

Office for
**Budget
Responsibility**

Analysis of past forecasting performance

November 2010

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1 Introduction

- 1.1 The terms of reference for the Office for Budget Responsibility (OBR), published on 12 October 2010, set out that one of its core functions is to “produce an analysis of past forecasting performance.” The OBR is fully committed to transparency, and each year will produce a full and detailed report analysing the accuracy of its economy and fiscal forecasts, and explaining the differences between forecast and outturn. The OBR also plans to publish further detail on its forecast methodologies in due course, and in the future will use this report to explain significant changes to these methodologies.
- 1.2 The OBR first published a Budget forecast in June 2010 for the years 2010-11 to 2015-16. Therefore the first opportunity for the OBR to publish a detailed analysis of its forecast accuracy is in 2011, once reliable outturn data is available for 2010-11.
- 1.3 Ahead of this, to ensure continuity of data for users the OBR is providing tables setting out the differences between forecast and outturn for the two most recent Budget forecasts where the first forecast year has elapsed, Budget 2008 and Budget 2009. These forecasts were produced by HM Treasury under the previous Government. The OBR is not providing commentary on forecast accuracy or an explanation of forecast differences as this would require interpretation of the forecasting judgements made by the previous Government. The analysis underpinning the tables was commissioned by the OBR, but was undertaken by analysts in HM Revenue & Customs, the Department for Work and Pensions, and HM Treasury.
- 1.4 The tables show the differences between forecast and outturn for the year-ahead forecasts of the fiscal aggregates, and detailed receipts and expenditure forecasts. The format of the tables, and the methodology underlying the analysis, is based on that used in the *End of year fiscal report*,¹ a document produced by the Treasury between 2002 and 2009. This methodology reflects the forecast approach used at the time the Budget 2008 and 2009 forecasts were produced.

¹ *End of year fiscal report*, HM Treasury, 9 December 2009.

Methodology

1.5 The detailed receipts and expenditure tables use HM Treasury's methodology from the *End of year fiscal report* to break down the differences between forecast and outturn into the following categories:

- **economic determinants:** components of the fiscal forecast are generally related to economic determinants. For example, income tax receipts are to a large extent dependent on the level of wages and salaries, while gilt rates are a key determinant of the debt interest forecast. Any differences between the forecasts of these economic determinants and their eventual outturn values will partly explain the differences between forecast and outturn receipts and expenditure;
- **audited assumptions:** the forecasts of some determinants in the previous Government's fiscal forecasts were based on assumptions audited by the National Audit Office (NAO). Differences between forecast and outturn for those determinants subject to audited assumptions partly explain differences between forecast and outturn for receipts and expenditure. A full list of the audited assumptions was given in the March Budget;²
- **fiscal forecasting differences:** any differences between forecast and outturn receipts and expenditure, beyond those which can be explained by differences in the economic determinants and audited assumptions, are scored as fiscal forecasting differences. These reflect changes over time in the relationships between the economic determinants and components of the fiscal forecast, and the uncertainty inherent in fiscal forecasting;
- **policy measures:** this reflects the impact of new policy measures announced after the publication of the forecast; and
- **other factors:** changes in the definitions or statistical treatment of components of the public finances are scored under other factors. This also includes the removal of the AME margin.

1.6 In general, data on the economy and public finances is open for revision a considerable length of time after initial publication. The outturn data presented here could therefore change in the future.

1.7 As set out in the June Budget and pre-Budget forecast, the OBR has not produced estimates of the output gap for 2008-09 or earlier years. While recognising its potential shortcomings, the OBR has used the Treasury's approach to cyclical adjustment as set out in *Public finances and the cycle*.³

² *Budget 2010*, HM Treasury, March 2010 (Box C1, page 185).

³ *Public finances and the cycle: Treasury Economic Working Paper No. 5*, HM Treasury, November 2008.

Basis of the fiscal aggregates

- 1.8** The Budget 2008 and Budget 2009 forecasts were produced on the basis which includes the temporary effect of the financial interventions.⁴ To ensure consistency between forecast and outturn, the tables in this document show both forecast and outturn figures on this basis.
- 1.9** The Office for National Statistics now also publish outturn on the basis which excludes the effect of financial interventions, and this is the basis on which the Government's fiscal policy is set. The OBR's November fiscal forecast therefore shows outturn and forecast on this basis. As a result, outturn in this document for the fiscal aggregates, and for some receipts and expenditure components, will not match outturn figures published in the November forecast. Table 2.1 reconciles outturn figures for the fiscal aggregates on the two bases.
- 1.10** In the detailed receipts and expenditure breakdowns, differences between forecast and outturn due to the unanticipated effects of the financial sector interventions are in general scored as fiscal forecasting differences.

