



HM TREASURY

Budget 2011 data sources

March 2011



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Preface

This document provides details of sources of data in all the tables, charts and graphs in the March 2011 Budget document. In addition it includes some details of sources for data included in the text, where for reasons of space, it has not been possible to footnote those sources in the main Budget Report document.

This document ensures that the Treasury meets the standards set out by the UK Statistics Authority to comply with the Statistics and Registration Service Act 2007. In particular, this document aims to meet two of the requirements of the UK Statistics Authority's 'Code of Practice for Official Statistics':

- to clearly distinguish between outturn data that are official statistics¹, and outturn estimates that are not published as official statistics. Examples of estimates that are not official statistics include, for instance, economic estimates calculated by the Treasury, which are constructed using assumptions, or judgements, or results of economic analyses that have a material effect on the resulting estimates;
- for outturn data that are official statistics, to show where the source data and further information on those statistics can be found, thus ensuring that all the official statistics used in the Budget Report are robust and are published in an orderly and pre-announced manner. Where possible, sources are shown that are National Statistics².

Full details of sources are only provided for outturn data. Data for the 2010-11 year are a mixture of provisional outturn, estimates and projections. Data for future years are forecasts. These projections and forecasts are outside the domain of official statistics, as are the estimates of the impacts of government measures or policy decisions, in that these are estimated, rather than measured or compiled using statistical processes.

Time series for data that are shown with ONS source codes can be downloaded from the ONS website at: www.statistics.gov.uk/statbase/tsdintro.asp

We would welcome any feedback from users on this document, which should be addressed to the Budget Coordination team, via the Treasury's Public Enquiry Unit.

¹ The 'official statistics' label refers to a specified subset of the quantitative information produced by the Government and its nominated agents. Official statistics are produced and published in accordance with the provisions set out in the Statistics and Registration Service Act 2007 and in supplementary statistical legislation, and in line with the Code of Practice for Official Statistics.

² The 'National Statistics' label applies to a distinct subset of 'official statistics' which have been formally certified by the UK Statistics Authority to be compliant with the professional standards set out in the Code. Public bodies that produce National Statistics have a statutory duty to continue to comply with the Code.

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Executive summary

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Table 1: Summary of Budget policy decisions

Costs of policy decisions, in changes to Exchequer yields		Policy costings	These figures are calculated as the projected or forecast costs of impacts, in terms of yields, consistent with the economic forecast and fiscal forecasts presented in Annex C of the Budget. These are therefore outside the domain of official statistics.
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Chart 1: Government spending 2011-12

Spending on each of the main functions of government, and on Total Managed Expenditure		Economic estimates	<p>These figures are calculated as economic estimates, including the effects of assumptions and results from economic analyses that have a material impact, and are therefore outside the domain of official statistics.</p> <p>Allocations to spending functions are based on HMT analyses using initial departmental estimates submitted on the COINS database consistent with spending review settlements, and the 2011-12 fiscal forecast of the Office for Budget Responsibility. The allocation of spending to functions is largely based on the United Nations' Classifications of the Functions of Government (COFOG). Other expenditure includes general public services (including international services); recreation, culture, and religion; public service pensions; plus spending yet to be allocated and some accounting adjustments. Social protection includes tax credit payments in excess of an individual's tax liability, which are now counted in AME, in line with OECD guidelines. Figures may not sum due to rounding.</p> <p>The classifications used for these projections are consistent with the outturn statistics published by HM Treasury in the public expenditure outturns National Statistics release, Feb 2011, available at: http://www.hm-treasury.gov.uk/national_statistics.htm</p>
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Chart 2: Government receipts

Receipts from each of the main taxes, or other income		Economic estimates	These are estimated projections of receipts for 2010-11, consistent with the fiscal forecasts presented in Annex C. These are therefore outside the domain of official statistics. Further detail on these receipts is shown in Table C3 in Annex C
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Budget report

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Chart 1.1: Private sector debt in the UK

Non-financial companies	YBHA, NLBC, NKZA, J8XI	United Kingdom Economic Accounts (National Statistics)	United Kingdom Economic Accounts 3 rd quarter 2010, available at: http://www.statistics.gov.uk/downloads/theme_economy/ukea-10q3.pdf .
Households	YBHA, NNRE, NNQC	United Kingdom Economic Accounts (National Statistics)	See above.
Financial companies	YBHA, NNWK, NNXI, NNXM, NLUA, NLSY, J8XK, NJCS, NJBQ, J8XM	United Kingdom Economic Accounts (National Statistics)	See above.

