

GOVERNMENT EXPENDITURE AND REVENUE SCOTLAND

DETAILED EXPENDITURE METHODOLOGY PAPER 2023-24

This paper outlines the methodologies used to estimate public sector expenditure for Scotland.

Approach to estimating expenditure in GERS

Expenditure in GERS is split into two broad types. Total expenditure on services (TES) and total managed expenditure (TME). Broadly speaking, Total expenditure on services represents actual spending undertaken by the public sector, whilst total managed expenditure, which is the primary measure of spending used in the Public Sector Finances, also includes a number of accounting adjustments, primarily includes capital consumption (depreciation) and VAT refunds. These accounting adjustments are normally non-cash items included as both revenue and expenditure which do not affect the net fiscal balance. The sections below describe how TES is estimated for Scotland.

The approach to estimating Scottish TES depends on the body which is undertaking the spending, as discussed below.

Scottish Government spending

Data are provided directly by the Scottish Government Directorate for Financial Management. This includes the spending of Scottish Government funded public corporations, which include Scottish Water, Caledonian Maritime Assets Ltd, and Forest Enterprise Scotland.

Scottish local government spending

Data are taken directly from HM Treasury's Public Expenditure Statistical Analyses (PESA) publication.¹ Local government spending includes spending on council-owned housing stock, which under the Housing (Scotland) Act 1987 local authorities in Scotland are required to account for separately in a Housing Revenue Account (HRA). In the public sector finances, the HRA is classed as a public corporation.

Other UK government spending

Other government includes all parts of the public sector not funded by the Scottish Government or Scottish local authorities. This includes spending by:

- UK government departments, such as social security spending by the Department for Work and Pensions, defence spending by the Ministry of Defence, and debt interest expenditure by HM Treasury;
- UK government bodies, such as Network Rail and the security and intelligence agencies;
- UK public corporations, including the Bank of England;
- Local government in England, Wales, and Northern Ireland.

¹ <https://www.gov.uk/government/collections/public-expenditure-statistical-analyses-pesa>

Data for the years 2019-20 to 2022-23 are consistent with HM Treasury's latest Country and Regional Analysis (CRA) publication. Data prior to 2019-20 are based on previous CRA publications. Data for 2023-24 are taken from a number of sources, discussed in more detail below.

Scottish Government spending estimates

Scottish Government expenditure in GERS is provided by the Scottish Government Directorate for Financial Management, as reported on the UK Government's public spending system, OSCAR. Data for 2023-24 are provisional final outturn, whilst earlier years are audited final outturn. Data from OSCAR are available at:

<https://www.gov.uk/government/collections/hmt-oscar-publishing-from-the-database>

Local government spending estimates

Estimates of Scottish local government spending are taken directly from PESA. Current expenditure is taken from Table 7.5. Capital expenditure is calculated as gross capital expenditure (Table 7.6) less capital receipts (Table 7.7). The spending estimates in PESA are consistent with the local authority spending figures published in Scottish Local Government Financial Statistics.² GERS uses the figures from PESA as it converts the Scottish figures from SeRCOP categories³ used by local authorities to the UN COFOG categories used in GERS. A reconciliation between the GERS figures and those published in Scottish Local Government Financial Statistics is published in GERS Table A.10.

Other UK government spending

Spending for other UK government bodies comes from a variety of sources.

Spending on defence, public sector debt interest, and international services, which Scotland is allocated a population share of in GERS, is taken directly from PESA.

Spending by other UK government bodies on other functions for 2022-23 and earlier are based on the Country and Regional Analysis (CRA) database, published by HM Treasury.⁴ In the CRA, UK Government departments and devolved administrations allocate their expenditure programmes to Scotland, Wales, Northern Ireland and the English regions. The CRA uses the total expenditure on services (TES) spending concept to analyze public expenditure by function. Total expenditure on services covers around 90% of total managed expenditure (TME), which is the aggregate measure of public expenditure used in the UK national accounts. Accounting adjustments are used to move from the TES measure to the TME measure.