Alignment project ('Clear Line of Sight')

- 1.11** In the detailed expenditure breakdown, both forecast and outturn figures reflect the impact of the Treasury's Alignment project. These technical changes affect Departmental Expenditure Limits (DEL) and Annually Managed Expenditure (AME), but have no effect on Total Managed Expenditure (TME) or the fiscal aggregates. More detail on the Alignment project is set out in *Alignment (Clear Line of Sight) Project*, HM Treasury, March 2009.

⁴ *Public sector finances excluding financial interventions*, Office for National Statistics, March 2010.

2 Fiscal aggregates

2.1 Table 2.1 provides a reconciliation between public sector net borrowing (PSNB) including and excluding the effect of the financial interventions. To ensure consistency, forecasts and outturns presented in this document include the effect of the financial interventions as this was the basis on which the forecasts were made in Budget 2008 and 2009. In the November fiscal forecast, outturn and forecast is presented on the basis which excludes the effect of the financial interventions as this is now published by the ONS and is the basis on which the Government's fiscal policy is set.

Table 2.1: Reconciliation of public sector net borrowing outturn

	£ billion	
	2008-09	2009-10
PSNB including financial interventions	86.4	145.6
<i>Temporary effects excluded from PSNB ex:</i>		
Public sector banks, Special Liquidity Scheme and Asset Purchase Facility: transactions with private sector	1.3	7.8
<i>Permanent effects included in PSNB ex:</i>		
Public sector banks: transactions with government	-1.1	-5.1
Equity injections into RBS and Lloyds	6.1	6.3
Capital injection into Northern Rock	0.0	1.4
Depositor compensation: Bradford & Bingley	3.3	0.0
PSNB excluding financial interventions	96.0	156.0
Difference	9.6	10.4
<i>of which:</i>		
Current receipts	-0.3	6.0
Depreciation	-0.1	0.0
Net investment	10.0	4.4

Note: Totals may not sum due to rounding.
Source: Public Sector Finances release, Office for National Statistics, November 2010.

2.2 Tables 2.2 and 2.3 present the differences between forecast and outturn for the fiscal aggregates in per cent of GDP and nominal terms.

Table 2.2: Differences in Budget forecasts for main aggregates

	Per cent of GDP					
	2008-09 (Budget 2008)			2009-10 (Budget 2009)		
	Forecast	Outturn	Difference	Forecast	Outturn	Difference
Surplus on current budget	-0.7	-3.5	-2.8	-9.4	-7.2	2.2
Cyclically-adjusted surplus on current budget	-0.5	-3.1	-2.6	-6.7	-4.9	1.8
Public sector net borrowing	3.0	6.0	3.1	12.5	10.4	-2.1
Cyclically-adjusted public sector net borrowing	2.8	5.7	2.9	9.8	8.1	-1.7
Public sector net debt ¹	41.5	53.0	11.5	64.4	61.8	-2.6

¹ Outturn for public sector net debt in 2008-09 reflects the inclusion of the Northern Rock balance sheet.

Note: Forecasts are given as a percentage of outturn GDP, and may therefore differ from the forecasts as published in Budget 2008 and Budget 2009. Figures may not sum due to rounding.

Table 2.3: Summary of differences in Budget forecasts

	£ billion					
	2008-09 (Budget 2008)			2009-10 (Budget 2009)		
	Forecast	Outturn	Difference	Forecast	Outturn	Difference
Current budget						
Current receipts	575.2	533.3	-42.0	496.1	519.8	23.7
Current expenditure	566.2	564.3	-1.9	608.0	600.9	-7.2
Depreciation	18.6	18.8	0.2	19.6	19.5	-0.1
Surplus on current budget	-9.6	-49.9	-40.2	-131.6	-100.6	31.0
Capital budget						
Gross investment	51.5	55.4	3.8	63.4	64.6	1.1
Less Depreciation	18.6	18.8	0.2	19.6	19.5	-0.1
Net investment	32.9	36.6	3.7	43.8	45.0	1.2
Public sector net borrowing	42.5	86.4	43.9	175.4	145.6	-29.7
Public sector net debt¹	581.1	742.2	161.1	927.7	889.6	-38.1
Memo						
Treaty deficit ²	46.6	97.4	50.8	178.5	160.1	-18.4
Treaty debt ³	679.1	800.0	120.9	1014.5	1000.4	-14.1

¹ Outturn for public sector net debt in 2008-09 reflects the inclusion of the Northern Rock balance sheet.