Table 1.1: Total consolidation plans over the forecast period

Economic estimates

These figures are calculated as economic estimates, including the effects of assumptions and results from economic analyses that have a material impact, and are therefore outside the domain of official statistics.

Chart 1.2: Receipts and expenditure

Total Managed Expenditure on an ex basis: Outturn	JW2Q-JW2Z+ JW2S)	Calculation, using National Statistics	Office for National Statistics. Statistical Bulletin supplementary document: Public Sector Finances January 2011, available at: http://www.statistics.gov.uk/STATBASE/Product.asp?vlnk=805 .
Total Managed Expenditure: Forecast		Office for Budget Responsibility	See Office for Budget Responsibility's March 2011 Economic and Fiscal Outlook, available at: http://budgetresponsibility.independent.gov.uk/publications.html .
Public Sector Current Receipts consistent with PSNB ex (J5II)	JW20	Public Sector Finances (National statistics)	ONS Statistical Bulletin supplementary document. See above.

Public Sector Current Receipts	Office for Budget Responsibility	See OBR's March 2011 Economic and Fiscal Outlook. See above.
Total Managed Expenditure: Forecast	Office for Budget Responsibility	See Office for Budget Responsibility's March 2011 Economic and Fiscal Outlook, available at: http://budgetresponsibility.independent.gov.uk/publications.html .

Box 1.B Chart: Structural tightening in advanced economies in 2011

General Government Cyclically Adjusted Overall Balance (Percent of potential GDP) in 2010 and 2011	IMF World Economic Outlook January 2011 update and IMF November Fiscal Monitor	IMF World Economic Outlook Update January 2011: "Global recovery advances but remains uneven", available at: http://www.imf.org/external/pubs/ft/weo/2011/update/01/index.htm . November 2010 Fiscal Monitor 'Fiscal Exit: From strategy to implementation', available at: http://www.imf.org/external/pubs/ft/fm/2010/02/fmindex.htm .
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Chart 1.3: Brent crude oil prices

Series for paragraphs 1.37 to 1.39.

Real GDP growth	ABMI	Office for National Statistics	UK output, income and expenditure statistical bulletin: http://www.statistics.gov.uk/pdfdir/ie0211.pdf
Private and public sector employment	G7K5, G7AU	ONS	Labour market statistics statistical bulletin: http://www.statistics.gov.uk/pdfdir/lmsuk0311.pdf
Manufacturing output	CKYY	ONS	
UK goods exports and UK goods exports to China	BOKG, ERDN	ONS	UK output, income and expenditure statistical bulletin, see above.
Export orders		CBI, CIPS	UK trade statistical bulletin: http://www.statistics.gov.uk/pdfdir/trd0311.pdf
Real Business Investment	NPEL	ONS	
Services and construction output	GDQS, GDQB	ONS	UK output, income and expenditure statistical bulletin, see above.
Credit Conditions survey		Bank of England	UK output, income and expenditure statistical bulletin, see above.
ILO redundancy level and ILO unemployment rate	BEAO, MGSX	ONS	http://www.bankofengland.co.uk/publications/other/monetary/creditconditions.htm

Claimant count	BCJD	Labour market statistics statistical bulletin, see above.
		Labour market statistics statistical bulletin, see above.