The CRA separates total public spending into two components:

² <http://www.gov.scot/Topics/Statistics/Browse/Local-Government-Finance/PubScottishLGFStats>

³ [Service Reporting Code of Practice 202223 | CIPFA](#)

⁴ <https://www.gov.uk/government/collections/country-and-regional-analysis>

- Identifiable expenditure: that is expenditure that can be clearly allocated to a country or region in terms of having been spent for the benefit of that country or region; and
- Non-identifiable expenditure: that is expenditure that cannot be identified as benefiting a particular country or region of the UK but is instead incurred on behalf of the UK as a whole.

In GERS, the methodology to apportion non-identifiable expenditure and identifiable expenditure which occurs outside the UK to Scotland varies according to the particular expenditure estimated. The methodologies used are listed in Table 1. Each reflects the approach that is thought to capture most appropriately the ‘who benefits’ principle.

	Non-Identifiable UK Expenditure	Outside the UK
General public services		
Public and common services	Population	Population
International services	Population	Population
Public sector debt interest	Population	n/a
Defence	Population	n/a
Public order and safety	Population	n/a
Economic affairs		
Enterprise and econ development	Population	Population
Science and technology	GVA	Population
Employment policies	n/a	Population
Agriculture, forestry and fisheries	n/a	Population
Transport	GVA	Population
Environment protection ²	GVA & Population	Population
Housing and community amenities	n/a	n/a
Health	n/a	Population
Recreation, culture and religion	Population	Population
Education and training	n/a	Population
Social protection	Population	Population
EU transactions	Population	Population, GNI, & VAT
Accounting adjustments – PSF adjustment	n/a	Various (see section below)

1: Where there is no UK non-identifiable expenditure this is entered as not applicable (n/a).

2: All environment protection expenditure is apportioned on a GVA basis, except UKAEA and BNF expenditure on nuclear decommissioning, which is apportioned on a per capita basis.

Amendments to CRA Data

A number of significant improvements have been made to the CRA database in recent years to apportion expenditure more accurately to countries and regions. While many anomalies in previous editions of the CRA have been addressed and are now reflected in both CRA 2022-23 and this GERS report, a small number of

Detailed Expenditure Methodology

supplementary amendments to the CRA 2022-23 dataset were made in producing GERS. The aim of these refinements was to ensure that the public sector expenditure figure for Scotland captures as accurately as possible expenditure for the benefit of Scotland.

The total amendment made to the CRA in producing this edition of GERS is shown in Table 2 below. In the financial year 2022-23, the figure of total expenditure on services attributed to Scotland in GERS is £152 million lower than the corresponding CRA figure (using default apportionments for non-identifiable expenditure without further consideration, and excluding the adjustments made to EU transactions using data from Scottish Government accounts).

Table 2: Amendments to Estimates of Total Public Sector Expenditure on Services from CRA 2023

	£ million		
	2020-21	2021-22	2022-23
High speed rail	-80	-120	-143
Nuclear related-expenditure	-20	-32	-16
Other minor amendments	0	4	6
Total	-99	-149	-152

High Speed 2

In the Country and Regional Analysis publication, as the complexity of the High Speed 2 has increased, the Department for Transport is no longer able to provide the location of capital spending associated with the project. As capital spend accounts for the majority of High Speed 2 expenditure, and as this expenditure is assumed not to be occurring in Scotland, none of the expenditure associated with High Speed 2 is allocated to Scotland.

In October 2023, the UK Government announced the cancellation of Phase 2 of High Speed 2. This would have delivered further savings to journeys from Scotland, and supports the decision not to allocate High Speed 2 spending to Scotland in GERS.

Nuclear Decommissioning and Related Expenditures

In CRA 2023 expenditure on nuclear decommissioning is classified as identifiable to the region where nuclear facilities are located. However, as discussed in previous editions of GERS,⁵ it is believed that this expenditure is best captured as a non-identifiable expenditure, so nuclear decommissioning and associated expenditure is apportioned on a population basis.

Other Amendments

A number of other minor amendments have been made to the CRA to correct asymmetries in the regional attribution of expenditures related to consumer

⁵ See Box 6.3 in GERS 2008-09: <http://www.gov.scot/Publications/2010/06/22160331/9>

protection, civil aviation, tourism and libraries amongst others. These are discussed further in previous editions of GERS.

