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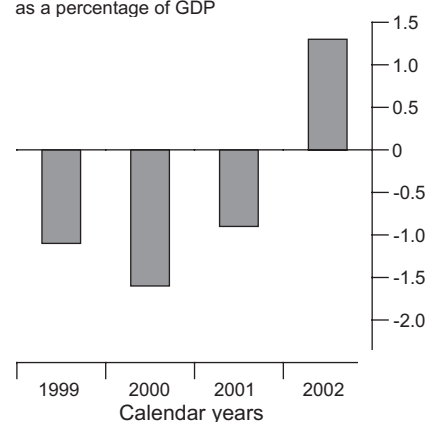
Government deficit and debt under the Maastricht Treaty

In the calendar year 2002 general government net borrowing was £13.0 billion. This compares with net lending of £8.9 billion in 2001. Net borrowing is referred to as "government deficit" in the Maastricht Treaty.

General government net borrowing in 2002 was equivalent to 1.3 per cent of gross domestic product, compared with *minus* 0.9 per cent in 2001.

At end 2002 general government gross consolidated debt at nominal value was £400.9 billion, equivalent to 38.6 per cent of gross domestic product, compared with £386.1 billion (39.0 per cent) at the end of 2001.

General government net borrowing
as a percentage of GDP



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	1999	2000	2001	2002
General government deficit				
net borrowing (£ bn)	-10.3	-15.5	-8.9	13.0
as a percentage of GDP	-1.1	-1.6	-0.9	1.3
General government debt				
debt at nominal value (£ bn)	407.4	400.3	386.1	400.9
As a percentage of GDP	45.1	42.1	39.0	38.6

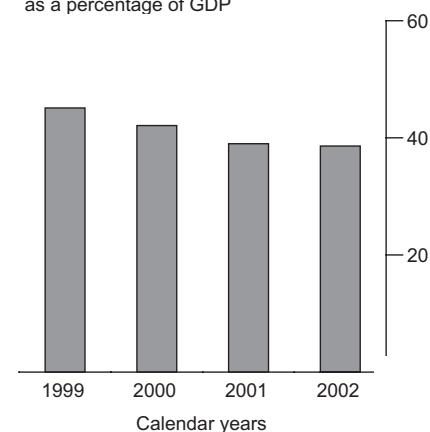
The estimates in this first release have been supplied to HM Treasury, who submit data to the European Commission for the Excessive Deficit Procedure in accordance with the Maastricht Treaty.

This release follows the European Regulation which requires that payments on swaps are treated as interest payments in general government net borrowing reported for the Excessive Deficits Procedure under the Maastricht Treaty. The Regulation does not amend general government net borrowing for National Accounts purposes, which is used in the Public Sector Finances First Release. For these purposes swaps are treated as financial items. The UK government does not use swaps to the same extent as some European Union member states. No swaps estimates are available pre-2000. The reconciliation between these two versions of net borrowing is shown in the first part of table M7.

The ONS has also presented in table M7 an alternative version of the deficit, which is consistent with a Eurostat decision on the treatment of receipts for use of the spectrum; the derivation is explained in the notes to table M7. Eurostat's decision differs from the ONS interpretation of the 1995 European System of Accounts, which is consistent with that proposed by the Inter-Secretariat Working Group on National Accounts (ISWGNA) and agreed by the United Nations Statistical Commission (UNSC) and used in National Accounts. After the August 2002 release the European Commission included both versions of the UK figures in their publication. The alternative version for the year 2002 is £14.1 billion, equivalent to 1.4 per cent of GDP. In 2000, the year of cash receipts, the surplus would be boosted from 1.6% to 3.9% if we used the alternative version. Deficit data in 1999 and earlier years are the same under both definitions. The debt data are unaffected by this decision.

The Maastricht Treaty does not itself determine what constitutes excessive general government deficit or debt. A protocol to the Treaty does, however, specify reference percentages for general government deficit (which should not exceed 3 per cent of GDP) and gross consolidated debt (which should not exceed 60 per cent of GDP).

General government gross debt at nominal value as a percentage of GDP



Net borrowing exceeded 3 per cent of GDP from 1991 to 1996. Net borrowing reached a record high of £50.8 billion (7.9 per cent of GDP) in 1993, then fell steadily, moving into net lending (or surplus) in 1998. In 2001 it started to rise again, but remained in surplus. In 2002 there was net borrowing for the first time since 1997.

