115	254	1 726	34	-2 432	189
1980	-2 603	3 221	171	2 390	660	-52	-139	-125	133	150	-51	-20	-3 273	670
1981	-1 175	1 520	266	-98	1 352	215	38	-3	143	-1 171	1 234	-26	-1 305	130
1982	-898	839	-84	1 243	-320	644	-94	45	36	21	550	86	-195	-703
1983	-319	2 007	128	1 047	832	1 075	338	42	39	-44	735	-35	-932	613
1984	-365	1 823	85	1 315	423	916	937	17	66	-146	23	19	-907	542
1985	-182	-151	45	-378	182	371	-38	14	64	-21	325	27	522	-704
1986	1 224	-540	-18	-852	330	351	240	62	34	-54	-30	99	891	333
1987	1 294	-948	37	-1 160	175	444	233	-3	6	-144	339	13	1 392	-98
1988	1 757	-1 149	-21	-1 882	754	636	219	-9	49	-87	476	-12	1 785	-28
1989	488	-542	88	-238	-392	1 093	439	267	62	-9	361	-27	1 635	-1 147
1990	4 513	-3 665	66	-4 958	1 227	1 067	480	-315	51	-110	997	-36	4 732	-219
1991	348	-1 014	-20	-814	-180	254	180	1	42	-20	52	-1	1 268	-920
1992	-30	384	-54	404	34	374	483	-8	77	-10	-193	25	-10	-20
1993	888	-49	71	-866	746	10	-179	-27	77	-17	154	2	59	829
1994	1 025	387	28	-930	1 289	1 200	-141	-39	59	-81	1 395	7	813	212
1995	987	-2 247	30	-1 114	-1 163	-373	188	-15	146	-261	-433	2	1 874	-887
1966/67	-915	981	3	870	108	34	4	12	13	20	-	-15	-947	32
1967/68	-999	1 114	6	1 254	-146	88	1	31	11	47	-	-2	-1 026	27
1968/69	-588	692	3	894	-205	86	-5	41	15	18	-	17	-606	18
1969/70	-568	619	6	707	-94	79	-14	53	18	2	-	20	-540	-28
1970/71	-1 025	1 136	12	1 142	-18	115	53	43	24	7	-	-12	-1 021	-4
1971/72	-1 024	1 036	-5	954	87	131	50	23	25	-5	29	9	-905	-119
1972/73	-773	1 283	2	1 158	123	415	156	39	27	-22	172	43	-868	95
1973/74	-852	1 397	64	1 210	123	610	319	61	40	12	178	-	-787	-65
1974/75	-2 098	2 439	60	2 009	370	323	152	17	36	9	139	-30	-2 116	18
1975/76	-2 723	2 652	44	2 270	338	-36	-640	20	103	108	370	3	-2 688	-35
1976/77	-1 768	2 475	31	2 043	401	1 130	26	108	99	163	711	23	-1 345	-423
1977/78	-1 270	1 812	43	1 204	565	887	5	362	82	55	339	44	-925	-345
1978/79	-1 362	2 825	71	2 031	723	1 124	35	-259	85	530	689	44	-1 701	339
1979/80	-2 242	4 145	137	2 593	1 415	1 489	11	-121	121	355	464	659	-2 656	414
1980/81	-2 519	2 181	230	1 008	943	-328	-55	-32	150	-1 220	885	-56	-2 509	-10
1981/82	-939	1 994	142	2 295	-443	969	126	70	110	65	1 204	-606	-1 025	86
1982/83	-667	1 806	9	1 079	718	762	-260	59	37	-17	829	114	-1 044	377
1983/84	79	999	122	470	407	729	433	12	66	-6	341	-117	-270	349
1984/85	-1 334	2 421	53	1 211	1 157	1 514	724	21	61	-143	842	9	-907	-427
1985/86	718	-512	69	-313	-268	418	189	15	41	-88	71	190	930	-212
1986/87	909	-730	-52	-1 209	531	-45	338	61	30	-22	-442	-10	685	224
1987/88	1 310	-1 132	8	-1 509	369	243	89	-18	12	-176	355	-19	1 375	-65
1988/89	1 990	-1 683	24	-1 927	220	389	215	-125	53	-26	331	-59	2 072	-82
1989/90	3 169	-3 059	77	-3 921	785	1 098	447	63	56	-7	504	35	4 157	-988
1990/91	1 566	-769	8	-1 025	248	1 518	584	24	59	-119	972	-2	2 287	-721
1991/92	-144	609	77	433	99	383	294	-10	27	-19	95	-4	-226	82
1992/93	-73	167	-56	-399	622	587	390	-12	118	-9	84	16	420	-493
1993/94	351	472	64	92	316	236	-162	-46	48	121	259	16	-236	587
1994/95	961	-1 508	60	-1 409	-159	-309	-247	-17	58	-304	213	-12	1 199	-238
1995/96	947	-3 151	2	-2 336	-817	-1 190	145	-15	145	-1 287	-187	9	1 961	-1 014

1 The comparability of data over time is affected by the privatisation, since 1979, of a number of public corporations and by the creation of NHS Trusts since 1991.

2 For a more detailed breakdown of financial transactions since 1979 see table 10.56.

Public corporations¹

10.56 Financial account and balancing item Detail

		£ million									
		1979	1980	1981	1982	1983	1984	1985	1986	1987	
FINANCIAL SURPLUS OR DEFICIT	AABD	-2 243	-2 603	-1 175	-898	-319	-365	-182	1 224	1 294	
Transactions in financial liabilities (net)											
Accruals adjustment - taxes, etc., payable to central government ²	-ADTB	174	171	266	-84	128	85	45	-18	37	
Borrowing requirement:											
Loans from central government (net)	ACKD	1 624	1 690	904	1 215	781	-128	-230	-77	-626	
Public dividend capital, etc.	ADUK	1 572	1 415	-165	840	665	853	836	157	144	
Redemption of govt. guaranteed stock	ACMN	-540	-30	-	-	-	-	-	-	-	
Other identified borrowing (net)	CHAH	664	-635	-179	-297	-15	846	-468	-271	-259	
Transactions in short-term assets	-ADUE	-30	-	-167	-31	14	-587	-189	-1 230	-222	
Transactions in other public sector debt (net sales)	-CHAJ	273	-50	-491	-484	-398	331	-327	569	-197	
Total borrowing requirement:	ABEM	3 563	2 390	-98	1 243	1 047	1 315	-378	-852	-1 160	
Trade creditors	CHAL	918	648	1 385	-259	859	425	268	641	382	
Other liabilities (net)	CHAM	49	12	-33	-61	-27	-2	-86	-311	-207	
Total transactions in financial liabilities ⁴	-ADTA	4 704	3 221	1 520	839	2 007	1 823	-151	-540	-948	
Transactions in financial assets (net)											
Accruals adjustment - subsidies and local authority rates	ADTF	104	-139	38	-94	338	937	-38	240	233	
Net lending to private sector	ADTG	39	-125	-3	45	42	17	14	62	-3	
Net lending and investment abroad	RCZY	115	133	143	36	39	66	64	34	6	
Transactions in company securities, etc. (net)	RHQP	254	150	-1 171	21	-44	-146	-21	-54	-144	
Trade debtors	ADTK	1 726	-51	1 234	550	735	23	325	-30	339	
Other assets	ADTL	34	-20	-26	86	-35	19	27	99	13	
Total transactions in financial assets	ADTE	2 272	-52	215	644	1 075	916	371	351	444	
NET TOTAL FINANCIAL TRANSACTIONS³	AAFY	-2 432	-3 273	-1 305	-195	-932	-907	522	891	1 392	
BALANCING ITEM	AAFY	189	670	130	-703	613	542	-704	333	-98	

1 The comparability of data over time is affected by the privatisation, since 1979, of a number of public corporations and by the creation of NHS Trusts since 1991.