² General government net borrowing on a Maastricht basis.

³ General government gross debt on a Maastricht basis.

Note: The difference columns in this table are calculated as outturn minus forecast. Figures may not sum due to rounding.

2.3 Table 2.4 breaks down the differences in the fiscal aggregates into the categories set out in the introduction.

Table 2.4: Breakdown of differences in the main fiscal aggregates

	£ billion	
	Budget 2008 forecast for 2008-09	Budget 2009 forecast for 2009-10
Current receipts difference	-42.0	23.7
<i>contribution from:</i>		
Economic determinants	-26.8	0.1
NAO-audited assumptions	-0.5	5.4
Fiscal forecasting differences	-7.9	18.2
Policy measures	-6.7	0.1
Other factors	0.0	0.0
Current expenditure difference	-1.9	-7.2
<i>contribution from:</i>		
Economic determinants	0.2	3.7
NAO-audited assumptions	-0.1	-2.0
Fiscal forecasting differences	-2.0	-8.2
Policy measures	1.3	0.2
Other factors	-1.4	-0.9
Depreciation difference	0.2	-0.1
<i>contribution from:</i>		
Economic determinants	0.0	0.0
NAO-audited assumptions	0.0	0.0
Fiscal forecasting differences	0.2	-0.1
Policy measures	0.0	0.0
Other factors	0.0	0.0
Current budget difference	-40.2	31.0
<i>contribution from:</i>		
Economic determinants	-27.1	-3.7
NAO-audited assumptions	-0.4	7.4
Fiscal forecasting differences	-6.1	26.5
Policy measures	-8.1	-0.2
Other factors	1.4	0.9
Net investment difference	3.7	1.2
<i>contribution from:</i>		
Economic determinants	0.1	0.2
NAO-audited assumptions	0.0	0.0
Fiscal forecasting differences	1.6	1.1
Policy measures	1.5	0.1
Other factors	0.5	-0.1
Net borrowing difference	43.9	-29.7
<i>contribution from:</i>		
Economic determinants	27.1	3.9
NAO-audited assumptions	0.4	-7.4
Fiscal forecasting differences	7.7	-25.4
Policy measures	9.6	0.3
Other factors	-0.9	-1.0

Note: Differences calculated as outturn minus forecast. Contributions may not sum due to rounding.

3 Receipts

- 3.1** Tables 3.1 and 3.2 present detailed breakdowns of receipts in 2008-09 and 2009-10 compared to the Budget 2008 and 2009 forecasts. The differences between forecast and outturn are allocated to the categories set out in the introduction.

Table 3.1: Breakdown of Budget 2008 forecasting differences of receipts for 2008-09

	£ billion							
	Forecast	Outturn	Difference	of which:				
				Economic determinants	Assumptions audited by the NAO	Fiscal forecasting differences	Policy measures	Other factors
HM Revenue & Customs								
Income tax (gross of tax credits)	160.2	153.5	-6.8	-10.0	0.9	4.7	-2.4	0.0
Income tax credits ¹	-5.2	-5.6	-0.4	0.0	0.0	-0.4	0.0	0.0
National insurance contributions	104.6	96.9	-7.7	-4.0	0.2	-3.9	0.0	0.0
Value added tax	83.8	78.4	-5.3	-2.3	-2.9	1.4	-1.5	0.0
Corporation tax ²	51.3	43.1	-8.2	-5.1	1.6	-4.7	0.0	0.0
Petroleum revenue tax	1.7	2.6	0.9	0.6	0.4	-0.1	0.0	0.0
Fuel duties	25.7	24.6	-1.1	-0.3	-0.3	-0.4	-0.2	0.0
Capital gains tax	5.0	7.9	2.9	-0.1	0.0	3.0	0.0	0.0
Inheritance tax	3.2	2.8	-0.4	-0.1	-0.1	-0.2	0.0	0.0
Stamp duties	13.5	8.0	-5.5	-4.4	-0.9	-0.1	-0.1	0.0
Tobacco duties	7.6	8.2	0.6	0.1	0.6	-0.2	0.1	0.0
Alcohol duties	8.7	8.5	-0.2	-0.2	0.0	-0.1	0.1	0.0
Other HMRC	10.6	10.3	-0.3	0.3	0.0	-0.6	0.1	0.0
Total HMRC	470.5	439.1	-31.4	-25.4	-0.5	-1.6	-3.9	0.0
Vehicle excise duties	6.1	5.6	-0.5	-0.3	0.0	-0.3	0.0	0.0
Business rates	23.7	22.9	-0.8	0.0	0.0	-0.7	-0.1	0.0
Council tax	24.9	24.4	-0.5	0.0	0.0	-0.5	0.0	0.0
Other taxes and royalties	15.7	15.8	0.1	0.4	0.0	-0.1	-0.6	0.4
Net taxes and national insurance contributions	541.0	507.8	-33.2	-25.3	-0.5	-3.1	-4.6	0.4
Accruals adjustment on taxes	2.0	-4.6	-6.6	-1.6	-0.3	-2.6	-2.1	0.0
less VAT and own resources EU contributions	-4.7	-5.1	-0.4	0.0	0.0	-0.4	0.0	0.0
less PC onshore CT payments	-0.2	-0.2	0.0	0.0	0.0	0.0	0.0	0.0
Tax credits adjustment ³	0.7	0.7	0.0	0.0	0.0	0.0	0.0	0.0
Interest & dividends	7.0	7.7	0.7	0.0	0.3	0.4	0.0	0.0
Other receipts	29.4	27.0	-2.4	0.0	0.0	-2.1	0.0	-0.4
Current receipts	575.2	533.3	-42.0	-26.8	-0.5	-7.9	-6.7	0.0