General government gross consolidated debt at nominal value, has for the last decade always been substantially below 60 per cent of GDP; the highest percentage was 52.3 per cent in 1996. As a percentage of GDP it has fallen in every year since. At end 2002 gross debt had risen to £400.9 billion, compared with £386.1 billion at end of 2001, but the percentage fell from 39.0 per cent to 38.6 per cent.

Notes to Tables

Table M1

Table M1 shows general government net borrowing (also referred to as “government deficit”) and the nominal value of general government gross consolidated debt, in £ million and as percentages of gross domestic product (GDP) at current market prices, which is also shown in £ million.

Tables M2 and M3

These tables show general government gross consolidated debt at nominal value, and the corresponding general government transactions in Maastricht debt instruments, broken down between loans from central bank, other loans, currency and deposits, bills and short-term bonds and medium and long-term bonds. The main component of total gross debt is medium and long-term bonds, which in 2002 accounted for 68.6 per cent of total gross debt. This category mainly consists of British Government Securities (gilts).

Table M4

Table M4 explains how general government net borrowing reconciles with the increase in general government gross consolidated debt at nominal prices. Conceptually, the following equation holds:

net borrowing (Maastricht deficit definition)

- + net acquisition of financial assets
- swaps
- + consolidating transactions in Maastricht debt instruments (i.e. transactions between central and local government),
- other accounts payable (which mainly consists of trade credit and accruals adjustments, which are excluded from Maastricht debt)
- + adjustment for holding gains/losses,
- + adjustment from market to nominal value
- + other adjustments
- = the increase in general government gross consolidated debt at nominal value.

The other adjustments category includes Other Changes in Volume (K.10 in ESA95) for financial liabilities excluding other accounts payable, the Statistical Discrepancy Item from the Sector Account, and a further discrepancy item required to reconcile general government net borrowing with the increase in general government gross consolidated debt at nominal prices.

Tables M5 and M6

These tables reconcile general government gross consolidated debt and the corresponding transactions in Maastricht debt instruments with National Accounts estimates; the tables show how the ONS calculates gross debt and the corresponding transactions. General government total liabilities from the Financial Balance Sheet (NPVQ) and the corresponding financial transactions (NFSK) are recorded on an unconsolidated basis (i.e. including transactions between central and local government) and at market prices in accordance with ESA95. Estimates for other accounts payable (which consists of trade credit and accruals adjustments) are deducted from total

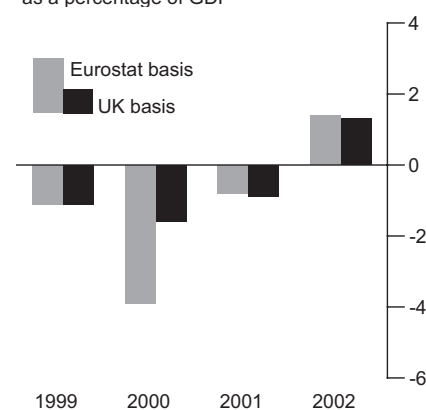
financial liabilities to get unconsolidated Maastricht debt at market prices. The consolidating debt (which mainly consists of local government borrowing from central government) is then deducted to get consolidated Maastricht debt at market prices. British government securities (gilts) at market prices are then deducted and gilts at nominal prices added to get general government consolidated Maastricht debt at nominal prices.

Table M7

Table M7 shows the reconciliation of the three different versions of general government net borrowing. It starts with net borrowing consistent with National Accounts. It then shows net borrowing incorporating the Regulation treating swaps as interest. These are the figures in the body of this release. Finally the table shows net borrowing formed from an alternative treatment of receipts by government for allowing the use of the spectrum by third generation mobile phone companies. Eurostat request that, for the Excessive Deficit Procedure, these are reported as being for the sale of assets and this is the third version of net borrowing shown. Cash receipts of £22.5 billion were paid to government by the mobile phone companies during the second and third quarters of 2000. UK interpretation of ESA95, which is consistent with ISWGNA and UNSC, is that these receipts should be treated as rents. In the National Accounts and the Public Sector Finances First Release they are treated as pre-payments of rent at the rate of £1 billion per annum over the life of the licences. For more detail please refer to the PSA page under Articles www.statistics.gov.uk/psa/

To derive the numbers consistent with the Eurostat decision, net borrowing (including swaps interest payments) is adjusted by adding the rent estimates in column 4 and deducting the adjusted cash receipts in column 5. Adopting the Eurostat treatment has the effect of more than doubling the government surplus for 2000, (£37.5 billion as opposed to £15.5 billion). The ONS believe this disguises the true picture by scoring over 20 years of receipts in one year. Such a surplus would be consistent with the spectrum being sold, however it is just being leased to the Mobile Phone Companies. The debt data are unaffected.

