

09 December 2014

## Supplementary forecast information release

The OBR are releasing this information following interest in the detail underlying our December 2014 *Economic and fiscal outlook (EFO)*. The OBR will where possible meet requests to release supplementary forecast information, where this will improve the quality of public debate on the public finances. Our full release policy can be found on our website.

The interest centred on the implications of our December 2014 forecast for Resource Departmental Expenditure Limits (RDEL) – day-to-day spending on public services and administration. Table 1 provides more comparable outturn data and extends Table F, ‘Resource DEL spending’, on page 148 of the *EFO*.

Tables 2 and 3 provide the denominators used in these calculations. Table 2 shows ONS data and OBR forecasts for nominal GDP and the GDP deflator. Table 3 shows ONS mid-year population estimates and the ONS low-migration variant population projections that are consistent with our economy forecast.

Table 1: Resource DEL spending

	Outturn					Spending plans		Implied spending			
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Per cent of GDP	21.2	20.6	19.7	19.1	18.3	17.4	16.8	15.3	14.1	13.3	12.6
Nominal spending <sup>1</sup>	317.8	324.9	320.9	317.2	317.5	316.8	316.3	299.0	287.9	282.9	279.7
Real spending <sup>2</sup>	351.5	349.6	339.2	329.7	324.2	316.8	311.9	291.0	275.4	265.7	257.7
Real spending per capita <sup>3</sup>	5,650	5,570	5,360	5,180	5,060	4,910	4,810	4,460	4,190	4,020	3,880

<sup>1</sup> £ billion.

<sup>2</sup> £ billion, 2014-15 prices.

<sup>3</sup> £, 2014-15 prices. Per capita figures have been calculated using ONS mid-year population estimates and ONS low-migration variant population projections.

Note: The RDEL figures include a discontinuity in 2013-14 because of the reforms to council tax benefit and business rates, which involved switches between DEL and AME. Details of these changes were shown in Box 4.2 of our December 2012 Economic and fiscal outlook. We adjusted for these reforms in Chart 4.9 of our December 2014 Economic and fiscal outlook by including series for council tax benefit outturn (prior to 2013-14) and our localised business rates forecast (after 2013-14). These two series were contained in AME, but serve as a proxy for the amounts that would need to be added to RDEL to make the series comparable over the period from 2009-10 to 2019-20. Our latest figures for these series are:

Council tax benefit <sup>1</sup>	4.6	4.8	4.8	4.9							
Retained business rates <sup>1</sup>					10.9	11.1	11.1	12.2	12.8	13.3	13.8

Table 2: Nominal GDP and GDP deflator index used in calculations

	Outturn					Forecast					
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Nominal GDP (£ billion)	1,502	1,576	1,628	1,663	1,733	1,822	1,888	1,956	2,038	2,124	2,215
GDP deflator index <sup>1</sup>	90.4	92.9	94.6	96.2	97.9	100.0	101.4	102.8	104.5	106.5	108.5

<sup>1</sup> GDP deflator index consistent with our December 2014 economic forecast, rebased to 100 in 2014-15.

Table 3: ONS mid-year population estimates and low-migration variant population projections used in calculations

	Estimates					Projections					
	Mid-2009	Mid-2010	Mid-2011	Mid-2012	Mid-2013	Mid-2014	Mid-2015	Mid-2016	Mid-2017	Mid-2018	Mid-2019
Population (000s)	62,261	62,760	63,285	63,705	64,080	64,487	64,888	65,301	65,694	66,080	66,445