

UK Centre for the Measurement of
Government Activity

Improving the Quality of Central Government Expenditure Data Used in the National Accounts: A 2008 Update

Summary

This paper outlines achievements by the Office for National Statistics (ONS), HM Treasury (HMT) and other departments to improve the quality of central government expenditure data for use in the National Accounts and related purposes. The paper reports progress on relevant recommendations in the Atkinson Review of Measurement of Government Output and Productivity for the National Accounts (2005).

Section 1: Introduction

In 2005, ONS published a report *Measurement of Government Output and Productivity for the National Accounts*, following a review led by Sir Tony Atkinson. The *Atkinson Report* made recommendations for improving measures of the output of public services and also for improving input measures used in the National Accounts, including figures for government expenditure. These are part of the measure of GDP at current prices and are used to report public finance statistics, such as the ratio of expenditure to GDP. In the context of the Atkinson report, central government expenditure data is used in calculations of volume of outputs, inputs and productivity change in public services. The review identified a number of issues, which affect the accuracy and quality of central government data: complex data flows involving multiple suppliers, data classification and periodicity. (The review also recommended improvements in local government expenditure data; an update on progress will be published separately.) The report recommended specific improvements in these areas, to be achieved through cooperation between Office for National Statistics (ONS) and HM Treasury (HMT) as the main users of expenditure data, and other data suppliers (government departments).

A central recommendation was the need to create a 'clear line of sight' in the data supply chain so that both users and suppliers of data would be able to trace data through the supply chain, including transparency on adjustments made to meet National Accounts requirements. This would improve error detection, help interpretation of any changes such as those following legislation on public service delivery, and improve the quality of reported statistics. The Atkinson review noted that the Treasury were developing the Combined On-Line Information System (COINS) and this would support delivery of some of the recommendations.

This paper reports on progress from 2005 to 2008 in improving the quality and accuracy of central government expenditure data. It updates a similar ONS paper in 2006, just after COINS was implemented (ONS 2006). The paper is organised as follows:

- Section 1 provides an introduction and sets out the Atkinson recommendations on central government expenditure data

- Section 2 explains the use of central government expenditure data by the Treasury, ONS and the Bank of England
- Section 3 describes the data supply chain
- Section 4 reports action taken to improve the quality of central government expenditure data
- Section 5 sums up

1.1 Atkinson recommendations on central government expenditure data

The Atkinson report highlighted three main problems with central government expenditure data: complex data flows, data classification and periodicity. (For local government, there were also problems on timeliness.)

- 1. Complex data flows:** there are multiple data sources (devolved administrations and central government departments) and a potential for errors in reconciling at the aggregate level. There was also a lack of communication between source departments and others involved in collating and using data, with adjustments made to the data along the supply chain but not reported back to the source departments.
- 2. Data classification:** it was difficult to reconcile data classifications, used by departments and those required in the National Accounts. This applied both to economic categories (e.g. pay, expenditure on goods and services, current grants and transfers) and functional categories (Classification of the Functions of Government (COFOG) e.g. Education, Health, Defence). This meant National Accounts Group had to make a number of assumptions to enable the compilation of components and final figures. Data collection did not give enough detail at level 2 of COFOG. The report also identified the need for a clear split on spending by COFOG category within each country of the UK (England, Wales, Scotland and Northern Ireland).
- 3. Periodicity:** some data were collected on a calendar year basis and other data on a financial year basis, which made reconciliation difficult.

The Atkinson recommendations for improving the quality and accuracy of central government data are set out in Box 1.

Box 1: Atkinson recommendations

Rec. 5.1 – Data accuracy	Importance of accurate data for National Accounts should be recognised at the highest level within reporting departments.
Rec. 5.2 - Line of sight	ONS should document the data flows on government spending on public services in National Accounts both inside and outside ONS
Rec. 5.3 – Data classification	ONS and HMT together with Department of Communities and Local Government (DCLG) and Devolved Administrations (DAs) should improve the accuracy of data classification for government spending on public services in National Accounts
Rec. 5.4 – Integrate users	ONS is recognised as an important user of COINS system and thus should be involved in its future development. Ensure that there is an ongoing mechanism by which data quality issues can be addressed.

Source: Atkinson (2005)

Recommendation 5.1 stressed the importance of Departmental Accounting Officers taking responsibility for the accuracy of the data reported, hence the

Finance Director Sign-Off initiative. Recommendation 5.2, highlighted the need for ONS to adapt and improve its processes to take full advantage of what COINS would offer as a single data system. Among other things, Recommendation 5.3 highlighted the need to develop a satisfactory basis for attributing government spending between functional classification, economic categories, and country, consistent with National Accounts requirements. Recommendation 5.4 emphasised the role that ONS had to play in the post-implementation review of COINS as an avenue to improving data quality.

1.2 Follow up Paper by ONS 2006

ONS published '*Improving the Quality of Central Government Expenditure Data*' in 2006, following the launch of the COINS system by HM Treasury. The paper highlighted: (i) the importance of a 'clear line of sight' from one end of the data supply chain to the other; (ii) the complex data supply chains and the potential problems that arise; (iii) the opportunities that COINS would provide in improving transparency in the collection and use of central government data; (iv) the importance of aligning COINS outturn data used for National Accounts with the audited departmental accounting data under the Whole of Government Accounts (WGA). This paper provides an update on developments in the following two years.

1.3 Progress in meeting the Atkinson recommendations

The Atkinson recommendations on central government expenditure data have now been broadly met. Some continuing issues are kept under review jointly by ONS and HMT through the Public Service Finance Data (PSFD) Group. Changes have involved three main areas of the central government expenditure data supply chain – government departments, COINS, and ONS/HMT. These are summarised in Box 2 and will be discussed in detail in section 4.

Box 2: Progress on Atkinson Recommendations

Departmental level	Significant changes
	<ul style="list-style-type: none"> (i) Data are captured on a single database (COINS) on a monthly basis as opposed to two different systems (PES & GEM) on monthly and annual basis. (ii) Finance Directors sign-off all quarterly expenditure data entered into COINS aimed at making departments responsible for data quality and accuracy. (iii) Initiatives by the Office of Government Commerce (OGC) to get departments to agree to a single version of procurement spend classification, aimed at improving the quality and accuracy of procurement expenditure.
COINS	<ul style="list-style-type: none"> (i) Better quality assurance of monthly data input into COINS by departments and HMT spending teams (ii) Introduction of data validation reports aimed at meeting the needs of the ONS and HMT (iii) More detailed data at COFOG two-digit level available. (iv) Review of the standard chart of account (SCoA) to ensure greater accuracy in the

	scoring of data. (v) Mapping of European system of accounts (ESA) economic categories to SCoAs
Within ONS and HM Treasury	(i) ONS and HMT have agreed a Service Level Agreement (SLA) aimed at improving the quality and timely delivery of data from COINS to ONS. (ii) Various user groups and working groups have been set up to monitor the progress on the implementation of Atkinson and other HMT initiatives (iii) ONS has implemented a new quality assurance process of quarterly expenditure data by COFOG.