2 Value added tax and national insurance, etc. contributions.

3 Total assets less total liabilities.

4 Excluding notional transactions on central government debt written off. The amounts are as follows (£million):

	1979	1980	1981	1982	1983	1984	1985	1986	1987
CHAV	-	260	3 512	1 081	48	40	-	1 624	-

10.56 Financial account and balancing item

Detail

continued

£ million

		1988	1989	1990	1991	1992	1993	1994	1995
FINANCIAL SURPLUS OR DEFICIT	AABD	1 757	488	4 513	348	-30	888	1 025	987
Transactions in financial liabilities (net)									
Accruals adjustment - taxes, etc., payable to central government ²	-ADTB	-21	88	66	-20	-54	71	28	30
Borrowing requirement:									
Loans from central government (net)	ACKD	659	1 900	-4 305	-113	1 301	1 044	608	710
Public dividend capital, etc.	ADUK	147	45	5	1	1	-	-	-
Redemption of govt. guaranteed stock	ACMN	-	-	-10	-	-	-	-	-
Other identified borrowing (net)	CHAH	-1 096	-2 655	-95	38	-508	-69	-146	-190
Transactions in short-term assets	-ADUE	-961	222	-129	-654	-389	-471	-144	-519
Transactions in other public sector debt (net sales)	-CHAJ	-631	250	-424	-86	-1	-1 370	-1 248	-1 115
Total borrowing requirement:	ABEM	-1 882	-238	-4 958	-814	404	-866	-930	-1 114
Trade creditors	CHAL	824	-281	1 237	-179	37	750	1 281	-1 149
Other liabilities (net)	CHAM	-70	-111	-10	-1	-3	-4	8	-14
Total transactions in financial liabilities	-ADTA	-1 149	-542	-3 665	-1 014	384	-49	387	-2 247
Transactions in financial assets (net)									
Accruals adjustment - subsidies and local authority rates	ADTF	219	439	480	180	483	-179	-141	188
Net lending to private sector	ADTG	-9	267	-315	1	-8	-27	-39	-15
Net lending and investment abroad	RCZY	49	62	51	42	77	77	59	146
Transactions in company securities, etc. (net)	RHQP	-87	-9	-110	-20	-10	-17	-81	-261
Trade debtors	ADTK	476	361	997	52	-193	154	1 395	-433
Other assets	ADTL	-12	-27	-36	-1	25	2	7	2
Total transactions in financial assets	ADTE	636	1 093	1 067	254	374	10	1 200	-373
NET TOTAL FINANCIAL TRANSACTIONS³	AAFY	1 785	1 635	4 732	1 268	-10	59	813	1 874
BALANCING ITEM	AAFY	-28	-1 147	-219	-920	-20	829	212	-887

See previous page for footnotes 1-3.

⁴ Excluding notional transactions on central government debt written off. The amounts are as follows (£million):

	1988	1989	1990	1991	1992	1993	1994	1995
CHAV	3 980	5 028	1 734	418	-	-	-	1 598

Public sector

10.61 Finances of the public sector

Definitions consistent with 1996-97 FSB tables 1.7, 4.1, 4A.2 and 4A.6; SEF96 table 2.6

£ million

		1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976
		/67	/68	/69	/70	/71	/72	/73	/74	/75	/76	/76
Public Sector current receipts												
Taxes on income and oil royalties	AQPE	4 736	5 270	5 999	6 849	7 567	8 101	8 215	9 717	13 771	17 308	
Taxes on expenditure	AAXC	5 540	6 101	6 968	7 863	8 450	8 773	9 404	10 199	11 781	14 785	
Taxes on capital	AQEX	317	362	546	644	630	699	761	857	838	803	
Social security contributions	AIIH	1 827	1 975	2 192	2 324	2 660	2 985	3 492	4 106	5 410	7 173	
Community charge/Council tax	ADBH	-	-	-	-	-	-	-	-	-	-	
Gross trading surplus	AQCB	1 170	1 343	1 582	1 610	1 592	1 716	1 990	2 251	2 831	3 533	
Rent and miscellaneous current transfers	AQFP	508	568	651	746	836	917	978	1 181	1 550	1 885	
Interest and dividends from private sector and abroad	AQCD	265	255	278	302	314	384	462	734	875	1 044	
Imputed charge for non-trading capital consumption	AAXG	213	230	251	277	316	369	418	475	640	812	
Total current receipts	AQPN	14 576	16 104	18 467	20 615	22 365	23 944	25 720	29 520	37 696	47 343	
Public Sector current expenditure												
Final consumption	AAXI	6 886	7 524	7 903	8 326	9 575	10 996	12 484	14 278	18 926	24 664	
Subsidies	AAXJ	612	846	858	851	916	1 041	1 122	1 931	3 401	3 593	
Current grants to personal sector	AQEE	2 780	3 163	3 602	3 847	4 136	4 793	5 689	6 215	7 874	10 561	
Current grants paid abroad (net)	-HDKH	181	187	181	168	174	201	256	348	279	474	
Debt interest to private sector and abroad	AQCG	1 592	1 811	1 941	2 056	2 108	2 277	2 442	3 200	4 070	5 009	
Depreciation	AQFS	1 152	1 266	1 401	1 538	1 746	1 993	2 258	2 710	3 478	4 378	
Total current expenditure	AQFX	13 203	14 797	15 886	16 786	18 655	21 301	24 251	28 682	38 028	48 679	
Public Sector current balance	CUNP	-1 373	-1 307	-2 581	-3 829	-3 710	-2 643	-1 469	-838	332	1 336	
Public Sector net capital spending												
Gross domestic fixed capital formation	AQCH	3 305	3 745	3 735	3 764	4 300	4 513	4 813	6 133	7 624	9 617	
Increase in stocks	AQCI	73	55	-23	10	124	29	201	59	575	670	
Capital grants to private sector	AQCJ	192	520	674	788	821	803	760	848	964	940	
less: Capital transfers from private sector	AQFI	9	11	30	21	27	27	20	26	34	44	
less: Depreciation	AQFS	1 152	1 266	1 401	1 538	1 746	1 993	2 258	2 710	3 478	4 378	
Total net capital spending		2 409	3 043	2 955	3 003	3 472	3 325	3 496	4 304	5 651	6 805	
Public Sector Financial deficit	-AABE	1 036	1 736	374	-826	-238	682	2 027	3 466	5 983	8 141	
Privatisation proceeds and other financial transactions												
Lending to private sector and abroad	-AQCL	213	179	154	235	482	503	684	886	1 671	1 292	
Transactions in company securities	AAGY	36	47	19	5	39	44	17	19	226	475	
Transactions concerning certain public sector												
Pension schemes	-AACW	-60	-66	-73	-41	-83	-110	-162	-187	-350	-412	
Accruals adjustments	AAHC	36	105	73	112	145	-35	-12	544	777	509	
Miscellaneous financial transactions	-AQC�	-118	17	-182	-87	432	-111	-119	-386	-306	246	
Public sector borrowing requirement	ABEN	1 143	2 018	365	-602	777	973	2 435	4 342	8 001	10 251	
Public Sector finances as a percentage of GDP:												
Current receipts		37.5	39.1	41.4	43.0	42.0	40.4	38.0	39.4	42.2	42.6	
Current expenditure		34.0	35.9	35.6	35.0	35.1	35.9	35.9	38.2	42.5	43.8	
Current balance		-3.5	-3.2	-5.8	-8.0	-7.0	-4.5	-2.2	-1.1	0.4	1.2	
Net Capital spending		6.2	7.4	6.6	6.3	6.5	5.6	5.2	5.7	6.3	6.1	
Financial Deficit		2.7	4.2	0.8	-1.7	-0.4	1.2	3.0	4.6	6.7	7.3	
Privatisation proceeds and other financial transactions		0.3	0.7	-	0.5	1.9	0.5	0.6	1.2	2.3	1.9	
Public Sector Borrowing Requirement		2.9	4.9	0.8	-1.3	1.5	1.6	3.6	5.8	9.0	9.2	

10.61

Finances of the public sector

Definitions consistent with 1996-97 FSB tables 1.7, 4.1, 4A.2 and 4A.6; SEF96 table 2.6