General government net borrowing
(Eurostat against UK basis)
as a percentage of GDP



Background Notes

1. This First Release presents Government deficit and debt under the Maastricht Treaty calculated according to the ONS's interpretation of the 1995 European System of Accounts (ESA95). It also publishes the deficit consistent with a Eurostat decision on the treatment of receipts for use of the spectrum. The United Kingdom National Accounts moved onto an ESA95 basis in 1998, although estimates of Government deficit and debt under the Maastricht Treaty continued on an ESA79 basis until September 1999. National Statistics no longer produces any public sector finance statistics on an ESA79 basis.
2. The Treaty establishing the European Union requires member states to endeavour to avoid excessive government deficit (defined as general government net borrowing), and to report their planned and actual deficit and the levels of their debt promptly to the European Commission. The data are reported to Eurostat by 1 March and 1 September each year. The March notification includes the first estimate of the calendar year outturn. The notification in September revises the data supplied in March.
3. With the exception of the swaps modification, the deficit data in this First Release are consistent with data published in the Public Sector Finances First Release 20 February 2003. It includes revisions incorporated into the national accounts since the Maastricht data were last published in August. A revisions table is included in the briefing note available at www.statistics.gov.uk. The debt data include some data revisions that have not yet been included in the National Accounts financial balance sheets.
4. Further information concerning the definitions of National Accounts general government net borrowing and the net cash requirement can be found in *Monthly Statistics on Public Sector Finances: a Methodological Guide*, no. 12 in the Government Statistical Service methodology series at www.statistics.gov.uk/psa
5. Details of the policy governing the release of new data are available from the Press Office, including a description of the release categories featured on the front page of releases.
6. **National Statistics** are produced to high professional standards set out in the National Statistics Code of Practice. They undergo regular quality assurance reviews to ensure that they meet customer needs. They are produced free from any political interference. © Crown copyright 2003