Adjustments to CRA Data

The CRA data provide a country and regional breakdown of UK spending on TES, which is broadly consistent with PESA published in July 2023. Since CRA 2022-23, there have been a number of revisions to UK TES, which need to be reflected in GERS spending figures.

Revisions to UK TES come from a number of sources. The majority of revisions relate to 2022-23, and reflect the move from provisional outturn to final outturn for most spend types.

The effect of including these revisions in the Scottish estimate is to decrease the overall estimate of Scottish spending in 2023-23 by £1,729 million, with UK spending revised up by £2,403 million.

	Revision to Scottish spend 2022-23	Share of UK revision
General public services		
Public and common services	-3	7.4%
International services	0	8.2%
Reserved public sector debt interest	-106	8.2%
Defence	0	8.2%
Public order and safety	1	2.3%
Economic affairs	-89	7.7%
Enterprise and economic development	11	8.5%
Science and technology	1	7.5%
Employment policies	-1	0.2%
Agriculture, forestry and fisheries	-2	3.7%
Transport	9	2.4%
Environment protection	0	-1.6%
Housing and community amenities	5	0.2%
Health	17	5.5%
Recreation, culture and religion	0	0.0%
Education and training	-241	7.1%
Social protection	-3	1.4%
Total	-400	14.8%

Other UK Government department spending for Scotland (2023-24)

In 2023-24, there are no CRA data currently available to estimate Scottish spending. The estimate of spending for Scotland by other UK government departments in 2023-24 is produced by taking a share of each department's 2022-23 spending by function. The share of each department's functional spending is shown in Tables 5

Detailed Expenditure Methodology

and 6. In general, these shares are based on the shares of each department's spending apportioned to Scotland in GERS 2022-23.

For social protection, spending by the Department for Work and Pensions and HMRC is estimated directly, rather than being based on the GERS 2022-23 share. Spending by the Department for Work and Pensions is based on in-year reported data for Scotland for the first three-quarters of 2023-24⁶ and UK spending data for the whole year.⁷ Spending by HMRC is based on HMRC spending data⁸ and HMRC geographical award statistics.⁹

Tables 6 and 7 below reflect these additional costs in Scotland's share of each department's expenditure by function, for current and capital spend respectively.

⁶ <https://www.gov.uk/guidance/dwp-benefit-statistics-dissemination-tools>

⁷ <https://www.gov.uk/government/collections/benefit-expenditure-tables>

⁸ <https://www.gov.uk/government/collections/hm-revenue-customs-receipts>

⁹ <https://www.gov.uk/government/organisations/hm-revenue-customs/about/statistics#benefits-and-credits-statistics>

Table 4: share of UK 2023-24 current expenditure on services by department and funtion