**Box 1.B Chart:
Spread to Bunds**

UK	GUKG10YR	Bloomberg	As at 14 March 2011.
US	USGG10YR	Bloomberg	
France	GFRN10YR	Bloomberg	
Spain	GSPG10YR	Bloomberg	
Italy	GBTPGR10YR	Bloomberg	
Portugal	GSPT10YR		

Chart 1.4: Firms' investment intentions (Bank of England Agents' scores)

Bank of England Agents' scores- investment intentions	Agents' Summary of Business Conditions: http://www.bankofengland.co.uk/publications/quarterlybulletin/qb050401.pdf
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Table 1.2: Summary of OBR's central economic forecast

Contributions as a share of 2006 real GDP	ABMI, ABR, HAYO, NPEL, GGAG, NMRY, DLWF, IKBK, IKBL, CAFU, DMUM	United Kingdom Economic Accounts (National Statistics)	United Kingdom Economic Accounts 3rd quarter 2010, available at: http://www.statistics.gov.uk/downloads/theme_economy/ukea-10q3.pdf .
Indicators for 2010 to 2015		Office for Budget Responsibility	See OBR March 2011 Economic and Fiscal Outlook.

Table 1.3: Overview of OBR central fiscal forecast

Outturn public sector net borrowing and public sector net debt	-J5II/BKTL JW2T/BKTL HF6X	Office for National Statistics	ONS Statistical Bulletin: Public Sector Finances January 2011, available at: http://www.statistics.gov.uk/STATBASE/Product.asp?vlnk=805 .
Outturn Treaty Debt and Treaty Deficit		Office for National Statistics	ONS Statistical Bulletin: Government deficit and debt under the Maastricht Treaty. http://www.statistics.gov.uk/pdfdir/maast0910.pdf
Primary balance	-J5II-JW2L- JW2M+JW2P	Office for National Statistics	Office for National Statistics. Statistical Bulletin supplementary document: Public Sector Finances January 2011, available at: http://www.statistics.gov.uk/STATBASE/Product.asp?vlnk=805 .

Forecast data 2010-11 to 2015-16	Office for Budget Responsibility	See OBR March 2011 Economic and Fiscal Outlook.
Cyclically-adjusted net borrowing, CA surplus on current budget, and CA primary balance and total policy decisions line		These figures are calculated as economic estimates, including the effects of assumptions and results from economic analyses that have a material impact, and are therefore outside the domain of official statistics. Difference between current year cyclically-adjusted surplus on current budget and previous year cyclically-adjusted surplus on current budget.

Chart 1.5: OBR forecast change in shares of GDP between 2010 and 2015

Outturn	YBHA, HAYE, ABJQ, NMRP, NPQS, IKBH, IKBI	Office for National Statistics	United Kingdom Economic Accounts 3rd quarter 2010, available at: http://www.statistics.gov.uk/downloads/theme_economy/ukea-10q3.pdf .
Forecast		Office for Budget Responsibility	See OBR March 2011 Economic and Fiscal Outlook.

Chart 1.6: Consolidation in the cyclically-adjusted current budget

Consolidation in the cyclically-adjusted current budget		Economic estimates	These figures are calculated as economic estimates, including the effects of assumptions and results from economic analyses that have a material impact, and are therefore outside the domain of official statistics. Difference between current year cyclically-adjusted surplus on current budget and previous year cyclically-adjusted surplus on current budget.
Cyclically-adjusted surplus on current budget		Economic estimates	These figures are calculated as economic estimates, including the effects of assumptions and results from economic analyses that have a material impact, and are therefore outside the domain of official statistics.

Chart 1.7: Path sector net debt

Public sector net debt Budget 2011	HF6X	Public Sector Finances (National Statistics)	ONS Statistical Bulletin: Public Sector Finances January 2011, available at: http://www.statistics.gov.uk/STATBASE/Product.asp?vlnk=805 .
Public sector net debt, OBR Pre-Budget Forecast			OBR Pre-Budget Forecast June 2010, available at: http://budgetresponsibility.independent.gov.uk/publications.html

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Budget policy decisions

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Tables 2.1 and 2.2

		HMT policy costings	These projections are calculated from economic estimates, detailed costing models, and include numerous assumptions that have a material impact, and are therefore outside the domain of official statistics.
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Table 2.3: Total Managed Expenditure