M1 Government Deficit and Debt Under the Maastricht Treaty

Summary Table

Not seasonally adjusted

£ million

	General government net borrowing	General government gross consolidated debt at nominal value	Gross domestic product (GDP) at current market prices	Net borrowing as a percentage of GDP ¹	Gross consolidated debt as a percentage of GDP ²
Calendar years from 1990					
	-MDUK	YEQG	BKTL		YEQJ
1990	8 685	189 672	557 300	1.6	34.0
1991	18 188	201 439	586 149	3.1	34.4
1992	39 071	239 605	610 854	6.4	39.2
1993	50 823	291 444	642 327	7.9	45.4
1994	45 835	330 662	681 327	6.7	48.5
1995	41 438	372 231	719 176	5.8	51.8
1996	33 662	398 541	762 214	4.4	52.3
1997	17 723	411 711	811 067	2.2	50.8
1998	-1 992	409 501	859 384	-0.2	47.7
1999	-10 322	407 434	902 459	-1.1	45.1
2000	-15 545	400 265	950 415	-1.6	42.1
2001	-8 925	386 090	990 891	-0.9	39.0
2002	13 014	400 875	1 037 292	1.3	38.6
Financial years from 1993/94					
1993/94	50 683	299 845	653 582	7.8	45.9
1994/95	44 874	341 031	690 575	6.5	49.4
1995/96	36 426	378 323	729 001	5.0	51.9
1996/97	30 233	402 419	772 856	3.9	52.1
1997/98	7 508	404 274	824 164	0.9	49.1
1998/99	-4 041	401 973	868 642	-0.5	46.3
1999/00	-15 521	396 656	918 202	-1.7	43.2
2000/01	-16 417	383 576	962 130	-1.7	39.9
2001/02	-172	380 519	1 001 506	-	38.0
Quarters from 1993 Q1					
1993 Q1	12 282	249 626	153 579	8.0	40.6
Q2	15 857	264 037	156 678	10.1	42.4
Q3	11 789	277 118	162 472	7.3	43.9
Q4	10 895	291 444	169 598	6.4	45.4
1994 Q1	12 142	299 845	164 834	7.4	45.9
Q2	14 757	313 862	166 203	8.9	47.3
Q3	10 592	323 629	171 815	6.2	48.1
Q4	8 344	330 662	178 475	4.7	48.5
1995 Q1	11 181	341 031	174 082	6.4	49.4
Q2	12 762	354 857	175 929	7.3	50.7
Q3	10 554	365 652	181 056	5.8	51.5
Q4	6 941	372 231	188 109	3.7	51.8
1996 Q1	6 169	378 323	183 907	3.4	51.9
Q2	15 157	388 786	186 257	8.1	52.6
Q3	9 467	396 107	191 624	4.9	52.8
Q4	2 869	398 541	200 426	1.4	52.3
1997 Q1	2 740	402 419	194 549	1.4	52.1
Q2	11 281	411 134	198 815	5.7	52.3
Q3	5 226	414 017	203 892	2.6	51.9
Q4	-1 524	411 711	213 811	-0.7	50.8
1998 Q1	-7 475	404 274	207 646	-3.6	49.1
Q2	8 189	411 572	211 430	3.9	49.2
Q3	-209	411 531	216 897	-0.1	48.4
Q4	-2 497	409 501	223 411	-1.1	47.7
1999 Q1	-9 524	401 973	216 904	-4.4	46.3
Q2	6 155	407 151	220 737	2.8	46.4
Q3	-2 739	404 320	227 614	-1.2	45.5
Q4	-4 214	407 434	237 204	-1.8	45.1
2000 Q1	-14 723	396 656	232 647	-6.3	43.2
Q2	2 941	402 503	232 503	1.3	43.3
Q3	-3 552	394 550	237 957	-1.5	42.0
Q4	-211	400 265	247 308	-0.1	42.1
2001 Q1	-15 595	383 576	244 362	-6.4	39.9
Q2	4 937	387 622	242 569	2.0	39.9
Q3	-2 967	382 098	247 443	-1.2	38.9
Q4	4 700	386 090	256 517	1.8	39.0
2002 Q1	-6 842	380 519	254 977	-2.7	38.0
Q2	9 518	388 933	254 666	3.7	38.4
Q3	3 268	390 604	258 135	1.3	38.1
Q4	7 070	400 875	269 514	2.6	38.6

1 Net borrowing as a percentage of GDP is calculated by dividing net borrowing by non seasonally adjusted GDP.

2 Gross consolidated debt as a percentage of GDP for any particular quarter is calculated by dividing gross consolidated debt by non seasonally adjusted GDP for that and the previous three quarters.

M2 General Government Gross Debt at Nominal Value

Consolidated

Not seasonally adjusted

£ million

	Loans from central bank	Other loans	Currency and deposits	Bills and short-term bonds	Medium and long-term bonds	General gov. gross consolidated debt at nominal value
	YEQC	YEQD	LSJH	YEQE	YEQF	YEQG
1997	12 375	10 777	76 741	4 239	307 579	411 711
1998	13 390	9 928	75 785	4 431	305 967	409 501
1999	19 451	9 167	74 866	3 631	300 319	407 434
2000	13 370	18 990	78 101	2 095	287 709	400 265
2001	13 370	12 856	75 557	10 747	273 560	386 090
2002	13 370	14 619	76 783	21 125	274 978	400 875
1996/97	14 323	11 430	74 740	7 117	294 809	402 419
1997/98	12 807	9 808	76 421	4 072	301 166	404 274
1998/99	15 367	9 568	75 243	6 625	295 170	401 973
1999/00	13 370	12 753	73 092	3 872	293 569	396 656
2000/01	13 370	10 002	75 225	3 079	281 900	383 576
2001/02	13 370	10 879	73 176	8 963	274 131	380 519
1999 Q1	15 367	9 568	75 243	6 625	295 170	401 973
Q2	14 478	9 451	74 699	7 904	300 619	407 151
Q3	16 185	9 261	74 640	6 062	298 172	404 320
Q4	19 451	9 167	74 866	3 631	300 319	407 434
2000 Q1	13 370	12 753	73 092	3 872	293 569	396 656
Q2	13 370	14 953	74 321	3 162	296 697	402 503
Q3	13 370	10 859	76 079	1 444	292 798	394 550
Q4	13 370	18 990	78 101	2 095	287 709	400 265
2001 Q1	13 370	10 002	75 225	3 079	281 900	383 576
Q2	13 370	10 597	75 515	2 868	285 272	387 622
Q3	13 370	9 808	75 159	2 320	281 441	382 098
Q4	13 370	12 856	75 557	10 747	273 560	386 090
2002 Q1	13 370	10 879	73 176	8 963	274 131	380 519
Q2	13 370	12 666	75 165	15 925	271 807	388 933
Q3	13 370	12 763	75 041	17 896	271 534	390 604
Q4	13 370	14 619	76 783	21 125	274 978	400 875