continued

£ million

		1976	1977	1978	1979	1980	1981	1982	1983	1984	1985
		/77	/78	/79	/80	/81	/82	/83	/84	/85	/86
Public Sector current receipts											
Taxes on income and oil royalties	AQFE	19 940	21 043	23 458	27 661	32 658	39 244	42 774	45 173	50 827	53 966
Taxes on expenditure	AAXC	16 751	20 637	23 964	31 995	37 549	44 295	47 129	50 371	53 629	57 821
Taxes on capital	AQEX	791	832	840	1 034	1 154	1 685	1 497	1 699	1 903	2 448
Social security contributions	AIIH	8 833	9 751	10 238	12 020	14 400	16 477	18 732	21 336	22 748	24 639
Community charge/Council tax	ADBH	—	—	—	—	—	—	—	—	—	—
Gross trading surplus	AQCB	5 053	5 263	5 946	6 191	6 585	8 910	9 892	10 049	7 180	8 320
Rent and miscellaneous current transfers	AQPF	2 327	2 500	2 785	3 308	3 967	4 034	3 878	3 655	3 855	3 986
Interest and dividends from private sector and abroad	AQCD	1 303	1 269	1 539	1 936	2 353	2 810	3 333	3 038	2 993	4 306
Imputed charge for non-trading capital consumption	AAXG	958	1 077	1 225	1 487	1 815	1 976	2 031	2 101	2 232	2 415
Total current receipts	AQFN	55 956	62 372	69 995	85 632	100 481	119 431	129 266	137 422	145 367	157 901
Public Sector current expenditure											
Final consumption	AAXI	28 302	31 064	35 020	41 994	52 123	57 900	63 384	68 393	72 827	76 441
Subsidies	AAXJ	3 650	3 353	3 974	4 927	6 072	6 215	5 848	6 626	7 885	6 631
Current grants to personal sector	AQEE	12 530	15 116	17 818	21 181	25 863	31 584	36 099	39 340	42 344	46 401
Current grants paid abroad (net)	-HDKH	864	1 343	1 708	1 957	1 425	1 411	1 977	2 323	2 649	2 537
Debt interest to private sector and abroad	AQCG	6 329	7 036	8 048	10 083	12 074	14 075	14 760	14 870	16 545	18 301
Depreciation	AQFS	5 135	5 854	6 634	7 892	9 512	10 379	10 661	11 127	11 064	10 549
Total current expenditure	AQFX	56 810	63 766	73 202	88 034	107 069	121 564	132 729	142 679	153 314	160 860
Public Sector current balance	CUNF	854	1 394	3 207	2 402	6 588	2 133	3 463	5 257	7 947	2 959
Public Sector net capital spending											
Gross domestic fixed capital formation	AQCH	9 876	9 536	10 002	11 537	12 598	11 461	12 721	14 127	13 794	13 051
Increase in stocks	AQCI	744	210	507	695	351	302	746	137	319	207
Capital grants to private sector	AQCJ	1 161	1 374	1 455	1 598	1 863	2 020	2 539	3 352	3 137	2 685
less: Capital transfers from private sector	AQFI	58	65	82	116	129	44	153	215	201	208
less: Depreciation	AQFS	5 135	5 854	6 634	7 892	9 512	10 379	10 661	11 127	11 064	10 549
Total net capital spending		6 588	5 201	5 248	5 822	5 171	3 360	5 192	6 274	5 985	5 186
Public Sector Financial deficit	-AABE	7 442	6 595	8 455	8 224	11 759	5 493	8 655	11 531	13 932	8 145
Privatisation proceeds and other financial transactions											
Lending to private sector and abroad	-AQCL	1 038	286	508	355	289	929	774	-97	-37	-292
Transactions in company securities	AAGY	190	-501	532	78	347	365	179	-1 043	-2 121	-2 821
Transactions concerning certain public sector											
Pension schemes	-AACW	-418	-421	-474	-489	-813	-607	-681	-696	-719	-483
Accruals adjustments	AAHC	372	552	935	2 151	1 262	1 406	-137	990	175	829
Miscellaneous financial transactions	-AQCN	-361	-1 130	-782	-393	-325	1 045	114	-1 008	-1 099	244
Public sector borrowing requirement	ABEN	8 263	5 381	9 174	9 926	12 519	8 631	8 904	9 677	10 131	5 622
Public Sector finances as a percentage of GDP:											
Current receipts		43.0	41.2	40.3	41.1	42.3	45.8	45.2	44.3	43.8	43.3
Current expenditure		43.7	42.1	42.1	42.2	45.0	46.6	46.4	46.0	46.2	44.1
Current balance		0.7	0.9	1.8	1.2	2.8	0.8	1.2	1.7	2.4	0.8
Net Capital spending		5.1	3.4	3.0	2.8	2.2	1.3	1.8	2.0	1.8	1.4
Financial Deficit		5.7	4.4	4.9	3.9	4.9	2.1	3.0	3.7	4.2	2.2
Privatisation proceeds and other financial transactions		0.6	-0.8	0.4	0.8	0.3	1.2	0.1	-0.6	-1.1	-0.7
Public Sector Borrowing Requirement		6.4	3.6	5.3	4.8	5.3	3.3	3.1	3.1	3.1	1.5

10.61

Finances of the public sector

Definitions consistent with 1996-97 FSBR tables 1.7, 4.1, 4A.2 and 4A.6; SEF96 table 2.6

continued

£ million

		1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
		/87	/88	/89	/90	/91	/92	/93	/94	/95	/96	
Public Sector current receipts												
Taxes on income and oil royalties	AQFE	52 918	59 891	63 401	71 879	77 457	76 408	72 800	74 672	84 459	92 846	
Taxes on expenditure	AAXC	64 420	70 392	77 153	81 200	77 176	87 977	87 850	90 832	98 368	104 921	
Taxes on capital	AQEX	3 049	3 286	4 373	4 273	4 027	3 067	2 486	2 312	2 647	2 729	
Social security contributions	AIIH	26 687	28 140	31 517	33 519	35 006	36 669	37 008	40 312	42 815	44 450	
Community charge/Council tax	ADBH	-	-	-	782	11 245	7 088	8 182	7 988	8 611	9 113	
Gross trading surplus	AQCB	7 670	7 008	7 734	5 964	2 958	1 569	2 871	3 554	4 902	5 187	
Rent and miscellaneous current transfers	AQPF	3 939	4 140	4 316	4 423	4 751	5 226	5 191	5 612	5 826	5 853	
Interest and dividends from private sector and abroad	AQCD	3 847	3 940	4 486	5 129	4 927	4 764	4 120	3 494	3 176	3 073	
Imputed charge for non-trading capital consumption	AAXG	2 643	2 867	3 196	3 539	3 838	3 743	3 621	3 279	3 272	3 290	
Total current receipts	AQFN	165 173	179 664	196 176	210 708	221 385	226 511	224 129	232 055	254 076	271 462	
Public Sector current expenditure												
Final consumption	AAXI	81 840	88 887	95 154	104 146	115 489	126 602	133 388	139 427	144 830	149 515	
Subsidies	AAXJ	6 487	6 189	5 854	5 663	6 157	6 206	6 899	6 840	6 973	7 115	
Current grants to personal sector	AQEE	49 733	51 319	52 315	55 015	60 729	72 132	82 847	89 833	93 421	96 481	
Current grants paid abroad (net)	-HDKH	2 687	3 811	2 880	4 544	3 895	2 114	4 940	5 077	4 760	6 880	
Debt interest to private sector and abroad	AQCG	18 059	18 379	18 814	18 740	18 201	16 766	17 780	19 593	22 450	25 232	
Depreciation	AQFS	10 715	10 513	11 310	11 689	10 915	9 809	9 539	9 631	10 067	10 178	
Total current expenditure	AQFX	169 521	179 098	186 327	199 797	215 386	233 629	255 393	270 401	282 501	295 401	
Public Sector current balance	CUNF	4 348	-566	-9 849	-10 911	-5 999	7 118	31 264	38 346	28 425	23 939	
Public Sector net capital spending												
Gross domestic fixed capital formation	AQCH	12 929	12 391	11 222	16 925	16 534	16 457	18 167	16 348	17 285	16 804	
Increase in stocks	AQCI	-672	-310	106	-76	220	199	-112	-288	-550	-41	
Capital grants to private sector	AQCC	2 639	2 587	3 255	3 405	3 950	4 944	5 437	5 310	4 943	4 505	
less: Capital transfers from private sector	AQPI	313	338	353	439	379	199	91	188	135	447	
less: Depreciation	AQFS	10 715	10 513	11 310	11 689	10 915	9 809	9 539	9 631	10 067	10 178	
Total net capital spending		3 868	3 817	2 920	8 126	9 410	11 592	13 862	11 551	11 476	10 643	
Public Sector Financial deficit	-AABE	8 216	3 251	-6 929	-2 785	3 411	18 710	45 126	49 897	39 901	34 582	
Privatisation proceeds and other financial transactions												
Lending to private sector and abroad	-AQCL	-33	-68	615	680	-97	-176	127	29	545	777	
Transactions in company securities	AAGY	-3 893	-5 367	-7 028	-4 272	-5 683	-8 404	-8 222	-5 365	-6 793	-3 722	
Transactions concerning certain public sector												
Pension schemes	-AACW	-883	-634	-833	-102	85	57	173	475	413	739	
Accruals adjustments	AAHC	673	316	-385	873	-129	2 703	413	1 650	1 775	-149	
Miscellaneous financial transactions	-AQCN	-495	-1 014	-94	-2 425	1 805	867	-1 348	-1 271	68	-318	
Public sector borrowing requirement	ABEN	3 585	-3 516	-14 654	-8 031	-608	13 757	36 269	45 415	35 909	31 909	
Public Sector finances as a percentage of GDP:												
Current receipts		42.1	41.3	40.5	40.1	39.8	39.0	36.9	36.3	37.5	38.3	
Current expenditure		43.2	41.2	38.5	38.0	38.7	40.2	42.1	42.2	41.7	41.7	
Current balance		1.1	-0.1	-2.0	-2.1	-1.1	1.2	5.2	6.0	4.2	3.4	
Net Capital spending		1.0	0.9	0.6	1.5	1.7	2.0	2.3	1.8	1.7	1.5	
Financial Deficit		2.1	0.7	-1.4	-0.5	0.6	3.2	7.4	7.8	5.9	4.9	
Privatisation proceeds and other financial transactions		-1.2	-1.6	-1.6	-1.0	-0.7	-0.9	-1.5	-0.7	-0.6	-0.4	
Public Sector Borrowing Requirement		0.9	-0.8	-3.0	-1.5	-0.1	2.4	6.0	7.1	5.3	4.5	