Section 2: Use of Central Government Expenditure Data

2.1 Importance

Central government expenditure data are used to produce the National Accounts, public finance statistics, to support fiscal and monetary policy and to measure public service productivity. This article puts particular emphasis on work by the UK Centre for the Measurement of Government Activity (UKCeMGA) in ONS, which requires consistent time series of disaggregated data sets to measure productivity change. However, the improvements in the central government expenditure data will benefit other users, as well as UKCeMGA. These are discussed below;

2.2 Use by ONS

- monthly and quarterly expenditure data from COINS are used to produce Public Sector Finance (PSF) statistics issued jointly with HMT. The statistics cover the main aspects of government finances including receipts, expenditure, borrowing and debt.
- quarterly expenditure data are also used to produce the third estimate of gross domestic product (GDP) for the previous quarter. Given that public sector expenditure constitutes over 41% of GDP, with central government spending at 30% of GDP in 2007¹, correct classification and measurement are important for accurate GDP estimates. For example, transfer payments, such as social security benefits, while part of government budgets but are not classified as government expenditure for the National Accounts, since they form part of household consumption.
- ONS uses monthly central government data to fulfil Eurostat reporting requirements, by compiling a set of returns that assess the level of government deficit under the provisions of the Maastricht Treaty². Additionally, ONS compiles a detailed COFOG return (at COFOG level 2) to Eurostat, used to produce European Union comparative statistics on government spending by function.
- UK Centre for the Measurement of Government Activity (UKCeMGA) use central government expenditure data to produce public service productivity estimates within functions of government, with publications so far on health care, education, adult social care and social security administration. In productivity analysis, measures of outputs from

¹ <http://www.ukpublicspending.co.uk/#ukgs302>

² The treaty led to the creation of the euro, and created what is commonly referred to as the pillar structure of the European Union.

government spending are divided by measures of inputs. Inputs are derived from current price spending, adjusted for pay and price increases: it is important to separate labour, capital and procurement costs accurately. Expenditure figures are also used to of cost weight output measures: accurate and consistent disaggregation of separate functional components is necessary (e.g. separating costs of administration of child benefit from costs of tax collection).

- UKCeMGA also contribute data to the compendium of *OECD Health Data*. For this, general government expenditure data on Healthcare (COFOG 7) are combined with Household expenditure on Healthcare to calculate estimates of expenditure on Healthcare in the UK – see ONS (2008).

2.3 Use by HM Treasury

- The Treasury use monthly and quarterly outturn data, together with forecasts, to monitor and control spending against administrative control totals
- Monthly expenditure data are used directly to compile monthly statistics on the key fiscal aggregates used to monitor the government's performance against its fiscal objectives
- The level of GDP growth and the outturn levels of the public finance aggregates are key statistics in informing the Chancellor's decisions on fiscal policy
- The Treasury is a key user of the quarterly National Accounts and other economic statistics as part of its responsibility in formulating and implementing the Government's financial and economic policy
- These data are used in the preparation of the Budget, Pre-Budget Reports (PBR)³ and the Spending Review⁴

2.4 Use by the Bank of England

- The Bank of England (BoE) use the quarterly National Accounts and GDP estimates as part of a basket of statistics that inform decisions by the Monetary Policy Committee (MPC) on setting interest rates and in meeting the government's inflation target.

Given the importance attached to central government data by its various stakeholders, it is important to ensure central government final consumption components are accurate. While some users are concerned with aggregates and others with detailed components, errors in individual components through misclassification could also affect aggregates.

Section 3: The data supply chain

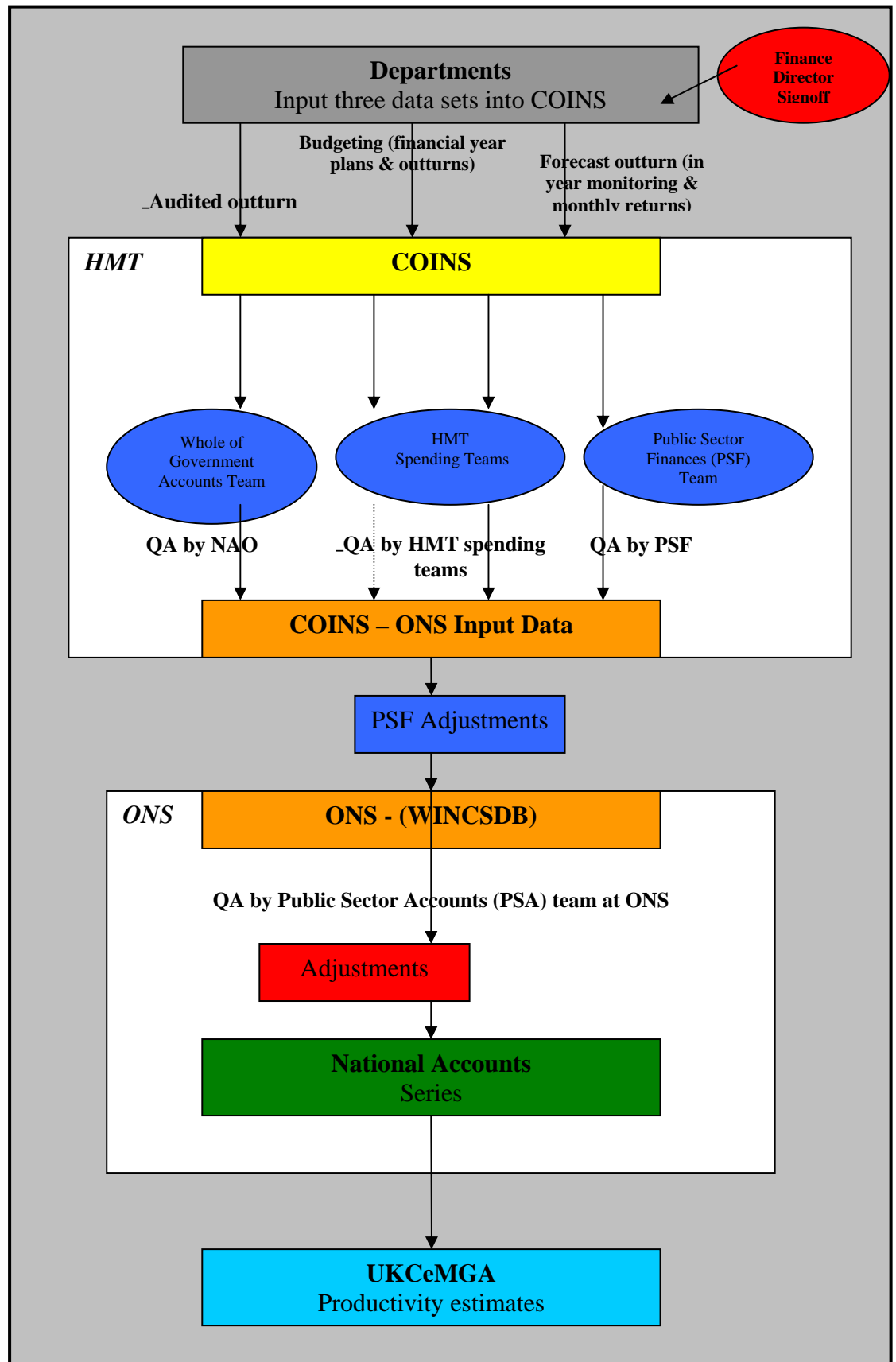
Figure 1 illustrates the flow of data to and from various producers and users. Departments enter three separate data streams into COINS; (i) budgeting (plans and outturn), (ii) forecast outturn (in year monitoring and monthly returns), and (iii) audited outturn (Whole of Government Accounts – WGA). Various Treasury teams (WGA, Spending & PSF) then process the data as a part

³ A progress report on what has been achieved so far, gives an update of the state of the economy and public finances, and sets out the direction of Government policy in the run up to the spring Budget.