M3 General Government Transactions in Maastricht Debt Instruments

Consolidated

Not seasonally adjusted (+ = increase in liabilities, - = decrease in liabilities)

£ million

	Loans from central bank	Other loans	Currency and deposits	Bills and short-term bonds	Medium and long-term bonds	General gov. transactions in Maastricht debt instruments
	YEQK	YEQL	NFSO	YEQN	YEQO	YEQR
1997	-1 911	-1 437	1 941	-1 595	16 608	13 606
1998	1 015	-318	-1 026	-26	-3 290	-3 645
1999	6 062	-684	-653	-608	-4 545	-428
2000	-6 081	5 225	3 565	-1 435	-12 518	-11 244
2001	-	-6 982	-2 858	8 505	-17 410	-18 745
2002	-	2 973	856	10 462	1 898	16 189
1996/97	-1 332	-1 180	5 627	-5 789	26 795	24 121
1997/98	-1 516	-502	1 708	-2 920	6 786	3 556
1998/99	2 561	-814	-1 188	2 451	-6 521	-3 511
1999/00	-1 997	-940	-1 849	-2 627	217	-7 196
2000/01	-	-3 209	2 526	-678	-13 283	-14 644
2001/02	-	-1 066	-2 410	5 743	-9 141	-6 874
1999 Q1	1 978	-373	-514	2 310	-9 108	-5 707
Q2	-889	-78	-415	1 417	4 596	4 631
Q3	1 707	-125	6	-1 822	-1 005	-1 239
Q4	3 266	-108	270	-2 513	972	1 887
2000 Q1	-6 081	-629	-1 710	291	-4 346	-12 475
Q2	-	2 336	1 340	-626	1 892	4 942
Q3	-	-5 330	1 857	-1 690	-3 179	-8 342
Q4	-	8 848	2 078	590	-6 885	4 631
2001 Q1	-	-9 063	-2 749	1 048	-5 111	-15 875
Q2	-	-215	-227	-37	1 554	1 075
Q3	-	-1 294	-336	-914	-3 850	-6 394
Q4	-	3 590	454	8 408	-10 003	2 449
2002 Q1	-	-3 147	-2 301	-1 714	3 158	-4 004
Q2	-	2 848	2 171	7 065	-3 591	8 493
Q3	-	457	-80	1 803	-797	1 383
Q4	-	2 815	1 066	3 308	3 128	10 317

M4 Reconciliation of General Government Net Borrowing with General Government Gross Consolidated Debt at Nominal Value