	Public and common services	International services	Public sector debt interest	Defence	Public order and safety	Enterprise and economic development	Science and technology	Employment policies	Agriculture, fisheries and forestry	Transport	Environment protection	Housing and community amenities	Health	Recreation, culture and religion	Education	Social protection	EU transactions	Total
Business and Trade	8.0%	0.0%	0.0%	0.0%	0.0%	6.4%	9.1%	6.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.2%	0.0%	7.1%
Cabinet Office	8.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.2%	0.0%	8.1%
Culture, Media and Sport	0.0%	0.0%	0.0%	0.0%	0.0%	11.4%	0.0%	0.0%	0.0%	0.0%	12.0%	2.9%	7.9%	5.5%	0.0%	12.0%	0.0%	6.2%
Defence	0.0%	0.0%	0.0%	8.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	10.8%	0.0%	8.7%	0.0%	8.2%
Education	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.1%	0.0%	0.1%
Energy Security and Net Zero	0.0%	8.1%	0.0%	0.0%	0.0%	8.4%	0.0%	0.0%	0.0%	0.0%	6.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.2%
Environment, Food and Rural Affairs	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	0.0%	-0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%
Foreign, Commonwealth and Development Office	0.0%	8.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.2%	0.0%	8.2%
Health and Social Care	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.0%	0.0%	-2.0%	0.0%	6.2%
HM Revenue and Customs	8.2%	0.0%	0.0%	0.0%	0.0%	5.1%	0.0%	0.0%	0.0%	0.0%	7.5%	0.0%	0.0%	0.0%	0.0%	6.5%	0.0%	8.2%
HM Treasury	8.2%	0.0%	8.2%	0.0%	0.0%	7.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.0%	1.4%	0.2%
Home Office	0.0%	0.0%	0.0%	0.0%	5.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.6%
Housing, Communities and Local Government	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	8.0%	0.0%	0.0%	0.0%	0.4%
Justice	8.0%	0.0%	0.0%	0.0%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	9.0%	0.0%	0.4%
Law Officers Departments	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Northern Ireland	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Science, Innovation and Technology	8.2%	0.0%	0.0%	0.0%	0.0%	0.5%	7.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.6%
Scotland	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	0.0%	100.0%
Single Intelligence Account	0.0%	0.0%	0.0%	8.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.2%
Small and Independent Bodies	6.1%	0.0%	0.0%	0.0%	8.2%	7.2%	0.0%	0.0%	0.0%	10.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.5%
Transport	0.0%	0.0%	0.0%	0.0%	4.7%	0.0%	9.1%	0.0%	0.0%	4.9%	13.7%	0.0%	0.0%	0.0%	0.0%	9.9%	0.0%	4.9%
Wales	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	0.0%	0.0%	0.0%	0.0%
Work and Pensions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	7.8%	7.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	6.5%	0.0%	6.5%
Total	13.6%	8.2%	8.2%	8.2%	15.3%	7.3%	9.2%	7.5%	12.5%	13.7%	11.0%	6.2%	8.5%	8.6%	5.1%	8.2%	1.4%	8.5%

Detailed Expenditure Methodology

	Public and common services	International services	Public sector debt interest	Defence	Public order and safety	Enterprise and economic development	Science and technology	Employment policies	Agriculture, fisheries and forestry	Transport	Environment protection	Housing and community amenities	Health	Recreation, culture and religion	Education	Social protection	EU transactions	Total
Business and Trade	9.9%	0.0%	0.0%	0.0%	0.0%	6.2%	5.7%	6.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	6.4%
Cabinet Office	8.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.2%
Culture, Media and Sport	0.0%	0.0%	0.0%	0.0%	0.0%	11.4%	0.0%	0.0%	0.0%	0.0%	0.0%	8.0%	0.0%	6.3%	0.0%	0.0%	0.0%	6.4%
Defence	0.0%	0.0%	0.0%	8.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.2%
Education	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Energy Security and Net Zero	0.0%	8.2%	0.0%	0.0%	0.0%	8.2%	0.0%	0.0%	0.0%	0.0%	7.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	7.6%
Environment, Food and Rural Affairs	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%
Foreign, Commonwealth and Development Office	8.2%	8.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.2%
Health and Social Care	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
HM Revenue and Customs	8.2%	0.0%	0.0%	0.0%	0.0%	8.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	7.8%	0.0%	7.7%
HM Treasury	8.2%	0.0%	0.0%	0.0%	0.0%	8.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.2%
Home Office	0.0%	0.0%	0.0%	0.0%	5.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.6%
Housing, Communities and Local Government	1.9%	0.0%	0.0%	0.0%	0.0%	-11.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Justice	0.0%	0.0%	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%
Law Officers Departments	0.0%	0.0%	0.0%	0.0%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.6%
Northern Ireland	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Science, Innovation and Technology	8.0%	0.0%	0.0%	0.0%	0.0%	8.3%	7.9%	0.0%	0.0%	0.0%	9.0%	0.0%	8.7%	9.0%	0.0%	0.0%	0.0%	6.2%
Scotland	100.0%	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	0.0%	100.0%
Single Intelligence Account	0.0%	0.0%	0.0%	8.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.2%
Small and Independent Bodies	5.9%	0.0%	0.0%	0.0%	8.2%	7.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.6%
Transport	8.5%	0.0%	0.0%	0.0%	4.7%	6.0%	7.3%	0.0%	0.0%	3.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.4%
Wales	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%	0.0%	0.0%	0.0%	0.0%
Work and Pensions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	7.8%	8.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.9%	0.0%	5.4%
Total	11.6%	8.2%	0.0%	8.2%	8.9%	32.3%	7.7%	8.0%	8.2%	5.4%	8.2%	12.0%	7.6%	7.4%	5.4%	24.0%	0.0%	8.1%

Total Managed Expenditure & Accounting Adjustments

The above has described the methodology for deriving total expenditure on services for Scotland. The primary measure of spending used in the public sector finances is total managed expenditure. In order to present total spending for Scotland on this basis, a number of accounting adjustments are included. These are primarily symmetric with adjustments made to revenue data, and so do not necessarily affect the fiscal balances. The accounting adjustments for Scotland are shown in the table below.