⁴ Spending Reviews set firm and fixed three-year Departmental Expenditure Limits and, through Public Service Agreements (PSA), define the key improvements that the public can expect from these resources.

of a quality assurance process. The data are then provided to the ONS, who make adjustments to create a National Accounts series. These include adjustments for errors directly linked to COINS entries; errors picked up but which cannot be linked to a COINS entry given the reporting threshold, data used in place of COINS, and permanent adjustments made to COINS data due to coverage issues (these are discussed in detail in section 3.3 below). The data are then disseminated to users within and outside ONS.

Figure 1: Central Government Expenditure Data Flow



Source: ONS 2006

3.1 Departments

Departments input data directly onto the COINS system. Forecast outturn data are supplied monthly (due 8th working day); these monthly returns are used to determine quarterly data. Audited outturn whole of government accounts data are supplied annually 12 months after end of the financial year. The Budgeting (plans and outturn) data supply timetable is driven by set-piece events or publications (e.g. Budget, Pre-Budget Report (PBR), Public Expenditure Outturn White Paper (PEOWP), supplementary estimates.

Whole of Government Accounts (WGA) are full accruals based accounts covering about 1300 bodies from within the central government, health service, local government and public corporation sectors. The WGA submission requires departments to complete a set of forms (C-Pack for the central government bodies) with the information derived from audited accounts. The type of data reported would cover the accounts, counter party data (transactions between central government departments) and any other additional data used in the compilation of the accounts. In addition, departments input financial year plans and outturn as part of the Budgeting data stream, current monthly outturns and forecasts as a part of the Forecast Outturn data stream onto COINS.

3.1.1 Quality assurance at this level

The Finance Director (FD) Sign-off and the external audit of accounts by the National Audit Office (NAO) provide quality assurance of departmental data reported on COINS. The FD sign off involves the Finance Directors of central government departments signing off their forecast outturn data on COINS on a quarterly basis. The sign off pack, provided by HMT, takes the COINS data submitted by departments and presents it in the familiar high-level Departmental Expenditure Limit (DEL) and Annually Managed Expenditure (AME) aggregates⁵, with a further breakdown into economic transactions consistent with the presentation of Total Managed Expenditure (TME)⁶ in Public Sector Finances (PSF). Tables 1, 2 and 3 in the annex show templates used in the Finance Director sign-off of the Budgeting framework, National Accounts framework, and Reconciliation of departmental spending between the budgeting and national accounts frameworks respectively. In addition to these tables, FDs are asked to provide a signed statement of accuracy certifying the data submitted/reported. They have to confirm that the figures contained in the report properly reflect, in accordance with the Resource Accounting and Budgeting Framework:

- the Forecast Outturn data for the year to date
- the Budget control totals as agreed with HM Treasury
- the current best estimates of forecast outturn data to year-end

By signing off the data, FDs take responsibility for the accuracy and quality of data reported on COINS. This is in line with the *Atkinson Review* recommendations (Rec 5.1) and provides the first stage in the quality

⁵ The framework for public expenditure is divided between Departmental Expenditure Limit (DEL) spending - which is planned and controlled on a three year basis in Spending Reviews; and Annually Managed Expenditure (AME), which is expenditure which cannot reasonably be subject to firm, multi year limits in the same way as DEL.

⁶ Together, DEL plus AME sum to TME only after accounting adjustments have been made. TME is a measure drawn from national accounts. It represents the current and capital spending of the public sector.

assurance of central government data at source. Planned developments on the FD sign-off initiative are discussed in section 5.1.

3.2 HMT

Several HMT teams perform different roles in quality assuring the data. These are Spending teams, Public Sector Finance (PSF) and the Whole of government Accounts (WGA) team.

(i) The HMT spending teams are concerned with financial planning and control. They are organised so that each department (Department of Health (DH), Ministry of Defence (MoD), Department for Work and Pensions (DWP) etc) has a linked spending team at HMT⁷. Spending Teams roles are very wide ranging from policy to dealing with financial data i.e. checking Estimates, Annual Reports, Resource Accounts etc. In relation to COINS, and the quality assurance of central government data reported on the system, they are responsible for;

- checking and approving or rejecting changes to data since spending teams sign off their department's data on COINS
- checking and agreeing or rejecting requests to set up or amend Estimates structure details and Programme Objects
- reviewing and checking draft outputs from COINS for their departments (e.g. Main Estimates)
- using COINS data to carry out analysis as a tool to monitor financial expenditure against the Budget/Estimates and Accounts Framework. They monitor their department and look for any changes from the agreed budget hence keeping spending within agreed DELs

(ii) The Public Sector Finance (PSF) within HMT collects monthly expenditure data and co-produce the monthly press release on public sector finances with the ONS. In addition, they provide quarterly data to Public Sector Accounts (PSA) team in ONS. They act as a link between ONS and the rest of the Treasury on expenditure data. In relation to the quality assurance of central government data, PSF team work with spending teams and departments to ensure that reported expenditure is correct. Once spending teams have committed all the data (completed all their checks), PSF team will then make further adjustments to the data before making it available to National Account. These in addition to the standard data entry errors picked up on a COINS entry may include:

1. Conceptual differences between GAAP accounting as required for COINS and ESA95 or SNA93. For example, current national accounts methods (SNA93) do not differentiate between bullets and weapons systems. All are recorded as intermediate consumption. Items such as bullets, which are designed for a single use, should be recorded as current expenditure but military weapon systems provide on-going deterrence, are used continuously in production of the service for more than one year, and therefore meet the general criteria to be classified as fixed assets. WGA under GAAP, already recognises this change in the definition of single use military equipment (SUME) and military development expenditure. Under the current National Accounts this is not the case, hence the need for adjustments to meet the existing SNA93 criteria. The proposed revisions to SNA93 will address this by providing consistent treatment of SUME and military expenditure.

⁷ <http://archive.cabinetoffice.gov.uk/roleofcentre/treasury.htm#spending-teams>

Any adjustments made are agreed by PSF and ONS before being implemented. This provides an additional level of quality assurance as well as being in line with the *Atkinson Review* on creating a clear line of sight within the data supply chain.