Not seasonally adjusted

£ million

	General Government Net borrowing	Net acquisition of financial assets	LESS Swaps	Consolidating transactions in Maastricht debt instruments	LESS Other accounts payable (F.7)	Adjustment for holding gains/losses ¹	Adjustment from market to nominal value ²	Other adjustments	Increase in general gov. gross consolidated debt at nominal value
	-MDUK	NFPG	-CFZG	YEQP	-NFVL	EYVC	YEQT	MDQA	
1996	33 662	-7 451	-	678	168	-2 036	-542	1 831	26 310
1997	17 723	728	-	1 836	-2 610	-663	-349	-3 495	13 170
1998	-1 992	722	-	1 098	-671	352	80	-1 799	-2 210
1999	-10 322	9 611	-	2 228	1 706	-662	1 420	-6 048	-2 067
2000	-15 545	31 387	84	987	-25 164	429	-1 668	2 321	-7 169
2001	-8 925	-9 721	87	225	-505	141	-4 703	9 226	-14 175
2002	13 014	-333	194	-2 016	2 810	-145	-3 756	5 017	14 785
1996/97	30 233	-2 624	-	1 525	-1 269	-2 112	-929	-728	24 096
1997/98	7 508	-1 772	-	1 061	-1 224	-981	-47	-2 690	1 855
1998/99	-4 041	3 251	-	2 103	-175	497	-244	-3 692	-2 301
1999/00	-15 521	10 368	23	1 424	-1 380	-547	891	-575	-5 317
2000/01	-16 417	28 506	128	621	-25 244	801	-3 468	1 993	-13 080
2001/02	-172	-5 984	-14	805	-67	-48	-2 874	5 297	-3 057
1997 Q1	2 740	3 302	-	238	-1 243	-60	-865	-234	3 878
Q2	11 281	-1 956	-	817	1 194	-557	3 733	-5 797	8 715
Q3	5 226	-261	-	-133	-1 885	309	-3 805	3 432	2 883
Q4	-1 524	-357	-	914	-676	-355	588	-896	-2 306
1998 Q1	-7 475	802	-	-537	143	-378	-563	571	-7 437
Q2	8 189	-1 122	-	432	208	196	925	-1 530	7 298
Q3	-209	2 398	-	564	-1 336	301	-1 320	-439	-41
Q4	-2 497	-1 356	-	639	314	233	1 038	-401	-2 030
1999 Q1	-9 524	3 331	-	468	639	-233	-887	-1 322	-7 528
Q2	6 155	-1 236	-	11	-25	-31	1 943	-1 639	5 178
Q3	-2 739	3 162	-	579	-1 182	-282	-1 289	-1 080	-2 831
Q4	-4 214	4 354	-	1 170	2 274	-116	1 653	-2 007	3 114
2000 Q1	-14 723	4 088	23	-336	-2 447	-118	-1 416	4 151	-10 778
Q2	2 941	15 443	12	1 370	-11 291	512	1 465	-4 605	5 847
Q3	-3 552	7 272	126	-195	-12 149	-164	-1 646	2 355	-7 953
Q4	-211	4 584	-77	148	723	199	-71	420	5 715
2001 Q1	-15 595	1 207	67	-702	-2 527	254	-3 216	3 823	-16 689
Q2	4 937	-7 686	-42	-353	2 593	-25	2 322	2 300	4 046
Q3	-2 967	453	80	849	-1 997	-74	-3 685	1 817	-5 524
Q4	4 700	-3 695	-18	431	1 426	-14	-124	1 286	3 992
2002 Q1	-6 842	4 944	-34	-122	-2 089	65	-1 387	-106	-5 571
Q2	9 518	-3 411	6	-1 516	1 445	-84	585	1 871	8 414
Q3	3 268	2 113	111	357	-3 148	-114	-2 731	1 815	1 671
Q4	7 070	-3 979	111	-735	6 602	-12	-223	1 437	10 271

1 (+) = holding gain, (-) = holding loss.

2 Market value minus nominal value.

M5 Reconciliation of General Government Gross Consolidated Debt at Nominal Value with National Accounts

£ million

		1998 /99	1999 /00	2000 /01	2001 /02	1998	1999	2000	2001	2002
GENERAL GOVERNMENT TOTAL FINANCIAL LIABILITIES	NPVQ	515 149	499 162	508 613	497 022	526 860	506 700	527 891	502 024	527 801
LESS Other Accounts payable (F.7) ¹	-NNMI	-17 411	-19 324	-44 618	-47 815	-16 925	-16 560	-41 915	-42 689	-47 132
General govt. gross unconsolidated debt at market prices	YEQQ	497 738	479 838	463 995	449 207	509 935	490 140	485 976	459 335	480 669
Consolidation										
Local govt. borrowing from central government	APDP	44 856	46 256	47 371	47 263	44 709	46 479	47 879	47 793	46 117
Local govt. holdings of Treasury Bills	NJEX	306	365	148	585	248	452	235	382	199
Central govt. holdings of local govt. short-term debt	NIFU	174	265	349	207	172	228	315	140	275
Local govt. holdings of British central govt. securities	NJFK	686	637	390	864	813	672	467	660	437
Total consolidation	MDQD	46 022	47 523	48 258	48 919	45 942	47 831	48 896	48 975	47 028
General govt. gross consolidated debt at market prices	MDQE	451 716	432 315	415 737	400 288	463 993	442 309	437 080	410 360	433 641
LESS British central government securities at market prices	-NIJI	-335 137	-320 086	-306 762	-291 019	-348 999	-324 301	-315 462	-292 855	-306 140
PLUS British central government securities at nominal prices	BKPM	285 394	284 427	274 601	271 250	294 507	289 426	278 647	268 585	273 374
General govt. gross consolidated debt at nominal prices ²	YEQG	401 973	396 656	383 576	380 519	409 501	407 434	400 265	386 090	400 875