Figures for public sector current expenditure, public sector gross investment, and total managed expenditure		Office for Budget Responsibility	Figures are taken from the OBR forecast published alongside Budget 2011.
Figures for Resource DELs and Capital DELs		Public Expenditure Statistical Analyses (PESA) (National Statistics) for 2010-11	DEL estimated outturn data for 2010-11 is drawn from the PESA release update in February 2011 available at http://www.hm-treasury.gov.uk/pespub_natstats_feb2011.htm
		DEL plans are used for 2011-12 onwards	

Data in table, chart or graph	ONS source code (if applicable)	Data source	Further reference information
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Table 2.4: Departmental Expenditure Limits

Departmental Expenditure Limits	Public Expenditure Statistical Analyses (PESA) (National Statistics) for 2010-11	DEL plans are used for 2011-12 onwards	DEL estimated outturn data for 2010-11 is drawn from the PESA release update in February 2011 available at http://www.hm-treasury.gov.uk/pespub_natstats_feb2011.htm
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A

Impact on households

Data in table, chart or graph	ONS source code (if applicable)	Data source	Further reference information
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Paragraph A.6: List of measures that can be modelled and explanation of methodology

'The policies modelled account for the vast majority of tax and around two-thirds of tax credit and benefit changes.'

Not all measures can be reliably modelled due to data and modelling constraints. The following measures have been included in this analysis:

Personal tax:

- £1,000 cash increase to the Personal Allowance in 2011-12;
- £630 cash increase to the Personal Allowance in 2012-13;
- £2,500 reduction in the basic rate limit and Upper Earnings Limit and Upper Profits Limit in 2011-12;
- Freeze higher rate threshold in 2012-13, at 2011-12 level keeping upper earnings limit and upper profits limit aligned with higher rate threshold;
- Increase Primary Threshold in 2011-12 above alignment with where the personal allowance would have been under plans inherited by this Government;
- Increase all National Insurance rates by 1 percentage point from 2011-12.

Tax credits:

- Increase the child element of the Child Tax Credit by £180 above indexation in 2011-12 and £110 above indexation in 2012-13;
- Increase the first and second withdrawal rates to 41 per cent from April 2011;
- Remove the baby element from April 2011;
- Start tapering the family element of Child Tax Credit immediately after the child element is withdrawn from April 2012;
- Increase the Working Tax Credit working hours requirement for couples with children to 24 hours in 2012-13;
- Reduce the proportion of costs covered by the childcare element of the Working Tax Credit from 80 per cent to 70 per cent from April 2011;
- Freeze the basic and 30 hour elements of the Working Tax Credit at 2010-11 rates from 2011-12 until 2013-14.

Data in table, chart or graph	ONS source code (if applicable)	Data source	Further reference information
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Benefits:

- Reverse previous freezes on deductions for non-dependents in Housing Benefit, and maintain link with prices from 2011-12.
- Freeze Child Benefit at 2010-11 rates from 2011-12 until 2013-14;
Remove Child Benefit from families where there is at least one adult with an income above the higher rate threshold from January 2013;
- Increase minimum guarantee for Pension Credit by cash increase in Basic State Pension for 2011-12;
- Freeze maximum award of Savings Credit from April 2011.

Uprating:

- Change uprating of benefits and tax credits to CPI from April 2011, against a base including the PBR 2009 measure to increase RPI-linked benefits and tax-credits by RPI + 1.5 per cent in 2010-11 and RPI – 1.5 per cent in 2011-12;
- Change uprating of Basic State Pension to higher of CPI, earnings or 2.5 per cent from April 2011, except for 2011-12 where only uprate by RPI if higher than CPI. This compares to a baseline of earnings uprating from 2012.
- Change indexation of NICs to CPI from 2012-13: i) Employee NICs (Class 1 Primary threshold and Lower Earnings Limit) ii) Self-employed NICs (Lower Profits Limit, Class 2 NICs rate and Small Earnings Exception)

Indirect taxes:

- Increase the standard rate VAT to 20 per cent in January 2011;
Increase the standard rate of Insurance Premium Tax to 6 per cent and the higher rate to 20 per cent in January 2011;
- Reverse cider duty increase at March 2010 Budget in June 2010;
- Tobacco duty: rebalancing specific and ad valorem duty to 60%
- Hand rolled tobacco duty: increase rate to RPI+12% (corresponding to a 10% increase)