Public sector

10.62 Public sector borrowing requirement (PSBR)

Definitions consistent with 1996-97 FSB tables 1.1, 4.2 and 4A.2; SEF96 table 2.1

£ million

General Government

Borrowing Requirement

	Expenditure	Receipts	Total	Borrowing by central government (CGBR(O))	Borrowing by local authorities (LABR)	Central government lending to public corporations	Public corporations' market and overseas borrowing	PSBR
	ABAB	ATAF	ABEH	ABEB	ABEG	ABEI	AAZL	ABEN
1966	14 474	13 524	950	-853	960	843	-1	949
1967	16 684	14 814	1 870	-413	1 120	1 163	-26	1 844
1968	18 307	17 021	1 286	-949	1 135	1 100	-34	1 252
1969	19 030	19 354	-324	-2 354	1 134	896	-210	-534
1970	20 918	21 098	-180	-2 278	1 237	861	129	-51
1971	23 529	22 253	1 276	-1 242	1 373	1 145	44	1 320
1972	26 453	24 395	2 058	-408	1 387	1 079	-108	1 950
1973	30 540	26 929	3 611	486	2 384	741	482	4 093
1974	39 264	33 612	5 652	1 677	3 330	645	799	6 451
1975	51 560	41 811	9 749	4 953	2 784	2 012	412	10 161
1976	58 651	50 776	7 875	4 771	1 604	1 500	1 024	8 899
1977	62 027	57 610	4 417	2 545	1 429	443	1 002	5 419
1978	72 431	63 511	8 920	6 042	1 061	1 817	-580	8 340
1979	85 729	73 545	12 184	6 613	2 375	3 196	367	12 551
1980	104 290	91 789	12 501	6 456	2 940	3 105	-715	11 786
1981	117 101	105 757	11 344	10 341	264	739	-837	10 507
1982	128 755	123 075	5 680	4 423	-798	2 055	-812	4 868
1983	138 521	126 548	11 973	9 299	1 228	1 446	-399	11 574
1984	147 218	137 512	9 706	6 677	2 304	725	590	10 296
1985	157 764	149 335	8 429	6 238	1 585	606	-984	7 445
1986	162 339	159 042	3 297	2 544	673	80	-932	2 365
1987	169 241	169 901	-660	-914	736	-482	-678	-1 338
1988	178 237	187 428	-9 191	-10 592	595	806	-2 688	-11 879
1989	197 087	204 233	-7 146	-9 656	565	1 945	-2 183	-9 329
1990	215 543	217 260	-1 717	-1 104	3 687	-4 300	-658	-2 375
1991	228 339	219 976	8 363	6 587	1 888	-112	-702	7 661
1992	254 503	224 966	29 537	33 756	-5 521	1 302	-898	28 639
1993	272 923	228 492	44 431	46 262	-2 875	1 044	-1 910	42 521
1994	284 848	245 421	39 427	38 654	165	608	-1 538	37 889
1995	303 877	266 556	37 321	36 237	374	710	-1 824	35 497
1966/67	15 052	13 864	1 188	-765	1 038	915	-45	1 143
1967/68	17 451	15 368	2 083	-341	1 105	1 319	-65	2 018
1968/69	18 240	17 874	366	-1 695	1 166	895	-1	365
1969/70	19 327	19 723	-396	-2 391	1 082	913	-206	-602
1970/71	21 606	21 050	556	-1 643	1 278	921	221	777
1971/72	24 363	23 206	1 157	-1 388	1 407	1 138	-184	973
1972/73	27 631	25 163	2 468	-265	1 542	1 191	-33	2 435
1973/74	31 969	28 335	3 634	604	2 528	502	708	4 342
1974/75	42 870	35 558	7 312	2 653	3 339	1 320	689	8 001
1975/76	53 823	43 897	9 926	5 600	2 381	1 945	325	10 251
1976/77	59 595	52 370	7 225	4 224	1 996	1 005	1 038	8 262
1977/78	63 863	58 984	4 879	2 757	1 420	702	502	5 381
1978/79	74 999	66 115	8 884	5 832	1 311	1 741	290	9 174
1979/80	89 992	79 578	10 414	4 364	2 969	3 081	-488	9 926
1980/81	108 637	95 086	13 551	9 391	2 120	2 040	-1 032	12 519
1981/82	120 516	111 963	8 553	6 560	-224	2 217	78	8 631
1982/83	132 672	122 639	10 033	7 742	83	2 208	-1 129	8 904
1983/84	140 436	130 522	9 914	7 998	1 209	707	-237	9 677
1984/85	150 789	141 534	9 255	6 533	2 387	335	876	10 131
1985/86	158 510	151 626	6 884	4 261	1 674	949	-1 262	5 622
1986/87	164 555	159 695	4 860	4 662	132	66	-1 275	3 585
1987/88	173 527	175 505	-1 978	-3 282	1 275	29	-1 538	-3 516
1988/89	179 844	191 587	-11 743	-13 067	340	984	-2 911	-14 654
1989/90	200 854	207 487	-6 633	-5 367	1 257	-2 523	-1 398	-8 031
1990/91	218 107	218 705	-598	-2 914	3 331	-1 015	-10	-608
1991/92	236 154	222 279	13 875	11 734	1 590	551	-118	13 757
1992/93	260 386	222 533	37 853	42 403	-5 735	1 185	-1 584	36 269
1993/94	276 607	229 780	46 827	48 104	-2 781	1 504	-1 412	45 415
1994/95	286 967	249 191	37 776	38 280	-962	458	-1 867	35 909
1995/96	302 729	269 140	33 589	35 620	-1 375	-656	-1 680	31 909

Public sector

10.63 Public sector borrowing requirement (PSBR) as a % of GDP

Definitions consistent with 1996-97 FSB tables 1.1, 4.2 and 4A.2; SEF96 table 2.6