Table 6: Expenditure Accounting Adjustment: Scotland			
	£ million		
	2021-22	2022-23	2023-24
Scottish total managed expenditure (TME)	96,911	104,907	111,230
Scottish total expenditure on services (TES)	88,663	97,588	100,529
Scottish accounting adjustment	8,248	7,318	10,701
Percentage of UK accounting adjustment	8.8%	9.0%	8.8%
of which current expenditure:			
Central government capital consumption	3,108	3,437	3,760
Local government capital consumption	1,655	1,807	1,933
Current VAT refunds	1,886	2,004	2,231
Imputed subsidy from Local Authorities to the Housing Revenue Account ¹	227	326	324
Imputed flows for Renewable Obligation Certificates ²	747	802	906
Local Authority Pensions	28	28	19
British Transport Police Service Agreements	11	7	7
Warm Homes Discount	37	16	16
EU Customs Undervaluation	0	187	0
Current expenditure residual	-125	15	964
of which capital expenditure:			
Capital VAT refunds	248	271	310
Housing associations	0	0	0
Student loans	188	188	188
Capital expenditure residual	238	-1,769	45

¹ The Housing Revenue Account (HRA) is classified as a public corporation by the ONS, which means that they pay dividends on their profits to local authorities. To ensure that these dividends are non-negative, the ONS imputes a subsidy from local authorities to HRAs to cover any shortfall (offset in public corporation gross operating surplus, which scores on the revenue side of the account).

² Renewable Obligation Certificates are bought and sold by energy companies. The ONS has decided that these flows should be channelled through central government and so impute offsetting amounts of spending and income.

Detailed Expenditure Methodology

The table below shows how the accounting adjustments are estimated for Scotland.

Table 7: Apportionments for the expenditure Accounting Adjustments	
Current expenditure:	
Central government capital consumption	Scottish central government capital consumption from ONS Regional Accounts
Local government capital consumption	Scottish local government capital consumption from ONS Regional Accounts
Current VAT refunds	Scottish share of UK government current spending
Imputed subsidy from Local Authorities to the Housing Revenue Account	Scottish share of UK housing revenue account rent
Imputed flows for Renewable Obligation Certificates	Supplied directly by ONS
Local authority pensions	Scottish share of UK public sector GVA
Network Rail	Scottish share of Network Rail Scottish spending from Regulatory Financial Statements
British Transport Police Service Agreements	Scottish share of UK British Transport Police spending
Covid-19 grants to Local Authorities	Scottish Government data for business support grants administered by local authorities
Warm Homes Discount	Scottish share of Warm Homes Discounts payments
EU Customs Undervaluation	Population share
Current expenditure residual	Population share
Capital expenditure:	
Capital VAT refunds	Scottish share of UK government capital spending
Network Rail	Scottish share of Network Rail Scottish spending from Regulatory Financial Statements
Royal Mail Pension Plan	Population share
Housing associations	Outturn data for Scotland
Student loans	Student loans data for Scotland
Capital expenditure residual	Population share

EU transactions and European Union Budget contributions

While a member of the European Union (EU), the UK contributed to the EU budget and received funding from the EU via a number of programmes. Although the UK left the EU on 31 January 2020, it continued to make payments to, and receive funding from, the EU in 2020-21 under transitional arrangements. These transactions largely ended in 2021-22.

Details of how the ongoing EU Transactions are calculated are provided in GERS 2022-23 methodology documents:

[Government Expenditure and Revenue Scotland \(GERS\): detailed methodology 2022-23 - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/gers-2022-23/methodology/documents/gers-2022-23-methodology-detailed-methodology-2022-23-gov.scot/www.gov.scot)