Data in table, chart or graph	ONS source code (if applicable)	Data source	Further reference information
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Chart A1: Summary of the average amount of taxes paid and benefits received (£ per year) by households, by income decile (2008-9)

Average amount of taxes paid and benefits received by households	ONS data	This chart is produced using table 14 of the ONS publication "The Effects of Taxes and Benefits on Household Income, 2008/9" published in June 2010. For more information on the methodology, see http://www.statistics.gov.uk/articles/nojournal/Taxes_Benefits_0809.pdf
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Paragraph A.14: Distributional analysis methodology

Income/expenditure decile calculation	<p>Income quintile and decile analysis has been simulated using HM Treasury's tax and benefit microsimulation model. The model uses data from the Living Costs and Food Survey (LCF) collected between April 2006 and March 2009. The small sample size of the LCF means that to be able to produce robust analysis three years of data has been pooled together. This data is then uprated appropriately to reflect the tax year being modelled. This dataset is used to model each household's net income under a given and alternative tax and benefit system. The difference between the two results produces the change in net income for each household. Households are then allocated into quintiles/deciles and the average (mean) change in net income for all the households in each quintile/decile is calculated. The model assumes no changes in behaviour to employment, income or spending choices.</p> <p>The model assumes 100 per cent take up of tax credits and benefits. Changes in indirect tax assume that the same quantity of goods and services are purchased and that all of the increase in indirect tax is passed through to consumers.</p>
Equivalisation methodology	<p>Equivalisation is a process that adjusts a household's net income to take into account the size and composition of the household. This reflects the fact that larger households will require a higher net income to achieve the same economic well-being and standard of living as a household with fewer members.</p> <p>All net incomes are adjusted in comparison to a couple with no children, whose equivalised income is normalised at the same level as their unequivalised income. To calculate the equivalised net income for a household, each person is given a factor based on the position in the household relative to the head of the household and their age. The equivalence factors used in the analysis are the modified OECD factors (as used in DWP's Households Below Average Income publication).</p>
	<p>These factors are shown in the table below. Each household is given an overall factor by adding the factors for each person. The net income for the household is then divided by this factor to produce the</p>

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equivalised net income figure for this household.

Equivalisation factors:
 Cohabiting head of household 0.67
 Partner/spouse 0.33
 Other 2nd adult 0.33
 Third adult 0.33
 Subsequent adults 0.33
 Child aged under 14yrs 0.20
 Child aged 14yrs and over 0.33

For example, a household with a combined net income of £25,000 containing a couple and two children aged 7 and 15 years old will have an equivalised net income of around £16,340. This is calculated as follows:
 Factor: $0.67 + 0.33 + 0.20 + 0.33 = 1.53$
 Equivalised net income: $£25,000 / 1.53 = £16,340$

Chart A2: Impact of all tax, tax credit and benefit measures in cash terms (£ per year) by income distribution (2012-13)

Change in average direct and indirect taxes paid and benefit received by households as a result of Budget 2011, Spending Review 2010 and June Budget 2010 measures (including pre-announced measures) in 2012-13

HM Treasury economic estimates

Estimates are derived using HM Treasury's tax and benefit microsimulation model as described in paragraph A.14. Averages are given for estimated changes in direct taxes; indirect taxes; and benefits and tax credits. Income deciles are calculated on household equivalised net incomes.

These figures are calculated as economic estimates, including the effects of assumptions and results from economic analyses that have a material impact, and are therefore outside the domain of official statistics.

Chart A3: Impact of all tax, tax credit and benefit measures as a per cent of net income by income distribution (2012-13)

Change in average direct and indirect taxes paid and benefit received by households as a result of Budget 2011, Spending Review 2010 and June Budget 2010 measures (including pre-announced measures) in 2012-13

HM Treasury economic estimates

Estimates are derived using HM Treasury's tax and benefit microsimulation model as described in paragraph A.14. Averages are given for estimated changes in direct taxes; indirect taxes; and benefits and tax credits. Income deciles are calculated on household equivalised net incomes.