% of GDP

	Gross Domestic Product (GDP(A))	General Government							Market and overseas borrowing by PC's	PSBR
		Expenditure	Receipts	Borrowing Requirement						
				Total	CGBR(O)	LABR	CG lending to PCs			
	CAOB									
1966	38 370	37.7	35.2	2.5	-2.2	2.5	2.2	-	2.5	
1967	40 400	41.3	36.7	4.6	-1.0	2.8	2.9	-0.1	4.6	
1968	43 808	41.8	38.9	2.9	-2.2	2.6	2.5	-0.1	2.9	
1969	47 153	40.4	41.0	-0.7	-5.0	2.4	1.9	-0.4	-1.1	
1970	51 770	40.4	40.8	-0.3	-4.4	2.4	1.7	0.2	-0.1	
1971	57 748	40.7	38.5	2.2	-2.2	2.4	2.0	0.1	2.3	
1972	64 663	40.9	37.7	3.2	-0.6	2.1	1.7	-0.2	3.0	
1973	74 257	41.1	36.3	4.9	0.7	3.2	1.0	0.6	5.5	
1974	83 862	46.8	40.1	6.7	2.0	4.0	0.8	1.0	7.7	
1975	105 852	48.7	39.5	9.2	4.7	2.6	1.9	0.4	9.6	
1976	125 247	46.8	40.5	6.3	3.8	1.3	1.2	0.8	7.1	
1977	145 983	42.5	39.5	3.0	1.7	1.0	0.3	0.7	3.7	
1978	168 526	43.0	37.7	5.3	3.6	0.6	1.1	-0.3	4.9	
1979	198 221	43.2	37.1	6.1	3.3	1.2	1.6	0.2	6.3	
1980	231 772	45.0	39.6	5.4	2.8	1.3	1.3	-0.3	5.1	
1981	254 927	45.9	41.5	4.4	4.1	0.1	0.3	-0.3	4.1	
1982	279 041	46.1	44.1	2.0	1.6	-0.3	0.7	-0.3	1.7	
1983	304 456	45.5	41.6	3.9	3.1	0.4	0.5	-0.1	3.8	
1984	325 852	45.2	42.2	3.0	2.0	0.7	0.2	0.2	3.2	
1985	357 344	44.1	41.8	2.4	1.7	0.4	0.2	-0.3	2.1	
1986	384 843	42.2	41.3	0.9	0.7	0.2	-	-0.2	0.6	
1987	423 381	40.0	40.1	-0.2	-0.2	0.2	-0.1	-0.2	-0.3	
1988	471 430	37.8	39.8	-1.9	-2.2	0.1	0.2	-0.6	-2.5	
1989	515 957	38.2	39.6	-1.4	-1.9	0.1	0.4	-0.4	-1.8	
1990	551 118	39.1	39.4	-0.3	-0.2	0.7	-0.8	-0.1	-0.4	
1991	575 674	39.7	38.2	1.5	1.1	0.3	-	-0.1	1.3	
1992	598 916	42.5	37.6	4.9	5.6	-0.9	0.2	-0.1	4.8	
1993	631 158	43.2	36.2	7.0	7.3	-0.5	0.2	-0.3	6.7	
1994	668 255	42.6	36.7	5.9	5.8	-	0.1	-0.2	5.7	
1995	700 890	43.4	38.0	5.3	5.2	0.1	0.1	-0.3	5.1	
1966/67	38 856	38.7	35.7	3.1	-2.0	2.7	2.4	-0.1	2.9	
1967/68	41 196	42.4	37.3	5.1	-0.8	2.7	3.2	-0.2	4.9	
1968/69	44 646	40.9	40.0	0.8	-3.8	2.6	2.0	-	0.8	
1969/70	47 963	40.3	41.1	-0.8	-5.0	2.3	1.9	-0.4	-1.3	
1970/71	53 188	40.6	39.6	1.0	-3.1	2.4	1.7	0.4	1.5	
1971/72	59 286	41.1	39.1	2.0	-2.3	2.4	1.9	-0.3	1.6	
1972/73	67 613	40.9	37.2	3.7	-0.4	2.3	1.8	-	3.6	
1973/74	75 014	42.6	37.8	4.8	0.8	3.4	0.7	0.9	5.8	
1974/75	89 388	48.0	39.8	8.2	3.0	3.7	1.5	0.8	9.0	
1975/76	111 201	48.4	39.5	8.9	5.0	2.1	1.7	0.3	9.2	
1976/77	130 024	45.8	40.3	5.6	3.2	1.5	0.8	0.8	6.4	
1977/78	151 328	42.2	39.0	3.2	1.8	0.9	0.5	0.3	3.6	
1978/79	173 747	43.2	38.1	5.1	3.4	0.8	1.0	0.2	5.3	
1979/80	208 588	43.1	38.2	5.0	2.1	1.4	1.5	-0.2	4.8	
1980/81	237 705	45.7	40.0	5.7	4.0	0.9	0.9	-0.4	5.3	
1981/82	260 954	46.2	42.9	3.3	2.5	-0.1	0.8	-	3.3	
1982/83	285 803	46.4	42.9	3.5	2.7	-	0.8	-0.4	3.1	
1983/84	309 970	45.3	42.1	3.2	2.6	0.4	0.2	-0.1	3.1	
1984/85	332 109	45.4	42.6	2.8	2.0	0.7	0.1	0.3	3.1	
1985/86	364 878	43.4	41.6	1.9	1.2	0.5	0.3	-0.3	1.5	
1986/87	392 748	41.9	40.7	1.2	1.2	-	-	-0.3	0.9	
1987/88	434 778	39.9	40.4	-0.5	-0.8	0.3	-	-0.4	-0.8	
1988/89	484 138	37.1	39.6	-2.4	-2.7	0.1	0.2	-0.6	-3.0	
1989/90	525 809	38.2	39.5	-1.3	-1.0	0.2	-0.5	-0.3	-1.5	
1990/91	556 626	39.2	39.3	-0.1	-0.5	0.6	-0.2	-	-0.1	
1991/92	581 219	40.6	38.2	2.4	2.0	0.3	0.1	-	2.4	
1992/93	606 918	42.9	36.7	6.2	7.0	-0.9	0.2	-0.3	6.0	
1993/94	640 100	43.2	35.9	7.3	7.5	-0.4	0.2	-0.2	7.1	
1994/95	677 327	42.4	36.8	5.6	5.7	-0.1	0.1	-0.3	5.3	
1995/96	707 944	42.8	38.0	4.7	5.0	-0.2	-0.1	-0.2	4.5	

Public sector

10.64 Public sector transactions by sub-sector and economic category

Definitions consistent with 1996-97 FSBR table 4A.6

£ million

		1995-96				
		General government			Public corporations	Public sector
Line		Central government	Local authorities	Total		
<i>Current receipts</i>						
	1	93 101		93 101	-255	92 846
	2	104 767	154	104 921		104 921
	3	2 729		2 729	-	2 729
	4	44 450		44 450		44 450
	5		9 113	9 113		9 113
	6	179	328	507	4 680	5 187
	7	911	4 443	5 354	499	5 853
	8	2 281	581	2 862	211	3 073
	9	6 171	-3 543	2 628	-2 628	
	10	1 304	1 986	3 290		3 290
Total current receipts	11	255 893	13 062	268 955	2 507	271 462
<i>Current expenditure</i>						
	12	96 614	52 901	149 515		149 515
	13	2 130	4 539	6 669	3 509	10 178
	14	6 408	707	7 115		7 115
	15	83 239	13 242	96 481		96 481
	16	6 880		6 880		6 880
	17	57 275	-57 275			
	18	24 990	658	25 648	-416	25 232
	19					
Total current expenditure	20	277 536	14 772	292 308	3 093	295 401
Current deficit	21	21 643	1 710	23 353	586	23 939
Capital transfers	22		544	544	-97	447
<i>Capital expenditure</i>						
	23	5 349	6 526	11 875	4 929	16 804
	24	-2 130	-4 539	-6 669	-3 509	-10 178
	25	-69		-69	28	-41
	26	3 073	1 071	4 144	361	4 505
	27	7 377	-3 938	3 439	-3 439	
	28					
Total capital expenditure	29	13 600	-880	12 720	-1 630	11 090
Financial deficit²	30	35 243	286	35 529	-947	34 582
<i>Financial transactions</i>						
	31	928	-136	792	-15	777
	32	-2 455	20	-2 435	-1 287	-3 722
	33	739		739		739
	34	1 619	-489	1 130	145	1 275
	35	-1 372	-50	-1 422	-2	-1 424
	36	918	-1 006	-88	-230	-318
Borrowing requirement	37	35 620	-1 375	34 245	-2 336	31 909

Relationship between lines:

21=20-11

30=21-22+29

37=30+lines 31 to 36

1 Includes non-trading capital consumption.

2 The balance of current and capital accounts, financed by net borrowing/lending.

The financing components are shown in lines 31 to 36.

3 Including privatisation proceeds.

10.65 Monetary indicators

Actuals and % changes on a year ago

Definitions consistent with 1996-97 FSBR charts 2.1 and 3.28; SEF96 charts 1.27 and 1.31