1 Blue Book table 5.1.9

2 General govt. gross consolidated debt as defined in the Maastricht Treaty.

M6 Reconciliation of Transactions in Maastricht Debt Instruments with National Accounts

£ million

		1998 /99	1999 /00	2000 /01	2001 /02	1998	1999	2000	2001	2002
GENERAL GOVERNMENT TRANSACTIONS IN FINANCIAL LIABILITIES	NFSK	-1 233	-4 392	11 221	-6 002	-1 876	94	14 907	-18 015	11 363
LESS Other Accounts payable (F.7) ¹	-NFVL	-175	-1 380	-25 244	-67	-671	1 706	-25 164	-505	2 810
General govt. unconsolidated transactions in Maastricht debt instruments	MDQF	-1 408	-5 772	-14 023	-6 069	-2 547	1 800	-10 257	-18 520	14 173
Consolidation										
Local govt. borrowing from central govt.	ABEC	1 869	1 400	1 117	-108	897	2 041	1 400	-85	-1 688
Local govt. transactions in Treasury Bills	NBZA	161	59	-248	439	106	204	-218	119	-132
Central govt. transactions in local govt. short-term debt	NASF	-	-	-	-	-	-	-	-	-
Local govt. transactions in British central govt. securities	NBZN	73	-35	-248	474	95	-17	-195	191	-196
Total consolidating transactions	YEQP	2 103	1 424	621	805	1 098	2 228	987	225	-2 016
General govt. consolidated transactions in Maastricht debt instruments	YEQR	-3 511	-7 196	-14 644	-6 874	-3 645	-428	-11 244	-18 745	16 189