To calculate the average change as a per cent of net income the average total change in net income for each decile is divided by the average total net income for that decile before measures were introduced.

These figures are calculated as economic estimates, including the effects of assumptions and results from economic analyses that have a material impact, and are therefore outside the domain of official statistics.

Data in table, chart or graph	ONS source code (if applicable)	Data source	Further reference information
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Chart A4: Impact of all tax, tax credit and benefit measures in cash terms (£ per year) by expenditure distribution (2012-13)

Change in average direct and indirect taxes paid and benefit received by households as a result of Budget 2011, Spending Review 2010 and June Budget 2010 measures (including pre-announced measures) in 2012-13

HM Treasury economic estimates

Estimates are derived using HM Treasury's tax and benefit microsimulation model as described in paragraph A.14. Averages are given for estimated changes in direct taxes; indirect taxes; and benefits and tax credits.

Expenditure deciles are calculated on household equivalised expenditure (expenditure is adjusted to take account of variations in size and composition of households using the modified OECD equivalence factors).

These figures are calculated as economic estimates, including the effects of assumptions and results from economic analyses that have a material impact, and are therefore outside the domain of official statistics.

Chart A5: Impact of all tax, tax credit and benefit measures as a per cent of net expenditure by expenditure distribution (2012-13)

Change in average direct and indirect taxes paid and benefit received by households as a result of Budget 2011, Spending Review 2010 and June Budget 2010 measures (including pre-announced measures) in 2012-13

HM Treasury economic estimates

Estimates are derived using HM Treasury's tax and benefit microsimulation model as described in paragraph A.14. Averages are given for estimated changes in direct taxes; indirect taxes; and benefits and tax credits.

To calculate the average change as a per cent of expenditure the average total change in net income for each decile is divided by the average total expenditure for that decile before measures were introduced.

Expenditure deciles are calculated on household equivalised expenditure (expenditure is adjusted to take account of variations in size and composition of households using the modified OECD equivalence factors).

These figures are calculated as economic estimates, including the effects of assumptions and results from economic analyses that have a material impact, and are therefore outside the domain of official statistics.

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Table A1: Illustrative examples of Income tax and National Insurance paid per year, by income level

<p>Estimates of income tax and National Insurance Contributions paid for individuals under the age of 65 at different income levels</p>	<p>HM Revenue and Customs economic estimates</p>	<p>These illustrative estimates calculate the income tax and National Insurance liabilities for individuals in 2010-11, 2011-12, 2012-13 before this Budget and 2012-13 after this Budget.</p>	<p>Gross Income: refers to pay only before the personal allowance is deducted (i.e. all gross income is subject to income tax and class 1 NICs).</p> <p>Assumptions: The calculations assume an individual aged under 65 and are an employee.</p> <p>Income Tax: An individual is assumed to have the standard personal allowance without any further allowances (e.g. blind persons allowance) or deductions in income tax (e.g. pension contributions).</p> <p>National Insurance: An individual is assumed to pay Class 1 NICs. NIC liabilities are calculated on a weekly basis and annualised.</p>
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Data in table, chart or graph	ONS source code (if applicable)	Data source	Further reference information
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Table A2: Illustrative weekly increase in income from entering work at the minimum wage for example individuals