(iii) The WGA team manage the consolidation and integration of departmental accounts, using COINS data to produce accounts that meet the generally accepted accounting principles (GAAP). The WGA submission goes through a number of stages:

- Data collection packs are sent out to departments at the end of each financial year (e.g. 30/04/2008). Departments then have three months to agree balances and then submit the data.
- The data are audited before being sub-consolidated within COINS to eliminate both counter party debtors and creditors (interdepartmental payments and invoices). This is followed by another audit of the sub-consolidated data to ensure that the agreed reporting thresholds have been met in the consolidation of the accounts.
- The WGA team then conduct a final consolidation of central government accounts which is followed by an audit of the consolidated accounts by the National Audit Office (NAO)

Quality assurance at this stage is provided by the NAO, which audits the accounts of all central government departments and agencies, as well as a wide range of other public bodies, and reports to Parliament on the efficiency, and effectiveness with which public funds are spent.

3.3 ONS

The ONS specification of requirements from COINS takes Central Government data from COINS, summed across all departments, into its own database (WINCSDB) for compilation of National Accounts series. This process involves a number of adjustments between COINS data and National Accounts data. The team in ONS responsible for this area of National Accounts review the quality of data they receive, including checking for large movements, revisions and unlikely amounts, and seeking explanations. The process starts with data taken from COINS on the 8th working day of any month. The following adjustments are then made:

1. Error corrections traced to COINS data: when departmental data errors are identified and the correction can be traced directly to a COINS entry, the department is expected to take action to correct these errors for the next delivery. In case of a dispute over the correct treatment, HMT classifications team would provide guidance on the right treatment - for example, the incorrect classification of expenditure between procurement and grants.
2. Error corrections derived from COINS: where PSA are advised of the correct values to use but these fall below the level of detail submitted by a department, and therefore cannot be traced directly to COINS entry. As with 1 above, these are considered temporary adjustments.
3. Data used in place of COINS: sometimes an external data source is considered superior to COINS. HMT has worked with departments to reduce this, but there are still some examples e.g. tax credits; where HMRC have timing issues with loading this data on COINS and hence the figures are sent directly to HMT and ONS. Until recently, NHS Trusts were the biggest example but Department of Health (DH) has recently changed the way in which it reports the data to COINS and as such, this is no longer a problem.

4. Permanent adjustments made to COINS due to coverage issues: COINS data has a number of users and uses, which mean it may be inappropriate to make certain fundamental changes in the way data are recorded. In such cases, ONS has to make a number of adjustments to meet its National Accounts needs. Examples are: (i) Refunded VAT, which is excluded from COINS but needs to be included for National Accounts purposes. (ii) Payment of rates, which is, included in COINS data but needs to be excluded for National Accounts purposes. (iii) European union (EU) funded spend: this is included in COINS data but needs to be excluded for National Accounts purposes
5. Inclusion of non-departmental data not available on COINS such as debt interest payments.
6. Depreciation taken from the ONS Permanent Inventory Model (PIM). Under WGA, departments report Gross Fixed Capital Formation (GFCF) and hence the capital consumption. However, even though this is recognised as a more accurate estimate of capital stocks than what the PIM provides, there are a number of issues that still need to be resolved by HMT and National Accounts before WGA depreciation estimates replace the PIM estimates (see ONS 2008 for a detailed analysis of the issues at hand). As such, ONS make the adjustment by including the PIM estimates.

As a part of the line of sight procedures, Departments, PSF in HMT and PSA in ONS keep various records of adjustments made to the data. Additionally, the PSFD group and the COINS User group keep a log of issues that is reviewed on a monthly basis.

3.3.1 Other adjustments

Adjustments to COINS data may result from the restructuring of government departments, which affects reporting functions and expenditure flows. Machinery of government (MoG)⁸ changes can have a significant impact on accounts, budgets, and estimates and may create uncertainty on the relevant figures during a transitional period. Adjustments may also be needed where departments share office or other facilities under the Shared Services Initiative. For UKCeMGA purposes, it is desirable to adjust historic data to be consistent with the latest structures and functions if possible (e.g. tracking expenditure on the social security appeals service, before and after it moved from the Department of Works and Pensions (DWP) to Ministry of Justice (MoJ)). However, COINS would not make such backwards adjustments.

Section 4: Developments in improving data quality

This section explains the actions taken to implement the Atkinson recommendations for improvement in the quality of central government expenditure data as used in the National Accounts.

4.1 Departmental level - Finance Director (FD) sign-off initiative

This initiative began in the 2006-2007 financial year when the Finance Directors for the 15 departments with the largest budgets (including Department of Health, Department for Children Schools and Families, Department for Business, Enterprise & Regulatory Reform, Ministry of Defence, and Department

⁸ Transfers of functions from one part of the public sector to another in the UK.

for Transport) signed off returns for DEL and AME aggregates⁹. The first sign-off was for October 2007 and it was on a Budgeting basis. From October 2008, Finance Directors will be invited to sign off a fuller expenditure breakdown, using National Accounts classification. The initiative was extended to other departments from the first quarter of 2008/2009 and all departments are in line for the National Accounts phase. Initial analysis of the first round of the FD signoff highlighted a number of issues none of which were not originally envisaged. The FD statements also provided clear indications of follow-on actions.

HMT are also considering whether to extend the initiative so that Departmental Finance Directors sign off returns, which include spending by Agencies and Non Departmental Public Bodies in their area. The aim is to increase oversight and control over this spend, given its significance and growing size, as well as to improve the quality and accuracy of the data used by HMT and ONS. Overall, the sign off will improve the quality and interpretation of central government expenditure data as used in the National Accounts and linked purposes, since issues are considered at a higher level within Departmental finance directorates. The initiative places responsibility for data quality with each organisation.

4.2 Recent developments on COINS

The benefits of an integrated data supply chain (COINS) are clear; it enhances the transparency, accountability and audit-ability of financial data; encourages closer communication between departments, HMT spending teams, and ONS; and fosters greater ownership and quality assurance of the data supply chain. This section outlines further improvements in COINS since its implementation in 2006.

4.2.1 COFOG update

COINS has been expanded to include more detail under the functions of government - COFOG. At launch COINS required spending to be classified to a 1-digit COFOG (e.g. 'education'), but the Atkinson review recommended a greater level of detail and Eurostat also requires Europe-wide adoption of 2-digit level of COFOG (table 4 in annex). COFOG level 2 data was first made available to National Accounts in the 3rd quarter of 2006. Currently, HMT is providing data from 2001-02 onwards, but only data from 2005-06 is currently included in National Accounts. Additionally, the PSA team at ONS have extended all COFOG series back to 1987. In some cases, the data series goes a bit further back at a COFOG 1 level. With the exception of DH all central government departments are now able to enter COFOG level 2 data (2 digit) on COINS, which has improved the quality of data. Given the nature of DH expenditure data and the different NHS bodies involved in the funding and provision of health care, disaggregation of health care expenditure to the 2 digit level is very desirable though is a significant challenge yet to be resolved.