1 Blue Book table 5.1.8.

M7 Government Deficit under the Maastricht Treaty

Reconciliation of versions of net borrowing

Not seasonally adjusted

£ million

	General government net borrowing (UK National Accounts) ²	less Swaps	General government net borrowing (EDP version)	Spectrum Use Adjustments		General government net borrowing (Eurostat version) ³	Gross domestic product (GDP) at current market prices	Net borrowing as a percentage of GDP (UK National Accounts) ^{1 2}	Net borrowing as a percentage of GDP (EDP version) ¹	Net borrowing as a percentage of GDP (Eurostat version) ^{1 3 4}
				plus accrued rent	less adjusted cash receipts					
Calendar years from 1990										
	-NNBK	-CFZG	-MDUK	BKTK	-LSNY	LSNP	BKTL			
1990	8 685	—	8 685	—	—	8 685	557 300	1.6	1.6	1.6
1991	18 188	—	18 188	—	—	18 188	586 149	3.1	3.1	3.1
1992	39 071	—	39 071	—	—	39 071	610 854	6.4	6.4	6.4
1993	50 823	—	50 823	—	—	50 823	642 327	7.9	7.9	7.9
1994	45 835	—	45 835	—	—	45 835	681 327	6.7	6.7	6.7
1995	41 438	—	41 438	—	—	41 438	719 176	5.8	5.8	5.8
1996	33 662	—	33 662	—	—	33 662	762 214	4.4	4.4	4.4
1997	17 723	—	17 723	—	—	17 723	811 067	2.2	2.2	2.2
1998	-1 992	—	-1 992	—	—	-1 992	859 384	-0.2	-0.2	-0.2
1999	-10 322	—	-10 322	—	—	-10 322	902 459	-1.1	-1.1	-1.1
2000	-15 629	84	-15 545	545	-22 477	-37 477	950 415	-1.6	-1.6	-3.9
2001	-9 012	87	-8 925	1 044	—	-7 881	990 891	-0.9	-0.9	-0.8
2002	12 820	194	13 014	1 044	—	14 058	1 037 292	1.2	1.3	1.4
Financial years from 1993/94										
1993/94	50 683	—	50 683	—	—	50 683	653 582	7.8	7.8	7.8
1994/95	44 874	—	44 874	—	—	44 874	690 575	6.5	6.5	6.5
1995/96	36 426	—	36 426	—	—	36 426	729 001	5.0	5.0	5.0
1996/97	30 233	—	30 233	—	—	30 233	772 856	3.9	3.9	3.9
1997/98	7 508	—	7 508	—	—	7 508	824 164	0.9	0.9	0.9
1998/99	-4 041	—	-4 041	—	—	-4 041	868 642	-0.5	-0.5	-0.5
1999/00	-15 544	23	-15 521	—	—	-15 521	918 202	-1.7	-1.7	-1.7
2000/01	-16 545	128	-16 417	806	-22 477	-38 088	962 130	-1.7	-1.7	-4.0
2001/02	-158	-14	-172	1 044	—	872	1 001 506	—	—	0.1
Quarters from 1994 Q1										
1995 Q1	11 181	—	11 181	—	—	11 181	174 082	6.4	6.4	6.4
Q2	12 762	—	12 762	—	—	12 762	175 929	7.3	7.3	7.3
Q3	10 554	—	10 554	—	—	10 554	181 056	5.8	5.8	5.8
Q4	6 941	—	6 941	—	—	6 941	188 109	3.7	3.7	3.7
1996 Q1	6 169	—	6 169	—	—	6 169	183 907	3.4	3.4	3.4
Q2	15 157	—	15 157	—	—	15 157	186 257	8.1	8.1	8.1
Q3	9 467	—	9 467	—	—	9 467	191 624	4.9	4.9	4.9
Q4	2 869	—	2 869	—	—	2 869	200 426	1.4	1.4	1.4
1997 Q1	2 740	—	2 740	—	—	2 740	194 549	1.4	1.4	1.4
Q2	11 281	—	11 281	—	—	11 281	198 815	5.7	5.7	5.7
Q3	5 226	—	5 226	—	—	5 226	203 892	2.6	2.6	2.6
Q4	-1 524	—	-1 524	—	—	-1 524	213 811	-0.7	-0.7	-0.7
1998 Q1	-7 475	—	-7 475	—	—	-7 475	207 646	-3.6	-3.6	-3.6
Q2	8 189	—	8 189	—	—	8 189	211 430	3.9	3.9	3.9
Q3	-209	—	-209	—	—	-209	216 897	-0.1	-0.1	-0.1
Q4	-2 497	—	-2 497	—	—	-2 497	223 411	-1.1	-1.1	-1.1
1999 Q1	-9 524	—	-9 524	—	—	-9 524	216 904	-4.4	-4.4	-4.4
Q2	6 155	—	6 155	—	—	6 155	220 737	2.8	2.8	2.8
Q3	-2 739	—	-2 739	—	—	-2 739	227 614	-1.2	-1.2	-1.2
Q4	-4 214	—	-4 214	—	—	-4 214	237 204	-1.8	-1.8	-1.8
2000 Q1	-14 746	23	-14 723	—	—	-14 723	232 647	-6.3	-6.3	-6.3
Q2	2 929	12	2 941	98	-12 518	-9 479	232 503	1.3	1.3	-4.1
Q3	-3 678	126	-3 552	185	-9 959	-13 326	237 957	-1.5	-1.5	-5.6
Q4	-134	-77	-211	262	—	51	247 308	-0.1	-0.1	—
2001 Q1	-15 662	67	-15 595	261	—	-15 334	244 362	-6.4	-6.4	-6.3
Q2	4 979	-42	4 937	261	—	5 198	242 569	2.1	2.0	2.1
Q3	-3 047	80	-2 967	261	—	-2 706	247 443	-1.2	-1.2	-1.1
Q4	4 718	-18	4 700	261	—	4 961	256 517	1.8	1.8	1.9
2002 Q1	-6 808	-34	-6 842	261	—	-6 581	254 977	-2.7	-2.7	-2.6
Q2	9 512	6	9 518	261	—	9 779	254 666	3.7	3.7	3.8
Q3	3 157	111	3 268	261	—	3 529	258 135	1.2	1.3	1.4
Q4	6 959	111	7 070	261	—	7 331	269 514	2.6	2.6	2.7

1 Net borrowing as a percentage of GDP is calculated by dividing net borrowing by non seasonally adjusted GDP.

2 Version used in UK National Accounts, classification of spectrum use as rent. Net borrowing is equivalent to negative net lending

3 Version used by Eurostat, classification as sale of asset. -LSNP= MDUK-BKTK+LSNY

4 The Eurostat decision has wider implications for the National Accounts System. These will affect the level of net borrowing and GDP. These wider implications have been ignored in the construction of this measure.