Illustrative cash gains from entering work for example families	HM Treasury economic estimates	For the existing system, parameters have been uprated according to established benefit rules, or where specific policies have been announced, in accordance with these policies. Forecasts incorporate OBR economic assumptions.
		An assumption is needed for an illustrative value for the National Minimum Wage in 2014-15. To do this, the value of £5.93 implemented on 1 October 2010 has been uprated to 2014-15 using assumptions for growth in average earnings.
		To produce an estimate of the impact of Universal Credit, parameter estimates and rates used are consistent with those used in <i>Universal Credit: welfare that works</i> cm 7957. Consistent with the White Paper withdrawal of Universal Credit was estimated on the basis of net income. Actual parameters and rates will be set closer to implementation of Universal Credit.
		Note that Council Tax Benefit and childcare is not included in the analysis of the existing system or Universal Credit. All analysis assumes full take-up of other relevant benefits.
		Rent estimates of the specimen examples are as follows:
		Lone parent with one child: Rent of £80pw.
		First earner in couple, no children: Both adults over 25. Rent of £75pw.
		First earner in couple, two children: Rent of £85pw.
		Second earner in couple, no children: First earner working 10 hours: Rent of £75pw.
		Second earner in couple, two children: First earner working 10 hours. Rent of £85pw.
		Single, under 25, no children: Rent of £75pw.
		These figures are calculated as economic estimates, including the effects of assumptions and results from economic analyses that have a material impact, and are therefore outside the domain of official statistics.

Table A3: Illustrative participation tax rates for example individuals

Illustrative participation tax rates for example individuals	HM Treasury economic estimates	The uprating assumptions and estimates of the impact of the tax and benefit system are the same as those detailed for Table A2.
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Data in table, chart or graph	ONS source code (if applicable)	Data source	Further reference information
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Table A4: Illustrative marginal deduction rates for example individuals

Illustrative marginal deduction rates for example individuals	HM Treasury economic estimates	The uprating assumptions and estimates of the impact of the tax and benefit system are the same as that detailed for Table A2.
		The specific estimates provided in this table are derived from the simultaneous withdrawal of the following benefits, and/or payment of taxes:
		Existing system:
		100% - Withdrawal Income Support/Job Seekers Allowance.
		91% - Withdrawal of tax credits and Housing Benefit. Payment of Income tax and National Insurance Contributions.
		73% - Withdrawal of tax credits. Payment of Income tax and National Insurance Contributions
		65% - Withdrawal of Housing Benefit.
		32% - Payment of Income tax and National Insurance Contributions
		Universal credit system:
		76% - Withdrawal of Universal Credit. Payment of Income tax and National Insurance Contributions/
		65% - Withdrawal of Universal Credit.
		32% - Payment of Income tax and National Insurance Contributions
		These figures are calculated as economic estimates, including the effects of assumptions and results from economic analyses that have a material impact, and are therefore outside the domain of official statistics.

Chart A.6 Impact of the consolidation on households as a per cent of (2010-11) net income (including household's benefits in kind from public services)

Impact of the consolidation on households as a per cent of net income (including Household's benefits in kind from public services)	HM Treasury economic estimates	Public service spending distributional analysis: the methodology for modelling the distributional impact of public service spending is set out in detail in the Spending Review 2010 document, paragraphs B.8 – B.15, as well as the relevant sections of the Spending Review 2010 data sources document, both freely available at: http://www.hm-treasury.gov.uk/spend_sr2010_documents.htm .
		The public spending analysis has been updated to take account of the latest inflation forecasts as well as latest data from departments on how spend will be allocated over the next four years.
		Tax, tax credit and benefits changes are derived using HM Treasury's tax and benefit microsimulation model as described in 'Paragraph A.6: List of measures that can be modelled and explanation of methodology.'

Data in table, chart or graph	ONS source code (if applicable)	Data source	Further reference information
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Additionally, for this 2014-15 analysis, the following measures are also included:

- Limiting pensions tax relief to £50,000;
- Introducing objective medical assessments for all Disability Living Allowance claimants;
- Time-limiting contributory Employment Support Allowance to one year for those in the Work Related Activity Group;
- Increasing the rate of capital gains tax to 28 per cent;
- Changes to tax credit income disregards and backdating of claims;
- Setting Local Housing Allowance rents at the 30th percentile;
- Limiting working age social sector Housing Benefit entitlements to reflect family size; and,
- Capping total household benefit payments on the basis of average take-home pay for working households.

The cap on total benefit awards can be modelled as part of our standard analysis, see section 'Paragraph A.6: List of measures that can be modelled and explanation of methodology.'

Other additional measures are modelled by apportioning to quintiles the Exchequer savings from the measures. For pensions tax relief, we have assumed that the impact of the reform falls only on households in the top quintile.