¹ Income tax only includes tax credits that offset income tax liability, in line with internationally agreed definitions.

² Net of negative tax credits.

³ Tax credits that are classified as expenditure in the National Accounts but negative taxation in the calculation of net taxes and national insurance contributions.

Note: Figures may not sum due to rounding.

Table 3.2: Breakdown of Budget 2009 forecasting differences of receipts for 2009-10

	£ billion							
	Forecast	Outturn	Difference	of which:				
Economic determinants				Assumptions audited by the NAO	Fiscal forecasting differences	Policy measures	Other factors	
HM Revenue & Customs								
Income tax (gross of tax credits)	140.5	144.9	4.3	1.8	0.8	1.7	0.0	0.0
Income tax credits ¹	-6.2	-5.6	0.6	0.0	0.0	0.6	0.0	0.0
National insurance contributions	97.7	95.5	-2.2	0.5	0.2	-2.8	0.0	0.0
Value added tax	63.7	70.1	6.4	-0.5	2.2	4.4	0.3	0.0
Corporation tax ²	33.9	35.8	1.9	-1.7	2.3	1.3	0.0	0.0
Petroleum revenue tax	1.1	0.9	-0.2	-0.4	0.6	-0.3	0.0	0.0
Fuel duties	26.6	26.2	-0.4	-0.4	-0.3	0.4	0.0	0.0
Capital gains tax	2.2	2.5	0.3	0.0	0.0	0.3	0.0	0.0
Inheritance tax	2.3	2.4	0.1	0.1	0.1	0.0	0.0	0.0
Stamp duties	5.0	7.9	2.9	2.0	0.3	0.6	0.1	0.0
Tobacco duties	8.3	8.8	0.5	0.0	0.5	0.0	0.0	0.0
Alcohol duties	8.7	9.0	0.3	0.0	0.0	0.3	0.0	0.0
Other HMRC	10.4	10.0	-0.4	-0.3	0.0	-0.1	0.0	0.0
Total HMRC	394.2	408.5	14.3	1.0	6.6	6.3	0.3	0.0
Vehicle excise duties	5.6	5.6	-0.1	-0.1	0.0	0.0	0.0	0.0
Business rates	23.8	23.4	-0.4	0.0	0.0	-0.4	0.0	0.0
Council tax	24.9	24.9	0.0	0.0	0.0	0.0	0.0	0.0
Other taxes and royalties	16.8	15.4	-1.4	-1.3	0.0	-0.1	0.0	0.0
Net taxes and national insurance contributions	465.4	477.8	12.4	-0.3	6.6	5.7	0.3	0.0
Accruals adjustment on taxes	0.3	7.8	7.5	0.4	-0.1	7.5	-0.3	0.0
less VAT and own resources EU contributions	-4.2	-3.8	0.4	0.0	0.0	0.4	0.0	0.0
less PC onshore CT payments	-0.2	-0.3	-0.1	0.0	0.0	-0.1	0.0	0.0
Tax credits adjustment ³	0.7	0.7	0.0	0.0	0.0	0.0	0.0	0.0
Interest & dividends	5.6	3.5	-2.1	0.0	-1.2	-0.9	0.0	0.0
Other receipts ⁴	28.4	33.9	5.5	0.0	0.0	5.5	0.0	0.0
Current receipts	496.1	519.8	23.7	0.1	5.4	18.2	0.1	0.0

¹ Income tax only includes tax credits that offset income tax liability, in line with internationally agreed definitions.