	Money stock				Retail Price Index (Jan 1987=100) ¹			
	M0		M4		All items		All items excluding mortgage interest payments	
	Amount outstanding (£m)	% change on a year earlier	Amount outstanding (£m)	% change on a year earlier	Index	% change on a year earlier ²	Index	% change on a year earlier ²
	AVAD	EUAF	AUYM	EUAP	CHAW	CZBH	CHMK	CDKQ
1976	7 988	11.0	64 970	11.3	39.9	16.6	40.7	16.7
1977	9 122	14.4	74 595	14.8	46.2	15.8	47.2	15.9
1978	10 362	13.7	85 770	15.0	50.0	8.3	51.3	8.6
1979	11 620	12.3	98 131	14.4	56.7	13.4	57.7	12.6
1980	12 243	5.5	114 923	17.1	66.9	18.0	67.5	16.9
1981	12 555	5.2	138 363	20.4	74.8	11.9	75.7	12.2
1982	12 948	3.1	154 953	12.0	81.2	8.6	82.1	8.5
1983	13 849	7.1	175 367	12.7	85.0	4.6	86.4	5.2
1984	14 615	5.5	199 004	13.2	89.2	5.0	90.2	4.5
1985	15 161	3.7	224 899	13.0	94.6	6.1	94.9	5.2
1986	15 946	5.2	257 177	15.7	97.8	3.4	98.3	3.6
1987	16 633	4.3	303 671	16.8	101.9	4.2	101.9	3.7
1988	18 040	8.5	357 604	17.5	106.9	4.9	106.6	4.6
1989	19 006	5.7	425 326	18.0	115.2	7.8	112.9	5.9
1990	19 492	2.6	477 170	12.1	126.1	9.5	122.1	8.1
1991	20 085	3.0	503 824	5.8	133.5	5.9	130.3	6.7
1992	20 581	2.5	517 400	3.6	138.5	3.7	136.4	4.7
1993	21 729	5.6	543 316	4.6	140.7	1.6	140.5	3.0
1994	23 322	7.3	565 925	4.6	144.1	2.4	143.8	2.3
1995	24 539	5.2	622 963	9.9	149.1	3.5	147.9	2.9
1976/77	7 700	10.7	65 227	10.1	41.4	..	42.3	..
1977/78	8 898	15.7	77 391	18.6	47.2	..	48.4	..
1978/79	9 989	12.4	87 222	12.7	51.2	..	52.3	..
1979/80	10 994	10.1	99 389	13.9	59.2	..	60.2	..
1980/81	11 755	7.0	116 684	17.4	68.8	..	69.5	..
1981/82	11 728	2.4	140 488	20.4	76.8	..	77.6	..
1982/83	12 431	6.0	161 379	14.9	82.3	..	83.4	..
1983/84	13 030	5.0	180 133	11.5	86.1	..	87.3	..
1984/85	13 738	5.4	205 382	13.8	90.4	..	91.2	..
1985/86	14 305	4.1	235 536	14.5	95.7	..	95.9	..
1986/87	14 809	3.5	269 724	14.6	98.8	..	99.1	..
1987/88	15 751	6.4	316 032	17.1	102.7	..	102.9	..
1988/89	16 815	6.8	372 343	17.7	108.9	..	108.1	..
1989/90	17 600	5.0	441 710	17.7	117.4	..	114.6	..
1990/91	18 178	3.3	485 591	9.7	128.8	..	124.5	..
1991/92	18 411	1.3	509 789	5.5	134.9	..	132.1	..
1992/93	19 305	4.9	522 930	3.3	139.1	..	137.6	..
1993/94	20 564	6.5	553 735	5.6	141.5	..	141.4	..
1994/95	21 880	6.4	582 874	5.5	145.4	..	144.8	..
1995/96	23 124	5.7	641 558	9.9	150.1	..	149.0	..

¹ Data for 1976 to 1986 were derived from known monthly percentage changes prior to the base period (Jan 1987).

² Financial year data not available.

Taxation

10.71 Taxes on income and capital, other revenue: allocation by sector, type of income, and property

£ million

		1979	1980	1981	1982	1983	1984	1985	1986	1987
TAXES ON INCOME AND SOCIAL SECURITY, ETC CONTRIBUTIONS										
Taxes on income (payments):										
Personal sector	AIIG	21 586	25 683	28 949	31 366	33 180	34 736	37 774	40 805	43 459
<i>less</i> Tax credits	-DBAI	-1 411	-1 346	-1 379	-1 573	-1 864	-2 202	-2 687	-3 109	-3 506
Companies	DAAB	3 949	5 219	5 481	6 387	6 870	7 891	9 348	9 538	11 602
Public corporations	ADRK	68	52	172	435	244	285	103	313	62
Non-residents	DKGN	1 047	1 394	2 911	3 667	4 914	5 948	7 060	4 426	4 041
Social security contributions	AIIH	11 526	13 939	15 916	18 095	20 780	22 322	24 210	26 165	27 663
Community charge	ADBH	-	-	-	-	-	-	-	-	-
Royalties	CTAI	522	936	1 348	1 588	1 837	2 433	2 240	925	1 127
ITC franchise payments	CUKL	-	-	-	-	-	-	-	-	-
Total	GIKF	37 287	45 877	53 398	59 965	65 961	71 413	78 048	79 063	84 448
Income tax:										
Deducted from										
Wages, salaries and forces' pay	GIKG	17 007	20 755	23 337	24 796	27 518	29 386	31 436	34 013	36 356
Dividends, interest, rent and trading incomes	GIKH	3 205	3 533	4 299	4 848	5 349	6 039	7 021	6 369	6 780
Social security benefits	GIKI	441	537	703	936	1 038	1 070	1 107	1 206	1 213
Life assurance premiums relieved at source	GIKJ	-310	-514	-530	-557	-659	-733	-636	-590	-508
Mortgage interest relieved at source	GIKK	-	-	-	-	-1 655	-2 817	-3 728	-3 613	-3 885
Surtax	GTAF	12	6	3	3	3	1	-	-	-
Petroleum revenue tax	GTAH	726	1 799	2 477	2 821	5 443	6 873	7 369	2 698	1 754
Supplementary petroleum duty	GTAI	-	-	1 531	2 214	676	-	-	-	-
Corporation tax	GTAJ	4 123	4 835	4 267	5 165	5 616	6 791	9 015	11 827	13 865
<i>less</i> Overspill relief	GTAJ	-19	-1	-1	-	-	-	-	-	-
Independent Broadcasting Authority levy	GTAL	54	52	48	56	15	48	14	63	83
Social security contributions:										
Employers	CEAN	6 889	8 210	8 814	9 344	10 536	11 269	12 245	13 540	14 395
Employees	GIKT	4 373	5 412	6 747	8 269	9 692	10 453	11 220	12 625	12 513
Self-employed and non-employed persons	GIKU	264	317	355	482	552	600	745	-	755
Community charge	ADBH	-	-	-	-	-	-	-	-	-
Royalties	CTAI	522	936	1 348	1 588	1 837	2 433	2 240	925	1 127
ITC franchise payments	CUKL	-	-	-	-	-	-	-	-	-
Total	GIKF	37 287	45 877	53 398	59 965	65 961	71 413	78 048	79 063	84 448
TAXES ON CAPITAL										
Personal sector	GIKW	848	960	1 028	1 214	1 321	1 486	1 808	1 937	2 294
Companies	FMCE	128	168	435	341	290	287	486	978	784
Public corporations	ADSB	3	6	8	4	5	10	3	61	-
Total	ACIC	979	1 134	1 471	1 559	1 616	1 783	2 297	2 976	3 078
Death duties:										
Land and buildings	GILA	146	163	160	157	162	166	209	228	277
Government and local authority debt	GILB	27	34	36	39	48	55	72	76	75
Company and overseas securities	GILC	108	123	136	154	185	219	309	355	396
Other assets	GTNW	112	113	117	128	145	162	215	235	260
Total	GILF	393	433	449	478	540	602	805	894	1 008
Tax on other capital transfers	GILG	25	14	28	40	31	58	49	60	50
Taxes on capital gains	GILH	529	645	684	886	974	1 048	1 375	1 957	1 990
Development land tax	GILJ	32	42	43	67	71	75	68	65	30
Special tax on banking deposits	ACCL	-	-	267	88	-	-	-	-	-
Total	ACIC	979	1 134	1 471	1 559	1 616	1 783	2 297	2 976	3 078

10.71

Taxes on income and capital, other revenue: allocation by sector, type of income, and property