For reforms to Employment Support Allowance and Disability Living Allowance, where changes relate primarily to eligibility, this has been done on the basis of the distribution of benefit claimants.

For reforms to capital gains tax, tax credits, Local Housing Allowance and Housing Benefit, where changes primarily relate to awards or liabilities, Exchequer savings have been apportioned on the basis of about the distribution of awards or (in the case of capital gains tax) receipts as published by HMRC: http://www.hmrc.gov.uk/stats/capital_gains/table14-3.pdf

These figures are calculated as economic estimates, including the effects of assumptions and results from economic analyses that have a material impact, and are therefore outside the domain of official statistics.

Data in table, chart or graph	ONS source code (if applicable)	Data source	Further reference information
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Paragraph A.37 Impact on child poverty of modelled tax and welfare reforms in June Budget 2010, Spending Review 2010 and Budget 2011

Impact on child poverty of direct taxes paid and benefit received by households as a result of Budget 2011, Spending Review 2010 and June Budget 2010 measures (excluding pre-announced measures), in 2011-12 and 2012-13

HM Treasury economic estimates

The child poverty impact is defined as the increase in the number of children living in households below 60 per cent of median income (before housing costs) as a result of modelled measures. Measures modelled here are the same as those listed in paragraph A.6 with the following exceptions:

- The removal of the tax credit element for one and two year olds that was modelled for the child poverty estimates but not modelled for in distributional analysis charts due to limitations in the LCF dataset used in the distributional analysis charts (the measure was announced in the March Budget 2010 and not implemented by this Government);
- Personal tax measures announced by the previous Government.

Child poverty estimates are calculated with the HM Treasury's tax and benefit microsimulation model based on the 2008-09 Family Resources Survey data. The dataset is then updated to reflect the tax year being modelled.

These figures are calculated as economic estimates, including the effects of assumptions and results from economic analyses that have a material impact, and are therefore outside the domain of official statistics.

B

Financing

Data in table, chart or graph	ONS source code (if applicable)	Data source	Further reference information
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Table B.1: Financing arithmetic 2010-11 and 2011-12

Central Government Net Cash Requirement	RUUW	OBR forecast	Monthly ONS Statistical Bulletin: Public Sector Finances, available at: http://www.statistics.gov.uk/StatBase/Product.asp?vlnk=805&Pos=&ColRank=1&Rank=422
Gilt redemptions		HMT forecast	More information on gilt maturities can be found at http://www.dmo.gov.uk/index.aspx?page=Gilts/Gilts_Issue
Financing for the Official Reserves		As above	Based on policy decision to fund the Official Reserves by £6 billion in 2010-11 and 2011-12
Buy-backs		As above	
Planned short-term financing adjustment		HMT calculation	Calculated from outturn DMO net cash position at 31 March 2010 less £0.5 billion.
Gross financing requirement (GFR)		As above	Calculated as the sum of the five items above it.
National Savings & Investments (NS&I)		NS&I forecast	
Net financing requirement (NFR)		HMT calculation	GFR less contribution to financing from NS&I.
Treasury bills		HMT forecast	
Gilts		2010-11 values are outturn, 2011-12 values are projections	Information on gilt sales published at http://www.dmo.gov.uk/reportView.aspx?rptCode=D5D&rptName=25b62836-ae5f-4a0c-9a60-081cf4435dc3 GILT%20MARKET%20(10)&reportpage=Issuance_Calendar . 2011-12 values based on projection of 2011-12 NFR.

Change in the Ways and Means Advance	HMT forecast	
Unanticipated change in short-term cash position	HMT calculation	Total financing less NFR
Total financing	As above	Sum of financing through gilts and Treasury bills
Treasury bill stock	As above	Treasury bill stock at 31 March 2010 plus Treasury bill financing.
Ways and Means Advance	As above	Ways and Means Advance at 31 March 2010 plus Change in Ways and Means Advance.
DMO net cash position	As above	DMO net cash position at 31 March 2010 plus Unanticipated change in short-term cash position.

HM Treasury contacts

This document can be found in full on our website at:
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