² Net of negative tax credits.

³ Tax credits that are classified as expenditure in the National Accounts but negative taxation in the calculation of net taxes and national insurance contributions.

⁴ Includes interest payments received by the Bank of England Asset Purchase Facility Fund.

Note: Figures may not sum due to rounding.

4 Expenditure

- 4.1** Tables 4.1 and 4.2 present detailed breakdowns of expenditure in 2008-09 and 2009-10 compared to the Budget 2008 and 2009 forecasts. The differences between forecast and outturn are allocated to the categories set out in the introduction.

Table 4.1: Breakdown of Budget 2008 forecasting differences of expenditure for 2008-09

	Forecast	Outturn	Difference	£ billion				
				Economic determinants	Assumptions audited by the NAO	Fiscal forecasting differences	Policy measures	Other factors
Resource DEL	316.9	313.5	-3.4	0.0	0.0	-4.0	0.6	0.0
Resource AME	249.3	250.8	1.5	0.2	-0.1	2.0	0.7	-1.4
<i>of which:</i>								
Social security benefits	146.4	149.7	3.4	0.0	0.7	1.7	1.1	0.0
Tax credits	19.0	19.9	0.9	0.0	0.0	0.9	0.0	0.0
Net public service pensions	2.9	3.1	0.2	0.0	0.0	0.2	0.0	0.0
National Lottery	0.9	1.0	0.2	0.0	0.0	0.2	0.0	0.0
BBC domestic services	3.5	3.4	-0.1	0.0	0.0	-0.1	0.0	0.0
Other departmental expenditure	2.0	1.1	-0.9	0.0	0.0	-0.9	0.0	0.0
Net expenditure transfers to EC institutions	5.5	3.1	-2.4	0.0	0.0	-2.4	0.0	0.0
Locally financed expenditure	25.7	27.0	1.3	0.0	0.0	1.3	0.0	0.0
Central Government gross debt interest	30.3	30.5	0.2	-0.1	-0.7	1.0	0.0	0.0
AME margin	0.9	0.0	-0.9	0.0	0.0	0.0	0.0	-0.9
Accounting adjustments	12.4	12.2	-0.2	0.4	0.0	0.2	-0.3	-0.5
Public sector current expenditure	566.2	564.3	-1.9	0.2	-0.1	-2.0	1.3	-1.4
Capital DEL	48.1	48.5	0.4	0.0	0.0	-0.8	1.0	0.2
Capital AME	3.4	6.8	3.5	0.1	0.0	2.6	0.5	0.3
<i>of which:</i>								
National Lottery	0.6	0.5	-0.1	0.0	0.0	-0.1	0.0	0.0
BBC domestic services	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Other departmental expenditure	0.5	0.2	-0.3	0.0	0.0	-0.8	0.0	0.5
Locally financed expenditure	4.6	7.4	2.8	0.0	0.0	2.8	0.0	0.0
Public corporations' own-financed capital expenditure	5.2	6.4	1.2	0.0	0.0	0.7	0.1	0.4
AME margin	0.1	0.0	-0.1	0.0	0.0	0.0	0.0	-0.1
Accounting adjustments	-7.7	-7.7	-0.1	0.1	0.0	0.0	0.4	-0.5
Public sector gross investment	51.5	55.4	3.8	0.1	0.0	1.8	1.5	0.5
Less Depreciation	-18.6	-18.8	-0.2	0.0	0.0	-0.2	0.0	0.0
Public sector net investment	32.9	36.6	3.7	0.1	0.0	1.6	1.5	0.5
Total managed expenditure	617.8	619.7	1.9	0.3	-0.1	-0.2	2.8	-0.9
<i>Memo: Annually Managed Expenditure</i>	<i>264.1</i>	<i>269.3</i>	<i>5.2</i>	<i>0.3</i>	<i>-0.1</i>	<i>4.8</i>	<i>1.2</i>	<i>-1.1</i>
<i>Departmental Expenditure Limits</i>	<i>353.6</i>	<i>350.4</i>	<i>-3.2</i>	<i>0.0</i>	<i>0.0</i>	<i>-5.0</i>	<i>1.6</i>	<i>0.1</i>
<i>of which: removal of depreciation in RDEL</i>	<i>-11.5</i>	<i>-11.6</i>	<i>-0.2</i>	<i>0.0</i>	<i>0.0</i>	<i>-0.2</i>	<i>0.0</i>	<i>0.0</i>