continued

£ million

		1988	1989	1990	1991	1992	1993	1994	1995
TAXES ON INCOME AND SOCIAL SECURITY, ETC CONTRIBUTIONS									
Taxes on income (payments):									
Personal sector	AIIG	48 274	53 589	61 543	63 419	65 178	63 637	68 168	74 655
<i>less</i> Tax credits	-DBAI	-4 452	-5 383	-5 888	-6 013	-6 851	-5 518	-5 625	-7 363
Companies	DAAB	13 655	16 239	14 972	13 179	11 649	11 334	14 065	17 902
Public corporations	ADRK	103	102	161	451	199	162	140	210
Non-residents	DKGN	4 143	5 453	6 087	4 142	3 541	3 617	3 922	5 268
Social security contributions	AIIH	30 682	33 333	34 457	36 216	36 975	39 499	41 943	44 251
Community charge	ADBH	-	586	8 629	8 128	7 907	8 038	8 450	8 989
Royalties	CTAI	799	522	625	543	568	600	553	574
ITC franchise payments	CUKL	-	-	-	-	-	350	380	398
Total	GIKF	93 204	104 441	120 586	120 065	119 166	121 719	131 996	144 884
Income tax:									
Deducted from									
Wages, salaries and forces' pay	GIRG	38 643	43 415	48 504	50 279	51 510	52 449	56 353	60 409
Dividends, interest, rent and trading incomes	GIRH	8 305	8 887	11 418	10 745	10 161	8 059	8 189	8 589
Social security benefits	GIRI	1 143	1 127	1 273	1 300	1 250	1 250	1 250	1 250
Life assurance premiums relieved at source	GIRJ	-477	-385	-308	-268	-234	-168	-138	-133
Mortgage interest relieved at source	GIRK	-4 034	-5 423	-6 224	-5 628	-4 921	-3 795	-3 202	-2 667
Surtax	GTAJ	-	-	-	-	-	-	-	-
Petroleum revenue tax	GTAH	1 505	1 003	942	-105	7	380	822	820
Supplementary petroleum duty	GTAI	-	-	-	-	-	-	-	-
Corporation tax	GTAJ	16 548	21 273	21 136	18 742	15 871	15 057	17 396	22 404
<i>less</i> Overspill relief	GTAJ	-	-	-	-	-	-	-	-
Independent Broadcasting Authority levy	GTAJ	90	103	134	113	72	-	-	-
Social security contributions:									
Employers	CEAN	16 176	18 145	19 984	21 182	21 590	23 047	23 241	24 069
Employees	GIRK	13 564	14 140	13 296	13 828	14 104	15 043	17 173	18 506
Self-employed and non-employed persons	GIRU	942	1 048	1 177	1 206	1 281	1 409	1 529	1 676
Community charge	ADBH	-	586	8 629	8 128	7 907	8 038	8 450	8 989
Royalties	CTAI	799	522	625	543	568	600	553	574
ITC franchise payments	CUKL	-	-	-	-	-	350	380	398
Total	GIKF	93 204	104 441	120 586	120 065	119 166	121 719	131 996	144 884
TAXES ON CAPITAL									
Personal sector	GIRW	3 246	3 175	3 207	2 623	2 300	2 064	2 259	2 299
Companies	FMCE	907	1 265	1 004	728	350	283	297	387
Public corporations	ADSB	-	-	-	-	-	-	-	-
Total	ACIC	4 153	4 440	4 211	3 351	2 650	2 347	2 556	2 686
Death duties:									
Land and buildings	GILA	337	423	423	359	313	269	286	276
Government and local authority debt	GILB	65	59	63	59	56	69	81	78
Company and overseas securities	GILC	389	376	434	441	441	497	594	598
Other assets	GTNW	261	280	355	361	375	398	456	464
Total	GILF	1 052	1 138	1 275	1 220	1 185	1 233	1 417	1 416
Tax on other capital transfers	GILG	38	33	40	43	42	35	26	31
Taxes on capital gains	GILH	3 046	3 258	2 890	2 087	1 423	1 078	1 112	1 238
Development land tax	GILJ	17	11	6	1	-	1	1	1
Special tax on banking deposits	ACCL	-	-	-	-	-	-	-	-
Total	ACIC	4 153	4 440	4 211	3 351	2 650	2 347	2 556	2 686

Taxation

10.72 Taxes and social security contributions by category as a percentage of the total, for G7 countries¹

	Percentages							
	1979	1980	1981	1982	1983	1984	1985	1986
UNITED KINGDOM								
Direct taxes:								
Paid by households	31.4	31.8	31.1	30.5	28.7	27.9	27.8	27.9
Paid by corporations	7.7	7.4	8.2	9.1	10.7	11.7	12.6	10.6
Indirect taxes	43.2	43.3	43.6	42.8	42.0	41.7	40.9	42.6
of which: VAT	13.0	14.3	12.1	13.7	13.8	14.7	15.3	15.7
Taxes on capital	0.6	0.6	0.5	0.5	0.6	0.6	0.7	0.7
Social security contributions	17.1	16.9	16.6	17.0	18.0	18.1	18.0	18.2
of which: paid by employers	6.9	6.9	7.4	8.2	8.9	8.9	8.9	8.8
Community charge	-	-	-	-	-	-	-	-
UNITED STATES								
Direct taxes:								
Paid by households	37.9	37.9	39.2	39.5	37.3	36.0	36.8	36.3
Paid by corporations	12.4	11.0	9.2	7.0	8.2	9.0	8.5	8.9
Indirect taxes	26.9	28.4	28.4	29.0	29.6	29.6	29.0	28.7
Taxes on capital	1.0	1.1	1.0	1.2	0.9	0.8	0.8	0.8
Social security contributions	21.7	21.6	22.2	23.3	24.0	24.6	24.9	25.3
of which: paid by employers	10.0	10.1	10.5	11.1	11.3	11.4	11.8	12.2
CANADA								
Direct taxes:								
Paid by households	34.9	36.3	35.8	36.8	36.7	35.9	36.2	37.9
Paid by corporations	13.3	16.3	14.5	13.7	13.4	14.3	13.9	12.7
Indirect taxes	39.6	38.4	40.4	39.7	38.8	39.0	38.6	38.4
of which: VAT	-	-	..	..	..	..	..	..
Taxes on capital	0.5	0.4	0.3	0.5	0.6	0.6	0.6	0.5
Social security contributions	11.8	8.5	9.0	9.3	10.3	10.2	10.7	10.5
of which: paid by employers	6.9	6.9	7.2	7.1	7.9	8.0	8.3	8.3
FRANCE								
Direct taxes:								
Paid by households	14.0	14.5	14.8	14.7	15.5	15.6	14.9	15.0
Paid by corporations	5.4	5.7	5.8	5.9	5.2	5.5	5.6	6.3
Indirect taxes	37.7	36.6	36.2	36.0	35.7	35.6	35.6	35.5
of which: VAT	21.4	20.9	20.9	21.0	20.5	19.7	19.7	19.3
Taxes on capital	0.6	0.6	0.8	0.6	0.6	0.6	0.6	0.7
Social security contributions	42.3	42.7	42.4	42.7	43.6	43.3	43.3	43.2
of which: paid by employers	28.5	28.3	28.3	28.2	28.5	27.7	27.8	27.5
GERMANY								
Direct taxes:								
Paid by households	25.5	26.2	25.3	25.0	24.7	24.5	24.9	24.9
Paid by corporations	5.1	4.5	4.2	4.3	4.6	5.0	5.4	5.2
Indirect taxes	32.0	31.6	31.2	30.6	31.3	31.3	30.3	30.0
of which: VAT	14.7	15.3	15.4	14.8	15.5	15.3	14.5	14.1
Taxes on capital	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Social security contributions	37.2	37.6	39.1	40.0	39.4	39.2	39.2	39.9
of which: paid by employers	19.6	19.7	20.7	21.2	20.8	20.7	20.7	21.1
ITALY								
Direct taxes:								
Paid by households	24.8	27.5	30.1	30.1	30.0	30.7	31.1	29.5
Paid by corporations	5.1	4.2	4.8	5.3	5.6	5.7	6.4	7.0
Indirect taxes	30.4	30.4	28.4	27.5	28.2	28.7	27.7	28.1
of which: VAT	14.1	15.5	15.0	14.4	14.8	15.2	14.4	15.0
Taxes on capital	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3
Social security contributions	39.5	37.7	36.5	36.9	36.0	34.7	34.6	35.1
of which: paid by employers	9.5	9.5	9.1	10.3	10.2	10.1	9.9	10.2
JAPAN								
Direct taxes:								
Paid by households	22.9	25.6	25.8	25.9	25.3	24.3	23.4	24.2
Paid by corporations	17.2	16.4	16.2	16.0	17.1	18.0	19.0	18.6
Indirect taxes	29.7	28.8	28.2	27.7	26.8	27.5	27.5	26.5
of which: VAT	..	-	..	..	..	..	..	..
Taxes on capital	0.8	0.7	0.8	0.9	1.0	1.1	1.2	1.5
Social security contributions	29.4	28.5	29.0	29.5	29.8	29.1	28.9	29.2
of which: paid by employers	14.8	14.0	14.3	14.5	14.7	14.3	14.1	13.8

¹ Data for 1983-93 consistent with Economic Trends (November 1995), except indirect taxes (Canada)