For example, Primary Care Trusts (PCT) provide funding to NHS Trusts based on costs for different health care procedures on the reference costs tariff. This tariff covers full average costs of the procedure (e.g. equipment, drugs, wages). The PCT report to DH does not identify the economic breakdown of

⁹ Other include DUIS, Department for Work and Pensions Department for Innovation, Universities HM Revenue & Customs, Communities and Local Government, Home Office, Ministry of Justice, Department for Culture, Media and Sport, Department for International Development Department of Environment, Food & Rural Affairs Foreign and Commonwealth Office

costs within NHS Trusts, and is recorded on COINS at the 1-digit COFOG. NHS Trusts also report expenditure to DH but this is not recorded on COINS. NHS finance returns do not give the information needed to allocate health care costs between the different Health 2-digit COFOG classifications (e.g. research and development).

The Public Sector Data Finances (PSDF) group has identified this as an important area that need to be addressed given the significant proportion of health expenditure as a component of general government expenditure. Consequently, the HMT have proposed a one off exercise for DH to estimate their data on a COFOG basis at this level of detail to assess the practicality, burden and usefulness of collecting this information. The Eurostat (2007) Manual on *Sources and Methods for the Compilation of COFOG Statistics* provides a list of difficult cases and gives guidance on how to classify and allocate expenditure in these cases (table 5 in annex).

4.2.2 Transparency – Line of sight

One of the Atkinson recommendations was the need to improve the transparency of data, so departments and end-users have a clear understanding of how data put into COINS are transformed (adjustments) for National Accounts or other HM Treasury reports. The main recommendations on improving the line of sight in the data supply chain have been achieved. However, it has not yet been possible to incorporate these National Accounts adjustments onto COINS as envisaged, thus completing the transparency loop for each source department. HMT found it impractical, given the nature of the COINS system, to incorporate these adjustments listed in 3.3 such as refunded VAT, payment of rates, and EU funded expenditure, though ONS and HMT keep an agreed log of adjustments. ONS produce line of sight tables, which are available to departments on request indicating how the data they receive has been transformed to the national account series.

Moreover, as experience with COINS has grown, it is less often necessary for ONS to make adjustments to COINS data before use in the National Accounts. HMT discuss adjustments with departments, who are then expected to update their COINS entries and follow consistent practice in future, if relevant. UKCeMGA also make use of the line of sight tables when producing productivity articles, including clarifying data issues with departments. This does not give a perfect 'line of sight', but has improved communications up and down the data supply chain.

4.2.3 Data validation and quality assurance

The current data validation suite on COINS is a simple check on data at the input stage to pick up errors such as miscoding. HMT has considered a more elaborate validation suite, to be run on a weekly or monthly timescale, based on more complex validation checks. Such extensive checks tend to slow down the system and so have not yet been implemented. Consequently, HMT, ONS and departments are reviewing a proposed set of quality standards on which COINS data and processes could be appraised, to produce an objective in-year assessment of the quality of COINS data,. The plan is to introduce the proposed standards in an open way that engages departments and HMT spending teams in a process that improves the accuracy, reliability and timeliness of their data. The proposed system would use twelve measures as minimum standards that the data are robust and fit for purpose, in four categories: timeliness of data delivery, data accuracy, reliability in forecasting, and correct classification of data.

- The timeliness measure would have three indicators – forecast outturn submitted on time, up-to-date monthly actuals, and up-to-date budget data;
- The accuracy measure would have two indicators – rejected budget adjustments and a plan that reflects the authorised provision;
- The forecasting measure would have four indicators covering accuracy of monthly forecasts, restatements of monthly forecasts, accuracy of provisional outturn, and accuracy of the final outturn;
- The classification measures would comprise correct classification of forecast outturn, plans and outturns, and programme objects.

The HM Treasury Data Quality branch would compile and collate the indicator scores, which will then be validated by departments and HMT spending teams. Departments could be ranked to identify areas that require support to improve data quality.

4.2.4 Update of the Standard Chart of Account (SCoA)

COINS is based on a Standard Chart of Accounts (SCoA). A chart of accounts is a list of all the accounts (categories) used to gather and record accounting data for a business. Usually, the accounts are aggregated into groups representing the types of accounting data (i.e. revenue accounts or liability accounts etc) with each account accompanied by a reference number. This eases data entry, and improves allocation of spend as long as the allocation of codes is controlled and reviewed for relevance and changes in accounting principles or legal requirements. The accounting conventions adopted are in line with UK GAAP, with some adjustments to comply with ESA95 standards in compiling National Accounts and Public Sector Finances (PSF).

Developments

ONS works in terms of ESA economic categories but this was not readily available from COINS at its launch. HMT subsequently mapped economic categories to SCoA categories, with tags attached to SCoAs to ensure compliance and uniformity of treatment across government departments. HMT is currently reviewing the SCoA, aiming to: (i) simplify the recording of transactions, (ii) ensure errors in omissions are corrected, (iii) update guidance documents on how individual SCoAs are defined and (iv) identify any changes in structure required for the public sector's move to International Financial Reporting Standards (IFRS) accounting standards. The current review, to be completed by September 2008, has outlined a number of changes:

- Deletion / aggregation of SCoAs to simplify recording; this will reduce the number of categories and eliminate duplication while making efficient use of existing SCoA.
- correction of errors in current definition and classification; the SCoA definitions document is being updated to provide better guidance on the use of each SCoA code,
- new SCoAs required for IFRS reporting (as indicated in 4.4 below)

4.2.5 Accessibility on COINS

COINS users have concerns about the level of accessibility and the speed of downloads and uploads. HMT has upgraded software and provided new servers, which are expected to improve response times. However, the limiting factor is the internet GSI connection, which differs across departments and affects download speeds. In addition, the volume of data uploaded at peak periods affects level and speed of access.

4.3 OGC Initiative to Improve Categorisation of Procurement Expenditure

In the National Accounts Quarterly round, government procurement data are required to derive the expenditure measure of GDP. Because no actual price data are available, and with limited product breakdown, deflation of procurement expenditure is carried out using proxy deflators (e.g. producer price index components). The lack of price information on spending by government means reliance on proxy deflators when compiling chained-volume data used in the productivity analysis by UKCEMGA. In some cases, these deflators may be good proxies. However, it is unlikely that such deflation techniques fully reflect the product composition of government procurement or prices actually paid by government. A number of issues arise:

- A 2003 Office of Government Commerce (OGC) study of 36 government departments found that a significantly higher proportion of expenditure went on services than on goods. This split is not reflected in the proxy deflators used by ONS to deflate government procurement spending, which continue to be dominated by goods deflators
- The use of proxy deflators based on market prices introduce an underlying assumption that government departments purchase goods and services at market prices. This assumption may or may not be plausible as it is possible that government departments are able to negotiate contracts that allow purchases at discounted rates or progressively negotiate better prices over time, following initiatives like the Gershon efficiency review. These rates will not be picked up by official measures of market prices

To address the issues highlighted above, the OGC, HMT, ONS, and UKCeMGA have been working with central departments, local government and NPDBs to agree a standard classification of procurement spend across the public sector. This initiative aims to: (i) identify existing management information which could be used to obtain a better product breakdown, and price related information on government procurement expenditure and (ii) identify long-term solutions to improve the quality and quantity of the data on government expenditure on procurement.