Table 4.2: Breakdown of Budget 2009 forecasting differences of expenditure for 2009-10

	Forecast	Outturn	Difference	£ billion				
				Economic determinants	Assumptions audited by the NAO	Fiscal forecasting differences	Policy measures	Other factors
Resource DEL	334.6	334.9	0.3	0.0	0.0	0.2	0.0	0.0
Resource AME	273.4	266.0	-7.4	3.7	-2.0	-8.4	0.2	-0.9
<i>of which:</i>								
Social security benefits	164.7	163.5	-1.2	-0.1	-1.7	0.4	0.2	0.0
Tax credits	21.7	22.9	1.3	0.0	0.0	1.3	0.0	0.0
Net public service pensions	4.1	3.2	-0.9	0.0	0.0	-0.9	0.0	0.0
National Lottery	0.9	1.0	0.1	0.0	0.0	0.1	0.0	0.0
BBC domestic services	3.5	3.5	0.0	0.0	0.0	0.0	0.0	0.0
Other departmental expenditure	2.5	0.2	-2.3	0.0	0.0	-2.3	0.0	0.0
Net expenditure transfers to EC institutions	5.6	6.4	0.8	0.0	0.0	0.8	0.0	0.0
Locally financed expenditure	27.9	25.7	-2.3	0.0	0.0	-2.3	0.0	0.0
Central Government gross debt interest	27.2	30.9	3.7	2.8	-0.3	1.3	0.0	0.0
AME margin	0.9	0.0	-0.9	0.0	0.0	0.0	0.0	-0.9
Accounting adjustments	14.4	8.7	-5.7	1.1	0.0	-6.8	0.0	0.0
Public sector current expenditure	608.0	600.9	-7.2	3.7	-2.0	-8.2	0.2	-0.9
Capital DEL	57.8	57.0	-0.8	0.0	0.0	-0.7	-0.1	0.0
Capital AME	5.7	7.6	1.9	0.2	0.0	1.7	0.2	-0.1
<i>of which:</i>								
National Lottery	1.0	0.8	-0.2	0.0	0.0	-0.2	0.0	0.0
BBC domestic services	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Other departmental expenditure	1.4	1.4	-0.1	0.0	0.0	-0.2	0.0	0.2
Locally financed expenditure	4.4	6.8	2.4	0.0	0.0	2.4	0.0	0.0
Public corporations' own-financed capital expenditure	7.4	8.0	0.6	0.0	0.0	0.6	0.0	0.0
AME margin	0.1	0.0	-0.1	0.0	0.0	0.0	0.0	-0.1
Accounting adjustments	-8.7	-9.4	-0.6	0.2	0.0	-0.8	0.2	-0.2
Public sector gross investment	63.4	64.6	1.1	0.2	0.0	1.0	0.1	-0.1
<i>Less Depreciation</i>	<i>-19.6</i>	<i>-19.5</i>	<i>0.1</i>	<i>0.0</i>	<i>0.0</i>	<i>0.1</i>	<i>0.0</i>	<i>0.0</i>
Public sector net investment	43.8	45.0	1.2	0.2	0.0	1.1	0.1	-0.1
Total managed expenditure	671.4	665.4	-6.0	3.9	-2.0	-7.2	0.4	-1.0
<i>Memo: Annually Managed Expenditure</i>	<i>291.5</i>	<i>286.7</i>	<i>-4.9</i>	<i>3.9</i>	<i>-2.0</i>	<i>-6.1</i>	<i>0.4</i>	<i>-1.0</i>
<i>Departmental Expenditure Limits</i>	<i>379.9</i>	<i>378.8</i>	<i>-1.1</i>	<i>0.0</i>	<i>0.0</i>	<i>-1.1</i>	<i>0.0</i>	<i>0.0</i>
<i>of which: removal of depreciation in RDEL</i>	<i>-12.4</i>	<i>-13.1</i>	<i>-0.6</i>	<i>0.0</i>	<i>0.0</i>	<i>-0.6</i>	<i>0.0</i>	<i>0.0</i>

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