10.72 Taxes and social security contributions by category as a percentage of the total, for G7 countries¹

continued

Percentages

	1987	1988	1989	1990	1991	1992	1993
UNITED KINGDOM							
Direct taxes:							
Paid by households	27.3	27.3	27.6	29.3	29.1	29.1	29.4
Paid by corporations	10.5	10.8	12.3	10.9	8.8	7.6	7.4
Indirect taxes	43.2	42.9	41.6	37.9	40.2	40.8	43.0
of which: VAT	15.8	16.8	16.8	16.5	18.6	19.7	19.8
Taxes on capital	0.7	0.6	0.6	0.7	0.6	0.6	0.6
Social security contributions	18.3	18.4	17.5	17.1	17.5	17.7	18.6
of which: paid by employers	8.8	8.8	8.0	7.2	7.3	7.4	7.6
Community charge	-	-	0.4	4.1	3.8	4.2	1.0
UNITED STATES							
Direct taxes:							
Paid by households	37.2	36.1	37.2	36.9	35.7	35.3	35.0
Paid by corporations	9.7	9.8	9.3	8.7	8.0	8.1	9.4
Indirect taxes	27.7	27.5	27.2	27.7	29.2	29.3	28.6
Taxes on capital	0.8	0.8	0.8	1.0	0.9	0.9	0.9
Social security contributions	24.6	25.8	25.5	25.7	26.2	26.4	26.1
of which: paid by employers	12.0	12.7	12.7	12.8	13.1	13.2	13.0
CANADA							
Direct taxes:							
Paid by households	38.2	38.2	38.3	41.8	41.1	40.1	39.3
Paid by corporations	12.8	12.2	12.0	10.4	9.1	8.6	8.9
Indirect taxes	38.1	37.8	38.8	36.0	37.4	37.9	39.0
of which: VAT	..	..	..	1.4	6.9	6.8	7.0
Taxes on capital	0.5	1.4	1.3	1.3	1.4	1.0	1.0
Social security contributions	10.4	10.4	9.6	10.3	11.1	12.3	11.9
of which: paid by employers	8.0	8.1	10.4	10.3	10.6	12.3	12.9
FRANCE							
Direct taxes:							
Paid by households	14.7	14.0	13.7	13.8	15.6	15.8	16.3
Paid by corporations	6.5	6.6	6.9	6.6	5.8	4.8	4.7
Indirect taxes	35.5	35.8	34.7	34.6	33.6	33.5	33.4
of which: VAT	19.4	19.5	18.9	18.4	17.6	17.4	17.1
Taxes on capital	0.8	0.9	0.9	0.9	0.9	1.0	0.9
Social security contributions	43.3	43.6	43.8	44.1	44.1	44.9	44.7
of which: paid by employers	27.2	27.2	27.0	27.1	27.1	27.5	27.2
GERMANY							
Direct taxes:							
Paid by households	25.6	25.1	25.7	23.8	25.1	25.5	24.2
Paid by corporations	4.5	4.8	4.9	4.4	4.2	4.0	3.9
Indirect taxes	30.0	30.1	30.4	31.6	31.4	31.3	31.8
of which: VAT	14.5	14.4	14.3	15.4	16.7	17.0	18.1
Taxes on capital	0.2	0.2	0.2	0.3	0.2	0.3	0.3
Social security contributions	39.9	40.0	38.8	39.9	39.1	38.9	39.8
of which: paid by employers	21.1	21.1	20.6	21.1	20.8	20.7	21.5
ITALY							
Direct taxes:							
Paid by households	28.7	30.3	29.3	29.2	29.2	29.3	29.7
Paid by corporations	8.3	6.3	8.3	8.1	7.4	7.2	8.2
Indirect taxes	28.6	29.7	29.2	29.3	30.2	29.3	30.0
of which: VAT	14.7	15.3	14.0	14.8	14.3	13.8	13.1
Taxes on capital	0.2	0.2	0.2	0.1	0.1	1.3	0.2
Social security contributions	34.2	33.5	33.0	33.3	33.1	32.9	31.9
of which: paid by employers	10.3	9.9	9.3	9.4	9.8	10.1	..
JAPAN							
Direct taxes:							
Paid by households	24.0	23.4	23.0	24.8	26.7	25.9	24.9
Paid by corporations	18.7	19.6	21.4	18.6	17.4	15.7	14.2
Indirect taxes	27.2	27.5	26.4	26.2	24.8	26.1	26.5
of which: VAT	..	..	3.4	4.3	4.4	4.6	5.0
Taxes on capital	1.7	1.6	1.7	1.4	1.8	1.9	2.1
Social security contributions	28.4	27.9	27.5	29.0	29.3	30.4	32.3
of which: paid by employers	13.7	13.4	12.9	14.0	14.1	14.6	15.6

¹ See footnote on previous page

Source: Data derived from OECD statistics

Social security

10.81 Expenditure on social security benefits

£ million

		1979	1980	1981	1982	1983	1984	1985	1986	1987
Total social security benefits	AUAA	18 122	21 813	27 002	31 677	32 336	34 350	37 609	40 860	41 961
Social security funds	GTKP	12 072	14 689	17 674	19 151	20 582	21 630	23 085	25 383	25 878
National insurance fund										
Total national insurance	ACHH	11 927	14 402	17 168	18 676	20 066	21 215	22 680	24 977	25 709
Retirement pensions	CSDG	8 589	10 257	12 090	13 428	14 636	15 224	16 273	18 013	18 535
Widows and guardians allowances	CSDH	563	643	710	747	777	798	807	839	836
Unemployment benefit	CSDI	636	1 097	1 763	1 590	1 546	1 602	1 632	1 763	1 606
Sickness benefit	CSDJ	629	622	608	583	292	280	293	225	170
Invalidity benefit	CSDK	992	1 195	1 357	1 658	1 882	2 172	2 457	2 708	2 958
Maternity benefit	CSDL	140	166	179	163	149	162	168	176	86
Statutory sick pay	CSDQ	-	-	-	-	327	505	552	712	855
Statutory maternity pay	GTKZ	-	-	-	-	-	-	-	-	140
Payments in lieu of benefits foregone	GTKV	33	35	27	28	13	10	9	2	2
Death grant	CSDM	16	17	17	17	16	17	18	21	7
Injury benefit	CSDN	49	47	46	59	-	-	-	-	-
Disablement benefit	CSDO	245	281	324	352	373	389	411	452	458
Industrial death benefit	CSDP	35	42	47	51	55	56	60	66	56
Other social security funds										
Redundancy fund benefit	GTKN	114	249	459	423	458	355	343	334	99
Maternity fund benefit	GTKO	31	38	47	52	58	60	62	72	47
Social fund benefit	GTLQ	-	-	-	-	-	-	-	-	23
Other social security benefits										
War pensions and allowances	CSDD	342	392	433	476	497	502	557	572	552
Family benefits	CSDB	2 727	3 048	3 527	3 938	4 302	4 664	4 928	4 996	5 099
Supplementary benefits/Income support	CSDE	2 255	2 737	4 259	6 635	5 799	6 449	7 667	8 230	8 316
Other social security benefits	CSDC	726	947	1 109	1 477	1 156	1 105	1 372	1 679	2 116

		1988	1989	1990	1991	1992	1993	1994	1995	
Total social security benefits	AUAA	43 056	44 965	48 898	57 381	65 902	71 631	74 300	77 186	
Social security funds	GTKP	26 698	28 216	30 704	34 706	37 592	39 655	40 502	41 243	
National insurance fund										
Total national insurance	ACHH	26 550	28 054	30 463	34 346	37 130	39 297	40 137	40 873	
Retirement pensions	CSDG	19 182	20 587	22 269	25 191	26 788	28 270	28 896	29 926	
Widows and guardians allowances	CSDH	877	827	873	865	1 020	1 023	1 043	1 015	
Unemployment benefit	CSDI	1 261	806	780	1 486	1 749	1 685	1 360	1 120	
Sickness benefit	CSDJ	196	227	217	263	348	308	390	336	
Invalidity benefit	CSDK	3 355	3 793	4 411	5 203	6 078	6 867	7 798	7 957	
Maternity benefit	CSDL	28	31	34	39	42	34	16	30	
Statutory sick pay	CSDQ	873	970	974	788	694	682	188	24	
Statutory maternity pay	GTKZ	257	284	331	362	411	428	446	465	
Payments in lieu of benefits foregone	GTKV	-	-	-	-	-	-	-	-	
Death grant	CSDM	-	-	-	-	-	-	-	-	
Injury benefit	CSDN	-	-	-	-	-	-	-	-	
Disablement benefit	CSDO	460	468	512	134	-	-	-	-	
Industrial death benefit	CSDP	61	61	62	15	-	-	-	-	
Other social security funds										
Redundancy fund benefit	GTKN	83	68	128	230	308	165	180	184	
Maternity fund benefit	GTKO	1	-	-	-	-	-	-	-	
Social fund benefit	GTLQ	64	94	113	130	154	193	185	186	
Other social security benefits										
War pensions and allowances	CSDD	570	623	677	795	947	940	1 023	1 195	
Family benefits	CSDB	5 268	5 361	5 487	6 032	7 035	7 619	7 994	8 302	
Supplementary benefits/Income support	CSDE	8 016	8 156	8 907	11 155	15 022	16 676	16 511	16 623	
Other social security benefits	CSDC	2 504	2 609	3 123	4 693	5 306	6 741	8 270	9 823	

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