A procurement categorisation structure has been agreed with 18 master categories and 94 sub-categories, which meets the needs of the OGC, National Accounts, and UKCeMGA. Discussions are still underway at HMT to investigate the feasibility of using COINS as a means to collect more detailed government procurement data on a routine basis. However, this will require significant development work for COINS to take on these additional data, as well as issues for departments and CLG in the level of detail they will be able to supply. The OGC Public Sector Procurement and Expenditure Survey (PSPES) data are not included in COINS, but this could be considered for future development.

For UKCeMGA, this offers an additional external source of data which can be used for comparative purposes to check the quality of the procurement spend reported by departments at the aggregate. Additionally, UKCeMGA would benefit from more information about central government procurement with a high degree of product detail; in order to develop suitable deflators to estimate volume measures of procurement spend. The ideal is to have data on the price changes experienced by Government purchasers in each product area. Uniformity in the recording of procurement spend would be a step towards the development of deflators specific to products and services purchased by central government.

4.4 Transition to International Financial Reporting Standards (IFRS)

The transition to IFRS raises a number of issues including accounting for Public Private Partnerships (PPP) and Private finance initiatives (PFI). One factor is the approach taken on deciding whether a lease is operating or financial – an important factor when accounting for PPP or PFI transactions. Essentially, the decision is whether the transaction is recorded as an on-balance sheet item (finance lease), thus has implications for capital investment, or off-balance sheet (operating lease), and hence recorded as intermediate consumption. Kellaway (2008) believes that, if international financial reporting interpretation committee's interpretation of (IFRIC) 12 is applied to the PPP/PFI deals, it could lead to different results in the financial statements of public sector entities. This for ONS could mean a loss of a data source as the public sector reporting would have moved onto an incompatible basis (Kellaway 2008). The level and extent of the impact is yet to be ascertained, but it is clear that the introduction of the IFRS will have a significant impact on the financial statements of public sector entities, just as it did in the private sector.

Section 5: Conclusion

This paper has outlined initiatives by Departments, HMT and ONS to improve the quality of central government expenditure data as used in the National Accounts and for related purposes. The developments on COINS, including additional COFOG detail, show positive action to address the Atkinson recommendations (and Eurostat requirements) in ways, which make it easier to measure public service productivity. Achievements can be summarised as:

- 2-digit COFOG detail on COINS gives ONS much improved information on spending on functions of government
- Finance Directors of larger departments from October 2008 sign off quarterly statements of expenditure data in terms used for the National Accounts
- line of sight tables and better communications up and down the data supply chain are reducing the requirement for adjustments to COINS data; problems can be identified early and rectified
- new hardware and software will increase efficiency and lower delivery times within the COINS system
- the proposed Data Quality Indicators for COINS are a positive step forward in identifying areas for improvement by departments in either processes or the quality of the data delivered
- the review of the Standard Chart of Accounts is nearing completion and should provide increased accuracy and uniformity in the recording of government financial transactions
- OGC led work on procurement categorisation will improve the recording of procurement spend

However, some issues are still outstanding. National Accounts adjustments are still not shown on COINS so the line of sight loop is not completely transparent. The Finance Director sign off can be expanded further in content, range and to more departments. UKCeMGA continues to probe for complete historic series on some COFOG sub-categories, and also needs improved data from devolved administrations. These outstanding issues are being addressed in the various central government data forums (PSDF and COINS User Groups).

References

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Eurostat (2007) 'Manual on Sources and Methods for the Compilation of COFOG Statistics', *Eurostat Methodologies and Working papers*. Available at: http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-RA-07-022/EN/KS-RA-07-022-EN.PDF

ONS (2006) 'Improving the Quality of Central Government Expenditure Data', *Economic Trends* No 631, June 2006 (Office for National Statistics)

ONS (2008) *Expenditure on Health Care in the UK 1997 – 2006*, (Office for National Statistics). Available at: <http://www.statistics.gov.uk/cci/article.asp?id=1988>

Table 1: FD Budget Framework Signoff template

Report Title: **Budgeting Framework Sign-off**

Entity: Dept001.CGA
 Alias: Dept.CGA
 Program:
 Group: ALL
 Time: Month Year
 Status: FO Reporting

£m	Quarters				Full-Year			
	April - June Actuals/Forecast	July - September Actuals/Forecast	October - December Actuals/Forecast	January - March Actuals/Forecast	Total forecast 200x Year	Total planned 200x Year	Actual Variance	% Variance
Resource DEL	0	0	0	0	0	0	0	0.00%
<i>Of which:</i>								
<i>Near Cash DEL</i>					0		0	0.00%
<i>Non Cash DEL</i>					0		0	0.00%
Capital DEL					0		0	0.00%
- - -								
Departmental Resource AME	0	0	0	0	0	0	0	0.00%
<i>Of which:</i>								
<i>Near Cash AME</i>					0		0	0.00%
<i>Non Cash AME</i>					0		0	0.00%
Departmental Capital AME					0		0	0.00%
- - -								
Departmental Contribution to Total Managed Expenditure (TME)	0	0	0	0	0	0	0	0.00%

This report is for CGA bodies only and should not include PC's

Table 2: FD National Accounts Framework Signoff template

Report Title:
 Entity: Dept001.CGA
 Alias: Dept.CGA
 Program
 Group: ALL
 Time: Month Year
 Status: FO Reporting

National Accounts Information

£m	Quarters				Full-Year			
	April - June Actuals/Forecast	July - September Actuals/Forecast	October - December Actuals/Forecast	January - March Actuals/Forecast	Total forecast 200x Year	Total planned 200x Year	Actual Variance	% Variance
National Accounts Framework								
Current Spending								
Pay					0		0	0.00%
Procurement					0		0	0.00%
Depreciation					0		0	0.00%
Subsidies					0		0	0.00%
Net social benefits					0		0	0.00%
Net current grants abroad					0		0	0.00%
Other current grants outside private sector					0		0	0.00%
Other					0		0	0.00%
Current grants (net) to local authorities					0		0	0.00%
TOTAL CURRENT SPENDING	0	0	0	0	0	0	0	0.00%
Investment								
Gross fixed capital formation, contributes to GDP(E)					0		0	0.00%
less								
Depreciation	0	0	0	0	0	0	0	0.00%
Increase in inventories and valuables					0		0	0.00%
Capital grants (net) to private sector					0		0	0.00%
Capital grants to Local Government					0		0	0.00%
Capital grants to Public Corporations					0		0	0.00%
NET INVESTMENT	0	0	0	0	0	0	0	0.00%

This report is for CGA bodies only and should not include PCs

Table 3: Reconciliation template

Report Title : Reconciliation of department spending between Budgeting and National Accounts Frameworks

Entity : Dept001.CGA
 Alias : Dept.CGA
 Program Group: ALL
 Time : Month Year

Status: FO Reporting

£ m		Quarters				Full-Year				Explanation
		Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Forecast	Plan	Variance	% Variance	
		Actuals/Forecast	Actuals/Forecast	Actuals/Forecast	Actuals/Forecast					
Mapping from near-cash to National Accounts current spending										
	Near-Cash (Budgeting Framework)	-	-	-	-	-	-	-	0.00%	Near-cash is the closest budgetary aggregate to the NA concept of current spending
	<i>of which DEL</i>					-	-	-	0.00%	
	<i>of which Departmental AME</i>					-	-	-	0.00%	
<i>minus</i>	Transfers					-	-	-	0.00%	Scored in NA when spent by NDPBs etc Treated as revenue in NA rather than negative expenditure Spend can only be scored in NA once the exact nature of the transaction is known Not treated as current in NA Treated as current in NA rather than capital Treated as non-cash in budgets but current in NA Not in resource budgets but treated as current in NA NA based on nature of transaction rather than HMT budgets
<i>minus</i>	Items treated as revenue in NA					-	-	-	0.00%	
<i>minus</i>	Unallocated provision					-	-	-	0.00%	
<i>minus</i>	All other DEL/AME spend in near-cash but not in NA current spending					-	-	-	0.00%	
<i>plus</i>	SUME (MOD only)					-	-	-	0.00%	
<i>plus</i>	Depreciation					-	-	-	0.00%	
<i>plus</i>	Other DEL/AME spending outside near-cash but in NA current spending					-	-	-	0.00%	
<i>plus</i>	Other NA current spending outside DEL/AME					-	-	-	0.00%	
equals	Current spending (National Accounts Framework)	-	-	-	-	-	-	-	0.00%	
	Pay					-	-	-	0.00%	
	Procurement					-	-	-	0.00%	
	Depreciation					-	-	-	0.00%	
	Subsidies					-	-	-	0.00%	
	Net CG current grants to private sector - persons (social benefits)					-	-	-	0.00%	
	Net CG current grants to private sector - bodies					-	-	-	0.00%	
	Net CG current grants abroad					-	-	-	0.00%	
	Net CG current grants to local authorities					-	-	-	0.00%	
	Other					-	-	-	0.00%	

Table 4: COFOG – UKCeMGA functional areas only

Classifications of the functions of the government (COFOG)

2. Defence

- 2.1 Military Defence
 - 2.2 Civil Defence
 - 2.3 Foreign military aid
 - 2.4 R&D Defence
 - 2.5 Defence n.e.c
-

3. Public order and safety

- 3.1 Police Services
 - 3.2 Fire protection services
 - 3.3 Law Courts
 - 3.4 Prisons
 - 3.5 R&D Public order and safety
 - 3.6 Public order and safety n.e.c
-

7. Health

- 7.1 Medical products, appliances and equipment
 - 7.2 Outpatients services
 - 7.3 Hospital services
 - 7.4 Public Health services
 - 7.5 R&D Health
 - 7.6 Health nec
-

9. Education

- 9.1 Pre-primary and primary education
 - 9.2 Secondary education
 - 9.3 Post-secondary non-tertiary education
 - 9.4 Tertiary education
 - 9.5 Education not defined by level
 - 9.6 Subsidiary services to education
 - 9.7 R&D Education
 - 9.8 Education n.e.c
-

10. Social Protection

- 10.1 Sickness and disability
 - 10.2 Old age
 - 10.3 Survivors
 - 10.4 Family and children
 - 10.5 Unemployment
 - 10.6 Housing
 - 10.7 Social exclusion n.e.c
 - 10.8 R&D Social protection
 - 10.9 Social Protection n.e.c
-

Table 5: Eurostat guidance on the classification of government expenditure

Defence and Social Security Administration	
<p>3.8.1 Case 1 army forces involved in "humanitarian aid missions" Guidance: foreign military aid (02.3)</p>	<p>Army forces might be involved in "humanitarian aid missions". The issue is whether the most appropriate method is to allocate these amounts under foreign military aid (02.3) rather than foreign economic aid (01.2). Group 01.2 covers both economic aid to developing countries, and to countries in transition, and economic aid routed through international organizations. As such, it covers humanitarian aid delivered by civilian departments. However, 01.2 does not include aid to international peacekeeping operations, which are to be recorded under group 02.3.</p>
<p>3.8.2 Case 2 – civil and military cemeteries Guidance: other general services (01.3.3), and defence n.e.c (02.5).</p>	<p>In the case of civil cemeteries there is already guidance provided by the United Nations. The management of cemeteries should be allocated in general services (01.3) because the definition of this group says it "covers services that are not connected with a specific function and which are usually undertaken by central offices at various levels of government. It also covers those services connected with a particular function that are undertaken by such central offices." 01.3.3 - other general services includes for instance, "operation of government owned or occupied buildings", a function that may be considered similar to management by the local authorities of property serving public needs such as a cemetery. By analogy and due to the structure of COFOG divisions and groups which separately identifies defence (02), military services should be classified under 02.5 – defence n.e.c..</p>
<p>3.8.7 Case 7 – payments to social insurance schemes of public enterprises</p>	<p>General Government makes payments both to unfunded and funded social insurance schemes of public enterprises. The recurrent payments to unfunded social insurance schemes are classified as <i>miscellaneous current transfers</i> (D.75 – see ESA95, par. 4.139 b) and extraordinary payments to funded schemes are classified as <i>other capital transfers</i> (D.99 - ESA95, par. 4.165i). The majority of the COFOG Task Force thought that if such expenditure is earmarked as payment for pensions, then the <i>old age</i> 10.20 should be used. If</p>

	<p>this is not the case, the payment should be classified according to activity of the corporations receiving these it and responsible for paying the pensions.</p>
Education, Justice and Children & Social Services	
<p>3.8.4 Case 4 – protection of youth Guidance: <i>family and children</i> (10.4), or <i>police services</i> (03.1)</p>	<p>If government ensures protection of youth, for example through provision of food and accommodation or through a variety of benefits and cash or in kind, it should be classified under <i>family and children</i> (10.4). If protection of youth is exclusively related to any police action, it is to be assigned to <i>police services</i> (03.1).</p>
<p>3.8.6 Case 6 – cost of meals provided at school to poor pupils Guidance: <i>family and children</i> (10.4), or <i>subsidiary services to education</i> (0.96)</p>	<p>Many Governments provide free meals at school for all pupils an/or pupils in material destitution. In some countries the state budget allocates amounts designated to cover entirely or partially the costs of meals in the school canteens. School catering services receive these allocations. It is imperative that children attend the school regularly to be eligible for this kind of assistance.</p> <p>The main purpose of this government policy is encouraging all pupils attending to school. Expenditure should be allocated to <i>subsidiary services to education</i> (09.6). In this case, government is providing meals to all children attending to school. Government could also provide protection on an individual basis to each of the pupils (most of the time these benefits are paid on the basis of the number of pupils), which might lead to an allocation under social protection – <i>family and children</i> (10.4). Most probably, government would be assessing the level of income of the family in destitution before providing such benefits.</p>
<p>3.8.23 Case 23 - lump sum received by some employees when retiring Guidance: <i>law courts</i> (03.3) in case of magistrates; <i>military defence</i> (02.1) in case of military personnel; <i>police services</i> (03.1) in case of police personnel.</p>	<p>In some countries certain occupations such as magistrates, military personnel and police receive a lump sum from their employer when reaching the standard retirement age. Those amounts can be classified as D11 or as D122 (D6223) depending on the existence of a collective agreement (ESA95 pars 4.103-c and 4.03-j). For the judges this would imply allocating D122 to COFOG 03.3 and D623 to COFOG 10.X. Similar treatment applies to D.11 and those lump sums are to be allocated to the functional code of the employer's activity.</p>
Heath and Adult Social Care	
<p>3.8.14 Case 14 - retirement homes with nurses</p>	<p>Some retirement homes financed by government exist solely to provide elderly</p>

<p>Guidance: <i>old age</i> (10.2.0), or <i>nursing and convalescent home services</i> (07.3.4).</p>	<p>people with suitable affordable housing, whereas other retirement homes have the specific purpose of also providing medical care and persons are admitted to such homes because of their medical needs. <i>Old age</i> (10.2.0) because it includes lodging and board provided to elderly persons either in specialized institutions or staying in families in appropriate establishments. However, in case medical monitoring is an essential component, then 07.3.4 should be used. It might be that retirement homes are not only offered to elderly persons but also to disabled persons (see multipurpose functions).</p>
<p>3.8.15 Case 15 – elder care provided by specialized staff at home. Guidance: <i>paramedical services</i> (07.2.4), <i>nursing and convalescent home services</i> (07.3.4) or <i>old age</i> (10.2)</p>	<p>In this case, nursing and convalescent home services are provided to people living in their own homes. The classification depends on the type of assistance provided. If it is to assist in daily tasks, not needed to be provided by nurses or other trained health care staff (non-medical assistance), then <i>old age</i> (10.2) should be used. Whenever health services are provided at home, the classification should be <i>paramedical services</i> (07.2.4), i.e. health services delivered in patients' homes. Other case would be <i>nursing and convalescent home services</i> (07.3.4), i.e. if those are in-patient services. NB: In case when the same staff provides both services (under 07.2.4 and 07.3.4, the split of amounts between the two should be made).</p>
<p>3.8.16 Case 16 - ambulance services operated by hospitals Guidance: <i>general hospital services</i> (07.3.1)</p>	<p>Many hospitals have ambulance services to transport immobile patients and to attend to emergency services. These services are sometimes run separately from hospitals. COFOG states that the category <i>paramedical services</i> (07.2.4) only includes ambulance services operated by institutions other than hospitals.</p>

Table 6: Mock up table for Education COFOG Line Of Sight (Example for illustrative purposes only)

2004/5 DATA (Unit=£million)	D1 COMPENSATION OF EMPLOYEES			NET PROCUREMENT			CAPITAL CONSUMPTION			TOTAL		
	CG	LG	GG	C	L	G	C	LG	G	C	L	GG
UNADJUSTED SOURCE DATA				G	G	G	G		G	G	G	
Dept for Education and Skills/England for LG												
9.1 Pre-primary and primary education	0	11,494	11,494	6	3,107	3,311				6	14,601	14,607
9.1.1 Pre-primary education		426	426	7	2	72						
9.1.2 Primary education		11,068	11,068	2,380	2,380							
9.2 Secondary education	37	11,358	11,395	-1	2,654	2,663			2	14,040		14,026
9.3 Post secondary and non-tertiary education	126	715	841	1	2,138	34			2	94		1,182
9.4 Tertiary education	10	0	10	-6	0	-61			-	0		-51
9.5 Education not definable by level	76	0	76	2	0	22			9	0		98
9.6, 9.7 & 9.8 Subsidiary services, R&D and nec	207	2,223	2,430	3	1,640	1,87			5	3,773		4,304
3.3 Law courts	79	0	79	2	0	25			1	0		104
4.1.2 General labour affairs	0	0	0	0	0	0			0	0		0
07 Health	0	0	0	6	0	6			6	0		6
10.7 Social exclusion nec	0	0	0	1	0	13			1	0		13
Total DfES	535	25,790	26,325	4	7,73	7,964			1,08	33,281		34,289
of which Education COFOG	456	25,790	26,246	4	7,29	7,920			8	33,581		34,166
National Assembly for Wales	27	1,374	1,401	8	6	72			1	2,014		2,125
Northern Ireland Executive	959	137	1,096	2	-8	25			1	99		1,346

				8	8					4		
										7		
Scottish Executive	30	2,890	2,920	3	1,	1,				6	3,	3,985
				8	0	06				8	91	
					2	5					7	
					7							
Department for Work and Pensions	0	0	0	0	0	0				0	0	0
ADJUSTMENTS TO SOURCE DATA												
City Academies/City Technology Colleges	139	0	139	3	0	33	0	0	0	1	0	172
				3						7		
										2		
Teachers' pension increase payments (up to 2002/03)	0	0	0	0	0	0	0	0	0	0	0	0
Training of Healthcare professionals	0	0	0	8	0	81	0	0	0	8	0	817
				1		7				1		
				7						7		
Teacher Training Agency	0	0	0	2	0	23	0	0	0	2	0	233
				3		3				3		
				3						3		
Refunded VAT	0	0	0	1	1,	1,	0	0	0	1	1,	1,307
				1	1	30				1	19	
				1	9	7				1	6	
					6							
Deduction of Rates	0	0	0	-8	-	-	0	0	0	-8	-	-404
					3	40					39	
					9	4					6	
					6							
Computer Software	0	0	0	0	-	-	0	0	0	0	-	-132
					1	13					13	
					3	2					2	
					2							
Insurance	0	0	0	0	4	4	0	0	0	0	4	4
Capital Consumption	0	0	0	0	0	0	2	1,3	1,4	2	1,	1,409
							7	82	09	7	38	
											2	
Adj to remove FRS17 effects: DfES (England)	0	-29	-29	0	0	0	0	0	0	0	-	-29
											29	
Education Grants: England	0	0	0	0	-	-	0	0	0	0	-	-1,127
					1,	1,					1,	
					1	12					12	
					2	7					7	
					7							
Education Grants: Scotland	0	0	0	0	-	-	0	0	0	0	-	-160
					1	16					16	
					6	0					0	
					0							
Education Grants: Wales	0	0	0	0	-	-	0	0	0	0	-	-84
					8	84					84	
					4							
Error Correction	9	0	9	-9	0	-9	0	0	0	0	0	0
SUM OF COFOG	1,62	30,16	31,78	2,	8,	10	2	1,3	1,4	3,	39	43,628
EDUCATION ABOVE	0	2	2	0	4	,4	7	82	09	6	,9	
				1	1	37				6	62	
				9	8					6		
TOTAL EDUCATION	1,62	30,16	31,78	2,	8,	10	2	1,3	1,4	3,	39	43,630
PUBLISHED IN NA	0	2	2	0	4	,4	7	82	09	6	,9	

				2	1	39					6	63	
				0	9						7		
<i>Difference due to rounding</i>	0	0	0	-1	-1	-2	0	0	0	0	-1	-1	-2